

# Purpose People Planet

Environmental, Social  
& Governance (ESG)  
Report 2022


*Building families and  
helping people live better lives*

**FERRING**  
PHARMACEUTICALS



This report describes our Environmental, Social and Governance (ESG) progress in 2022 and our future ambitions.

**Quiz**  
ESG Report 2022



Participate in our quiz, for your chance to win.

Test your knowledge to win a nature photography book "A tribute to Mother Earth" and a symbolic gift to an agreed association

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# Welcome from our Executive Chairman



At the same time, we recognise that every organisation's Environmental, Social and Governance (ESG) performance is facing higher expectations and closer scrutiny from external stakeholders and society at large, not to mention its own employees. In light of this, we are constantly striving to take Ferring's commitment to ESG to the next level.

I welcome the opportunity provided by this ESG Report to highlight the tremendous collection of data during 2022, in addition to the progress we have made in areas such as employee engagement, access and affordability of treatments, diversity, equity and inclusion.

I am confident that we will achieve even more striking results in 2023, as we pursue our mission to build families and help people live better lives, and in so doing, to make the world a better place for all.

Lars Rebien Sørensen  
Executive Chairman

Ferring has always maintained the highest ethical standards, as befits our mission to become the world-leading, most trusted company in the field of reproductive medicine and maternal health, with a growing presence in gastroenterology and urology.

Our commitment to environmental and social responsibility, and to transparent and accountable governance, has been part of the company's DNA ever since it was founded more than 70 years ago.

**4.18**  
With a global mean figure of 4.18 for engagement, Ferring has earned an elite Gallup Exceptional Workplace Award, making a real difference to how employees experience work and life.

**26**  
As part of our global benefits package, our employees benefit from 26 weeks' paid leave for both parents, ensuring equal opportunities and making no assumptions about parental roles and responsibilities.

**280k**  
Ferring delivered over 280,000 doses of Carbetocin to 12 low and lower-middle income countries at an affordable and sustainable price, supporting the prevention of postpartum haemorrhage.

**80%**  
Ferring invested in an extensive data collection project, calculating 80% of global scope 1 and 2 carbon emissions to establish our 2021 baseline.

# Welcome from our President



of the human microbiome to treat *Clostridioides difficile* (*C. diff*) infection, while Adstiladrin® is a first-in-class gene therapy which offers a novel approach to treating a severe form of bladder cancer.

As this report explains, these successes were matched by significant progress in the field of ESG. In 2022, we launched a series of far-reaching initiatives including an independent human rights risk assessment, a strategic plan for bioethics, and a quality risk register to ensure our medicines meet the highest standards of safety and efficacy. We also embarked on a programme to support families and children threatened by war in Ukraine.

One of our flagship ESG programmes is #ProjectFamily: Safe Birth under which we supply Carbetocin Ferring, our heat-stable medicine for preventing postpartum haemorrhage, to women in low- and lower middle-income countries with a sustainable access price. In 2022, we delivered more than 280,000 doses to 12 countries, while Carbetocin Ferring became our first product to gain prequalification status from the World Health Organization, facilitating even wider access.

Good ESG practice begins at home, and in 2022 we introduced a global benefits package for our employees called Building Families at Ferring, including generous financial benefits and a minimum of 26 weeks' parental paid leave. Our high levels of employee engagement were recognised with a Gallup Exceptional Workplace Award, placing Ferring among an elite group of global organisations.

Efforts to reduce the company's environmental impact also took a major step forward in 2022 with the launch of a data collection project to establish baseline levels of scope 1, 2 and 3 greenhouse gas emissions. This will enable us to set carbon reduction targets and measure our progress in years to come. It is one of many measures which demonstrate our determination to pursue greater sustainability, and to exemplify the highest standards of corporate citizenship in every aspect of our activities.

Per Falk  
President

In many respects, 2022 was a year of unique achievements for Ferring.

We made a leap forward in innovation with the approval by the US Food and Drug Administration (FDA) of two ground-breaking therapies which could transform the future direction of the company. At the same time, we took further important steps towards embedding sustainability throughout the organisation.

From a business perspective, the highlight of 2022 was the approval of two therapies within a few weeks by the US FDA. The microbiota-based live biotherapeutic Rebyota™ could start to unlock the clinical potential

# Ferring Philosophy

## People come first at Ferring because:

Patients using our products and physicians prescribing them have a right to expect that:

- we will only make available those products in which we have full confidence;
- we will offer the best possible products at the most reasonable cost;
- Ferring's employees will always display courtesy and respect, and act professionally.

Ferring seeks the loyalty of these patients and physicians, and we are prepared to earn this loyalty anew every day.

Ferring expects that its employees will create value for the company and its stakeholders.

Ferring employees, at all levels, have a right to expect from the company and their colleagues:

- respect, support and encouragement;
- a work environment that is safe, stimulating and rewarding;

- the freedom to make mistakes and to admit to them without fear of retribution;
- that the highest standards of integrity will be maintained at all times;
- that colleagues will never knowingly do anything to compromise their position as Ferring employees;
- that all who represent Ferring will do so in ways that generate respect for the company and its employees.

## Ferring asks its employees to:

- always do what is right, proper and ethical, and encourage your colleagues to do so;
- speak out when you think that wrongs are being committed in Ferring's name;
- be loyal, but only to that which is just, equitable, honourable and principled – and true to the Ferring philosophy.

No statement of principled behaviour can ever cover every situation, or deal with every contingency. It can only set the tone, making each individual responsible for applying that tone to his or her everyday practice. We strive to set that tone with five simple words:

*People come first at Ferring.*

# Ferring Mission

Driven by its entrepreneurial spirit and enabled by a decentralised organisational setup, Ferring will harness its world-class competencies in science and business with other innovative technologies to create solutions for patients and doctors.

Ferring will be the world-leading, most trusted healthcare company in reproductive medicine and maternal health, and a leader in specialty areas within gastroenterology and urology.

Each of us at Ferring will contribute to providing innovative solutions to help people live better lives. We will devote significant research and development investment to new therapeutics, life cycle management and next generation healthcare solutions.

As a privately-owned, specialist healthcare company that operates globally, Ferring will grow revenues at a rate that is 50% faster than the industry average. We will strive for efficiencies in our business and in our operations and create flexibility to invest in opportunities to build our future.

We are, and continue to be, part of a transparent and aligned company. We strive to best address the needs of patients, stakeholders and customers by collaborating across functions, experimenting and sharing our practices, and continuously learning. We are always guided by the Ferring Philosophy.

## Ferring Ethics

To complement our Ferring Philosophy, our Code of Conduct instructs us in specific situations and ensures that everyone complies with the law, industry codes, Ferring's standards, policies, and internal rules. It provides clear guidelines of expected behaviour in the workplace and helps us to always act with integrity. In 2022, we launched a new curriculum which will deepen understanding on specific topics within the Code of Conduct, starting with Respectful Workplace Behaviours & Virtual Harassment.

We now have a fully automated system to facilitate and record the disclosure of **Conflicts of Interest** ("COI") in a convenient and secure manner. All new employees and senior leaders are required to complete the COI form, and this will become a mandatory task for all existing employees.

We continue to run a confidential **AlertLine**, operated by an independent third-party provider, for the reporting of known or suspected workplace violations of the Ferring Philosophy or Code of Conduct. The Ferring AlertLine, is available 24 hours a day, 7 days a week and in the language of all countries in which we operate.



Dominic Moorhead  
Executive Vice President  
Chief Financial Officer

Sustained financial performance is only possible if grounded in solid ESG behaviours. These behaviours align under our three focal pillars: Purpose, People, Planet which, in turn, continue to provide clear guidance and direction.



## Introduction to our ESG report

**Ferring's reputation is determined not just by our financial performance and record of product innovation, but also by our adherence to ethical standards, the contribution we make to society, and our commitment to environmental sustainability.**

As Chief Financial Officer, I recognise that all these aspects are crucial for Ferring's success. New approvals and current products drive performance, enabling us to deliver on our purpose of building families and helping people live better lives. At the same time, embracing the multiple facets of ESG ensures we are a responsible business by maximising our contribution to society and minimising our impact on the planet's ecosystems.

In 2022, we expanded Ferring's Sustainability Report into an ESG Report, providing the first comprehensive overview of our achievements and goals in this field. This highlighted the findings of an independent materiality assessment conducted in 2021, which identified the key ESG topics for Ferring and established priorities, targets and metrics to track progress.

The assessment followed the principle of double materiality, examining firstly how sustainability issues affect the

company, and secondly the impact of our operations on people and the environment. One year on, we are pleased to present in this report, tangible evidence of the progress we have made in our key material topics.

Our activities have received added impetus from changes to the reporting landscape, with new regulatory requirements in the European Union and Switzerland to ensure holistic reporting of companies' financial and non-financial performance. We view this as an opportunity to improve our record of sustainability, and plan to strengthen our capabilities to capture, analyse and report on ESG data even more effectively in future.

Beyond these requirements, we continue to be a proud participant in the world's largest corporate sustainability initiative, the United Nations Global Compact, providing further evidence of our determination to operate in a responsible, ethical and sustainable way.

### Purpose

Ensuring responsible and ethical business governance to advance our mission to build families and help people live better lives.

**Purpose & governance**

### People

Creating value for society by positively impacting the communities in which we operate, while safeguarding health and wellbeing of our patients and employees.

**People & society**

### Planet

Protecting the environment by minimising our negative impacts to contribute to a better future.

**Planet & environment**

# ESG



# Our sustainability statement

Our sustainability vision is guided by the Ferring Philosophy, which means placing people at the heart of our business in a culture based on respect, integrity and doing the right thing. In our mission to become the world-leading, most trusted healthcare company in reproductive medicine and maternal health, and a leader in specialty areas within gastroenterology and urology, we are committed to conducting a responsible business and achieving sustainable growth built on our core values and strong ethical heritage. Guided by our commitment to the Sustainable Development Goals in pursuit of a better future for all, our approach is focused on three pillars: Purpose, People and Planet.

**Purpose:**  
ensuring responsible and ethical business governance to advance our mission to build families and help people live better lives.

**People:**  
creating value for society by positively impacting the communities in which we operate, while safeguarding the health and wellbeing of our patients and employees.

**Planet:**  
protecting the environment by minimising our negative impacts to contribute to a better future.

Our commitment will be driven by an integrated strategy with clear, impactful and measurable goals to ensure we can demonstrate progress to our stakeholders. We will harness our scientific expertise and research to continually improve the outlook for our patients.

We will advance our sustainability vision to contribute to a fair and inclusive society and to protect the planet, creating a better future for the generations to come and strengthening our mission to build families and help people live better lives.





# Materiality

A commitment to materiality is the principle of defining the environmental, social and governance (ESG) topics that matter most to our business in order to establish priorities, increase accountability and drive action.

# Determining most relevant ESG topics



In 2021, Ferring engaged independent sustainability experts to carry out a double materiality assessment to identify ESG topics most relevant to the business.

Undertaking a materiality assessment provides an impartial and clear basis to guide priorities, develop achievable targets and establish reportable metrics to monitor progress.

The concept of double materiality has been integrated into European and Swiss legislation and is reflected in the forthcoming EU Corporate Sustainability Reporting Directive (CSRD). When this comes into effect, many companies, including Ferring, will be required to incorporate double materiality into their ESG reporting.

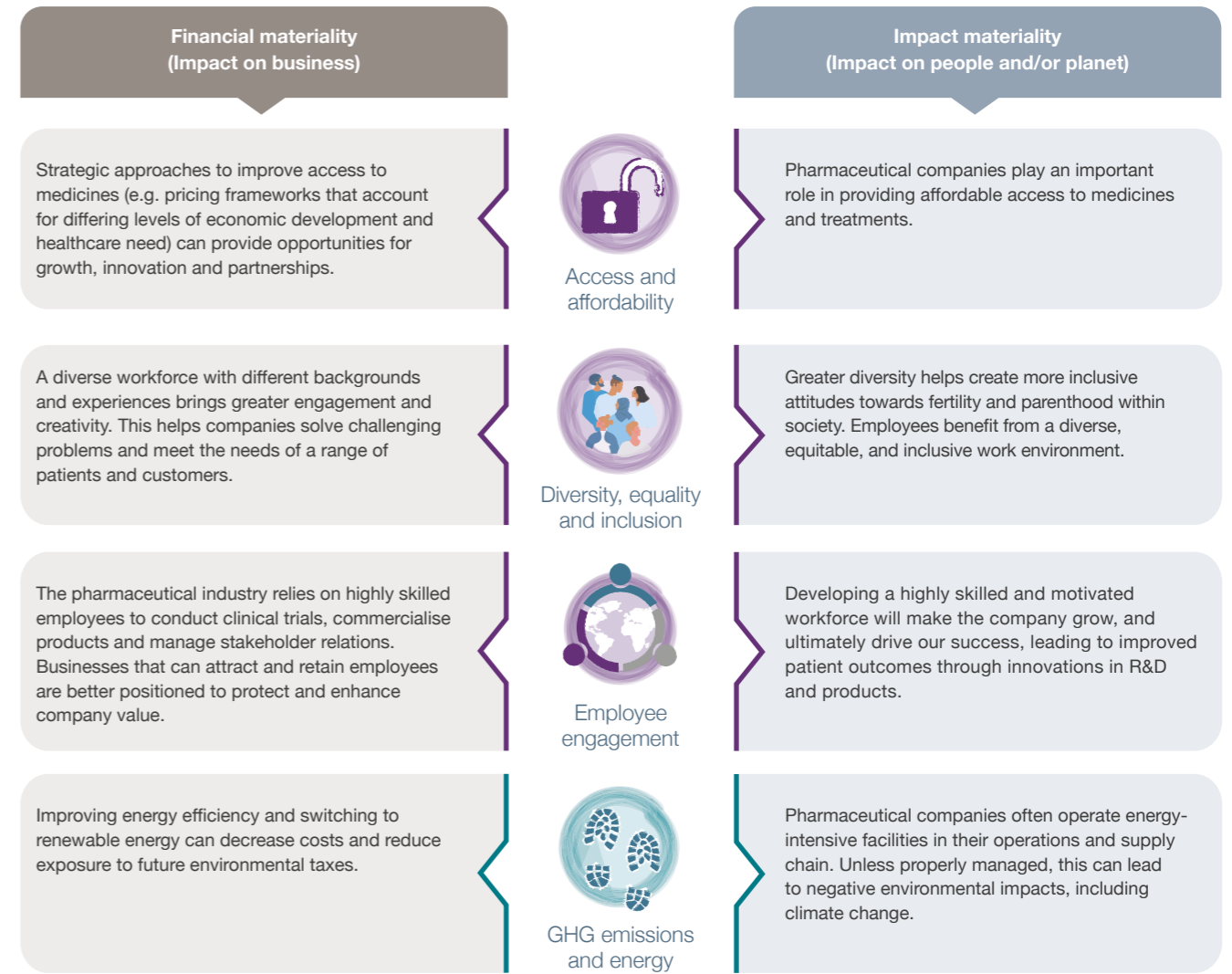
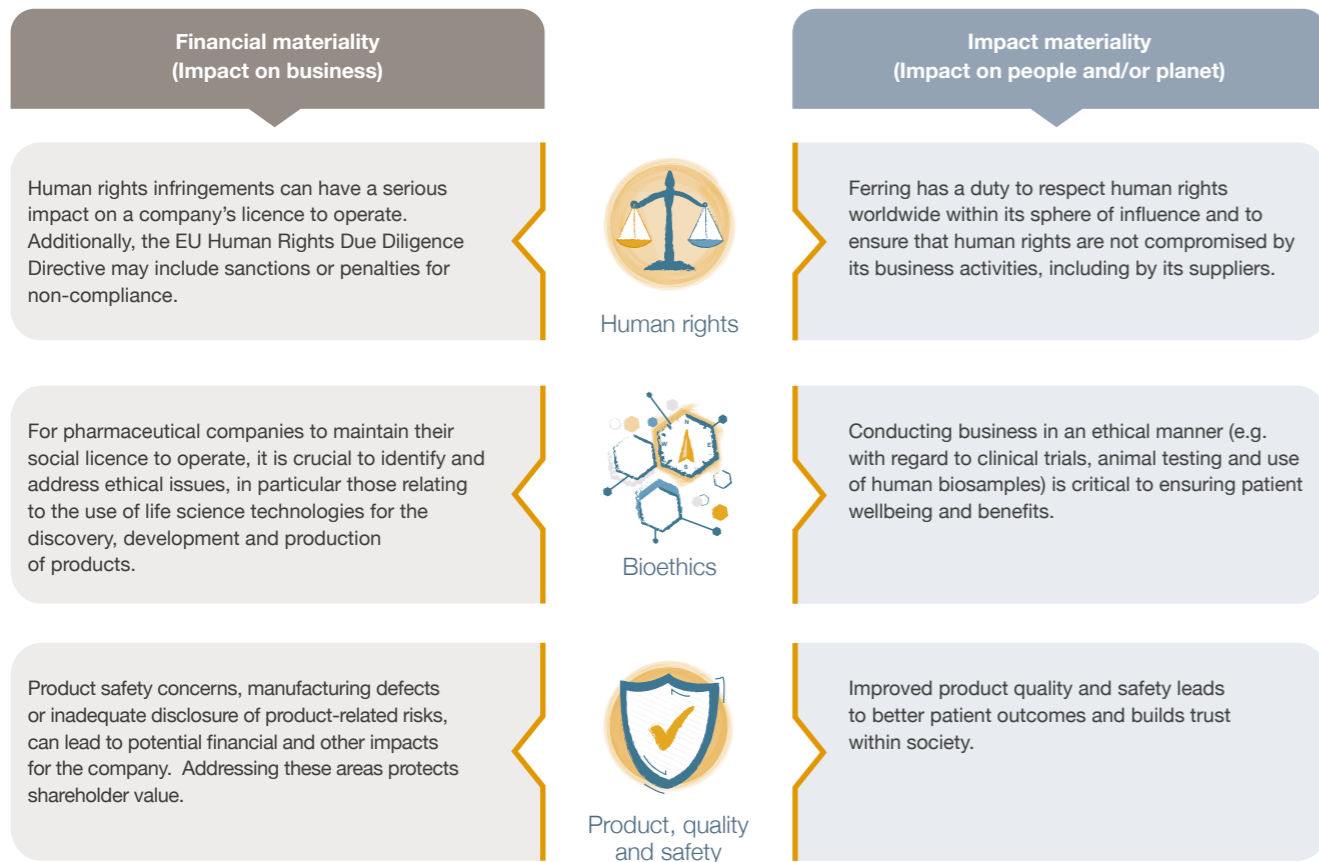
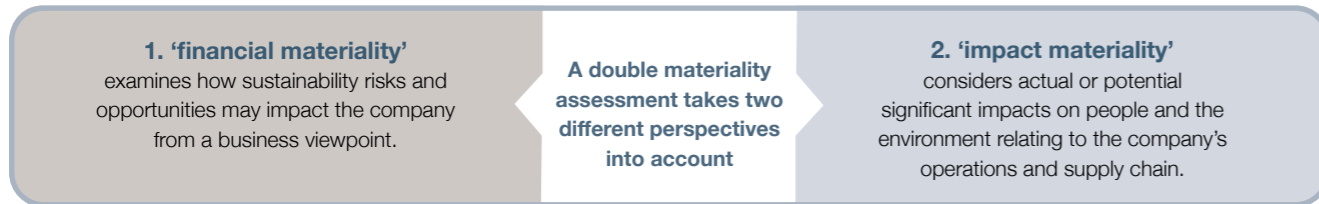
## The analysis involved four steps:

-  **1**  
documents and policies  
review of documents and policies available, both internally and publicly, to provide a deeper understanding of our initial approach to ESG
-  **2**  
regulatory and disclosure requirements  
mapping of current and anticipated regulatory and disclosure requirements, to provide a fuller understanding of our compliance obligations
-  **3**  
peer benchmarking  
review of eight biopharma companies, to provide a clear picture of our position in comparison to peers and insight into industry trends and good practice ESG disclosures
-  **4**  
stakeholder engagement  
interviews with key internal stakeholders from across the business to generate engagement and identify key areas of focus



# Key ESG material topics

The materiality assessment report highlighted the key material topics for Ferring and provided a solid foundation upon which to build an ESG strategy and reporting framework.



# Linking our ESG priorities to the UN's Sustainable Development Goals

The United Nations Global Compact is the largest corporate sustainability initiative in the world, aimed at mobilising businesses and organisations to adopt sustainable and socially responsible policies and practices.

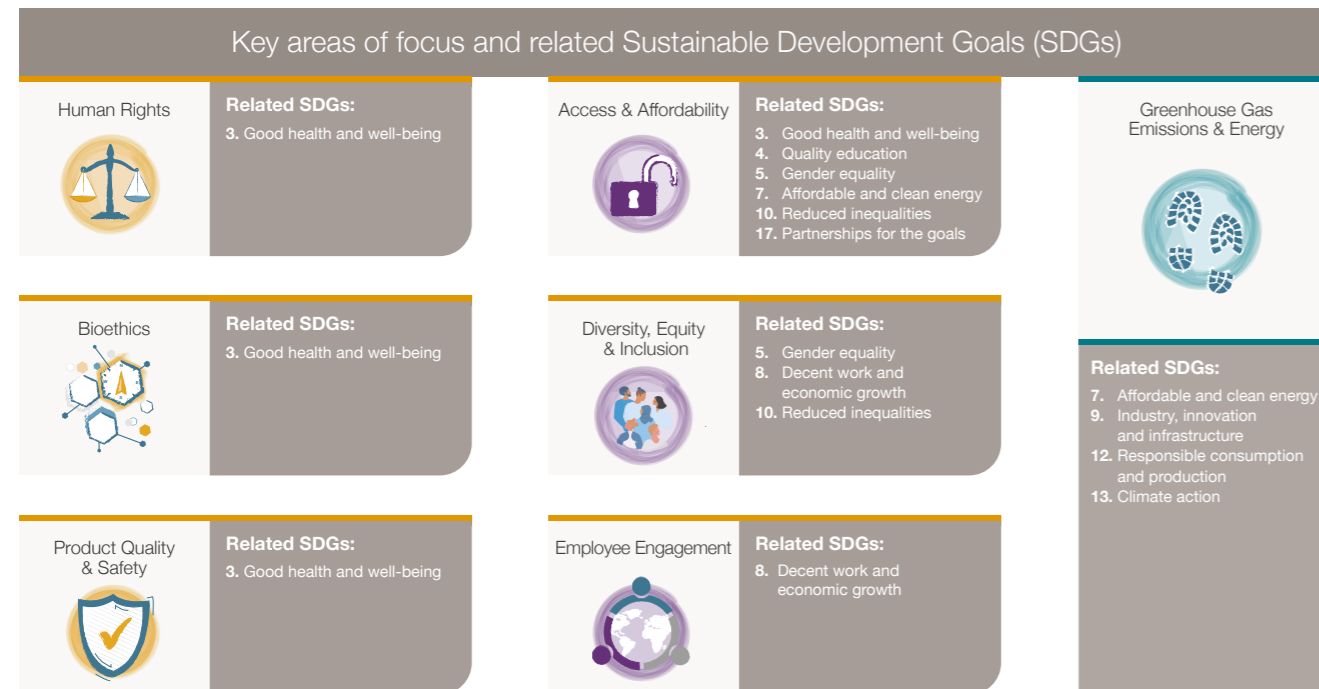
As a voluntary member since 2016, Ferring has adopted the UN Global Compact framework to align our strategies and operations with the 10 principles in the areas of human rights, labour, environment, and anti-corruption.

The UN Global Compact encourages businesses to integrate the UN Sustainable Development Goals (SDGs) into their strategy, set targets, and report on progress.

Launched in 2015, the 17 UN SDGs define global sustainable development priorities and aspirations up to 2030, and seek to mobilise global efforts around a common set of goals and targets. The SDGs explicitly call on businesses to apply their creativity and innovation to solving sustainable development challenges.

The ambitious SDG targets cover a wide range of interconnected issues including poverty, hunger, health, education, gender equality, clean energy, responsible consumption, climate action, and more. If the goals are met, they will ensure the health, safety, and future of the planet for everyone living on it.

By aligning our actions with the SDGs, Ferring can contribute to sustainable development and address societal challenges while also creating value for our business.



## The Ten Principles of the UN Global Compact

### Human rights

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:** make sure that they are not complicit in human rights abuses.

### Labour

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** the elimination of all forms of forced and compulsory labour;

**Principle 5:** the effective abolition of child labour; and

**Principle 6:** the elimination of discrimination in respect of employment and occupation.

### Environment

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

**Principle 8:** undertake initiatives to promote greater environmental responsibility; and

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

### Anti-corruption

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

# SUSTAINABLE DEVELOPMENT GOALS



**1. No poverty:** End poverty in all its forms everywhere



**2. Zero hunger:** End hunger, achieve food security and improved nutrition and promote sustainable agriculture



**3. Good health and well-being:** Ensure healthy lives and promote well-being for all at all ages



**4. Quality education:** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



**5. Gender Equality:** Achieve gender equality and empower all women and girls



**6. Clean water and sanitation:** Ensure availability and sustainable management of water and sanitation for all



**7. Affordable and clean energy:** Ensure access to affordable, reliable, sustainable and modern energy for all



**8. Decent work and economic growth:** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



**9. Industry, innovation and infrastructure:** Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



**10. Reduced inequalities:** Reduce inequality within and among countries



**11. Sustainable cities and communities:** Make cities and human settlements inclusive, safe, resilient and sustainable



**12. Responsible consumption and production:** Ensure sustainable consumption and production patterns



**13. Climate action:** Take urgent action to combat climate change and its impacts



**14. Life below water:** Conserve and sustainably use the oceans, seas and marine resources for sustainable development



**15. Life on land:** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



**16. Peace, justice and strong institutions:** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



**17. Partnerships for the goals:** Strengthen the means of implementation and revitalise the global partnership for sustainable development



# Purpose

Ensuring responsible and ethical business governance to advance our mission to build families and help people live better lives.



# Human rights



Applying the findings of a comprehensive review to strive to ensure we respect the human rights of patients, employees, value chain workers and the communities where we operate



Jane Compostella  
ESG & Sustainability  
Manager

Human rights are basic rights and freedoms that belong to everyone and I'm proud that Ferring is committed to upholding to the Ten Principles of the UN Global Compact and the Sustainable Development Goals.



## Summary

Ferring has an overriding duty to respect human rights in every aspect of its operations, and if an issue arises, to remedy, mitigate and take action to prevent repetition.

In 2022, we instructed independent third-party experts to conduct a rigorous and comprehensive Human Rights Risk Assessment (HRRA) using a four-step methodology:

- Identify key areas involving human rights at Ferring.
- Determine potential scenarios where human rights could be adversely impacted.
- Prioritise these in terms of likelihood and potential impact.
- Select priority areas for immediate action.

The HRRA identified a range of potential human rights issues in a number of categories covering almost every area of Ferring's activities. A series of recommendations were made for each one, and we have begun prioritising action plans for those with the highest likelihood and greatest potential impact. We will work progressively through all the categories to reinforce human rights protections and avoid or remedy any human rights areas of focus.

Many of these categories are covered elsewhere in this report, including research practices, patient safety, access to treatments, diversity, equity and inclusion, employee health and safety, and social and environmental impact of production.



## 2023 Targets

- Work progressively through **all categories of human rights issues** identified by the HRRA.
- Prioritise the most important areas of focus, consider recommendations, and **agree action plans** for implementation.
- Develop an overarching **human rights position paper** setting out our general approach across every aspect of Ferring's operations.
- Facilitate "**access to remedy**" via the AlertLine on the global website for non-Ferring parties.
- Maintain our commitment to **responsible supplier selection** by achieving our goal of applying the SSM to 90% of new contracts with a value of more than €1m.

Other areas highlighted in the HRRA included privacy, and access to remedy, in other words the provision of an AlertLine on the intranet which allows anyone to notify potential breaches of compliance relating to human rights at Ferring. Every case highlighted in this way must be fully documented, investigated, and resolved.

The final category covered by the HRRA relates to value chain working conditions, and we expect suppliers

to comply with Ferring's standards on human and labour rights, anti-corruption, and the environment. Our Supplier Conduct Principles set out the expectations for all suppliers who conduct business with Ferring, and our Supplier Selection Matrix (SSM) is used by purchasing managers to evaluate potential partners and ensure compliance. In 2022, we made progress towards our goal of applying the SSM to 90% of new contracts with a value of more than €1 million. We are committed to achieving this target in 2023.

## Achievements

- ★ Commissioned an independent and comprehensive **Human Rights Risk Assessment** to provide a strong foundation on which to build a governance framework.
- ★ Ensured our '**access to remedy**' AlertLine is open to non-Ferring parties.



# Human rights – protecting health & safety



Enforcing safety procedures and increasing awareness to maintain our safety culture and hit annual targets



Nathalie Argentin  
Senior Manager  
Global Industrial Hygiene

At Ferring, people come first and I'm proud to provide my knowledge to protect people's health and safety at work so that everyone goes back home in good health each day.



## Summary

We care deeply about the wellbeing of our employees and seek to ensure they work in a safe and healthy environment at all times.

In 2022, we conducted a number of initiatives with the goal of improving employee safety, building on programmes conducted in recent years. However, the lost time incident rate (LTIR) for our global manufacturing network increased to 1.05 in 2022 (see Fig. 1\* with details in Fig. 2\*). Fortunately, most of the reported incidents were classified as minor. We will initiate further programmes and activities in 2023 to drive home the importance of employee safety with a view to reducing the LTIR to the annual target of 0.5.

One particular area of concern is the handling of chemicals or active pharmaceutical ingredients during

the production of our medicines. Our safety database shows that exposure to, or contact with, harmful substances was the third most frequent type of incident recorded in 2022, representing 15.5% of cases (see Fig. 2\*). This has increased as a proportion of all reported incidents (see Fig. 3\*).

In 2022 we carried out a thorough chemical risk assessment and are implementing procedures and action plans to minimise any potential health impact on employees. We also developed a software program called FERIHCS which helps to protect employees by assessing their exposure to potentially harmful substances. The program is being widely shared so other pharmaceutical companies can also benefit from our work.

(\* Fig. 1, 2 & 3 are overpage)

## Achievements

- ★ Conducted safety culture maturity assessments (SCMA) by external experts at four more Ferring sites worldwide. These assessments are designed to ensure safety is deeply embedded into an organisation's culture and practices.
- ★ Reinforced understanding of hazards relating to our APIs, based on global guidelines, and ensuring compliance with local regulatory, environmental health and safety requirements.
- ★ Developed exposure management software called FERIHCS to define controls for new lines and ensure employees are well protected. This was done in collaboration with another pharmaceutical company and is being widely shared so other organisations can benefit from our work.
- ★ Rolled out a 'Chemical risk e-learning for laboratories' training course for lab staff to ensure a consistent level of knowledge across all sites.



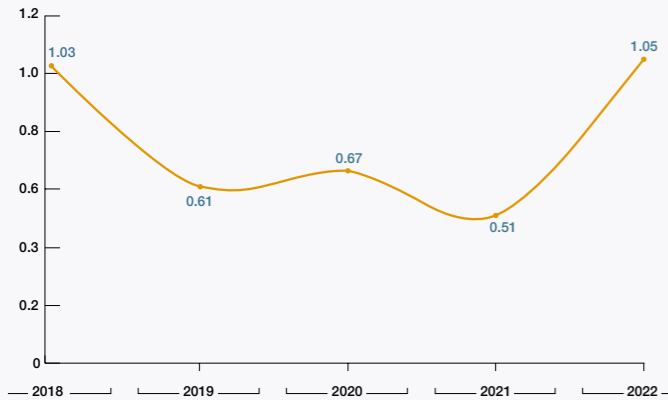


# Human rights

## – protecting health & safety

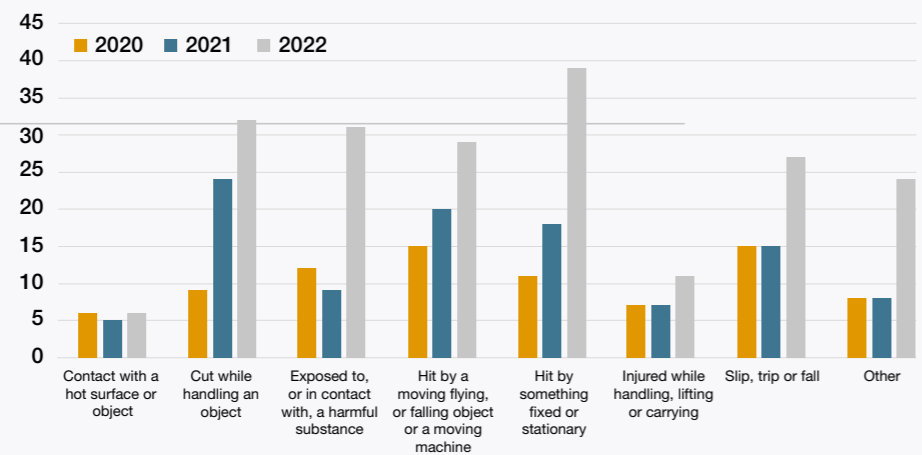


### Key data



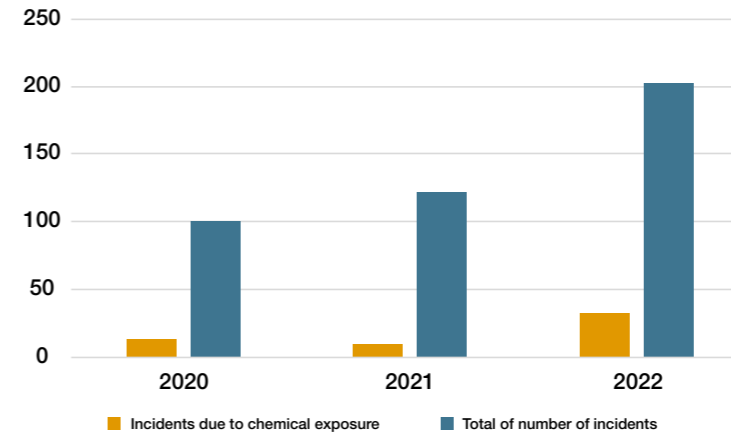
(Fig. 1). Evolution of LTIR in Ferring's global manufacturing network

Lost time case rate (2018 – 2022)



(Fig. 2). Types of incidents at Ferring

(Fig. 3). Growing importance of chemical exposure as a proportion of all reported incidents



### 2023 Targets

- Maintain progress on safety culture to reduce LTIR and achieve our annual target of 0.5.**
  - potential risks before starting work and taking appropriate corrective measures if an incident occurs.
  - staff, ensuring all employees who handle chemicals and APIs receive the best possible safety training.
- Continue safety awareness programmes such as Leadership Through Safety, designed to ensure all employees understand their role in maintaining workplace safety.**
  - Consolidate outcomes of the SCMA programme to implement possible synergies and action plans, aiming to ensure safety is integral to our organisational culture and to maximise employee empowerment.
  - Outsource the management of safety data sheets, which are required to provide safety information on every chemical product. Outsourcing this activity ensures these mandatory documents are constantly updated in line with legal requirements.
- Initiate hazard awareness initiatives to ensure employees proactively focus on identifying and mitigating**
  - Adapt the 'Chemical risk e-learning' course for use by non-laboratory



# Human rights – privacy



Staying ahead of new technologies and regulations while providing innovative solutions for patients and physicians



Margret Huschmann  
Associate Director  
Head of Global Privacy

Privacy and data protection are the keystones of trust and integrity, ensuring individual's freedom and safeguarding against unwarranted intrusion. At Ferring, we cherish privacy, to foster a culture built on trust, transparency, and respect for everyone's fundamental rights.



## Summary

Ferring continuously monitors the evolving landscape of privacy and regulatory requirements to ensure we handle and protect personal data in line with national laws and continue to hold the trust of patients and doctors. Robust processes are in place to ensure accountability by maintaining an overview of systems and data flows and responding swiftly to requests from subjects. This was identified as a priority area in the Human Rights Risk Assessment conducted for Ferring by independent experts in 2022.

Having previously established a Global Privacy Programme including privacy governance, the Group Privacy Officer has been working with a dedicated team supported by local privacy ambassadors. They have launched a series of initiatives to strengthen the Global Privacy Programme and build a culture of trust, with a strong focus on advancing cross-functionally in the areas of data governance and retention, data ethics and vendor due diligence.

“ Robust processes are in place to ensure accountability by maintaining an overview of systems and data flows. ”

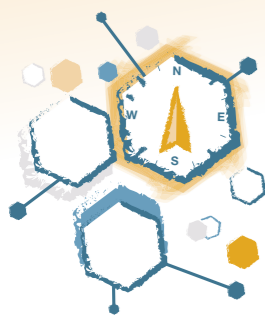
## ★ Achievements

- ★ Conducted **data flow and privacy assessments** to ensure we comply with all documentation requirements, and to identify and mitigate any privacy risks.
- ★ Improved the current technical set-up by developing a new **global consent management framework** to increase transparency and accountability.
- ★ Updated contracts to include **privacy agreements** in line with revised data transfer requirements.
- ★ Initiated **data retention and data ethics projects**, and built a strong collaboration, to ensure privacy is protected in the digital space.

## 🎯 2023 Targets

- Continue our privacy journey by further **strengthening processes and systems** in a number of key areas.
- **Finalise data governance roadmap** and start implementation.
- Introduce a framework for **vendor due diligence**.





# Bioethics

Dedicated to addressing the bioethical principles that are the foundation of medicine and healthcare



Brian Clark  
Senior Director Bioethics  
Chief Medical Office

In 2022, we laid the foundations that will underpin our rigorous approach to bioethics. By establishing our Global Bioethics Department and developing both immediate and longer-term plans, we now have the focus and pathway that will ensure even stronger performance in this area.



## Summary

Advances in science and technology offer unparalleled opportunities to improve health and combat disease. However, they also give rise to new and increasingly complex ethical dilemmas. The term bioethics refers to the ethical principles and issues relating to biology, medicine and healthcare.

We constantly take account of these questions as we conduct research and development and evaluate the impact of our therapies on individuals, society and the natural world.

Ferring is a company with a strong heritage and values, and we have always placed ethical considerations at the heart of everything we do. As the company expands, we have focused on formalising our approach to bioethics. In 2022, we established a Global Bioethics Department and appointed a senior bioethics director to promote

the awareness and understanding of bioethical practices within Ferring. We introduced a bioethics governance framework to formalise senior management oversight, and developed a three-year strategic plan to provide overall direction.

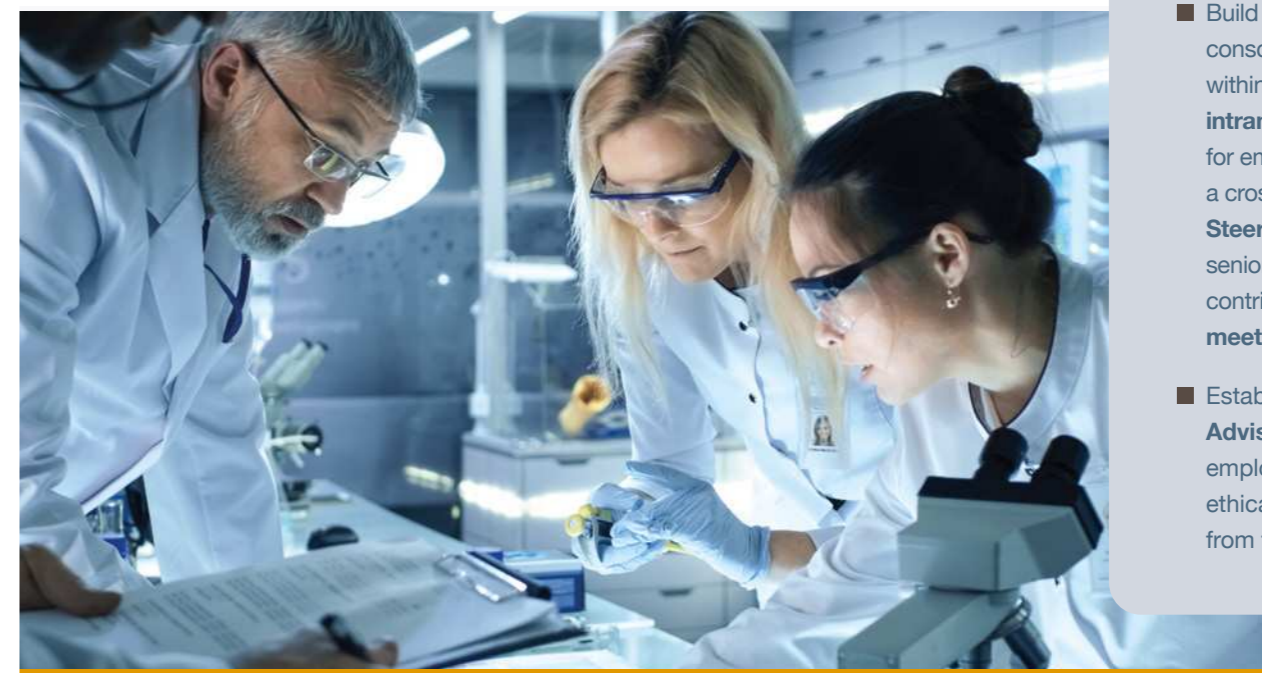
We also developed the first of a series of subject-specific bioethics policy statements. In 2023 we will prepare more of these statements, together with an overarching bioethics policy to define our position on existing and emerging bioethics issues. We will roll out an ambitious programme of initiatives including an intranet site, Bioethics Steering Committee and Bioethics Advisory Service to demonstrate our commitment and ensure consistent application of bioethical principles by all employees and senior management.

## Achievements

- ★ Established a **Global Bioethics Department** to address ethical questions, and appointed a **senior director** to lead bioethics initiatives, reporting to the Chief Medical Officer.
- ★ Designed a **bioethics governance framework** and defined the roles and responsibilities of the Global Bioethics Department, Global Ethics Office and ESG team.
- ★ Developed a **three-year strategic plan** to provide direction for Ferring's bioethics activities.
- ★ Published the first **bioethics policy statement** governing ethical issues relating to the acquisition and use of biosamples.

## 2023 Targets

- Implement an **overarching bioethics policy**, and publish further subject-specific policy statements on priority topics including animal welfare and reproductive medicine and maternal health.
- Develop meaningful criteria and establish baselines for **measuring bioethics performance**.
- Build bioethics consciousness and culture within Ferring by creating an **intranet site** with information for employees, establishing a cross-functional **Bioethics Steering Committee** for senior leaders, and contributing to **internal meetings** to raise awareness.
- Establish a **Bioethics Advisory Service** to help employees resolve any ethical dilemmas arising from their work.







# Product quality and safety



Maintaining constant vigilance to maintain the safety, efficacy and quality of our medicines for patients, physicians and clinical trial participants



Laurent Faboux  
Senior Vice President  
Global Quality Assurance

Patients using our products and physicians prescribing them have a right to expect that we will only make available those products in which we have full confidence. This is the foundation of our Quality Policy.



## Summary

As the Ferring Philosophy states, patients using our products and the physicians prescribing them have the right to expect that we will only make available those products in which we have full confidence, and Ferring is committed to the development, production and commercialisation of safe and effective products and services that meet the needs and expectations of our patients, customers, regulators and health care professionals.

Pharmaceutical research and development is only possible thanks to the support of volunteers who participate in our clinical trials. It is vital that we safeguard them by monitoring the safety, efficacy and quality of the therapies that are being investigated. We thoroughly monitor any unintended effects throughout the development process.

When new treatments are manufactured and distributed, our quality assurance programmes are key to ensuring they meet the highest health and safety standards. For all Ferring's marketed medicines, we continuously monitor and assess any possible side effects to update information on our products.

The key role of Global Quality Assurance is to develop and implement a quality culture to support the safety, efficacy, and quality of our products through corporate quality standards. Founded on core quality elements and an integrated approach, the Ferring Quality Management System enables us to achieve product realisation, maintain a state of control and facilitate continual improvement of process performance and product quality.

## Achievements

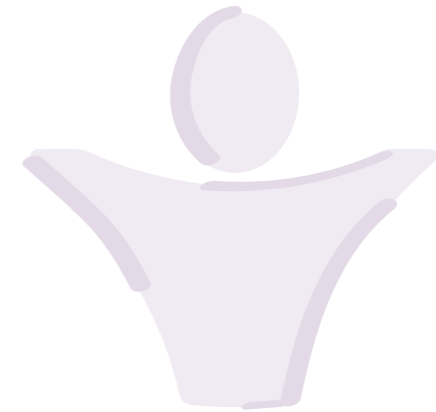
- ★ Maintained our commitment to Ferring's **global pharmacovigilance system** which collects and assesses safety information on all our products. This enables the safe use of our medicines, protecting patients and complying with internal and external requirements.
- ★ Introduced a **Quality Risk Register** to enable standardised assessment of risks across the entire organisation, with escalation of key issues to senior management.
- ★ Achieved a **12% reduction in quality incidents** compared to 2021, demonstrating the effectiveness of the Quality Risk Register.

In 2022, we overcame challenges after being made aware that a supplier had made changes to the manufacturing process for the drug substance in Menopur®, one of our leading products for the treatment of infertility. We notified relevant health authorities and worked with them to resolve the issue as quickly as possible. This resulted in some supply constraints, although no impact has been identified on the safety or efficacy of Menopur®.

## 2023 Targets

- **Identify metrics and establish baselines** to monitor progress in addressing any future product quality and safety issues.





# People

Creating value for society by positively impacting the communities in which we operate, while safeguarding the health and wellbeing of our patients and employees.



# Access and affordability – of healthcare



Expanding our initiatives to improve understanding, awareness, and access to better treatment for all on their family-building journey



Bhavin Vaid  
Head of Corporate Communications, Public Affairs & #ProjectFamily: Safe Birth

We are committed to reducing maternal mortality around the world through sustainable access to heat-stable carbetocin. In 2022, Carbetocin Ferring was delivered to 12 countries, including Nigeria that has one of the highest rates of PPH in the world.



## Summary

Equity in public health depends on access to medicines for all. The World Health Organization (WHO) states that essential medicines should be always available in adequate amounts and appropriate dosage forms, with assured quality and proper information, and at a price the individual and community can afford<sup>1</sup>. However, access to medicines can be limited due to unstable distribution channels, inefficient health systems and corruption, with vulnerable and disadvantaged populations particularly at risk.

Although nation states bear the primary responsibility in this regard, pharmaceutical companies also have a duty to implement strategies that will increase access to their medicines. Ferring strives to be

the world-leading, most trusted company in reproductive medicine and maternal health, and we have launched a series of initiatives to promote the access and affordability of our therapies.

We are especially proud that Carbetocin Ferring, our heat-stable formulation of carbetocin for the prevention of post-partum haemorrhage (PPH), has been included in the WHO's list of essential medicines, we have begun a programme to make it available in the public sector of all low and lower-middle income countries.

### REFERENCE

<sup>1</sup> <https://www.emro.who.int/essential-medicines/strategy-policy/>. Last accessed March 30, 2023.



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## Achievements

- ★ **#ProjectFamily: Safe Birth**  
Heat-stable carbetocin was registered in another six African countries and became the first Ferring product to gain prequalification status from the World Health Organization. This will facilitate further approvals and wider access for this life-saving medicine.
- ★ **Research Grants Programme for Equity in Reproductive Medicine and Maternal Health**  
Our programme of research grants to tackle the disparities faced by communities of colour was expanded to include lesbian, gay, bisexual, transgender and queer/questioning (LGBTQ+) communities.
- ★ **#ProjectFamily Commitment**  
A range of initiatives were added to continue promoting a worldwide conversation about the need to provide better support for people on their journey from conception to a safe and successful birth.
- ★ **GreenLamp in Ethiopia**  
Working with the non-profit organisation GreenLamp, Ferring began supporting a five-year holistic community programme to improve maternal health provision in rural Ethiopia.

## 2023 Targets

- Develop an **access and affordability strategy** with key metrics to track progress.
- **Increase access of Carbetocin Ferring** to patients in another eight low- and lower middle-income countries.
- **Further expand the scope** of Ferring's maternal health programme with GreenLamp in Ethiopia.



# Access and affordability – Safe Birth

Increasing access to an essential medicine developed by Ferring that reduces maternal deaths in developing countries

## REFERENCES

- 2 Trends in maternal mortality 2000 to 2020: estimates by WHO, UNICEF, UNFPA, World Bank Group and UNDESA/ Population Division. Geneva: World Health Organisation; 2023. Licence: CC BY-NC-SA 3.0 IGO. Available at <https://www.who.int/publications/item/9789240068759>. Last accessed March 21, 2023.
- 3 Say L, et al. Global causes of maternal death: a WHO systematic analysis. *The Lancet Global Health*. 2014; 2(6):e323-33. Available at: [https://www.thelancet.com/pdfs/journals/langlo/PIIS2214-109X\(14\)70227-X.pdf](https://www.thelancet.com/pdfs/journals/langlo/PIIS2214-109X(14)70227-X.pdf). Last accessed January 31, 2023.
- 4 Providing sustainable and affordable access to heat-stable carbetocin for the prevention of post-partum haemorrhage in LMICs. The Nairobi Summit Commitments on ICPD25. 2019. Available at <https://www.nairobisummitcpd.org/commitment/providing-sustainable-and-affordable-access-heat-stable-carbetocin-prevention-post-partum>. Last accessed March 21, 2023.
- 5 Widmer, Mariana, et al. 'Heat-stable carbetocin versus oxytocin to prevent hemorrhage after vaginal birth.' *New England Journal of Medicine* 379.8 (2018): 743-752.
- 6 World Health Organization. *Uterotonics for the Prevention of Postpartum Haemorrhage*. 2018.
- 7 WHO Model List of Essential Medicines. Available at: <https://apps.who.int/iris/handle/10665/325771>

## Summary

On average, almost 800 women worldwide die every day from pregnancy and childbirth related causes, including haemorrhage and infections<sup>1</sup>. Many of these conditions can be prevented or treated given proper access to healthcare. Driven by a vision that no woman should die while giving birth, we developed a heat-stable version of carbetocin – our medicine for preventing postpartum haemorrhage (PPH), the leading direct cause of maternal deaths worldwide responsible for around 70,000 deaths a year<sup>2</sup>.

More than 90% of these deaths occur in low- and lower middle-income countries (L&LMICs) without reliable cold chain storage. We are committed to supplying Carbetocin Ferring at an affordable and sustainable price to publicly funded or not-for-profit healthcare facilities in L&LMICs<sup>3</sup>.

In 2013, we launched a long-term public-private partnership with the World Health Organization (WHO) and MSD for Mothers. We also began the large-scale CHAMPION trial, which compared heat-stable carbetocin to oxytocin in the prevention of PPH following vaginal delivery. In 2018, results from the study were published in *The New England Journal of Medicine*<sup>4</sup>.

The WHO added heat-stable carbetocin to its PPH Prevention Guidelines in 2018<sup>5</sup>, and in the following year to its Model Essential Medicines List of therapies deemed vital to address the most urgent public health needs<sup>6</sup>. The United Nations Population Fund (UNFPA) added heat-stable carbetocin to its Product Catalogue in 2021<sup>7</sup>.



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## 2023 Targets

- Pursue **further regulatory submissions** of Carbetocin Ferring in L&LMICs in a phased manner. Our objective is to secure availability of Carbetocin Ferring for patients in eight additional L&LMICs in 2023.

## Achievements

- ★ Carbetocin Ferring was first approved by Swissmedic in 2020, and the first patients were treated in India in 2021. In 2022, Carbetocin Ferring was **registered in another six African countries**, so it is now available in a total of 11 African countries, namely the Democratic Republic of Congo, Ghana, Kenya, Malawi, Nigeria, Rwanda, Sierra Leone, South Sudan, Tanzania (including Zanzibar), Uganda and Zambia.
- ★ **More than 280,000 doses** of Carbetocin Ferring were delivered to 12 countries, a major increase from the 50,000 doses delivered to three L&LMICs in 2021.
- ★ Carbetocin Ferring became the first of our products to receive **WHO prequalification**<sup>8</sup>. This aims to support faster national approvals and access in participating countries using a collaborative registration procedure.
- ★ In July 2022, the global healthcare donor agency Unitaid approved a grant supporting a WHO clinical trial to study heat-stable carbetocin in the PPH treatment indication. The study is planned to run in 2023-2027.

## REFERENCES

- <sup>8</sup> WHO. First carbetocin prequalified. 4 July 2022. <https://extranet.who.int/pqweb/news/first-carbetocin-prequalified>.



# Access and affordability

## #ProjectFamily Commitment

Introducing new initiatives to ensure patients' voices are heard as we research, develop, and launch our medicines

### Summary

At Ferring, we are dedicated to helping people become parents and supporting them from conception to birth. We believe in building families of every shape and size, and are proud that our fertility products have

contributed to the birth of millions of babies over the last half-century. At the same time, we recognise that millions of people worldwide lack the specialised care and treatment they need to build a family.



In 2017, we initiated #ProjectFamily to promote access to healthcare and help people throughout their family-building journey. Together we advocate for everyone's right to build a family, no matter who they are, where they live or who they love. At Ferring, we commit to this, because we know that

throughout the world, a person's family is the most important thing in their life.

We are involved in a range of research projects, partnerships and social media campaigns inspired by the four pledges of our #ProjectFamily Commitment:



At Ferring we believe in everyone's right to a family, and we are committed to building families of every shape and size.

Consult the #ProjectFamily website.

#### 1 Learning from patients to improve their treatment and care

Our Global Fertility Council provides a forum where patient group representatives and fertility advocates can express their views. This ensures we understand patients' real-life challenges and reflect their needs.

#### 2 Collaborating to reduce maternal and infant mortality

We call on governments and policy makers to prioritise maternal health and collaborate with patient communities and partners in the public and private sectors to reduce global maternal and infant mortality.

#### 3 Closing the inequality gap

We are committed to closing the gender data gap and reducing racial disparities in maternal mortality and access to in vitro fertilisation (IVF).

#### 4 Advocating for everyone's right to build a family

We advocate for everyone's right to build a family, and support this through education, raising awareness and sharing real-life stories. For instance, our social media campaign #FertilityAwks uses humour to highlight the need for sensitivity in conversations about family-building. Another programme called Fertility Diaries encourages prospective parents to share their experiences with others.



# Access and affordability #ProjectFamily Commitment

(continued)

## ★ Achievements

★ Continued organising **patient advisory boards** to increase our understanding of a range of health conditions. The results help to shape our patient insights database, together with information from social media and market research programmes. This gives us a deep understanding of patients' experiences and decision-making processes, ensuring we reflect their needs when researching and designing our medicines.

★ Published the results of a **survey of nearly 2,000 patients** and their partners in nine countries to understand the barriers in seeking access to fertility treatment.

★ **Launched FertilityWise**, an on-demand e-learning programme for US fertility nurses and advanced practice providers that offers an online library of evidence-based content. FertilityWise is curated by a multidisciplinary team of experts

including nurses, physicians, educators and specialists in diversity and inclusion.

★ Announced a **partnership with VirtaMed** to expand global access to simulation training for embryo transfer, the critical moment in an IVF cycle when a fertilised embryo is transferred into the uterus. The American Society for Reproductive Medicine (ASRM) developed an embryo transfer simulator to provide training for endocrinologists and improve outcomes for patients. We have been involved in the US programme since 2018, and in 2022 we supported its rollout in Europe, South Africa and the first Asian countries.



See how Ferring stands with those who are told they can't build a family, because of who they are, where they live, or who they love.



## Research grants

Widening our programme of research grants to tackle racial and LGBTQ+ inequities in reproductive medicine and maternal health

## ☰ Summary and Achievements



Startling racial inequity exists in reproductive medicine and maternal health. Even in high income countries, women of colour are more likely to die from complications in pregnancy and childbirth than white women. US studies also suggest Black women

are twice as likely to have fertility problems as white women, but far less likely to receive treatment that could help them build a family.

In 2021, we **launched an Innovation Grants Programme for Racial Equality in Reproductive Medicine**

★ **and Maternal Health** to help understand and tackle the disparities faced by Black and indigenous communities, and all communities of colour. We **awarded 12 grants to fund innovative projects in different countries**, including basic and translational, clinical, epidemiological, and social scientific research.

However, we are also aware that research into pregnancy continues to focus on the needs of heterosexual couples, and this no longer reflects the reality of family-building today. Advances in assisted reproductive technologies (ART) and policy changes have enabled people who are lesbian, gay, bisexual, transgender and queer/questioning (LGBTQ+) to have children. Despite this, research addressing the reproductive needs of the LGBTQ+ communities is limited. Therefore, in 2022 we expanded our research grants programme to address the inequities faced by LGBTQ+ communities.



# Access and affordability – GreenLamp



Supporting GreenLamp’s programme to improve health centre facilities and train midwives in remote areas of Ethiopia



Find out more about Ferring’s holistic maternal health programme in Ethiopia.

## Summary

In 2022, Ferring launched a five-year holistic maternal health programme which invests in improving health centres and training midwives in rural areas of Ethiopia. The project is designed and managed by GreenLamp, a non-profit organisation whose mission is to empower women and girls through education, healthcare, and sustainable technology to support social and economic change in their communities.

Ferring’s support will enable substantial improvements to health centres including the installation of solar-powered lights and fridges, provision of medical supplies and equipment such as birthing cots, and upgrading of maternity waiting accommodation with food, lighting, and security. Maternal health services and community outreach are also

included, with more ante- and post-natal checks, ultrasound tests and cervical cancer screening, and better supplies of medications and vaccines.

The programme provides for the training and mentoring of qualified diploma midwives and health extension workers to the basic emergency obstetric and newborn care (BEmONC) standard, with training in neonatal resuscitation techniques. This reflects the needs of local communities and is consistent with the Ethiopian Ministry of Health’s Health Sector Transformation Plan 2024. It is also aligned with Ferring’s ambition to become a world leader in reproductive medicine and maternal health.

## Achievements

- ★ Committed in 2021 to a **five-year holistic maternal health community programme** in Ethiopia. Due to a COVID-related delay, the project began in 2022 and will run until 2027
- ★ **One midwife mentor employed** supporting 3 health centres in Tembaro Woreda district
- ★ **Two BSc midwife students enrolled**
- ★ Funded the **installation of six solar systems** in health centres, providing a safe delivery environment for over 2,000 births in areas of Southern Ethiopia

## 2023 Targets

- **Continue working with three health centres** in the Tembaro Woreda district with a catchment population of 150’000+ people. In 2024, with Ferring’s support GreenLamp aims to expand to three more health centres in the neighbouring Hadero Tunto area.
  - Install **three enhanced solar systems with fridges**, with two more solar systems in 2024.
  - Provide the three health centres with **medication and supplies** such as sterilisation kits, blankets for newborn babies, and food for mothers in the maternity wards.
- **Maintain support for one midwife mentor**, who provides training and coaching for the three health centres and local midwives.
- Establish an **outreach service** with the midwife mentor to spend one week a month at each of the three health centres, offering ultrasounds, ante- and post-natal checks, nutritional and development education, and family planning.





# Access and affordability – delivering healthcare during humanitarian crises



In 2022, as we witnessed the escalating humanitarian crisis caused by the war in Ukraine, Ferring was determined to stand by the people who were impacted and provide support for those most in need.

As a company whose purpose is building families and helping people live better lives, we donated more than €1.2 million to relief efforts with a focus on protecting families and providing essential medicines and medical supplies. This included donations to a number of organisations:

- United Nations Refugee Agency (UNHCR) to support families forced to leave Ukraine in search of safety and shelter.
- UN Children’s Fund (UNICEF) to protect children in Ukraine and those seeking refuge in neighbouring countries, many of whom are at risk after being separated from their families.
- UN Population Fund (UNFPA) to support life-saving services for women and girls.
- Project HOPE to provide essential medicines and medical supplies for those in need in Ukraine and neighbouring countries.

As part of our support package, we sought ways of donating Ferring medicines to help patients and healthcare systems which are facing enormous pressures. This included giving supplies of Carbetocin Ferring, our heat-stable treatment to prevent excessive bleeding in women after childbirth.

We also worked with relief agencies focusing on maternal health, recognising that pregnant women in Ukraine are highly vulnerable as they are often separated from their partners, and have no access to maternal health services or safe conditions for giving birth. In addition, Ferring supported a fertility preservation initiative for Ukrainian soldiers which offers to freeze sperm before they are deployed, providing hope for their partners in the event of injury or death.

We commit to continue our support for the global relief effort and for our patients, colleagues and partners suffering as a result of these devastating events.



In Ukraine and other humanitarian crises worldwide, an estimated 5,000 women and girls die each day from complications due to pregnancy and childbirth. We believe that every woman should have access to high quality care and treatment during pregnancy and childbirth, no matter where she lives.

At the 2022 World Congress of the Royal College of Obstetrics & Gynaecology, the Medical Director of Ferring’s #ProjectFamily: Safe Birth met with UNFPA and the Inter-Agency Working Group on Reproductive Health in Crises (IAWG) to raise awareness and to discuss further public-private collaboration to address humanitarian crises where women and girls are most vulnerable.

Through long-standing relationships with key partners, we hope to continue to protect the lives of many more women and their families.

## Corporate giving

Ferring places people at the heart of our business and we are committed to showing respect, acting with integrity, and doing the right thing. We uphold these values by

supporting the communities where we operate and by making a positive impact on society. In 2022, Ferring donated more than €13.1 million to a variety of scientific and

cultural initiatives including reproductive medicines and maternal health programmes, and to support humanitarian relief efforts in Ukraine.

€1.2m

We donated more than €1.2 million to relief efforts with a focus on protecting families and providing essential medicines and medical supplies.

5,000



In humanitarian crises worldwide, an estimated 5,000 women and girls die each day from complications due to pregnancy and childbirth.

€13.1m

In 2022, Ferring donated more than €13.1 million to a variety of scientific and cultural initiatives including reproductive medicines and maternal health programmes, and to support humanitarian relief efforts in Ukraine.



Excursion on World Children’s Day  
The Central and Eastern European region of Ferring supported a visit to the Hungarian national circus and zoo for 30 Ukrainian refugee children who are temporarily living in Hungary.





# Diversity, equity and inclusion



Increasing our commitment to an inclusive culture where all aspects of diversity are embraced, and everyone feels a sense of belonging



Mary Knight  
Global Head of Ethics

Ferring's unique purpose and our core values lie at the heart of our approach to Diversity, Equity and Inclusion and we are now accelerating on our journey to embed the principles of DE&I into our business and culture.



## Summary

Our commitment to diversity, equity and inclusion (DE&I) is integral to the way we work at Ferring. We know that the combination of our diverse backgrounds, experiences, expertise, and perspectives enables us to find solutions and increased innovation, so that together we can achieve our mission of building families and helping people live better lives.

Our community represents a broad spectrum of human differences, with people of different genders, ages, races and ethnicities, physical appearances, sexual orientations, religions, educational backgrounds and more. We believe all this diversity brings greater engagement and motivation into our working lives contributing to the success of our company. Ferring is a place where a wide range of thinking and ideas

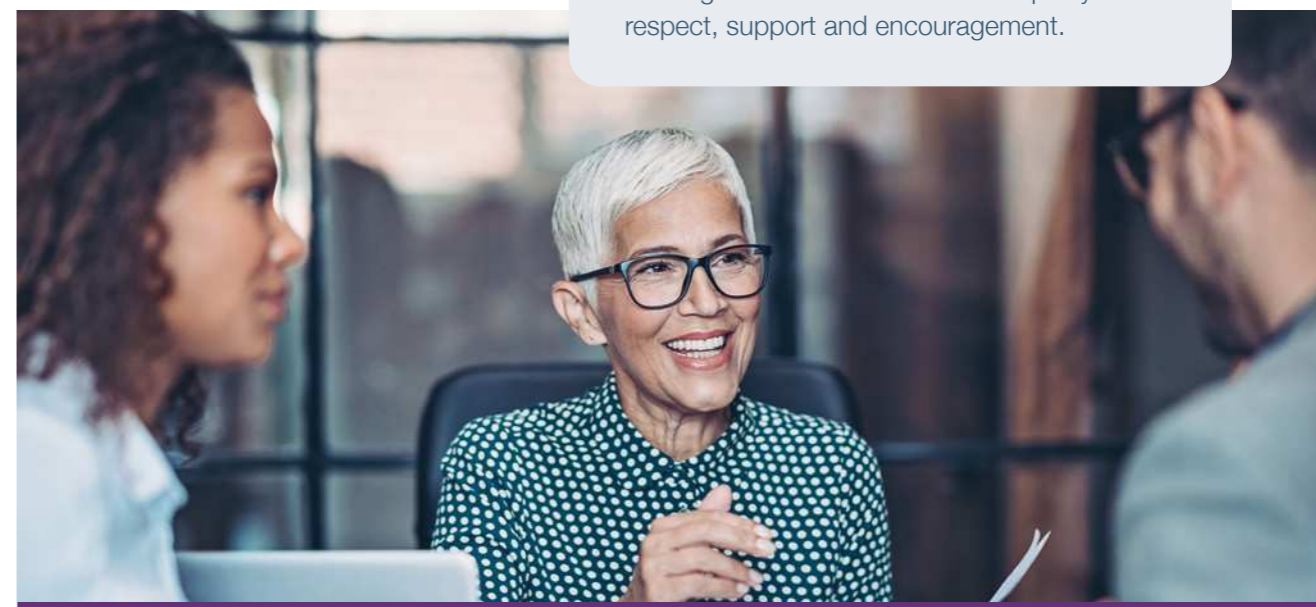
can be shared openly with respect, support, and encouragement. This results in greater creativity and a broader talent pool helping us meet the needs of diverse patient groups.

Our approach seeks to integrate DE&I into the fabric of the organisation and recognises our responsibility to eliminate discrimination and inequality at work and in our communities. We are embedding DE&I into our recruitment, talent and people development processes, and identifying performance indicators to demonstrate progress.

## Achievements

- ★ Integrated DE&I into **recruitment policy and practices**, talent acquisition strategies, and **people development and career planning**.
- ★ Launched **Building Families at Ferring** (see article).
- ★ Adopted **data-driven strategies** to increase transparency, embed equity and create a culture of belonging. In 2022, we conducted a data quality improvement exercise and analysis to identify key global data sets and enable targeted actions.
- ★ **Communicated key global data** for the first time showing the structure of our organisation and its evolution over the last five years (see overpage), to ensure greater transparency in DE&I reporting.

Ferring is a place where a wide range of thinking and ideas can be shared openly with respect, support and encouragement.



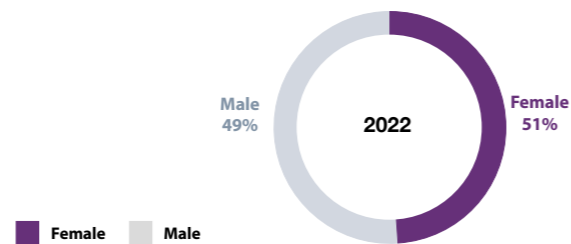
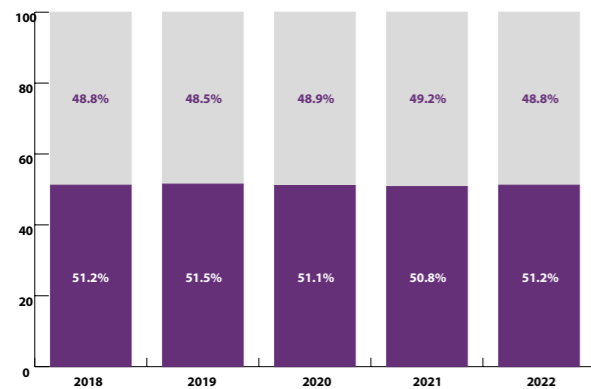


# Diversity, equity and inclusion



## Key data for 2022

### Gender representation

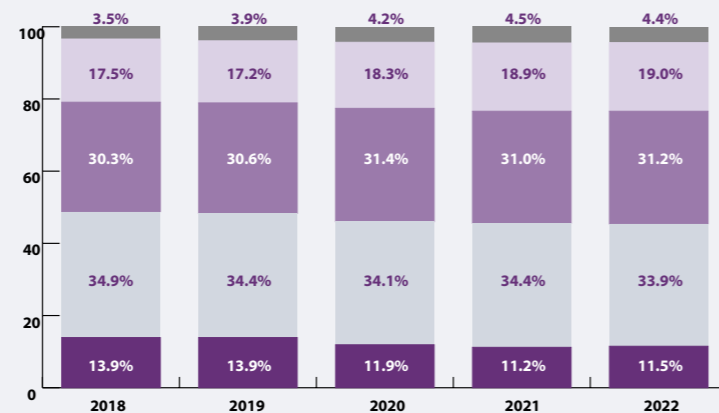
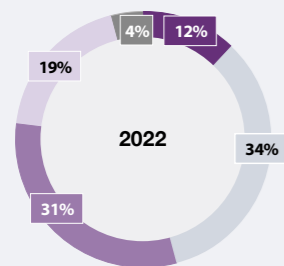


Gender representation 2018–2022 shows stable gender balance over the years. We are now analysing gender representation across managerial levels to assess potential gaps and opportunities.



### Age representation

Age representation 2017–2022 shows employee population maturing over the years.



Legend: < 31 years old, 31-40 years old, 41-50 years old, 51-60 years old, 61 years +

### Spotlight on DE&I in the US

In 2022, the US advanced its representation goals by increasing representation of under-represented populations, including an increase in women in leadership and in the representation of people of colour throughout the US organisation. To foster increased employee engagement and belonging, the US

implemented a plan to establish additional employee resource groups, engaged in proactive recruitment of diverse candidates, and implemented training for managers to eliminate bias in the hiring process.

Ferring US participated in the Great Place to Work survey in 2022 which

measures employee engagement and inclusiveness of workplace cultures. Following this we achieved Great Place to Work certification, a distinction reserved for employers who create an outstanding overall experience for their employees.

For purposes of this summary, the US Organization includes Ferring Pharmaceuticals, Inc. ("FPI"), Ferring International Pharmascience Center US ("FIPCUS") and Ferring Production Group, Inc. ("FPG"). It does not include Ferring Research, Inc. ("FRI") whose closure was announced in March 2023, nor Rebiotix, Inc., which reports directly to the global parent entity ("FICSA").

For purposes of this summary, the entire US market includes all five US corporate entities: FPI, FIPCUS, FPG, FRI, and Rebiotix.



# Diversity, equity and inclusion



Since launch, more than

**100 employees** have taken advantage of the family-building benefits

**200 employees** have taken parental leave including

**130 birthing parents**

**70 non-birthing parents**

In 2022, Ferring was ranked as the **top adoption-friendly employer** in the US, and we are proud to lead by example as a fertility and family friendly organisation.

## Spotlight on Building Families at Ferring

This package supports those who may need help in building their family due to fertility challenges, medical needs, personal circumstances or family structure. By providing *unlimited* financial support for the options available, we remove the barriers and provide equitable access to fertility treatment, surrogacy programmes, adoption, egg freezing, counselling, and related services.

We recognise that the challenges faced in a family building journey are different for everyone. We provide four weeks' paid leave for miscarriage, additional leave in the event of a preterm or multiple births, and access to expert support from the outset of this journey.

The support package offers equal opportunities to become a parent regardless of medical need, personal circumstances, or family structure. This means providing financial support and paid leave for employees to access fertility treatment, surrogacy programmes, adoption, egg freezing, counselling, and related services.

We have partnered with Fertility Matters at Work to offer an e-learning programme that helps employees understand the reality of going through assisted reproduction or alternative routes to parenthood.

Building Families at Ferring was shaped by real-life stories from patients and employees to ensure we cater for as many scenarios as possible, knowing that everyone's family-building journey is unique, and can be a complex journey of highs and lows.

“I recently became father for the second time and was able to enjoy every moment of this unique period. I returned to work enriched by this new experience and by memories. I am really proud of my workplace, because our purpose matches our rules and is supported by our leadership.”

**Simon Billot, Global IT Business Partner TechOps**



Christelle Beneteau  
Senior Vice President and  
Chief Human Resources Officer

“At Ferring we advocate for everyone's right to build a family, no matter who you are, where you live or who you love. I'm immensely proud of our comprehensive new family-building benefits package, which ensures a global standard of support irrespective of location, role, or family circumstances. It makes no assumptions about gender, sexual orientation or relationship status, or about parental roles or responsibilities in the early stages of childcare. All our employees contribute to advancing our mission and we want to support them in their own family-building journeys, removing barriers and providing an environment in which they can focus on their families at this most important time.”



## 2023 Targets

- Establish **Core DE&I Taskforce** to accelerate progress and mobilise the integration of DE&I into HR policies and processes.
- Find meaningful **ways to measure inclusion** by listening to employees and creating a culture of belonging.
- **Deepen our understanding of DE&I data and develop mid- to long-term goals** to increase diversity across different business areas, geographies, and levels of the organisation.
- Provide **guidance and a governance framework** to increase opportunities for establishing employee resource groups (ERGs). These voluntary employee-led groups help to foster a welcoming and inclusive culture based around shared experiences, perspectives, or interests. ERGs provide a platform where employees can collaborate, innovate, promote professional development, and strengthen their leadership abilities.
- Conduct a **global pay equity impact assessment** to identify gaps and create a roadmap to reduce gender pay gaps across regions and levels.



# Employee engagement



Listening to our employees as we seek new ways to create a fulfilling workplace where everyone can thrive and deliver their best



Jenna Shafiq  
Accounting & Reporting Specialist  
Employee Engagement Ambassador

Keeping employees engaged is an essential foundation of Ferring's philosophy. It is their involvement, enthusiasm and commitment that will make the company grow, and ultimately drive our success.



## Summary

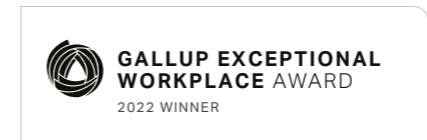
Developing and measuring employee engagement is a major priority for Ferring, and a key function of our human resources team. We place great importance on the process of preparing and conducting our Global Engagement Survey and informing everyone about the results. This is also a fixed item for discussion by the Executive Committee, showing their deep commitment to constantly improving employee engagement.

During the post-survey period, we have initiated a shift of focus to highlight the importance of accountability. By concentrating on action plans, managers and their teams can effectively work on the items where the scores show there is most room for improvement.

Engagement survey results show a strong team spirit at Ferring, where new ideas are listened to and accepted, and employees feel supported by their colleagues' commitment to high-quality work. While celebrating this outstanding level of teamwork, we also continually seek ways to better reflect employees' needs as individuals, provide proper recognition, and enable everyone to be their best self at work.



## Achievements



★ In 2019, we began working with **Gallup CliftonStrengths** to implement a strengths-based organisation where employees and leaders are empowered to perform at their best. As a result, a network of 120 certified coaches is now available to support 4,440 employees worldwide. The programme became so popular that additional funding was provided to keep pace with the demand for coaching, which exceeded annual rollout plans.

★ **Achieved a Gallup Exceptional Workplace Award**, placing Ferring among the most elite organisations which make a real difference to how their people experience work and life. The award recognises companies that put their people's engagement at the heart of their business strategy and create a workplace culture to match. Such organisations see improvements in employee retention, engagement, productivity, and wellbeing. This is reflected in a better customer experience, higher revenues, and organic growth.

★ Maintained very high participation (>90%) in the **Global Engagement Survey** and increased the global mean figure for engagement from 4.09 in 2021 to 4.18 in 2022. The improvement was consistent across all functions and business units, showing a clear return on our investments in improving communication, feedback, and training.

(continued)



# Employee engagement



## Achievements (continued)

- ★ Implemented a **simplified goal setting process** which focuses on linking an employee's goals to the company's purpose. This helps to strengthen individuals' identification with Ferring's mission, giving everyone a more direct sense of contribution and significance.
- ★ Developed a new approach to the Talent Review process aimed at increasing transparency and **reinforcing our focus on development opportunities** for employees, recognising that this is a key trigger for high engagement.



## 2023 Targets

- Further develop our **network of engagement ambassadors** and elevate their status as a global initiative, including corporate recognition for ambassadors.
- Understand how **action plans work most effectively** across different groups of employees and adapt them accordingly.
- Link accountability and action plans to other **key talent management processes** (e.g., Performance Management and Talent Review).
- Reinforce the **focus on managers' accountability** for implementing action plans.

## Key data from 2022

Results of the Global Engagement Survey show not only an increase in the mean, but also in the percentile position which provides an external benchmark.

### Global Engagement Survey



### Participation in Global Engagement Survey

Year	Participation	Responses
2020	90%	5130/5687
2021	91%	5005/5479
2022	91%	5303/5814



# Planet

Protecting the environment by minimising our negative impacts to contribute to a better future.





# Greenhouse gas (GHG) emissions

Striving to reduce emissions, increase sustainability and define future environmental targets across our operations worldwide



## Summary



Our business of producing medicines means we operate energy-intensive facilities across our manufacturing network and supply chain, inevitably contributing to greenhouse gas (GHG) emissions. However, like every business worldwide, we have a responsibility to reduce our environmental impact and address climate change, ensuring a sustainable future for all.

Our focus is therefore on:

- Improving energy efficiency and prioritising renewable energy
- Reducing impacts from transportation in relation to goods, services, production and employee commuting
- Finding sustainable primary, secondary and tertiary packaging solutions

We have invested in an extensive data collection project to establish baseline data for our scope 1, 2 and 3 emissions. This will allow us to conduct an impact assessment, ensuring our efforts are focused in areas with the greatest impact, and enabling us to report on progress to the standards required by regulators and stakeholders.

Once the baseline assessment is complete, we will set mid- to long-term carbon reduction targets with a methodology that meets the requirements of the Greenhouse Gas Protocol, the world's most widely used standard for GHG accounting. This is a significant step towards being able to commit to a robust reduction strategy and demonstrate progress towards our goals.



## Achievements

- ★ **Reduced absolute GHG emissions by 4%** compared to 2021.
- ★ **Conducted an extensive data collection project** to establish our scope 1 and 2 emissions baseline data.
- ★ **Opened a new energy centre** to optimise energy use as part of the expansion of our Kiel site in Germany. This generates electricity onsite using cutting-edge control technology, reducing CO<sub>2</sub> emissions by around 2,400 tonnes per year.
- ★ **Increased our use of sea freight** by 13% compared to 2021 despite logistical problems arising from global economic challenges.
- ★ **Established a taskforce** to explore and identify **initiatives for sustainable packaging**. Initial steps included the introduction of recycling logos to promote a circular life cycle for packaging materials, and reusing pallets after visual inspection and quality assurance approval rather than destroying them.
- ★ **Introduced a green hotel strategy** for business travel, with the result that 8% of nights in 2022 were spent at hotels identified as sustainable.



# Greenhouse gas (GHG) emissions

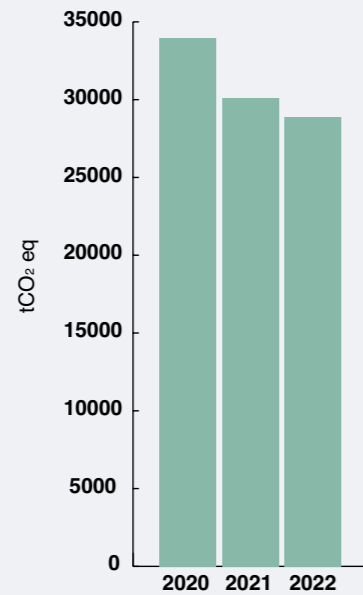


## Key data from 2022

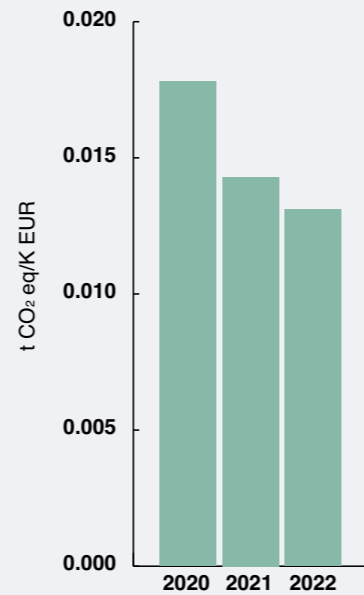
As we are finalising the collection of scope 1, 2 and 3 data, the graphs in this section only relate to the global manufacturing network.

### Greenhouse gas emissions

In 2022, absolute GHG emissions were reduced by 4% compared to 2021. This was mainly due to an increased contribution of green energy from local power grids, resulting in lower emission factors. Relative GHG emissions were reduced by 8.3% compared to 2021.



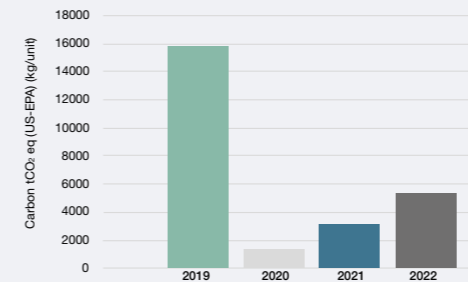
**Absolute GHG emissions**  
Scope 1 & 2 from stationary combustion sources



**Relative GHG emissions**  
Scope 1 & 2 performance (global sales of goods)

### Business Travel (CH-DK-US)

Although business travel from our three busiest travel locations increased by 70% from 2021, since lifting of pandemic restrictions, it remains one third less than in 2019.



Jens Regelin  
Senior Vice President  
Global Manufacturing



The world is changing, and so are we. Although operating in such a highly regulated environment isn't always easy, it is reassuring to see how deeply everyone cares across the organisation. By improving our energy consumption and reducing CO<sub>2</sub> emissions, we will not only address customers' expectations but also see clear benefits for our financial performance and longer-term sustainability.



### Definitions

**Absolute emissions:** Total amount of GHGs emitted into the atmosphere over a specified period. GHGs such as methane and nitrous oxide are included based on their equivalent value to carbon dioxide (CO<sub>2</sub>).

**Relative emissions:** Total GHG emissions relative to the value of goods sold.

tCO<sub>2</sub>eq (tonnes of carbon dioxide equivalent): A unit that quantifies the amount and impact of greenhouse gases, such as methane, by using the equivalent amount of carbon dioxide as a reference.

**Scope 1:** Emissions from sources that a company owns or directly controls.

**Scope 2:** Emissions caused by the production of energy used by the company.

**Scope 3:** Emissions that a company is indirectly responsible for, e.g., when it buys products from suppliers.

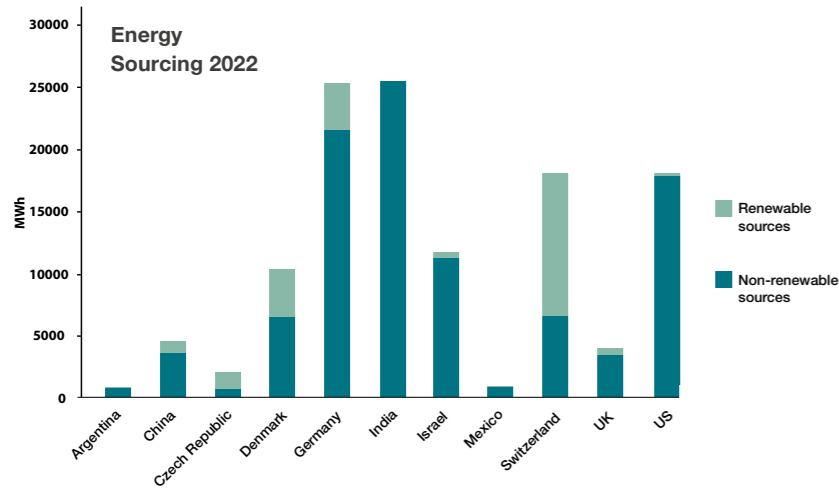




# Energy, waste and water



## Key data (continued)



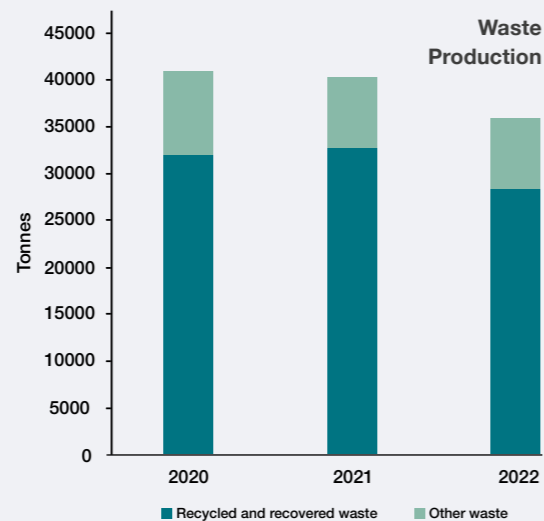
## Renewable Energy

We currently derive 23% of our energy from renewable sources. Four sites are purchasing 100% renewable electricity, while others receive a renewable contribution from their local energy grid. Green energy is one of the key focus areas for our ESG strategy so we are working closely with Procurement to embed renewables into sourcing contracts.

## Waste

From 2021 to 2022, Ferring's total waste production was reduced by 11%. In 2022, we recycled and recovered 79% of total waste volume, which was slightly lower than 2021 when 81% of waste was recycled. Both these changes were mainly due to reductions in waste from our site in Denmark.

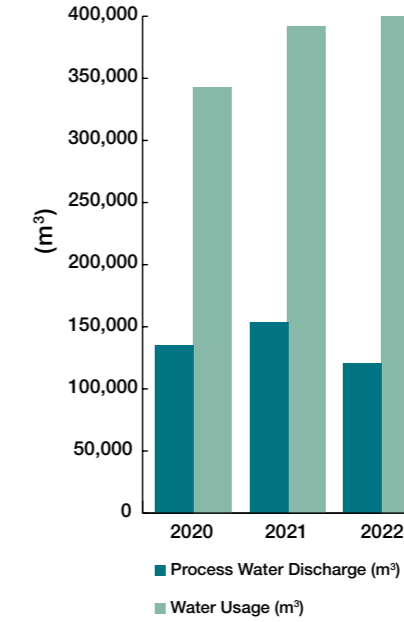
We continuously monitor our waste streams and strive to reduce overall waste production and improve methods of disposal.



## Water Usage and Process Discharge

## Water

In 2022, our overall water usage was 2% higher than in 2021, but process water discharge decreased by 10% from 39% to 29% of total water usage.



## 2023 Targets

- Achieve a successful **stage 1 audit** on our global Environmental Health and Safety (EHS) management system for ISO14001 and ISO45001.
- Improve and extend **environmental data** to cover all of Ferring's global operations, including R&D and marketing and sales sites.
- Establish **energy targets** for our operations.
- **Optimise energy consumption** and increase usage of green electricity.
- Explore **biofuel options** for transport.
- Implement solutions for **sustainable tertiary packaging** used to protect manufactured goods for shipping or storing.





# Environmental baseline data collection

## The Paris Agreement

To tackle global warming, world leaders at the UN Climate Change Conference (COP21) in Paris reached a breakthrough on 12 December 2015: **The Paris Agreement**.

This is an **international treaty** aimed at substantially reducing greenhouse gas emissions to limit the global temperature increase in this century to 2°C, while pursuing efforts to limit the increase even further to 1.5°C. The agreement came into force on 4 November 2016, and 195 nations (including all countries where Ferring operates) have now joined. This commits them to reducing their emissions and working together to adapt to the impacts of climate change.

As part of Ferring's efforts to measure and manage our environmental impact, a rigorous data collection process took place in 2022 to calculate a 2021 baseline figure for scope 1 and scope 2 greenhouse gas (GHG) emissions.

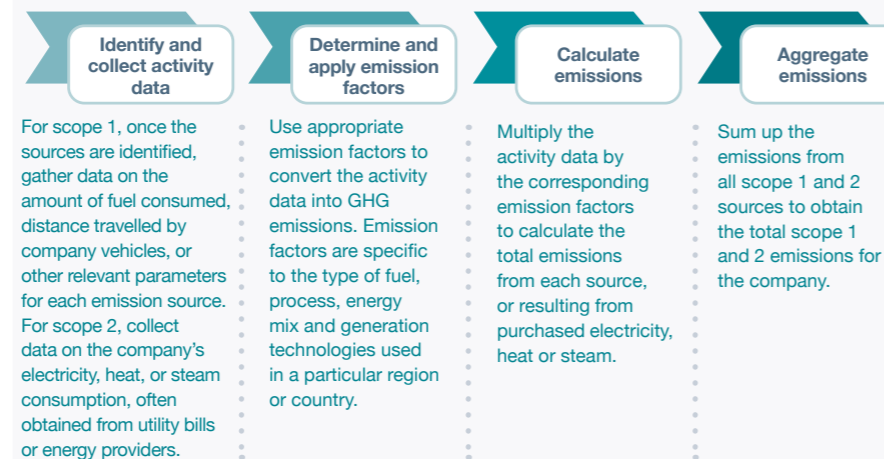
### Scope 1 emissions

These represent **direct GHG emissions** that result from sources owned or controlled by the company. Scope 1 emissions are typically associated with activities such as burning fossil fuels on-site, operating company-owned vehicles, or using industrial processes that release GHGs. The calculation of scope 1 emissions is an important step for Ferring that will allow us to understand our direct contribution to climate change and identify areas where emission reduction measures can be implemented.

### Scope 2 emissions

These are **indirect GHG emissions** resulting from the generation of purchased electricity, heat, or steam consumed by the company. Scope 2 emissions are associated with the generation of electricity off-site, typically at a power plant. By calculating these emissions, Ferring can assess the environmental impact of our energy consumption and evaluate opportunities to switch to cleaner energy sources.

### Data collection methodology

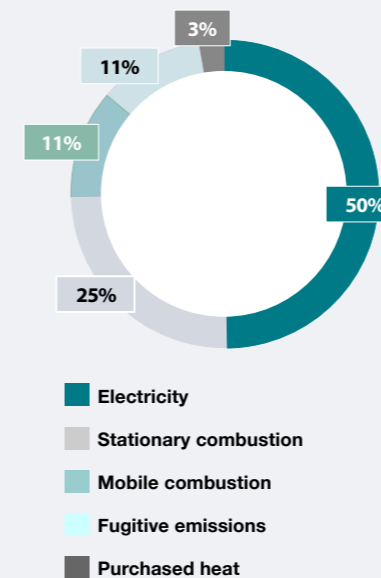


### Scope 3 emissions

These represent **indirect emissions from activities in the company's value chain**, including purchased goods and services. We are currently finalising the highly time- and resource-intensive process of collecting 2021 baseline data for scope 3 emissions.

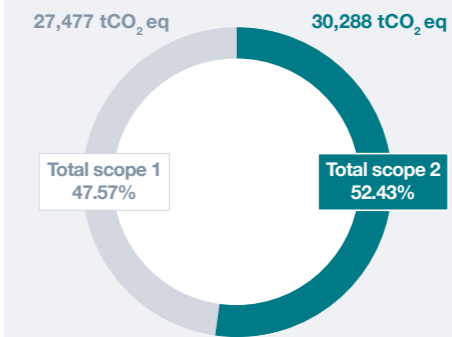
Once the baseline data has been finalised, the process will be continuously refined and repeated.

### Ferring emissions by category



## Key data collection for 2021 baseline

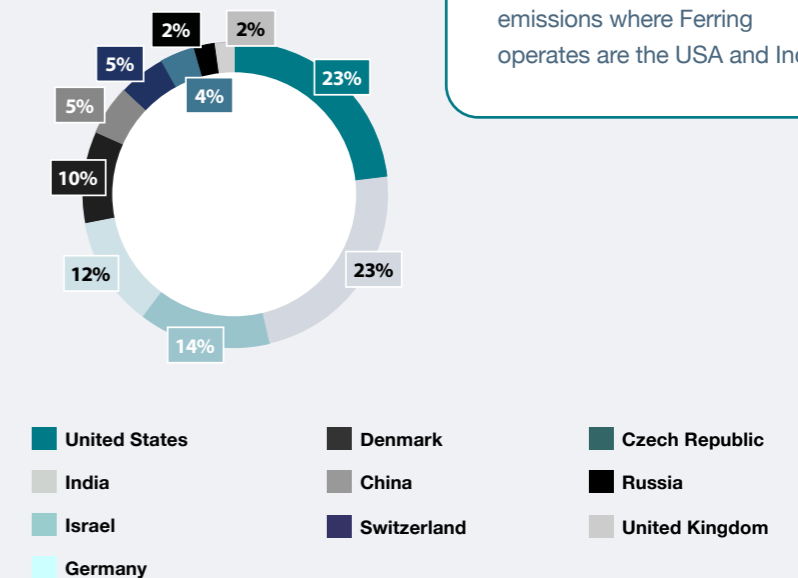
### Ferring emissions scope 1 vs. scope 2



Ferring's 2021 data collection process included a comprehensive review of all available data. In limited circumstances, a complete dataset was not available and therefore data was modelled in accordance with international standards and practices.

Ferring's scope 1 and scope 2 data is almost equally proportionate, with almost half of all emissions coming from electricity, and another quarter from stationary combustion. The countries with the highest emissions where Ferring operates are the USA and India.

### Top 10 countries by emissions (tCO<sub>2</sub>eq)





# Reporting standards

Tracking our ESG progress against global reporting standards to guide our priorities for improvement and report transparently to ensure accountability.

# Ensuring a holistic company performance reporting landscape

Important new regulatory requirements are being introduced to ensure holistic reporting of companies' performance, both financial and non-financial.

At Ferring, we welcome these new requirements as a chance to improve internal oversight of our sustainability-related impacts, risks and opportunities, and to cement our broader understanding of value-creation for society at large.

In 2021, the European Commission published its proposal for a Corporate Sustainability Reporting Directive (CSRD). This aims to revise and strengthen the existing rules introduced by the Non-Financial Reporting Directive (NFRD), and to bring sustainability reporting onto a par with financial reporting. In late 2022, the CSRD was adopted by the European Parliament and Council.

The CSRD requires all large and listed companies with operations in the EU to report consistently on how sustainability matters affect their business, and on the impact of their activities on people and the environment. The Directive sets new standards for the quality and granularity of ESG disclosures.

The European Financial Reporting Advisory Group (EFRAG) has developed a set of draft standards for the new sustainability reporting under the CSRD. These standards are expected to be adopted by the European Commission in mid-2023.

At the same time, the Swiss government has added an ESG reporting obligation and due diligence requirements to the Swiss Code of Obligations, which applies to all companies of public interest from the 2023 financial year on. Since our global headquarters are in Switzerland and we have operations across the EU and beyond, Ferring

falls within the scope of both these new regulatory requirements. We view this as an opportunity to improve our sustainability performance and the way we track and measure improvements.

In 2023, we will strengthen our reporting capabilities and infrastructure to capture ESG data, identifying datasets that are relevant to our material topics and introducing mechanisms to systematically assess impacts, risks and opportunities related to sustainability.

Beyond the regulatory requirements, we continue to be a proud participant in the UN Global Compact, the world's largest corporate sustainability initiative. Each year, we report progress on our contributions to the 10 principles of the UN Global Compact.



# Next steps

Our plans for the future.

# Our road ahead



Eric Espinasse  
Chief Sustainability Officer

As the newly appointed Chief Sustainability Officer, I would like to pay tribute to the excellent foundation work delivered in recent years, providing an ideal platform to build and deliver even more results in the future.

We have now recruited colleagues for ESG dedicated positions and established a robust framework to implement our sustainability strategy across the organisation. This is quite unique for a mid-sized pharma company and will allow us to deliver on an ambitious agenda. To demonstrate our commitment, Ferring has included ESG among its key performance indicators (KPIs) to be tracked in the company's global scorecard. All functions with ESG-related priorities have done the same in their own functional scorecards.

For me, success in 2023 will mean implementing our ESG mission statement. This involves contributing to Ferring's growth and driving non-financial performance by embedding ESG throughout the company, to reduce our negative impact and increase our positive impact on the planet and society.

## We have launched our agenda for 2023 with four key priorities:

**1. Build a robust and automated dataset:** Guarantee efficiency and transparency by introducing appropriate systems to automate the collection of relevant data. This will provide constant insights, allowing us to determine the most important objectives in years to come.



Find out more about building a robust and automated dataset.

**2. Deliver on our material topics:** Continue to make substantial progress in delivering on the seven material topics identified in 2021. We have already produced tangible benefits in certain material topics, whilst work is ongoing for others to fully define what action would be most beneficial, and then to set clear objectives and targets.

**3. Meet regulatory demands:** Ensure we understand and fully comply with the regulatory environment. We are one of the early movers in this regard, having mapped Ferring's operating environment

onto the most advanced regulatory framework. This means we are ideally placed to ensure full compliance and transparency in reporting.

## 4. Embed sustainability throughout the organisation:

Engage Ferring employees in every department and function worldwide to ensure they live and breathe sustainability throughout their daily activities. We have far-reaching plans which I am confident will deliver outstanding results.

During the year, we will demonstrate progress in many ways:

- Define objectives and targets for all our material topics and introduce a system to enable swifter reporting on our progress in terms of non-financial performance.
- Create and update policies to implement our sustainability agenda and initiate new global and local projects to demonstrate our commitment to a sustainable world.
- Make further commitments to report against established and upcoming sustainability frameworks and be ready to comply with these as soon as possible.

■ Embed sustainability throughout the organisation which will include integrating our recent acquisition of The Massone Group into Ferring's ESG plans.

■ Engage our ESG ambassador network and employees worldwide to deliver tangible initiatives, and at least one major new global activity, that will make a difference to people and the planet.



Find out more about engaging our ESG ambassador network and employees worldwide.

In summary, 2023 will be a year of increasing ambitions as we build on the strong foundations established in previous years. I trust everyone will follow our progress as we provide greater transparency and demonstrate our ongoing commitment to sustainability.

## Quiz ESG Report 2022



Participate in our quiz, for your chance to win (p2).



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