

CSR REPORT

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Editorial by Isabelle VAN RYCKE

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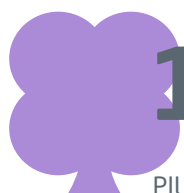
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Sustainable Pact

EDITORIAL

At UPSA, every day we stand up for strong convictions - those of well-being, living well and acting well. We offer everyone solutions for a healthier life and a fairer, more inclusive society, while respecting the planet and preserving it for future generations. And this is possible because we also know how to make choices. Ambitious choices. Three years ago, we made a commitment to our sustainable and ethical development strategy with the launch of our "Conquest 2027" plan. And we were right: UPSA is now a growing company, and our plants in Agen have become the leading paracetamol production site in France, with over 350 million boxes produced.

CSR is at the heart of our mission and our purpose, and every day we make progress towards achieving our Sustainable Pact and our B Corp certification process. The last few months have seen two events that symbolise the direction we want our company to take: the inauguration of our solar power station and our win in the "Industrialisation and healthcare capacity" project application under the France 2030 investment plan. So much encouragement to produce greener, better and more here in France. Because if there's another conviction we firmly believe in, it's that it is essential to produce medicines in France.

We have always been committed to healthcare and industrial sovereignty. And the Covid-19 pandemic has only confirmed that we made the right choices. We are therefore going to continue on this path to ensure that French manufacturing is not only an asset for restoring our sovereignty, but also a powerful lever for improving our environmental footprint.

Isabelle VAN RYCKE

Chair and CEO of UPSA



UPSA

In brief

Founded in Agen by Dr Camille Bru nearly 90 years ago, UPSA develops and supplies medicines for pain relief and minor everyday ailments.

Its expertise covers five therapeutic areas, from infants to the elderly: pain and fever, vitality, sleep disorders, ENT and the respiratory tract, and digestion.



THE FIVE THERAPEUTIC AREAS



PAIN AND FEVER
(historic speciality)



VITALITY



SLEEP DISORDERS



DIGESTION



**ENT AND THE
RESPIRATORY TRACT**

UPSA IN FIVE KEY FIGURES:



over
1,900
employees



3
subsidiaries
in Europe



NO. 1
private employer
in Lot-et-Garonne



over
55%
volume exported



60
distributor countries

OUR COMMITMENT

CSR is at the heart of UPSA's corporate strategy. We advocate an ecologically and socially responsible business model. It is in this context that we have developed our Sustainable Pact, which aims to have a positive impact on everyone on a daily basis, protect our planet and contribute to a more inclusive society and business.



A positive impact on everyone's life



Protecting our planet better



Contributing to a more inclusive society and company

HIGH POINTS

UPSA wins the Grand Prize at the 2023 ETI BFM Business awards!

Our commitment to manufacturing in France was recognised in the "Made in France" category. It's a source of pride for our entire team and recognition of our strategy of local, end-to-end production.



2023 Eco-challenge we did it!

Our employees were enthusiastic about taking up this fun challenge. Through weekly events and targets, more than 730 participants proved their ingenuity and proposed concrete solutions to save water, energy and waste.

Another step towards sustainability!

Our solar canopies, which went into production in November 2023, now cover the car park at our Gasconne production site (Le Passage).





WELL-BEING

SDG:



A POSITIVE IMPACT ON EVERYONE'S LIFE

UPSA contributes to a healthy life and promotes the well-being of people of all ages.
Our mission is to help patients and consumers live better
and more responsibly, every day.

OUR AMBITIONS

2030



Improve the day-to-day lives of patients by
offering innovative services and solutions.



Ingredients: 100% of new well-being
products developed in line with our
engagement and transparency guidelines.

ZERO SHORTAGE

Having chosen to produce in France, UPSA is in a position to ensure continuity of access to its paracetamol-based medicines, which are considered essential, without pressure or shortages.

Contributing to healthcare sovereignty

At UPSA, we embrace our role as a local company. We contribute to France's strategic independence and its influence in the 60 countries where we operate. Every year, we invest €17 million in our industrial sites to continue developing their performance and keep our tools and resources at the cutting edge. UPSA is committed to ensuring that manufacturing in France is promoted in government policies.



Thanks to our local production and the diversification of our supplies, we have not experienced any shortages. With our 1,700 paracetamol specialist employees based in Agen, we represent French expertise.



Ronan COCAUD
Director of Industrial Operations



The power of French manufacturing



This is what Laure LECHERTIER, Director of Market Access, Public Affairs, Communication and CSR, said at the hearing in May 2023 of the Senate's parliamentary committee of enquiry into drug shortages. She also pointed out that thanks to UPSA's positive impact model, the company was able to fully guarantee patients continuity of access to Dafalgan and Efferalgan during the period of difficulty with paracetamol supply.

Our assets and resources? Cutting-edge industrial capabilities at Agen, our agility in adapting production rapidly, diversification of supply sources and the active involvement of employees.



17 M€

invested by UPSA to develop its industrial sites in 2023.

PREVENTION OR CURE... ALWAYS ACTION!

As a long-standing player in healthcare and pain management, UPSA is committed to improving the quality of life for chronic pain patients every day. Today, almost 12 million French adults suffer from chronic pain, and 70% of them do not receive appropriate treatment to relieve their ailments.*

Partnerships to help chronic pain sufferers

In 2023, we joined forces with the Institut Analgésie and the start-up Remedee Labs.

Our joint aim is to offer patients a holistic, complementary approach to managing chronic pain, combining UPSA medicines (Dafalgan, Efferalgan) and smart solutions. Institut Analgésie is developing APAISIA, a gamified app for better day-to-day management of pain and its many repercussions (sleep, morale, stress, mobility, etc.). Remedee Labs has a solution for endorphin stimulation using millimetre waves, combined with a digital services platform and personalised, multidisciplinary support. Doctors can recommend the Remedee Well solution to patients suffering from chronic pain whose quality of life is greatly impaired.



* "The healthcare pathway for people with chronic pain" guide, published by the Haute Autorité de Santé and approved by the College on 11 January 2023.



We are delighted to have this partnership with UPSA, a long-established and recognised leader in pain management in France. With UPSA, we share the same ambition: change the lives of the many people suffering from chronic pain. By offering the Remedee Well solution to doctors and their patients, as a complement to its portfolio of medicines, UPSA is demonstrating its commitment to innovation in pain management, and will help us make it available to as many people as possible.



Gilles LITMAN

Chief Business Officer, Remedee Labs

"Health Minute with UPSA"



For almost 30 years, UPSA has been supporting SUA, a hundred-year-old rugby club in Agen that has had an important impact on the region's history and French rugby. We share strong values and ambitions, and our partnership is enriched year on year by key initiatives. In 2023, we launched "Health Minute with UPSA". These are short videos on the club's social media with members of the medical team sharing their health tips.

DEFENDING HEALTHCARE FOR EVERYONE

At UPSA, our main priorities are manufacturing quality medicines and making them accessible to everyone. Continuous improvement, alongside healthcare professionals, is essential to achieve this in France and around the world.

UPSA's commitment to Tulipe: a source of pride



In 2023, Olivier Poirieux, Director of UPSA's Science Division, was appointed interim Chairman of the Tulipe charity, of which he was previously Vice-Chairman. In French, Tulipe stands for emergency transport for pharmaceuticals. In 2023, the Group donated 170,000 boxes of medicines to the charity, to help people in distress.

Created in 1982 by healthcare companies, Tulipe acts as an interface between healthcare companies that donate medicines and charities that work with populations affected by acute health crises, natural disasters or conflicts.



Humanitarian aid: working as close as possible with AR MADA

In November 2023, UPSA signed a partnership agreement with the AR MADA charity to provide it with financial aid and strengthen our local roots through practical and useful humanitarian actions, in direct line with our CSR commitments. AR MADA is a French charity working in Madagascar to provide medical and surgical care to isolated populations.

This new partnership completes the range of charitable work we have been carrying out in French-speaking Africa for several years: information campaigns to fight street medicines, strengthening the traceability of medicines with MEDITECT, campaigns to raise public awareness about fever symptoms, etc.

TULIPE



I am proud to continue my commitment to Tulipe, which is a wonderful tool for helping populations in emergency health situations.



Olivier POIRIEUX
Director, Science Division



170,000

boxes of medicines donated to the charity for people in distress.



LIVING WELL

SDGs:



PROTECTING OUR PLANET BETTER

Preserving the environment is essential if future generations are to live well. To combat climate change, UPSA is committed to reducing its environmental footprint by contributing to the collective carbon neutrality of its direct emissions. UPSA is therefore committed to producing in an ever more responsible manner by reducing its consumption and the environmental footprint of its products.

OUR AMBITIONS

2030



Contribute to the collective carbon neutrality of our direct greenhouse gas emissions.



100% of our secondary and tertiary packaging and in-store displays recyclable or of recycled or bio-sourced origin.



25% less waste generated (vs 2021).



20% reduction in water consumption by 2030 (vs 2020).



100% eco-designed packaging for our new products.

RELOCATION: UPSA AT THE HEART OF THE PROCESS

The Covid-19 crisis underlined the need to regain our healthcare sovereignty. The first project undertaken by the public authorities in which UPSA is taking part is the relocation of paracetamol production in France.

Paracetamol: healthcare sovereignty and environmental innovation

Our strategy is to offer a range of solutions so that, in the long term, we can source only French paracetamol.

Since 2021, we have been working with various partners to speed up the reintegration of a paracetamol production chain in France.

We invested in the commissioning of the production unit at the Sequens platform in Auvergne-Rhône-Alpes, and are committing to sourcing from this new local player. To take things even further, in 2023 we acquired a stake in Ipsophene, a start-up with plans to set up a paracetamol factory in Toulouse. As well as supporting French manufacturing, relocation encourages short distribution distances and therefore helps reduce our carbon footprint, a key commitment in UPSA's Sustainable Pact.

The relocation of paracetamol production to France will help us significantly reduce the carbon footprint of our medicines. Our French industrial partners have innovated to develop production processes that significantly reduce the environmental footprint of paracetamol production. In this way, UPSA is making a full contribution to the decarbonisation of the pharmaceutical industry in France.

Towards ever more responsible purchasing

Choosing local and national suppliers is both beneficial to the environment and promotes the appeal of our local and national economy. Our responsible purchasing policy defines the principles shared by our suppliers and subcontractors. It ensures we observe ten ethical business practices to develop a sustainable, balanced relationship based on trust.

All our buyers have been trained in this and in January 2023 we signed the Supplier Responsible Relationship and Purchasing Charter to put our approach on a sustainable footing.



Our French manufacturing strategy won the Grand Prize at the 2023 ETI BFM Business awards in the Made in France category.

It is possible to produce in France using short distribution circuits, with an additional benefit in the environmental footprint of our products.



Laure LECHERTIER

Director of Market Access,
Public Affairs, Communication and CSR

90%

of our purchases are from Europe.

80%

of our suppliers are in France.

1 out of 2

suppliers is local to the area in which we operate.

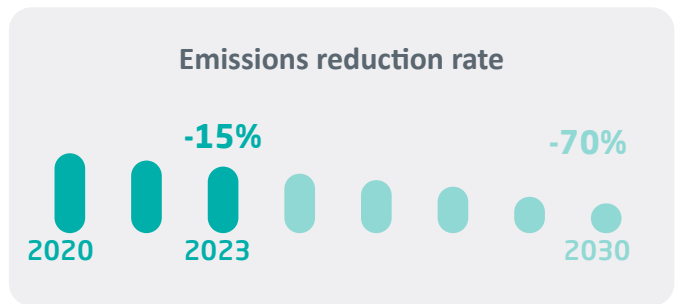


WORKING TOGETHER TO REDUCE OUR ENVIRONMENTAL FOOTPRINT

Our employees work hard every day to innovate and roll out many initiatives for decarbonisation and rational resource management.

The climate and decarbonisation of our industrial activities

As part of our Sustainable Pact, we have set ourselves the objective of contributing to collective carbon neutrality for our direct emissions (scopes 1 and 2). To achieve this, we have put in place a decarbonisation plan to reduce these emissions by 70% by 2030. Significant investments have been made in this area at our industrial sites to improve energy performance: we have installed heat pumps which helped reduce our greenhouse gas emissions by 15% between 2020 and 2023. We are continuing our efforts to develop and invest in projects that will enable us to meet our decarbonisation commitments. We are also working on the climate strategy for our indirect emissions (scope 3).



An energy mix promoting green energies

Inaugurated in March 2023 and launched in November 2023, solar canopies have been installed in the car park of our Gascogne industrial site. They will help produce up to 5% of the site's annual electricity consumption, i.e. 1,200 MWh/year. As part of our environmental commitments, this €1.4 million solar power project has been co-financed to the tune of €400,000 by the European Union via the ERDF (European Fund managed by the Nouvelle-Aquitaine Region).

ECOCALLENGE: Our employees are up to the task!



83

teams and over 730 employees took part in the first 2023 eco-challenge.

With our first ecochallenge in 2023, the aim was to raise employee awareness about saving energy, water and waste in a fun way. 83 teams took part, with over 730 participants. Every week, the app featured articles, videos, quizzes and a challenge on a specific theme to learn more about sustainable development at UPSA. There was a lot of enthusiasm and a lot of excitement during the three-week challenge, which resulted in over 470 ideas: so many possibilities for taking our CSR approach even further. This was followed by a vote involving all our employees as they chose five priority ideas for 2024. In the end, the three ideas that received the most votes concerned the preservation of water resources, underlining the teams' strong awareness of this environmental issue. The teams at our production sites have developed a number of projects to reduce our water consumption: optimised cleaning of weighing cabins, storage tanks and process equipment known as separators, and optimised cleaning and disinfection recipes in the paste production workshop. All these initiatives contribute to a reduction of around 2,000 m³ of water per year.

DEVELOPING A CIRCULAR BUSINESS MODEL

Guided by our corporate, social and environmental responsibility, our teams are committed to a proactive policy of eco-design and waste recovery.

Eco-design for a good start

In 2023, we carried out a Life Cycle Assessment on 75% of our products (by volume) to make sure we could roll out a complete, accurate, multi-criteria product approach. This assessment accurately evaluates the environmental impact of our products and identifies areas for improvement in our eco-design efforts.



75%

of our products (by volume) have undergone a Life Cycle Assessment.

Recognition for environmental and CSR performance

For more than 20 years, we have been ISO 14 001 certified for rigorous management and continuous improvement of our environmental performance. In 2023, we retained our silver medal awarded by EcoVadis for our CSR performance. We have also been given the Indice Vert A++ label by CAHPP*. This label measures the degree to which healthcare establishments and suppliers are committed to CSR and responsible purchasing, on a contractual basis backed up by evidence.



* Purchasing centre for public and private hospitals.



2023 CRISTAL DES ACHATS

UPSA was awarded the 2023 Cristal des Achats from NéoBusiness in Nouvelle-Aquitaine for the eco-design work we are carrying out to reduce the weight of our products and packaging.

Shorter leaflets, less paper

Our in-house print shop has been working on reducing the size of our leaflets. Results: 106 tons less paper!



Nothing is lost, everything is repurposed

We have a consolidation centre to manage our waste. Over 40 waste streams (cardboard, paper, wood, plastic, etc.) are recycled or repurposed into new materials. Results: 48% are recycled.



ACT WELL

SDGs:



CONTRIBUTING TO A MORE INCLUSIVE SOCIETY

As a company that puts people at the heart of what it does, UPSA is a responsible employer that seeks to recognise and value all its employees. As a committed player in its ecosystem, UPSA is a pollinator, actively contributing to the economic diversification of its region by favouring local suppliers.

OUR AMBITIONS

2030



Develop the region's economic vitality
(exceed 50% local suppliers).



Well-being at the heart of our organization

EMPLOYEES GO THE EXTRA MILE

Our employees can put their skills to work on projects that have meaning. The expertise and motivation of our team in the machine shop has enabled us to manufacture prostheses for children suffering from amelia.

Partnership with e-Nable France: when 3D means community

We discovered the existence of the e-Nable France charity thanks to one of our colleagues in the distribution department and it was obvious to us that we could give it our active support.

This charity provides 3D-printed prostheses to people - mostly children - who are missing an arm or a hand, usually from a congenital defect. At UPSA, we have 3D printers in our machine shop, volunteers who care and are ready to donate their time, and above all we share the same values with e-Nable in favour of well-being and healthcare for all.

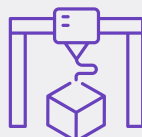
So we decided to become one of the 540 approved French manufacturers. In practical terms, we produce prostheses for children suffering from amelia based on plans and manufacturing instructions supplied by the charity, and with every guarantee of safety and comfort. As well as providing functional support, these ultra-modern and brightly coloured prostheses give a smile and hope to the people they help. Thanks to the commitment of a growing number of volunteers, e-Nable France has gone from waiting several months for new requests when it started in 2015 to an average of just a few days today. Since it was set up, the charity has donated 300 prostheses: solidarity can go a long way. And it's just the beginning!



Seeing a child smile again, even only for a moment, is priceless. e-Nable France can count on our renewed commitment to help develop its network, a beacon of hope and solidarity.



Isabelle VAN RYCKE,
Chair and CEO of UPSA



3 3D multicolour printers
and 1 modelling computer
were donated by UPSA
to e-Nable France in 2023.

PEOPLE AT THE HEART OF OUR ACTIONS

*Our employees are our priority.
We listen to them and make sure they feel good about their work.*

Giving our employees a voice

Every six months, we carry out an internal survey to take the pulse of our company and measure job satisfaction, an essential element in the success of our "UPSA Conquest 2027" plan.

Employees are invited to express their views on six priority themes: support for our strategic plan, recognition and quality of life at work, autonomy and empowerment, personal development, collaboration and dialogue. The feedback we receive from our employees helps us progress and adjust our direction if necessary, to ensure that we continue to make a positive contribution to the development of our company, in line with the needs and expectations of our teams.



87%

of employees feel recognised and good about their work at UPSA.

Source: UPSA internal survey, results at end December 2023.



HEALTH AND SAFETY: ESSENTIAL FOR QUALITY OF LIFE AT WORK

Because we want our company to be a great place to work, we brought together more than 1,500 employees for our Health & Safety Day in June 2023.

Dr Emmanuel Gourmet reminded us of the importance of mental health in maintaining our well-being, and practical workshops on everyday risks were organised. We also offered employees a number of workshops on a variety of subjects: fire extinguisher use, first aid, chemical hazards, addictions and nutrition.

Recognising innovative practices

In 2023 we launched the company-wide Kaizen awards, which our parent company Taisho has organised for many years. The term *Kaizen* combines two Japanese words, "kai" and "zen", meaning "change" and "better" respectively.

Practising *Kaizen* means looking for ways to improve the way we work every day, as a team and through innovative approaches. Above all, it's a collective state of mind. The best *Kaizen* initiatives fit in perfectly with the spirit of UPSA, highlighting everyone's commitment and the fact that good ideas don't necessarily come "from above".



CULTIVATING OUR LOCAL ROOTS

We are proud to encourage our employees who embody the values of sharing, inclusion and diversity on a daily basis.

Supporting personal initiatives



In 2022, we launched the AGIR scheme to support projects that promote the personal development of our employees. Whether the project is entrepreneurial, for charity, sporting or artistic, we provide financial and material assistance to our employees.

In 2023, five employee projects were supported. For example, we helped Laure SERRANO, Sales Administration Assistant and author of a book entitled "Evalon - The Mark of the Gods". Preparing the future publication of her new novel, she can now submit the book to a proofreading committee to prepare the text before self-publishing and presenting it to book publishers.



230,000 €
in donations for local charities.



Open day for young people

On 7 December 2023, as part of the "De Firme en Firme" event organised by the Lot-et-Garonne Council, more than 60 secondary school pupils visited our production site in Agen to find out more about what we do. They visited our workshops and met employees to get a better understanding of our businesses, skills and expertise.

The rich discussions confirmed the interest that young people have in our sector and the importance of organising these open days to encourage future students to choose the pharmaceutical industry.

DuoDay or changing the way people see disability

A highlight of the European Week for the Employment of People with Disabilities, DuoDay has been an event at UPSA since 2016 and was rolled out to all sites in 2022. Every year, we take on trainees with disabilities to give them an insight into working in the mainstream sector. In 2023, several employees spent their day working in pairs or threes in different roles and departments. They all testify to the richness of this time spent together. It helps break down prejudices and introduces vocations or possible future collaborations.

UPSA SUSTAINABLE PACT

Contribute every day to advancing the UN's sustainable development goals



WELL-BEING

A positive impact on everyone's life



2030 AMBITIONS

1. Improve the day-to-day lives of our patients/consumers through innovative services and solutions.

2. Ingredients: 100% of new well-being products developed in line with our engagement and transparency charter.



LIVING WELL

Protecting our planet



2030 AMBITIONS

1. Carbon neutrality of our direct GHG emissions.

3. 100% of our secondary and tertiary packaging and in-store displays recyclable or of recycled or bio-sourced origin.

2. 20% reduction in water consumption by 2030 (vs 2020) and 25% reduction in waste by 2030 (vs 2021).

4. 100% eco-designed packaging for our new products.



ACT WELL

Contributing to a more inclusive society



2030 AMBITIONS

1. Exceed 50% local suppliers.

2. Well-being at the heart of our organization

THE UN'S SUSTAINABLE DEVELOPMENT GOALS

The UN Sustainable Development Goals are a set of 17 global objectives aimed at eradicating poverty, protecting the planet and ensuring prosperity for all by 2030.



Through its Sustainable Pact, UPSA meets UN objectives 3, 4, 5, 6, 7, 8, 12 and 13.

UPSA labeled B Corp

We are proud to announce that UPSA has been awarded the prestigious B Corp certification, recognizing our commitment to sustainable, ethical, and responsible practices. This certification affirms our dedication to making a positive impact on society and the environment, as we continue our efforts to provide high-quality pharmaceutical products.



**BEHIND THIS CLOVERLEAF,
ALL UPSA EMPLOYEES
ARE PROUD TO BE B CORP.**



Design and development:
Agence Mieux

Credits:
UPSA, GettyImages, Shutterstock.

Printing:

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