



AmbioPharm Inc.

2025 Sustainability Report





Our Commitment to Sustainability

At AmbioPharm, sustainability is not an afterthought—it is a core principle guiding how we innovate, manufacture, and grow. The pharmaceutical industry plays a critical role in improving global health, and with that responsibility comes the imperative to minimize environmental impact, uphold ethical standards, and foster inclusive communities.

In 2024, we made meaningful progress toward these goals. We advanced green chemistry initiatives, expanded solvent recycling programs, and achieved an 83% recycling rate for hazardous waste—one of the highest in our sector. We also reduced Scope 1 and 2 greenhouse gas emissions by 13% compared to the prior year and set ambitious targets for further reductions by 2027. These actions reflect our commitment to climate stewardship and operational efficiency.

Our people remain at the heart of our success. We recorded a zero-incident safety rate, strengthened diversity and inclusion programs, and enhanced talent retention strategies to support a thriving workforce. Beyond our facilities, we continued to engage with local communities and suppliers to promote responsible practices across the value chain.

Looking ahead, we recognize that sustainability is a journey, not a destination. We are committed to formalizing science-based emissions targets, expanding renewable energy adoption, and deepening supplier engagement to drive positive change across our global operations. Together—with our employees, partners, and stakeholders—we will build a resilient, responsible, and innovative AmbioPharm that delivers value for both society and the environment.

Thank you for joining us on this journey.



Reporting Period

January 1 – December 31, 2024

Introduction

At AmbioPharm, our purpose is to actively contribute to a healthier, more sustainable planet through science-driven solutions, responsible manufacturing, and a determination to set a new benchmark for environmental and social stewardship in the pharmaceutical sector. In 2024, we advanced our sustainability journey by strengthening green chemistry initiatives, setting new resource efficiency goals, and embedding corporate values of inclusivity and responsibility across our global operations.

This report outlines our commitments and accomplishments across key environmental, social, and governance (ESG) dimensions. Developed in alignment with the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) frameworks, and referencing the United Nations Sustainable Development Goals (SDGs), our disclosures demonstrate both data-driven rigor and transparent narrative. This document is modeled on leading sector ESG reports to ensure relevance for our stakeholders and to foster candid discussion about challenges and opportunities ahead.



Figure 1: AmbioPharm's South Carolina headquarters, reflecting our continued investment in sustainable, state-of-the-art manufacturing capacity.

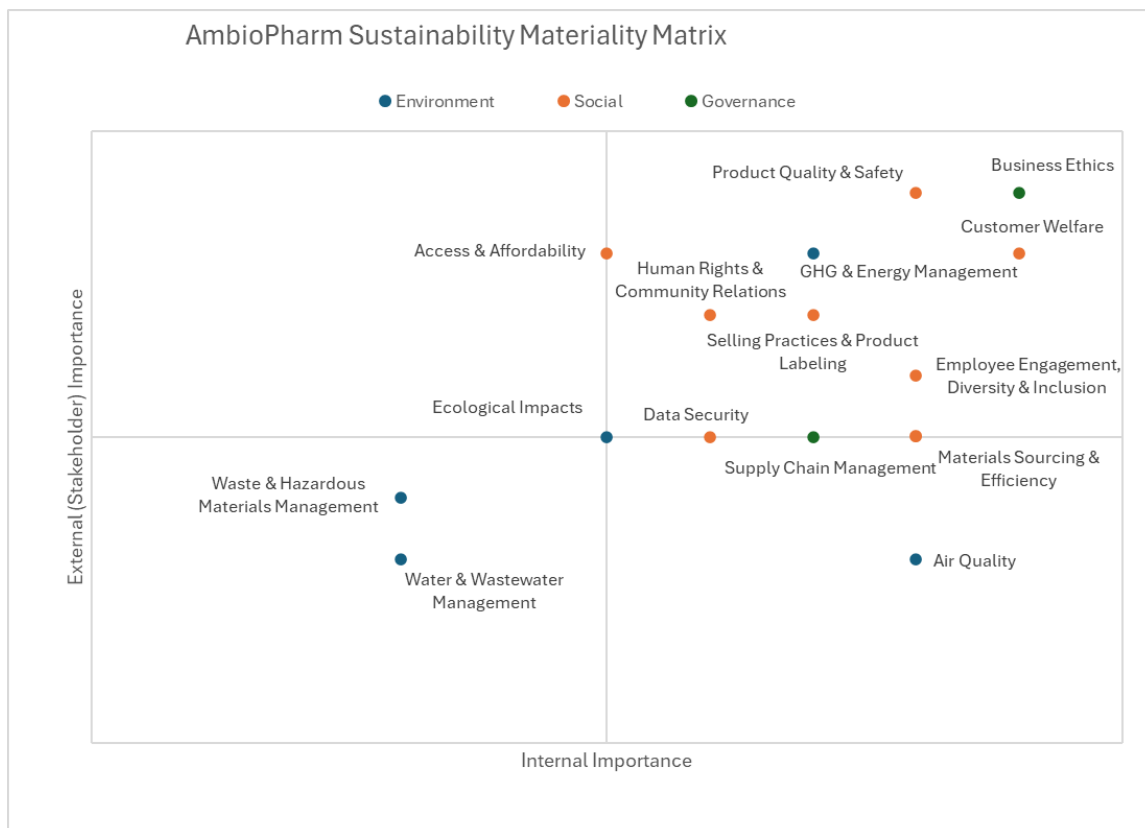


Materiality Assessment & Stakeholder Engagement

AmbioPharm's 2024 materiality assessment was guided by structured engagement with sustainability experts, industry partners, and internal management stakeholders. Aligned with SASB for the biopharmaceutical sector and the chemical sector, our process prioritized topics where AmbioPharm has the most significant impact and where stakeholder interest is pronounced. Core areas of critical importance identified this year include:

- Business Ethics
- Customer welfare
- Product quality and safety
- Employee well-being, diversity, and development
- GHG & energy management

Assessment outcomes were mapped against the SDGs, reinforcing our commitment to SDG 3 (Good Health and Well-being), SDG 12 (Responsible Consumption and Production), and SDG 13 (Climate Action). These priorities underpin our ESG strategy and continuous improvement programs.





Environmental Performance

Green Chemistry and Emissions Reduction

AmbioPharm is committed to green peptide chemistry as a pillar of our sustainability philosophy. In 2024, we continued investment in solvent recycling at our manufacturing hubs, with acetonitrile (MeCN) recovery fully operational in Shanghai and expansion of dimethylformamide (DMF) and methyl t-butyl ether (MTBE) recovery under way. This contributed to a reduction in hazardous waste generated and aligns with our pledge to minimize the ecological footprint of pharmaceutical manufacturing [source:5],[source:7].

Total hazardous waste generated from manufacturing operations was 115 metric tonnes in 2024, with 83% successfully recycled—one of the highest rates in our sector. We maintained strict protocols for waste segregation and introduced new procedures for safer handling and documentation of chemical inventories.

Our total energy consumption for the year was 62,185 gigajoules (GJ), with 100% sourced from grid electricity and no direct renewable energy agreements yet in place. We are evaluating pathways to invest in renewable energy sources and efficiency upgrades across our U.S. and China facilities.

GHG Emissions

Absolute emissions

- **Scope 1 (Direct):** 1,345 metric tonnes CO₂e
- **Scope 2 (Indirect, market-based):** 3,187 metric tonnes CO₂e
- **Scope 2 (Indirect, location-based):** 3,187 metric tonnes CO₂e
- **Scope 3 (Value chain):** Data under review; efforts ongoing to improve value chain transparency.

We are internally discussing setting science-based GHG reduction targets; while no formal plan is yet in place, the implementation of process improvements and supplier engagement are expected to yield reductions in line with global best practices.

Intensity emissions

Scope 1 (Direct): 14.9 Tonnes of CO₂e / 1kg of product

Scope 2 (Indirect, market-based): 35.4 Tonnes of CO₂e / 1kg of product

Scope 2 (Indirect, location-based): 35.4 Tonnes of CO₂e / 1kg of product

Scope 3 (Value chain): Data under review; efforts ongoing to improve value chain transparency.

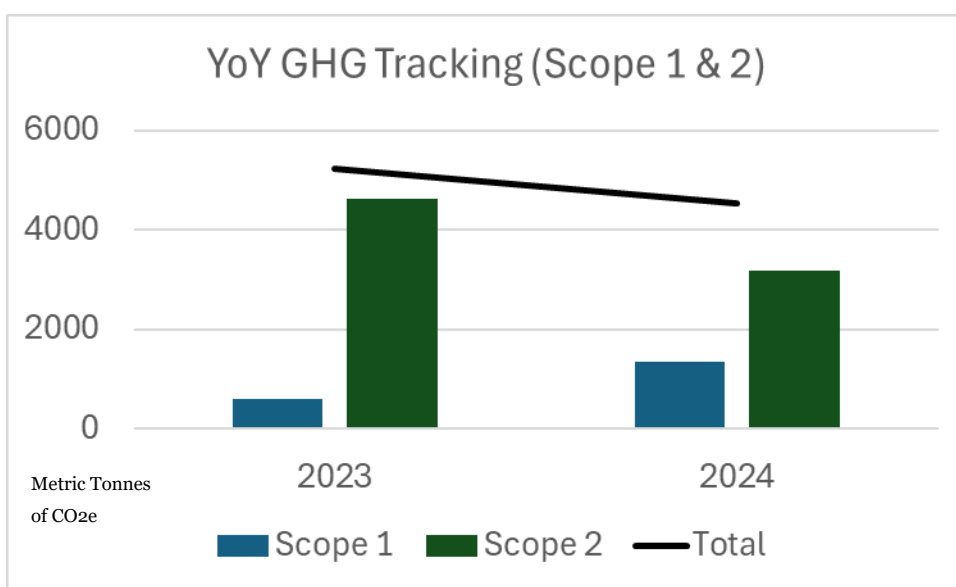
GHG Emission Reduction Targets



We are actively seeking to reduce our GHG emissions, and as such have set the following reduction targets:

- Scope 1 intensity reduction: **10% reduction by 2027** (reduced to 13.4 tonnes of CO₂e / 1 kg of product)
- Scope 2 intensity reduction (both market and location based): **10% reduction by 2027** (reduced to 31.9 tonnes of CO₂e / kg of product)
- Scope 3 intensity reduction: target to be set after baselining

GHG Emission Reduction over time



Our total Scope 1 & 2 GHG Emissions have reduced by 13% between 2023 and 2024. This reduction is in part from energy savings initiatives that we have run ourselves, however we also updated our accounting methodology to ensure accordance with the GHG Protocol, which also accounts for some of the change. Moving forward, we will reset 2024 as our carbon emissions Scope 1 & 2 baseline.

Water and Air Emissions

Water stewardship is integral to our risk management approach. In 2024, AmbioPharm withdrew 23,586,300 gallons of water from municipal and industrial sources. None of our withdrawals occurred in regions of high or extremely high baseline water stress.

Air emissions from operations included 0.33 tpy of hazardous air pollutants (HAPs), 13.95 tpy of NO_x, 0.35 tpy of SO_x, and 0.33 tpy of volatile organic compounds (VOCs), maintained within permitted levels. Continuous monitoring and investments in abatement technologies are core to our management of air quality impacts.

Sustainable Supply Chain



AmbioPharm’s procurement processes integrate environmental, ethical, and quality criteria. In 2024, 8.5% of Tier I supplier facilities participated in Rx-360 or equivalent third-party audits, while plans are in place to expand sustainability assessments to more suppliers in 2026. Materials risk is continually evaluated via vendor scorecards and criticality assessment, and a supplier code of conduct is enforced.

Our logistics provider, FedEx, was selected in part for its strong sustainability performance, and we collaborate with partners to promote responsible packaging and transport emissions reduction initiatives.

Social Responsibility

Employee Health, Safety, and Well-being

Our goal is zero workplace incidents. In 2024, AmbioPharm recorded:

- Total recordable incident rate (TRIR): 0 (for both direct and contract employees)

We continue to enforce rigorous safety policies including comprehensive industrial hygiene sampling, respiratory protection, and training for all employees exposed to active pharmaceutical ingredients. Our health benefits suite provides coverage for all full-time staff, supporting physical and mental well-being.

Talent, Diversity & Inclusion

In 2024, structured recruitment and retention initiatives targeting scientists and R&D staff led to a reduction in voluntary turnover to 21%. Key workforce statistics:

Category	Male	Female
Executive Management	67%	33%
All Other Employees	56%	44%

Table 1: Table 1: Gender representation in AmbioPharm workforce, 2024.

Ethnic diversity for all employees: White 50.8%, Black or African American 19.3%, Hispanic or Latino 5.3%, Asian 18.0%, Other 6.6%. We continue to monitor the gender pay gap and reinforce career development, mentorship, and cross-cultural awareness across all operations. No discrimination or harassment incidents were reported in 2024.

Community Engagement

AmbioPharm actively supports local organizations and participates in industry forums to advance education and sustainable practices. Our Shanghai expansion project brought new employment opportunities and community investments, and we maintain an open-door policy for transparent communication with local stakeholders.

Human Rights



AmbioPharm is committed to protecting human rights throughout our pharmaceutical chemical supply chain. We work closely with suppliers to prevent forced labor, child labor, and unsafe working conditions, and we promote fair wages and non-discrimination. These expectations are embedded in supplier selection, contracts, and audits, aligned with the UN Guiding Principles on Business and Human Rights. While our internal policies reinforce diversity and zero-tolerance for exploitation, we also maintain a focus on building transparent, accountable supply chains that uphold ethical standards and safeguard vulnerable workers.

Governance & Product Quality

Ethics, Compliance, and Data Security

AmbioPharm is committed to conducting its peptide development and manufacturing activities with integrity, transparency, and strict adherence to all applicable laws and industry regulations in the United States, China, and the global markets it serves. The company maintains a culture where ethical behavior is expected at every level, supported by formal codes, policies, and training that govern anti-corruption, fair competition, data integrity, and responsible interactions with healthcare professionals and customers in line with leading pharmaceutical sector practices and expectations under GRI and SASB standards.

AmbioPharm's leadership sets the tone by emphasizing zero tolerance for bribery, kickbacks, or other unethical business practices and by promoting transparent reporting on any material legal or regulatory proceedings associated with ethics or compliance issues, consistent with sector metrics such as SASB HC-BP-510a.1. Across its US and China facilities, AmbioPharm expects employees, contractors, and key suppliers to speak up about potential concerns without fear of retaliation, and integrates ethics considerations into risk management, supplier evaluations, and decision-making processes so that business growth remains aligned with patient safety, regulatory compliance, and long-term stakeholder trust.

AmbioPharm upholds a strong ethic of professional integrity, guided by robust internal policy, compliance training, and a leadership culture of transparency. There were no legal proceedings or monetary losses associated with corruption, bribery, data security, or product quality in 2024.

We maintain comprehensive documentation and traceability systems for all products:

- Each batch manufactured is fully traceable in compliance with Master Batch Record SOPs.
- Customer alerts for product risks are managed under defined SOPs, with complaints and recalls documented, though no recalls or adverse events required product withdrawal in 2024.

No data breaches were reported, and our layered cybersecurity framework—including regular audits, encryption, and proactive training—helps maintain stakeholder trust.

Sustainable Procurement

AmbioPharm recognizes that sustainable procurement is a key lever for reducing the environmental and social impacts of peptide active pharmaceutical ingredient (API)



production while strengthening supply chain resilience and quality for customers. As a global peptide CDMO with facilities in the United States and China, the company integrates environmental, social, and governance (ESG) criteria into supplier evaluation and selection, prioritizing partners that uphold robust quality systems, comply with current Good Manufacturing Practice (cGMP) and relevant regulations, and support greener chemistry, solvent reduction, and recycling initiatives across the value chain. In line with GRI topics on procurement practices and assessment, AmbioPharm is expanding the use of independent sustainability ratings, such as EcoVadis, and supplier audits to monitor performance on labor conditions, ethics, health and safety, and environmental management, with an emphasis on high-impact categories such as solvents, reagents, and specialty raw materials.

Looking Ahead: Our Sustainability Roadmap

AmbioPharm recognizes that the journey toward sustainability is ongoing. We are committed to:

- Improving our renewable energy mix
- Setting and eventually formalizing science-based Scope 1-3 GHG emissions targets
- Expanding supplier sustainability engagement and assessment coverage
- Piloting new water conservation technologies at manufacturing sites
- Advancing diversity, equity, and inclusion throughout our global workforce

We express our gratitude to all employees, partners, and stakeholders for championing our shared vision for a resilient, responsible, and prosperous AmbioPharm.



Shanghai AmbioPharm Campus



1,500L Hydrogenation Reactor



5,000L Reactor



600cm HPLC Column

Figure 2: Shanghai facility expansion reflects our commitment to sustainable growth and community investment.

KPI INDEX: SASB, GRI, and SDG

Category	Metric	Unit	Value / description	SASB Reference	GRI Reference	SDG No. and Category
General	Production by reportable segment	metric tonnes (t)	0.09	RT-CH-000.A	NA	SDG 3 Good Health and Well-Being
Product Quality & Safety	Products listed in public medical product safety or adverse event alert databases.	-	0	HC-BP-250a.1	GRI 416-2	SDG 3 Good Health and Well-Being
Product Quality & Safety	Number of fatalities associated with products.	#	0	HC-BP-250a.2	GRI 416-2	SDG 3 Good Health and Well-Being
Product Quality & Safety	(1) Number of recalls issued, (2) total units recalled.	#	0	HC-BP-250a.3	GRI 416-2	SDG 3 Good Health and Well-Being



Product Quality & Safety	Total amount of product accepted for take-back, reuse, or disposal.	Metric tonnes (t)	0.00034 t	HC-BP-250a.4	GRI 306-4; GRI 306-5	SDG 12 Responsible Consumption and Production
Product Quality & Safety	Number of enforcement actions taken in response to violations of good manufacturing practices (GMP) or equivalent standards, by type.	#	0	HC-BP-250a.5	GRI 2-27	SDG 16 Peace, Justice and Strong Institutions
Customer Welfare	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting.	-	Traceability is ensured through the documentation of each batch manufactured according to its Master Batch Record. This document traces all materials and equipment used for each lot being manufactured. Once completed each final product container is labeled according to SOP-NPAC-00003 Label Issuance and Control which ensures the required information is attached to each contained with label creation and issuance only by the quality unit. To ensure traceability for each lot exceeds the shelf life of the product, all documentation is maintained a minimum of 15 years according to SOP-NDOC-0002 Record Lifecycle.	HC-BP-260a.1	GRI 414-1	SDG 9 Industry, Innovation and Infrastructure
Customer Welfare	Discussion of process for alerting customers and business partners to potential or known risks associated with counterfeit products.	-	AmbioPharm has two SOPs for this topic. Complaints (SOP-NCOM-0001) covers investigation of issues identified by clients after the API material has transferred to their ownership. Recalls and Mock Recalls (SOP-NCOM-0002) covers the process of notifying customers of any issue that may impact their material and the recovery of any implicated material.	HC-BP-260a.2	GRI 417-1	SDG 3 Good Health and Well-Being
Customer Welfare	Number of actions that led to raids, seizure, arrests, or filing of criminal charges related to counterfeit products.	#	0	HC-BP-260a.3		SDG 16 Peace, Justice and Strong Institutions
Selling Practices & Product Labeling	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims.	\$	\$0	HC-BP-270a.1	GRI 417-3	SDG 16 Peace, Justice and Strong Institutions
Employee Engagement, Diversity & Inclusion	Discussion of talent recruitment and retention efforts for scientists and research and development staff.	-	Implemented structured recruitment and retention initiatives for scientific and R&D staff, including targeted screening, technical skill evaluation, and expedited candidate review to reduce hiring delays. Enhanced mentorship and career development programs contributed to a decline in professional voluntary turnover to 20.95% in 2024, reflecting improved engagement and retention.	HC-BP-330a.1	GRI 401-1	SDG 8 Decent Work and Economic Growth
Employee Engagement, Diversity & Inclusion	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others.	%	(1) a:50 b:39 c:34 d:NA (2) a:10 b:13 c:12 d:NA	HC-BP-330a.2	GRI 401-1	SDG 8 Decent Work and Economic Growth

Employee Engagement, Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees.	%	<p>Gender representation - Executive Management: Male 67.0%; Female 33.0%</p> <p>All other employees: Male 56.0%, Female 44.0%</p> <p>Ethnic group representation, executive management:</p> <ul style="list-style-type: none"> • White 67.0% • Black or African American 0.0% • Hispanic or Latino 0.0% • Asian 33.0% • American Indian or Alaska Native 0.0% • Native Hawaiian or Other Pacific Islander 0.0% • Two or more races 0.0% • Other (commonly used for those not identifying in the above) 0.0% <p>Ethnic group representation, all other employees:</p> <ul style="list-style-type: none"> • White 50.8% • Black or African American 19.3% • Hispanic or Latino 5.3% • Asian 18.0% • American Indian or Alaska Native 1.3% • Native Hawaiian or Other Pacific Islander 1.3% • Two or more races 4.0% • Other (commonly used for those not identifying in the above) 0.0% 	SV-PS-330a.1	GRI 405-1	SDG 5 Gender Equality; SDG 8 Decent Work and Economic Growth
Supply Chain Management	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients.	%	(1) 0, (2) 8.5%	HC-BP-430a.1	GRI 414-1	SDG 12 Responsible Consumption and Production
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery.	\$	\$0	HC-BP-510a.1	GRI 205-3	SDG 16 Peace, Justice and Strong Institutions
Energy Management	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Gigajoules (GJ), Percentage (%)	(1) 62,185 GJ (2) 100% (3) 0%	HC-DR-130a.1	GRI 302-1	SDG 7 Affordable and Clean Energy
GHG Emissions	Payload fuel economy.	Litres/RT K		HC-DI-110a.1	GRI 305-4	SDG 13 Climate Action
GHG Emissions	Description of efforts to reduce the environmental impact of logistics.	-	Our logistics provider is primarily FedEx, which was selected in part due to its strong sustainability performance		GRI 305-5	SDG 13 Climate Action
Data Security	Total amount of monetary losses as a result of legal proceedings associated with data security and privacy.	\$	\$0	HC-DR-230a.3	GRI 418-1	SDG 16 Peace, Justice and Strong Institutions
Waste & Hazardous Materials Management	(1) Amount of hazardous waste from manufacturing,	Metric tonnes (t), %	(1) 115, (2) 83%	TC-	GRI 306-3	SDG 12 Responsible Consumption



	(2) percentage recycled.			ES-150a.1		and Production
Materials Sourcing & Efficiency	Description of the management of risks associated with the use of critical materials.	-	AmbioPharm covers risk with use of material via a material risk assessment (AF-NQUA-0028) conducted as new materials / vendors are introduced to the facility. The execution of the form and introduction of new materials is covered by SOP-NQUA-0007 Vendor Quality Master Plan. The SOP also covered the definition of critical versus non-critical materials and requires annual assessment in the form of a vendor scorecard (AF-NQUA-0075) for all critical materials.	TC-ES-440a.1	GRI 301-1	SDG 12 Responsible Consumption and Production
Water & Wastewater Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress.	%	(1) 23,586,300 gallons (2) 0%		GRI 303-3	SDG 6 Clean Water and Sanitation
GHG Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations.	Metric tonnes (t), %	1,345, 0%	RT-CH-110a.1	GRI 305-1	SDG 13 Climate Action
GHG Emissions	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	-	We are internally discussing setting Science Based targets but currently no plan in place	RT-CH-110a.2	GRI 305-5	SDG 13 Climate Action
GHG Emissions	Scope 2	Metric tonnes (t)	3,187			
Air Quality	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs).	Metric tonnes (t)	HAPs 0.33 tpy NOX 13.95 tpy SOX 0.35 tpy VOC 0.33 tpy	RT-CH-120a.1	GRI 305-7	SDG 11 Sustainable Cities and Communities
Ecological Impact	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities.	-	Our US operations contains one site, which is located in a pre-existing industrial zone and as such our core operations have not added to ecological impacts of the site. We may expand our operations, and if so the respective site development - if on a greenfield site - would undergo ecological impact assessment to ensure now adverse impact in its construction and operations	EM-SV-160a.2	GRI 304-2	SDG 15 Life on Land
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Rate	(1a) 0, (1b) 0, (2a) 0, (2b) 0	RT-CH-320a.1	GRI 403-9	SDG 3 Good Health and Well-Being; SDG 8 Decent Work and



						Economic Growth
Workforce Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	-	Industrial Hygiene Sampling done. Respiratory Protection Program. Employees exposed to active pharmaceutical ingredients wear respirators	RT-CH-320a.2	GRI 403-10	SDG 3 Good Health and Well-Being; SDG 8 Decent Work and Economic Growth
Safety & Environmental Stewardship of Chemicals	(1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	%	(1) unknown, (2) 100%	RT-CH-410b.1	GRI 403-7	SDG 3 Good Health and Well-Being; SDG 8 Decent Work and Economic Growth
Safety & Environmental Stewardship of Chemicals	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact	-	No current strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact	RT-CH-410b.2	GRI 416-1; GRI 416-2	SDG 3 Good Health and Well-Being; SDG 12 Responsible Consumption and Production