



# Sustainability-Linked Bond Framework

September 2024



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# 1

## INTRODUCTION

### 1.1 ABOUT JGL

Jadran-Galenski Laboratorij d.d. (JGL d.d., "JGL", "Group" or "Issuer") is Croatia's largest pharmaceutical company, headquartered in Rijeka. Renowned for its dedication to advancing human health and well-being, JGL develops formulations and product variations across three key therapeutic areas. JGL's commitment to innovation is underscored by its continuous reinvestment of over 5% of company revenue into research and development. As one of the leading European manufacturers of sterile pharmaceutical forms, including drops, sprays, and aerosol systems with a bag inside an aluminum container (BOV, Bag-on-Valve), JGL stands at the forefront of pharmaceutical excellence.

Founded in 1991, JGL has expanded from a regional player into having a significant international presence, with operations spanning 60 markets, either directly or through partnerships. The company has grown to employ over 1,200 people across eleven countries. In 2023, the JGL Group achieved a total revenue of EUR 213 million, including an operating profit of EUR 41.6 million, reflecting its substantial role in the global pharmaceutical industry.

With an extensive product portfolio which includes prescription medications, over-the-counter (OTC) medicines, and medical devices, JGL has notable expertise in ophthalmology, dermatology, and cough, cold and allergy (CCA). JGL's mission is to help people "sense the world around them in a better, richer, and more confident way." This mission is reflected in JGL's approach to these key therapeutic areas, enhancing patients' lives and enabling them to engage with the world more fully and confidently.

In CCA therapy, JGL's commitment to this mission is evident through innovative products designed to alleviate breathing difficulties. The Aqua Maris brand features a variety of natural solutions derived from Adriatic Sea water, aimed at hygiene, prevention, and treatment of upper respiratory infections. Since its launch in 1999, Aqua Maris has sold over 240 million products, addressing daily respiratory needs by merging pharmaceutical knowledge with thalassotherapy. Additionally, JGL's Meralys (Rinomaris) nasal sprays combine the effective decongestant xylometazoline with natural ingredients like hyaluronic acid and seawater, delivering rapid relief and comfort.

In ophthalmology, JGL draws over 25 years of expertise to improve vision and eye health. JGL's preservative-free Vizol S (Optinol) products are designed to relieve dry and red eye syndrome, significantly enhancing patients' daily lives and overall quality of life. Additionally, JGL offers effective treatments for glaucoma, essential for managing intraocular pressure and preserving vision, thereby supporting patients in maintaining their independence and confidence.

Dermatology is another vital area where JGL's mission is realized. JGL's dermatological treatments address various skin conditions, boosting patients' self-esteem and comfort. Aknekutan, for example, is a leading treatment for severe acne, utilizing unique Lidose technology to reduce dosage while maintaining effectiveness. This innovation has made Aknekutan the best-selling isotretinoin in many of JGL's markets, reflecting its success in delivering clearer, healthier skin and enhancing patients' overall quality of life.

JGL's headquarters and production facilities are located in Rijeka, Croatia, with a new logistics and distribution center in Kukuljanovo. The company also maintains offices in Zagreb and Split. Expanding beyond Croatia, JGL operates throughout Central and Eastern Europe, with significant markets in the CIS. The Group also encompasses various subsidiaries, including JGL Pharma, which represents the core pharmaceutical business. Other subsidiaries include Adrialab, Ljekarna Pablo Health Institution, Pablo d.o.o., and Primorske Goranske ljekarne Health Institution, as well as the JGL Pharmacy Museum in Rijeka. JGL operates in eleven markets, Russia, Croatia, Ukraine, Kazakhstan, Belarus, Uzbekistan, Bosnia and Herzegovina, Serbia, Slovenia, North Macedonia, and Kosovo, through its parent company in Croatia and regional representative offices. The company also exports its products through distributors and partners to over 60 additional markets, including Hungary, Switzerland, Italy, Greece, Romania, Poland, and the Middle East. JGL's growth and innovation are driven by its collaborations with international pharmaceutical companies, research institutions, and healthcare providers, solidifying its leading position in the pharmaceutical industry.

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## 2

# ESG STRATEGY

JGL's ESG strategy is an integral part of JGL corporate business strategy, encompassing all key aspects of sustainability and social responsibility to achieve sustainable business goals. The ESG strategy aims to strengthen the resilience of JGL Group to internal and external changes, ensuring the company continues to create value for all stakeholders while fostering a positive environmental and societal impact in line with the principles of ecological sustainability and corporate governance. Integrating the ESG strategy into its corporate framework enhances JGL's operational excellence through sustainable practices, making it more competitive in the market, attracting and retaining talented employees, and ensuring timely risk management. The fundamental values of the Group – responsibility, respect, unity, and sustainability – form the foundation of all JGL's business activities, including the corporate business strategy and the ESG strategy.

The ESG strategy covers all three areas of sustainability assessment: environmental, social and corporate governance. ESG vision and strategy are anchored in three foundational pillars, which guide its overarching goals and strategic priorities. These pillars reflect JGL's commitment to sustainability, innovation, and effective governance, providing a clear vision for future direction. JGL is dedicated to embedding these principles into every facet of its operations, ensuring that it drives meaningful progress and sets the stage for long-term success.

For the short term, covering the period from 2024 to 2027, JGL has established ten specific goals designed to advance its immediate objectives. This short-term plan is kickstarted by ten key initiatives launched in 2024, which serve as crucial steps toward achieving these goals. These goals and initiatives are strategically aligned with JGL's long-term vision, supporting its broader mission while addressing current challenges and opportunities. By bridging immediate actions with long-term aspirations, JGL aims to create a sustainable impact and continuously build towards its future ambitions.

The three foundational pillars of the ESG strategy are:



**1. Protecting the Green & Blue:** JGL focuses on managing practices aimed at protecting natural resources, ecosystems, and biodiversity (green), as well as marine and aquatic environments (blue). JGL's commitment involves reducing its ecological footprint through the adoption of energy-efficient technologies, optimizing resource utilization, and elevating environmental standards across its operations. By minimizing its negative environmental impact, JGL contributes to the preservation of both terrestrial and marine environments.



**2. Promoting Health and Wellbeing:** JGL is committed to enhancing the health and wellbeing of employees and patients. The company fosters a culture of equality, inclusion, and respect, providing a supportive environment. JGL's initiatives benefit local communities through programs like early glaucoma detection, breastfeeding support, and healthy breathing. By collaborating with healthcare providers and investing in innovative solutions, JGL enhances patient care and quality of life.



**3. Practicing Effective Governance:** JGL implements policies that ensure adherence to high governance standards, ethical principles, and transparency in all business processes. JGL focuses on establishing clear ethical guidelines that permeate all aspects of business, ensuring transparency, accountability, and trust among all stakeholders of the organization. Integration of these values helps minimize risks, preserve reputation, and support long-term and stable growth and success of the company.

Through its ESG strategy, the Group continues to invest in improving the energy efficiency of its operations, promotes sustainable resource use through innovative practices, encourages innovations in sustainable business, supports employee engagement and productivity, and strengthens trust and loyalty. JGL actively nurtures relationships with local communities, adheres to high ethical standards in business, takes responsibility for its decisions, and deepens relationships and builds trust with all relevant stakeholders.

## 2.1 RATIONALE FOR ISSUING A SUSTAINABILITY-LINKED BOND

JGL is set to issue a Sustainability-Linked Bond to firmly demonstrate its commitment to sustainability and align its financing strategy with its environmental, social, and governance (ESG) objectives. By linking the bond's terms to specific, predefined sustainability performance targets, JGL not only raises capital but also drives tangible improvements in key areas central to its corporate business strategy. This move underscores JGL's dedication to integrating sustainability into its financial framework, ensuring that capital raising efforts actively support and advance the company's ESG goals. The bond's performance metrics will be directly tied to the company's ability to meet these sustainability performance targets, thereby incentivizing continuous progress and accountability.

The rationale behind issuing a Sustainability-Linked Bond is deeply rooted in JGL's strategic vision of harmonizing business growth with sustainable development. By embedding sustainability into its financing strategy, JGL can effectively channel resources toward initiatives that yield both financial returns and positive environmental and social outcomes. This alignment not only enhances JGL's reputation as a forward-thinking and responsible enterprise but also strengthens its ability to attract investors who prioritize sustainability. The bond issuance is a testament to JGL's long-term commitment to ESG principles, reinforcing its role as a leader in the pharmaceutical industry while contributing to broader global sustainability objectives.

Furthermore, this initiative supports JGL's objective to integrate its ESG strategy seamlessly into its overall business operations. The Sustainability-Linked Bond framework provides a structured approach for measuring and reporting progress against sustainability targets, thereby enhancing transparency and stakeholder trust. It aligns JGL's financial incentives with its sustainability performance, creating a robust mechanism for achieving and surpassing ESG goals. This strategic alignment not only drives sustainable development within JGL's operations but also reflects a broader commitment to leading by example in the global push for responsible and impactful business practices.

## 2.2 ALIGNMENT WITH ICMA SLB PRINCIPLES

JGL intends to issue Sustainability-Linked Bond based on the JGL Sustainability-Linked Bond Framework ("Framework"). The Framework is aligned with the Sustainability-Linked Bond Principles published by the International Capital Markets Associations ("ICMA") in June 2024.

The Framework is guided by the following five components as published by ICMA:

1. Selection of Key Performance Indicators (KPIs)
2. Calibration of Sustainability Performance Targets (SPTs)
3. Bond characteristics
4. Reporting
5. Verification



# 3

## JGL SUSTAINABILITY-LINKED BOND FRAMEWORK

### 3.1 SELECTION OF KEY PERFORMANCE INDICATORS

For this Sustainability-Linked Bond Framework, JGL has chosen to concentrate on two key topics: Access and Affordability through the “Trust Your Eyes” program, and Climate Change Mitigation.

#### Access and Affordability: “Trust Your Eyes” Program

**KPI 1: Total Number of Beneficiaries of JGL’s Ocular Hypertension Exams Across All Countries of Operation**

#### Climate Change Mitigation

**KPI 2: Absolute GHG Emissions Reduction (Scope 1 and 2)**

The KPIs are relevant, core and material to JGL’s corporate business and are aligned and incorporated into JGL’s ESG strategy. Furthermore, the KPIs are measurable and quantifiable using consistent methodologies, they are externally verifiable and can be benchmarked against JGL’s own performance as well as external references. The following subsections will describe each KPI in detail.

### Access and Affordability - “Trust Your Eyes” Program

**KPI 1: Total Number of Beneficiaries of JGL’s Ocular Hypertension Exams Across All Countries of Operation**

#### RATIONALE

The “Trust Your Eyes” program (“Program”) is a pivotal initiative by JGL, reflecting the deep commitment to improving global eye health and addressing the critical issue of glaucoma. Glaucoma, a condition that impacts the optic nerve due to fluid buildup and increased intraocular pressure, is a leading cause of irreversible blindness worldwide. This non-communicable disease is included in the WHO Model List of Essential Medicines, highlighting the necessity for effective treatment and early detection. According to the American Academy of Ophthalmology<sup>1</sup>, glaucoma affects approximately 3–5% of the global population aged 40 years and older, a number projected to rise to 111 million by 2040 due to an aging global population.

The Program is designed to tackle this pressing health challenge by organizing intraocular hypertension exams across all countries where JGL operates directly. This initiative is crucial for several reasons. Firstly, glaucoma often develops without noticeable symptoms, making early detection through ocular hypertension exams essential for preventing significant vision loss and managing the condition effectively.

<sup>1</sup> [https://www.aaojournal.org/article/S0161-6420\(14\)00433-3/pdf](https://www.aaojournal.org/article/S0161-6420(14)00433-3/pdf)



By facilitating widespread access to these exams, JGL aims to identify at-risk individuals early and provide timely intervention, thus preventing blindness and improving overall quality of life.

Furthermore, the Program aligns seamlessly with JGL's mission to help people "sense the world around them in a better, richer, and more confident way" and ESG strategy. By focusing on glaucoma detection, the Program not only addresses a critical gap in eye health services but also underscores JGL's commitment to social responsibility and sustainable healthcare solutions. Through this initiative, JGL reinforces its role as a leader in ophthalmology and contributes to the global effort to combat blindness and visual impairment, demonstrating how its business activities and social impact are intrinsically linked.

As one of JGL's three key therapeutic areas, ophthalmology plays a crucial role in the Group's commitment to advancing health and well-being through specialized medical solutions. JGL's focus on ophthalmology reflects the Group's dedication to addressing significant and often complex eye conditions, including glaucoma, which is a leading cause of irreversible blindness worldwide. By prioritizing ophthalmology, JGL leverages its extensive expertise to provide comprehensive care and enhance visual health. This focus not only drives JGL's product development and clinical research but also aligns with the Group's broader mission to deliver high-quality, effective treatments that improve patients' quality of life. Through initiatives like "Trust Your Eyes," JGL is committed to expanding its impact in this critical field, further establishing its prominent position in ophthalmology and reinforcing its role in tackling major global health challenges.

This transformative Program was initiated in 2021, offering free ocular hypertension exams in pharmacies and other locations throughout Croatia. By the end of 2023, this initiative had successfully conducted over 5,300 tests in Croatia. Expanding the program's reach, Serbia and Slovenia were included in 2022, with more than 1,500 tests in Serbia and 250 tests in Slovenia performed by 2024. Collectively, JGL has conducted over 7,000 ocular hypertension exams across these three regions. Remarkably, over 12% of participants were identified with elevated ocular pressure and were given immediate access to complimentary consultations with an ophthalmologist, which proves the significant importance of such exams.

Looking ahead, JGL plans to broaden the scope of this initiative by launching the Program in all countries with JGL operations. This expansion aims to provide early and preventative care to a significantly larger number of individuals, furthering JGL's commitment to improving global eye health and preventing blindness.

One key focus of this KPI is reaching beneficiaries in Uzbekistan, a lower-middle-income country (LMIC) as classified by the World Bank<sup>2</sup>. The significant burden of non-communicable diseases, particularly glaucoma, in LMICs drives this effort. Glaucoma diagnosis in these regions is often challenged by factors such as the absence of comprehensive screening programs, limited disease awareness and education, and restricted access to healthcare services. Uzbekistan is a strategic market for JGL's growth. In 2024, JGL will introduce part of its product portfolio, with plans to include antiglaucoma medications by 2026, improving access to vital treatments for the local population.

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<sup>2</sup> <https://datatopics.worldbank.org/world-development-indicators/the-world-by-income-and-region.html>

This initiative aligns perfectly with JGL’s ESG strategy, reflecting our commitment to enhancing public health and wellbeing and creating a positive social impact. By incorporating ocular hypertension exams into our broader ESG objectives, JGL underscores its dedication to sustainability and social responsibility. The **“Trust Your Eyes”** project addresses a crucial health need while embodying JGL’s core values of responsibility and community care. By prioritizing early detection and preventive measures, JGL reaffirms its role as a responsible corporate citizen, contributing to lasting value through impactful health interventions and supporting the Group’s overarching environmental, social, and governance goals.

The ICMA KPI registry, published in June 2024, recognizes the KPI “Number of beneficiaries from specific programs/interventions in (LICs, LMICs)” within the sustainability theme “Access & Affordability” as a secondary material KPI for the Healthcare sector (Pharmaceutical sub-sector).

This KPI is in line with the following UN Sustainable Development Goals (SDGs) and their respective targets:

- SDG 3 Good Health and Well-being
  - Target 3.4.: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

<b>Definition</b>	Total (cumulative) number of beneficiaries of JGL’s ocular hypertension exams administered across all countries with JGL operations
<b>Metric and unit</b>	Number of beneficiaries
<b>Scope and perimeter</b>	<p>Glaucoma is the non-communicable disease (NDC) in scope of this KPI. Specifically, early detection of glaucoma and prevention of blindness caused by glaucoma through administering complimentary ocular hypertension exams available to the general public. Countries in scope are the countries with JGL operations, specifically: Croatia, Kazakhstan, Bosnia and Herzegovina, Serbia, Slovenia, North Macedonia, Kosovo, Ukraine, Uzbekistan, Belarus and Russia.</p> <p>One of the countries in scope of this KPI is Uzbekistan, a lower-middle income country (LMIC) according to the World Bank classification, with JGL operations. During the bond period any additional country in which JGL establishes its own operations, will also enter into the scope of the KPI.</p>
<b>Calculation methodology</b>	<p>This KPI is calculated as the arithmetic sum of all beneficiaries of ocular hypertension exams administered in every country with JGL operations.</p> <p>Annually, the number of beneficiaries from all participating countries will be collected, reflecting the actual count of people benefiting from the program by the end of the calendar year. JGL’s subsidiaries in the participating countries will be in charge of collecting the data and monitoring the process.</p> <p>The target will be stated in cumulative terms, i.e. total number of all beneficiaries by the end of 2028. The reported annual progress (number of beneficiaries) will also be reported in cumulative terms, i.e. total number of all beneficiaries by the end of n-1 (where n= reporting year).</p> <p>Formula used to track progress for the reporting year n (where n = 2025 to 2029)          Number of beneficiaries of JGL’s ocular hypertension exams = <math>\sum</math> number of beneficiaries of JGL’s ocular hypertension exams in all participating countries<sub>n-1</sub></p>
<b>Baseline (2023)</b>	7,056

## BASELINE

The year 2023 was chosen as the base year for the “Trust Your Eyes” program to ensure JGL’s efforts are measured against a recent and accurate benchmark. This decision aligns with JGL’s commitment to data-driven strategy and transparency in its ESG initiatives. By starting from 2023, JGL leverages up-to-date information on its impact and capabilities, ensuring that the Program’s progress can be effectively tracked and assessed. Additionally, setting 2023 as the base year allows JGL to capture the initial phase of its expansion efforts and provides a clear, measurable starting point for reaching its ambitious goals. This approach ensures consistency and accuracy in JGL’s reporting and evaluation processes.

## HISTORICAL COMPARISON

	2021	2022	2023
Cumulative number of beneficiaries of JGL’s ocular hypertension exams <sup>3</sup>	806	3,335	7,056

Historical data has not been audited.

## BACK-UP MECHANISMS IN CASE THE KPI CANNOT BE CALCULATED OR OBSERVED

In the event the KPI cannot be calculated or observed due to significant changes or potential exceptional events or circumstances (extreme events such as force majeure events, significant changes in perimeters due to material M&A activities, regulatory changes, availability of data or other circumstances which may affect the KPI or SPT), the baseline, SPT or KPI may be recalculated, adjusted or restated. These circumstances, as well as the conditions for recalculations, adjustments and restatements, will be specified in the recalculation policy in the Prospectus. Any amendments to the KPI, baseline or SPT shall be published in the progress report and separately on the issuer’s website. In the event these amendments are significant, they will be subject to a Second Party Opinion. The significance threshold for such amendments will also be specified in the Prospectus.



<sup>3</sup>Countries in scope 2021-2023: Croatia, Serbia and Slovenia

## Climate Change Mitigation

### KPI 2: Absolute GHG Emissions Reduction (Scope 1 and 2)

#### RATIONALE

Climate change mitigation is an urgent global priority, impacting every corner of the planet and demanding a multifaceted response. As greenhouse gas (GHG) emissions contribute significantly to global warming, their management becomes a critical concern for all industries, including pharmaceuticals. The pharmaceutical sector not only bears responsibility for reducing its own emissions but also plays a pivotal role in addressing the health challenges posed by climate change. This interconnectedness underscores the industry's duty to mitigate its environmental impact while developing solutions for climate-induced health issues.

Climate change poses substantial risks to the pharmaceutical industry through both physical and transitional challenges. These include vulnerabilities related to global supply chains, resource availability (such as water and active pharmaceutical ingredients), and regulatory changes. By addressing these risks, pharmaceutical companies can enhance their resilience and contribute to global climate goals.

JGL acknowledges its role in climate change mitigation as a fundamental aspect of its ESG strategy. The company's one of three fundamental ESG pillars "Protecting the Green & Blue" highlights its commitment to preserving natural resources, ecosystems, and biodiversity, as well as marine and aquatic environments. This commitment is translated into actionable goals and targets within JGL's ESG Strategy, reflecting its broader business strategy through three key priorities within the pillar:

- 1. Achieving Energy Efficiency:** Implementing energy-efficient technologies and practices to reduce overall energy consumption and emissions.
- 2. Achieving Resource Efficiency:** Optimizing the use of resources to minimize waste and enhance operational sustainability.
- 3. Investing in Innovation:** Developing and adopting innovative solutions that advance sustainability and reduce environmental impact.

To support these priorities, JGL has established specific goals and initiatives under the "Protecting the Green & Blue" pillar, which include setting clear targets for reducing energy consumption, improving resource management, and investing in sustainable technologies. The KPI for the absolute reduction of Scope 1 and 2 GHG emissions is deeply connected to JGL's long-term ESG strategy. This KPI is central to JGL's commitment to reducing the Group's ecological footprint and aligns directly with JGL's defined goals in this pillar.

The goal to reduce Scope 1 and 2 GHG emissions by 11% by 2029 is an integral part of JGL's broader sustainability strategy. By focusing on this KPI, JGL is taking a significant step towards achieving the ambitious target of reducing CO<sub>2</sub> emissions. This reduction is essential for minimizing the Group's operational impact on the environment and directly contributes to JGL's goal of lowering its carbon footprint.

The broader vision of JGL's "Protecting the Green & Blue" strategy includes increasing the use of renewable electricity to 100% in JGL's production facilities in Croatia by the end of 2027. This objective complements the KPI for Scope 1 and 2 emissions reduction by ensuring that the energy driving JGL's operations is as sustainable as possible. Shifting to renewable energy sources and improving energy efficiency are key actions that support JGL's emission reduction targets and align with its commitment to environmental stewardship.

In addition to reducing emissions, JGL is committed to implementing an Environmental Management System (ISO 14001:2015) and continuously renewing the Energy Management System (ISO 50001:2011). These systems help JGL systematically manage and improve environmental performance, further reinforcing the focus on minimizing the environmental impact of JGL's operations. The ISO 14001:2015 certification will provide a structured approach to managing the Group's environmental responsibilities, enhancing JGL's ability to meet and exceed the GHG reduction targets.

By linking the KPI for Scope 1 and 2 emissions reduction to these strategic goals, JGL underscores its commitment to both immediate and long-term environmental sustainability. This KPI is not only a measure of JGL's progress but also a foundational element of JGL's journey towards a more sustainable future, reinforcing the dedication to both national and international climate objectives.

The focus of KPI 2, which measures the absolute reduction of Scope 1 and 2 GHG emissions, is integral to JGL's sustainability efforts. Scope 1 emissions encompass direct emissions from JGL's owned or controlled sources, while Scope 2 emissions refer to indirect emissions from purchased energy. As one of the largest pharmaceutical producers in Croatia, JGL's commitment to reducing these emissions is critical for aligning with Croatia's national climate adaptation strategies and the European Green Deal. By targeting these scopes, JGL can implement actionable measures such as transitioning to renewable energy, enhancing energy efficiency, and adopting cleaner technologies, directly impacting JGL's operational carbon footprint.

Scope 3 emissions, encompassing a wide range of indirect emissions from sources beyond JGL's direct control, were not included in this KPI. These emissions involve complex interactions with external stakeholders, including suppliers and customers, and require extensive data collection and integration across its value chain. Although managing Scope 3 emissions is challenging and was not feasible for inclusion in the direct KPI at this time, JGL has measured the most material categories within Scope 3 emissions and obtained estimates to better understand its impact. JGL is actively evaluating relevant categories and initiating strategic initiatives with suppliers to improve the carbon footprint associated with its supply chain and product lifecycle.

Despite not including Scope 3 emissions in the current KPI, JGL remains committed to addressing these indirect emissions as part of its broader ESG strategy. JGL will continue to work with suppliers and other partners to improve the carbon footprint associated with the Group's supply chain and product lifecycle. JGL's ongoing efforts to collaborate with stakeholders and refine the data collection methods will support its future initiatives to incorporate Scope 3 emissions into a comprehensive climate strategy.

The ICMA KPI registry, published in June 2024, recognizes the KPI “Scope 1 and 2 GHG emissions (absolute/intensity)” within the sustainability theme “Climate Change (GHG emissions and energy)” as a secondary material KPI for the Healthcare sector (Pharmaceutical sub-sector).

This KPI contributes to the following UN Sustainable Development Goals (SDGs) and their respective targets and indicators:

- **SDG 7 Affordable and Clean Energy**
  - Target 7.2.: By 2030, increase substantially the share of renewable energy in the global energy mix
  - Target 7.3.: By 2030, double the global rate of improvement in energy efficiency
- **SDG 13 Climate Action**
  - Indicator 13.2.2.: Total greenhouse gas emissions per year

<b>Definition</b>	Percentage of absolute GHG emissions reduction (Scope 1 and 2)
<b>Metric and unit</b>	Percentage of reduction of tons of CO2 equivalents (“tCO2”)
<b>Scope and perimeter</b>	<p>This KPI includes:</p> <ul style="list-style-type: none"> <li>• absolute Scope 1 emissions (direct emissions from own activities - stationary, mobile and fugitive emissions)</li> <li>• absolute Scope 2 emissions (indirect emissions from the consumption of purchased electricity, heat and steam)</li> </ul> <p>It encompasses all Scope 1 and 2 emissions as per the Greenhouse gas inventory, following the guidelines of the Greenhouse Gas Protocol. Scope 1 and 2 GHG emissions of the whole Group are in scope.</p>
<b>Calculation methodology</b>	<p>The methodology for calculation of Scope 1 and 2 GHG emissions of the Group, which includes the calculation of carbon dioxide equivalent (CO2e) emissions at the Group level, is based on the Greenhouse Gas (GHG) Protocol. An internal validation process has been established to ensure data accuracy and consistency.</p> <ul style="list-style-type: none"> <li>• The Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines for National Greenhouse Gas Inventories.</li> <li>• The IPCC Fifth Assessment Report (2014).</li> <li>• The Carbon Disclosure Project (CDP) Technical Note: Converting Fuel Data to Megawatt Hours, 2023.</li> <li>• The UK Government and Northern Ireland’s Digest of UK Energy Statistics (DUKES) – Estimated Calorific Values of Fuels and Estimated Average Densities of Petroleum Products, 2023.</li> </ul> <p>For the calculation of Scope 2 emissions, the following sources were referenced:</p> <ul style="list-style-type: none"> <li>• The European Investment Bank (EIB) document on carbon footprint assessment methodology - EIB Project Carbon Footprint Methodologies: Methodologies for the Assessment of Project GHG Emissions and Emission Variations, Version 11.3, January 2023.</li> <li>• Data related to electricity and conversion factors were obtained from the national guidelines of each respective country, as published on their relevant websites. These include country-specific emission factors for electricity consumption, ensuring that the data reflects the actual energy mix and carbon intensity of the national grids where JGL operates.</li> </ul>
<b>Baseline in tCO2e (2023)</b>	4,202.16

## BASELINE

The year 2023 was chosen as the baseline year for Scope 1 and 2 GHG emissions calculation. It encompasses all Scope 1 and 2 emissions as per the Greenhouse gas inventory, following the guidelines of the Greenhouse Gas Protocol. Scope 1 and 2 GHG emissions of the whole Group are in scope. The year 2023 is chosen as the baseline year as it is the first year calculated through the ECO COMPASS initiative, which includes a robust system for data collection and consolidation. As such, the data for 2023 serves as a critical reference point for setting future targets and measuring progress.

## HISTORICAL COMPARISON

In 2024, JGL established the baseline for CO<sub>2</sub> emissions for 2023 through the strategic ECO COMPASS initiative, launched to define and consolidate JGL's environmental metrics across the Group. Prior to this, JGL was tracking emissions data for production sites in Croatia, which constitute over 90% of the total CO<sub>2</sub> footprint according to the 2023 data. However, data collection and reporting mechanisms for non-production sites and locations outside Croatia were not in place, resulting in a lack of comprehensive historical data. As a result, historical externally verified KPI values for the previous three years are not available.

The absence of CO<sub>2</sub> data for previous years is primarily due to the recent implementation of the ECO COMPASS initiative, which includes a robust system for data collection and consolidation that was not previously available. This initiative has allowed JGL to systematically gather and analyze CO<sub>2</sub> emissions data, providing a clear and accurate baseline for 2023. The current data serves as a critical reference point for setting future targets and measuring progress. Moving forward, JGL will build on this foundation to enhance its sustainability efforts and track improvements effectively.

## BACK-UP MECHANISMS IN CASE THE KPI CANNOT BE CALCULATED OR OBSERVED

In the event the KPI cannot be calculated or observed due to significant changes or potential exceptional events or circumstances (extreme events such as force majeure events, significant changes in perimeters due to material M&A activities, regulatory changes, availability of data or other circumstances which may affect the KPI or SPT), the baseline, SPT or KPI may be recalculated, adjusted or restated. These circumstances, as well as the conditions for recalculations, adjustments and restatements, will be specified in the recalculation policy in the Prospectus. Any amendments to the KPI, baseline or SPT shall be published in the progress report and separately on the issuer's website. In the event these amendments are significant, they will be subject to a Second Party Opinion. The significance threshold for such amendments will also be specified in the Prospectus.



## 3.2 CALIBRATION OF SUSTAINABILITY PERFORMANCE TARGETS

The Sustainability Performance Targets (SPTs) are set according to the JGL's ESG Strategy and are compatible with the goals and targets set within the ESG Strategy. They also support the company's long-term targets that go beyond the observation date of sustainability-linked bonds that will be issued under this Framework.

### Access and Affordability - "Trust Your Eyes" Program

#### KPI 1: Total Number of Beneficiaries of JGL's Ocular Hypertension Exams Across All Countries of Operation

SPT 1	Reach a total of 70,000 beneficiaries of JGL's ocular hypertension exams administered in all countries with JGL operations by the end of 2028 (cumulative)
Target Observation Date	31 <sup>st</sup> December 2028

#### TRIGGER EVENT

A trigger event occurs as a result of the observation whether a KPI has achieved or not the predefined SPT that may cause a change in the financial and/or structural characteristic of the bond. For the purpose of this Framework, the trigger event will result in a coupon adjustment (interest rate increase) or cumulative step-up (penalty) at maturity in case of non-achievement of predefined SPTs for each selected KPI at the target observation date. The details regarding the trigger event will be made available in the Prospectus.

#### BASELINE

Baseline (2023)	7,056
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The year 2023 was chosen as the baseline year against which the cumulative number of beneficiaries of JGL's ocular hypertension exams in all countries with JGL operations will be measured. For information on events which would result in recalculations or pro-forma adjustments to the baseline, please refer to Section 3.1 Selection of Key Performance Indicators (subsection for each KPI: Back-up mechanisms in case the KPI cannot be calculated or observed). In the baseline year, the program was rolled out only in Croatia, Serbia and Slovenia, as opposed to all countries with JGL operations, which will be included in the target. The program will be initiated in the remaining countries with JGL operations in 2025. Since the project was not active in the remaining countries in previous years, the baseline for these countries is set at zero.

## MOTIVATION FOR THE SPT

The target is to reach a cumulative total of 70,000 beneficiaries of JGL's ocular hypertension exams administered in all countries with JGL operations by the end of 2028, with a baseline of 7,056 in 2023.

The ambition of the target and trajectory beyond the "business as usual" approach is best exhibited by the increase in scope of countries included in the program and number of beneficiaries to be reached compared to the number of beneficiaries reached in the baseline year for the entire duration of the program. Reaching this target will require significant investment and exhaustive efforts from JGL in setting up and rolling out the program in various countries, finding reliable partners and making this screening test available to beneficiaries in all target countries. JGL is committed to reaching beneficiaries in need of preventative treatments, as early detection of glaucoma can delay or even prevent the onset of blindness, thus significantly improving the quality of patients' lives.

## HISTORICAL PERFORMANCE AND TARGET

Year	2021	2022	2023	2028	2029
Cumulative number of beneficiaries of JGL's ocular hypertension exams	806	3,335	7,056	70,000	100,000

Historical data has not been audited.

## FIRM-WIDE LONG-TERM TARGETS LINKED TO THE INDICATORS OCCURRING AFTER THE OBSERVATION DATE

The target to reach 70,000 beneficiaries through the "Trust Your Eyes" program by the end of 2028 is in perfect alignment with JGL's long-term ESG strategy, specifically through the strategic pillar "Promoting Health and Wellbeing", embodying the company's unwavering commitment to enhancing human health and wellbeing. This initiative, which has been a focal point of JGL's community engagement since 2021, demonstrates how deeply the company values preventive healthcare and proactive patient care. By offering complimentary ocular hypertension exams, JGL is not only addressing an immediate health need but also fostering a culture of health awareness and early detection, which is critical in preventing severe conditions like glaucoma. JGL has set a goal within its ESG strategy to reach 100,000 beneficiaries by the end of the decade, and the program will remain the cornerstone of its "Promoting Health and Wellbeing" pillar into the next decade.

This project is a testament to JGL's strategic focus on ophthalmology, one of its three key therapeutic areas. As a regional leader in this field, JGL leverages its expertise to make a tangible impact on public health. The "Trust Your Eyes" program reflects the company's broader commitment to its ESG strategy, particularly promoting a healthy and wellbeing with focus on education and prevention.

By integrating these values into its community engagement efforts, JGL not only advances its business objectives but also strengthens its role as a responsible corporate citizen, dedicated to sustainable and ethical practices.

In addition to enhancing individual health outcomes, the **“Trust Your Eyes”** initiative aligns with global health priorities, such as those outlined by the World Health Organization. By contributing to the early detection and management of glaucoma, JGL supports international efforts to combat non-communicable diseases and promote health equity. The program’s expansion into countries like Uzbekistan, where healthcare resources are limited, further exemplifies JGL’s commitment to making a positive global impact. This strategic move not only opens new markets but also underscores the company’s dedication to addressing healthcare disparities and improving access to essential medical services.

### ACTION PLAN FOR ACHIEVEMENT OF SPTS

In 2024, JGL will continue the **“Trust Your Eyes”** program in Croatia for the fourth consecutive year, further building on the established foundation and expanding outreach efforts. Simultaneously, the program will maintain and expand its activities in Serbia and Slovenia for the third year, leveraging the success of previous years to increase the number of exams conducted and reach more beneficiaries.

In 2025, JGL plans to initiate the program in Bosnia and Herzegovina as part of its expansion in the SEE region. This will involve setting up the necessary infrastructure and partnerships to conduct ocular hypertension exams effectively, ensuring a smooth launch and successful implementation.

By 2026, JGL will fully roll out the program in Russia, Belarus, Kazakhstan, Ukraine, and Uzbekistan. This will involve onboarding JGL’s medical representatives and key opinion leaders (KOLs) in these regions, training them, and integrating them into the program. Additionally, the necessary infrastructure, purchase of medical devices, partnerships, and awareness campaigns will be established to prepare for the full-scale launch. Once the foundation is in place, ocular hypertension exams and related ophthalmological consultations will commence for patients in these regions.

### RISKS THAT MAY AFFECT THE ABILITY TO MEET SPTS

**Events of Force Majeure:** Unforeseeable circumstances such as natural disasters, political instability, or pandemics could disrupt the program’s operations and logistics, hindering its ability to conduct ocular hypertension exams and consultations.

**Finding Ophthalmologists:** Securing the participation of qualified ophthalmologists in various countries to administer exams and offer consultations may be challenging. Differences in healthcare regulations, availability, and willingness to participate could pose significant obstacles.

**Securing Pharmacies/Facilities:** Identifying and partnering with pharmacies or other facilities in different countries to host the program could be difficult. Variations in local healthcare infrastructure, regulations, and business interest levels might affect the ability to establish these partnerships.

**Reaching Beneficiaries:** Effectively marketing and promoting the program to reach potential beneficiaries in diverse regions can be complex. Cultural differences, varying levels of public awareness, and communication barriers may impact the success of outreach campaigns.

**Supply Chain Disruptions:** Shortages of active ingredients or excipients needed for JGL's glaucoma medications could result in product shortages. This risk could disrupt the supply chain and affect the availability of essential treatments for glaucoma patients.

**Regulatory and Compliance Issues:** Navigating different regulatory environments and ensuring compliance with local laws and healthcare regulations in each country can be complex and time-consuming. Failure to meet these requirements could delay or halt the program's progress.

**Operational and Logistical Challenges:** Coordinating logistics, managing cross-border operations, and ensuring the seamless execution of the program across multiple countries may present significant challenges. Maintaining consistency and quality in service delivery will be critical.

**Funding and Resource Allocation:** Securing adequate funding and allocating resources efficiently to support the program's expansion and sustainability could be challenging. Financial constraints or misallocation of resources could impede the program's success.

**Stakeholder Engagement:** Gaining the support and cooperation of key stakeholders, including healthcare providers, government agencies, and community leaders, is crucial. Lack of engagement or resistance from these stakeholders could hinder the program's implementation.

**Quality Control and Monitoring:** Ensuring consistent quality control and monitoring of the program's activities across different regions will be essential. Variations in implementation standards could affect the program's credibility and effectiveness.

## Climate Change Mitigation

### KPI 2: Absolute GHG Emissions Reduction (Scope 1 and 2)

<b>SPT 2:</b>	9% reduction of absolute Scope 1&2 GHG emissions by the end of 2028 from the baseline year 2023
<b>Target Observation Date</b>	31 <sup>st</sup> of December 2028

### TRIGGER EVENT

A trigger event occurs as a result of the observation whether a KPI has achieved or not the predefined SPT that may cause a change in the financial and/or structural characteristic of the bond. For the purpose of this Framework, the trigger event will result in a coupon adjustment (interest rate increase) or cumulative step-up (penalty) at maturity in case of non-achievement of predefined SPTs for each selected KPI at the target observation date. The details regarding the trigger event will be made available in the Prospectus.

### BASELINE

<b>Baseline in tCO<sub>2</sub>e (2023)</b>	4,202.16
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Year 2023 is taken as the baseline year against which absolute Scope 1 and 2 GHG emissions reduction will be measured. For information on events which would result in recalculations or pro-forma adjustments of the baseline, please refer to Section 3.1 Selection of Key Performance Indicators (subsection for each KPI: Back-up mechanisms in case the KPI cannot be calculated or observed).

### MOTIVATION FOR THE SPT

JGL's commitment to a 9% reduction in absolute Scope 1 and 2 GHG emissions by the end of 2028 relative to the 2023 baseline year, is deeply embedded in its long-term vision and ESG strategy. This ambitious target represents a critical component of JGL's broader journey towards achieving net-zero emissions. By setting this reduction goal, JGL aligns itself with both national and regional climate initiatives, demonstrating its proactive role in combating climate change and contributing to a sustainable future. Considering historical growth of JGL's production per unit and future expansion plans, the target for Scope 1 and 2 will ensure a further sustainable growth of the Group.

The target directly supports Croatia's National Strategy for Climate Adaptation<sup>4</sup>, which is integral to the country's efforts under the European Green Deal. Regulation (EU) 2023/857 outlines an EU-wide GHG emissions reduction target of 40% by 2030 compared to 2005 levels. Croatia, in turn, is tasked with achieving a 16.7% reduction relative to 2005 levels. Given that over 98% of JGL's production occurs in Croatia, the company's emissions reduction target will make a substantial contribution to these national reduction efforts.

<sup>4</sup>NN 46/2020 (15 April 2020) Climate Change Adaptation Strategy in the Republic of Croatia for the Period until 2040 with a view to 2070

This commitment not only underscores JGL’s dedication to supporting national climate goals but also enhances its role as a responsible corporate citizen.

This KPI, in addition to being listed here, is a part of JGL’s ESG strategy and reflects a comprehensive approach to environmental stewardship. The focus on Scope 1 and 2 emissions — primarily related to JGL’s direct operations and energy use — allows the company to make significant strides in improving energy efficiency and reducing its carbon footprint. This initiative also aligns with JGL’s broader strategic priorities of achieving energy and resource efficiency and investing in innovative, sustainable practices. JGL views this emissions reduction target as the starting point of a more comprehensive decarbonization strategy, set in line with the Paris Agreement. This commitment will drive the company to continually invest in energy-efficient technologies, optimize resource utilization, and enhance its environmental performance. In addition to this target, JGL has established long-term goals in the strategic area of “Protecting the Green and Blue”, which include advancing energy and resource efficiency, as well as investing in innovative solutions to further reduce its ecological impact.

By integrating this KPI into its ESG framework, JGL reinforces its role as a leader in sustainability within the pharmaceutical industry. The commitment to reducing Scope 1 and 2 emissions not only supports JGL’s immediate environmental goals but also sets a foundation for long-term progress towards a sustainable future. This alignment with the company’s vision and strategic priorities demonstrates JGL’s dedication to achieving meaningful environmental outcomes while supporting global climate initiatives.

#### HISTORICAL PERFORMANCE AND TARGET

Year	2023 (baseline)	2028	2029
Absolute value (in tCO <sub>2</sub> e)	4,202.16	<b>3,822.83</b>	3,747.39
Percentage (reduction vs 2023 baseline)		<b>-9%</b>	-11%

In 2024, JGL established the baseline for CO<sub>2</sub> emissions for 2023 through the ECO COMPASS initiative, which was launched to define and consolidate JGL’s environmental metrics across the Group. Prior to this, JGL was tracking emissions data for production sites, which constitute over 90% of the total CO<sub>2</sub> footprint according to the 2023 data. However, data collection and reporting mechanisms for non-production sites and locations outside Croatia were not in place, resulting in a lack of comprehensive historical data. Hence, historical externally verified KPI values covering the previous three years are not available.

The absence of CO<sub>2</sub> data for previous years is primarily due to the recent implementation of the ECO COMPASS initiative, which includes a robust system for data collection and consolidation that was not previously available. This initiative has allowed JGL to systematically gather and analyze CO<sub>2</sub> emissions data, providing a clear and accurate baseline for 2023. The current data serves as a critical reference point for setting future targets and measuring progress. Moving forward, JGL will build on this foundation to enhance its sustainability efforts and track improvements effectively.

## FIRM-WIDE LONG-TERM TARGETS LINKED TO THE INDICATORS OCCURRING AFTER THE OBSERVATION DATE

The target to achieve a 9% reduction in absolute Scope 1 and 2 GHG emissions by the end of 2028 is a vivid illustration of JGL's commitment to its long-term ESG strategy, particularly within the strategic area of "Protecting the Green and Blue." Within this pillar, JGL aims to reduce its Scope 1 and 2 GHG emissions by 20% by the end of this decade, paving the way towards its ultimate goal of carbon neutrality. This target epitomizes JGL's dedication to reducing the Group's ecological footprint through the intricate application of energy-efficient technologies and processes, as well as enhancing resource efficiency. By focusing on these aspects, JGL is not merely aiming to mitigate its environmental impact but also to weave this commitment into the very fabric of its operational tapestry.

This KPI is not just a standalone objective; it is a cornerstone of JGL's broader sustainability vision. The reduction of Scope 1 and 2 emissions is designed to transcend conventional environmental strategies, acting as the crucible from which JGL's extensive decarbonization journey will emerge. This effort is part of a larger mosaic of initiatives that include advancing energy efficiency, optimizing resource utilization, and bolstering environmental standards across all facets of its operations.

JGL's ESG strategy is reimagined through this lens, with the "Protecting the Green and Blue" pillar orchestrating a holistic approach to environmental stewardship. This commitment is certainly woven into JGL's long-term goals, which beckon the Group towards a future where operations are harmoniously integrated with the natural world. As JGL embarks on this journey, the focus on Scope 1 and 2 emissions reduction will undoubtedly serve as a pivotal step in JGL's quest to achieve net-zero emissions. This endeavor not only aligns with global climate objectives but also firmly intertwines with JGL's overarching mission to create a more verdant and sustainable future, adding to the captivating and ever-evolving landscape of its environmental initiatives.

## ACTION PLAN FOR ACHIEVEMENT OF SPTS

To achieve JGL's goal of a 9% reduction in absolute Scope 1 and 2 GHG emissions by the end of 2028, a comprehensive and strategic action plan has been established. This roadmap outlines several key initiatives designed to significantly cut emissions, enhance energy efficiency, and support JGL's broader environmental objectives.

**Renewable Energy Transition:** A major component of JGL's strategy involves shifting to renewable energy sources. This will be achieved through power purchasing agreements (PPAs) and the development of solar power plants at the company premises. The installation of solar panels on the Svilno location G20 building's rooftop, projected to be completed between 2024 and 2025, is expected to produce approximately 241,613 kWh of electricity annually. This move alone will lead to a direct reduction of 40.59 tCO<sub>2</sub>e per year. Additionally, the development of JGL's solar power infrastructure aligns with its long-term vision of reducing its reliance on non-renewable energy sources and minimizing its carbon footprint.



**Energy Efficiency Improvements:** To further drive down emissions, several energy efficiency measures will be implemented. In 2024, JGL will install 5 cm of insulation on the south side of the Svilno 1 warehouse. This insulation will mitigate the effects of UV radiation, stabilize storage conditions for raw materials, and reduce annual energy consumption. Furthermore, by 2025, JGL will replace fluorescent lighting with LED lighting at the Svilno 1 facility. This change is expected to cut energy consumption by 67,669 kWh per year, translating into a reduction of 11.4 tCO<sub>2</sub>e annually.

**Infrastructure Enhancements:** In 2024, shading installations will be introduced in the Svilno location G4 office building to reduce glare and lower cooling energy requirements. This initiative will further decrease JGL's energy consumption by minimizing direct sun exposure in office spaces.

**Fleet Optimization:** JGL will introduce hybrid and electric vehicles where feasible to reduce emissions associated with its transportation and logistics operations. This transition will contribute to its overall emission reduction targets and support sustainable transportation practices.

**Transition to Natural Gas:** At the Svilno location, JGL plans to transition from extra light heating oil to natural gas. This switch is anticipated to result in a 9% reduction in CO<sub>2</sub>e emissions due to the lower carbon content of natural gas compared to LPG. This adjustment will also support JGL's efforts in improving energy efficiency and reducing JGL's overall environmental impact.

Each of these actions is aligned with JGL's strategic area "Protecting the Green and Blue", which focuses on reducing the ecological footprint through energy efficiency, resource optimization, and improved environmental standards. The reduction of Scope 1 and 2 emissions is a foundational element of JGL's broader commitment to achieving net-zero emissions. These initiatives collectively represent a significant step towards fulfilling JGL's long-term ESG goals and contribute to national and European climate objectives, including Croatia's National Strategy for Climate Adaptation and the European Green Deal.

## RISKS THAT MAY AFFECT THE ABILITY TO MEET SPTS

**Events of Force Majeure:** Unforeseen and uncontrollable events such as natural disasters, pandemics, or geopolitical conflicts could disrupt project timelines, affect infrastructure development, or impact overall operational capacity, thereby hindering progress toward emission reduction goals.

**Infrastructure Development Challenges:** Issues related to the development of solar power plants, including delays in construction, technical difficulties, or regulatory hurdles, could affect the timely deployment of renewable energy solutions and the associated reduction in GHG emissions.

**Power Purchasing Agreements (PPAs):** Challenges related to securing power purchasing agreements, such as limited availability in certain regions, price volatility, or unfavorable contract terms, may impede JGL's ability to transition to renewable energy sources effectively and cost-efficiently.

**Vehicle Electrification Issues:** The transition to hybrid and electric vehicles may face obstacles such as insufficient charging infrastructure, high costs, or logistical difficulties in some countries, which could delay the implementation of this component of the emission reduction strategy.

**Tender and Project Development Risks:** The risk of losing out on competitive tenders for the development of the solar power plant on the G20 building's rooftop could impact the ability to establish this critical renewable energy source, potentially affecting the overall emission reduction efforts.



### 3.3 BOND CHARACTERISTICS

This Sustainability-Linked bond will have a trigger event which will result in a coupon adjustment (interest rate increase) or cumulative step-up (penalty) at maturity in case of non-achievement of predefined SPTs for each selected KPI at target observation date. The details regarding the trigger event and coupon adjustment or cumulative step-up (penalty) at maturity will be specified in the Prospectus.

The Prospectus will also state the detailed description of the potential variation of the financial and/or structural characteristics of the bond, including applicable coupon variation, the coupon variation date and payment frequency, the bond coupon mechanism for multiple KPIs or maximum cumulative step-up at maturity.

Following the ICMA SLB Principles, the back-up mechanisms in case SPTs cannot be calculated or observed, or not observed in a satisfactory manner, will also be taken into account in the Prospectus. The Prospectus will also include any potential extreme/exceptional events (such as significant change in the perimeters due to material M&A activities or drastic changes in the regulatory environment or extreme events) that could substantially impact the calculation of the KPI, the restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope.

The Progress Report publication date and the SPT Satisfaction Date can also be found in the Prospectus.

### 3.4 REPORTING

The issuer will publish the performance of each KPI set out in this Framework and the Prospectus against each SPT on an annual basis in the Sustainability Progress Report (or "Progress Report"). The Progress Report will be made available on the Issuer's website. The Progress Report publication date will be available in the Prospectus.

In accordance with the ICMA SLB principles, the Sustainability Progress Report shall include:

- up-to-date information on the performance of the selected KPIs, including baselines
- a verification assurance report relative to the SPT, outlining the performance against SPTs and the related impact and timing of such impact, on the bond's financial and/or structural characteristics
- any information enabling investors to monitor the level of ambition of the SPTs.

If applicable, any recalculation, modification of the SPTs or other material changes shall also be published in the Progress Report and separately on the Issuer's website.

## 3.5 VERIFICATION

The issuer will obtain a Second Party Opinion at pre-issuance to ensure that ICMA's Sustainability-Linked Bond Principles are respected and that the KPIs and SPTs are material and aligned. The Second Party Opinion will be made publicly available on JGL's website.

Moreover, in accordance with the ICMA SLB Principles, JGL will seek independent and external verification of the performance against each SPT for each KPI. The verification will be conducted by a qualified external reviewer, such as an auditor or a sustainability consultant, annually or in the event of any adjustment to the SLB's financial and/or structural characteristics. The report on the verification conducted by the external reviewer will also be made available on JGL's website.

## 3.6 UPDATE AND AMENDMENT OF THE FRAMEWORK

JGL will periodically review this Framework to ensure alignment with the updated versions of the Sustainability-Linked Bond Principles and best practices on the market. The Framework will also be reviewed in case of material changes to KPIs and/or SPTs. The outcome of these reviews may result in amendments to the Framework. Should such amendments be significant, they will be subject to approval by the Second Party Opinion provider. In the event that an amended Framework is required, it shall be published on JGL's website, and it shall replace this Framework.

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## DISCLAIMER

The information, statements and opinions contained in this Framework are provided as at the date of this Framework and are subject to change without notice. Neither the Issuer nor any of its subsidiaries or affiliates assume any responsibility or obligation to update or revise such information, statements, or opinions, regardless of whether they are affected by the results of new information, future events or otherwise. This Framework represents current Group policy, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights, or obligations.

This Framework is intended to provide non-exhaustive, general information. This Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by the Issuer or any of its subsidiaries or affiliates and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Issuer or any of its subsidiaries or affiliates as to the fairness, accuracy, reasonableness, or completeness of such information.

This Framework may contain statements about future events and expectations that are “forward-looking statements”. Forward-looking statements are generally identified through the inclusion of words such as “aim”, “anticipate”, “believe”, “drive”, “estimate”, “expect”, “goal”, “intend”, “may”, “plan”, “project”, “strategy”, “target” and “will” or similar statements or variations of such terms and other similar expressions. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements.

None of the future projections, expectations, estimates or prospects in this Framework should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in the Framework. No representation is made as to the suitability of the Sustainability-Linked Bonds to fulfil environmental, social, governance and other sustainability criteria required by prospective investors. Each potential investor in the Sustainability-Linked Bonds should determine for itself the relevance of the information contained or referred to in this Framework or in the Prospectus. However, nothing in this Framework is intended to modify or add to any covenant or other contractual obligation undertaken by the Issuer in connection with the Sustainability-Linked Bonds that the Issuer intends to issue in accordance with this Framework.

This Framework does not create any legally enforceable obligations of the Issuer or any of its subsidiaries or affiliates; any such legally enforceable obligations relating to the Sustainability-Linked Bonds are limited to those expressly set forth in the Prospectus and other documents to be published by the Issuer in connection with the public offering of the Sustainability-Linked Bonds.



Therefore, unless expressly set forth in the Prospectus and other documents to be published by the Issuer in connection with the public offering of the Sustainability-Linked Bonds, it will not be an event of default or breach of obligations in connection with the Sustainability-Linked Bonds if the Issuer and/or any of its subsidiaries or affiliates fails to adhere to this Framework, whether by failing to meet SPTs described in this Framework, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on such SPTs. In addition, it should be noted that all of the expected benefits of the SPTs as described in this Framework may not be achieved.

Factors including (but not limited to) market, political and economic conditions, changes in government policy (whether with a continuity of the government or on a change in the composition of the government), changes in laws, rules, or regulations, could limit the ability of the Group to achieve some or all of the expected benefits of these initiatives. Each ESG-focused potential investor should be aware that SPTs may not deliver the environmental, social or sustainability benefits anticipated, and may result in adverse impacts. This Framework does not constitute a recommendation regarding any securities of the Issuer or any of its subsidiaries or affiliates. This Framework is not, does not contain and may not be intended as an offer to sell or a solicitation of any offer to buy any securities issued by JGL or any of its subsidiaries or affiliates. In particular, neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about, and observe, any applicable restrictions on distribution.

Any decision to purchase the Sustainability-Linked Bonds should be made solely on the basis of the information to be contained in the Prospectus. Prospective investors are required to make their own independent investment decisions.