UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of March 2024

Commission File Number: **001-41421**

Alvotech
(Translation of registrant's name into English)

9, Rue de Bitbourg,
L-1273 Luxembourg,
Grand Duchy of Luxembourg
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.
Form 20-F [X] Form 40-F [ ]

Earnings Release

On March 20, 2024, Alvotech issued a press release announcing its financial results for the fourth quarter and year ended December 31, 2023. A copy of this press release is furnished as Exhibit 99.1 to this Report on Form 6-K.

Reports

On March 20, 2024, Alvotech published a corporate governance report for 2023 (the "Corporate Governance Report") and a non-financial disclosure report for 2023 (the "ESG Report"). Copies of the Corporate Governance Report and ESG Report are furnished as Exhibits 99.2 and 99.3 to this Report on Form 6-K.

Business Update Conference Call

Alvotech will conduct a business update conference call and live webcast on Thursday, March 21, 2024, at 8:00 am ET (12:00 pm GMT). A live webcast of the call and the presentation will be available on the company's website under News and Events – Events and Presentations, where you will also be able to find a replay of the webcast, following the call for 90 days.

Incorporation by reference

The information in this Report on Form 6-K, including Exhibits 99.1, 99.2, and 99.3 hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act.

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release dated March 20, 2024
99.2	Corporate Governance Report
99.3	ESG Report

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Alvotech
(Registrant)

Date: March 20, 2024

/s/ Tanya Zharov
Tanya Zharov
General Counsel

EXHIBIT 99.1

Alvotech Reports Financial Results for Full Year 2023 and Provides a Business Update

- *Total Revenues in 2023 were $93.4 million, up 10% from previous year*
- *Product Revenues in 2023 were $48.7 million, compared to $24.8 million in 2022, with Q4 2023 product revenues of $18.9 million, up by 37% from the same period last year*
- *Alvotech's Simlandi™ biosimilar to Humira® (adalimumab) was approved in the U.S. as the first high-concentration biosimilar with interchangeable status*
- *Sales of Alvotech's Jamteki™ biosimilar to Stelara® (ustekinumab) started in Canada with launches expected in Japan in Q2 and Europe in Q3*
- *Positive top-line results were announced from a confirmatory efficacy study for Alvotech's proposed biosimilar to Eylea® (aflibercept) and PK studies for proposed biosimilars to Prolia®/Xgeva® (denosumab) and Simponi®/Simponi Aria® (golimumab)*

REYKJAVIK, Iceland, March 20, 2024 (GLOBE NEWSWIRE) -- Alvotech (NASDAQ: ALVO, or the "Company"), a global biotech company specializing in the development and manufacture of biosimilar medicines for patients worldwide, today reported financial results for full year 2023 and provided a summary of recent pipeline and corporate highlights. Management will conduct a business update conference all and live webcast on March 21, 2024 at 8:00 am ET (12:00 pm GMT).

"We are pleased with the recent launch of our second product, our biosimilar to Stelara® (ustekinumab) as Jamteki™ in Canada and look forward to further expected market launches globally in Q2 and Q3 this year. U.S. FDA approval of Simlandi™, our high-concentration citrate-free biosimilar to Humira® with interchangeable status and exclusivity, was another major milestone. We remain convinced that Simlandi's product characteristics have the potential to change the dynamics of the rapidly developing U.S. adalimumab market," said Robert Wessman, Chairman and CEO of Alvotech. "We also met several major clinical development milestones, with positive top-line results from the confirmatory efficacy study for our proposed biosimilar to Eylea® (aflibercept) and from the pharmacokinetic studies for our biosimilar candidate to Simponi® and Simponi Aria® (golimumab) as well as our biosimilar candidate to Prolia® and Xgeva® (denosumab), further illustrating the advantage of Alvotech's portfolio strategy and integrated biosimilars development and manufacturing platform."

Recent Highlights

Pipeline

Alvotech and its commercialization partner in the U.S., Teva Pharmaceuticals, announced that the U.S. Food and Drug Administration (FDA) approved AVT02 (adalimumab-ryvk) for marketing in the U.S. an interchangeable biosimilar to Humira, under the tradename Simlandi. Simlandi is the first high-concentration, citrate-free biosimilar to Humira that has been granted interchangeability status by the FDA and will qualify for interchangeable exclusivity for the 40mg/0.4ml injection.

Alvotech and its respective commercialization partners announced approval of AVT04, a biosimilar to Stelara (ustekinumab) in Canada and the European Economic Area (EEA). AVT04 was launched in Canada by JAMP Pharma on March 1, 2024, under the tradename Jamteki. Launch of AVT04 in Japan is expected in May 2024 and in Europe in Q3 2024. The market entry date for the U.S. is February 21, 2025, pending FDA approval which is expected by April 16, 2024.

Alvotech announced positive top-line results from a pharmacokinetic (PK) study for AVT05, a biosimilar candidate to Simponi® and Simponi Aria® (golimumab). The study, which assessed the PK, safety and tolerability of AVT05 compared to Simponi in healthy adult subjects, met its primary endpoints. In 2023, combined worldwide revenues from sales of Simponi and Simponi Aria were about $2.2 billion [1].

Alvotech announced positive top-line results from a confirmatory study for AVT06, a proposed biosimilar to Eylea® (aflibercept). The confirmatory clinical study that compared AVT06 with Eylea in patients with neovascular (wet) Age-related Macular Degeneration (AMD) met its primary endpoint, with results demonstrating therapeutic equivalence with Eylea. In 2023 cumulative global sales of Eylea were about $5.9 billion [2].

Alvotech announced positive top-line results from a PK study for AVT03, a biosimilar candidate to Prolia® and Xgeva®, which both contain denosumab. The PK study met its primary endpoints. A confirmatory efficacy study for AVT03 in patients is currently underway, as well as a PK study comparing AVT03 to Xgeva® in healthy adult subjects. In 2023 cumulative global sales of Prolia and Xgeva were approximately $6.2 billion [3].

Corporate

Alvotech accepted an offer from a group of domestic and international investors for the sale of 10,127,132 of its ordinary shares for an approximate value of $166 million at a purchase price of $16.41 per share or ISK 2,250. Intended uses of the net proceeds

are for general corporate purposes and working capital, to strengthen production capacity and to support expected biosimilars launches.

Alvotech announced the appointment of Christina Siniscalchi as interim Chief Quality Officer. Christina has for over ten years served in senior quality positions for Alvogen and its manufacturing site in Norwich, NY, most recently as Alvogen's Chief Quality Officer, and previously worked at Mallinckrodt Pharmaceuticals.

Financial Results for Full Year 2023

Cash Position and Sources of Liquidity: As of December 31, 2023, the Company had cash and cash equivalents of $11.2 million, excluding $26.1 million of restricted cash. In addition, the Company had borrowings of $960.2 million, including $38.0 million of current portion of borrowings. Giving effect to the sale of 10,127,132 of Alvotech ordinary shares for an approximate gross value of $166 million, the cash and cash equivalents totaled approximately $172 million on a proforma basis as of December 31, 2023.

Product Revenue: Product revenue was $48.7 million for the year ended December 31, 2023, compared to $24.8 million for the same period in the prior year, reflecting increased sales volume in select European countries during 2023, almost doubling the product revenue from 2022.

License and Other Revenue: License and other revenue decreased by $15.5 million, which is primarily attributable to the recognition of $44.5 million research and development milestone during the same period in the prior year, due to the completion of the AVT04 main clinical program. This was partially offset by the recognition of $31.6 million research and development milestone during 2023 due to the CES completion of the AVT06 program. The remainder of the decrease is principally due to the net impact of the licensing arrangements changed during the year.

Cost of product revenue: Cost of product revenue was $160.9 million for the year ended December 31, 2023, as a result of the successful launch of AVT02 in select European countries, Canada and Australia. Cost of product revenue for the period is disproportionate relative to product revenue due to the timing of new launches and elevated production-related charges, resulting in higher costs than revenues recognized for the period. The Company expects this relationship to normalize with increased production from the scaling and expansion of new or recent launches. The Company estimates that the anticipated increase in sales volumes will result in a greater absorption of fixed manufacturing costs. Prior to the recognition of cost of product revenues, costs from pre-commercial manufacturing activities were reported as R&D expenses.

Research and Development (R&D) Expenses: R&D expenses were $210.8 million for the year ended December 31, 2023, compared to $180.6 million for the same period in the prior year. The increase was primarily driven by a charge of $18.5 million relating to the termination of the co-development agreement with Biosana for AVT23, and a $42.5 million increase in direct program expenses mainly from three biosimilar candidates, AVT03, AVT05 and AVT06, that entered clinical development in 2022. These increases were partially offset by a decrease of $30.6 million primarily related to programs that have completed clinical phase, and non-recurrence of pre-commercial manufacturing activities.

General and Administrative (G&A) Expenses: G&A expenses were $76.6 million for the year ended December 31, 2023, compared to $186.7 million for the same period in the prior year. The decrease in G&A expenses was primarily attributable to a $83.4 million non-cash share listing expense, and $22.9 million of transaction costs recognized as a result of the Business Combination, and a $13.4 million of IP-related legal expenses incurred during the year ended December 31, 2022. This decrease was partially offset by a $3.7 million net increase in other general administrative expenses due to incremental costs from operating as a public company. Lastly, the Company recognized $10.8 million of G&A expenses for share-based payments, resulting from the granting of Restricted Share Units (RSUs) during the year ended December 31, 2023, compared to $6.5 million during the year ended December 31, 2022.

Share of net loss of joint venture and impairment loss on investment in joint venture: The increase by $4.6 million in share of net loss of joint venture year over year is due to an increase in losses incurred by the Joint Venture during the year ended December 31, 2023, as compared to December 31, 2022. In 2023, an impairment of $21.5 million was recognized on the joint venture investment based on discussions between Alvotech and CCHN to buy back Alvotech's interests in the joint venture.

Finance income: Finance income was $4.8 million for the year ended December 31, 2023, compared to $2.5 million for the year ended December 31, 2022. The increase is primarily driven by interest received on cash and cash equivalent held in our bank accounts.

Finance costs: Finance costs amounted to $267.2 million for the year ended December 31, 2023, compared to $188.4 million for the year ended December 31, 2022. The increase is primarily related to a $49.2 million increase in interest on debt and borrowings due to the additional financing obtained since December 31, 2022, including the annualized impact of prior year financing, and a $35.4 million increase in fair value of derivative liabilities. This is partially offset by $16.0 million in charges related to the closing of the Business Combination in 2022.

Exchange rate differences: Exchange rate differences resulted in a loss of $5.2 million for the year ended December 31, 2023, compared to a gain of $10.6 million for the year ended December 31, 2022. The decrease was primarily driven by the movements in the exchange rate of foreign currencies, predominantly Icelandic krona and euros.

Income tax benefits: The income tax benefit increased by $61.3 million for the year ended December 31, 2023, compared to the same period for 2022. This increase was mainly driven by $34.7 million deferred tax credit corresponding to an increase in operating losses and a $26.7 million favorable foreign currency impact on the strengthening of the Icelandic krona against the U.S. dollar, increasing the U.S. dollar value of Icelandic tax loss carry-forwards that the Company expects to fully utilize against future taxable profits.

Loss for the Period: Loss for the period was $551.7 million, or ($2.43) per share on a basic and diluted basis, for the year ended December 31, 2023, as compared to a loss of $513.6 million, or ($2.60) per share on a basic and diluted basis, for the same period in the prior year.

Business Update and Conference Call
Alvotech will conduct a business update conference call and live webcast on Thursday, March 21, 2024, at 8:00 am ET (12:00 pm GMT). A live webcast of the call will be available on Alvotech's website in the Investors Section of the Company's website under News and Events – Events and Presentations, where you will also be able to find a replay of the webcast, following the call for 90 days. In order to listen to the webcast please register in advance using the link on Alvotech's Investor Relations website under News and Events – Events and Presentations.

About AVT02 (adalimumab)
AVT02 is a monoclonal antibody and has been approved as a biosimilar to Humira® (adalimumab) in over 50 countries globally, including the U.S., 27 member states of the European Union, Norway, Lichtenstein, Iceland, the UK, Switzerland, Canada, Australia, Egypt, Saudi Arabia and South Africa. It is currently marketed in multiple European countries as Hukyndra™ and Libmyris™, in Canada as Simlandi and in Australia as Adalacip. Dossiers are also under review in multiple countries globally.

About AVT04 (ustekinumab)
AVT04 is a monoclonal antibody and a biosimilar to Stelara® (ustekinumab). Ustekinumab binds to two cytokines, IL-12 and IL-23, that are involved in inflammatory and immune responses [4]. AVT04 has been launched in Canada as Jamteki and has received market authorization in Japan as Ustekinumab BS (F) and in the EEA as Uzpruvo™. Dossiers are also under review in multiple countries globally, including in the U.S.

About AVT03 (denosumab)
AVT03 is a human monoclonal antibody and a biosimilar candidate to Prolia® and Xgeva® (denosumab). Denosumab targets and binds with high affinity and specificity to the RANK ligand membrane protein, preventing the RANK ligand/RANK interaction from occurring, resulting in reduced osteoclast numbers and function, thereby decreasing bone resorption and cancer-induced bone destruction [5]. AVT03 is an investigational product and has not received regulatory approval in any country. Biosimiliarity has not been established by regulatory authorities and is not claimed.

About AVT05 (golimumab)
AVT05 is a biosimilar candidate for Simponi® and Simponi Aria® (golimumab). Golimumab is a monoclonal antibody that inhibits tumor necrosis factor alpha. Elevated TNF alpha levels have been implicated in several chronic inflammatory diseases such as rheumatoid arthritis, psoriatic arthritis, and ankylosing spondylitis [6]. AVT05 is an investigational product and has not received regulatory approval in any country. Biosimilarity has not been established by regulatory authorities and is not claimed.

About AVT06 (aflibercept)
AVT06 is a recombinant fusion protein and a biosimilar candidate to Eylea® (aflibercept), which binds vascular endothelial growth factors (VEGF), inhibiting the binding and activation of VEGF receptors, neovascularization, and vascular permeability [7]. AVT06 is an investigational product and has not received regulatory approval in any country. Biosimilarity has not been established by regulatory authorities and is not claimed.

Sources
[1] Based on Johnson & Johnson's Q4 and Full-Year 2023 Results
[2] Based on Regeneron's Fourth Quarter and Full Year 2023 Financial and Operating Results
[3] Based on Amgen's Fourth Quarter and Full Year 2023 Financial Results
[4] https://www.ema.europa.eu/en/documents/product-information/uzpruvo-epar-product-information_en.pdf
[5] https://www.pi.amgen.com/-/media/Project/Amgen/Repository/pi-amgen-com/Prolia/prolia_pi.pdf
[6] https://www.janssenlabels.com/package-insert/product-monograph/prescribing-information/SIMPONI-pi.pdf
[7] https://www.regeneron.com/downloads/eylea_fpi.pdf

Use of trademarks

About Alvotech
Alvotech is a biotech company, founded by Robert Wessman, focused solely on the development and manufacture of biosimilar medicines for patients worldwide. Alvotech seeks to be a global leader in the biosimilar space by delivering high quality, cost-effective products, and services, enabled by a fully integrated approach and broad in-house capabilities. Alvotech's current pipeline contains eight biosimilar candidates aimed at treating autoimmune disorders, eye disorders, osteoporosis, respiratory disease, and cancer. Alvotech has formed a network of strategic commercial partnerships to provide global reach and leverage

local expertise in markets that include the United States, Europe, Japan, China, and other Asian countries and large parts of South America, Africa, and the Middle East. Alvotech's commercial partners include Teva Pharmaceuticals, a US affiliate of Teva Pharmaceutical Industries Ltd. (US), STADA Arzneimittel AG (EU), Fuji Pharma Co., Ltd (Japan), Advanz Pharma (EEA, UK, Switzerland, Canada, Australia and New Zealand), Cipla/Cipla Gulf/Cipla Med Pro (Australia, New Zealand, South Africa/Africa), JAMP Pharma Corporation (Canada), Yangtze River Pharmaceutical (Group) Co., Ltd. (China), DKSH (Taiwan, Hong Kong, Cambodia, Malaysia, Singapore, Indonesia, India, Bangladesh and Pakistan), YAS Holding LLC (Middle East and North Africa), Abdi Ibrahim (Turkey), Kamada Ltd. (Israel), Mega Labs, Stein, Libbs, Tuteur and Saval (Latin America) and Lotus Pharmaceuticals Co., Ltd. (Thailand, Vietnam, Philippines, and South Korea). Each commercial partnership covers a unique set of product(s) and territories. Except as specifically set forth therein, Alvotech disclaims responsibility for the content of periodic filings, disclosures and other reports made available by its partners. For more information, please visit www.alvotech.com. None of the information on the Alvotech website shall be deemed part of this press release.

Forward Looking Statements

Certain statements in this communication may be considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements generally relate to future events or the future financial operating performance of Alvotech and may include, for example, Alvotech's expectations regarding competitive advantages, business prospects and opportunities including pipeline product development, future plans and intentions, results, level of activities, performance, goals or achievements or other future events, regulatory submissions, review and interactions, the potential approval and commercial launch of its product candidates, the timing of regulatory approval, and market launches. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expect", "intend", "will", "estimate", "anticipate", "believe", "predict", "potential", "aim" or "continue", or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by Alvotech and its management, are inherently uncertain and are inherently subject to risks, variability, and contingencies, many of which are beyond Alvotech's control. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: (1) the ability to raise substantial additional funding, which may not be available on acceptable terms or at all; (2) the ability to maintain stock exchange listing standards; (3) changes in applicable laws or regulations; (4) the possibility that Alvotech may be adversely affected by other economic, business, and/or competitive factors; (5) Alvotech's estimates of expenses and profitability; (6) Alvotech's ability to develop, manufacture and commercialize the products and product candidates in its pipeline; (7) actions of regulatory authorities, which may affect the initiation, timing and progress of clinical studies or future regulatory approvals or marketing authorizations; (8) the ability of Alvotech or its partners to respond to inspection findings and resolve deficiencies to the satisfaction of the regulators; (9) the ability of Alvotech or its partners to enroll and retain patients in clinical studies; (10) the ability of Alvotech or its partners to gain approval from regulators for planned clinical studies, study plans or sites; (11) the ability of Alvotech's partners to conduct, supervise and monitor existing and potential future clinical studies, which may impact development timelines and plans; (12) Alvotech's ability to obtain and maintain regulatory approval or authorizations of its products, including the timing or likelihood of expansion into additional markets or geographies; (13) the success of Alvotech's current and future collaborations, joint ventures, partnerships or licensing arrangements; (14) Alvotech's ability, and that of its commercial partners, to execute their commercialization strategy for approved products; (15) Alvotech's ability to manufacture sufficient commercial supply of its approved products; (16) the outcome of ongoing and future litigation regarding Alvotech's products and product candidates; (17) the impact of worsening macroeconomic conditions, including rising inflation and interest rates and general market conditions, conflicts in Ukraine, the Middle East and other global geopolitical tension, on the Company's business, financial position, strategy and anticipated milestones; and (18) other risks and uncertainties set forth in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in documents that Alvotech may from time to time file or furnish with the SEC. There may be additional risks that Alvotech does not presently know or that Alvotech currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. Nothing in this communication should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. Alvotech does not undertake any duty to update these forward-looking statements or to inform the recipient of any matters of which any of them becomes aware of which may affect any matter referred to in this communication. Alvotech disclaims any and all liability for any loss or damage (whether foreseeable or not) suffered or incurred by any person or entity as a result of anything contained or omitted from this communication and such liability is expressly disclaimed. The recipient agrees that it shall not seek to sue or otherwise hold Alvotech or any of its directors, officers, employees, affiliates, agents, advisors, or representatives liable in any respect for the provision of this communication, the information contained in this communication, or the omission of any information from this communication.

ALVOTECH INVESTOR RELATIONS AND GLOBAL COMMUNICATIONS

Benedikt Stefansson, Senior Director
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FOR MORE INFORMATION

Please visit our investor portal, and our website or follow us on social media on LinkedIn, Facebook, Instagram, X and YouTube.

Consolidated Statements of Profit or Loss and Other Comprehensive Income or Loss for the years ended 31 December 2023, 2022 and 2021

USD in thousands, except for per share amounts

	2023	2022	2021
Product revenue	48,699	24,836	—
License and other revenue	42,735	58,193	36,772
Other income	1,948	1,988	2,912
Cost of product revenue	(160,856)	(64,095)	—
Research and development expenses	(210,827)	(180,622)	(191,006)
General and administrative expenses	(76,559)	(186,742)	(84,134)
Operating loss	(354,860)	(346,442)	(235,456)
Share of net loss of joint venture	(7,153)	(2,590)	(2,418)
Impairment loss on investment in joint venture	(21,519)	—	—
Finance income	4,823	2,549	51,568
Finance costs	(267,157)	(188,419)	(117,361)
Exchange rate differences	(5,183)	10,566	2,681
(Loss) / gain on extinguishment of financial liabilities	—	(27,311)	151,788
Non-operating (loss) / profit	(296,189)	(205,205)	86,258
Loss before taxes	(651,049)	(551,647)	(149,198)
Income tax benefit	99,318	38,067	47,694
Loss for the year	(551,731)	(513,580)	(101,504)
Other comprehensive income / (loss)			
Item that will be reclassified to profit or loss in subsequent periods:			
Exchange rate differences on translation of foreign operations	(86)	(6,111)	(305)
Total comprehensive loss	(551,817)	(519,691)	(101,809)
Loss per share			
Basic and diluted loss for the year per share	(2.43)	(2.60)	(0.92)

Consolidated Statement of Financial Position as of 31 December 2023 and 2022

USD in thousands

Non-current assets	**31 December 2023**	**31 December 2022**
Property, plant and equipment	236,779	220,594
Right-of-use assets	119,802	47,501
Goodwill	12,058	11,643
Other intangible assets	19,076	25,652
Contract assets	10,856	3,286
Investment in joint venture	18,494	48,568
Other long-term assets	2,244	5,780
Restricted cash	26,132	25,187
Deferred tax assets	309,807	209,496
Total non-current assets	755,248	597,707
Current assets		
Inventories	74,433	71,470
Trade receivables	41,292	32,972
Contract assets	35,193	25,370
Other current assets	31,871	32,949
Receivables from related parties	896	1,548
Cash and cash equivalents	11,157	66,427
Total current assets	194,842	230,736
Total assets	950,090	828,443

Consolidated Statement of Financial Position as of 31 December 2023 and 2022

USD in thousands

	31 December	**31 December**

	2023	2022
Equity		
Share capital	2,279	2,126
Share premium	1,229,690	1,058,432
Other reserves	42,911	30,582
Translation reserve	(1,528)	(1,442)
Accumulated deficit	(2,205,845)	(1,654,114)
Total equity	(932,493)	(564,416)
Non-current liabilities		
Borrowings	922,134	744,654
Derivative financial liabilities	520,553	380,232
Other long-term liability to related party	—	7,440
Lease liabilities	105,632	35,369
Long-term incentive plan	—	544
Contract liabilities	73,261	57,017
Deferred tax liability	53	309
Total non-current liabilities	1,621,633	1,225,565
Current liabilities		
Trade and other payables	80,563	49,188
Lease liabilities	9,683	5,163
Current maturities of borrowings	38,025	19,916
Derivative financial liabilities	—	—
Liabilities to related parties	9,851	1,131
Contract liabilities	59,183	36,915
Taxes payable	925	934
Other current liabilities	62,720	54,047
Total current liabilities	260,950	167,294
Total liabilities	1,882,583	1,392,859
Total equity and liabilities	950,090	828,443

Consolidated Statements of Cash Flows for the years ended 31 December 2023, 2022 and 2021

USD in thousands

Cash flows from operating activities	**2023**	**2022**	**2021**
Loss for the year	(551,731)	(513,580)	(101,504)
Adjustments for non-cash items:			
Gain on extinguishment of SARs liability	—	(4,803)	—
Share-listing expense	—	83,411	—
Long-term incentive plan expense	78	5,492	17,955
Depreciation and amortization	24,210	20,409	18,196
Impairment of property, plant and equipment	—	—	2,092
Impairment of other intangible assets	1,779	2,755	3,993
Change in allowance for receivables	18,500	—	—
Change in inventory reserves	8,341	—	—
Loss on disposal of property, plant and equipment	365	—	—
Impairment loss on investment in joint venture	21,519	—	—
Share of net loss of joint venture	7,153	2,590	2,418
Finance income	(4,823)	(2,549)	(51,568)
Finance costs	267,157	188,419	117,361
Loss/(Gain) on extinguishment of financial liabilities	—	27,311	(151,788)
Share-based payments	18,033	10,317	—
Exchange rate difference	5,183	(10,566)	(2,681)
Income tax benefit	(99,318)	(38,067)	(47,694)
Operating cash flow before movement in working capital	(283,554)	(228,861)	(193,220)
Increase in inventories	(11,304)	(32,412)	(29,412)
Increase in trade receivables	(8,320)	(3,576)	(28,813)
Increase / (decrease) in liabilities with related parties	2,161	56	(453)
(Increase) / decrease in contract assets	(17,393)	(9,218)	15,286

Increase in other assets	(802)	(17,194)	(4,363)
Increase in trade and other payables	31,772	16,442	14,318
Increase in contract liabilities	35,396	19,396	21,470
(Decrease) / increase in other liabilities	(5,182)	(21,384)	5,160
Cash used in operations	(257,226)	(276,751)	(200,027)
Interest received	3,649	568	16
Interest paid	(57,254)	(35,372)	(28,004)
Income tax paid	(1,354)	(834)	(155)
Net cash used in operating activities	(312,185)	(312,389)	(228,170)
Cash flows from investing activities			
Acquisition of property, plant and equipment	(33,234)	(37,880)	(20,462)
Disposal of property, plant and equipment	133	379	—
Acquisition of intangible assets	(13,239)	(11,122)	(20,171)
Restricted cash in connection with amended bond agreement	—	(14,914)	—
Net cash used in investing activities	(46,340)	(63,537)	(40,633)
Cash flows from financing activities			
Repayments of borrowings	(99,367)	(34,714)	(37,496)
Repayments of principal portion of lease liabilities	(8,269)	(11,147)	(7,350)
Proceeds from new borrowings	278,831	193,678	113,821
Transaction cost from new borrowings	(9,004)	—	—
Gross proceeds from private placement equity offering	136,879	—	—
Gross private placement equity offering fee	(4,141)	—	—
Proceeds from warrants	6,390	—	—
Proceeds on issue of equity shares	—	—	185,856
Transaction costs for amended borrowing agreements	—	(12,102)	—
Gross proceeds from the PIPE Financing	—	174,930	—
Gross PIPE Financing fees paid	—	(5,562)	—
Proceeds from the Capital Reorganization	—	9,827	—
Proceeds from loans from related parties	—	160,000	—
Repayment of loans from related parties	—	(50,000)	—
Net cash generated from financing activities	301,319	424,910	254,831
Increase / (decrease) in cash and cash equivalents	(57,206)	48,984	(13,972)
Cash and cash equivalents at the beginning of the year	66,427	17,556	31,689
Effect of movements in exchange rates on cash held	1,936	(113)	(161)
Cash and cash equivalents at the end of the year	11,157	66,427	17,556

Exhibit 99.2

Corporate Governance Report for 2023

This corporate governance report (the "**Report**") covers the period from 1 January 2023 through 31 December 2023 of Alvotech, a *société anonyme*, incorporated and existing under the laws of the Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Companies' Register under number B258884, having its registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg ("**Alvotech**" or the "**Company**"). Alvotech was incorporated on August 23, 2021 for the sole purpose of completing a business combination between Alvotech Holdings S.A., Oaktree Acquisition Corp. II and Alvotech. The business combination closed on 15 June 2022 and, concurrently with the closing, the current Directors of Alvotech S.A. were appointed.

The ordinary shares and warrants of Alvotech are listed on The Nasdaq Stock Market LLC ("**Nasdaq US**") under the symbol "ALVO" and "ALVOW", respectively, since 16 June 2022. Alvotech's ordinary shares are also listed on the Nasdaq Iceland Main Market under the ticker symbol "ALVO" since 8 December 2022 and, prior to that, on the Nasdaq First North Growth Market since 23 June 2022 until their admission to trading to the Nasdaq Iceland Main Market. This Report will be a part of the Annual Report for the year ended 31 December 2023, and has been approved by the board of directors of the Company (the "**Board of Directors**" or "**Board**") and reviewed by its Audit Committee.

As regards general meetings of shareholders, at an ordinary general meeting, there is no quorum requirement and resolutions are adopted by a simple majority cast votes. Abstentions are not considered "votes".

Resolutions at an extraordinary general meeting are required for any of the following matters, among others (i) an increase or decrease of the authorized or issued capital, (ii) a limitation or exclusion of preferential subscription rights, (iii) approval of a statutory merger or de-merger (scission), (iv) Alvotech's dissolution and liquidation, (v) any and all amendments to Alvotech´s articles of association and (vi) change of nationality. Pursuant to Alvotech´s articles of associations, for any resolution to be considered at an extraordinary general meeting of shareholders, the quorum shall be at least one half of Alvotech´s issued share capital unless otherwise mandatorily required by law. If the said quorum is not present, a second meeting may be convened, for which Luxembourg Company Law does not prescribe a quorum. Any extraordinary resolution shall be adopted at a quorate general meeting, except otherwise provided by law, by at lease a two-thirds majority of the votes validly cast on such resolution by shareholders. Abstentions are not considered "votes".

An annual general meeting of shareholders ("**AGM**") shall be held in the Grand Duchy of Luxembourg within 6 months of the end of the preceding financial year.

Each Ordinary Share entitles the holder thereof to one vote. Neither Luxembourg law nor Alvotech´s articles of association contain any restrictions as to the voting of Ordinary Shares by non-Luxembourg residents. The Luxembourg Company Law distinguishes ordinary general meeting of shareholders and extraordinary general meetings of shareholders with respect to the required quorums and majorities.

Alvotech is committed to recognizing general principles aimed to ensure good corporate governance. Our approach to corporate governance is further described in this Report.

Alvotech's corporate governance consists of a framework of principles and rules, including its Articles of Association, the 6th edition from February 2021 of the Guidelines on Corporate Governance issued by the Iceland Chamber of Commerce, Nasdaq Iceland Main Market and the Confederation of Icelandic Employers. The Board of Directors also adopted a Code of Business Conduct and Ethics (the "**Code**") applicable to the directors, officers, employees and other team members that complies with the rules and regulations of Nasdaq US, Nasdaq Iceland Main Market, and the SEC. The Code is available on Alvotech's website.

Alvotech's regulatory framework for corporate governance practices consists of the law applicable listed companiesas well as other applicable law and regulations, including those imposed by Nasdaq Iceland Main Market and Nasdaq US available at their respective websites.

The Board of Directors is committed to excellence in corporate governance by complying with the applicable regulatory standards and international best practices in the field of corporate governance.

All directors of the Company must act honestly, with due skill and care in the best interests of the Company and the group. All directors must adhere to the highest standards of honest and ethical conduct, including taking proper and due actions to avoid any conflicts of interest in his or her dealings with the Alvotech or the group, or dealings with other parties that may relate to or affect the group of Alvotech, its interest and assets.

Internal Control
The Audit and Risk Committee is responsible, among other things, for establishing procedures for the confidential anonymous submission of complaints (a whistle blowing mechanism).

Risk Management
Alvotech has a strong track record of growth. The Board of Directors is responsible for overseeing Alvotech's risk management process. The Board of Directors focuses on Alvotech's general risk management strategy, the most significant risks, and oversees the implementation of risk mitigation strategies by management. The audit and risk committee is also responsible for discussing Alvotech's policies with respect to risk assessment and risk management. The Board of Directors believes its administration of its risk oversight function has not negatively affected the Board's leadership structure. As part of the steady expansion of Alvotech´s risk management processes, the Company has launched a number of initiatives. Each initiative is contributing to achieving the company´s objectives with regard to efficacy and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The Company has identified certain key risks that are given special attention and monitored.

Audit, accounting and risk
The Board of Directors adopted the Audit and Risk Committee Charter. The Chief Executive Officer of the Company ensures that the directors are provided with accurate information on Alvotech´s finances, development, operations and risk assessments on a regular basis and the Audit and Risk Committee assists the Board in fulfilling its oversight responsibilities concerning the financial reporting process and the system of internal controls. The Board of Directors ensures that internal procedures for risk management are revised at least annually.

The consolidated financial statements are published on an annual, semi-annual and quarterly basis as applicable, subject to and in accordance with applicable publication requirements under Icelandic and/or Luxembourg and/or U.S laws.

The **AGM** appoints the independent auditor (*réviseur d´entreprises agréé*) and shall determine their office, in accordance with Alvotech´s Articles of Association. The Board´s proposal to the AGM is based on the Audit and Risk Committee´s recommendation on the selection of an audit firm the statutory auditors and shall determine their office, which may not exceed six years, in accordance with Alvotech´s Articles of Association. The Board´s proposal to the AGM is based on the Audit and Risk Committee´s recommendation on the selection of an audit firm. Deloitte hf. has carried out the external audit of Alvotech in recent years. In addition, Deloitte Audit (20, Boulevard de Kockelscheuer L-1821, Luxembourg, Grand Duchy of Luxembourg) is appointed as the independent auditor (*réviseur d´entreprises agréé*) of Alvotech and in recent years conducted external audits in accordance with the Luxembourg law of 23 July 2016 on the audit profession (the "Audit Law"). In accordance with article 51 of the Audit Law and by way of derogation from Article 17 (1) of Regulation (EU) No 537/2014, the maximum duration of a statutory audit of a public-interest entity may be of 20 years, where a public tendering process for the statutory audit is conducted in accordance with paragraphs 2 to 5 of Article 16 of the above-mentioned regulation.

Compliance
Alvotech has a Compliance function. The General Counsel of the company is the Compliance Officer and is responsible for the Code, the training of employees and business ethics. Under the Icelandic law no. 60/2021 on actions against market abuse a Securities Compliance Officer has been appointed to oversee the compliance in accordance with the above-mention law and in compliance with the Company´s Insider Trading policy. The Securities Compliance Officer is responsible for assessing and monitoring if Alvotech, its directors, officers and employees are in compliance with the laws and regulations that apply to a company listed on the Nasdaq Iceland Main Market. The Compliance Officer monitors if the company is in compliance with other applicable law and the Company´s Business Code of Conduct.

Code of Business Conduct and Ethics
The Board of Directors adopted a Code of Business Conduct and Ethics for Alvotech´s directors, officers and employees. The Code sets out Alvotech´s code of business conduct and ethics, consisting of the principal business, ethical, moral and legal standards which Alvotech´s directors, officers and employees are required to observe. The aim of the Code is a further testament to Alvotech´s commitment to sustainability, having oversight and managing relevant environment, social and government risks and opportunities in Alvotech´s operations and value chain.

Sustainability
Alvotech has adopted a Sustainability Policy that is focused on making its operations exemplary in the pharmaceutical environment based on established international environmental, social and governance ("**ESG**") criteria. The company has a created a separate ESG report for 2023 that will be attached to the 2023 financials.

Board Committees
Alvotech has five committees of the Board of Directors (an audit and risk committee, a compensation committee, a nominating and corporate governance committee, a strategy committee and a corporate sustainability committee). All the committees are constituted of members of the Board based on their expertise, skills and experience relevant to that Committee and in accordance with the rules set for each committee by the Board.

Audit and Risk Committee
The members of Alvotech's audit and risk committee are Dr. Linda McGoldrick (Chair), Ann Merchant and Richard Davies. Each member of Alvotech's audit and risk committee qualifies as independent directors according to the rules and regulations of the SEC and Nasdaq with respect to audit and risk committee membership. In addition, all audit and risk committee members meet the requirements for financial literacy under applicable SEC and Nasdaq rules and at least one of the audit and risk committee members qualifies as an "audit and risk committee financial expert," as such term is defined in Item 407(d) of Regulation S-K under the United States Securities Act of 1933, as amended. The audit and risk committee is responsible for, among other things:

+ appointing, compensating, retaining, evaluating, terminating and overseeing our independent registered public accounting firm;
+ discussing with our independent registered public accounting firm their independence from management;
+ reviewing, with our independent registered public accounting firm, the scope and results of their audit;
+ approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm;
+ overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the annual financial statements that we file with the SEC;
+ overseeing our financial and accounting controls and compliance with legal and regulatory requirements;
+ reviewing our policies on risk assessment and risk management;
+ reviewing related party transactions; and
+ establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls or auditing matters.

Compensation Committee
Richard Davies (Chair), Árni Harðarson and and Tomas Ekman. Mr. Davies qualifies as an independent director according to the rules and regulations of the SEC and Nasdaq with respect to compensation committee membership, including the heightened independence standards for members of a compensation committee. The compensation committee is responsible for, among other things:

+ reviewing and approving the corporate goals and objectives, evaluating the performance of and reviewing and approving, (either alone or, if directed by the board of directors, in conjunction with a majority of the independent members of the board of directors) the compensation of our chief executive officer;

+ overseeing an evaluation of the performance of and reviewing and setting or making recommendations to our board of directors regarding the compensation of our other executive officers;

+ reviewing and approving or making recommendations to our board of directors regarding our incentive compensation and equity-based plans, policies and programs;

+ reviewing and approving all employment agreement and severance arrangements for our executive officers;

+ making recommendations to our shareholders regarding the compensation of our directors; and

+ retaining and overseeing any compensation consultants.

Corporate Sustainability Committee
The members of Alvotech's ESG committee are Ann Merchant (Chair), Árni Hardarson and Róbert Wessman. The ESG committee is responsible for, among other things:

+ reviewing, monitoring and setting strategy in the area of corporate responsibility;

+ overseeing Alvotech's activities in the area of corporate responsibility that may have an impact on the Company's reputation and operations;

+ periodically assess the Alvotech's compliance obligations;

+ monitor and review matters of health and safety and report findings to the broader board; and

+ review and evaluate environmental, social and political issues and trends and their relevance to Alvotech's business and make recommendations to the board regarding those trends and issues.

Nomination and Corporate Governance Committee
The members of Alvotech's nominating and corporate governance committee are Richard Davies (Chair), Dr. Linda McGoldrick and Ann Merchant. The nominating committee is responsible for, among other things:

+ identifying individuals qualified to become members of our board of directors, consistent with criteria approved by our board of directors;

+ overseeing succession planning for our Chief Executive Officer and other executive officers;

+ periodically reviewing our board of directors' leadership structure and recommending any proposed changes to our board of directors;

+ overseeing an annual evaluation of the effectiveness of our board of directors and its committees; and

+ developing and recommending to our board of directors a set of corporate governance guidelines.

Strategy Committee

The Strategy committee is responsible for, among other things, reviewing, monitoring and setting strategy for the business of Alvotech. The members of Alvotech's Strategy committee are Faysal Kalmoua (Chair), Lisa Graver and Róbert Wessman.

The structure and composition of the Board of Directors

Alvotech's Board of Directors is currently composed of eight members. In accordance with Alvotech's Articles of Association, the Board is not divided into classes of directors. Each director was appointed at the closing of the business combination on June 15, 2022, to serve as director until the end of the general meeting of shareholders called to approve the Alvotech's annual accounts for the 2024 financial year. There are no limitations on the duration of the board membership. The composition of the board shall at any time be diverse, with regard to educational and professional background, gender and age.

The board undertakes Alvotech´s affairs in between shareholders´ meetings unless otherwise provided by law or Alvotech´s Articles of Association. The board is responsible for setting Alvotech´s general strategy. The board has a supervisory role in overseeing that Alvotech´s organization and activities are at all times in accordance with the relevant law, regulation and good business practices. The board met 16 times last year.

Members of the Board of Directors

Robert Wessman, Chairman and CEO, is the founder of Alvotech and has served as Executive Chairman and member of the board of directors of Alvotech since January 2019. Since November 2018, he has also served as Director at Fuji Pharma and chairman of the board of directors of Lotus Pharmaceuticals and since May 2009, he has served as a member of the board of directors of Aztiq and as a member of the board of directors of Aztiq GP, the general partner of Aztiq Fund I SCSp, a Luxembourg alternative investment fund, and the parent company of Aztiq. Mr. Wessman is also the founder and main partner of the Aztiq group. Mr. Wessman founded Alvogen in July 2009, and served as its Executive Chairman and Chief Executive Officer until June 2022. He continues to serve as Alvogen's chairman since July 2022. Between 1999 and 2008, Mr. Wessman served as the Chief Executive Officer of Actavis. He has a Bachelor of Science degree in Business Administration from the University of Iceland. We believe Mr. Wessman is qualified to serve on Alvotech's board of directors due to the perspective he brings as Alvotech's founder and his experience in top executive positions in the pharmaceutical industry.

Richard Davies, Director and Deputy Chairman, has served as Deputy Chairman of Alvotech's board from June 2022. He was previously the Chairman of Alvotech's board, and as one of Alvotech's directors since January 2019. Since November 2018, he has served as Chief Executive Officer of Auregen Bio Therapeutics SA. Prior to joining Auregen Bio Therapeutics, Mr. Davies served as Chief Executive Officer of Bonesupport AB between 2016 and 2018, as Senior Vice President and Chief Commercial Officer of Hospira Inc. between 2012 and 2015, and in various leadership roles at Amgen Inc between 2003 and 2012. Mr. Davies holds an MBA from the University of Warwick and Bachelor of Science in applied chemistry from the University of Portsmouth.

Tomas Ekman, Director, has served as one of Alvotech's directors since January 2019. Since November 2014 he has served as a partner at CVC Capital Partners where he is a member of the CVC Nordics team and is based in Stockholm. Prior to joining CVC in 2014, Mr. Ekman was a partner and Managing Director at 3i, responsible for its Nordic business. Mr. Ekman holds MSc degrees from the University of Strathclyde and Chalmers University of Technology, and an MBA from IMD, Switzerland.

Faysal Kalmoua, Director, has served as one of Alvotech's directors since June 2020. Mr. Kalmoua has also served as a partner of the Aztiq group since June 2022. Between April 2020 and June 2022, Mr. Kalmoua served as Executive Vice President of Portfolio, Business Development and Research and Development for Alvogen. Between November 2015 and March 2020, Mr. Kalmoua served as Executive Vice President of Portfolio for Alvogen, Inc. Prior to joining Alvogen, Mr. Kalmoua served in various management positions for Synthon for nearly 16 years. Mr. Kalmoua holds a master's degree in chemistry from the Radboud University Nijmegen and an executive MBA from Insead.

Ann Merchant, Director, has served as one of Alvotech's directors since June 2022. Since 2018, she has served as Vice President for MorphoSys, and as Head of Global Supply Chain since January 2019. Prior to joining MorphoSys, from September 2011 to August 2018, Ms. Merchant served as the President for Schreiner Medipharm. Between 1994 and 2011, Ms. Merchant held various roles at Amgen, including Vice President, Head of International Supply Chain and Site Head between 2007 and 2011. Ms. Merchant holds an MBA from the Henley Business School and a Bachelor of Science in Languages from Georgetown University. We believe Ms. Merchant is qualified to serve on Alvotech's board of directors because of her experience in executive positions with several pharmaceutical companies and expertise in financial planning, new product launches and creating and executing international strategies to increase market share.

Arni Hardarson, Director, has served as one of Alvotech's directors since June 2022. Mr. Hardarson is a co-founder and partner of the Aztiq group. Between 2009 and June 2022, he served as Deputy to the Chief Executive Officer and General Counsel of Alvogen. Prior to joining Alvogen, Mr. Hardarson was Vice President of Tax and Structure at Actavis, and as partner, member of the executive management committee, and served as a head of tax and legal at Deloitte. Mr. Hardarson holds a Master's degree in law from the University of Iceland. We believe Mr. Hardarson is qualified to serve on Alvotech's board of directors because of his extensive expertise in financial and legal matters and his past experience in top executive positions.

Lisa Graver, Director, has served as one of Alvotech's directors since June 2022. Ms. Graver has served in various leadership positions for Alvogen since June 2010, including as President of Alvogen Inc, a subsidiary of Alvogen, since August 2015, as Executive Vice President and Deputy to the Chief Executive Officer of Alvogen Inc. since February 2013, and as Vice president Intellectual Property of Alvogen since June 2010. Prior to joining Alvogen, Ms. Graver was Vice President Intellectual Property and Senior Director Intellectual Property at Actavis Inc. between 2006 and 2008. Ms. Graver holds a BSc in Biology from Lakehead University and a law degree from the Case Western Reserve University School of Law. We believe Ms. Graver is qualified to serve on Alvotech's board of directors because of her extensive expertise in intellectual property and the pharmaceutical industry.

Dr. Linda McGoldrick, Director, has served as one of Alvotech's directors since June 2022 and as the Chairman of the Audit Commitee. In 1985, Dr. McGoldrick founded, and currently serves as Chairman and Chief Executive Officer of, Financial Health Associates International, a strategic consulting company specializing in healthcare and life sciences. Since January 2020, she has served as the Chief Executive Officer for 2Enable Health LLC. Prior to joining 2Enable Health LLC, Dr. McGoldrick served as interim CEO at Zillion between June 2019 and December 2019. Over her professional career, Dr. McGoldrick has served in a number of leadership roles, including Senior Vice President and National Development Director for the Healthcare and Life Sciences Industry Practices at Marsh-MMC Companies, International Operations and Marketing Director of Veos plc, and Managing Director Europe for Kaiser Permanente International. In 2018, Dr. McGoldrick was appointed by the Governor of Massachusetts to serve on the state's Health Information Technology Commission. Dr. McGoldrick has served as a director of numerous publicly traded and private held companies and non-profit organizations in the U.S., UK and Europe, including as director for Compass Pathways since September 2020. In 2012, Dr. McGoldrick was named as one of the Top 100 Corporate Directors of Fortune 100 Companies by the Financial Times. Dr. McGoldrick holds a Master's Degree in Healthcare from the University of Pennsylvania and an MBA from Wharton. We believe Ms. McGoldrick is qualified to serve on Alvotech's board of directors because of her extensive expertise in financial matters and the healthcare and life sciences industry.

Business ethics and Code of Conduct

Alvotech sets high standards for all employees and directors. We also adhere to ethical commitments in every aspect of our business, with respect to our employees as well as outside stakeholders, including contractors, suppliers, commercial partners, government authorities and the general public. These commitments are spelled out in our Code of Corporate Conduct and Ethics, which applies to all our employees, including our senior executive, officers and directors. We apply our Code of Conduct both in internal and external relations and give preference in our business dealings to those who adhere to comparable ethical standards.

It is the duty of the Board of Directors to serve as fiduciary for shareholders and to oversee the management of the company. To fulfill its responsibilities and to discharge its duties prudently, the Board of Directors follows the procedures and standards that are set forth in guidelines and charters. These documents are subject to modification from time to time as the Board of Directors deems appropriate in the best interests of Alvotech or as required by applicable laws and regulations.

The Code of Conduct and charters for the Board of Directors are accessible on Alvotech's website at https://investors.alvotech.com/corporate-governance/documents-charters

Approved by the board on: 20 March 2024

Non-financial disclosure

Business model

Alvotech was founded in 2013 to develop and manufacture biosimilars which have the potential to improve the life and health of millions of patients globally. Our goal is to become the leading global biosimilar company in the development and manufacture of cost-effective biologic medicines, increasing availability for all patients and lowering the cost of healthcare.

Biologics and biosimilars are manufactured using living cells. Alvotech develops its medicines in mammalian cells which have been specialized to produce a specific protein. The protein becomes the active ingredient in a biosimilar that is designed to match the effectiveness and safety of a particular reference biologic. Biologic medicines have proven especially effective in many therapeutic areas, such as oncology and immunology. Alvotech has launched two biosimilars and is developing an addition 9 biosimilar candidates.

Alvotech's headquarters and manufacturing facilities are located in the University of Iceland's Science Park in Reykjavik, Iceland. Alvotech has satellite offices in the U.S., Germany, India and Switzerland.

On average in 2023, Alvotech employed 1041 people, the majority with a master's degree or doctorate. About 80% of the workforce is in Iceland and 20% abroad.

Due diligence process regarding non-financial disclosures

Rules governing Alvotech's quality assurance and certification processes

Alvotech adheres to Good Manufacturing Practice (GMP) standards, similar to other pharmaceutical manufacturing companies that produce medications for human use. To ensure compliance with these standards, Alvotech has established a comprehensive quality assurance framework covering manufacturing, surveillance, and distribution activities. This framework is underpinned by an extensive array of documents, including numerous standard operating procedures (SOPs) relevant to the manufacturing and quality control operations, validation of equipment and instruments, maintenance of environmental systems and facilities, and meticulous document management, among others. These documents are foundational to the quality assurance system, and by extension, the quality of the pharmaceuticals produced. Additionally, pharmaceutical firms operating according to GMP must welcome regular evaluations by both local and international health regulatory bodies that oversee the pharmaceutical sector, including authorities from jurisdictions where the products are marketed.

Alvotech's quality assurance mechanisms received initial certification in 2018, authorizing clinical trial medicine production, followed by a subsequent certification in September 2020 for the manufacture of commercial products. Beyond this, Alvotech has undergone audits by various pharmaceutical partners in light of its international marketing agreements for biosimilars and undergoes routine inspections by medical regulatory authorities in regions and countries where its biosimilars are marketed or pending market approval.

Alvotech's principal divisions operate under an ISO 9001 certified quality management system, extending to several non-financial aspects such as environmental management, with the British Standards Institution (BSI) validating adherence to these standards. The company's compliance officer is tasked with ensuring adherence to the business Code of Conduct, including conducting annual employee training on these topics. The Environmental, Health and Safety committee is dedicated to ensuring compliance with Icelandic law nr. 46/1980, while the executive management and board of directors oversee adherence to all relevant regulations, internal procedures, and ethical guidelines.

Alvotech has also evaluated its adherence to its policies, encompassing environmental, social, and governance considerations, in alignment with section 66.d of the Icelandic Financial Statement Act No. 3/2006. This evaluation sheds light on the company's performance against various international norms and guidelines, offering a comprehensive insight into Alvotech's operational practices. This analysis aids the management in directing efforts towards enhancing risk mitigation and minimizing negative environmental impacts. On July 31, 2023, the European Commission adopted the European Sustainability Reporting Standards ("ESRS"), the first set of corporate sustainability reporting standards under the EU Corporate Sustainability Reporting Directive (CSRD). The CSRD entered into force in January 2023 and went into effect on January 1, 2024. For the fiscal year 2024 and going forward, companies subject to CSRD are required to issue annual sustainability statement according to the ESRS.

Data on Environmental, Social and Governance metrics

Our reporting framework is based on Nasdaq's ESG Reporting Guide, which was first launched in 2017 and updated in 2019. The first version of the guide was specifically addressed to companies operating in markets such as the Nordic countries where investor expectations regarding Environmental, Social and Governance (ESG) performance are clearer and regulatory actions were taken early on. The advantage of the Nasdaq ESG framework is clarity and simplicity, while it also incorporates developments from other standards such as GRI, UN SDGs etc. We believe that this framework has provided transparency and represents a balanced approach to ESG reporting, but continue to evaluate our methodologies according to a changing regulatory environment , including the implementation of the EU Taxonomy regulation, which has taken effect in Luxembourg and Iceland and applies to 2023 reporting. Companies incorporated in Luxembourg are obligated to report EU Taxonomy information as part of their Non-Financial Reporting (NFR). This information can be included in the management report, as part of the Annual Report that also includes the financial statements, or in a separate report published, such as a sustainability report on the company website, no later than 6 months after the balance sheet date

Environment

We are committed to understanding and mitigating our impact on the natural environment. From our home-base and manufacturing hub in Reykjavik, Iceland, we can leverage the country's abundant renewable natural resources, including clean water and renewable hydro- and geothermal energy that power a dedicated grid supplying local industry and homes. The use of renewable resources allows us to balance the growth of our operations and prosperity of our stakeholders, with the overarching objective of sustainability.

As a global company, we believe that our impact on the environment correlates strongly with our long-term success and value as an enterprise. We are committed to minimizing the impact we have on natural resources and climate change and recognize that this commitment starts with understanding our contribution through our energy use and CO2 emissions and continues with our dedication to mitigate the energy intensity and emissions intensity of our operations.

We focus on protecting the environment from any adverse impact from our operations. We reach these goals by reducing waste, using energy more efficiently, increasing reuse, recycling as much waste as possible and reducing the use of all raw materials and consumables. We also handle genetically modified cells, biological and chemical waste safely, to reduce the risk of contamination or environmental damage.

It has been demonstrated that monoclonal antibody production in single-use technology reduces overall environmental impact when compared to more traditional durable process technology. However, single-use technology does create a material waste stream from single-use plastics, which is not present in traditional stainless-steel processes. A key part of maturing our sustainability program is focused on understanding and mitigating the impact of single-use plastics on the natural environment.

Alvotech has appointed an Environmental, Health and Safety (EHS) committee with volunteers from its staff. The committee works closely with the company's safety committee. Each committee focuses on improving processes that have an impact on the environment or employee safety. From an environmental perspective, particular emphasis is on sorting waste and reducing the use of raw materials while increasing awareness of how our operation and processes impact these metrics.

Staff is also encouraged to commute to work by bike, walking or on public transport. To further incentivize this behavior, Alvotech offers transportation grants and facilities for those that walk or bike to work.

Scope 1, 2 and 3 emissions

We can measure Scope 1 and Scope 2 emissions for our facilities in Iceland, including the main manufacturing facility, based on invoices or direct metering. For facilities outside of Iceland we rely on indirect measures, based on headcount, facility size and regional emission factors, to estimate this. We have also begun to track some Scope 3 emissions related to activity under our own control, such as business travel, but are not able at this point to quantify all the emissions that fall under Scope 3.

Key environmental performance indicators

GHG Emissions and Emissions Intensity	Unit	2020	2021	2022	2023
Scope 1 & 2 emissions	tCO2eq.	218	219	235	229
Scope 1, 2 & 3 emissions	tCO2eq.	479	513	957	923
Scope 1 emissions	tCO2eq.	16	12	19	20
Scope 1 emissions from fuel use	tCO2eq.	2	12	12	15
Scope 1 emissions from refrigerants	tCO2eq.	14	0	6	5
Scope 2 emissions	tCO2eq.	202	206	217	209
Scope 2 emissions from electricity use	tCO2eq.	177	181	192	184
Scope 2 emissions from thermal energy use	tCO2eq.	25	25	25	25
Scope 3 emissions	tCO2eq.	261	294	721	555
Scope 3 emissions from flights	tCO2eq.	192	207	573	379
Scope 3 emissions from waste	tCO2eq.	69	85	145	174
Scope 3 emissions from fuel and energy use	tCO2eq.	0.5	3.2	3.2	3.9
Scope 1 & 2 emissions intensity per employee	tCO2eq./emp.	0.4	0.3	0.3	0.2
Scope 1, 2 & 3 emissions intensity per employee	tCO2eq./emp.	0.9	0.8	1.1	0.8

Nasdaq: E1,E2| GRI: 305-1,305-2,305-3,305-4

Energy Usage, Energy Intensity and Energy Mix	Unit	2020	2021	2022	2023
Total use of energy	MWh	8,438	8,190	11,326	12,505
Total use of electricity	MWh	4,663	4,776	5,758	6,184
Total use of thermal energy (heat)	MWh	3,768	3,369	5,386	6,266
Total use of fuel	MWh	7	45	46	55
Total use of energy per employee	MWh	16	13	13	12
Percentage of total energy from renewables	%	94%	93%	94%	95%

Nasdaq: E3,E4,E5| GRI: 302-1,302-2,302-3

Water Usage	Unit	2020	2021	2022	2023
Total water usage	m3	48,294	40,119	60,630	97,194

Nasdaq: E6| GRI: 303-5

Environmental Operations	Unit	2020	2021	2022	2023
Environmental policy in place	Yes/No	Yes	Yes	Yes	Yes
Total amount of non-hazardous waste	tons	97	116	190	235
Total amount of hazardous waste	tons	42	52	92	114

Nasdaq: E7| GRI: 103-2

Social factors

One of the most valuable assets for any company is undoubtedly the experience and knowledge obtained by its employees. Alvotech therefore focuses on employee satisfaction and a strong sense of company culture. Alvotech is committed to ensuring the health, safety and well-being of its staff and guests of the company.

Health and wellbeing

A strong emphasis on training is part of Alvotech's focus on the staff's health and well-being. We collect and disseminate monthly key indicators about our performance in this area. These include statistics on incidents, accidents, near-accidents, potentially dangerous situations, and risk assessments. We also monitor our impact on the environment and potentially our behaviors by collecting statistics about waste, effluents, water, and energy consumption.

By implementing a reporting system for accidents, near accidents and potentially dangerous events, Alvotech implements risk prevention measures and creates a safety culture among employees. Employees also receive information about the origin of these reports, by department. This creates a sense of duty by employees to show that their department is contributing to the safety culture. Since 2020 the frequency of injury events has slowly been rising, mainly due to increased awareness by employees of the importance of reporting such incidents to support a risk prevention culture.

We have performed detailed risk assessment for each role at Alvotech, which includes a definition of the main sources of risks in regular tasks and preventive measures.

Because of the large number of foreign employees that have migrated to Iceland to work at Alvotech, the company also offers special assistance to ex-pats. This includes offering housing in apartments leased by the company for the first months in Iceland, to help employees better adapt to the new environment and integrate into society.

Other initiatives to improve the workplace environment include support for training and continuing education, a system for shift workers which enhances work-life balance, paid visits to psychiatrist and an online service, which offers counseling for work- and family related matters free of charge. Alvotech regularly offers instructional seminars about health and well-being, which have been very popular with employees. Staff is also offered semi-annual subsidies for sports activities, including health-club memberships or grants to cover the cost of sports-equipment.

Equality
Alvotech's gender equality policy was approved and presented to employees in January 2021, with an associated action plan. The goal of this policy is to guarantee that all employees face the same opportunities regardless of gender, age, religion, nationality, race, disability, sexual orientation, or political views and to avoid any discrimination or harassment based on these or other issues unrelated to the quality of work. The policy is implemented to ensure that all employees are evaluated based on their own merit and that they can reach their potential based on skill and ability. The policy should also eliminate ingrained gender bias from the workplace. Furthermore, the policy should lead to more equal ratios of the genders for employees holding each type of position or within departments. Alvotech's equality policy also states that an equality report should be issued each year and made available no later than April based on data for the previous year.

Equal pay certification
The first equal pay certification audit for Alvotech was conducted in January 2021, by ICert, a domestic accredited certification body which carries out audits and certification of management systems. In February 2021 Alvotech was awarded an equal pay certification and subsequently given permission to use the equal pay insignia by the Icelandic Equal Rights Administration and the Ministry of Welfare. A new equal pay certification audit was performed in January 2024 and in March 2024 our equal pay certification was renewed. In addition to employees in Iceland, we also implement the same equal pay and equal opportunities policy globally for all our staff.

Job satisfaction and well-being
In November 2021 Alvotech started performing periodic comprehensive surveys of employees with respect to job satisfaction and how employees view the company, measuring for example indicators of stress, undue work pressures or employee harassment. The results of employee surveys have been used to identify areas for improvement and implement policies to address issues highlighted by the survey results. The last job satisfaction survey was conducted in late 2022. A new job satisfaction survey is currently pending.

Anti-harassment policy
Alvotech enforces a strict policy with respect to bullying and harassment in the workplace. The policy states that any type of bullying, harassment or improper behavior is not condoned and defines a clear policy for dealing with such incidents. Employees responsible for responding to such incidents have been assigned and trained to accept complaints or conduct interviews with the parties involved. All managers are also trained in responding to such incidents.

Alvotech offers free consulting services from the occupational health service Vinnuvernd, where employees can meet with a specialist, discuss their experience, and get confidential advice on next steps. The purpose of this policy is to ensure that all reports about bullying, or harassment incidents are dealt with properly and promptly.

Human rights and child labor policies
We have implemented a comprehensive human rights and child labor policy which applies to all Alvotech employees. We expect to broaden the scope of these policies to our vendors as our manufacturing operations scale.

Key social performance indicators

Social	Unit	2020	2021	2022	2023
Ratio of pay of men to women	%	[*]	120%	117%	115%
Growth of total headcount	%	7%	12%	40%	9%
Women in management (ratio to total headcount)	%	27%	31%	31%	35%
Women in the company excluding management (ratio to total headcount)	%	53%	49%	58%	51%
Ratio of temporary workers to total headcount	%	7%	5%	4%	4%
Existence of a sexual harassment and/or non-discrimination policy?	Y/N	Yes	Yes	Yes	Yes
Frequency of injury events relative to total workforce (TIR)	TIR	0.63	0.24	0.87	1.64
Existence of an occupational health and/or global health & safety policy?	Y/N	Yes	Yes	Yes	Yes
Does your company follow a child and/or forced labor policy?	Y/N	No	No	No	Yes
If yes, does the policy cover suppliers and vendors?	Y/N				No
Does your company follow a human rights policy?	Y/N	No	No	No	Yes
If yes, does the policy cover suppliers and vendors?	Y/N				No
Survey of employees regarding job satisfaction	0-10	7.0	7.2	7.0	[**]
Survey of employees regarding job commitment	0-10	8.7	8.6	8.6	[**]
Participation rate in job satisfaction and commitment survey	%	50%	78%	89%	[**]
Number of new hires		171	306	345	261
New hires as percentage of total workforce of the company at year end	%	29%	42%	35%	24%
Number of data privacy breaches		0	0	0	0

Nasdaq: S2,S3,S4,S5,S6,S7,S8,S9,S10|GRI: 405-1, 406,102-8,103-2,401-1,401-1b,403-9,405-1,405-2,418-1

[*] Data for this year not available [**] Survey will be conducted after publication of this disclosure report.

Governance

Human rights and business ethics

Alvotech conducts its business in a responsible and ethical fashion. Any type of corruption, bribery or violation of human rights is not condoned. To prevent such conduct from taking place the company has implemented a *Code of Conduct* which applies to the company's entire business, including relationships with suppliers, partners, and contractors. The core principle is that Alvotech and its employees always act ethically and honestly in any given circumstance. The Code of Conduct addresses the companies Ethics and Anti-Corruption Policy as well as Whistleblower Policy. The Code of Conduct and a formal certification by the employee of compliance to the code is a part of on-boarding and training.

Data protection policy

Alvotech has implemented a data protection policy based on the EU General Data Protection Regulation which has also been transposed into Icelandic law, which applies to all employees, associates, contractors, participants in clinical studies and users of the company's products. Alvotech follows all applicable standards and laws regarding personal privacy and data protection, including specific rules and regulations applying to clinical studies as well as any other rules which apply to our daily business.

Key governance performance indicators

Corporate Governance	Unit	2020	2021	2022	2023
Percentage of total headcount covered by collective bargaining agreement	%	77%	76%	75%	75%
Does your company follow an Ethics and/or Anti-Corruption policy?	Y/N	Yes	Yes	Yes	Yes
If yes, what percentage of your workforce has certified its compliance?	%	[*]	84%	86%	86%
Does your company follow a Data Privacy policy?	Y/N	Yes	Yes	Yes	Yes
Has your company taken steps to comply with GDPR rules?	Y/N	Yes	Yes	Yes	Yes
Are your sustainability disclosures assured or validated by a third party?	Y/N	No	No	No	No
Does your company have a Whistleblower Policy in place?	Y/N	Yes	Yes	Yes	Yes
If yes, what percentage of your workforce has certified its compliance?	%	[*]	84%	86%	86%

Nasdaq: G4,G6,G7,G8|GRI: 102-16,102-41,102-56,103-2,418 9

[*] Data for this year not available