

It isn't a buzzword. It's not an initiative. It's not a program or a campaign. At Alvotech, **equality** is a human right, and it's fundamental to everything we are about.



A deep sense of doing what's right compels us towards creating a future where opportunity and reward are available to anyone and everyone who strives to make a contribution. Equality, diversity, and inclusion are foundational to the positive environment we are trying to foster, so that not only are we better for it, but our business is stronger too.



Alvotech at a Glance

EMPLOYEE BACKGROUND

60

NATIONALITIES

37.9

AVERAGE AGE

49%

FEMALE

51%

MALE

PROMOTION / PROGRESSION

53%

FEMALE

47%

MALE

GENDER PAY GAP

2.7%

ICELAND

1.6%

GERMANY

OUR COMMITMENT

We are committed to equality and fairness in every facet of Alvotech.

The company has established an equality policy to ensure equal conditions and opportunities for employees irrespective of gender, age, religion, nationality, race, disability, sexual orientation, or political view and prevent discrimination or harassment based on these or other irrelevant factors.

The equality policy states that each year an Equality Report shall be prepared and made available for the previous calendar year. This report references December 2020 through December 2021 and includes all active employees, permanent and temporary. The report excludes all external workforce along with working students and interns. All Alvotech employees currently identify themselves in the HRMS as either female or male.

CERTIFICATION

Alvotech is proud to be a leader in the move toward equality in the workplace, and a major contributor to Iceland's status as the world leader in that effort.

In coordination with the Directorate of Equality in Iceland, a review audit was successfully completed in October 2021. The legal requirements for the audit apply to Iceland, but the company is committed to applying its defined career framework, job structure/leveling and role definitions globally. This is not only the right thing to do, but it makes it possible for us to utilize the same system and controls for all Alvotech sites worldwide. In that spirit we have conducted an Equal Pay analysis for all sites and have implemented our policies globally. Looking forward, the company will be audited annually.



EQUAL PAY
CERTIFICATE
2021-2024

Alvotech received an Equal Pay
Certification in January 2021
from the Directorate of Equality
in Iceland.

This is our first Equality Report. While there is much to be proud of here, we know we can and will do better. This report sets the baseline against which we will measure our future successes as we all strive towards our goal of creating an equal, respectful, fair, and equitable workplace for all.

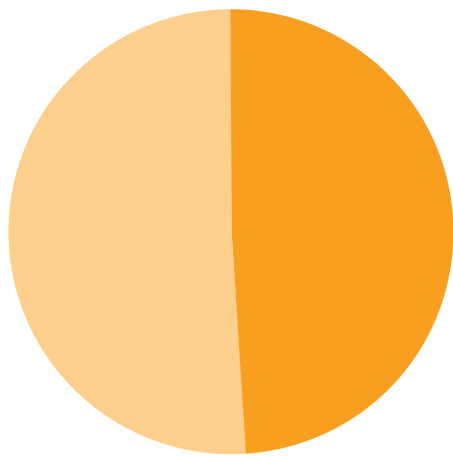
Mark Levick

Chief Executive Officer

Equality is about more than numbers, but the numbers have to add up. While our workforce is very close to equal in terms of gender split, we know we have work to do in order to ensure that salaries among the two groups also balance out.

Salary Distribution

49% of our workforce is female and they receive 41% of total salaries paid. Meanwhile, men represent 51% of our workforce and receive 59% of total salaries paid.



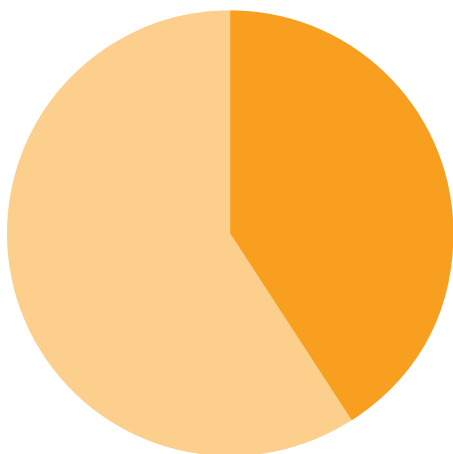
GENDER RATIO

—

49%
Female

51%
Male

Gender ratio at Alvotech on December 1, 2021. Salaries include base salaries, extra payments and STIP. Does not include overtime nor shift levy.



SALARY DISTRIBUTION

—

41%
Female

59%
Male



GENDER RATIO BY FUNCTION

TECH OPS



R&D



QUALITY



G&A



GENDER RATIO BY LOCATION

ICELAND



GERMANY



SWITZERLAND



OTHER



US



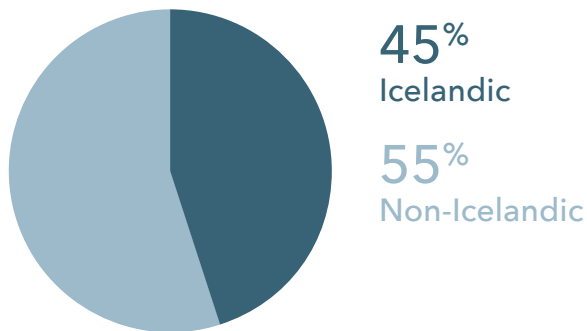
Female Male



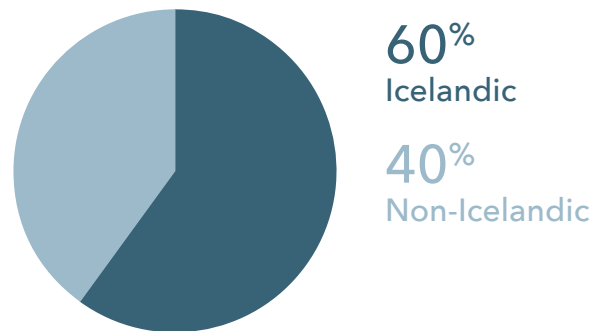
Equality and diversity are at the foundation of our culture. Our aim is to recruit the most talented people, regardless of their background, and to make best use of their talents.

In our organization there are 60 nationalities. At the Iceland site there are 50 nationalities, comprising 40% of our workforce in Iceland.

NATIONALITY



NATIONALITY AT ICELANDIC SITE



NATIONALITIES BY LOCATION



The average age of an Alvotech employee is 37.9 years, with the average age for women being 36.8 years and for men, 38.9 years. Employees aged 30 to 50 years comprise almost 70% of our workforce.

37.9

Alvotech's employees average age is 37.9 years.

70%

Almost 70% of Alvotech's employees are 30 to 50 years of age.

OVERALL AGE DISTRIBUTION

OVER 50



30 TO 50



UNDER 30



Female Male



A universal problem, gender pay gap is the difference in the average remuneration of all men and women across a workforce. At Alvotech, we are committed to eliminating that gap, first and foremost because we view equality as a basic human right, but also because we view it as a strategic advantage. We want to be a place that attracts and retains the best and brightest because they know our organization offers opportunities to excel and be rewarded for their contributions regardless of gender. We're already moving in the right direction, and as we move forward, fairness will guide everything we do.



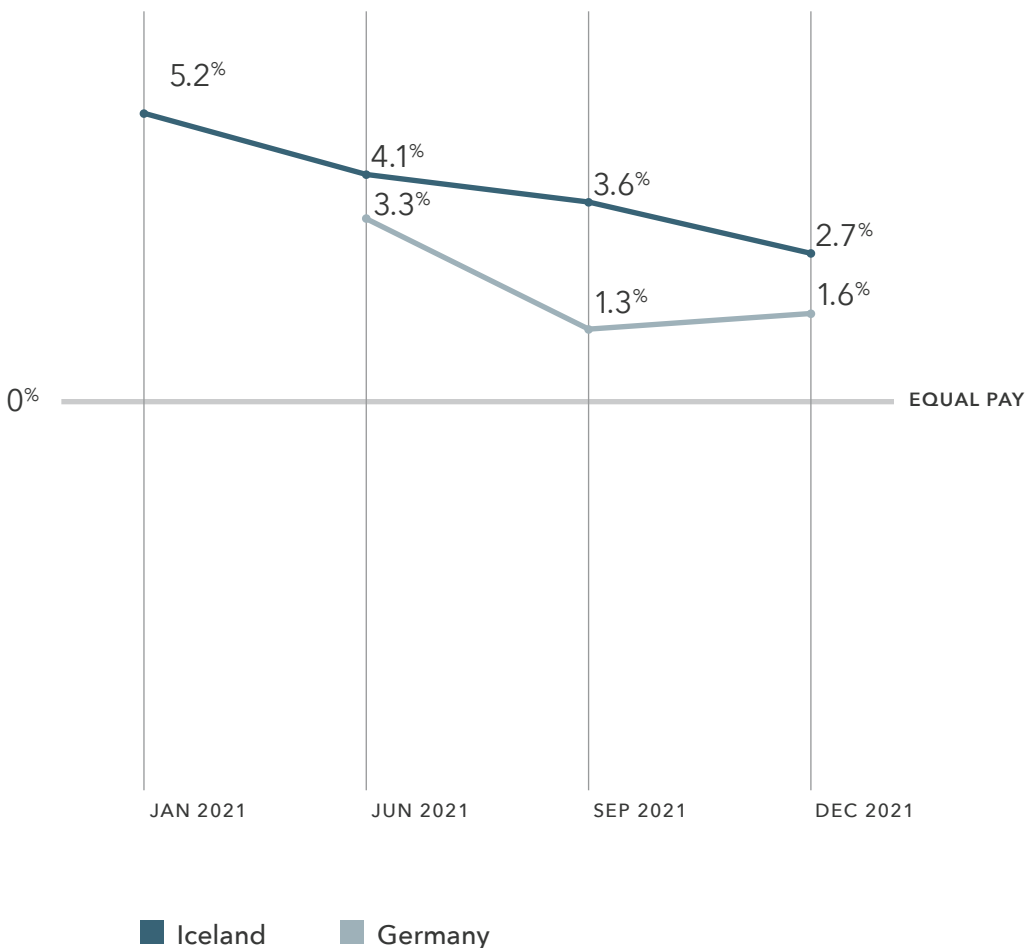
Equal Pay Analysis

Factors included in the equal pay analysis are job level, tenure, education and previous experience. The graph shows the results of equal pay analyses for 2021 for Iceland and Germany.

Pay levels in the USA and Switzerland are measured and tracked with the same factors, but because of the small data set in each of those locations the results are excluded from this report. Alvotech is committed to tracking and measuring gender pay gap at all of our sites, and as we gain more reliable insights in the future we will utilize all data for decision making.

It's normal to see the company's pay gap fluctuate between measurements, but the goal is to bring it as close to zero as possible.

2021 GENDER PAY GAP



50%

The gender pay gap was reduced by half in less than a year.

> 0

Results above 0% favor men.



The gender ratios at the highest job levels show that women are underrepresented compared to the overall gender ratio at Alvotech, which is 49% female and 51% male.

GENDER DIVERSITY AT THE HIGHEST JOB LEVELS

CxO LEVEL



SENIOR VP LEVEL



VP LEVEL



■ Female ■ Male

Recruitment and Selection Process

Our hiring process – which is gradually becoming a standard practice for all positions – is in line with our Equality Policy, and includes, among other things:

- 1** Carefully reviewing job ads to detect and eliminate subtle biases in language.
- 2** Focusing on recruiting from a diverse talent pool.
- 3** Increasing diversity and balance within specific job levels.

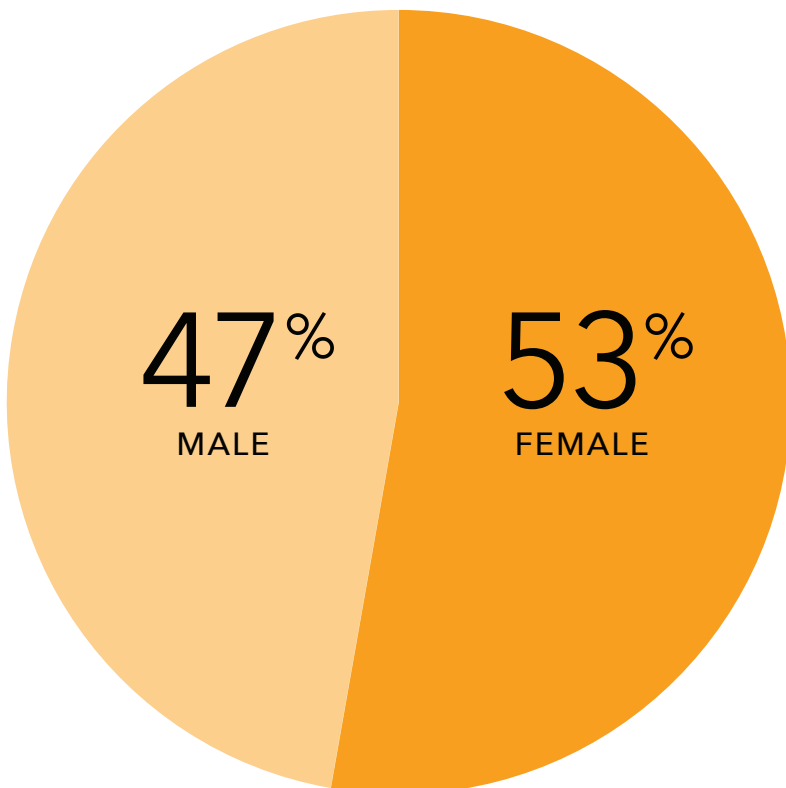
Promotions and Progression in 2021

Alvotech's promotion and progression policy and procedure was implemented early in 2021, and it provides guidelines and procedures for advancing and promoting employees at Alvotech. It also provides the opportunity to track promotions and progression.

In 2021, more women than men were promoted at Alvotech, an indicator that our focus on gender equality in our talent pipeline is effective at moving more women into positions at higher levels of our career framework.

GENDER RATIO IN PROMOTIONS AND PROGRESSION

—
January 1, 2021
to December 1, 2021



Harassment and bullying are unacceptable in any form, but unfortunately constant vigilance is required to identify and effectively deal with any incidents should they occur.

We take this issue very seriously. In 2020 we implemented a tracking system and established clear policies and procedures for dealing with reported incidents. Training for managers and safety committee members, elected by employees, was held in 2021, and we are determined to closely monitor and immediately address every aspect of this challenge moving forward.

2020

In 2020 we implemented a tracking system and established clear policies and procedures for dealing with reported incidents.



Alvotech is – and always will be – a work in progress. I'm proud that across every facet of our organization, we are better today than we have ever been. But I'm prouder still to know that each and every one of us is committed to making Alvotech better tomorrow.

Róbert Wessman

Chairman

In any organization the size of Alvotech, change takes time, but progress is made by executing against clearly defined and measurable objectives. We have much to accomplish, but when it comes to equality, we've set ambitious objectives through 2025.

OUR OBJECTIVES

1

Close the company-wide gender pay gap

2

Provide equal opportunity for advancement that promotes gender diversity among teams at all levels of the company



We want to be the best in everything we do, from hiring and compensation practices to opportunities for advancement, from the laboratory to the executive level.

Alvotech is a team effort.

That means each and every one of us must be committed to working together, to listening to each other, to looking at ourselves honestly and objectively, and to having the integrity to always do what is right and fair and just.

Together, we'll get it right.

alvotech.com

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