



**Non-financial
information
status report
2022**






(ESG Report)






SDG

At Labiana we are committed to with the fulfilment of the UN Sustainable Development Goals (SDGs). These are a set of targets for 2030 to eradicate poverty, protect the planet and ensure prosperity for all as part of a new sustainable development

agenda, known as Agenda 2030. The following table details the different actions with which Labiana contributes to the fulfilment of the UN SDGs:

Objectives	Actions	SDGS
Ending poverty in all its forms around the world	<p>Toy collection campaign "No child without toys for Christmas".</p> <p>Collection of food and basic necessities for homeless pets.</p>	 
Health and wellness	<p>Monthly fruit service - campaign.</p> <p>Dental cover is maintained for all employees and it is reported that by 2023 all employees will be provided with a mutual medical insurance service.</p> <p>More workers with AED training. Emotional well-being campaign.</p> <p>World Diabetes Day campaign.</p>	
Promoting access to first employment	<p>Project #LabianaIncorpora.</p> <p>Promotion of internships among intermediate, higher and university students.</p> <p>Promoting access to the first job.</p> <p>Participation in student meetings of training centres for the promotion of employment.</p>	
Inclusive and sustainable economic growth	<p>Promotion and improvement of internal communication.</p> <p>Encouraging staff participation in proposing actions and improvements.</p> <p>Suggestion box.</p> <p>New communication channel through Lefebvre, where workers can report situations that may occur within the company.</p> <p>Individual follow-up interviews with all staff, including temporary workers, trainees and external personnel.</p>	

Objectives	Actions	SDGS
Ensuring sustainable consumption and production patterns	<p>Ensuring animal health:</p> <ul style="list-style-type: none"> Facilitating the availability and accessibility of veterinary medicines Campaign campaign at collection campaign from material/medicines for the animal shelter 	
Take urgent action to combat climate change and its impacts	<p>Environmental awareness training courses for all employees</p>	
Promoting just, peaceful and inclusive societies	<p>Promote just, peaceful and inclusive societies. Significantly reduce corruption and bribery in all its forms: Compliance, Code of Ethics, Code of Conduct</p>	

GENERAL INFORMATION

Who we are #COMPROMISED

We are Labiana, an independent and integrated animal and human health platform with an international presence and leveraged on a strong brand value based on our long-standing presence in animal health.

We were born as a veterinary company in 1958, and we did so with a clear vocation of service and excellence committed to global health: that of animals, humans and the environment.

We firmly believe that animal and human health are interdependent and linked to the ecosystems in which they coexist, and so in 2002 we incorporated the pharmaceutical division. Since then we have continued to grow with a focus on "One Health".

Our pillars

As a pharmaceutical company committed to innovation and operational excellence, our business model has been consolidated around the following pillars:

- Health as a whole: an integrated and independent health platform.
- Innovation and operational excellence: with full capabilities to develop the complete manufacturing cycle, from research and development to product commercialisation:

a) With production of own- and third-party products (CMO and CDMO) for other human and animal health industries.

Our vision is the continuous pursuit of operational excellence and innovation in order to offer the best services in the field of animal, human and environmental health.

Our mission is a commitment to innovation in order to provide society with products of the highest quality that improve and favour the conditions of people and the care of animals and our environment.

Our values are based on respect (creating environments of mutual respect, inclusiveness and accountability), and the desire to be a health activator for development, and well-being based on innovation and excellence.

We believe that as a company we have a duty to contribute to improving our environment and to achieve social, economic and environmental improvements for the common good.

b) Providing services to major pharmaceutical industry groups around the world with long-standing relationships.

c) With state-of-the-art production facilities spread over 4 plants in two countries (Spain and Serbia).

- People at the centre: our people, our core value. 441 employees in 6 production plants in 2 countries. Highly qualified staff with a strong commitment to the project and a cohesive and committed management team with shareholding ties.

Always growing, always innovating

With a product portfolio present in more than 150 countries and a diversified international customer base of more than 300 companies, we are currently committed to consolidating the market and our animal health division and to strengthening our human health division. This responds to a strategy based on the fact that:

1. We are experiencing a very attractive market dynamic thanks to a global growth in the consumption of animal protein and generic human medicines.
2. Regulatory demands on world markets are increasing at both the animal and human segment level and this will improve our positioning in the medium and long term.
3. We have a business model that is international (>150 countries), diversified (multiple products, formats, etc.), integrated (end-to-end capabilities) and with consolidated brand value (linked to the highest standards in Spain).
4. We have a well-invested asset base, with state-of-the-art, European GMP-certified production facilities and the capacity to keep up with the latest developments.

business plan for the coming years.

5. We have strong long-standing relationships (over 25 years) with more than 300 top-tier multinational clients around the world.

6. We have ample room for organic growth (geographic diversification, volume growth, new product launches, materialisation of synergies, etc.) and additional inorganic growth opportunities.

7. The key to our success lies in our team: highly qualified and with an average experience of more than 20 years, fully #engaged and aligned with the interests of the Group's ownership.



Our future: strategy and trends

Labiana is immersed in a process of growth and expansion that was consolidated with the company's listing on the BME Growth Market in June 2022.

As part of our ongoing quest for operational excellence and innovation in order to offer the best possible services in the field of animal, human and global health, Labiana's mission is to be committed to innovation in order to In this way, to provide society with products of the highest quality that improve and favour the conditions of people and the care of animals and our environment. And all of this, based on values of respect (creating spaces of mutual respect, inclusion and responsibility) and the desire to be an entity in the field of health, activator of development and well-being based on innovation and excellence.

At Labiana we have drawn up a strategy and growth objectives based on:

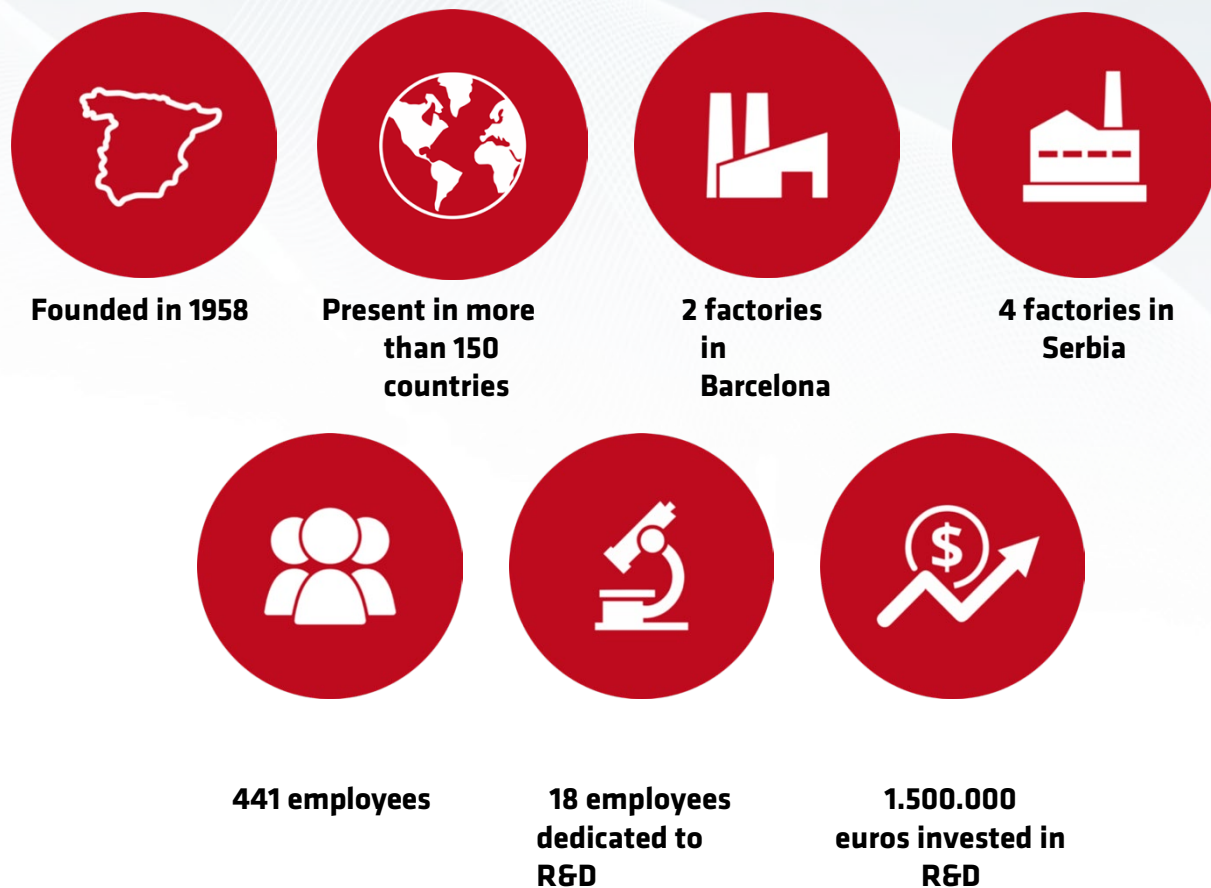
- To position Labiana as a benchmark in human and animal health, with a strong global presence and expanding into new markets through organic and inorganic growth.
- On the basis of our extensive experience in the development and production of our own and third party (CMO and CDMO) products - both in the field of animal and human health - our aim is to strengthen our business relationships at CDMO and reach new agreements with customers for manufacturing.
- Strengthen our launch pipeline with differentiated and innovative products and through licensing. At the same time, increase the presence of products globally.
- Expand the institutional sales division through participation in public and private tenders.

OUR NUMBERS

Accountability is not an option.

At Labiana we believe that responsibility is not an option. It is in our DNA and defines our personality and our daily activity.

To guarantee the ethics of our conduct, we have a series of tools such as the Code of Ethics and Compliance, the Equality Plan, and the Harassment Protocol.



At the close of this report, the Company is in the process of an accounting audit, which is why the accounting data cannot be updated.

Regarding the Financial Policy, in December 2022, the Company started drafting the text of the Financial Policy, which is expected to be approved by the Board of Directors in April 2023.

Thereafter, this Financial Policy document will be publicly accessible through the shareholders and investors section of the Company's website.

The development of LABIANA's activity is always carried out by prioritising and prioritising the quality of its products and services, sparing no expense or adopting the most economical way if there is no benefit to such products and services. However, LABIANA executes all its business transactions in a fully conscious and analysed manner, never compromising its financial integrity and being prudent regarding its economic situation.

Research and development

Labiana has also increased its investment in R&D by 5.02%, focusing on innovation to improve efficiency and optimisation of resources, as well as on the development of new products.

Labiana continues its commitment to R&D to develop medicines that offer solutions and/or improve efficacy against important diseases in animal and human health, as well as continuing its work in the development of new medicines. development of new products to improve efficiency and optimisation of resources.

In this spirit, Labiana has achieved during

the following milestones by 2022:

- To be the first veterinary pharmaceutical laboratory to obtain the first generic injectable of Oxytetracycline 30% at European level.
- Obtain marketing authorisation for a non-steroidal anti-inflammatory drug based on tolfenamic acid for injection.
- Obtain marketing authorisation for the veterinary antibiotic tylosin for oral administration.
- Obtain Marketing Authorisation for gleptoferron iron injection.
- Develop the first European Drug Master File for gleptoferron iron.
- Obtain Exceptional Marketing Authorisation in Serbia for bluetongue vaccine.

- Seek Scientific Advice from the EMA for the development of a biological medicinal product.
- Obtaining a European patent on a galenic innovation.
- Labiana is committed to the development of its own products by expanding the development and research department.
- Strategic lines of development have been defined: urogenital system, metabolism, and cannabinoids.
- Launch Precyst, a food supplement to fosfomycin trometamol for the prevention of urinary tract infections.

- A new, more efficient synthesis route for fosfomycin trometamol has been obtained.
- 4 Marketing Authorisations (MA) have been obtained for fosfomycin trometamol in 4 countries and have been submitted.

10 more registrations are under evaluation.

- The laboratory has been upgraded by acquiring 3 HPLC equipment and a UV spectrophotometer.

Although Labiana still has a great R&D&I activity, this year Labiana no longer has the seal of INNOVATIVE SME because it has changed its status to "Large Company".

Supplier approvals

Labiana has a supplier approval policy from a GMP point of view for suppliers of raw materials, packaging material and services.

In each case it is managed through its corresponding standard operating procedure:

- Approval of suppliers-manufacturers of air-conditioning equipment.
- Approval of suppliers-manufacturers of raw materials.
- Approval of service providers.

In general, the stages of the approval process are as follows:

1. Initial approval: Documentary verification that it meets the minimum requirements to be able to provide the service.

For initial supplier approval:

a. The supplier is asked to fill in an evaluation questionnaire which allows us to obtain a ranking of the manufacturers and collects information about the quality management system in place at the manufacturing plant. In addition to the questionnaire, quality certifications and product-related information are requested.

b. Where appropriate, an audit should be carried out.

Once this phase has been passed, the status is obtained.

The authorised/approved provider and you can proceed with the use of their services.

2. Final approval: Empirical verification that the service is adequately provided. To this end, a certain number of services/products provided are evaluated. Once this phase has been passed, the status of approved supplier is obtained.

3. For suppliers of raw materials and conditioning materials, validated supplier status can be obtained when the documentary evaluation of the supplier is high, audit is in place and no critical complaints have been made, and with a limited number of major/minor complaints.

Annually, an Audit Plan is drawn up where priorities are established according to the results of the Risk Analyses which considers one of the following factors depending on: type of supplier, percentage of complaints, classification of the questionnaire, type of product, number of services provided, etc.

The procedure to be followed in the event of a complaint about a product supplied by a supplier, as well as a complaint about a service provided by a supplier, is detailed in the "SOP Procedure for action in the event of rejection/complaints against suppliers".

During 2022, a total of 15 supplier claims have been registered and managed in accordance with the SOP indicated in the previous paragraph.

On the other hand, there is also the "Supplier Evaluation SOP" for the evaluation of suppliers.

of suppliers in matters of occupational safety and the environment. This SOP includes a questionnaire that the purchasing department sends to each of the suppliers to evaluate these aspects and is subsequently reviewed by the HSE department to verify compliance.

CORRUPTION AND BRIBERY

Policies

Labiana is committed to faithful compliance with current legislation and all its activities are governed by integrity, as reflected in its **Code of Ethics**.

The Code of Ethics clearly outlines the following obligations:

Honesty and integrity. All members of Labiana must carry out their duties in the following ways honest, upright, respectful, loyal, congruent, and morally correct, not only in relations and situations with other employees of the Group, but also in relations with third parties, such as customers, suppliers, public administrations, etc.

Gifts, favours, and hospitality. Labiana is strongly opposed to the acceptance of any gift, gratuity, financial compensation, social event or other personal benefit offered by any customer, supplier, individual or organisation that does not have good cause, is inappropriate in the circumstances and/or seeks to influence its employees in professional decisions.

Anti-corruption and bribery. In line with the honesty and integrity that must guide all actions by Labiana employees, it is not tolerated that any of its members offer, accept, or tolerate, either with respect to another employee of the Group or to any other employee of the Group, the offer, acceptance or toleration of bribery or bribery from a third party, any inducement, gift, inducement or payment to carry out a performance.

The Group's own actions in or for Labiana, whether for its own benefit or for the benefit of the Group itself, and irrespective of whether such action might even be considered acceptable.

In any case, it is ensured that the functions and responsibilities of each member of the company are carried out in an honest manner, and that they do not become a source of conflict of interest conditions or linked to obtaining an advantage or preferential treatment.

Conflicts of interest. As reflected in Labiana's Code of Ethics, the adequate and optimal provision of the services offered by the products and services require a stable, committed and honest environment. In this sense, it is always avoided that business decisions or actions taken within and with respect to Labiana may be influenced by the personal interests of its shareholders, administrators, managers or employees and/or adopted for their own benefit and/or to the detriment of the company's interests.

In addition, in the development of this regulatory text, the group has adopted a set of policies and procedures that establish in greater detail the principles and mandatory rules of action to avoid situations of corruption, whether real or perceived. These rules include the **Ethics and Compliance Policy**.

ENVIRONMENTAL ISSUES

Environment

Since its origin, Labiana has had a clear vocation of service and excellence committed to global health: that of animals, and the environment. **Its commitment to the environment is embodied in the efficient management of resources and the preservation of the natural environment, minimising the impact of its actions.** The company has defined an environmental management framework through its **Environmental Policy.**

The environmental measures put in place by Labiana comply with the legislation and applicable regulations in general, and extend their commitments, adopting **measures on a voluntary basis that seek continuous improvement in environmental management and pollution prevention** based on plans to assess potential risks to the environment. To achieve this, training and awareness-raising activities are carried out through training and awareness-raising activities for employees and suppliers.

Fighting climate change

Labiana is undertaking different actions to reduce its emissions:

1. Start of the implementation phase for the ISO 14001-2015 certification in order to enable the organisation to achieve the expected results that previously are established in its environmental management system. The vaccine plant in Serbia is already ISO 14001 certified. The Spanish plants are in the certification phase, having already passed the internal audit phase with good results and with certification dates scheduled for 2023.

2. With regard to the **carbon footprint**, the company ALENTA environment S.L. has been contracted to calculate the carbon footprint, where the following scopes have been considered:

Scope 1: Direct emission sources resulting from activities that the organisation controls, including the combustion of hydrocarbons for process units.

Scope 2: Indirect sources originating from the purchase of electricity (includes electricity used for process units).

Labiana's aim is to have a starting point from which to set reduction targets.

SCOPE	SOURCE	Tn CO2e/year
GHG scope	Diesel consumption (sources mobile sources) + natural gas consumption (stationary sources)	1344,91 Tn
GHG area	electricity consumption1993	,5 Tn

NOTE: the calculation has been made using the Ministry's calculator.

3. **Plan to reduce CO2 emissions** due to the consumption of fossil fuels that power the company's vehicles and forklifts. To this end, the following measures have been taken:

- a) Conversion of the company's car fleet to hybrids and plug-in hybrids: the company currently has 20 vehicles under lease/leasing/ownership. Of these 20 vehicles, 9 have already been converted to hybrids.
- b) 100% electric or manual trucks

4. **Sustainable mobility incentive plan:** Labiana has approved the installation of four charging points for electric vehicles in the car park of each of Labiana's work centres.

Likewise, the location of the Terrassa work centre, within an industrial estate with a signposted cycle lane, is an opportunity to promote sustainable transport, which is why the car park of this work centre already has parking for bicycles and a charging point for electric scooters.

5. The **Plan to reduce electricity consumption** by replacing traditional luminaires with energy-saving/LEDs luminaires has been exceeded. by more than 40% of the changeover from traditional luminaires to LED luminaires in the last 3 years. This involves two types of improvements:

-The decrease in electricity consumption by switching from 58W fluorescent tubes to 25W LED tubes.

The luminaire in the warehouses consists of LED luminaires with a life of 10000 hours. This reduces both the number of light points and their consumption, thus providing greater illumination in the work areas. thus enabling energy savings of around

to 65%, while respecting the environment.

-The change of luminaire is not only a reduction in light consumption, but the fluorescent tube contains chemical elements that are toxic, while the LED luminaire is made of recyclable materials that do not contain toxic elements, neither for nature nor for people or animals.

During the year 2022, all plants have continued to change from conventional to LED luminaires, and in those located in Spain, 139 new LED luminaires have been installed.

6. In 2022 **it was not necessary to undertake any noise abatement interventions** in the working area as the necessary interventions were carried out in the following areas 2021 as shown in the previous year's ESG report. Work continues in the project to renew energy-efficient equipment to reduce consumption and feasibility study for the installation of photovoltaic systems on the roofs of the facilities. The project has been postponed as part of the measures implemented by Labiana's board of directors but continues to form part of the 2023-2025 improvement proposals.

7. Since 2019, **we have eliminated 20% of air conditioning units containing ozone-depleting R22 gas** and replaced them with water-based units. In addition, we have managed to improve the process by recirculating the water used by the equipment through a closed circuit, which saves water consumption.

In addition, during the year 2022, two old air conditioning units have been replaced, thus eliminating R10A gas and switching to R32, a gas with a zero impact on the ozone layer.

Circular economy and waste prevention and management

Labiana is committed to the circular economy and waste prevention and management as a powerful tool to fight climate change and reduce its impact. The basis is to work on a regenerative system in which to ensure a lower consumption of resources, less waste is generated and energy consumption is reduced due to fewer leaks. For this reason, Labiana has implemented a series of measures including:

- All medicines and packaging placed on the market by the Company are managed through **Integrated Systems.**



- Preventing the production of paper and cardboard waste is a priority. Once generated, separate collection aims to enable quality recycling, which leads to savings in energy, emissions and raw materials. With the objective of reducing paper consumption, a new programme is being implemented for the maintenance department, which will make it possible to digitise all those documents for requests and registrations from the maintenance department that have been carried out up to now. to paper. An estimated reduction of 20.5Kg of paper is estimated, which represents a reduction of the

Packaging Management and Collection.

These non-profit organisations were set up to ensure the correct environmental management of packaging and packaging waste.

The new system for the disposal of household medicines makes it easier for citizens to dispose of packaging and leftover medicines conveniently, but with full health and environmental safeguards.

Labiana is a member of integrated waste management systems for the recovery of packaging placed on the market for pharmaceutical specialities such as Sigre.

emission of 66.25kg (range 3).

- The appropriate selective classification of waste is carried out both by type (hazardous/non-hazardous) and by treatment (recoverable/non-recoverable).

All in all:

1. Selective waste segregation points have been defined at different points in the work centres, with appropriate signposting.

- Work is underway to produce a map showing the exact location of the points of selective segregation and its characteristics. In this way, in case of doubt, all plant personnel will have access to the information they require.

2. In the canteen, specific containers are set aside for organic matter with the aim of combating food waste as a way of promoting environmental sustainability at all stages of the food chain.

3. The aim is to maximise selective collection through authorised collectors: paper, plastic, glass, light bulbs, fluorescent bulbs, toner, wood, and metal so that they can be managed and recycled through authorised collectors and recovered where possible.

100% of the vegetable paper and cardboard and 100% of the wood that is managed as waste goes to recovery.

- Currently, one of the actions that is carried out to give a second life to the shredded paper that leaves the facilities is to send it to centres that use it as a second life. to animal welfare, thus contributing to a circular economy that favours a more sustainable use of resources.

4. The plants located in Spain are registered as waste producers with the codes P-01458-1 for the plant of

Labiana Life located in Terrassa and P-49902-2 for the Labiana Pharmaceuticals plant located in Corbera de Llobregat.

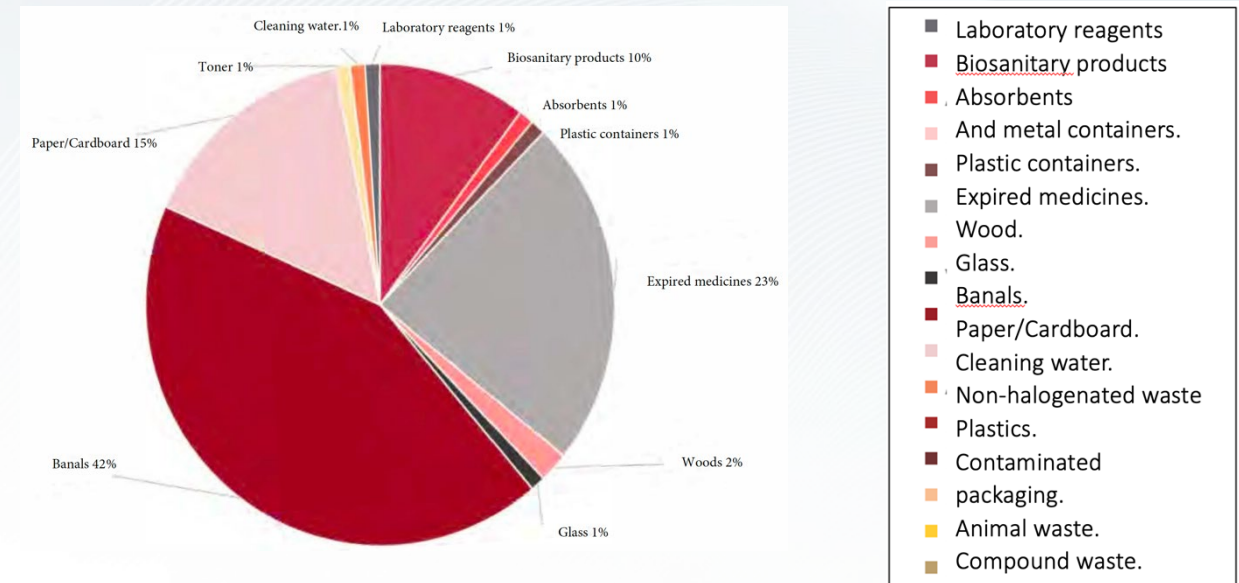
General waste (solid waste assimilable to urban waste) resulting from fractions not collected selectively are sent to landfill because they are difficult to recover.

A total of 357.55 tonnes of waste was generated in 2022, of which 17.29% was classified as hazardous waste.

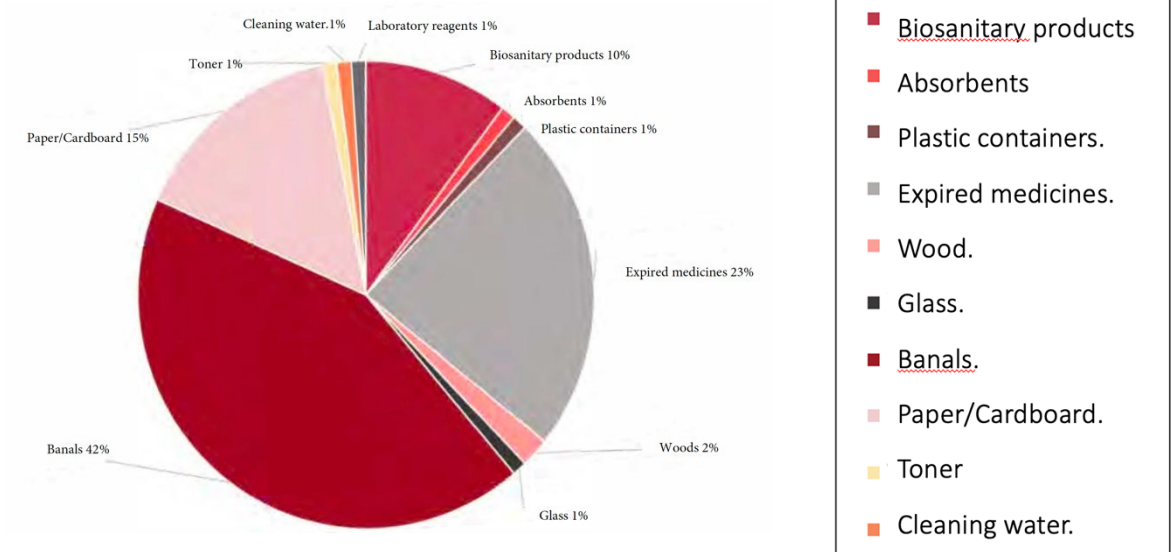
Of this total number of tonnes generated, 34.26% were recoverable, of which 5.84% were corresponds to the hazardous waste fraction, thus maintaining the line of work implemented in the previous year.

Below is a comparison of the waste generated in 2021 and 2022. It is worth noting a different distribution of this waste compared to the previous report. ESG because in the case of waste 2021 only plants in Spain were included, while in 2022 information on plants in Serbia is included.

GENERATED WASTE 2022



GENERATED WASTE 2022



5. There is an internal protocol for the management of goods such as medicines, expired raw materials and bio-sanitary waste. This protocol includes everything from collection to selective management through authorised and specialised managers to ensure their correct disposal.

6. Water recirculation system implemented to guarantee reuse and lower consumption. To this end, Labiana has installed an automated CIP system for the cleaning of reactors for the manufacture of liquid products that allows the water to be recirculated during the equipment washing process.

7. Efficient and responsible use of resources. As of today, our Energy Certification is classified as C. From now on we have a starting point from which to locate our weak points to be able to act and set targets for reducing energy consumption.

8. Training and awareness campaigns for employees: Environmental protection is a matter for everyone, at Labiana we believe that we must create a culture and raise the awareness of all staff in order to improve resource management. For this reason, the HR department, together with the HSE (Health, Safety and Environment) department, promote different initiatives and training.



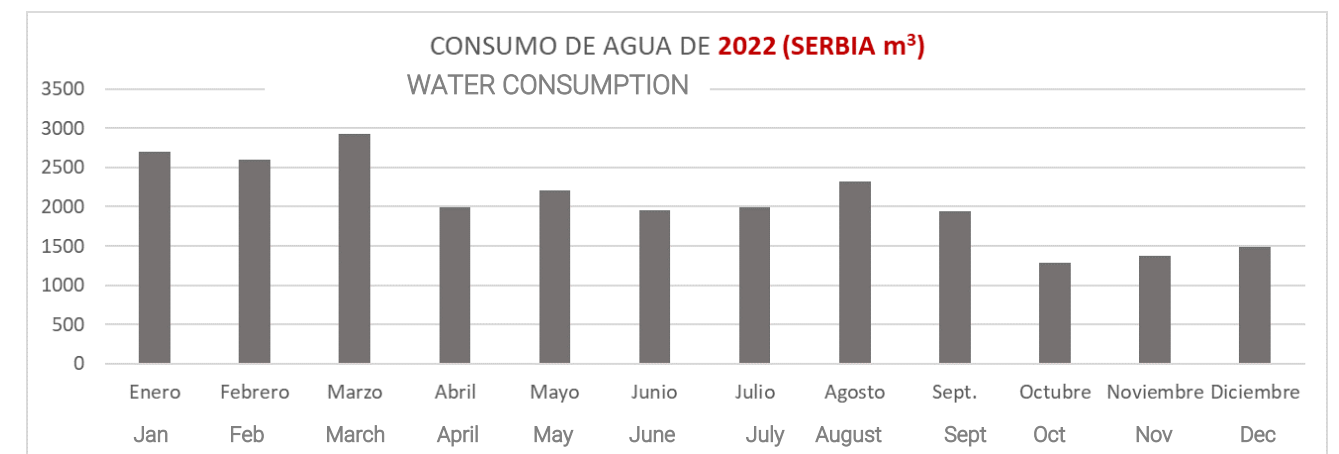
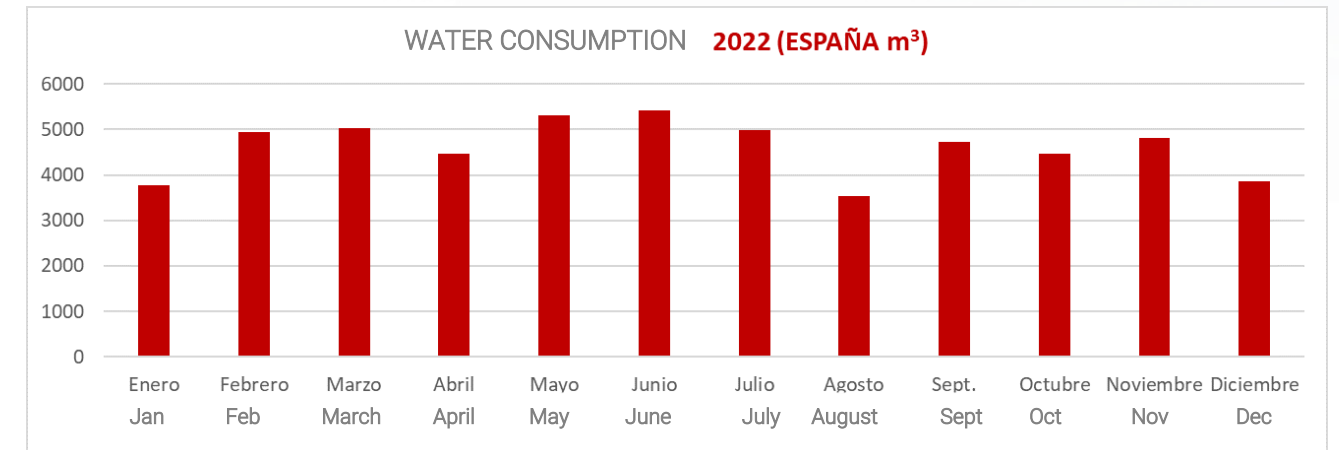
Efficient and responsible use of resources - Reduction of water consumption

Water is one of the most precious and sensitive resources in terms of environmental protection. Not only is adequate consumption necessary to avoid waste and to save water, but also to save water costs through the reuse of resources, but the treatment of wastewater is key to protecting the environment. In this respect, Labiana has measures in place that consider compliance with Good Manufacturing Practices (GMP), which is a key element of its environmental protection policy, which helps to minimise water consumption and improve water management.

have made it possible to link water consumption to the company's production volume, so it is estimated that the correct application of GMP in the production system is a good indicator of the consumption of this resource by means of historical comparison.

Considering that production activity has remained constant, no variations have been observed that could suggest inadequate consumption of this resource.

These historically implemented systems.

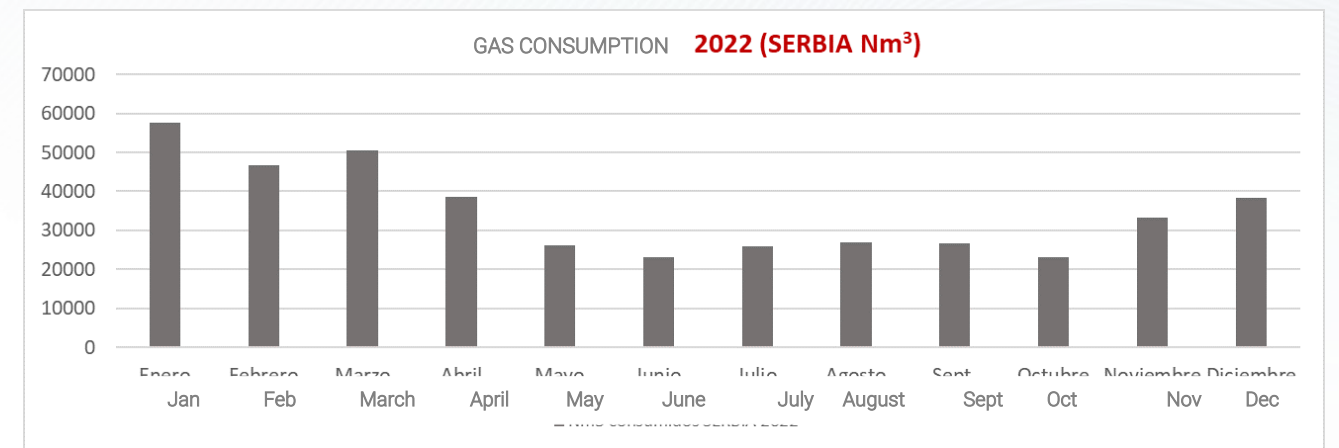
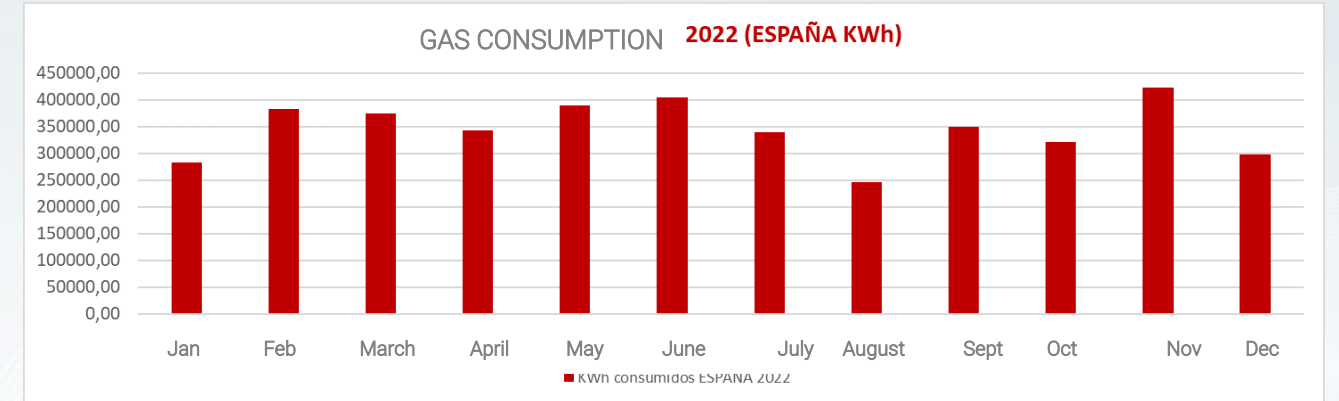
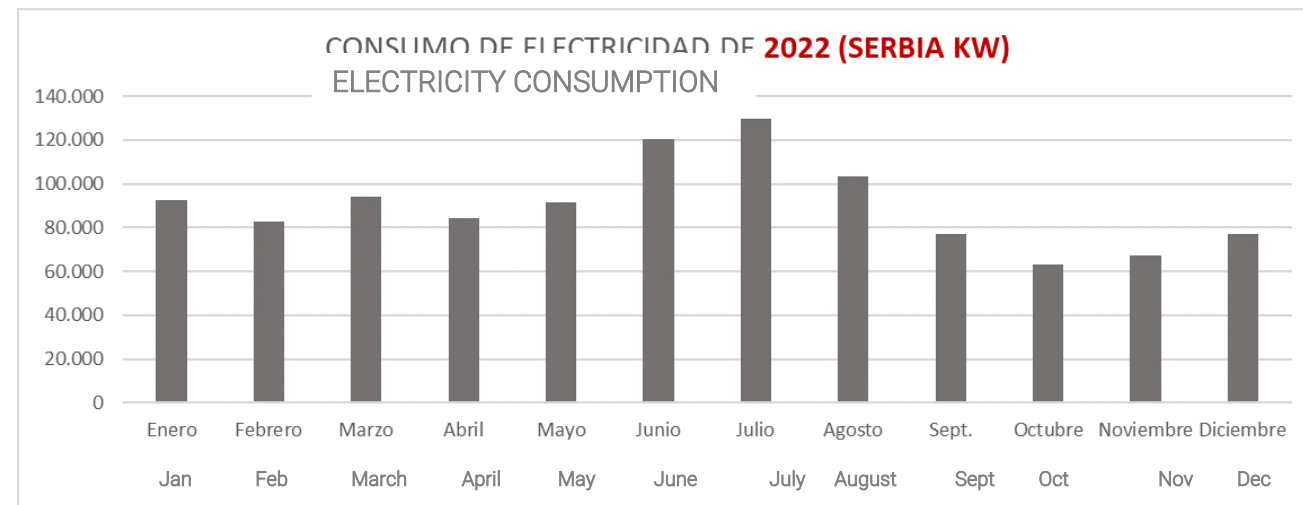


On the other hand, measures have been implemented to reduce the flow of discharges and pollutant load from the use and recirculation of process water. These measures include:

- Installation of an automatic CIP system for the cleaning of liquid manufacturing reactors.
- Water recovery system in the injectables plant for the water coming from the autoclaves which can be used afterwards, giving it a new use for the closed cold-water circuit.

Looking ahead to 2023, we will continue to work on improving water consumption, using the water that comes from the furnaces for cooling equipment.

Regarding the rest of the resources, both electricity consumption and gas consumption are reflected in the following graphs:



PROTECTION OF BIODIVERSITY

Labiana is an entity with a clear vocation for service and excellence committed to global health and this commitment necessarily includes the protection of the environment.

Their activities do not take place in protected areas and therefore, as their activity is not considered to have an impact on biodiversity, it is not necessary to establish an action plan for the preservation or restoration of biodiversity.

However, in Labiana we consider that, in general, any industrial activity can potentially damage ecosystems and for this reason, within its activity, it has a **special sensitivity towards all those actions that can directly or indirectly influence biodiversity.**

Labiana carries out different actions related to environmental protection such as:

1. To ensure that **most of the paper or cardboard-based materials used by the company come from sustainably managed forests**, we are working with our suppliers to acquire secondary packaging material (boxes, leaflets, labels, etc.) of recycled origin or with an FSC (Forest Stewardship Council) mark, a paper that assures us that the manufacturing process uses wood from sustainable forests.
2. **World Environment Day:** Labiana joins the celebration of this day to raise awareness among its staff, customers, and suppliers about the importance of incorporating measures to ensure the reduction of our impact on the environment.



3. **Sos Liebre Ibérica Project:** As part of its commitment to biodiversity, Labiana is financing the development of a vaccine to stop Iberian hare myxomatosis, a disease that is destroying this native species and which, without the vaccine, is in danger of extinction.

Currently, the research is in a stand-by situation in search of new avenues because the strain studied has not obtained the expected results.



4. **Golondrina Project:** Through the internal TV circuit, once again this year, we have launched a campaign to raise awareness about the protection of swallows and their nests. Their protection is not only compulsory by law, it is also a fundamental issue to protect biodiversity and in Labiana, we are committed to protect them. We are proud and happy to welcome these friends every year.



SOCIAL AND RELATED ISSUES TO STAFF

As a pharmaceutical company committed to one health, we strive to improve the lives of animals and people by working in a way that respects our environment.

Our continued pursuit of operational excellence and innovation leads us to a firm commitment to provide society with the highest quality products working in an environment of mutual respect, inclusiveness and responsibility. The success of our work

depends on our people and the heritage talent they bring to us.

They are our driving force and that is why, through our HR department, we promote measures to promote work-life balance, stimulate learning and encourage continuous improvement and the exchange of ideas.

As stipulated in Article 3 of the Collective Bargaining Agreement, all Labiana employees are covered by the general collective agreement for the chemical industry:

Article 3. Personal scope. The present working conditions shall affect all personnel employed in the companies included in the above areas, regardless of their country of origin or residence, except those who hold the position of director in companies that have the legal form of a company, or senior management or senior management in the company.

All references in this collective bargaining agreement to the term "worker" shall be understood to refer indistinctly to the person, man, or woman, except in those cases in which the collective bargaining agreement itself expressly limits the ownership of the right.

In turn, Labiana's workers are represented by a works council that negotiates new working conditions, working hours, timetables, overtime, company measures, working hours, etc. with the company. Every quarter, the workers' committee meets with the company to discuss issues that may be of interest or concerns that may arise on both sides.

Likewise, Labiana is committed to employment and local development, but especially to the training and incorporation into the workplace of young people and people at risk of social exclusion. In 2022 we have consolidated the **#LabianaIncorpora** project, which brings together all the company's initiatives for:

- The promotion of job opportunities for young people, opportunities for young talents: scholarship programme of collaboration as an internship centre with secondary, higher and university training centres.
- Encouraging access to the first job: training goes a step further by encouraging the recruitment of talent. Commitment to maintain 5% of trainees in the workforce.
- Participation in student meetings of training centres for the promotion of employment.
- Recruitment of people at risk of social exclusion, such as mothers or fathers who have given up their careers for

to dedicate themselves to the care of their children, taking into account SDG 5, people over 45 years old, unemployed people and people with disabilities (always complying with the required 2% and also collaborating in the contracting of services with companies committed to the inclusion of disabled people).

- Encouraging the incorporation of people from the area. Achieving great benefits such as: minimising the stress of workers, contributing to family reconciliation, facilitating a greater use of leisure time and reducing the environmental impact by reducing commuting distances to the workplace.
- Labiana's human resources department believes that the SDGs are key to building the company of the future, which is why they base part of the **#LabianaIncorpora** Project on these objectives and invest their time in selecting the right people to ensure success at each of their sites.

As far as social policies and supplier relations are concerned, one of the parameters for the selection of our suppliers is that they have gender equality policies in place, as well as the respective considerations with the environmental regulations. We work


with internal procedures that allow us to select the suppliers that best meet our needs and comply with our quality standards.

All this goes with an internal audit process from Labiana to our suppliers in which all relevant aspects are evaluated by means of an initial questionnaire, both in terms of quality and environmental or health and safety issues.

The result of this questionnaire and the visit of Labiana's staff will give us a result that will open the door to work with new suppliers.

In this area of social relations, we also have a Pharmacovigilance department. This activity is aimed at identifying, quantifying, assessing and evaluating and prevention of risks associated with medicinal products already on the market. It aims to monitor and evaluate medicinal products and contribute to their safe and rational use.

Therefore, the responsibility for pharmacovigilance is shared by everyone at Labiana who in some way deals with the medicine, and for this we have internal procedures that tell us how to proceed and who is the contact person in case of an incident.



REVISIONES MÉDICAS 2022

Os informamos que los días 14, 15, 16, 24 y 25 de noviembre se harán las revisiones médicas en Labiana.

Por favor,

- Preguntar a tu responsable el día y la hora que te han asignado.
- Si eres personal de oficina y quieres renunciar recuérdales firmar la hoja de renuncia que se encuentra en recepción y cojirla allí mismo.
- El día que vayas a hacerte la revisión debes firmar el consentimiento y dárselo al médico, es por protección de datos.
- El día de la analítica es el día de la entrega de muestras de orina, recuerda recoger tu bote el día antes en recepción y no vengas desayunado!! Únicamente puedes beber agua.

LABIANA

Atentos!!

Este año, como novedad, **LABIANA** ofrece el seguro de salud **ADESLAS PRIMERA + DENTAL GRATUITO*** a toda la plantilla. **(A partir febrero 2023)****





* Desde de enero según el día 21, 2023 y la empresa se hará cargo del primer pago. Este pago se hará desde el personal de plantilla y se hará de ahí sucesivamente el primer día de a continuación. Las condiciones de cobertura de este seguro dental que ofrece la compañía ADESLAS, bajo la modalidad de seguro ADESLAS PRIMERA+DENTAL. (Puedes consultar las condiciones en la página web de ADESLAS o en la web de ADESLAS).

** Se mantienen las condiciones de 2022 de los seguros actuales hasta el 30/01/2023.

A new Onboarding programme has been incorporated, which has enabled the welcome folder to be digitalised, as well as introducing new recruits on the plant's television screens.

The HR department has in place a "Plan for improvement, conflict detection and outreach to the employees of the HR department". This improvement plan is based on the conclusions of the personal interviews conducted with the entire HR department of staff. These interviews started in June 2022 and are ongoing.



Goals

Define the work climate and psycho-social aspects in Labiana.

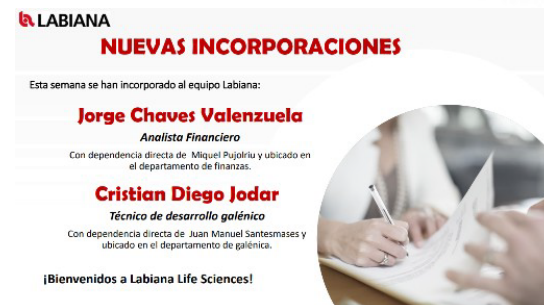
- To find out what employees think about the company and their job.
- To find out the type of relationship workers have with their line managers and colleagues in general.
- Detect inappropriate behaviour or conflict situations where intervention is necessary and take advantage of interviews to remind workers of this.

by departments or work areas of the company.

To date, a total of 122 interviews have been carried out in the following Labiana Life departments:

Quality Assurance, Analytical Development, Physical-Chemical Quality Control, Microbiological Quality Control, Administration and Finance, Galenic Development, Continuous Improvement, Process Control, Warehouse, Records and Production.

In the case of Labiana Pharma, interviews have started in February 2023.



the anonymous whistleblowing channel available to report any inappropriate or harassing situations.

- Strengthen the link, pride, and sense of belonging to the company.
- To offer a closer and more open vision of the HR department and for this department to be seen and perceived by employees as an accessible support in the daily development of their work.
- To be able to create a plan of improvements and corrective measures in line with the company's spirit of continuous improvement.

OUR TEAM

At **Labiana we are committed to quality and job stability.** Proof of this is that more than 93% of our workforce has a permanent contract. In addition, 100% of contracts are full-time. We currently have 397 employees, 54.9% of whom are women. In terms of age, the majority are between 31 and 50 years old.

Labiana promotes job stability, as evidenced by the fact that more than 90% of the staff work on permanent full-time contracts.

Only 6% of contracts are temporary, although this figure does not reflect the reality as most of these contracts are for early retirees and trainees.

Staff by gender

	No. of employees	Men	Women
2021	397	179	218
2022	441	202	239

Staff a per country

	No. of employees	Spain	Serbia
2021	397	397	
2022	441	364	77

Staffing by length of service in

	Men	Women
Less than 5 years	81	74
6 - 10 years	37	36
11 - 12 years	25	68
More than 20 years	36	40

2021 Staffing by length of service in 2022

	Men	Women
Less than 5 years	86	91
6 - 10 years	47	49
11 - 12 years	31	63
More than 20 years	37	36

Workforce by age in 2021

	Men	Women
Under 30s	22	19
31-45 years	68	101
46-60 years	77	76
Over 61 years old	15	19

Workforce by age in 2022

	Men	Women
Under 30s	27	27
31-45 years	62	95
46-60 years	94	100
Over 61 years old	19	17

Type of contract by age 2022

	Under 30	31-45	46-60	Over 61
Trainee	11	2	0	0
Fixed-term contract	6	2	3	4
Permanent contract	37	153	191	32

Annual average by type of contract and age 2021

	Under 30	31-45	46-60	Over 61	Total
Trainee	21%	1%	0%	0%	3%
Fixed-term contract	8%	1%	1%	6%	2%
Permanent contract	71%	98%	99%	94%	95%

Annual average by type of contract and age 2022

	Under 30	31-45	46-60	Over 61	Total
Trainee	16%	1%	0%	0%	4%
Fixed-term contract	12%	2%	1%	8%	2%
Permanent contract	71%	97%	99%	92%	94%

Number of annual redundancies

	No. of redundancies	Men	Women
2021	4	3	1
2022	16	8	8

NOTE: In 2021, redundancy data for the Serbian plant is not included.

Staffing by occupational group 2021

397 employees		
Professional group	Men	Women
2	8	4
3	31	66
4	71	74
5	32	52
6	22	17
7	9	3
8	2	1
0	4	1

Workforce by occupational group 2022**364 employees**

Professional group	Men	Women
2	14	14
3	27	60
4	61	58
5	31	45
6	19	16
7	9	3

Professional groups according to the Chemicals Agreement.
Classification:

- Operators and Administrative 03, 04
- Technicians: 05, 06
- Team Leaders: 07
- Senior Management: 00

The data for Serbia, as the occupational categories and groups are different from those regulated in the Spanish Chemicals Agreement, are shown below:

**Workforce by occupational group 2022
(Serbia)****77 employees**

Professional group	Men	Women
I	1	1
III	9	2
IV	12	10
V	1	1
VI	1	1
VI-1	3	1
VII-2	7	16
VII-3	2	4

	Wage table	Total	Men	Women	%Wage M/H	Gap
2	Total employees	17	6	11		
	Average salary	20,043.79 €	21,094.53 €	18,993.06 €	90%	10%
3	Total employees	89	27	62		
	Average salary	23,600.69 €	22,849.04 €	24,352.35 €	107%	-7%
4	Total employees	121	63	58		
	Average salary	29,252.25 €	29,252.25 €	30,166.69 €	103%	-3%
5	Total employees	78	33	45		
	Average salary	36,080.66 €	36,085.13 €	36,076.18 €	100%	0%
6	Total employees	32	18	14		
	Average salary	51,510.33 €	51,109.32 €	51,911.34 €	102%	-2%
7	Total employees	9	6	3		
	Average salary	62,585.75 €	63,625.34 €	61,546.17 €	98%	3%

From this table, it follows that:

- 94% of women have a pay gap of less than 5%.
- 6% of women have a pay gap of less than 10%.

Due to contractual clauses, we are unable to publish salary data for Serbia.

With respect to the Parent's Board of Directors, the total amount received can be consulted in the section on Balances and Transactions with Directors and Senior Management in the Annual Accounts Report 2022 to be published shortly.

		Total Company Cost 2022	Average Cost Company
Men	4	430,309.21	107,577.30
Women	2	222,925.79	111,462.90

A commitment to female talent

For Labiana, female talent is a basic pillar. That is why for years, we have had different instruments and regulations that allow us to advance in this area, such as the Equality Plan and the Protocol against Sexual Harassment. For the next year 2023 we will work together with Igualia, a leading company in the new regulations for gender equality and an expert in preventive measures and equality plans.

Equality Plan 2020-2024 which aims to enhance and promote the social, economic, and political inclusion of all people, regardless of age, gender, disability, race, ethnicity, origin, religion or belief. This plan was approved in 2019 and in 2021 the plan for the years 2020-2023 was registered. Currently, the procedures for updating the plan for 2025 have already been initiated.

This plan includes a series of measures to achieve equality of treatment and opportunities among our employees and the elimination of any discrimination based on sex in our company.

Since 2019 we have an equality committee that meets periodically with specific support for women, with a special focus on adopting fiscal, salary and social protection policies, and progressively achieving greater equality.

Our Equality Plan also includes a number of measures to support women, such as the granting of paid leave and leave of absence, and even grants or loans on special conditions in the event of a change of home address.

The success of this plan depends on knowledge and awareness, which is why we strive to ensure that our entire team is familiar with these internal tools. Thus, through our corporate e-learning platform, compulsory courses are given to raise awareness of the Equality Plan and the Protocol against Sexual Harassment. The equality plan currently includes a harassment protocol.

A specific training on the Equality Plan has been carried out with a training of 8 hours in which 304 employees have participated.

In 2022, training in gender equality and dealing with sexual and gender-based harassment was provided to all managers and executives of Labiana Life and Labiana Pharma.

Protocol Against Harassment expresses a commitment to **zero tolerance of harassment and offensive, discriminatory or abusive**. This is the tool being developed by the company for the prevention and resolution of workplace harassment. This protocol covers the two fundamental dimensions of anti-bullying: prevention and dealing with bullying situations.

To ensure maximum diversity and environments where full participation and equality of women and men is ensured, it is necessary to leadership opportunities at all levels, there is a **Permanent Equality Commission** where protocols have been developed that cover **anti-bullying and anti-harassment** aspects, among others. By 2023 we will outsource the harassment protocol to Igualia, a company mentioned above, which specialises in these cases. We want to ensure adequate prevention of these types of cases for our employees and a correct approach.

Promoting work-life balance

Work-life balance measures improve the personal wellbeing of our employees, which translates into job satisfaction, stress reduction, improved work-life balance and a better quality of life.

and, therefore, in an improvement of health.

Our commitment to innovation and excellence goes hand in hand with our commitment to our staff. That is why at Labiana, we promote the reconciliation of work, personal and family life.

Organisation at work

Labiana works to guarantee the work and personal wellbeing of its team, through measures that help to reduce absenteeism while at the same time allowing family reconciliation.

One of the measures implemented is the possibility of having Friday afternoons off or promoting changes in working hours, work-life balance at the worker's request or facilitating the modification of working hours on an individual basis. There are also other measures that favour work-life balance, such as facilitating teleworking for family reasons, flexible start and finish times with a margin of up to one and a half hours over the official timetable established in 2022 and the implementation of teleworking one day a week for all staff who are able to do so due to operational reasons.

Absence hours include:

- Sick leave.
- Accidents at work and non-occupational accidents.
- Maternity and paternity leave.

Absenteeism rate	2021	2022
	6,89	8,25

	Minor	Serious	Very serious
Number of accidents 2021	21	0	0
Number of accidents 2022	15	0	0

	Women	Men	With sick leave		
Number of accidents 2021	6	15	Number of accidents 2021	6	15
Number of accidents 2022	7	8	Number of accidents 2022	7	8

Risk of exclusion and disability

Historically, Labiana has a strong commitment to the inclusion of people with disabilities and people at risk of social exclusion in the workplace.

Currently, Labiana's facilities (both in Serbia and Spain) have 5 disabled workers and collaborate with special work centres (CET) in all gardening and janitorial tasks.

Both in our own staff and in the staff of the CET collaborators, we comply with universal accessibility measures, since both the centres in which they work and the posts corresponding to each one of them are perfectly adapted to their needs and are suitable

without any limitation in the performance of their duties. In fact, all employees with disabilities are working at 100% (no reduction in working hours) and without any restrictions in terms of their job.

Likewise, Labiana joins CSR actions focused on these groups, such as the Sant Jordi Social Initiative, with which we collaborate with the FACT Foundation (Factoría Social de Terrassa), an organisation that contributes to the training and social and occupational inclusion of adults with functional diversity.



PROFESSIONAL DEVELOPMENT

Within the GMP standards, Labiana has registered the **Staff Training Plan** which is also managed by the HR Department. This Plan establishes a training protocol that is applied to each employee when he/she joins the company.

The training needs for each job position are defined by the HR department together with the heads of each area. This ensures that the new employee receives the appropriate training according to the job position in Occupational Health and Safety, Code of Ethics, job procedures, data protection law and internal company regulations.

Likewise, and in pursuit of continuous improvement and the highest quality standards, the HR department carries out the opportune information to the entire workforce in order to motivate them to take part in the training actions offered by the company, in particular those related to quality, efficiency, safety and respect for the environment.

People at the centre, safety, and health at work

Labiana has an **Occupational Health and Safety Policy** in which the organisation is committed to respecting the regulations in force.

The company is sensitive to pregnant and breastfeeding employees, where a specific protocol is applied.

Annual medical check-ups are carried out by the Health Surveillance department of the External Prevention Service.

True to our philosophy, at Labiana we are convinced that the development of each one of us contributes to the overall growth of the company, which is why we attach strategic importance to the training of our staff in their workplace, to their development in order to make the most of their skills, and to the development of their knowledge and skills. future career opportunities, or for the assimilation of new skills to meet today's challenges.

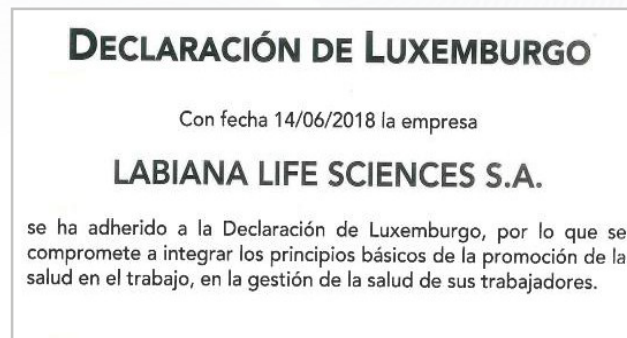
The COVID-19 pandemic led to the replacement of face-to-face training by online training, the offer of which grew from significantly during 2021-2022 and has been formally established as a new way of acquiring new skills which in turn facilitates reconciliation.

We are also committed to technical training with associations such as AFI, the Official College of Pharmacists, FEDEQUIM, IQS, IL3... and to the financing of training programmes. and development to improve skills (training, Learning Hub platform, minerva (on office products...)).

AED defibrillators are available on the premises. Training and instruction of the different first aid teams have been carried out for their operation.

In accordance with the ORP law, the Occupational Health and Safety management is subcontracted to the specialised external company (external prevention service) SP ACTIVA.

Labiana has adhered to the Luxembourg Declaration, thereby committing itself to integrate the basic principles of health promotion at work and health management of its employees.



United. Accredited certification to ISO 45001, the international management system for occupational health and safety at work, demonstrates an organisation's commitment to ensuring ethical working conditions, health, welfare and equality practices.

An organisation is responsible for the occupational safety and health (OSH) of its workers and others who may be affected by its activities.

This responsibility includes the promotion and protection of their physical and mental health.

The adoption of an OSH management system aims to enable an organisation to provide safe and healthy workplaces, prevent work-related injuries and health deterioration, and continuously improve its OSH performance.

Regarding accidents at work, we have a low accident rate. This allows us to see that the measures that are being taken to reduce the number of accidents at work are

in the field of health and safety in the workplace. work are having a positive effect on the

our workers.

Likewise, with a special focus on management, Labiana is in the process of implementation of ISO 45001 while Serbia already has ISO 45001. This standard aims to prevent work-related injuries and health problems or accidents at work to provide a safe and healthy workplace. This standard supports the United Nations Sustainable Development Goals.

This fact allows us to motivate employees through consultation and participation, as well as the importance of awareness and the development of a preventive culture in the organisation.

Organisations committed to sustainability are increasingly aligning their efforts with the

their corporate strategies with the United Nations Sustainable Development Goals (SDGs).

No. of employees	TA without sick leave	AT CTH low	AT CTH days off	AT Int low	AT Int days off	Total TA duration sick leave	Days of sick leave	Absence rate	Duration rate
771	6	10	337	3	143	13	497	2.98	68.35

For the kpis referring to total accidents in 2022 we obtain the following rates:

	FREQUENCY Index	GRAVITY Index	INCIDENCE Rate
2022	20.71	0.75	36

Likewise, in its commitment to the health and safety of its employees, Labiana has developed different training actions and such as:

Our job training in 2021

- Dechoker installation, anti-clogging in the dining room.
- Regular First Aid training.
- Free monthly fruit service.



8,071 hours of training

Data 2021 Spain

Total hours	Group	2Group	3Group	5Group	6Group	7Group	8Group 00
8.070,68	65,3	682,01	1.527,86	2.091,53	848,51	300,62	238,08

Data 2022 Spain

Total hours	Group	2Group	3Group	5Group	6Group	7Group	8Group 00
6345,25	203,5	846,65	2245,25	1056,45	399,1	54	105,5

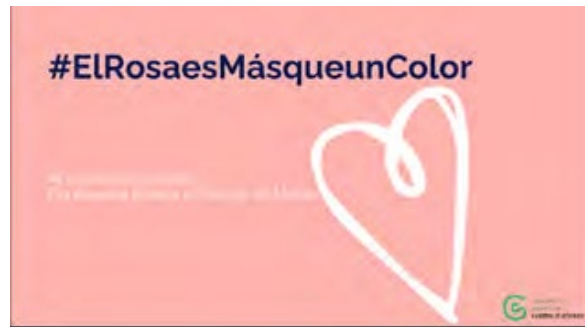
Total hours	Group 0	Group III-IV	Group V-VI	Group VII
8,070.68	65.3	682.01	2,316.54	1,527.86

People at the centre, commitment to society

Within its CSR actions, Labiana supports different actions such as:

Solidarity: Labiana supports different social causes through the donation of sanitary material, as it has been the case of masks, hydroalcoholic gel and food during the pandemic or it is the sending of sanitary material to Ukraine nowadays. On a regular basis, Labiana collaborates with different non-profit organisations in social action campaigns. Some of them:

- Cancer campaign



- #LabianaSolidaria: toy collection campaign together with the Red Cross.
- Donation for local shelters, first needs for pets.
- **Preserving heritage:** Proyecto Cartuja Hierro del Bocado, a State Heritage institution in charge of the preservation of the PRE horse, a Carthusian lineage, a horse with over of 500 years of history that belongs to all of us. For the second consecutive year, Labiana supports this institution through the Friends of the Stud Farm programme.



- **Advancing the values of sport:** 50th Anniversary of the Ciencias Rugby club. In 2009, World Rugby member nations identified Integrity, Passion, Solidarity, Discipline and Respect as the defining characteristics in building the character of rugby. With the renewal of its sponsorship, Labiana wanted to show its support for the values of sport and contribute to the dissemination of these values.



In addition, and committed to the "One Health" philosophy and the UN SDGs, Labiana believes that maintaining animal health is essential to achieving the Sustainable Development Goals and that this relates to directly with SDG12 "Sustainable consumption and production". Two types of actions are being carried out as part of its CSR actions in this area:

- Facilitate the availability and accessibility of veterinary medicines through the registration of medicines in markets which, due to their small size, have a smaller number of approved veterinary medicines, such as Cyprus, Malta, Estonia, Latvia and Lithuania at the European Union level. Outside the European Union, examples include Bosnia and Northern Macedonia, or special markets such as Cuba, where few foreign companies are involved due to the inherent difficulties of the regime.
- Maintenance in line with current guidelines of Authorisations of medicines based on old molecules but more necessary than ever to contribute to the fight against antimicrobial resistance (e.g. Streptolab - Dihydrostreptomycin) or molecules important in veterinary practice (e.g. Rumintral-Neostigmine, the only neostigmine approved during many years in Spain and which we have now registered in several European countries under the name Neoskilab -Croatia, Cyprus, Estonia, France, Hungary, Ireland, Italy, Latvia, Lithuania, Portugal-).

APPROVAL AND DISSEMINATION

This report was approved by the Board of Directors on 7 June 2023.

In order to facilitate its knowledge by stakeholders and addressees, this report will be published on Labiana's intranet and website in order to be disseminated throughout the organisation.



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