

# Sustainability Report Inibsa



2023

## Discover us

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## Explore us

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## Discover us

### We are Inibsa

**We are a benchmark in the global dental market.**

We are an international pharmaceutical group whose goal is to make pain-free dentistry accessible to everyone. Our main purpose is to assist dental professionals in developing a practice that is both safe and effective.

Our core business is **Pain Control**, an area in which we are manufacturers and distributors of Dental Anaesthesia. We also market the following product categories in Spain and Portugal: **Biosafety, Surgery, Restoration, Whitening, and Prevention and Hygiene.**

At Inibsa, we believe we can make a better world by working together. That is why we guarantee the quality of all our products. Our experience and expertise have made us **the world's second-largest producer of dental anaesthesia.**



**Control del dolor**



**Bioseguridad**



**Cirugía**



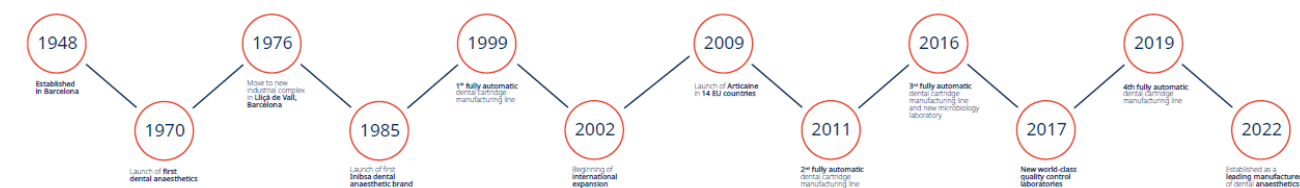
**Restauración**



**Blanqueamiento**

### Our background

We were established 75 years ago and have a long history in the healthcare sector, always committed to profitable, sustainable growth.



We are working to position ourselves as a world leader in the manufacture and marketing of dental anaesthesia. With a robust business and a team of nearly 350 employees, Inibsa remained the world's second-largest producer of dental anaesthetics in 2022, boasting an annual capacity exceeding 300 million cartridges.

### Inibsa's DNA

We are committed to assisting dental professionals improve their patients' oral health. As your partners, we contribute to the success of your interventions. Our primary focus is on ensuring the satisfaction of professionals and patients, which means that the needs of the clinic's professionals are also our own.

|   |  |   |
|---|--|---|
|  |                                     |  |
| Making pain-free dentistry accessible to all.                                     | Provide dental professionals with products and services that enhance their daily practice and their patients' lives. | Promote innovation through science and technology.                                  |

We manufacture and distribute high-quality products that ensure healthcare professionals can work safely and effectively. Science and cutting-edge technology are in our DNA.

#### Our Mission

Our mission is to manufacture and market healthcare products that help medical professionals in improving their patients' health and quality of life while ensuring optimal profitability.

#### Our Vision

To become a competitive group of companies with global reach and profitable, sustainable growth in the healthcare sector, particularly by expanding our international presence in the manufacturing and marketing of dental anaesthesia.

#### Our Values

We believe that the journey towards a goal is just as important as the goal itself. How we achieve our goals is very important, and this will determine our results. We want to be a company with an identity and an essence that reflects our passion. That is why our values drive and inspire us on our journey.

- **Commitment to customer satisfaction:** This is the core of our business as a company. We want to meet our customers' expectations in terms of quality, service and reliability.
- **Integrity:** Integrity is key to what we do, why we do it, and how we do it. We work with integrity, transparency and professionalism.



materialising this.

- **Efficiency:** At Inibsa, we work quickly and efficiently. We seek to optimise our resources and avoid any activities that do not add value.
- **Simplicity:** Less is more. We focus on what is truly relevant.
- **Teamwork:** We share goals, acting as one and perceiving Inibsa's joint successes and failures as our own.
- **Corporate Social Responsibility:** We believe in a better world, and play a role in

As the pharmaceutical sector is highly regulated, we integrate the principles of professionalism, reliability and quality in our decision-making processes across all levels, while ensuring strict compliance with current legislation. That is why we have a Code of Ethics.

## Our Business

We operate in the healthcare sector, a fact that guides our business management and decision-making. We manufacture and market medicines and medical devices. We produce and transform our products on a daily basis to continuously improve our product portfolio.

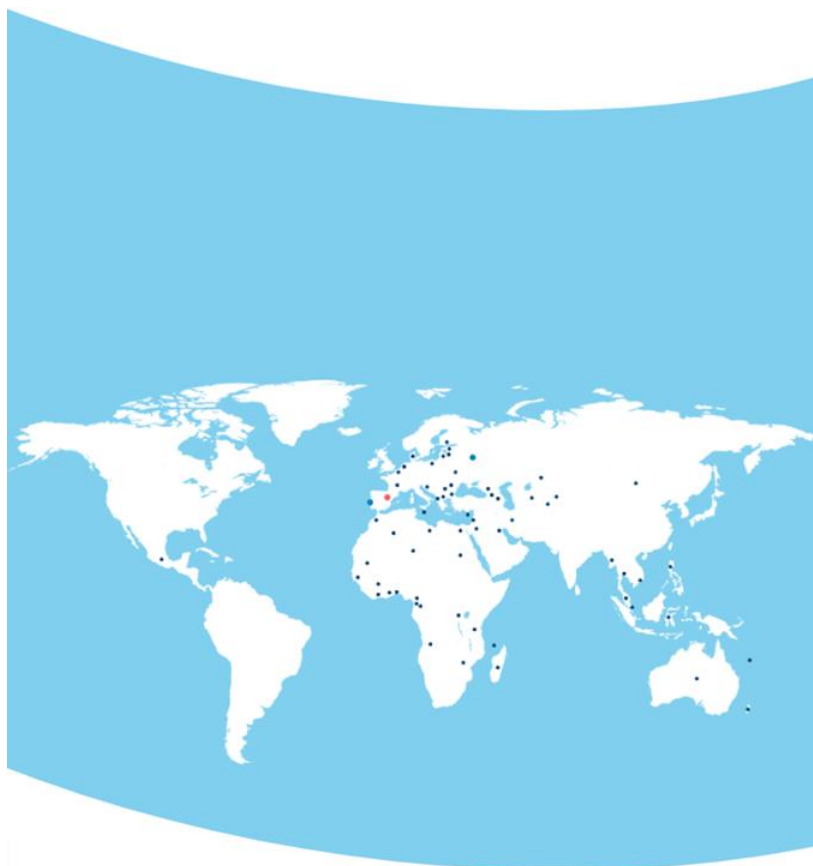
Our business model relies on vertical integration, encompassing the entire value chain and marketing of our products. This ensures a swift response to market demand, while upholding the highest quality and scientific integrity standards.

All our operations are governed by compliance with the highest standards of health and quality in the pharmaceutical sector, conducting frequent inspections and checks to identify new requirements and comply with the latest regulations and legislation.

We consider oral health to be a key universal need, and we work every day to make dental treatment increasingly accessible.

## Market presence

Our product history is what has brought us to our current position of leadership, and has cemented our reputation and global brand recognition. Today, our Inibsa-branded dental anaesthetics have achieved a global presence in over 60 countries, establishing us as the world's second-largest producer in this area.

**SPAIN**

In Spain, we market not only our anaesthetics but also a variety of products across different oral health sectors. We offer solutions in five main categories: Pain Control, Biosafety, Surgery, Restoration, and Whitening.

**PORTUGAL**

We have a subsidiary in Portugal with a portfolio that closely resembles the one in Spain, and an extra range of products focused on Prevention and Hygiene.

**RUSSIA**

We are shareholders in the company Ruspharm, which markets Inibsa brand dental anaesthesia in its country, accounting for 99% of its total sales.

Beyond our direct presence, Inibsa's Dental Anaesthesia brand is recognised globally, working closely with local distributors in more than 60 countries.

- **Pain management:**

We are experts with a long track record in this area. We are the world's second-largest producer of dental anaesthesia, and are present on all continents. Our brands under this therapeutic area are:

- Articaine: Artinibsa, Artibsa, Artidental, Dentocaine and Loncarti
- Lidocaine: Xilonibsa, Xyon and Xion
- Mepivacaine: Scandinibsa, Mepidental, Scandivin and Mepicart
- Bupivacaine: Inibsacain

- **Surgery:**

In this category, we have pioneering products for bone and soft tissue regeneration.

- **Biosafety:**

We are a benchmark in disinfection and cleaning in the dental clinic, with a product portfolio that meets the requirements for instruments, surfaces, equipment and hand hygiene.

- **Restoration:**

We offer professionals a range of innovative products for more durable and therapeutic dental restorations.

- **Whitening:**

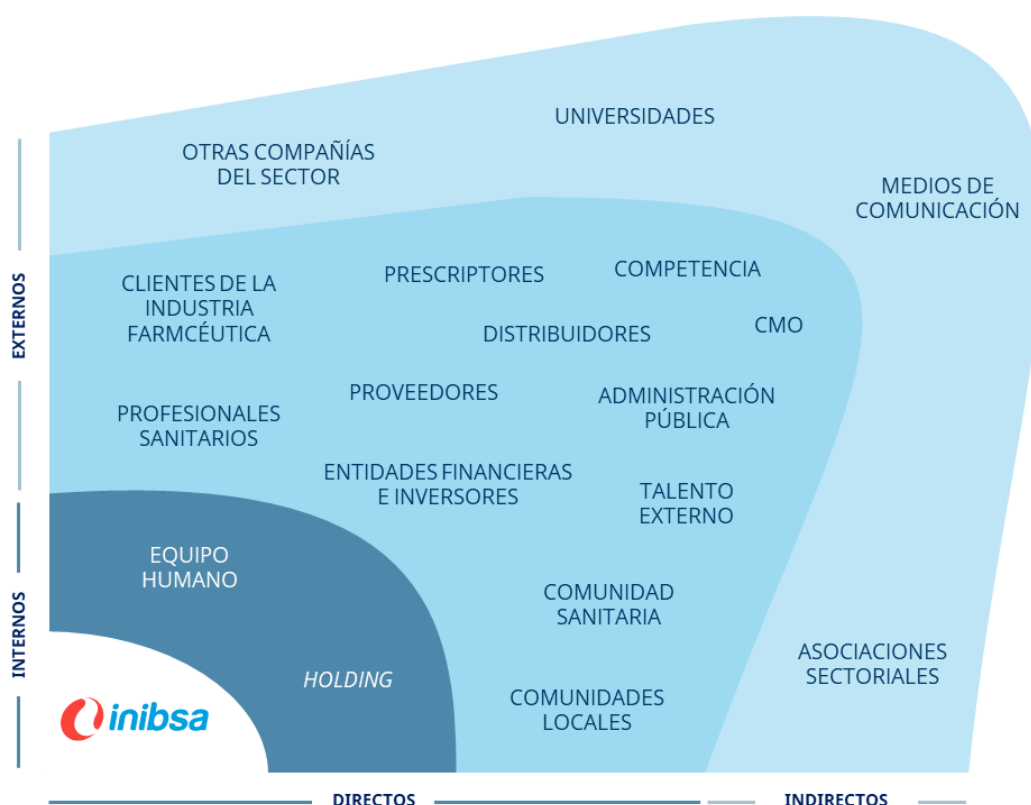
This category includes products for whitening treatments.



## Our stakeholders and materiality analysis

The nature of our activity in the health sector and our strategic priorities have led us to identify the stakeholder groups in our environment. We are committed to caring for each of them and taking them into account in our decision-making process, in line with our ethical values and our wish to positively influence our environment.

Taking into consideration all our stakeholders, we have duly identified them on our map:



|                                       |  |
|---------------------------------------|--|
| OTRAS COMPAÑÍAS DEL SECTOR            | OTHER COMPANIES IN THE SECTOR            |
| UNIVERSIDADES                         | UNIVERSITIES                             |
| MEDIOS DE COMUNICACIÓN                | COMMUNICATION MEDIA                      |
| ASOCIACIONES SECTORIALES              | SECTORAL ASSOCIATIONS                    |
| CLIENTES DE LA INDUSTRIA FARMACÉUTICA | CUSTOMERS IN THE PHARMACEUTICAL INDUSTRY |
| PRESCRIPTORES                         | OPINION LEADERS                          |

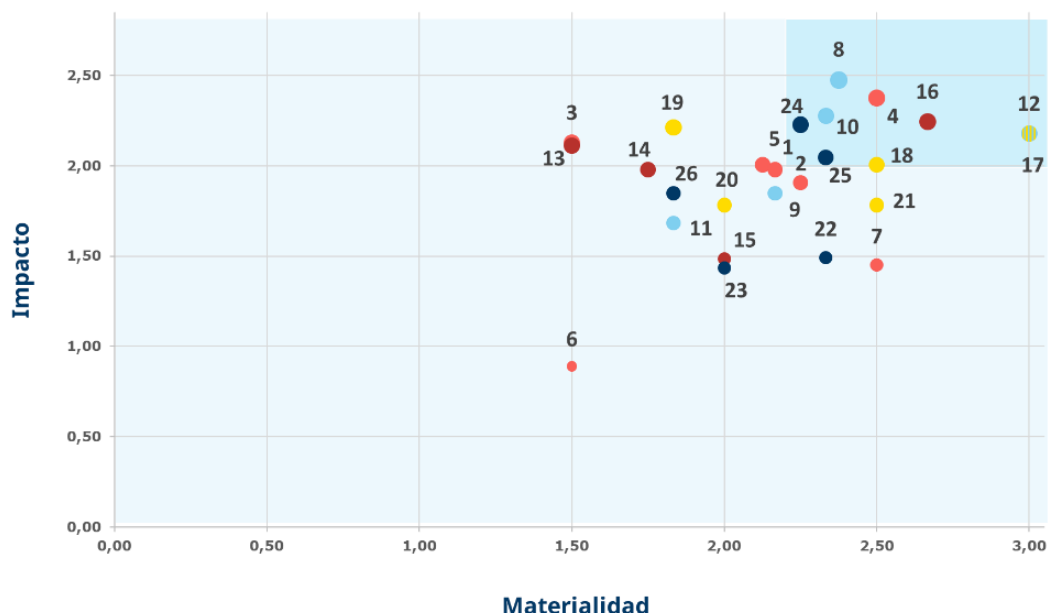
|                                    |                                      |
|------------------------------------|--------------------------------------|
| COMPETENCIA                        | COMPETITORS                          |
| DISTRIBUIDORES                     | DISTRIBUTORS                         |
| CMO                                | CMO                                  |
| PROFESIONALES SANITARIOS           | HEALTH PROFESSIONALS                 |
| PROVEEDORES                        | SUPPLIERS                            |
| ADMINISTRACIÓN PÚBLICA             | PUBLIC ADMINISTRATION                |
| ENTIDADES FINANCIERAS E INVERSORES | FINANCIAL INSTITUTIONS AND INVESTORS |
| TALENTO EXTERNO                    | EXTERNAL TALENT                      |
| COMUNIDAD SANITARIA                | HEALTH COMMUNITY                     |
| COMUNIDADES LOCALES                | LOCAL COMMUNITIES                    |
| EQUIPO HUMANO                      | HUMAN TEAM                           |
| HOLDING                            | HOLDING                              |
| EXTERNOS                           | EXTERNAL                             |
| INTERNOS                           | INTERNAL                             |
| DIRECTOS                           | DIRECT                               |
| INDIRECTOS                         | INDIRECT                             |

Considering the impact on identified stakeholders, we have conducted a materiality analysis in order to understand the most relevant ESG aspects for Inibsa, taking into account not only industry trends but also needs and expectations, which we have classified into the following aspects:

- Cuestiones medioambientales    ● Cuestiones de gobernanza    ● Cuestiones de calidad y producto
- Cuestiones sociales    ● Cuestiones de personal

|                                  |                             |
|----------------------------------|-----------------------------|
| Cuestiones medioambientales      | Environmental matters       |
| Cuestiones sociales              | Social matters              |
| Cuestiones de gobernanza         | Governance matters          |
| Cuestiones de personal           | Staff matters               |
| Cuestiones de calidad y producto | Quality and product matters |

Based on the materiality analysis results, we have identified the issues deemed relevant for detailed discussion in this report, thereby enabling us to concentrate our efforts on addressing the challenges, opportunities and needs of our environment in the forthcoming years.



### Asuntos prioritarios:

- 12 Salud y Seguridad del equipo
- 17 Productos seguros
- 16 Promoción de la salud y bienestar de la sociedad
- 8 Equipo humano
- 4 Consumo responsable
- 10 Igualdad y diversidad
- 18 Relaciones a largo plazo con clientes y usuarios
- 24 Compliance
- 25 Ética e integridad

### Otros asuntos materiales:

- |   |   |
|---|---|
| 1 Compromiso Medioambiental               | 13 Comunidad                                |
| 2 Gestión del consumo energético          | 14 Fomento del empleo                       |
| 3 Gestión del agua                        | 15 Derechos Humanos                         |
| 5 Economía circular y gestión de residuos | 19 Gestión de proveedores                   |
| 6 Preservación de la biodiversidad        | 20 Gestión de colaboradores y prescriptores |
| 7 Cambio climático                        | 21 Innovación                               |
| 9 Promoción del bienestar del equipo      | 22 Negocio responsable                      |
| 11 Liderazgo y desarrollo del talento     | 23 Gestión del riesgo                       |
|   | 26 Comunicación y transparencia             |

|  |  |
|--|--|
| Asuntos prioritarios:                            | Priority issues:                                 |
| Salud y Seguridad del equipo                     | Team Health and Safety                           |
| Productos seguros                                | Safe products                                    |
| Promoción de la salud y bienestar de la sociedad | Promoting the health and well-being of society   |
| Equipo humano                                    | Human team                                       |
| Consumo responsable                              | Responsible consumption                          |
| Igualdad y diversidad                            | Equal opportunities and diversity                |
| Relaciones a largo plazo con clientes y usuarios | Long-term relationships with customers and users |
| Compliance                                       | Compliance                                       |
| Ética e integridad                               | Ethics and integrity                             |
| Otros asuntos materiales:                        | Other material issues:                           |
| Comunidad  | Community  |
| Compromiso Medioambiental                        | Environmental commitment                         |
| Fomento del empleo                               | Employment opportunities                         |
| Gestión del consumo energético                   | Energy consumption management                    |
| Derechos Humanos                                 | Human Rights                                     |
| Gestión del agua                                 | Water management                                 |
| Gestión de proveedores                           | Supplier management                              |
| Economía circular y gestión de residuos          | Circular economy and waste management            |
| Gestión de colaboradores y prescriptores         | Management of partners and opinion makers        |
| Preservación de la biodiversidad                 | Preserving biodiversity                          |
| Innovación                                       | Innovation                                       |
| Cambio climático                                 | Climate change                                   |
| Negocio responsable                              | Responsible business                             |
| Promoción del bienestar del equipo               | Promoting team well-being                        |
| Gestión del riesgo                               | Risk management                                  |
| Liderazgo y desarrollo del talento               | Leadership and talent development                |

|                              |                                |
|------------------------------|--------------------------------|
| Comunicación y transparencia | Communication and transparency |
|------------------------------|--------------------------------|

The analysis results reaffirm our commitment to human talent, underpinned by a culture and key values of integrity and excellence, with a focus on product safety and quality.

## Compliance and good governance

At Inibsa, we recognise that our position of leadership and excellence is the culmination of years of hard work and carries significant responsibility. We therefore have to make sure that everybody in the group acts in a manner that safeguards this work and responsibility. There is a risk that misconduct by a single employee, executive or person operating under the Inibsa brand and name could harm our reputation and image, and, consequently, the trust and reliability our customers and users place in us.

The firm commitment of all Inibsa members to comply with current legislation and regulations is crucial. Adhering to our ethical principles, policies, procedures, and controls is also essential in order to prevent this risk and actively avoid such situations.

We are required to implement criminal risk prevention models, in line with the Criminal Code reform and Act 1/2015. That is why we have a compliance and criminal prevention model in line with regulations.

### Compliance management

Our *Compliance Corporate Defence Policy* serves as a reference framework for any professional relationship and business activity carried out by the Group under our name and brand. This policy is promoted by senior management, with a view to disseminating it among all staff and third parties associated with Inibsa. We therefore express our firm opposition and zero tolerance towards any unlawful or criminal acts, while continuing to move forward in combating wrongdoing and preserving Inibsa's reputation and image.

The fundamental principles governing our behaviour are set out in Inibsa's Code of Ethics:

- Compliance with legislation and internal regulations.
- Independence and transparency in relations with third parties.
- Respect for Inibsa's image and reputation.
- Ongoing supervision and monitoring to self-monitor and ensure compliance with Group policies.
- Duty to report any unlawful conduct.

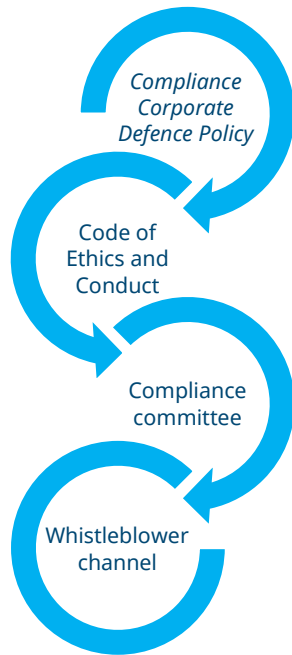
The policy extends to all personnel within the Group, as well as any subcontracted or collaborating companies or professionals involved in sensitive relevant activities, who are required to adhere to the policy's general principles of behaviour.

### Mechanisms for good governance

To proactively prevent criminal risks, we have an economic and financial management model and a Code of Ethics that reflects the Group's values and principles. Inibsa also has manuals, policies, procedures and protocols in place to minimise the risk of staff misconduct. This is achieved through specific training and dissemination around these mechanisms and basic principles. We have conducted several internal training sessions to raise awareness and ensure compliance with our Code of Ethics, and informative

posters on the subject have been displayed throughout the company to promote ethical behaviour and integrity.

The group has a matrix outlining the criminal risks identified as potential threats to the business. In the event of any infringement or non-compliance, we have sanctions and a disciplinary system that is applied with the penalties provided for in the applicable regulations, duly managed by the Compliance Committee. We also have a whistleblower channel in order to identify any irregular conduct. This is an internal instrument available to all members of the group.



The Code of Ethics mandates that any suspected or actual breaches of the Code, legal obligations or human rights are reported to the Compliance Committee through the whistleblower channel.

The Compliance Committee provides support and advice in implementing the Compliance Model, and is tasked with overseeing and guaranteeing the system's functionality, efficacy and adherence to the policy, in addition to initiating and fostering adherence to the Code of Ethics and Conduct. It also ensures that the rules set out in our internal policies are applied correctly, and analyses any changes to legislation.

Furthermore, it guarantees the implementation of action programmes, regulates the whistleblower channel, and ensures any questions are cleared up. The Compliance Committee is made up of Corporate Services Management, Industrial Area Management, and People Management.

We have a formal monitoring and follow-up model for monitoring, supervision and verification purposes, complemented by regular independent assessments of the model. This policy and these models are reviewed and improved once a year.

In 2022, we conducted a review of the self-assessment system for risks and associated controls, in line with the policy for periodic reviews.

### **Fight against corruption and bribery**

Based on our principles of conduct, the Code of Ethics clearly outlines expected behaviours in terms of integrity and the prevention of corruption for all members of Inibsa. We categorically reject bribery, influence peddling and corrupt practices in international transactions and business, detailing all situations that will be deemed unlawful in this area.

The Code of Ethics presents a ten-point code of conduct that embodies the moral framework characterising Inibsa's values.

- Compliance with the law and internal regulations.
- Independence and transparency with third parties.
- Respect for Inibsa's image and reputation.

- Continuous supervision of self-monitoring, and verification of policies, procedures and protocols.
- Duty to report any unlawful conduct.

Inibsa also condemns financial market crimes, fraud, and deceptive advertising. Our Code of Ethics explicitly condemns all forms of tax fraud, money laundering, financing of terrorism or political parties, price manipulation in tenders and auctions, and obstruction of regulatory activities by inspection bodies. No cases of corruption were identified in 2022.

### **Commitment to human rights**

Our value of Integrity governs all our principles. We are therefore committed to aligning all our operations with respect for human rights compliance and advocacy.

As a basic principle, our Code of Ethics promotes a culture of honesty and fair competition, guiding our employees' actions and framing the basis of the relationship with third parties. We also want to ensure that our employees are treated fairly and respectfully and are not associated with any form of discrimination.

As a business partner, Inibsa ensures and encourages all external collaborators to respect the environment; operate in line with our Code of Conduct; comply with legislation; and uphold human and labour rights, as mandated by our purchasing policy, which requires them to adhere to our policies.

Furthermore, Inibsa's Code of Ethics establishes unlawful conduct around handling confidential or personal information, personnel management, environment, public health and illicit trade. This year, 2022, we have not received any complaints regarding privacy breaches or loss of customer data.

All complaints specified in the complaints manual defend human rights and are aligned with them, e.g. labour exploitation; the protection of foreign citizens' rights against invasions of privacy; prostitution; and the prevention of child corruption. This ensures Inibsa's integrity, thereby promoting fair and socially responsible behaviour towards society. In 2022, no reports have been received through the whistleblower channel.



## Explore us

### Committed to our environment

We are driven by attending to the needs of others. We believe it is our responsibility to deliver both social and business value, taking care of all stakeholders we relate to and interact with.

At Inibsa, we are confident in our ability to achieve these goals through research and production based on cutting-edge technology and a highly committed team. Our mission is apparent in our commitment to social and environmental responsibility.

1. Projects that benefit our immediate environment.
2. Scientific projects focused on innovation and knowledge.
3. Environmental protection in our activities and processes.
4. Projects to help children.

### Responsible supply chain

We are constantly looking to extend our social commitment and our basic principles of integrity. We therefore encourage all those who work for and on behalf of the group to comply with our Code of Ethics and Compliance Policy in all their duties and responsibilities.

We have a selection process for our suppliers and subcontractors, backed by our internal audit development and monitoring systems. All our selection and subcontracting protocols and criteria are set out in our Procurement Policy. This policy reflects our commitment to comply with current legislation, acting with honesty, transparency and fair treatment, without discrimination, in all our relations with suppliers and external collaborators.

We are committed to ensuring that the purchasing department's strategy and efforts are in line with achieving our goals, while consistently adhering to the approved annual budget. And also to following management and contracting procedures, and implementing procedures and controls to ensure fair, objective awards processes.

We select and approve our suppliers based on objective technical criteria that assess their quality systems, price and service while considering their level of responsibility aligned with our business values. We have not identified any of our suppliers as having negative environmental and/or social impacts in the value chain.

As a business partner, we collaborate in developing production processes and managing our suppliers' processes to achieve mutual benefit and growth. We work with them to build long-term relationships and agreements, striving to minimise environmental, supply and business continuity risks.

As far as possible, we prioritise working with suppliers who not only offer products and services of optimal quality and price but also demonstrate a commitment to social and labour values, while also considering

their proximity to our location in order to reduce the environmental impact of our supply chain and help foster local development. In 2022, 55% of our suppliers are local and account for 24% of our purchases.

We do not currently perform specific assessments of suppliers based on social and environmental criteria, although we are developing new criteria and frameworks to integrate sustainability considerations into our supplier assessments.

## Quality and innovation

### Quality in our products

At Inibsa, we seek to guarantee the highest standards of quality and safety for our products. We adhere to a highly stringent, rigorous regulatory framework for the registration, manufacture and distribution of our medicines and medical devices, with a commitment to comply with all applicable laws and regulations, continuously adapting to current regulations.

In this regard, in response to the new European Medical Devices Regulation, we have been actively adapting our system since 2021 to meet the updated requirements, e.g.:

- Reviewing and amending technical contracts with third parties involved in the manufacture and/or distribution of our medical devices.
- Adapting our pharmacovigilance system to the new requirements for medical devices.
- Adapting the labelling of some medical devices.

Our production plant features cutting-edge optical inspection, labelling and conditioning equipment, allowing us to inspect 1 million cartridges every day.

Our in-house state-of-the-art laboratories include microbiology, physicochemical and materials analysis facilities. This extensive capacity enables us to thoroughly analyse the components used in our medicine manufacturing, control processes, and ensure compliance with the highest quality standards and current regulations.

Our facilities and processes ensure complete traceability of our products and maintain consistent temperature levels during storage, transportation and delivery.

We also have a recall system and a complaint management system. Both are described in detail in our standard operating procedures and undergo regular reviews to ensure their effectiveness and alignment with current standards. These are also duly inspected by the competent health authorities.

Our Pharmacovigilance System adheres to the most recent European regulations, ensuring the suitable reception, management and assessment of our products, alongside the identification and prevention of potential adverse effects. This system undergoes an internal audit every two years, and counts on a European Pharmacovigilance Officer and local Pharmacovigilance Officers in the regions where our medicines are marketed.

As for managing complaints received through our customer service channels and/or agents:

- Spain: 89 complaints have been received in 2022, representing a ratio of 15.5 ppm of total units sold. In 2021, the ratio was 19.6 ppm.
- Portugal: In 2022, 154 complaints have been received, of which 95.4% have been resolved.
- The Russian company has its own channels for handling complaints and claims. It receives communications from customers via telephone, email, social media and their website. The Russian company employs customer service staff, although it receives a relatively low volume of enquiries.

Inibsa has continued its international expansion as a Patent-holder and Manufacturer of dental anaesthesia, submitting new applications for registration in various countries around the world. Particularly worthy of note is the rebranding of all Inibsa anaesthetics worldwide. We persist in our efforts to improve the plant's manufacturing facilities and expand its production capacity. In 2022, we successfully:

- Renewed or were awarded GMP compliance certifications from health authorities in countries such as Russia and Libya.
- At the end of 2022, we started the renewal process for our GMP certificate. The renewal received final approval in the first quarter of 2023.

At Inibsa, we continue in our efforts to expand Inibsa-branded products into new regions internationally; to grow our Contract Manufacturing activity; and to broaden the company's portfolio at both national and international levels.

We also continue to manage the serialisation system for our products, as well as the plant's digitalisation project and its quality management system.

## **Innovation and technology**

Everything we do bears the hallmark of innovation. At Inibsa, we are constantly striving for excellence and seeking cutting-edge solutions. We have state-of-the-art factories and facilities. We strive for excellence across all production processes, encompassing component analysis, manufacturing, warehousing and distribution.



18,000 m<sup>2</sup> dedicated to innovation.



**Our own laboratories**, allowing us to have total freedom in testing and releasing components and batches, equipped with the most advanced techniques.



**4 molecules** on the market: **6 injectables anaesthetic** and **1 topical solution**.



Capable of producing **over 1 million of cartridges** a day.



Specialisation in manufacturing **sterile products**.



**A plant** with the highest quality standards and inspected by the Spanish Agency of Medicines and Medical Devices (AEMPS), the China Food and Drug Administration (CFDA), the Pharmacy and Poisons Board (PPB) and the Russian Ministry of Health, among others.

We have a highly qualified development and reformulation team, always with the aim of improving the quality of our products. It is dedicated to researching literature, selecting active pharmaceutical ingredients (APIs) and suppliers, and reformulating products to enhance, optimise or modify them in accordance with new regulations.

We are actively involved in developing galenic formulations and validating pharmaceutical analytical methods. The R&D team is also dedicated to developing product dossiers with guaranteed international approval. Meanwhile, we design and manufacture pilot batches, and, in the process, generate information to complete the marketing dossier for new products.

To guarantee full compliance with the regulatory framework during our product development and R&D processes, we maintain a regulatory services team responsible for managing all documentation and registration required to license the manufacture and marketing of medical devices and medicinal products for human use.

The information contained in the package leaflets and labelling is adapted to local regulations across the various markets where our products are sold. We also maintain an internal review procedure that engages all company areas involved, from technical to commercial, to ensure the materials used in product manufacturing are accurate and up to date.

Our review circuit for promotional materials involves the Registration and Commercial Departments working to ensure that all the company's disseminated advertising information is rigorous, truthful and regulatory compliant.

### Innovation projects

This year, 2022, Laboratorios Inibsa was granted authorisation as a pellet manufacturer for Spain and the European Union with a batch size of 25 kg.

Also in 2022, patent approval was obtained for the Bonosol component development process with a new manufacturer under the control of Laboratorios Inibsa.

## Commitment to health

### Our commitment to the sector

Healthcare professionals are our top priority, and we strive to help them improve their patients' health and quality of life by providing solutions that simplify their daily practice. Our mission is to work hand-in-hand with them and help them.

That is why we offer our online Inibsa Dental Campus, which gives clinic professionals access to training and webinars on our product categories.

### Commitment to the community

At Inibsa, we are committed to society, always creating social value. Our commitment extends to everyone, not just our employees. Our involvement in sustainable development is also about contributing to society in whatever way we can, generating well-being beyond our company mission and vision.

We demonstrate this commitment by performing small actions and contributing tangible value. We collaborate with projects that help groups in complex situations. This year we have partnered with "Fundació Somni Dels Nens" to help children with cancer or chronic diseases and their families.

Our wish to help also extends beyond our home region, leading to us taking actions globally. In Madagascar, we donate products for charitable activities to dentists through our local distributor ROV DENTAL.

In Portugal, we partner with "Fundo IMM-Laço", which helps fight against breast cancer.

In Morocco, we collaborate with the Moroccan Association for Oral Prevention (AMPBD) to promote oral hygiene and access to oral health through our local distributor Hemolab.

## Respect for the environment

### Protection of the environment

At Inibsa, we are committed to working towards a sustainable future. In pursuing this goal, we integrate environmental considerations into our internal policies, ensuring this commitment is a significant factor in our decision-making and operational processes.

Our Code of Ethics includes a section on environmental issues, which condemns environmentally irresponsible practices and behaviour. We consider any activity that may directly or indirectly cause negative impacts on the natural environment to be illicit.

### Our environmental management approach

We have an environmental policy to actively manage and monitor our environmental impact, protect the environment and ensure we are environmentally friendly. All measures and efforts in this regard are spread across different areas.

In the engineering area, we manage the environmental impacts of our activities with the aid of a specialised external party to ensure compliance with environmental protection regulations. We have an Environmental Licence from Lliçà del Vallès town council, where our headquarters are located.

In the procurement area, the current purchasing policy includes sustainability criteria and specific considerations around environmental responsibility when evaluating and recruiting external partners.

At Inibsa, we have identified that our most significant environmental impacts and risks are the discharge of chemical substances, our vectors of atmospheric emissions, our management of special waste, flammable products, soil contamination, water consumption and treatment, possible droughts, and floods due to torrential rain. We operate responsibly to prevent and mitigate any environmental risks arising from our activities.

### Responsible operations

At Inibsa, we have been working for some years on a plan to reduce greenhouse gas emissions and the generation of CO<sub>2</sub>. To achieve this, we have established the efficient use of supplies as a criterion for all new projects developed.

In electricity consumption, we are firmly committed to sustainable, green energy in our electricity consumption, while year 2020 will see the installation of a 1200 kWp self-consumption photovoltaic plant. This provides around 20% of our annual energy expenditure. Moreover, almost all of our lighting is LED in order to increase energy efficiency.

In terms of gas consumption, in 2019 we upgraded from the old 5000 kg/h industrial steam boilers to the latest generation of more efficient boilers with a 3000 kg/h combustion rate, thereby improving performance while cutting energy consumption.

In addition to replacing our commercial network's car fleet with hybrid vehicles, we also installed 10 electric chargers in the car park of our Lliçà de Vall headquarters in 2022 to encourage our staff to switch to more sustainable vehicles.

## **Circular economy and waste management**

Our environmental commitment is apparent in our dedication to improving every process within our activities. Due to our production activity, our main consumptions in manufacturing products are articaine (14.8 t), adrenaline bitartrate (8.9 t), lidocaine (1.6 t) and capsules (71 million units).

In terms of waste management, we recycle more than 50 tonnes of paper every year. We are also investing in and redesigning our products to incorporate more sustainable materials. The vast majority of the toothbrushes we distribute in Portugal are made of bioplastics. A sustainable option, which recovers 95% of all CO<sub>2</sub> produced during the manufacturing process and ensures we are not exposed to hazardous chemicals.

We also have a contract with a specialised waste management firm (primarily for pharmaceuticals), segregating and individually managing components with a view to reusing them. Moreover, the number of blister formats, cases, packaging boxes and other packaging components has been reduced thanks to the change of packaging for our anaesthetics, as implemented in 2021. This reduces the rejection of packaging materials due to adjustments in equipment format changes.

Our wastewater discharge flow has improved due to our new dosing and encapsulation facilities. This has allowed us to improve our discharge control systems and improve efficiency in terms of water use.

## About us

### Inibsa Team

Our Group works with a firm focus on the people who make up our team, committed to their personal and professional growth. We foster an environment that encourages individuals to take pride and responsibility in their work, promoting respect, communication and equitable treatment in career development and progression. At Inibsa, we know that our success is due to the involvement, professionalism, talent, human quality and well-being of our collaborators. We constantly involve staff in new challenges and projects, and foster a collaborative working environment.

In line with our commitment to the team, 2022 saw the development of new initiatives to improve the well-being of our employees, work-life balance, communication, development and training, health and safety, etc.

This report sets out all our current policies, along with the most relevant projects and actions for 2022.

### People management policies

Grupo Inibsa's People Department is committed to the well-being and development of its people. Our vision is to have a team of highly trained, motivated people who are aligned with the Business Group's strategic goals.

The Strategic Plan for the People Area stems from the Group's Strategic Plan, and includes three main strategic lines of work:

- Improve engagement and innovation: a line that revolves around fostering commitment and continuous improvement as an organisational culture.
- Preserve Human Capital: a line that revolves around developing the talent and professional growth of people.
- Build Brand Equity: a line that revolves around promoting our brand image across all levels.

Therefore, the goals set for this three-year period for these three strategic lines, as led by the People Department, are as follows:

#### — Improve engagement and innovation:

- Build a Value Proposition for Inibsa employees, creating a programme to stimulate internal innovation across all levels (processes, policies, products, etc.).
- Capitalise on the positive aspects of the stable working environment, and reinforce those actions that contribute to our employees' well-being.



— **Preserve human capital:**

- Re-design the Management by Objectives and the Performance Management System. Update Inibsa's salary structure vs the market, and analyse the system for setting variable remuneration. Analyse alternative remuneration schemes.
- Design, implement and report in order to identify, develop and retain top talent, improving on our empowerment and accountability (remuneration models, training, projects, individualised approach).
- Design and implement a succession plan, including identifying critical positions. Identify key people/groups in Inibsa.

— **Build Brand Equity:**

- Bring all areas of the company closer to the business, and convey the meaning and impact of their work to the end customer and the business.
- Develop Inibsa's brand value as a partner, supplier and employer.

The key ongoing initiatives that have been initiated or are currently in progress, in accordance with the established goals are as follows:

- Project to improve the onboarding project thanks to the addition of the new Welcome Pack.
- Project to improve the internal promotion process.
- Project to develop the new cross-company professional development programme (PDP).
- Project to redesign the target-based remuneration structure.
- Project to improve the training plan.
- Project to reduce absenteeism and improve attendance.
- Branding project that has involved implementing the new corporate image at all levels.
- Corporate app project to improve internal communication
- Project to set up a suggestions box.
- New Corporate Web project

The People Policies defined to ensure we can achieve these strategic and corporate goals include the following commitments and principles:

- Manage the recruitment process, guaranteeing genuine and effective equal opportunities and non-discrimination in all respects and meeting organisational needs in compliance with current legislation.
- Manage the Annual Training Plan, establishing essential strategies and training programmes to ensure professional development while ensuring gender equality and equal opportunities.
- Manage the company's Remuneration Policy, implementing strategies that ensure fair economic conditions for the human resources team in line with their responsibilities and the current market situation, duly upholding the principles of equity and "equal responsibility/contribution, equal pay," and equal pay, regardless of gender.
- Manage the Communication Policy with the aim of having transparent, fluid, reliable two-way communication.

- Ensure that a job description is available for each of the Group's current positions, as well as the profile required to fill each post and the value of each position.
- Keep the organisational structure at Grupo Inibsa updated in a clear, useful and accessible way (organisational charts).
- Manage the administration of personnel and industrial relations, ensuring current regulations are applied correctly.
- Manage the Occupational Risk Prevention Policy, promoting and guaranteeing its integration in management throughout the company, thereby ensuring health and safety for everybody working in or for Grupo Inibsa.
- Ensure real, effective equal opportunities, as well as the integration of the gender perspective in all processes carried out, with the aim of eliminating any imbalances or inequalities.
- Foster and promote an organisational culture that understands, promotes and supports the development and improvement/innovation of both people and processes.
- Promote measures that facilitate and enhance work-life balance within the team's work process.
- Ensure digital disconnection, respecting people's rest periods.

## Inibsa Culture

Inibsa's values are its DNA and define its culture: our business is built on the key pillars of customer commitment, integrity, simplicity, efficiency, teamwork, and corporate social responsibility. We promote a culture of honesty, accountability, transparency and care for people. That is why we have developed a ten-point code that embodies the core values of this cultural DNA, shaping our day-to-day activity and strengthening our human resources:

|                             |                         |                 |               |
|-----------------------------|-------------------------|-----------------|---------------|
| Be generous                 | Set yourself challenges | Learn           | Be kind       |
| Smile and make people smile | Work as a team          | Share           | Enjoy         |
| Say thank you               | Grow                    | Care for others | Be optimistic |

## Formal organisation

Grupo Inibsa is made up of different companies:

- ***Florestán***
- ***Urioso***
- ***Laboratorios Inibsa (Spain)***
- ***Inibsa Dental***
- ***Inibsa Ginecología***
- ***Laboratorios Inibsa (Portugal)***
- ***Shareholding in Ruspharm company (Russia)***

## Our relationships

### Relationship with our employees

Our People Department is responsible for defining, developing and implementing the management policies and processes required to maximise human potential: recruitment, onboarding and integration, training, development, remuneration, personnel administration, industrial relations, occupational safety, internal communication, corporate social responsibility, and effective gender equality.

### Industrial relations

Our industrial relations are governed by the General Chemical Industry Agreement. Within Grupo Inibsa, we have a Workers' Representatives Committee at Laboratorios Inibsa (trade unions represented by CCOO, UGT and USOC), a health and safety committee at Laboratorios Inibsa, and three personnel delegates at Inibsa Dental (trade union represented by CCOO), enabling us to encourage social interaction and build a better Inibsa for everyone.

### Communication

For Inibsa, communication is an important element that helps us to stay connected to all our stakeholders, both internal and external. We have created a communication map in which we have identified our stakeholders and the communication channels associated with each of them.

Internally, in recent years we have made great progress in communication, establishing new actions, tools and channels that have allowed direct, two-way engagement with all our collaborators. We have an internal app that allows us to talk to all our employees face-to-face, regardless of their position, work tools or location.

By implementing a suggestion box, we have encouraged continuous improvement and team spirit, enabling employees to propose projects or actions that will improve everybody's day-to-day work. As part of the company's digitalisation project, Inibsa has installed digital panels and TVs throughout the facilities to disseminate campaigns and corporate information to our collaborators.

Moreover, in 2022 we launched an intuitive modern website to meet the market's current needs, and restructured our digital strategy with a view to boosting our brand.

### Staff well-being

During 2022, Grupo Inibsa has focused on promoting the well-being of people and the efficiency of its processes. The projects now in progress in this area are:

- "Employee Experience" project that aims to work on the employee experience, defining actions to improve this experience and establish an internal value proposition.
- Project to improve the onboarding process. This has enabled the introduction of new tools in a "Welcome Pack" to streamline the onboarding process and foster a sense of belonging. New hires receive a comprehensive welcome package containing all the necessary information to guide them through their initial period at the company.
- Well-being project that implements measures to improve individuals' well-being, holistically considering all aspects involved: physical health, mental health, professional development, socio-occupational relationship, among others.
- Project to improve workplace presence and the well-being of everybody at Inibsa.

### Remuneration and social benefits policy

Our remuneration policy seeks to compensate our group's employees (salary, social benefits, etc.), upholding the principles of internal equity, external competitiveness and equal opportunities, all with a view to guaranteeing objectivity across all aspects defining the salary structure while preventing any gender-based inequalities.

Therefore, our remuneration policy aligns salaries and social benefits with job value, promotes market competitiveness, and aims to motivate and incentivise employees while attracting and retaining new talent.

This policy includes the variable remuneration and incentives policy, designed as a motivational tool to help meet goals by rewarding those personal contributions that directly help achieve them. These goals are directly related to the strategic goals set out in the Group's three-year Strategic Plans. 40% of employees are rewarded with variable pay or incentives.

### Recruitment and internal promotion policies

All job openings are available internally and promotion processes are opened in all positions in order for people to grow. At the same time, our recruitment policy aims to ensure that we bring the best people into the group for each post that is created.

At Inibsa, we are committed to promoting talent internally, offering people the opportunity to grow and develop as professionals within the Group through our professional development and performance review programmes.

## Organisation of working time and work-life balance

### Remote work policy

In light of the successful work-from-home experience during the COVID-19 pandemic, we have introduced a Remote Work Policy that gives all employees not stationed at the production plant (30% of

our workforce) the option to work from home for 40% of their work hours, equivalent to two days per week. This policy aims to provide employees with greater flexibility and to foster a balance between their professional and family lives.

Employees may voluntarily opt into the remote working policy, which remains valid for one year and is subject to a one-year extension. Employees, in consultation with their manager, determine the days they will work from home each week, with two conditions in place to foster group cohesion, teamwork and socialisation among workers. These conditions are that all department members are required to be present in the office simultaneously for two days each month, and each team must have a representative in the office every weekday.

Inibsa provides the essential tools for individuals to effectively perform their duties from home, along with reimbursement of monthly expenses.

### Digital disconnection

Inibsa has implemented a Digital Disconnection Policy to ensure employees' rest periods and to expressly acknowledge the right to digital disconnection after the workday concludes.

This policy is supplemented by a ten-point code of behaviour setting out how to put this policy into practice in everyday examples and activities. The aim of digital disconnection is to prevent psychosocial syndromes, such as burnout from chronic stress, techno-fatigue or anticipatory stress. The policy aims to improve occupational health, prevent computer fatigue, and also improve people's quality of life by focusing on their well-being.

### Organisation of working time

Working hours for everybody not involved directly on the production lines are a single shift from 7 a.m. to 2.50 p.m. (including a 20-minute break), with a flexible schedule, in accordance with each person's family situation. In the case of employees with children under 15 years of age, the flexible starting time is until 9.30 a.m., or 8 a.m. when there are no children in this age group.

All employees working on the production lines have fixed working shifts: morning, afternoon/evening or night. The established schedules and their flexibility at Inibsa prioritise the well-being of employees, playing a key role in promoting work-life balance.

### Equal opportunities and diversity

Grupo Inibsa has an Equal opportunities policy that guarantees real, effective equal gender opportunities, avoiding any type of gender discrimination in the workplace. Our goal is to foster a competitive, fair organisational culture by promoting equal opportunities for all.

To accommodate our employees' varied needs, we have adapted part of our facilities to help ensure accessibility for individuals with disabilities. We have people with diverse abilities on our staff.

We also count on the Protocol for preventing and treating situations of sexual and gender harassment and discrimination regulated in Art. 119 of the 20th General Chemical Industry Agreement. This outlines the duty to ensure proper, respectful, dignified treatment, safeguarding core labour rights, personal dignity, privacy and equal opportunities. Additionally, it promotes working conditions that prevent situations of sexual and gender harassment, and establishes specific procedures for prevention and for addressing any complaints or claims made by affected individuals.

## **Talent development**

In 2021, the skills-based management model was redefined and evolved into a Professional Development Plan (PDP). This new model focuses on the individual as the protagonist of their own development process. The new model seeks to ensure that people take the lead in their professional development, accompanied by their manager, who plays a crucial role in this process.

This new model includes a section for the individual to not only receive feedback from their manager but also to assess their role and the support they provide.

The PDP serves as a means to effectively manage the relationship between supervisors and employees, enabling productive discussions and decisions regarding the individual's current and future employment. In line with the plan, Inibsa carries out a thorough assessment of ten essential skills required for the role and for professional development within the company. The process helps identify areas for improvement, strengths, and current and future professional training and development needs. It also sets the goals of the development plan to be worked on in the current year, and, finally, offers the employee the chance to provide feedback to their line manager. Inibsa provides a ten-point code and instructions for this development plan to be carried out.

The new skills management model was introduced to the managers community (50 employees) in 2022, and is currently also being deployed for technicians and specialists

## **Training**

Inibsa tailors employee training to the specific subsidiary and business unit, as both the skills and preparation required to become the best professional depend on the context. That is why we propose adapted plans and methodologies.

The aim of the training plan for each unit is to determine the individual preparation requirements of all employees, promote progress in technical and skills development, assess the suitability of the training, offer an overview of the qualitative assessment of each completed training activity, and guarantee the whole process is correctly documented.

The training plan methodology classifies training actions according to when they are received. That is why there is initial training at the time of joining or when taking on a new role. There is also on-going

training, encompassing all individual or group training activities (both internal and external) that employees undertake during their professional development.

Initial training is received as part of the onboarding process, and is usually a series of meetings/trainings where the basic, essential and complementary aspects according to the job position and the business are taught. And it allows the new worker to be trained in specific processes and activities, according to the quality regulations in force.

In 2022, we have worked on implementing a more ambitious cross-company Training Plan, strengthening all training on regulations (GMP, OHS, Pharmacovigilance, etc.) and management skills. In 2022, particularly worthy of note is all the OHS training carried out for middle management and first intervention teams, as well as the manager training on improving team management.

Our training programme continues to use an online and remote format to enhance the learning experience for all roles. The group languages programme that was previously held in our offices has now been adapted to take place via Teams.

| Training plans developed and courses delivered |   |  |  |
|--|---|--|--|
| Cross-company training plan in GMP regulations | Pharmacovigilance                         | Cross-company OHS training   | OHS responsibility awareness training for managers |
| First-aid training                             | Emergency plan and fire response training | Skills development for managers  | Cross-company language programme                   |
| Cross-company technical training programme     | Office IT training                        | Cross-company reminder on Compliance and Code of Ethics (including the right to personal and family privacy, workers' rights, foreign citizens' rights). |  |

## Health and safety

The health and safety of our employees is of paramount importance for us, which is why we regularly carry out safety and internal health inspections together with prevention officers and the management team. We also conduct ongoing research and reports on any type of accident, incident or circumstance, in order to implement actions to mitigate hazards alongside those in charge. Moreover, we carry out studies and research to identify and assess any type of risk, coordinating our actions with the external occupational health and safety provider.

We also implement risk prevention measures and rules on the protection of workers from chemical agents. At Inibsa, we make assessments and reports adapted to each employee's specific special needs: altering the employee's personal and physical circumstances also alters the assessment of risk and the instruments used to mitigate it.

We also carry out hygiene measurements of chemical contaminants in the sterile area, PC laboratories and pellet production area. We are currently making progress on training the management team in OHS and in integrating it in their day-to-day work. We are also updating the emergency plan as a result of the company's latest refurbishments and building work.

This year, the Health and Safety Committee has addressed workplace accidents, organised medical check-ups and vaccination campaigns, ensured safety in parking and circulation, and managed drills, emergencies and false alarms. In addition, this year, one case of occupational disease was under investigation, but it was ultimately dismissed by the Mutual Insurance Company for Occupational Accidents and Diseases. Two cases of benefits related to pregnancy-related risk were also managed.

In 2022, the assessment of psychosocial risks was completed, and preventive measures were implemented for areas identified as requiring improvement.

Owing to the implementation of remote work for collaborators who do not need to be constantly present at Inibsa's facilities, we have maintained the use of a self-assessment format for remote working conditions through a questionnaire. Workers must use it to assess their remote place of work. Based on these results, we provide the tools and accessories necessary to carry out the professional activity, ensuring proper health and working conditions. We include a stand for the laptop, keyboard and mouse, along with specific visual instructions for setting up an ergonomic workspace to prevent musculoskeletal pain, fatigue and stress.



## Tables of results

### Environment tables

#### Energy consumption and greenhouse gas (GHG) emissions

| Energy consumption Year 2021 |                           | GHG emissions           |
|------------------------------|---------------------------|-------------------------|
|                              |                           | Scope 1                 |
| Natural gas                  | 204,470.00 m <sup>3</sup> | 0.99 tn CO <sub>2</sub> |
|                              |                           | Scope 2                 |
| Electricity                  | 7,316.38 MWh              | 1.89 tn CO <sub>2</sub> |
| Energy consumption Year 2022 |                           | GHG emissions           |
|                              |                           | Scope 1                 |
| Natural gas                  | 218,275.00 m <sup>3</sup> | 1.08 tn CO <sub>2</sub> |
|                              |                           | Scope 2                 |
| Electricity                  | 6,024.21 MWh              | 1.64 tn CO <sub>2</sub> |

#### Water consumption and efficiency

|           | Water consumption     | Annual water discharge savings |
|-----------|-----------------------|--------------------------------|
| Year 2021 | 62,141 m <sup>3</sup> | 9,273 m <sup>3</sup>           |
| Year 2022 | 61,431 m <sup>3</sup> | -290 m <sup>3</sup>            |

#### Energy efficiency

|           | Annual energy savings | Annual GHG emissions reduction |
|-----------|-----------------------|--------------------------------|
| Year 2021 | 0.3 GWh               | 120 tn CO <sub>2</sub>         |
| Year 2022 | 1.6 GWh               | 434 tn CO <sub>2</sub>         |

## Waste generation and management

| Waste without special treatment     | 2021     | 2022     |
|-------------------------------------|----------|----------|
| Plastic                             | 48.7 tn  | 23.0 tn  |
| Paper and card                      | 36.0 tn  | 50.1 tn  |
| Glass                               | 11.9 tn  | 18.0 tn  |
| Wood                                | 12.5 tn  | 10.1 tn  |
| Other pharmaceutical waste          | 133.3 tn | 158.7 tn |
| Non-selective                       | N/A      | 175.8 tn |
| <b>Waste with special treatment</b> |          |          |
| Contaminated glass                  | 1.5 tn   | 2.1 tn   |
| Other special waste <sup>1</sup>    | 20.2 tn  | 28.3 tn  |

<sup>1</sup> Inibsa treats any special waste that may be contaminated through specialised waste managers. Moreover, the category "Other special waste" contains special treatment waste such as toner, aerosols and solvents.

## Template tables

### Workforce in Spain by company

|                     | Year 2021  | Year 2022  |
|---------------------|------------|------------|
| Laboratorios Inibsa | 257        | 286        |
| Inibsa Dental       | 44         | 40         |
| Inibsa Ginecologia  | 3          | 1          |
| Urioso              | 4          | 3          |
| <b>TOTAL</b>        | <b>308</b> | <b>330</b> |

### Workforce in Spain by gender and professional category

|                  | Directors | Manager   | Technicians<br>and<br>Administrative<br>Staff | Operators and Analysts |
|------------------|-----------|-----------|---|------------------------|
| <b>Year 2021</b> |           |           |   |                        |
| Women            | 4         | 23        | 53  | 87                     |
| Men              | 6         | 30        | 71  | 34                     |
| <b>Total</b>     | <b>10</b> | <b>53</b> | <b>124</b>                                    | <b>121</b>             |

|                  | Directors | Manager   | Technicians<br>and<br>Administrative<br>Staff | Operators and Analysts |
|------------------|-----------|-----------|---|------------------------|
| <b>Year 2022</b> |           |           |   |                        |
| Women            | 4         | 22        | 46  | 110                    |
| Men              | 6         | 30        | 69  | 43                     |
| <b>Total</b>     | <b>10</b> | <b>52</b> | <b>115</b>                                    | <b>153</b>             |

### Workforce in Spain by gender and age range

| <b>Year 2021</b> | <b>&gt; 50</b> | <b>30 - 50</b> | <b>&lt; 30</b> |
|------------------|----------------|----------------|----------------|
| Women            | 55             | 106            | 6              |
| Men              | 39             | 94             | 8              |
| <b>Total</b>     | <b>94</b>      | <b>200</b>     | <b>14</b>      |

| <b>Year 2022</b> | <b>&gt; 50</b> | <b>30 - 50</b> | <b>&lt; 30</b> |
|------------------|----------------|----------------|----------------|
| Women            | 63             | 113            | 6              |
| Men              | 44             | 92             | 12             |
| <b>Total</b>     | <b>107</b>     | <b>205</b>     | <b>18</b>      |

### Workforce in Spain by type of contract and working day, and dismissals by gender

| Year 2021          | Women      | Men        |
|--------------------|------------|------------|
| Permanent contract | 164        | 140        |
| Temporary contract | 3          | 1          |
| Part-time          | 2          | 2          |
| Dismissals         | 3          | 5          |
| <b>Total</b>       | <b>167</b> | <b>141</b> |

| Year 2022          | Women      | Men        |
|--------------------|------------|------------|
| Permanent contract | 182        | 148        |
| Temporary contract | 0          | 0          |
| Part-time          | 5          | 5          |
| Dismissals         | 1          | 1          |
| <b>Total</b>       | <b>182</b> | <b>148</b> |

### Workforce in Spain by type of contract and working day, and dismissals by professional category

| Year 2021          | Directors | Manager   | Technicians and Administrative Staff | Operators and Analysts |
|--------------------|-----------|-----------|--------------------------------------|------------------------|
| Permanent contract | 10        | 53        | 118                                  | 123                    |
| Temporary contract | 0         | 0         | 1                                    | 3                      |
| Part-time          | 0         | 0         | 2                                    | 2                      |
| Dismissals         | 0         | 1         | 3                                    | 4                      |
| <b>Total</b>       | <b>10</b> | <b>53</b> | <b>124</b>                           | <b>121</b>             |

| Year 2022          | Directors | Manager   | Technicians and Administrative Staff | Operators and Analysts |
|--------------------|-----------|-----------|--------------------------------------|------------------------|
| Permanent contract | 10        | 52        | 115                                  | 153                    |
| Temporary contract | 0         | 0         | 0                                    | 0                      |
| Part-time          | 0         | 0         | 1                                    | 9                      |
| Dismissals         | 0         | 0         | 1                                    | 1                      |
| <b>Total</b>       | <b>10</b> | <b>52</b> | <b>115</b>                           | <b>153</b>             |

### Number of non-staff workers in Spain (annual average data/EFT)

| Year 2022         | TWAs | Interns | Suppliers |
|-------------------|------|---------|-----------|
| Employment Agency | 20   | 0       | 0         |
| Schools           | 0    | 2       | 0         |
| Contractors       | 0    | 0       | 2         |

### Workforce in Spain by type of contract and working day, and dismissals by age range

| Year 2021          | > 50      | 30 - 50    | < 30      |
|--------------------|-----------|------------|-----------|
| Permanent contract | 90        | 196        | 14        |
| Temporary contract | 3         | 4          | 0         |
| Part-time          | 4         | 0          | 0         |
| Dismissals         | 3         | 5          | 0         |
| <b>Total</b>       | <b>94</b> | <b>200</b> | <b>14</b> |

| Year 2022          | > 50       | 30 - 50    | < 30      |
|--------------------|------------|------------|-----------|
| Permanent contract | 107        | 205        | 18        |
| Temporary contract | 0          | 0          | 0         |
| Part-time          | 3          | 4          | 3         |
| Dismissals         | 0          | 2          | 0         |
| <b>Total</b>       | <b>107</b> | <b>205</b> | <b>18</b> |

### Average remuneration by gender

|                                | Women      | Men        |
|--------------------------------|------------|------------|
| Average remuneration year 2021 | €39,801.27 | €46,354.15 |
| Average remuneration year 2022 | €44,853.44 | €51,709.05 |

### Average compensation by occupational category

|                                | Directors and Managers | Technicians and Administrative Staff | Operators and Analysts |
|--------------------------------|------------------------|--------------------------------------|------------------------|
| Average remuneration year 2021 | €134,077.11            | €46,441.16                           | €31,272.84             |
| Average remuneration year 2022 | €132,036.88            | €55,333.07                           | €35,923.25             |

### Average remuneration by age range

|  | > 50 | 30 - 50 | < 30 |
|--|------|---------|------|
|--|------|---------|------|

|                           |            |            |            |
|---------------------------|------------|------------|------------|
| Average remuneration year |            |            |            |
| 2021                      | €44,254.08 | €42,949.10 | €32,357.62 |
| Average remuneration year |            |            |            |
| 2022                      | €49,991.59 | €48,211.41 | €32,148.51 |

### Global wage gap

|                | Year 2021 | Year 2022 |
|----------------|-----------|-----------|
| Gender pay gap | 14%       | 13%       |

### Hours of training by professional category

|                        | Directors | Manager | Technicians and<br>Administrative<br>Staff | Operators and Analysts |
|------------------------|-----------|---------|--|------------------------|
| Training hours 2021    | 372       | 2,089   | 4,355                                      | 809                    |
| Ratio / employees 2021 | 37.2      | 39.4    | 35.9                                       | 6.5                    |
| Training hours 2022    | 321       | 3,089   | 2,886                                      | 1,130                  |
| Ratio / employees 2022 | 40.1      | 59.4    | 21.0                                       | 8.2                    |

### Ratio of hours of training per person

|                           | Year 2021 | Year 2022 |
|---------------------------|-----------|-----------|
| Average hours of training | 24,7      | 23.0      |

### Investment in training

|   | Year 2021 | Year 2022 |
|---|-----------|-----------|
| Total investment in training <sup>2</sup> | €87,948   | €107,865  |

### Accident rate data

| Year 2021   | Women  | Men  |
|---|--------|------|
| Number of occupational accidents with sick leave <sup>3</sup> | 5      | 1    |
| Occupational diseases   | 0      | 0    |
| Frequency rate  | 17.98  | 4.06 |
| Severity rate   | 0.68   | 0.04 |
| Hours of absenteeism <sup>4</sup>                             | 36,821 |      |

<sup>2</sup> Includes investment in training at Laboratorios Inibsa & Ginecología and Inibsa Dental.

<sup>3</sup> Accidents travelling to/from work are not included.

<sup>4</sup> Accidents at work, occupational illnesses, common illnesses, non-occupational accidents, paid leave, maternity, paternity, delays and union hours are all included when calculating absenteeism.

|   |              |            |
|---|--------------|------------|
| Absenteeism rate  | 8.75%        |            |
| <b>Year 2022</b>  | <b>Women</b> | <b>Men</b> |
| Number of occupational accidents with sick leave <sup>5</sup> | 4            | 1          |
| Occupational diseases   | 0            | 0          |
| <b>Frequency rate</b>   | 12.97        | 3.99       |
| <b>Severity rate</b>  | 0.09         | 0.00       |
| Hours of absenteeism <sup>6</sup>                             | 40,045       |            |
| Absenteeism rate  | 8.42%        |            |

## Tax information tables

### Financial results (thousands of euros) Year 2021

|            | <b>Spain</b> | <b>Portugal</b> | <b>Russia</b> |
|------------|--------------|-----------------|---------------|
| Profits    | - €10,454    | €160            | €892          |
| Income tax | €5,145       | - €102          | -             |
| Subsidies  | €42          | -               | -             |

### Financial results (thousands of euros) Year 2022

|            | <b>Spain</b> | <b>Portugal</b> | <b>Russia</b> |
|------------|--------------|-----------------|---------------|
| Profits    | €52,919      | €651            | €8,459        |
| Income tax | -€6,480      | -€167           | -             |
| Subsidies  | €30          | -               | -             |

| <b>Contributions and donations</b> |           | <b>Spain</b> |
|------------------------------------|-----------|--------------|
| <b>Year 2021</b>                   | Donations | €39,500.00   |
| <b>Year 2022</b>                   | Donations | €2,193.88    |

<sup>5</sup> Accidents travelling to/from work are not included.

<sup>6</sup> Accidents at work, occupational illnesses, common illnesses, non-occupational accidents, paid leave, maternity, paternity, delays and union hours are all included when calculating absenteeism.

## About this Report

This document sets out non-financial information for Grupo Florestan (the "Group" or Inibsa) for the financial year 2022. Through this document, the Group responds to the Non-Financial Information and Diversity requirements of Act 11/2018 of 28 December.

The pages below provide details on the Group's environmental, social, personal, human rights, anti-corruption and anti-bribery initiatives, as stipulated by Act 11/2018 of 28 December, concerning disclosure of non-financial information. The policies and actions developed are outlined for every issue, as well as the risks associated with Inibsa's operations. Owing to their significant representation within the Group, the reported information pertains to Inibsa's presence in Spain, with details on Portugal and Russia provided in the relevant sections that are critical to the companies' activities, as indicated in the footnotes.

In addition, based on the results of the Group's materiality analysis, the following matters required by the law are not considered material: Food waste and Protection of biodiversity, as set out in the Table of Contents of the law.

The report has been prepared based on the **GRI** (*Global Reporting Initiative*) "Standards" version and its core option. The principles for defining the content and quality of the report as defined by GRI, as well as the principles of comparability, reliability, materiality and relevance as set out in the Non-Financial Reporting Act, have also been applied:

- **Inclusion of stakeholders:** work has been done on identifying them, and the report describes how their needs and expectations are met.
- **Sustainability context:** presents the organisation's performance within the broader contexts of sustainability.
- **Materiality:** the report sets out the organisation's significant economic, environmental and social impacts, or impacts that could substantially influence the judgements and decisions of stakeholders.
- **Exhaustiveness:** the report includes coverage and achievements associated with the identified material issues, enabling stakeholders to assess the organisation's performance.

Principles considered in defining the quality of the report:

- **Accuracy:** the information presented is both accurate and detailed.
- **Balance:** the report presents both positive and negative aspects of the organisation's performance.
- **Clarity:** information is in a form that is understandable and accessible to all stakeholders.
- **Comparability:** information has been selected, gathered and reported in a coherent manner. The information reported is presented in a way that allows stakeholders to analyse changes in the organisation's performance, and supports analysis relating to other organisations.
- **Reliability:** this report gathers, records, compiles, analyses and communicates the information and processes used for preparation, in order to enable review and assessment of their quality and the materiality of the information.



## Table of contents of the law

| Index of contents required by Act 11/2018   |             |   |  |
|---|-------------|---|--|
| Information requested by Act 11/2018  | Materiality | Paragraph of the report with the response   | Reporting criteria: Selected GRI<br>(Version 2021 if not otherwise stated) |
| <b>GENERAL INFORMATION</b>  |             |   |  |
| A brief description of the business model, including its business environment, organisation and structure.  | Material    | <i>We are Inibsa</i>  | GRI 2-6  |
| Markets where the company operates  | Material    | <i>Market presence</i>  | GRI 2-1<br>GRI 2-6   |
| Organisational goals and strategies   | Material    | <i>We are Inibsa; Our business; Market presence</i>                                       | GRI 2-22   |
| Key factors and trends that could affect the future outlook   | Material    | <i>Our business; Market presence</i>  | GRI 2-22<br>GRI 102-15 (2016)  |
| Reporting framework used  | Material    | <i>About this report</i>  | GRI 102-54 (2016)  |
| Principle of materiality  | Material    | <i>Our stakeholders and materiality analysis, About this report</i>                       | GRI 3-1<br>GRI 3-2   |
| <b>ENVIRONMENTAL MATTERS</b>  |             |   |  |
| <b>Management approach:</b> description and results of policies relating to these issues, as well as their main risks as linked to the group's activities                                   | Material    | <i>Protection of the environment; Our environmental management</i>                        | GRI 102-15 (2016)<br>GRI 3-3   |
| <b>Detailed general information</b>   |             |   |  |
| Detailed information on the current and foreseeable effects of business activities on the environment and, where applicable, on health and safety   | Material    | <i>Protection of the environment</i>  | GRI 102-15 (2016)  |
| Environmental assessment or certification procedures  | Material    | <i>Our environmental management approach</i>  | GRI 3-3  |
| Resources dedicated to preventing environmental risks   | Material    | <i>Note 22 of the Annual Accounts</i>   | GRI 3-3  |
| Application of the precautionary principle  | Material    | <i>Respect for the environment</i>  | GRI 3-3  |
| Number of provisions and guarantees for environmental risks   | Material    | <i>Note 22 of the Annual Accounts</i>   | GRI 3-3  |
| <b>Contamination</b>  |             |   |  |
| Measures to prevent, reduce or remedy emissions that seriously affect the environment; taking into account any form of activity-specific air pollution, including noise and light pollution | Material    | <i>Our environmental management; Responsible operations; Sustainable use of resources</i> | GRI 3-3<br>GRI 305-7 (2016)  |
| <b>Circular economy and waste prevention and management</b>   |             |   |  |

| Index of contents required by Act 11/2018  |              |   |  |
|--|--------------|---|--|
| Information requested by Act 11/2018   | Materiality  | Paragraph of the report with the response           | Reporting criteria: Selected GRI<br>(Version 2021 if not otherwise stated) |
| Measures for prevention, recycling, reuse, other forms of waste recovery and disposal  | Material     | Circular economy and waste management               | GRI 3-3<br>GRI 306-2 (2016)  |
| Actions to combat food waste   | Non-material |   |  |
| Sustainable use of resources   |              |   |  |
| Water consumption and supply according to local constraints  | Material     | Sustainable use of resources;<br>Environment tables | GRI 303-1 (2018)<br>GRI 303-4 (2018)<br>GRI 303-5 (2018)                   |
| Consumption of raw materials and measures taken for their efficient use  | Material     | Circular economy and waste management               | GRI 3-3<br>GRI 301-1 (2016)  |
| Direct and indirect energy consumption   | Material     | Sustainable use of resources;<br>Environment tables | GRI 302-1 (2016)   |
| Measures taken to improve energy efficiency  | Material     | Sustainable use of resources                        | GRI 3-3  |
| Use of renewable energy  | Material     | Sustainable use of resources                        | GRI 302-1 (2016)   |
| Climate change   |              |   |  |
| Greenhouse gas emissions generated as a result of company activities, including the use of the goods and services it produces                      | Material     | Responsible operations;<br>Environment tables       | GRI 305-1 (2016)<br>GRI 305-2 (2016)                                       |
| Measures taken to adapt to climate change  | Material     | Circular economy and waste management               | GRI 3-3  |
| Voluntary medium and long-term reduction targets set to reduce greenhouse gas emissions and measures implemented to this end                       | Material     | Responsible operations                              | GRI 3-3  |
| Protection of biodiversity   |              |   |  |
| Steps taken to preserve or restore biodiversity  | Non-material |   |  |
| Impacts caused by activities or operations in protected areas  | Non-material |   |  |
| COMPANY AND STAFF-RELATED MATTERS  |              |   |  |
| Management approach: description and results of policies relating to these issues, as well as their main risks as linked to the group's activities | Material     | Inibsa Team   | GRI 102-15 (2016)<br>GRI 3-3   |
| Employment   |              |   |  |

## Index of contents required by Act 11/2018

| Information requested by Act 11/2018   | Materiality | Paragraph of the report with the response  | Reporting criteria: Selected GRI<br>(Version 2021 if not otherwise stated) |
|--|-------------|--|--|
| Total number and breakdown of employees by country, gender, age, and professional classification   | Material    | Template tables  | GRI 2-7<br>GRI 405-1 b (2016)  |
| Total number and distribution of work contract types and average yearly number of open-ended contracts, temporary contracts and part-time contracts by gender, age and professional classification           | Material    | Template tables  | GRI 2-7  |
| Number of dismissals by gender, age and professional category  | Material    | Template tables  | GRI 401-1 (2016)   |
| Disaggregated average salaries and their evolution by gender, age, professional category or equal worth  | Material    | Template tables  | GRI 2-19<br>GRI 202-1 (2016)<br>GRI 405-2 (2016)                           |
| Salary gap, remuneration for the same/average jobs in the company  | Material    | Template tables  | GRI 3-3<br>GRI 405-2 (2016)  |
| Average compensation of board members and executive directors, including bonuses, allowances, indemnities, contributions to life insurance and pension plans, and any other concept, disaggregated by gender | Material    | Not reported   |  |
| Implementation of after-work disconnection policies  | Material    | People management policies and our Strategic Plan;<br>Organisation of working time and work-life balance | GRI 3-3  |
| Number of employees with disabilities  | Material    | Equal opportunities and diversity  | GRI 405-1 (2016)   |
| Number of workers who are not employees  | Material    | Template tables  | GRI 2-8  |
| <b>Organisation of work</b>  |             |  |  |
| Organisation of working time   | Material    | Organisation of working time and work-life balance   | GRI 3-3  |
| Number of hours of absenteeism   | Material    | Template tables  | GRI 3-3  |
| Measures intended to promote work-life balance and co-responsible parenting by both parents  | Material    | Organisation of working time and work-life balance   | GRI 3-3  |
| <b>Health and safety</b>   |             |  |  |
| Health and safety conditions at the workplace  | Material    | Health and safety  | GRI 3-3<br>GRI 403-1 (2018)<br>GRI 403-3 (2018)<br>GRI 403-7 (2018)        |
| Accidents at work, in particular their frequency and severity, as well as occupational diseases; disaggregated by gender   | Material    | Template tables  | GRI 403-9 (2018)<br>GRI 403-10 (2018)                                      |
| <b>Social relations</b>  |             |  |  |

## Index of contents required by Act 11/2018

| Information requested by Act 11/2018  | Materiality | Paragraph of the report with the response | Reporting criteria: Selected GRI<br>(Version 2021 if not otherwise stated) |
|---|-------------|---|--|
| Dialogue at the workplace, including procedures to inform, consult and negotiate with employees.  | Material    | <i>Industrial relations</i>               | GRI 3-3  |
| Percentage of employees covered by collective bargaining agreement per country  | Material    | <i>Industrial relations</i>               | GRI 2-30   |
| Balance of collective bargaining agreements, particularly in the areas of occupational health and safety  | Material    | <i>Industrial relations</i>               | GRI 3-3  |
| <b>Training</b>   |             |   |  |
| Training policies implemented   | Material    | <i>Training</i>                           | GRI 3-3<br>GRI 404-2 (2016)  |
| Total hours of training per professional category   | Material    | <i>Template tables</i>                    | GRI 404-1 (2016)   |
| <b>Universal accessibility</b>  |             |   |  |
| Universal accessibility for people with disabilities  | Material    | <i>Equal opportunities and diversity</i>  | GRI 3-3  |
| <b>Equal opportunities</b>  |             |   |  |
| Measures taken to promote equal treatment and equal opportunities for men and women   | Material    | <i>Equal opportunities and diversity</i>  | GRI 3-3  |
| Equal Opportunity Plans, measures adopted to promote employment, protocols against sexual and gender harassment   | Material    | <i>Equal opportunities and diversity</i>  | GRI 3-3  |
| Policy against all types of discrimination, with diversity management where appropriate   | Material    | <i>Equal opportunities and diversity</i>  | GRI 3-3  |
| <b>RESPECT FOR HUMAN RIGHTS</b>   |             |   |  |
| <b>Management approach:</b> description and results of policies relating to these issues, as well as their main risks as linked to the group's activities   | Material    | <i>Compliance and good governance</i>     | GRI 102-15 (2016)<br>GRI 3-3   |
| <b>Implementation of due diligence procedures</b>   |             |   |  |
| Application of due diligence procedures in the area of human rights, preventing the risk of human rights violations and, where appropriate, measures to mitigate, manage and repair any abuse                     | Material    | <i>Mechanisms for good governance</i>     | GRI 2-23<br>GRI 2-26   |
| Human rights violation reports  | Material    | <i>Mechanisms for good governance</i>     | GRI 3-3<br>GRI 406-1 (2016)  |
| Measures implemented to promote and comply with the basic ILO collective agreements regarding respect for freedom of association and collective bargaining; elimination of discrimination in employment and work; | Material    | <i>Mechanisms for good governance</i>     | GRI 3-3<br>GRI 407-1 (2016)<br>GRI 408-1 (2016)<br>GRI 409-1 (2016)        |

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|---|-------------|---|--|
| Information requested by Act 11/2018  | Materiality | Paragraph of the report with the response | Reporting criteria: Selected GRI<br>(Version 2021 if not otherwise stated) |
| elimination of forced or compulsory labour;<br>effective abolition of child labour  |             |   |  |
| <b>FIGHT AGAINST CORRUPTION AND BRIBERY</b>   |             |   |  |
| <b>Management approach:</b> description and results of policies relating to these issues, as well as their main risks as linked to the group's activities | Material    | <i>Mechanisms for good governance</i>     | GRI 102-15 (2016)<br>GRI 3-3   |
| Measures taken to prevent corruption and bribery  | Material    | <i>Mechanisms for good governance</i>     | GRI 3-3<br>GRI 2-23<br>GRI 2-26<br>GRI 205-2 (2016)<br>GRI 205-3 (2016)    |
| Measures to prevent money laundering  | Material    | <i>Mechanisms for good governance</i>     | GRI 3-3<br>GRI 2-23<br>GRI 2-26<br>GRI 205-2 (2016)<br>GRI 205-3 (2016)    |
| Contributions to foundations and non-profit organisations   | Material    | <i>Tax information tables</i>             | GRI 2-28<br>GRI 201-1 (2016)   |
| <b>INFORMATION ABOUT THE COMPANY</b>  |             |   |  |
| <b>Management approach:</b> description and results of policies relating to these issues, as well as their main risks as linked to the group's activities | Material    | <i>Commitment to health</i>               | GRI 102-15 (2016)<br>GRI 3-3   |
| <b>The company's commitment to sustainable development</b>  |             |   |  |
| The impact of the company's operations on local employment and development  | Material    | <i>Commitment to health</i>               | GRI 3-3<br>GRI 203-2 (2016)<br>GRI 204-1 (2016)                            |
| The impact of the company's operations on local populations and the territory   | Material    | <i>Commitment to health</i>               | GRI 413-1<br>GRI 413-2   |
| Relations with local community stakeholders and the manner of dialogue  | Material    | <i>Commitment to health</i>               | GRI 2-29<br>GRI 413-1  |
| Partnership or sponsorship actions  | Material    | <i>Commitment to health</i>               | GRI 3-3<br>GRI 201-1   |
| <b>Subcontracting and suppliers</b>   |             |   |  |

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|---|-------------|---|--|
| Information requested by Act 11/2018  | Materiality | Paragraph of the report with the response | Reporting criteria: Selected GRI<br>(Version 2021 if not otherwise stated) |
| Inclusion of social, gender equality and environmental issues in the procurement policy                 | Material    | <i>Responsible supply chain</i>           | GRI 3-3  |
| Consideration of social and environmental responsibility in relations with suppliers and subcontractors | Material    | <i>Responsible supply chain</i>           | GRI 2-6<br>GRI 308-1 (2016)<br>GRI 414-1 (2016)                            |
| Supervision systems and audits and their results  | Material    | <i>Responsible supply chain</i>           | GRI 2-6<br>GRI 308-2 (2016)<br>GRI 414-2 (2016)                            |
| <b>Consumers</b>  |             |   |  |
| Measures to promote consumer health and safety  | Material    | <i>Quality in our products</i>            | GRI 3-3<br>GRI 416-1 (2016)  |
| Complaint procedures, complaints received and complaint resolution                                      | Material    | <i>Quality in our products</i>            | GRI 3-3<br>GRI 418-1 (2016)  |
| <b>Tax information</b>  |             |   |  |
| Profits earned country-by-country   | Material    | <i>Tax information tables</i>             | GRI 3-3  |
| Taxes on profits paid   | Material    | <i>Tax information tables</i>             | GRI 3-3  |
| Public subsidies received   | Material    | <i>Tax information tables</i>             | GRI 201-4 (2016)   |