STADA Sustainability Report 2023

Caring for People's Health as a Trusted Partner

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01 Content presented in the Section 1 and Section 3 (limited to 30 selected GRI KPIs, marked green) has been audited by independent auditor, which is summarized in its report at the end of this sustainability report.
02 Environmental, social and governance (ESG)

Sustainability at STADA

SECTION 1

WELCOME TO THE THIRD EDITION OF STADA'S GLOBAL SUSTAINABILITY REPORT, SHOWCASING OUR EXCEPTIONAL JOURNEY TOWARD SUSTAINABILITY

Dear readers,

This report is a testament to the integration of sustainability into our business DNA, driven by our purpose of "Caring for People's Health as a Trusted Partner." As the world undergoes change, with shifts in the environment, society, medical needs, and patients' demands, we recognize the need to adapt proactively to the challenges of modern times. Our aim is to build a resilient company that acknowledges our greater responsibility in safeguarding people's health.

Despite external challenges, including geopolitical conflicts and economic pressures, we have sustained a double-digit growth trend through our unique culture, and I am incredibly proud of the group's exceptional performance in 2023. It is equally gratifying to see sustainability leadership emerge as one of our top 10 business objectives, fostering a growth culture. For STADA, being sustainable is not merely a checkbox but a way of life and doing business. Our sustained progress has positioned STADA among the top 6% of the most sustainable pharmaceutical companies globally, as validated by an independent assessment from Sustainalytics. This reflects our commitment to working as a trusted partner with customers, regulators, and capital market stakeholders, establishing a solid foundation for sustained success.

Above all, I am proud of our diverse team of over 11,700 individuals from 89 nations, creating a multicultural, inclusive working environment that is integral to our success. It is no surprise that we have been once again recognized as a Top Employer. Our reliance on the talent of our global workforce to create, develop, produce, and distribute accessible, high-quality medicines is paramount to our continued progress in improving lives, good health and wellbeing as outlined in our focal SDG 3.

Throughout 2023, we achieved numerous successes across the 115 countries we serve. Though I could share our business results in numbers, it's best to delve into our ESG journey through this report. Join us as we showcase our dedication to advancing health and building a more secure future. From The Health Tour in Italy to promote prevention and healthy lifestyle, refurbishing kindergartens in Hungary, digitalization of products' leaflets in Spain, supporting The Red Cross in Germany, offering mental health support in Serbia via "A Cup of Coffee with a Psychologist" events, to becoming Top Employer in Europe again and establishing our first global Caring Day at STADA aimed at blood donation and saving people's lives - through numerous initiatives undertaken by STADA's affiliates, you will be inspired by our efforts to enhance the environment, society, and overall performance while minimizing impact and maximizing sustainable opportunities.

We have also embarked on an innovative approach to bring our vision for the future of the pharmaceutical industry closer to people through STADA EXPO. This unique experience, a mobile multimedia exhibition hosted in four refurbished shipping containers, has offered an engaging platform to connect with our stakeholders. If you missed its 2023 European roadshow, be sure to catch the upcoming second roadshow, where we look forward to welcoming you.

At STADA, sustainability is ingrained in all that we do. Join us on the journey toward a better future, beginning with a healthier lifestyle.

Sincerely,
Peter Goldschmidt
CEO, STADA

About STADA[3]

STADA Arzneimittel Aktiengesellschaft (STADA Arzneimittel AG)[4] as the parent company of the STADA Group (hereafter referred to as STADA) is a leading healthcare and pharmaceuticals company in the fields of Consumer Healthcare, Generics and Specialty medicines.[5]

STADA ranks as the fourth-largest player by value in Europe in the market for Generics and OTC Medicines according to IQVIA. In financial year 2023, the Group generated sales of € 3,734.8 million (+14%) and EBITDA of € 802.0 million (+19%) from continuing operations, adjusted for special items and currency effects.[6]

Building on its mission of Caring for People's Health as a Trusted Partner, supported by its four core values Integrity, Agility, Entrepreneurship and One STADA, as well as based on proven platform, the Group launched around 880 products on the market in 2023. STADA's pipeline of new products provides further opportunities as markets grow, supported by 95 licensing deals concluded during 2023. STADA has a strong track record of growth, and seeks to grow its business and further improve profitability by internationalizing successful products.

STADA's portfolio is based on three main business segments:

Consumer Healthcare – comprises non-prescription medicines with regulatory status as over-the-counter (OTC) medicine or medical devices, cosmeceuticals and cosmetics, vitamins, minerals & supplements and also certain consumer products such as the household disinfectant Zoflora. Consumer Healthcare (CHC) products are marketed, in addition to the product features, with a focus on awareness and trust in the product or company brand as well as endorsement[7] by healthcare professionals (e.g., pharmacists or doctors). While the Group has well-established brands with leading positions in their respective markets, the CHC portfolio is diversified with the top ten consumer healthcare products accounting for 24% of total sales in the CHC segment in 2023. The top ten STADA's selling CHC brands (and their respective therapeutic areas) in 2023 were: Grippostad (cough & cold), Nizoral (derma), Zoflora (disinfectants), Paracetamol STADA (pain relief), Snup (cough & cold), Ibuprofen STADA (pain relief), Silomat (cough & cold), Hirudoid (pain relief), Covonia (cough & cold) and Venoruton (pain relief).

Generics – comprises prescription drugs sold under an International Non-Proprietary Name (INN Generics). Generics (Gx) offer a lower-cost therapeutically equivalent alternative to often more expensive pharmaceutical originator products. Most of the products in the Generics segment require a prescription and are typically dispensed through pharmacies, clinics and hospitals. The Generics market is generally characterized by regulated pricing, with competition driven by the reliability of supply and cost competitiveness. Patent expirations of originator drugs feed the product pipeline in the Generics segment, allowing the Company to leverage its distribution channels and local market knowledge to launch new products. The Generics portfolio is diversified, with the top ten products accounting for approximately 18% of sales in the Gx segment in 2023. The top ten STADA's selling products (and their respective therapeutic areas) in this segment in 2023 were: Tilidine (pain relief), Amoxiclav (antibiotics), Atorvastatin (cardio), Pantoprazole (gastro), Ezetimibe (cardio), Omeprazole (gastro), Olmesartan (cardio), Candesartan (cardio), Bisoprolol (cardio) and Rosuvastatin (cardio).

03 Business reorganization in the STADA Group: STADA carried out a business reorganization in financial year 2023. In this context, STADA transferred its shareholdings in the former Russian subsidiaries to Nidda Lynx S.a r.l., a holding company based in Luxembourg and held by Nidda Midco S.a r.l., in September 2023. Since that time, the Russian companies are no longer subsidiaries of the STADA Group. In principle, reporting date-based key figures as of the end of financial year 2023 do not include "discontinued operations", up to their deconsolidation at the end of September. Flow-based key figures, on the other hand, continue to include "discontinued operations". If these principles do not apply to certain key figures or disclosures, this is explicitly indicated (e.g. in an explanatory footnote).

04 It is a stock corporation under German law, and not listed on any stock exchange. Based in Germany and with its registered office (headquarter) in Stadastraße 2–18, 61118 Bad Vilbel. The list of entities (subsidiaries) included in STADA's sustainability reporting is compatible with its audited Annual Report (including financial report) and could be found at https://www.stada.com/media/8669/fy2023-annual-report-stada.pdf (p.128-131; including share of capital and form of consolidation). STADA is active in pharmaceutical and healthcare sectors.

05 More information on STADA's business and financial results could be found in its Annual Report 2023 (p. 27, 45, 145, etc.) available here.

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07 Generic pharma products also support access to medicines opportunities being more affordable so lowering the pressure on healthcare system.

Specialty - comprises the following three product sub-classes: a) Branded generics, i.e. prescription generics which, as opposed to INN Generics, are sold under a brand/fantasy name; b) Specialty generics and value added medicines in accordance with the definition from IQVIA, i.e., prescription drugs for chronic, complex or rare diseases[8], and c) Biosimilars, i.e. biologic medical products that are almost an identical copy of an original product made by a different company. Unlike generic drugs of the more common small-molecule type, biosimilars contain active substances from a biological source such as living cells or organisms – Biosimilars include insulins, growth hormones and monoclonal antibodies ("mabs"). Developers of biosimilars are required to demonstrate through comprehensive comparability studies with the 'reference' biological medicine that their biological medicine is highly similar to the reference medicine, and that there are no clinically meaningful differences between the biosimilar and the reference medicine in terms of safety, quality and efficacy.

The Group strives to continuously expand its existing range of products in the Specialty segment. The top ten Specialty products accounted for approximately 59% of sales in the segment in 2023. These top ten brand names in the Specialty segment 2023 (with their corresponding reference product) were: Silapo (epoetin zeta) biosimilar to Eprex/Erypo anaemia biologic APO-go (apomorphine) Parkinson's disease medication marketed in several countries, also under the brand names MOVAPO and APOKYN; Oyavas (bevacizumab) biosimilar to Avastin oncology brand; Movymia (teriparatide) biosimilar to Forsteo osteoporosis treatment), Lecigon (levodopa/carbidopa/entacapone) pump for advanced Parkinson's disease; Hukyndra (adalimumab) biosimilar to Humira immunology original; Versartis (lidocaine) pain-relief patches; Bortezomib STADA subcutaneous, ready-to-use injectable cancer therapy; Ocrevus (ocrelizumab) in-licensed multiple sclerosis brand; Kinpeygo (budesonide) orphan medicine for rare kidney disease IgA nephropathy.

08 For which three of the following six criteria must be met: (I) high annual costs, (II) initiated and maintained by a specialist for drug therapy, (III) special procedure required (refrigerated, frozen, other biohazard), (IV) reimbursement assistance required, (V) limited distribution, (VI) extensive monitoring or comprehensive patient counseling required.

Quick Facts Sheet 2023

CONTINUOUS DEVELOPMENT:

ALMOST
130
YEARS

of growth and development of a trusted pharmaceutical brand. 17 production sites in 11 countries in Europe and Asia.[9]

DISTRIBUTING ITS PHARMACEUTICAL PRODUCTS IN 115 COUNTRIES WITH DIRECT PRESENCE IN ALL MAJOR EUROPEAN MARKETS, AS WELL AS IN GROWTH MARKETS IN THE MENA REGION, ASIA AND AUSTRALIA.

PORTFOLIO:

Generics (prescription medicines or Gx), Consumer Healthcare (non-prescription pharmaceuticals or CHC) and Specialty (including biosimilars) products. Sales structure CHC 40 % (+17% compared to 2022), Generics 40% (+6% compared to 2022), Specialty 20% (+25% compared to 2022).[10]

- **Diversified portfolio includes more than 24,000 individual packages and SKUs covering many therapeutic areas with many category leaders.**
- **STADA's products cover 22% of the WHO listed medicines or 122 out of 544 medicines listed.[11]**

PEOPLE:

WITH THEIR SKILLS, KNOWLEDGE AND COMMITMENT,
STADA'S EMPLOYEES FORM THE FOUNDATION OF THE COMPANY'S CULTURE.

ABOUT
11,667
EMPLOYEES

(▲10,859 in 2022),[12] employees, from 89 countries, represent the One STADA family in more than 50 countries worldwide within STADA's business operations.

GENDER BALANCE:

52% SHARE OF WOMEN in management levels.

PRODUCTION:

1.1 billion
PACKS SUPPLIED;

609 million
PACKS PRODUCED IN-HOUSE.

DOUBLE-DIGIT SALES AND PROFIT GROWTH:
In total, the strong combined performance of the Consumer Healthcare, Generics and Specialty segments resulted in STADA reporting a 14% rise in adjusted sales in 2023, significantly above the market average. Commercial agility and tight cost discipline contributed to a 19% increase in adjusted EBITDA.[13]

INVESTMENTS (EUR)[14] / TOTAL 321.9 MILLION (276.6 MILLION IN 2022):

45% (37% IN 2022)
INVESTMENTS
in property, plant and equipment or 145.0 million (101.1 in 2022) or 3.9% of Group sales (3.1% in 2022).

55% (63% IN 2022)
INVESTMENTS
in intangible assets or 176.7 million (175.5 million in 2022).

09 Founded in March 1895 in Dresden, Germany. Detailed STADA's history is available here.
10 Reference: STADA Annual Report 2023, available at https://www.stada.com/investor-relations/financial-publications/annual-report-2022 p. 30.
11 Including least-developed countries (LDCs), low-income countries (LICs), low-middle income countries (LMICs) and upper middle income countries.
12 11,667employees as of the balance sheet data (based on full-time employees as of December 31, 2023); reference STADA Annual Report 2022, p. 93.
13 More details could be found in STADA Annual Report 2023, available here, p.17,19.
14 Reference: STADA Annual Report 2023, available here, p. 33 and p. 51.

Peter Goldschmidt
Chairman of the Executive Board/CEO

Simone Berger
Chief People Officer (CPO)

Miguel Pagan Fernandez
Chief Technical Officer (CTO)

Boris Döbler
Chief Financial Officer (CFO)

Yann Brun
Executive Vice President, Head of Global Development, Portfolio, Regulatory and Business Development/Licensing

Dr. Christoph Dengler
Executive Vice President Global Legal

Dr. Stephan Eder
Executive Vice President Western Europe & Germany

Christos Gallis
Executive Vice President Eastern Europe

Stéphane Jacqmin
Executive Vice President Emerging Markets

Bryan Kim
Executive Vice President Global Specialty Pharmaceuticals

Frank Staud
Executive Vice President Global Communications, Branding & Sponsoring

Volker Sydow
Executive Vice President Global Consumer Healthcare

STADA Arzneimittel AG has a two-tiered board structure with an Executive Board and a Supervisory Board. The STADA Executive Board which consists of Peter Goldschmidt (CEO), Boris Döbler (CFO), Simone Berger (CPO) and Miguel Pagan Fernandez (CTO) is the highest governance and decision-making body and manages the business.[15] It is supported in this by the STADA Executive Vice Presidents of important business lines, functions and representatives of all geographies of the Group together forming an extended management team – the STADA Executive Committee (SEC). The SEC, is headed by the Chairman of the Executive Board/CEO, Peter Goldschmidt. The competence and diversity in the SEC team ensure that STADA takes the best decisions for the company.

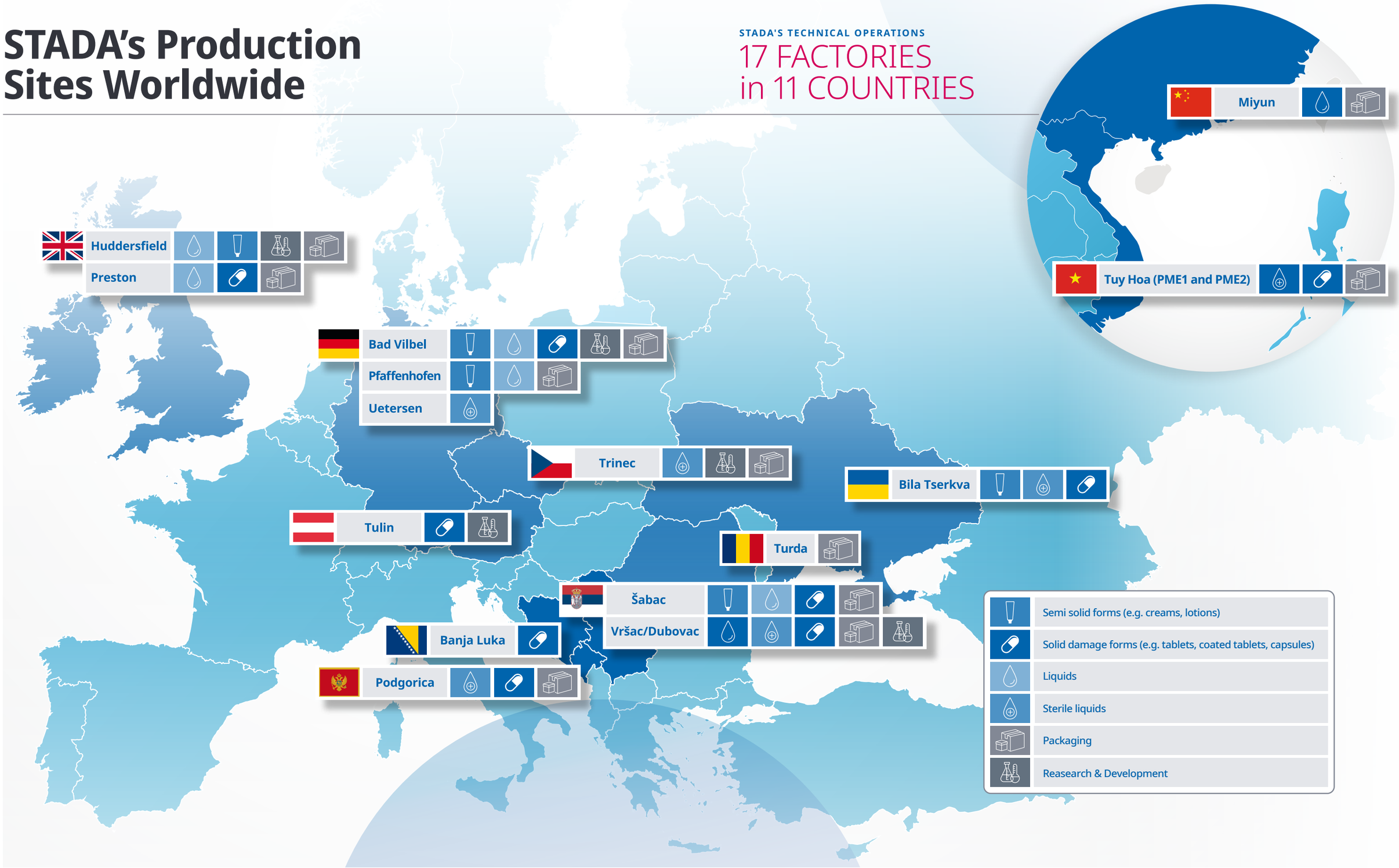
The Supervisory Board is a non-executive Board and consists of nine members, of whom six members are shareholder representatives and three members are employee representatives. The Supervisory Board monitors and advises the Executive Board in the running of its business operations and appoints and dismisses the members of the Executive Board (CEO, CFO, CPO, CTO).

15 Changes in the SEC in 2023: Executive Vice Presidents Carsten Cron (Emerging Markets) and Roger Scarlett-Smith (UK/US) left the SEC while Stephane Jacqmin (Emerging Markets) and Christos Gallis (Eastern Europe) joined it.

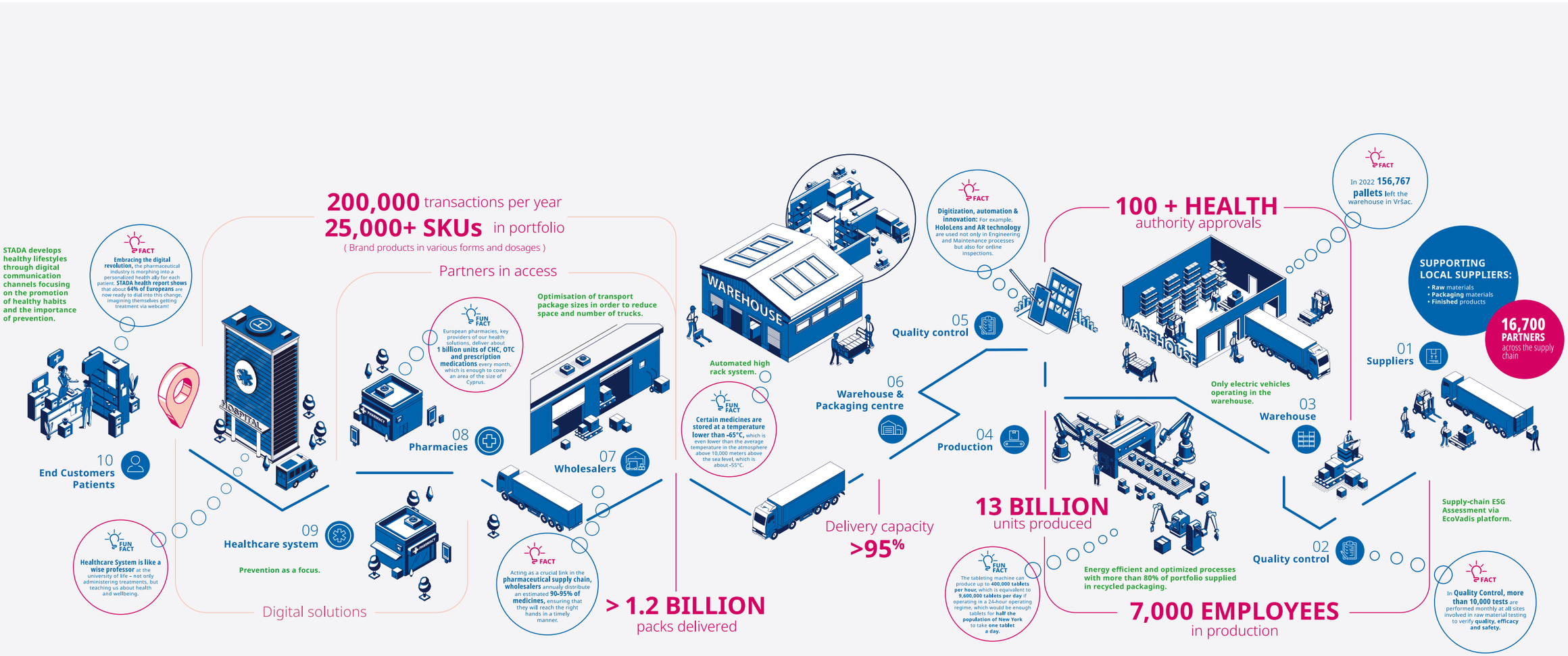
STADA's Production Sites Worldwide

STADA'S TECHNICAL OPERATIONS

17 FACTORIES in 11 COUNTRIES



STADA's Production and Supply Chain[16,17]



16 *Types of suppliers and partners include - indirect, incl. services and direct, incl. CMOs, APIs, excipients, packaging materials, while the number of STADA's suppliers and partners around the world amount at total of 15.845 (16,700 in 2022). In 2023 STADA continued to build its new packaging center in Turda (Romania) that would be operating in 2024 and improve access to medicines. Also, its supply chain changed with divestment of NextGen and Nizpharm.*

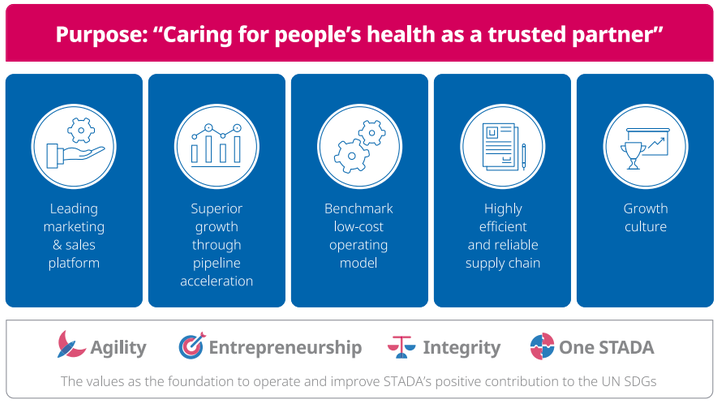
17 *Data presented on the visual originate from the mobile exhibition STADA EXPO, showing company profile with ESG performance reference for 2022; the project was launched in 2023 through the roadshow in Serbia, Romania, Montenegro and Bosnia-Herzegovina. Data variation on the visual may occur due to the fiscal year or deconsolidation of STADA's business operations, that is described in more details within Section 1 of this Report.*

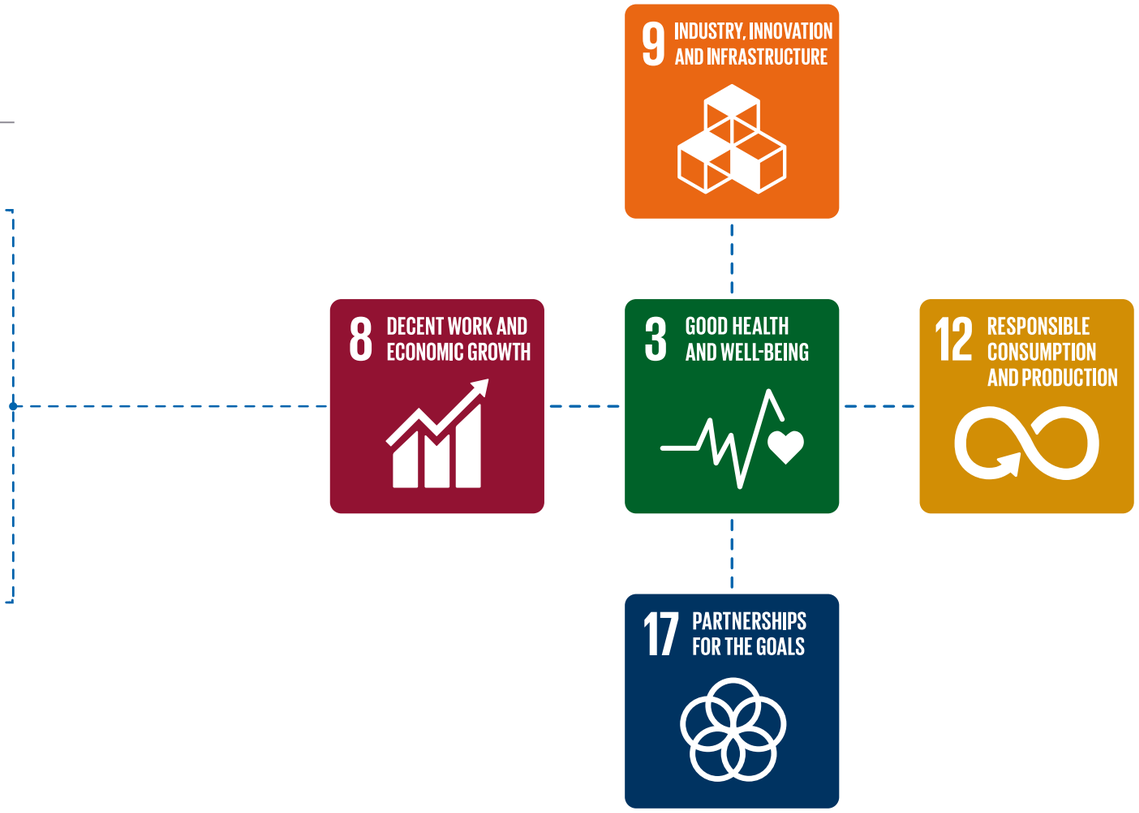
STADA's ESG commitments through supporting SDGs

STADA supports the United Nations Sustainable Development Goals and Ten Principles of the UN Global Compact. It joined the UN Global Compact in 2021 and is active in its local chapters in Germany and Serbia. The Group pledges itself to responsible and sustainable corporate governance, with the support of its top management and its ESG commitments defined in the Sustainability & ESG Commitments Policy. STADA introduced its global Sustainability Policy in 2021, while the updated and extended version (Sustainability and ESG Commitments Policy) was launched end 2022. The current version brings STADA's sustainability commitments divided into E, S and G segments in order to stress out and make tangible all important ESG aspects. The policy is available to all STADA employees on the Intranet, in the section Compliance & Policies/ Global Policies. and published on STADA webpage.

In line with its business priorities, purpose, and values, STADA focuses on five of the 17 UN Sustainability Development Goals, to which the Group makes a relevant contribution.

STADA, together with its suppliers, tries to play a part in fulfilling the SDGs, by supporting one of the global agendas for improving ESG impacts and saving resources while caring for the society. Especially, the aim of promoting healthy lifestyles and well-being at all ages is where sustainable development as a concept and STADA as a company converge. In line with its business priorities, purpose, and values STADA supports meeting the following SDGs:





SDG 3: Ensure healthy lives and promote well-being for all at all ages.

What this means for STADA:
For STADA personal sustainability means good health and well-being (SDG 3). This is reflected in STADA's purpose and enabled through a portfolio of products and relevant pieces of advice in line with preventive education.

STADA's material topics:
- Portfolio development
- Access to medicines
- Transparency and ethical marketing

SDG 8: Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

What this means for STADA:
STADA strives to offer fair and supportive working conditions to its employees. This enables achieving sustainable economic growth (SDG 8).

STADA's material topics:
- Fair working conditions
- Employee engagement and retention
- Employee development
- Diversity, inclusion & gender equality
- Occupational health and safety

SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

What this means for STADA:
For a better health, STADA constantly improves its product portfolio and production infrastructure (SDG 9) together with its employees, stakeholders, and local communities.

STADA's material topics:
- Product quality and safety
- Portfolio development
- Access to medicines
- Responsible procurement

SDG 12: Ensure sustainable consumption and production patterns.

What this means for STADA:
To achieve positive ESG impacts, STADA is setting its own targets and ensuring compliance with regulatory requirements, while striving to be more sustainable in its operations (SDG 12).

STADA's material topics:
- Resource consumption and waste
- Decarbonization and climate change
- Sustainable products

SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development.

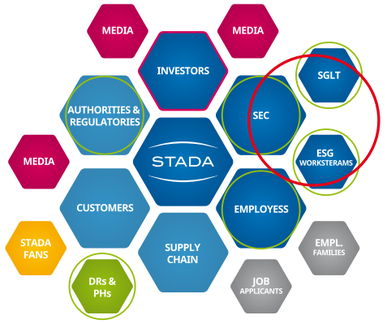
What this means for STADA:
STADA leads active dialog with its stakeholders and initiates new partnerships to meet the SDGs addressed by STADA's operations (SDG 17).

STADA's material topics:
- Governance and ethical business
- Corporate culture and values
- Respect for human rights
- Data privacy and security
- CSR and support to public healthcare

Stakeholder Dialogue

In its strategies, STADA focuses on ESG areas where it can foster measurable and positive impacts, while trying to neutralize and/or minimize its possible actual or potential negative impacts, on the community in which it operates, enabling a clear measurement of progress on the way to achieving the company's vision.

Seeking to gather feedback and opinions from its stakeholders, STADA annually collects their feedback on its upstream and downstream ESG impacts (in accordance with double materiality concept) with the aim to evaluate the impacts of its business from an internal but alsoexternal angle and from the point of view of stakeholders. In order to define material topics for sustainability reporting, STADA SSC[18 19] with key internal and external stakeholders, define stakeholder groups to be addressed within annual stakeholder engagement cycle, together with potential material topics and relevant impacts. The first cycle of stakeholder dialogue STADA organized during Q3 and Q4 2021, while the second one was initiated in Q4 2022 and fully executed in Q1 and Q2 2023. In December 2023, STADA extended its stakeholder dialogue for its Sustainability Report by inviting 45 Sustainability Country Coordinators (SCC)[20 21] as well as selected STADA SEC



STADA stakeholders addressed in the third dialog cycle(marked green 2022/23 + red Q4 2023)

members to reflect on STADA's impacts, risks and opportunities in connection to the material topics, proving the topics' ranking achieved in the previous stakeholder dialogue cycle in earlier 2023. This extended stakeholder dialogue represents STADA's third cycle of stakeholder dialogue (finalized in December 2023).

The second stakeholder dialogue serves as a basis for reviewing material topics, while the third round of dialogue is designed as an additional check of the ranking of topics from the previous round of evaluation.[22]

Methodology used for the third stakeholder dialogue in December 2023 consisted of: facilitated workshops – 2 workshops executed in English language with more than 45 participants, online survey (in English language) using the Google Form Questionnaire as well as additional consultations per country/region of SCCs.

In understanding its ESG performance, outlook and future commitments, STADA is already working hard on building the infrastructure for the upcoming CSRD reporting, in line with the CSRD gap assessment completed in 2023. This process is expected to have have an impact on even more detailed creation, implementation and management of the entire process of assessment of double materiality and relations both to stakeholders and to impacts, risks and opportunities related to material topics and the company's operations. Based on the CSRD principle of double materiality evaluation, the first subsequent stakeholder dialogue will be established.

18 STADA Sustainability Steering Committee (SSC) is in charge for locating potential material topics for materiality assessment based on STADA ESG Outlook, which they also regularly update. SSC consists of three (out of four Executive Board members): CFO, CTO, CHRO and the SEC members: General counsel, Head of Global Communication and Head of Global CHC and Executive Vice President Eastern Europe SSC analyses relevant sustainability aspects and their potential future implementation within business operations, considering ESG inputs from shareholders who are very active in ESG and put focus on this important business aspect. SSC made the list of ESG impacts, risks and topics, while the SEC confirmed the list enabling further progress with executing stakeholder dialogue. Stakeholder groups for the dialogue 2022/23 were also confirmed by STADA SEC.

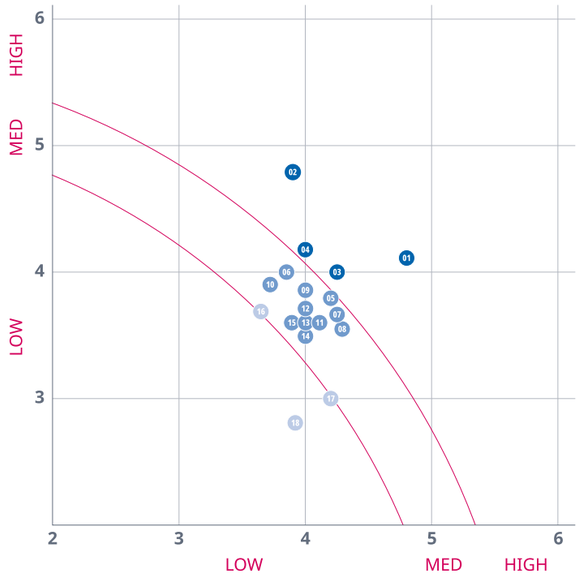
19 STADA SEC confirmed all strategic ESG actions. This body confirms the sustainability policy, defined by the SSC and officially approved by the CEO, as well as all topics and aspects of sustainable development, including potential material topics.

20 Sustainability Country Coordinators (SCC) represent dedicated local representatives in STADA's affiliates that would support its global ESG program (STADA Global ESG Program or SGEP) and sustainability reporting. In January 2024, STADA plans to organize two workshops for the SCCs on how to understand defining and prioritizing stakeholders and how to approach double materiality process with understanding and evaluating upstream and downstream impacts, risks and opportunities. The SGEP would be supported by issuing internal ESG handbook as a knowledge base on sustainability and lessons learned collection from sustainability reporting back in 2012 till now. Since the SGEP was launched in December 2023, more details on its mission and activities would be published in the next STADA reports.

21 SCC representatives worked together with their local teams in evaluating/ranking impacts, risks and opportunities in upstream and downstream context via Google Form Questionnaire, bringing together around 120 respondents. The response rate was at a high level of around 89% (85% in 2022).

22 The second stakeholder dialog cycle involved both internal and external stakeholders (a total of about 200 stakeholders) , who analyzed potentially material topics: SEC members, Sustainability Reporting Workstream members, Global Internal Communications members, SGLT (STADA Global Leadership Team) members, Key Opinion Leaders – representatives of the pharmacies, and UN Global Compact members. Methodology used for stakeholder dialogue in 2022 consisted of: facilitated workshops , online survey (in English language) using the SLIDO poll tool, as well as online survey (in English and German languages) using customized poll compatible with the SLIDO version.

Materiality Matrix and Material Topics



Final Ranking	Material Topic	ESG Category
01	Product quality and safety	G
02	Fair working conditions	S
03	Respect for human rights	G
04	Transparency and ethical marketing	G
05	Corporate culture and values	S
06	CSR and support to public healthcare	S
07	Governance and ethical business	G
08	Employee engagement and retention	S
09	Data privacy and security	S
10	Access to medicines	G
11	Occupational health and safety	S
12	Responsible procurement	G
13	Employee development	S
14	Sustainable products	E
15	Portfolio development	G
16	Diversity, inclusion and gender equality	S
17	Resource consumption and waste	E
18	Decarbonization and climate change	E

The third cycle of the stakeholder dialog at STADA involved the assessment of the same 18 topics, like in the second cycle, aimed at full alignment and comparability of tracking sustainable development of the company.

The topics are listed above, illustrating double materiality or their impact on STADA's business and STADA's footprint on the society and the environment.

After executing stakeholder dialogue and collecting feedbacks, all proposed topics were found as material. Also, the ranking of material topics remains the same as in the previous stakeholder dialogue cycle. STADA's intention to put more focus on "S" (social) and "G" (governance) aspects was confirmed as reasonable by the outcome of the materiality assessment process and the final ranking of material topics. Product quality and safety was ranked again as the topic with highest impacts, while Social and Governance topics have remained high on the list of priorities, while Environmental topics remained with a lower priority[23].

23 Lower priority of these Environmental topics does not illustrate a decrease of their significance or importance, but a lower level of potential impacts on STADA and from STADA compared to the baseline materiality assessment from 2021 sustainability reporting that was not based on double materiality assessment.

Managing Material Topics[24]

The assessment of the external ESG impacts on the company, as well as the internal ESG impacts of the company on society and the environment adds to shaping STADA's sustainability efforts and its ESG journey.

The potential positive and negative impacts in both indicated directions have been considered in the stakeholder dialogue process, in connection with the relevant materiality topics. The three levels of impact – low, medium, and high – have been defined. A low impact, regardless of whether it is positive or negative, does not have a significant impact on the company's business, as well as on the business footprint on society and the environment, while the medium level implies an impact the consequences of which raise the need for moderate preventive and corrective actions (in case of negative impact) or affirmative footprint (in case of positive impact). A high level negative impact could affect STADA or its environmental and social footprint to a certain extent, with expected efforts for prevention or mitigation, while a high level positive impact[24] is an ideal scenario that STADA strives for through the defined ESG goals. Impacts for reporting were prioritized according to stakeholders' feedbacks collected in the process of stakeholder dialogue in 2023. Also, some new impacts were identified and presented in the following chart below, together with adequate STADA's response for managing its impacts.

STADA'S POTENTIAL ESG IMPACTS LINKED TO MATERIAL TOPICS

STADA'S RESPONSE	Upstream (outside-in or impact/influence on business)			MATERIAL TOPIC	Downstream (inside-out or impact/influence on the environment and society)			STADA'S RESPONSE
	High Impact (H)	Medium Impact (M)	Low Impact (L)		Low Impact (L)	Medium Impact (M)	High Impact (H)	
Better and more agile planning; identifying alternative suppliers.	(L) Potential shortage of raw materials.			PRODUCT QUALITY AND SAFETY			(H) Offering benefits for improved prevention and good therapy.	Maintaining the level of product quality and safety according to laws, pharmaceutical standards, procedures in the company, while respecting user expectations and improvements if and where possible.
Strictly following all applicable regulations and procedures, with focus on pharmacovigilance.		(M) Withdrawal of product as a consequence of changed regulative.				(M) Withdrawal of product as a consequence of changed regulative.		Strictly following all applicable regulations and procedures, with focus on pharmacovigilance.
Using EcoVadis platform for ESG suppliers' assessment, together with education and motivation of suppliers and partners.		(L) Improving of respect for fair working conditions within STADA's supply chain and partners.		FAIR WORKING CONDITIONS		(M) Development of skilled and motivated team with better output; in parallel general improvement of labor market.		Constant development of human resources and working environment for constant improvement of "S" aspect of ESG, as an enabler of employee satisfaction and motivation.
						(L) Gender Gap in providing the same working conditions to female and male employees for the same job positions.		Regular Gender Gap/Equal Pay assessments to prove equal working conditions to all employees based only on their expertise and the level of engagement.
Improvement of education on this topic within the Group and its supply chain.	(L) Lack of respect for human rights.			RESPECT FOR HUMAN RIGHTS			(L) Improvement of respect for human rights.	Education on respect for human rights and compliance. Whistleblowing policy being available to all employees.
Strictly following laws and regulations with proactive legal and compliance assessment within own operations and the supply chain.		(L) Non-compliance with laws and regulations.		TRANSPARENCY AND ETHICAL MARKETING			(H) Developing knowledge and responsibility in prevention and leading healthy lifestyle.	Sharing scientifically backed pieces of information of prevention and health improvement potentials through personal engagement and responsibility together with sharing instructions on adequate therapy and responsible drug using in accordance with laws.
Proactive alignment with trends and regulations with industry benchmarking.		(L) Change / development of business practice with new expectations of potential employees (peers, Gen Z, etc.).		CORPORATE CULTURE AND VALUES			(H) Personal development of employees, together with rising their motivation and satisfaction.	Regular pulse surveys for employee satisfaction. Constant investments in human capital development.
Transparent approach to CSR and decision making process.		(L) Lack to support all potential projects and vulnerable groups.		CSR[26] AND SUPPORT TO PUBLIC HEALTHCARE			(H) Improving local communities and public healthcare systems.	Constant scanning of public healthcare needs for support, together with patient groups.
Constant assessment of operations and suppliers' interactions by legal and compliance functions.		(M) Non-compliance with laws and regulations of own operations or within supply chain.		GOVERNANCE AND ETHICAL BUSINESS			(H) Improvement of employee education and overall business standards.	Constant development of global corporate policies to meet ESG and other ethical standards.
Constantly benchmarking business peers and potential employees' expectations (i.e. Gen Z).		(L) Lack of talents and motivation.		EMPLOYEE ENGAGEMENT AND RETENTION			(M) Human capital constant development with overall improvement of pharma branch professionals.	Constant investment in employee training and development.
Constant improvement of IT security, together with education of employees on this topic.		(M) Hacker attacks.		DATA PRIVACY AND SECURITY			(M) IT security infrastructure development and capacity building.	Compliance with all applicable laws and regulations (i.e. GDPR).

[24] Upstream and downstream perspectives were not used here to illustrate aspects of the value chain but to differentiate between external and internal perspectives. This applies to the whole chapter and the table below, as well as referent GRI KPIs in the Section 3 unless stated differently.

[25] Including: 1) Gender Gap in providing the same working conditions to female and male employees for the same job positions; 2) Pay gap in compensation (salary) for female and male employees for the same job positions; 3) Improving circularity and circular economy initiatives and 4) Improving ESG mindset of STADA itself and within its supply chain including decarbonization and climate change.

[26] Corporate Social Responsibility

STADA'S RESPONSE	Upstream (outside-in or impact/influence on business)			MATERIAL TOPIC	Downstream (inside-out or impact/influence on the environment and society)			STADA'S RESPONSE
	High Impact (H)	Medium Impact (M)	Low Impact (L)		Low Impact (L)	Medium Impact (M)	High Impact (H)	
Suppliers' reliability improvement. Better engagement with stakeholders in mapping AtM needs and healthcare requirements.	(M) Shortage of medicines and lack to meet all tangible requirements of healthcare systems.			**ACCESS TO MEDICINES (AtM)**	(M) Improvement of access to medicines program with offering more potentials in affordable prevention and therapy.			Proactive approach to realizing patients' needs as well as potentials to support availability of medicines through efforts of healthcare systems and patient groups.
					(L) Lack of meeting all requirements of patient groups and healthcare system in further improvement of AtM programs.			Closer and more frequent stakeholder engagement in predicting future needs within AtM aspects.
Full compliance with laws and regulations with agile risk and prevention management system.	(M) Improved HSE practices via new legislation, standards and/or education.			**OCCUPATIONAL HEALTH AND SAFETY**	(M) Improved OHS practices via new policies, procedures and/or education.			Proactive risk and prevention management system, trainings and audits/reviews.
Using EcoVadis platform for ESG suppliers' assessment, together with education and motivation of suppliers and partners.	(M) Overall improvement of ESG performance within business sector with positive selection of ESG reliable and compliant suppliers.			**RESPONSIBLE PROCUREMENT**	(M) Overall improvement of ESG performance within supply chain, together with more reliable and sustainable suppliers.			Using EcoVadis platform for ESG suppliers' assessment, together with education and motivation of suppliers and partners.
Full alignment with laws and regulations, together with following all tangible HR trends.	(L) Change of regulations and jobs' architecture, together with new market demands (Gen Z).			**EMPLOYEE DEVELOPMENT**	(M) Further digitalization in employee trainings to offer more potentials and options for all.			IT and practice infrastructure development, together with industry and trends benchmarks.
					(H) Creating and leading personal career development plans for employees.			Customizing growth and development options based on personal profiles and potentials.
					(L) Lack of providing all potentially applicable kinds of education to each employee, due to budget limitations.			Better budget planning and allocation of resources.
Full alignment with laws and regulations, together with following all tangible ESG trends and consumer needs.	(M) Change of regulatory requirements to propose more sustainable aspects of products and packaging.			**SUSTAINABLE PRODUCTS**	(M) Further development of sustainable products and packaging, together with portfolio optimization, based on 5R logic.			Proactivity in realizing ESG trends and customer needs, combined with industry benchmarks.
Full compliance with laws and regulations.	(L) Change of regulation to influence portfolio development.			**PORTFOLIO DEVELOPMENT**	(H) New prevention and therapy options through modern and affordable portfolio.			Scientifically backed predictiveness and market analysis in order to meet healthcare demand on time.
					(L) Lack of particular products or launch delay.			Planning on time and full compliance with laws and regulations, enabled by reliable supply chain.

STADA'S RESPONSE	Upstream (outside-in or impact/influence on business)			MATERIAL TOPIC	Downstream (inside-out or impact/influence on the environment and society)			STADA'S RESPONSE
	High Impact (H)	Medium Impact (M)	Low Impact (L)		Low Impact (L)	Medium Impact (M)	High Impact (H)	
Full compliance with laws and regulations. Continuous education and close engagement with all relevant stakeholders.			(L) Lack of respect for diversity inclusion and gender equality.	**DIVERSITY, INCLUSION AND GENDER EQUALITY**	(M) Improvement of respect for diversity inclusion and gender equality.			Trainings of employees and partners, together with constant improvement of fair working conditions. Promotion of D&I.
					(L) Pay gap in compensation (salary) for female and male employees for the same job positions.			Regular Gender Gap/Equal Pay assessments to prove equal working conditions to all employees based only on their expertise and the level of engagement.
Full compliance with laws and regulations with adequate planning based on proactive risk management.			(L) Lack of resources and need to switch to alternatives due to external factors and/or legislative changes.	**RESOURCE CONSUMPTION AND WASTE**	(M) Further improvement of environmental footprint by more efficient processes, green resources and employees' behavior.			Continuously improve environmental performance of our sites and partners.
					(M) Improving circularity and circular economy initiatives			Initiating circular economy mindset and encouraging employees and supply chain to initiate circularity ideas, projects and initiatives.
Proactive planning and processes optimization, with full regulatory compliance.		(M) Rising costs of regulatory demand and/or non-compliance with laws and regulations.		**DECARBONIZATION AND CLIMATE CHANGE**	(L) Not meeting external stakeholder expectations and foreseeable regulatory trends.			Proactive GHG management along long-term reduction targets.
Advocating for ESG and its full integration into business strategies. Developing people's mindset about ESG through projects and activities like STADA EXPO.		(M) Improving ESG mindset within supply chain including decarbonization and climate change.			(M) Improving STADA's performances in ESG including decarbonization and climate change			Initiating entrepreneurial ESG mindset among employees and encouraging them to propose ESG ideas, initiatives and projects.

LEGEND	**POSITIVE**	**NEGATIVE**
	LIKELIHOOD TO OCCUR: Low probability · Medium probability · High probability	
	The focus of this assessment is on potential impacts, while in parallel monitoring of possible actual impacts is constantly being carried out. Also, all negative impacts that could potentially occur between two cycles of materiality assessment are being analyzed and managed through STADA's Risk Management System.	
NOTES	**In addition to the aforementioned impacts, global increase in energy prices, as well as turbulence on the international market due to the war in Ukraine and military operations in Gaza, with its accompanying humanitarian and economic consequences, were identified as significant and growing impacts for the business environment to affect future business and ESG strategies. No high-level negative impacts were identified in 2023.**	

MANAGEMENT OF MATERIAL TOPICS IS STRUCTURED ALONG THE MAIN E, S OR G PILLARS		
ASPECT	**MATERIAL TOPICS**	**MANAGEMENT OF MATERIAL TOPICS**
		Economic, environmental, and social topics are being analyzed through regular monthly business review withing the leading global functions (e.g. Technical Operations, Culture & People) and quarterly meetings of the Sustainability Steering Committee. Feedback on ESG aspects and topics is collected from STADA stakeholders through annual dialogs. Relevant ESG aspects and actions to be taken are communicated to STADA SSC, with responsible board members who make final decisions on the activities to be undertaken, including sustainability reporting. The ESG performance is also presented to investors and shareholders via a specialized dashboard.
E	• ***Sustainable products*** • ***Resource consumption and waste*** • ***Decarbonization and climate change***	Environmental aspects are centrally steered by the Global HSE function through global environmental standards/guidance; setting global and local targets and supporting the local operations with adaptation and implementation. HSE performance and risk reporting is integrated into the monthly business performance review process to the CTO. The locations have implemented local processes (e.g. certified ISO 14001 management systems) to ensure compliance with environmental laws and to continuously improve their environmental performance based on Group-wide requirements. Product-related aspects are addressed by integrating e.g. packaging aspects into product development or to review and improve existing products.
S	• ***Fair working conditions*** • ***Corporate culture and values*** • ***CSR and support to public healthcare*** • ***Employee engagement and retention*** • ***Data privacy and security*** • ***Occupational health and safety*** • ***Employee development*** • ***Diversity, inclusion and gender equality***	STADA's personnel strategy is managed centrally at Group headquarters in Bad Vilbel. A renaming also took place here in 2023. The "Human Resources" department was renamed "Culture & People" (C&P). The focus of Culture & People was on the core areas of "Global Performance & Rewards", "Talent Management", "Talent Acquisition & Employer Branding" and "People Analytics & Digital Experience". These departments specify standards, guidelines and processes that are implemented by the international subsidiaries and supplemented in accordance with market-specific conditions. In view of a strong centrally-managed international Culture & People structure, there are also functional reporting lines from all regional HR managers to the global Culture & People leadership, as well as a global Culture & People management team with local representatives from the largest market regions. STADA reinforced its Equal Pay Commitment: The company treats people as the foundation and ensures equal opportunities at all levels of the organization. Therefore, STADA is developing programs and establishing practices that enable diversity, uniqueness, and gender equity in our workplaces. For STADA, not gender but performance is the driver to differentiate pay and the organization firmly commits to the principle of equal pay for equal or comparable work. STADA is dedicated to the implementation of the UN 2030 Agenda, thus making Pay Equity a key people priority across all functions. STADA offers its employees both performance-oriented as well as demand and market-oriented compensation. STADA's German employees are covered by the Federal Employers' Association for the Chemical Industry (BAVC) collective agreement and its benefits. Social security for employees is an important part of the corporate culture. For this reason, STADA offers a wide range of voluntary additional benefits. In Germany, these include payments or subsidies for the commute to the workplace, supplementary occupational disability insurance in the chemical industry (BUC) for every employee covered by collective agreements and those covered by similar agreements, the promotion of the Chemie-Pensionfonds, as well as group accident insurance which also covers private accidents. Vocational training and development at all hierarchical levels helps to secure and strengthen the company's competitiveness. STADA therefore attaches great importance to training and development. Occupational health & safety (OHS) is managed centrally by the Global HSE function which is defining global OHS standards / guidelines as well as global and site-level targets, is managing OHS reporting and incident investigation and knowledge sharing across the local OHS functions. The sites have implemented local processes (e.g. certified ISO 45001 management systems) to ensure compliance with applicable laws and to continuously improve their OHS performance based on Group-wide requirements.
G	• ***Product quality and safety*** • ***Respect for human rights*** • ***Transparency and ethical marketing*** • ***Governance and ethical business*** • ***Access to medicines*** • ***Responsible procurement*** • ***Portfolio development***	Product quality and safety are in the focus of STADA's business operations. To ensure product quality and safety, STADA complies with legal requirements and guidelines in its development activities or, in the case of local developments, with the respective national requirements. In addition, for the planning and execution of clinical trials, the Group follows so-called Good Clinical Practice (GCP). STADA follows Good Manufacturing Practices (GMP) guidelines at its production sites subject to GMP. As part of a Group-wide global pharmaceutical safety system – the STADA Global Pharmacovigilance System – the safety of all STADA pharmaceuticals worldwide is monitored and ensured through the collection and evaluation of reported pharmaceutical risks and/or suspicion on adverse drug reactions. For the global leadership team, there were monthly video conferences with the CEO as well as two in-person meetings in the spring and fall of 2023, focusing not only on strategic updates but also on corporate culture. At such calls and meeting all important governance and business topics are being presented in detail and discussed in order to achieve fully aligned action of further top-down implementation. Legal and Compliance business function sets organizational and procedural structure and provides advice to the business while the Internal Audit function is assessing all STADA's operations in order to provide full alignment with corporate policies and business ethics, as well as all applicable laws, standards and regulations. Values (incl. principles and standards with norms of behavior) are included as KPIs for each STADA management member on all levels. This is being evaluated each year and affects personal targets and achievements assessment.

Risk Management

STADA's Group-wide risk management system, including ESG risks, aims to ensure the systematic and forward-looking handling of non-financial and financial risks.[27]

STADA's risk management system is based on the international risk management standard COSO II Enterprise Risk Management – Integrated Framework (2004) and has been adapted to STADA's requirements. It fulfills the legal requirements of an early warning system in accordance with Section 91 (2) of the German Stock Corporation Act (AktG) and audit standard IDW PS 340. All departments at STADA AG and all operative affiliates of STADA are linked to the risk management system so that – in addition to the investigation and assessment of risks – comprehensive risk monitoring is possible. Generally, for each recorded risk, indirect effects of the risk are assessed and presented in addition to the direct effects on a quantitative level. The inclusion of indirect effects ensures that non-financial risks are also recorded in such a way that their indirect, financially measurable effects can be determined and mapped in the risk management system.

RISK MANAGEMENT PROCCESS

The STADA Group risk management process is composed of the following phases:

01 **Identification**

02 **Measurement**

03 **Control**

04 **Monitoring**

05 **Aggregation**

06 **Reporting**

The Risk Management System is subject[28] to annual external audits, as well as internal audits in periodical intervals.

[27] More details about STADA Risk Management can be found in STADA's Annual Report 2023 / Risk Report, starting on page 66.
[28] Aligned with Sections 289 Paragraph 4 and 315 Paragraph 4 HGB (Germany's commercial code and accounting standards for how companies must prepare and report financial statements).

STADA ESG Outlook

FOR STADA, ESG AS A CONCEPT OF AFFIRMATIVE DEVELOPMENT OF ENVIRONMENT AND SOCIETY AND AN APPROACH TO RESPONSIBLE BUSINESS, BECOMES MORE AND MORE IMPORTANT EVERY YEAR, TOGETHER WITH ITS EFFORTS TO PAY SPECIAL ATTENTION TO BUSINESS' AND PRODUCTS' FOOTPRINTS AND IMPACTS.

STADA is continuously striving to improve its approach to ESG, especially in anticipation of the upcoming implementation of CSRD.

In 2023, STADA published its second Global Sustainability Report on the financial year 2022, disclosing its commitments to sustainable future and support in fulfilling selected SDGs. STADA's ESG outlook includes multiple aspects, compatible with its global Sustainability & ESG Commitments Policy:

ENVIRONMENTAL:

Environmental Management
STADA's commitment to environmental issues is evident through its efforts to reduce its carbon footprint, responsible use of resources and waste generation. In this respect, STADA focuses primarily on its technical operations and production, and optimizing product aspects as packaging, but at the same time it strives to raise the level of awareness and responsibility on this topic within its supply chain and among the end users of its pharmaceutical products.

Sustainable Procurement
STADA will continue to develop and improve its responsible procurement processes to manage potential risks in its supply chain. This involves working with suppliers to foster environmental and social standards and increase awareness while using EcoVadis© as ESG rating platform to assess suppliers and make joint effort of lowering environmental risk while improving environmental impacts. With its Business Partners Code of Conduct,[29] STADA sets binding standards on human rights, environmental matters and ethical standards with partners in its direct sphere of influence.

SOCIAL:

People development and Respect for Human Rights[30]
At STADA, fostering people development and respect for human rights are fundamental pillars of the business model, as the company is committed to nurturing an inclusive workplace environment that promotes personal and professional growth, while upholding the highest standards of human rights. STADA issued a statement of principles on its Human Rights Strategy in accordance with Section 6 (2) of the German Supply Chain Act (LkSG) in December 2023 that describes fundamental Human Rights principles that the company considers as the priority for its industry and the whole STADA Group. It also expects to be observed by its employees in STADA's own business operations as well as its business partners in the supply chain. The declaration was passed by the STADA Executive Board.[31]

Labor Relations and Safety
STADA is maintaining rigorous safety and quality standards, as well as investing in training and development of all its employees.

Access to Medicines[32]
As a producer of consumer healthcare, generic and specialty medicines, STADA is well-positioned to positively impact health and well-being with a broad portfolio of affordable medications for multiple health conditions. The company's efforts in widening access to essential medicines can foster better social outcomes.

Community Initiatives
STADA continues to engage in corporate social responsibility (CSR) initiatives, such as supporting local communities, healthcare education and medical research.

GOVERNANCE:
(including Compliance)

Corporate Governance
STADA maintains a robust two-tiered corporate governance structure with an Executive Board and a Supervisory Board. The company emphasizes transparency, risk management, compliance, and ethical business practices.

Corporate Compliance, Code of Conduct and Ethics
STADA adheres to a strong code of conduct and ethics, including guidelines on anti-corruption, insider trading compliance, and fair competition. Compliance with these guidelines is vital in ensuring internal and external trust.

Stakeholders Management
STADA engages with shareholders, customers, and employees through various channels, ensuring an open dialogue and balancing the interests of all stakeholders. Annual Stakeholder Dialogue for materiality assessment is a vital part of STADA's stakeholder engagement efforts.
Overall, STADA is expecting to have a positive ESG outlook. However, it is essential to regularly monitor the company's ESG performance, as well as external factors and regulatory changes that may impact its long-term sustainability.

29 *202412_stada-business-partners-code-of-conduct.pdf*
30 *Respect for Human Rights represents an important pillar of STADA's relationship to people (its employees and supply chain). Since it is enabled by governance, it would be elaborated as an asset of "G" aspect within ESG concept in this Report (or with SDG 17).*
31 *Supply Chain Act | STADA and stada_human_rights_statement_lksg_dec_2023.pdf*
32 *Access to Medicines represents an important social aspect from external perspective, but since it is enabled at STADA by governance (internal perspective), it would be elaborated as an asset of "G" aspect within ESG concept in this Report (or with SDG 3 and SDG 9).*

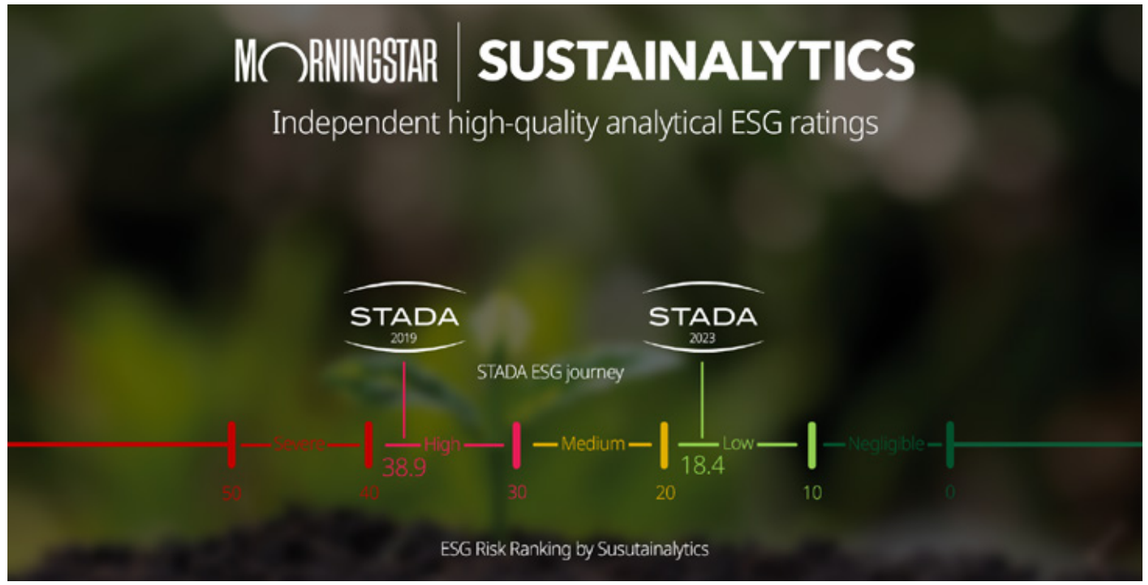
In 2023, STADA improved its global sustainability approach by extending its Sustainability Policy 2.0, relevant SDG targets, and a link to the Group's business strategy. After the SEC defined ESG KPIs in order to follow future improvements, the second global STADA Sustainability Report was published as an illustration of STADA's sustainability journey and a benchmark to integrate sustainability aspects more systematically into its business processes. All STADA's efforts to improve its ESG performance, goals and commitments, together its striving to improve transparency, potentially contributed to improvement of ESG rating from Sustainalytics:[33]

2021 STADA launches sustainability reporting program

2022 STADA ranks among top 10% of pharma firms on sustainability

2023 STADA ranks among top 6% of pharma firms on sustainability

ESG RISK RATING HISTORY



Assessing STADA for the first time as 'low risk' in its Environmental, Social and Governance (ESG) Risk Ratings, independent agency Sustainalytics in December 2023 ranked STADA among the top 6% of all companies within its Pharmaceuticals sector, comprising almost 900 companies appraised in terms of ESG risk. "STADA Arzneimittel AG's management of ESG material risk is strong," Sustainalytics stated in improving STADA's risk rating from 22.2, or "medium risk" in December 2022, to 18.4, or "low risk", in December 2023. This assessment was based on a comprehensive framework of more than 70 management indicators designed to provide an in-depth analysis of a company's ESG strengths and weaknesses.

The Group is aware that it needs to continue that journey by defining areas for improvement from its 2022 ESG outlook and achievements, such as:

33 *Source: Sustainalytics. Copyright © 2023 Sustainalytics. All rights reserved.*

ESG AREA	PARTICULAR TOPIC	STADA'S Commitments for 2023	STADA'S Achievements in 2023 / Commitments for 2024
E	CARBON EMISSIONS	**Pursue -42% decrease of carbon emissions (2020-2030) to support the 1.5°C target incl. increase of renewable energy & energy efficiency, following Paris Agreement.**	**Achievement in 2023:** • Reduction of absolute carbon emission by ~ - 25% (2020 – 2023) • Evaluation and calculation of STADA's Scope 3 emissions (2022) **Commitments for 2024:** • Continue reducing carbon emissions in line with long-term target • Define scope 3 target
	SUSTAINABLE PRODUCTS AND PACKAGING	**Full implementation of 5R strategy while designing products and packaging:** ***REMOVE, REDUCE, REUSE, RECYCLE, REFILL.***	**Achievements in 2023:** • Launch of 'Packaging @ STADA' intranet section • Development of 'EcoDesign Guideline' and further initiatives **Commitment for 2024:** • Further develop internal processes to embed sustainability aspect in product development process
S	DIVERSITY / GENDER EQUALITY	**Continue to increase the % of women in management positions at all 3 management levels**	**Achievements in 2023** • % of women at all management levels remained above 50% **Commitments for 2024** • To keep the % of women at all management levels on the same level
	SAFETY AT WORK	**Increase the safety performance and achieve STADA's LTIR Target below 0.4**	**Achievements in 2023:** • LTI Rate of 0.28 achieved **Commitments for 2024:** • LTI Rate < 0.35 in 2024
G	RESPONSIBLE PROCUREMENT	**Build and start the roll-out of our responsible procurement approach in 2023 as a basis from which to establish more precise targets**	**Achievements in 2023:** • Further implementation of responsible procurement approach and > 700 of our prioritized suppliers assessed by EcoVadis • Publishing of STADA Business Partner Code of Conduct **Commitments for 2024:** • Further implementation of 'Responsible Procurement' processes
	ESG STRATEGY DEFINITION AND DATA REPORTING	**Harmonize and improve global ESG data tracking of all relevant parameters**	**Achievements in 2023:** • Second full Sustainability Report 2022 published in 2023 (audited by PwC with limited assurance) • Further improved external rating by 'Sustainalytics' (ESG Risk Rating = 18.4, Dec. '23) **Commitments for 2024:** • Issue STADA Sustainability Report for 2023 • Continue to implement ESG projects/ actions and improve external ESG ratings • Implementation of CSRD requirements for future CSRD reporting • Executing CSRD gap analysis with infrastructure development for future CSRD reporting

NOTES: Commitments are made compared to reference areas and topics presented in the Second Global STADA Sustainability Report for 2022 as well as STADA's Annual Report 2023 and are used as a reference for comparisons to the development of internal ESG programs (presented in Sustainability Report for 2023).

At the end of 2023 STADA launched its new ESG Dashboard for monthly reporting with clear quantitative targets set along ESG categories. This would further improve not only managing ESG in its business operations, but improving the level of transparency towards STADA's key stakeholders.
In 2024/25, STADA will re-visit and further extend its Sustainability Roadmap by including potential additional topics and associated ESG aspects. Therefore, STADA plans to invite a wider number of internal and external stakeholders, defined within its stakeholder mapping, to the fourth cycle of stakeholder dialogue in 2024 and 2025. Also, the company aims to align its future ESG activities with the principles and requirements of CSRD for the upcoming sustainability reports.[34]

[34] *Until full integration with CSRD, STADA would base its reporting on the GRI standard.*

STADA's Contribution to SDGs

SECTION [35]

[35] *This section was not subject to the assurance engagement.*

UN SDG 3

GOOD HEALTH & WELL-BEING

FRANK STAUD

Executive Vice President Global Communications, Branding and Sponsoring

BESIDES ITS WIDE PORTFOLIO OF QUALITY MEDICINES, STADA PUTS FOCUS ON PREVENTION AND CREATION OF A HEALTHY LIFESTYLE, WHILE CARING FOR PEOPLE'S HEALTH. IMPROVING ACCESS TO MEDICINES ALIGNS WITH STADA'S PURPOSE AND VALUES, IN THAT IT ENSURES THAT MORE PEOPLE CAN USE AFFORDABLE, HIGH-QUALITY MEDICINES, AND ENCOURAGES ADDING VALUE THROUGH INNOVATION.

The Sustainable Development Goal 3 is committed to ensure healthy lives and promote well-being for all at all ages.

For STADA personal sustainability means good health and well-being. This is reflected in STADA's purpose of Caring for People's Health as a Trusted Partner. Through an effective portfolio of pharmaceuticals that are available to all people, combined with education on healthy habits and lifestyles, STADA aims to contribute to promotion of preventive healthcare and lowering health risks. Finally, by supporting local communities in improving healthcare capacities, STADA strives to achieve a positive impact on society and the environment. The following material topics are mainly relevant for STADA to support the SDG 3:[36]

01 **Portfolio development**

02 **Access to medicines**

03 **Transparency and ethical marketing**

[36] Portfolio development and Access to medicines are also elaborated within the SDG 9 chapter of this section.

FACTS

PHARMACOTHERAPEUTIC GROUPS THAT STADA COVERS:

- Alimentary tract and metabolism
- Blood and blood forming organs
- Cardiovascular system
- Dermatologicals
- Genito-urinary system
- Systemic hormonal preparations
- Anti-infectives for systemic use
- Antineoplastic and immunomodulating agents
- Metabolism and endocrinology
- Nervous system
- Antiparasitic products
- Respiratory system
- Sensory organs
- VMS

STADA PORTFOLIO IN TOTAL SALES:

40% Generics

40% CHC

20% Specialty / Biosimilars

TOTAL NUMBER OF PRODUCTS:

More than

24,500 SKUs

dosages and forms (25,000 in 2022)

% OF WHO MODEL LISTS OF ESSENTIAL MEDICINES[39]

STADA's products cover

22%

of the listed medicines or 122 out of 544 medicines listed.[40]

Portfolio Development

STADA, as manufacturer and supplier of a wide range of medicines, including a broad portfolio of cost-effective prescription-only generics as well as numerous non-prescription products that support people in caring for their own health, aims to contribute to public health and the UN's third SDG by providing affordable and effective medication.

It strives to cover numerous pharmacotherapeutic groups with off-patent medicines at competitive prices, launching generic products promptly after patent expiration, and thereby optimizing its product portfolio in order to meet the actual needs of people and healthcare systems. STADA's portfolio includes the Generics and Consumer Healthcare segments, with an expanded focus on Specialty pharmaceuticals.[37] STADA is a global entity which, through cooperation with global partners, is distributing its products in 115 countries and has internal production and supply-chain facilities in 11 countries. The company strives to provide medication aligned with WHO's Model Lists of Essential Medicines.[38]

In the area of preventive health education, STADA uses its digital communications platforms to help patients and consumers in making informed choices with regards to the managing and protecting of their health. This includes insights into healthcare attitudes and behaviors generated by the annual STADA Health Report.[41] Further aspects of STADA's product portfolio are elaborated within SDG 9 chapter of this Report.

STADA's prevention and self-care treatment portfolio is based on strong consumer health hero brands

37 More details on three main segments of STADA's portfolio could be found in Section 1 of this report.
38 The WHO Model Lists of Essential Medicines are updated every two years by the Expert Committee on Selection and Use of Essential Medicines.
39 Excluding medicines distributed in Europe country markets.
40 Including least-developed countries (LDCs), low-income countries (LICs), low-middle income countries (LMICs) and upper middle income countries.
41 More details on this report are available at: STADA Health Report 2022

STADA'S ESG INITIATIVE

EG STADA Contribution to Solidarity Projects (ITALY)

In line with STADA's purpose "Caring for People's Health as a Trusted Partner", EG STADA actively makes its own contribution to charitable initiatives to continue to respond to the needs of most fragile and vulnerable people who do not have access to care.

Nowadays part of pharmaceutical spending is borne by citizens, causing profound differences between indigent and non-indigent people. In addition, the economic crisis has meant that health poverty affects even "non-poor" families who have to make waivers in order to take care of themselves. As the company is particularly sensitive to this issue, in 2023 EG STADA employees and collaborators had the chance to participate as volunteers in two initiatives that EG STADA has been supporting for years thanks to an unconditional economical contribution: the "Drug Collection Week", organized by Banco Farmaceutico, held from the 7th to 13 February (2023), when in pharmacies citizens could buy and donate CHC products for the most needy and fragile people and "In Farmacia per i Bambini" from 17th to 24th November (2023), a Francesca Rava Foundation - NPH Italia ETS initiative which, organized annually on World Children's Rights Day, aims to raise awareness of children's rights and collect baby-care products and medicines for children in healthcare poverty. These two initiatives that involved almost 20% of EG STADA people (Employees & Sales Agents with 113 working hours donated) are therefore an example of what EG STADA does to concretize its Purpose, caring most fragile and needy people.

Access to Medicines

Facilitating access to medicines aligns fully with STADA's purpose and values, contributes to its business growth while enabling more people to gain access to affordable medicines, and supports its innovation efforts.

As a top-10 supplier of generic medicines globally, including being Europe's fourth-largest generics provider by value, STADA's mission includes promoting the health and well-being of the public. By developing and manufacturing a broad range of generics medicines, both through its own efforts and via an extensive network of trusted partners, the company aims to provide equitable access to essential medicines in the Generics markets in which it operates, aligning with its purpose.

Generic medicines facilitate access by making available to patients and prescribers treatments of equivalent safety, quality and efficacy to the original reference branded medicines at often significantly lower prices. In Europe, for example, generics account for around 70% of all medicines dispensed, but only 30% of medicines expenditure. As a result, over the past ten years, generic medicines have more than doubled access to medicines in 7 key therapeutic areas in Europe without increasing the overall treatment cost.[42] STADA continues to collaborate with prescribers, payers, patient groups and other stakeholders such as non-governmental organizations to facilitate and accelerate access to affordable, high-quality generic medicines. Such partnerships may lead to bulk-purchasing agreements, distribution deals, or healthcare initiatives in underserved regions.

Educational initiatives aimed at both healthcare professionals and the general public aim to inform about the proven quality, safety and efficacy of generic medicines, thereby helping to overcome any existing stigma or misconceptions about generic drugs that could inhibit patient compliance with prescribed therapeutic regimens.

In addition to prescription generic medicines, STADA increasingly offers an assortment of Specialty medicines for specific patient and healthcare professional needs. Typically, these medicines are prescribed and administered by specialist doctors. They also often have specific attributes, such as being administered by infusion or injection, requiring cold-chain storage and transportation, or being approved for niche indications.

At present, STADA has six biosimilar medicines – adalimumab, bevacizumab, epoetin zeta, pegfilgrastim, ranibizumab, and teriparatide – currently marketed and available to patients in selected markets, with a seventh – ustekinumab – approved and pending launch in Europe. By driving down costs to payers through competition, biosimilars enable more patients to access biological treatments for the same or even lower costs.

STADA's Specialty portfolio also gives patients access to novel treatment options in non-biologic, small-molecule medicines. For example, with budesonide targeted-release capsules, STADA became the first company to obtain approval in the European Union for a medicine to treat the rare, chronic kidney disease IgA Nephropathy (IgAN) in adults. This 'orphan' disease leads to the kidneys to gradually stop working and eventually fail, requiring patients to undergo dialysis or have a kidney transplant. Through its extensive roster of Consumer Healthcare medicines and healthcare products, STADA aims to help patients and consumers to manage their own health for limited or minor ailments such as coughs, colds, headaches and certain skin conditions. Such self-medication, often assisted by advice from pharmacy and/or drugstore personnel, reduces pressure on primary health services, such as encouraging patients to visit a pharmacy rather than a doctor's surgery or clinic.

[42] *Our 5 pillars | Medicines for Europe*

Through this extensive and diverse product portfolio STADA's goal is to help prevent and treat diseases and ailments as well as to promote a healthy lifestyle based on scientifically proven research and evidence. Providing access to affordable medicine supports the UN's third SDG – ensuring healthy lives and promoting well-being for all at all ages. This aligns with STADA's sustainability commitments and further enhances the group's corporate social responsibility. Providing access to medicines often requires innovative solutions, such as developing new delivery methods or addressing logistical challenges. These challenges are addressed through an environment of innovation and within STADA, leading to the development of new products and services.

Ensuring consistent and reliable delivery of medicines to all parts of the world where STADA operates, especially remote and rural areas, is critical. That is why STADA invests in improving its logistics and supply chains to ensure that its drugs reach the patients in the markets it operates (directly or indirectly via its affiliates or third parties) in a timely and efficient manner. By operating manufacturing facilities in or near underserved areas, STADA can reduce costs and delivery times. Local production also helps to legally bypass import restrictions or tariffs that may otherwise limit access to medicines. For example, the company's state-of-the-art manufacturing facility in Tuy Hoa, Vietnam, has been certified as conforming with EU Good Manufacturing Practice (GMP) standards, thereby ensuring that medicines supplied from the plant meet the highest quality standards whilst also opening up export possibilities that strengthen STADA's global medicines supply chain. An investment of more than €50 million in a dedicated packaging center for solid dosage forms located in Turda, Romania, that is set to become operational during 2024, will further add to STADA's ability to provide a consistent and reliable supply of products to healthcare professionals and patients.

STADA regularly interacts at an international level with authorities and organizations which facilitate access to medicines. For example, STADA senior management in October 2023 held discussions with UNICEF on supporting ongoing and planned programs. Through membership and participation in industry associations such as the International Generic and Biosimilar Medicines Association (IGBA), the company has also over the past year participated in discussions around access to medicines with representatives from the World Health Organization (WHO), the World Trade Organization (WTO) and the World Intellectual Property Organization (WIPO).

Nevertheless, access to medicines is also highly dependent on national, regional and local infrastructure and conditions. Therefore, STADA undertakes and supports numerous local initiatives to promote provision of quality medicines and healthcare services.

For example, in Vietnam STADA during 2023 teamed up with several community partners, including the City Youth Union and representatives of provincial hospitals, to donate medicines and improve healthcare services in the region around the company's facility in Tuy Hoa. Through such donations, free medical advice and education of healthcare professionals, local affiliate STADA Pymepharco significantly expanded access to medicines and healthcare in an under-served rural region.

In Germany, an ongoing collaboration with the German Red Cross – through which money is donated for pack of STADA non-prescription or OTC generics sold through pharmacies – has in the past one-and-a-half years raised €250,000 for good causes.

STADA'S ESG INITIATIVE

Kids in focus / Hungary

Showing children and their families how to protect the environment and adopt a healthier lifestyle. Under the program, disadvantaged kindergartens in Hungary were invited to apply for three individually designed educational yard games, as well as play activities and educational materials from the Responsible Gastro Foundation for both children and their teachers: 104 kindergarten applications and 18,000 EUR spent.

Transparency and Ethical Marketing

STADA and its affiliated companies worldwide are committed to achieving their economic success whilst maintaining high standards of ethical, responsible and compliant behavior. STADA does not tolerate any form of bribery and corruption in the course of doing business. It is not allowed to promise, offer, make or authorize, any financial or other advantage in order to secure an improper advantage. This holds true for any kind of business partners.

Marketing and product labeling in the pharmaceutical sector requires STADA to conduct ethical reviews of product-related information, ensuring not just legal compliance, but also confirmation from relevant scientific sources. Therefore, being compliant with the applicable laws is only the first step for STADA; the company goes further by fostering accessibility, transparency and ethical conduct, while ensuring that its pharmaceutical product information is accurate, validated, and ethically obtained.

In line with legal requirements, STADA communicates the intended uses, therapeutic benefits and usage guidelines of its pharmaceutical products (in respect of their specific category, being either prescription-only or non-prescription product) through ongoing interaction with relevant stakeholders, particularly medical professionals and pharmacists. Its insistence on therapy being directed solely by legitimate professional judgment

also fosters a sense of duty among the public to report any presumptive adverse reactions to drugs. STADA employees undergo regular, compulsory training on how to react to and process any such reports of adverse reactions.

STADA proactively offers scientifically backed information on proper drug use out of relevant and approved clinical studies, together with advice on preventive care and developing healthy lifestyle (i.e., Health Report, #HealthStories, etc.). In addition to the compliance with legal requirements, the relevant information is also checked internally by the Legal Affairs and Quality Compliance Division to protect interests of all parties involved, from professionals to patients.

STADA's global guideline on Marketing & Sales was updated in 2022 and fully implemented in 2023 to serve as the framework of marketing of pharmaceuticals within the Group in line with international applicable laws and regulations. The purpose of STADA´s internal guidelines is to ensure that marketing and sales practices are based on a legal, ethical and patient-focused foundation and that the interaction with healthcare professionals is appropriate and in line with the applicable laws and regulations. Furthermore, it aims to protect and enhance the value of integrity at STADA. Integrity is a core value and is key for STADA as a pharmaceutical company, since patients and consumers trust STADA and its products for their health and wellbeing. The updated guideline reflects all requirements from the Code of Conduct of Medicines for Europe, an association of European pharmaceutical companies in the area of generics, biosimilars and specialty value-added medicines, of which the STADA Group is a member represented at board level. The most significant changes to this directive include the cross-border publication of transfer of values to healthcare professionals and healthcare organizations and the dispensing of sample pharmaceuticals.

STADA supports transparency of the interactions with the healthcare community in line with the Medicines for Europe Code of Conduct to prevent any unethical and illegal behavior. STADA reports all transfer of values made to healthcare professionals, healthcare organizations and patient organization on a yearly basis that are within the scope of the Code of Conduct and in strict compliance with data protection regulation.

STADA strives to constantly improve its internal transparency in communication, starting from inside-out. The promotion of networking and the flow of information within STADA was also at the heart of the expansion of the STADA. The number of available languages of the STADA Intranet is nine, together with personalized news feed. Employees can now subscribe to topics based on their individual needs and receive news that is tailored to their interests. To provide even better information to the roughly 5,650 STADA employees in production, logistics, laboratories and the supply chain area, a "TechOps brochure" was published for the first time in the third quarter of 2022. The printed magazine was produced as a pilot project for the sites in the UK, with other countries in which STADA operates production sites to follow this pilot. The constant flow of information was also maintained through four issues of the employee magazine "One STADA News", which is published in twelve different languages and with numerous local editions, as well as three global townhalls. These were broadcast live on the intranet with simultaneous translations to enhance and ensure transparency. At country level, there were also many local events targeted at employees to foster the internal communication.

STADA's efforts to bring to life its purpose of caring for people's health as a trusted partner were also recognized through various awards in 2023.

STADA'S ESG INITIATIVE

"Tour della Salute" The Health Tour / Italy

"Tour della Salute"- is a travelling event whose objective is to raise awareness of the importance of prevention and healthy lifestyles.

In 2023 Edition, from April to October, the Tour with its 20 stages in 20 different cities, reached 20 Italian regions. During the 2023 Health Tour Edition, 6,467 free screenings were carried out and it is estimated that more than 8.3 million people have been reached through square and media communication.

STADA was again awarded with Top Employer status from Top Employer Institute. EG, STADA's affiliate in Belgium won the Effie marketing award for "Urilys - A caring partner to all women at any time" (caring for women's health). General Manager of STADA's Romanian affiliate, Mihai Fugarevici, received the Excellence Award for Leadership in the pharmaceutical field. Hemofarm Foundation, operating in Serbia, was awarded with 18 awards in 2023 for its socially responsible work. Hemofarm Foundation's 'The Most Important Call in Life' campaign was awarded a total of 17 awards, namely: 9 awards at the KAKTUS festival of integrated communications: GRAND PRIX award for the best campaign, award for the best non-profit integrated campaign, award for the best outdoor campaign. Hemofarm Foundation's Director, Suzana Djordjevic, received the SUPERSTAR award for Project Lead on behalf of the company and the campaign was awarded for art direction, design, copywriting, media direction and social networks. 'The Most Important Call in Life' campaign has been awarded the regional 'SoMoRitanac' award, UEPS (Association for Market Communications) GRAND PRIX award and the national GRAND PRIX award 'Campaign with the purpose' and declared the best socially responsible campaign in 2023.

UN SDG 8

DECENT WORK AND ECONOMIC GROWTH

SIMONE BERGER

Chief People Officer (CPO)

EMPLOYEE ENGAGEMENT AND DIVERSITY ARE AMONG THE KEY DRIVING FORCES FOR STADA'S GROWTH. THE CREATION OF A FAIR AND POSITIVE WORKPLACE ENVIRONMENT IS CRUCIAL TO ENSURING EMPLOYEES FEEL VALUED AND FULFILLED. WITH APPEALING WORKING CONDITIONS, STADA AIMS TO ATTRACT AND RETAIN THE BEST EMPLOYEES, AS WELL AS TO UNLOCK THE FULL DEVELOPMENT POTENTIAL OF ALL ITS TEAM MEMBERS.

The Sustainable Development Goal 8 is committed to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

In order to support meeting this SDG, STADA strives to offer fair and supportive working conditions to its employees. This enables achieving sustainable economic growth. A fast-moving external environment requires agile adaptation to all challenges, including caring for people's health. This is why STADA encourages its employees to act as entrepreneurs, enabled by its corporate values. The following material topics are mainly relevant for STADA to support the SDG 8:

01 **Fair working conditions**

02 **Employee engagement and retention**

03 **Employee development**

04 **Diversity, inclusion & gender equality**

05 **Occupational health and safety**

Fair Working Conditions

STADA BELIEVES THAT THE CREATION OF A FAIR AND POSITIVE WORKPLACE ENVIRONMENT IS CRUCIAL FOR DRIVING THE HAPPINESS OF ITS EMPLOYEES—THIS IN TURN DIRECTLY INFLUENCES THE POTENTIAL FOR IMPROVEMENT AND PROGRESS FOR THE EMPLOYEES THEMSELVES AS WELL AS FOR THE COMPANY.

STADA is committed to promote equality by offering the same opportunities to all while also acknowledging and rewarding personal contributions and business successes. In addition, the company supports the actions of independent labor unions, ensuring that employment conditions are consistently reviewed from different perspectives.

It encourages a business culture where everyone is invited to speak up, while promoting open communication.[43] In 2023, STADA implemented a global offering addressing mental health issues, available for all STADA employees and their family members. Ensuring equal pay for its employees will be the main focus in 2024.

Employee Engagement and Retention

WITH AN ATTRACTIVE WORKING ENVIRONMENT, STADA AIMS TO ATTRACT AND RETAIN THE BEST EMPLOYEES. TO THIS END, STADA OFFERS ITS WORKFORCE A WIDE RANGE OF SOCIAL AND MONETARY BENEFITS IN ADDITION TO A STRONG CORPORATE VISION, CORPORATE GOALS AND CORPORATE VALUES.

In recognition of its efforts, STADA was in 2023 again recognized by the Top Employers Institute as a Top Employer Europe. For the award, STADA successfully completed a multi-stage certification program in which the categories were audited and evaluated by independent experts.

Employee engagement is the driving force to STADA's growth. That is why STADA's utmost priority is to maintain a high level of employee engagement and the company conducts regular employee surveys that allow employees to provide feedback and to see where they stand as a team. The results of the 2023 surveys showed once again the continuously strong commitment of all teams with an impressive overall employee satisfaction score of 8/10. This figure not only demonstrates the passion of the employees, but it is also highly representative, as on average 89% of all STADA employees participated in the survey.

STADA fosters an open feedback culture and encourages two-way feedback – from superiors to employees and vice versa. To this end, regular feedback interviews and employee surveys are conducted to assess their work, their supervisor and the working atmosphere, among other things. STADA promotes a "speak-up culture". Within the scope of the employee surveys, employees supplemented their answers with around 25,000 personal comments, thus sharing their vision of STADA's successful future.

When it comes to recruiting personnel, STADA relies on value-based recruiting and uses various recruitment instruments including job advertisements, career fairs or direct approaches through professional and social networks such as LinkedIn & Xing.

[43] *Family-oriented HR policies are of significant importance to STADA— they aim to balance family life and career by offering flexible work schedules and provide childcare expenses assistance. Not only that, in different countries, STADA offers counseling and coaching for many situations in life, for example in Germany on the topic of caring for relatives, budgeting and health through the application of an Employee Assistance Program from PME Familienservice.*

Employee Development

STADA IS STEADFAST IN ITS COMMITMENT TO EMPOWERING ITS EMPLOYEES THROUGH EDUCATION AND ONGOING PROFESSIONAL DEVELOPMENT.

Concurrently, the company takes strides to identify and cultivate uniquely gifted personnel, as their contributions are seminal for the generation of future opportunities. Vocational training and development at all hierarchical levels helps to secure and strengthen the company's competitiveness. STADA therefore attaches great importance to training and development.

The ultimate objective is to meet the company's own needs for qualified junior staff and to fill as many management and professional positions as possible from our own ranks in the future. To this end, STADA uses internal promotion and targeted development programs.

The individual training of employees is defined and coordinated by the respective departments on a needs-oriented basis and in accordance with individual development targets. This includes not only offers to improve professional competence, but also leadership, methodological and social competence as well as foreign language support. Within this framework, development discussions between employees and their supervisors form the basis for individual development plans.

In order to provide all employees with equal access to training, employees can access the "Learning" module of the SAP-based human resources IT landscape. This means that employees now have the opportunity to take part in voluntary computer-based training measures in addition to the required compliance and job-specific training measures.

STADA has a global program for the promotion of talent aligned with the corporate culture and the goal of future growth. In three development cycles, participants are given a comprehensive understanding of STADA's purpose, values and strategy. For talents, different development programs are offered based on candidate seniority.

STADA also offers students the opportunity to gain practical experience in the pharmaceutical industry with an internship or clerkship.

STADA'S ESG INITIATIVE

A Stamp for a Health Friendly Company / Italy

STADA's Purpose is what sets its team apart and guides it in the daily actions and in line with it, the company promotes a culture of prevention and awareness to follow healthy lifestyles. For this reason, STADA received the Health Friendly Company Certification in Italy for the two-year period 2023-2024 from Fondazione Onda - National Observatory on Women's and Gender Health. Therefore, STADA became part of a network of companies selected for their attention and care for the physical and mental health of their employees, and that promotes policies dedicated to protecting it.

Thanks to this certification, the company received a special stamp – HFC Stamp – which distinguishes STADA as a company that recognizes the centrality of Its employees and it is committed to enhancing them in the workplace.

Being part of this network also gave STADA the chance to share educational materials (3 webinars, 2 decalogues, 3 video pills) with all employees about mental health and wellbeing topics created and held by professionals, promoted by internal mailings, Intranet and @ONESTADA App.

Diversity, Inclusion & Gender Equality

STADA STRIVES TO DEVELOP A TEAM OF EQUALS THAT OFFERS THE SAME CHANCES TO EVERYONE, REGARDLESS OF GENDER, AGE, ORIGIN, AFFINITIES, ETC., WITH THEIR KEY TO SUCCESS BASED ON RESULTS OF PROFESSIONAL PERFORMANCE AND COLLEGIAL RELATIONSHIPS WITHIN THE TEAM.[44]

As an internationally active Group with locations in over 50 countries worldwide, cultural diversity is an important part of STADA.

STADA Group strives to position diversity as a unique quality and differences as a strength. In this respect, uniqueness includes personality, experience, gender, ethnicity, sexual identity and much more. The Group encourages every employee to leverage their uniqueness and sees this as a recipe for success in its growth culture. In order to draw attention to and promote this diversity, STADA continued its communication campaign "#UniqueStartsWithU".[45] Within the scope of this campaign, various aspects of uniqueness were presented, including language, sexual orientation, gender, etc. With regard to equal opportunities for women and men, STADA believes that a balanced representation of both genders when filling positions is extremely important. Also, as part of succession planning for managers, the Executive Board focuses on maintaining the current balanced representation of genders. When it comes to filling management positions, however, the professional and personal qualifications of the candidates, and not their gender, are always at the forefront.

The proportion of women employed in management positions[46] at the Group in 2023 amounted to approximately 52% (previous year: approximately 53%). Gender diversity is measured in various levels at STADA, with a division in "upper, middle and lower management levels". The "upper management level" includes all members of the STADA Global Leadership Team. In this Group, women had a share of 29% as of December 31, 2023 (December 31, 2022: 29%). For the "middle management level", the share of women was 52% (December 31, 2022: 52%). For the "lower management level", the proportion of women was 54% (December 31, 2022: 53%).[47]

WOMEN IN MANAGEMENT POSITIONS

Share of women as of December 31, 2023
(December 31, 2022)

29% *(29%)*	**UPPER** Management Level
52% *(52%)*	**MIDDLE** Management Level
54% *(53%)*	**LOWER** Management Level
52% *(52%)*	**TOTAL** Management levels

STADA'S ESG INITIATIVE

Healthy lifestyle starts in the office / Netherlands

The first initiative is that Centrafarm started with a box with fruit that is available free of charge for every employee. Twice a week, two cases with fruit are being delivered to the office in Breda. The case contains, depending on the season, apples, bananas, pears, plums, oranges, kaki fruit, small tomatoes, dates, etc. The second initiative is that employees have a bi-weekly opportunity to follow a yoga session of 30 minutes in the office during lunch time. This yoga session is given by one of STADA's employees who is also a yoga teacher and has her own yoga studio at home.

44 *25% of the STI scheme is dedicated to STADA values out of which 6,25% of STI achievement is linked to collegial relationship, represented through One STADA value (visible in the SAP Success Factors).*
45 *Video available at STADA's YouTube channel.*

46 *All employees with at least 1 direct report are considered managers; lower management = at least 1 direct report; middle management = at least 1 direct report who also has at least 1 direct report; top management = SGLT; overall management = sum of low, middle and top management.*
47 *The values for the percentages of women at all management levels presented in the Sustainability Report for 2022 may vary due to the deconsolidation within business operations of STADA, as explained in the Section 1 of this report. Including deconsolidated affiliates, the figures from 2022 are as follows: in the "upper management level" women had a share of 31% as of December 31, 2022; for the "middle management level", the share of women was 52% while for the "lower management level", the proportion of women was 56%. The values presented on the visual in brackets are the ones without deconsolidated affiliates and aligned with STADA's non-financial report.*

Occupational Health and Safety

STADA'S HSE (HEALTH, SAFETY AND ENVIRONMENT) APPROACH IS AN INTEGRATED PART OF ITS PRODUCTION SITES' BUSINESS PERFORMANCE. HSE MANAGEMENT SYSTEMS WERE IMPLEMENTED AT THE GLOBAL AND SITE LEVEL TO ENSURE SAFE AND HEALTHY WORKING CONDITIONS FOR EMPLOYEES AND CONTRACTORS.

In 2023, a certified occupational health and safety management system was newly implemented at STADA's site in Miyun Economic Development Zone, Beijing, China, bringing the total number of sites certified in accordance with ISO 45001 to eight as of December 31, 2023. Other production sites are currently in the process of implementing ISO 45001 systems.

STADA takes a proactive approach to managing safety through risk assessment of its materials, processes, and workplace activities with training targeting competency building of its staff. Safety targets and KPIs are defined at the global and local level and are fully integrated in our operational management reporting. Accidents and near-misses are analyzed based on global specification to identify the underlying causes, with lessons learnt shared globally to prevent re-occurrence.

In the reporting year, based on a broad range of measures, it was possible to again reduce the number of accidents as compared to 2022. In 2023, there were no recorded fatal accidents but two accidents with more severe injuries (Head & Pelvic Bone) occurred which also resulted in the increase of lost working days, but colleagues were able to return to work after sick leave period. Both accidents have been fully investigated, adequate corrective actions have been defined, implemented, and the lessons learned discussed across the internal network to avoid similar situations across our network.

Occupational health support is provided by external company doctors / occupational health providers which include mandatory health surveillance checkups and additional voluntary health checks. Beyond this, STADA continued to offer local programs to address general health aspects including the global 'Health Challenge', local 'Health Days' with specific actions and offers or e.g. voluntary co-funding of fitness center memberships.

LOST TIME INCIDENT RATE[48]	2021	2022	2023
LTIR – STADA Global	**0.40**	**0.35**	**0.28**

[48] *LTIR calculated based on 200.000 working hours.*

STADA'S ESG INITIATIVES

Main Initiative: Global Story STADA Caring Day - On December 7

LET'S COME TOGETHER TO DONATE BLOOD AND SAVE LIVES

Its purpose of 'Caring For People's Health as a Trusted Partner' is STADA's north star and a guide in everything its employees do. It is what unites them, as oneSTADA Team, across geographies and functions. Therefore, is there a better way to finish the year than coming together to celebrate STADA's purpose?

Our STADA Caring Day, on December 7, offered each of its employees the opportunity to give back and create a direct positive impact on people's health – via donating blood, a precious life-saving gift. Blood donation is a selfless and life-saving act that has been a cornerstone of modern medicine for decades. Every year, millions of people around the world depend on the generosity of blood donors to receive vital transfusions, which can make the difference between life and death.

Why is blood donation essential? Blood donation is an essential component of healthcare systems worldwide, and here's why:

- **CONSTANT DEMAND:** Blood is needed every day to treat victims of accidents, surgical patients, and individuals with chronic illnesses. Maintaining an adequate supply is challenging but critical.
- **NATURAL DISASTERS AND EMERGENCIES:** Natural disasters, accidents, and emergencies can lead to a sudden surge in the need for blood. A well-stocked blood bank ensures a swift and effective response in such situations.
- **CHRONIC CONDITIONS:** Patients with chronic conditions, like cancer, often require regular blood transfusions to manage their health. Consistent donors help these individuals maintain their quality of life.

Special events were held across all STADA locations – from on-site blood donation like in Vietnam, Serbia and Kazakhstan, round table discussions led by the Red Cross in Germany or the NHS Blood Donation in the UK, to STADA employees donating their time to multiple associations in Bulgaria...

Many motivating examples of supporting STADA's Caring Day could be highlighted across the Group. For example, STADA Spain organized a blood donation at its offices in Sant Just Desvern in collaboration with the Banc de Sang i Teixits, which provided all the necessary material and personnel.

Thanks to the commitment of STADA employees and other nearby companies, 35 donations were obtained, which means that 102 patients will be able to benefit. 20 people made their first donation, which is a very important step towards becoming regular donors.

UN SDG 9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

IN ADDITION TO ITS EXTENSIVE RANGE OF GENERIC AND OVER-THE-COUNTER MEDICINES THAT PROVIDE BROAD PATIENT ACCESS TO HIGH-QUALITY TREATMENT OPTIONS, STADA IS INCREASINGLY WORKING WITH PARTNERS TO DEVELOP AND SUPPLY ADDED-VALUE SPECIALTY MEDICINES FOR SPECIFIC CHRONIC, LIFE-CHANGING AND RARE HEALTH CONDITIONS.

YANN BRUN

Executive Vice President, Head of Global Development, Portfolio, Regulatory and Business Development/Licensing

The Sustainable Development Goal 9 advocates for, promoting inclusive and sustainable industrialization, fostering innovation and building resilient infrastructure.

The main aspects of supporting SDG 9 align closely with STADA's core business activities – furthering and promoting the essential role of the off-patent medicines industry in providing affordable access to high-quality medicines, such as through active participation in industry associations; bringing innovative medicines and healthcare products to patients and healthcare professionals, such as by reformulating, repositioning and recombining proven active ingredients to bring additional value; and investing in a sustainable industrial infrastructure and medicines supply chain that consists of technologies such as renewable energy. The overarching goal of such activities is to develop, manufacture and supply high-quality medicines that support public healthcare systems and contribute to public health. By constantly updating and improving its product portfolio and production infrastructure in collaboration with its employees, stakeholders, and local communities, STADA strives to have a positive effect on society. The following material topics are mainly relevant for STADA to support the SDG 9:

01 **Product quality and safety**

02 **Portfolio development**

03 **Access to medicines**

04 **Responsible procurement**

Product Quality and Safety

PHARMACEUTICALS ARE PRODUCTS THAT HAVE A DIRECT IMPACT ON PEOPLE'S HEALTH. FOR THIS REASON, AS A PHARMACEUTICAL AND HEALTHCARE COMPANY, STADA IS RESPONSIBLE FOR ENSURING THE GROUP-WIDE SAFETY OF ITS PRODUCTS AND THUS ALSO THE SAFETY OF PATIENTS.

In order to ensure that patients are provided with the best possible care, STADA's products are subject to strict product safety and quality requirements across the entire value chain – from clinical studies and production to pharmaceutical risk assessment. Internationally valid frameworks such as "Good Clinical Practice", "Good Manufacturing Practice" and "Good Pharmacovigilance Practice" are therefore particularly important for STADA.

GOOD CLINICAL PRACTICE

To ensure product safety and quality, STADA complies with legal requirements and guidelines in its development activities or, in the case of local developments, with the respective national requirements. In addition, for planning and execution of clinical trials, the Group follows the so-called Good Clinical Practice (GCP), an international ethical and scientific standard for the planning, conduct, documentation and reporting of clinical trials in humans. Compliance with this standard ensures that rights, safety and well-being of trial subjects are in accordance with the Declaration of Helsinki. It also ensures credibility of data collected during clinical trials. Contract research organizations for execution of clinical trials in Germany and internationally are qualified by STADA and regularly audited in order to ensure GCP compliance during the conduct of a study. In addition, all clinical trials are monitored at trial sites so that any deviations from the GCP standard can be recognized at an early stage and corrected if necessary. With regard to testing policy, STADA is committed to conducting no animal testing, except where such testing is required by law. Accordingly, STADA did not conduct any animal studies in 2023 – except for an animal testing study in the Netherlands for a single development project due to legal requirements and regulations – nor did the company initiate such studies through third parties.

GOOD MANUFACTURING PRACTICES

STADA follows guidelines summarizing Good Manufacturing Practices (GMP) at its production sites that are subject to GMP. EU GMP constitutes the quality requirements for all manufacturing, testing and approval processes for drugs, active pharmaceutical ingredients and cosmetics that apply within the EU. For certain products, several STADA sites are also certified in accordance with selected non-EU quality assurance systems or relevant ISO standards for medical products. Group-wide quality assurance is carried out centrally through STADA Arzneimittel AG, whereby individual national companies or local sites are supported by regional and local quality assurance officers. Within the scope of GMP audit programs, compliance with GMP quality standards is regularly reviewed at both STADA's production facilities and at suppliers' and contract manufacturers'. In 2023, there were 36 (40 in 2022) inspections by supervisory authorities. Furthermore, 20 other external audits/ISO certifications were carried out. No critical or recurring significant deviations were identified. ISO 9001 certification is not the main criteria for pharmaceutical production facilities, because the EU GMP guidelines apply in this sector.[49]

GOOD PHARMACOVIGILANCE PRACTICES[50 51]

As part of a Group-wide global pharmaceutical safety system – the STADA Global Pharmacovigilance System – the safety of all STADA pharmaceuticals worldwide is monitored and ensured through collection and evaluation of reported pharmaceutical risks. Here, STADA's subsidiaries work in accordance with standard operating procedures (SOPs) issued by the Corporate Pharmacovigilance department. In accordance with Good Pharmacovigilance Practices (GVP) and as part of the Global Pharmacovigilance Quality System, adherence to legal requirements and STADA standard operating procedures is monitored globally by means of a pharmacovigilance auditing system. Pharmacovigilance audits required in accordance with GVP are conducted by auditors from the Medical Affairs/Corporate Pharmacovigilance department. Additionally, STADA's GVP conformity is regularly inspected by authorities such as the German Federal Institute for Drugs and Medical Devices (BfArM). In 2023, there were three inspections by authorities (France, Slovenia, Lithuania), all without critical findings. In addition to the assurance of product safety, quality and effectiveness, STADA is also equally responsible for the safe use of its products by patients. In this context, the readability and comprehensibility of a drug's package insert take on a special meaning. As part of a pharmaceutical approval procedure, readability tests for package inserts – the so-called "readability user tests" – are conducted early on with representative test subjects. Through the optimization of the layout, explanations of technical terms and use of simple sentence structures, it is possible to ensure that patients can easily read and understand the information. As a result, both compliance (therapy adherence) for the patients is increased and abuse is also avoided.

In pharmacovigilance, an Adverse Drug Reaction (ADR) is defined as an unintended or undesired harmful reaction occurring at doses normally used by a patient for the diagnosis, treatment, or prevention of a disease. Simply put, these are unexpected medical issues that occur due to medication use. ADRs are key concerns in pharmacovigilance, the science and activities related to detection, assessment, understanding, and prevention of adverse effects or any other possible drug-related problems. Unintended reactions could be minor - like a rash, or more severe - like organ failure, and in extreme cases can even lead to death. They can occur immediately after administration, or they can take time to develop. Identifying ADRs, and working on reducing their occurrence is a crucial part of pharmacovigilance. This includes post-market surveillance where the safety of drugs is monitored in large numbers of patients in the 'real-world' setting post approval, in addition to regulated clinical trials carried before the drug's approval. This also involves communicating the risk associated with medicines to healthcare professionals and the public, as well as implementing strategies to minimize any potential risk.

All stakeholders (including professionals – doctors and pharmacists, business partners in the supply chain as well as end users of STADA's products and its employees) are encouraged to submit any suspicion of a drug side effect. The individuals to contact to report potential adverse drug reactions are shown on the global corporate website,[52] as well as on the websites of all subsidiaries within the Group. In addition, all employees are informed about the pharmacovigilance procedures.

Overview of the number of ADR reports at STADA in 2023 (vs 2022), by reporting party and ADR severity:

Qualification of reporter	No. of ADR reports	Serious ADRs	Non-serious ADRs
PHYSICIAN	445 (418)	120 (82)	325 (336)
PHARMACIST	759 (745)	93 (113)	666 (632)
OTHER HEALTH PROFESSIONAL	4,350 (4,103)	537 (577)	3,813 (3,526)
CONSUMER OR OTHER NON-HEALTH PROFESSIONAL	2,553 (1,735)	166 (102)	2,387 (1,633)
TOTAL	**8,107 (7,001)**	**916 (874)**	**7,191 (6,127)**

NOTE: Increased number of ADRs is not a consequence of compromised quality and safety, but the development of awareness among key stakeholders to be ready to report any, even the smallest, suspicion of a potential side effect of medicines.

49 The site in Tulln does not produce pharmaceuticals and has an ISO 9001 certification.

50 Pharmaceutical manufacturers and marketing authorization holders, along with the entire healthcare system, are obliged to continuously monitor, detect, analyze, understand and prevent adverse drugs reactions and effects. This is globally regulated by pharmacovigilance in order to share all relevant findings in a timely manner to prevent drugs' adverse effects.

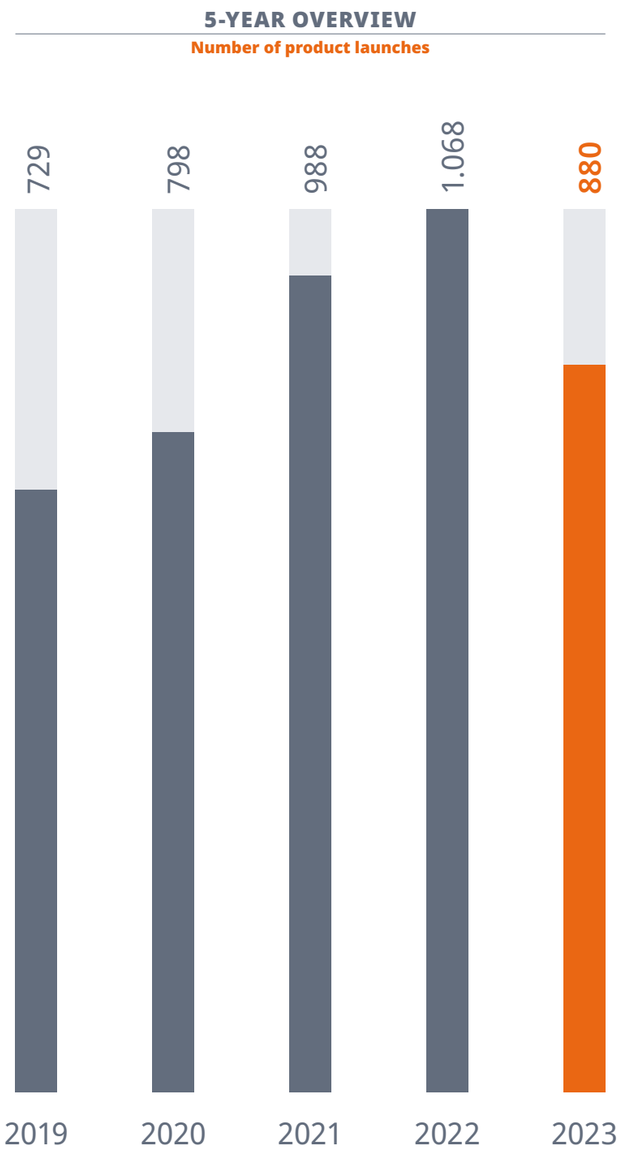
51 STADA's R&D, QA and QC divisions, in addition to pharmacovigilance, are responsible for verifying the compliance of STADA's products and the absence of possible negative impact.

52 https://www.stada.com/products/adverse-drug-reaction-report offering the following contacts: phone: +49 (0) 6101 603 0 (Monday to Friday 7:30 to 18:00), fax: +49 (0) 6101 603 259, email: info@stada.de or a contact form.

Portfolio Development [53]

Strategic growth orientation with strong competence in development and regulatory

In terms of product development, STADA has established a global network of development sites across Europe with a highly skilled workforce for example in Germany, Serbia, Czech Republic, the United Kingdom and Austria. The expertise in internal development lies in small molecule development, led by STADA's center of excellence in Vršac, Serbia. For consumer healthcare innovation with semi-solids, liquids and disinfectants, the UK site in Huddersfield acts as the global center of excellence. On specialty and complex technologies, including biologic and biosimilar medicines, the Group has established a strong network of co-development partnerships that enables it to minimize upfront investment into in-house capacities with a high financial risk profile. Independent of the operating model (internal or co-development), STADA's development activities are aligned with the Group strategy and steered by commercial agility, a focus on customer needs, quality, time-to-market and cost competitiveness with a strong return on investment. In the reporting year, the Group again demonstrated its strength in development and regulatory with the introduction of 880 individual products worldwide (2022: 1,068). As of 31 December, 2023, STADA had a well-stocked product pipeline with more than 2,500 approval procedures for over 200 active pharmaceutical ingredients and combinations in more than 60 countries. These include all relevant generics as well as numerous consumer healthcare products and specialty pharmaceuticals. In the financial year 2023, there were more than 1,400 new marketing authorization applications were submitted and more than 1,000 new marketing authorizations were issued. In 2023 in the Generics segment, for example, STADA introduced sugammadex, fampridine, and apixaban, thereby offering healthcare professionals as well as patients additional alternatives across multiple therapeutic categories.



Ongoing expansion of the biosimilar portfolio

With a view to the growth potential in the area of biosimilars, the Group is continuously driving the expansion of its biosimilar portfolio. This includes the expansion of internal development expertise that is aimed at leveraging these growth opportunities. As of 31 December 2023, STADA held marketing authorisations for six biosimilars.[54] Furthermore, the Group received the first positive opinion from the European Medicines Agency on a ustekinumab biosimilar referencing the Stelara blockbuster, in November 2023. This resulted in a marketing authorization valid throughout the European Economic Area (EEA) being issued by the European Union for Uzpruvo in January 2024, as the first authorized alternative to Stelara in Europe.

The Group has also licensed further biosimilars that are currently in the development phase. As part of these efforts, there is a collaboration in place between STADA and Xbrane Biopharma AB, a Swedish biosimilar company, which to date has resulted in the approval of the ranibizumab biosimilar (launched in 2023). Furthermore, there is an exclusive strategic partnership with Alvotech ehf, an international biopharmaceutical company, for the marketing of three biosimilars in all European core markets and selected markets outside of Europe. The first fruit of this collaboration was Hukyndra, an adalimumab biosimilar, which was launched on the market in 2022, followed by the Uzpruvo authorization in January 2024.

Targeted cooperations and in-licensings for the ongoing expansion of the product portfolio

In addition to acquisitions, STADA relies on targeted cooperations and in-licensing to further expand its existing product portfolio. In 2023, the Group completed 91 in-licensing agreements for future product launches in the reporting year. Recent examples include tapentadol for pain therapy, ranolazine for treating angina pectoris or ibuprofen lysine for acute symptomatic relief of headaches and migraines. Through a licensing, distribution and marketing agreement with Sweden's Xbrane Biopharma, STADA expanded its Specialty portfolio into ophthalmology during 2023, through the introduction of Ximluciin in several European countries, a ranibizumab biosimilar referencing the original brand Lucentis.

A further licensing, distribution and marketing partnership with Iceland's Alvotech resulted in a positive opinion from the European Medicines Agency for Uzpruvo, in November 2023, the first biosimilar in Europe referencing Stelara.

Consumer Healthcare segment expansion and internationalization of successful brands

In the Consumer Healthcare segment, the Group's focus is on the expansion of existing product lines under strong local brands. Examples of the expansion of existing product lines in the year under review include Nizoral Expert Anti-Itch Shampoo in several European countries, Elotrans reload, Lemocin ProHydro, Multilind Hydro, Cetebe Immun Aktiv in Germany, Cetraben Pro-Hydrate5 und Oilatum Sweet Dreams Baby Wash Lotion in Great Britain as well as Pulmex Baby Bath in Switzerland. Further moves to internationalize the established Consumer Healthcare brands made during 2023 include the introduction of Lunestil in Romania, of Hoggar Melatonin Duo in Germany, of Sedatol Gold in Italy plus of Kamistad Mouth Spray in the Baltic States and Slovakia.

STADA'S ESG INITIATIVE

Improving Access to Medicines / Vietnam

STADA's affiliate in Vietnam supported an initiative from the internal Youth Union, together with local City Youth Union (local governance) and other Youth Unions (from health sector like provincial hospitals or lower level) aimed at improving the access to medicines, especially in poor, rural local areas. This initiative included providing health checks and medicines to local people. In total, during 2023, STADA supported five such activities with more than 500 medical units equal to treating more than 500 people/patients.

[53] *This material topics was also presented within STADA's support to meeting the SDG 3*

[54] *Silapo, an erythropoietin biosimilar, Cegfila, a pegfilgrastim biosimilar, and Movymia, a teriparatide biosimilar, Oyavas, a bevacizumab biosimilar, Hukyndra, an adalimumab biosimilar and Ximluci, a ranibizumab biosimilar.*

ESG INITIATIVES

e-Invoice and Lactoflora's e-Leaflet / Spain

The self-management of customer business documentation such as e-invoices, duplicates or the 347 form generated savings of more than 50,000 EUR in 2023, a figure that is expected to be exceeded in 2024. The e-invoicing reported a reduction by -16% on the sending of paper invoices in 2023 which contributes significantly to the company's commitment to sustainability. In 2023, STADA's probiotic CHC brand Lactoflora started incorporating e-leaflet in all its packs, removing the paper version. In 12 months, more than 160,000 Lactoflora packs were released with e-leaflet, saving 480 kg of paper, 7,000 EUR of cost savings. During 2023, 1,700 patients downloaded a lactoflora e-leaflet in Spain.

Access to Medicines[55]

DEVELOPING INFRASTRUCTURE, TOGETHER WITH CONTINUOUS INVESTMENTS IN ITS PRODUCTION SITES, DISTRIBUTION AND VALUE CHAIN, STADA ADDS TO IMPROVING ACCESS TO MEDICINES IN THE COUNTRIES IT OPERATES IN, EITHER DIRECTLY OR VIA ITS AFFILIATES OR THIRD PARTIES.

That is why it continually invests in the Group's own production facilities and test laboratories. Investments in the modernization and expansion of production plants and production facilities as well as testing laboratories amounted to € 86.0 million in 2023 (previous year: € 51.5 million). This included € 40.0 million for the new supply chain and packaging site in the Romanian city of Turda, in 2022.

Since the beginning of the project, STADA has invested approximately € 54 million in the expansion of this new Romanian location. Turda is expected to be one of the main STADA's distribution hubs, acting as global packaging center, which would improve access to medicines in Romania and other European Union member states as well as neighboring countries in south-east Europe. Following an initial good manufacturing practice (GMP) inspection, STADA anticipates starting operations and supplies from the Turda site during 2024.

Further confirmation of STADA's commitment to industry, innovation and infrastructure came midway through 2023 with a successful audit of the NorBiTec biologics facility in Uetersen, Germany by the U.S. Food and Drug Administration (FDA). The US regulatory authority granted the STADA-controlled facility approval as a production and storage site for the active ingredient epoetin alpha-epbx, a widely-used biologic treatment for anemia.

Responsible Procurement[56]

SINCE STADA'S SUCCESS IS DETERMINED BY BOTH SECURITY OF SUPPLY AND QUALITY OF SUPPLY AND IS DRIVEN BY COST-CUTTING EFFORTS ON THE PART OF HEALTHCARE PAYERS AS WELL AS PRICE PRESSURE IN THE SALES MARKETS, AN EFFICIENT AND FLEXIBLE SUPPLIER MANAGEMENT IS ESSENTIAL.[57]

In order to minimize supply bottlenecks and ensure security of supply, the Group strives to diversify its range of suppliers – both geographically and at product level. Demand planning is carried out centrally in the STADA Group. In the reporting year, there were a total of 17 production sites at major locations, including Germany, United Kingdom, Czechia, Serbia and Vietnam. Because a large part of the Group-wide production volume is manufactured in lower-wage countries, STADA benefits from structural cost advantages.

STADA's responsibility is based on close cooperation with its suppliers. As part of its business operations STADA is using contract manufacturing organizations (CMOs) for reliable supply of large portion of its portfolio. STADA's External Supply Chain Organization (ESO) focuses on managing company's long-term and business relationships with them, based on a spirit of trust in order to promote the company's values.

In 2023 STADA created its new Responsible Procurement Strategy, striving to achieve compliance with the German Supply Chain Act. Cross functional team did the assessment and implementation of all relevant processes and procedures to enable adequate adoption of the responsible procurement principles at STADA. This project also included implementation of grievance procedures, publicly available at STADA's website, offering stakeholders to issue their grievances. Moreover, Human Rights Statement has been launched and made publicly available, which supported by STADA's Code of Conduct, enables not only fair working conditions at STADA, but also fair cooperation with partners in the value chain. In 2023, STADA executed risk assessment of its suppliers and initiated EcoVadis© rating for API, CMO, Packaging excipients suppliers and within 12 months managed to receive 723 suppliers' ratings (total number of EcoVadis© score cards by end of December). The company also organized a training for Procurement Buyer Community on Responsible Procurement / EcoVadis©. In 2024, STADA plans to roll out EcoVadis© risk assessment to more suppliers, especially in the indirect spend category. This allows STADA to pursue the goal of improving the social and ecological aspects of its value chain. In order to ensure and improve the availability of pharmaceuticals, STADA continued its supply chain transformation in 2023. Transparent business relations with the existing and potential suppliers represent important aspect of procurement, giving equal chances to partners and potential partners, regardless of the territory.[58] With regard to the types of materials, procurement at STADA in 2023 included the following top-level categories:

Group of materials[59]	Total share 2022 (%, value)	Total share 2023 (%, value)
SEMIFINISHED PRODUCTS FINISHED PRODUCTS[60]	72	74.6
API	12.8	11.0
EXCIPIENTS	5.5	5.4
PACKAGING	9.5	9.0

The use of recycled cardboard for the folding boxes in 2023 amounted to 3,145.1t (2021: 1,293.9t) or 38.4% (2021: 61%) of the total quantity of folding boxes. [61] [62] [63]

55 *The focus in this chapter is on investments in infrastructure within STADA that would enable further improvements of access to medicines across Europe. This material topics was also presented within STADA's support to meeting the SDG 3, where the main assets are elaborated.*

56 *Striving to offer quality products and services, with uninterrupted supply of drugs to the market, especially during a pandemic, without drug shortages.*

57 *There is a limited number of reliable suppliers, geographically located in certain areas of the world (mostly in the Far East – India and China), with complex procedures, such as the purchasing of psychoactive controlled substances subject to special purchasing protocols.*

58 *General business and purchase terms are available on STADA's website, with an indicated link to each purchase order.*

59 *It is not possible to display the materials in kg, as some groups of materials are reported in kg or t, while others are in the number of pieces. In this regard, the only comparative methodology is the presentation in the value share of the total procurement.*

60 *Including intercompany sales.*

61 *The calculation is based on the average reference weight of folding boxes - 12g (45g in 2021). The new reference weight of the box was chosen after new acquisitions and portfolio development, for more precise calculation. There was a total increase in quantities of both virgin and recycled cardboard used for packaging in 2022, influenced by the increase of production and acquisitions of new products to the portfolio.*

62 *The recycled quota is an estimation based on the percentage of recycled cardboard per type being used.*

63 *On the Group level by using recycled cardboard for packaging over the past decade, since the data has been collected, more than 300 football fields equivalent space of wood have been preserved. References: Hemofarm Sustainability report 2021, p. 139. and STADA Sustainability Report 2021, p. 102.*

STADA EXPO looks like this in NUMBERS:

12 MONTHS FROM IDEA TO LAUNCH, FOUR RECYCLED CONTAINERS, 4.5 TONS OF MULTIMEDIA EQUIPMENT

MORE THAN **11.000 VISITORS**

4 MONTHS of European tour in 2023 in four countries and seven cities

MORE THAN **300 PUBLICATIONS** IN THE MEDIA

MORE THAN **40 SQUARE METERS** OF SCREENS, MULTIMEDIA EQUIPMENT & EXHIBITION SPACE

STADA'S ESG INITIATIVE

STADA EXPO

The future starts now!

(Serbia, Romania, Montenegro, Bosnia-Herzegovina)

STADA EXPO is a multimedia exhibition of the STADA Group that, through an interactive and sustainable prism, shows production processes in the pharmaceutical industry, and in an educational and innovative way combines science, technology and, above all, the people behind the whole process. It brings ESG to a completely new level of experience for various stakeholders and visitors. On the European tour part 1 (2023), STADA EXPO started from Vršac in Serbia, and throughout the year successfully visited Romania (Cluj, Turda, Timisoara), Montenegro (Podgorica) and Bosnia and Herzegovina (Banjaluka), ending the year in Šabac, STADA's second production site in Serbia. In the spring 2024, in the new season and on its European tour part 2, the EXPO continues its journey in Czech Republic, UK and Germany, where STADA has its production facilities.

STADA EXPO EXPERIENCE

STADA EXPO was created with the idea of giving people a sense, a complete experience, of what sustainable development is, and what it means when a pharmaceutical company like STADA Group is talking about a better future for each individual, people's health, the environment, as well as sustainable business. In addition, STADA EXPO teaches visitors how, by changing their attitude towards simple everyday activities, they can influence the world to be a better place for the future generation.

A JOURNEY THROUGH FOUR RECYCLED CONTAINERS

This multimedia installation consists of four recycled containers specially adapted and equipped with state-of-the-art technology, from virtual glasses and holograms of the human body to touch-sensitive displays dedicated to ESG principles. From the first step to the exit of the EXPO, visitors pass through interactive displays and tactile elements, learning both about the importance of caring for the community and the environment, as well as the importance of everyone's contribution.

The journey through the STADA EXPO begins with getting to know the STADA Group through its history and development, with the company's special focus on the importance of prevention and health care. The path leads visitors further through the part dedicated to Technical Operations, where they can learn about the production process - from the entry of raw materials into the production facilities to the exit of the finished product and arrival at the end customer. This is followed by the testimonials of the employees who talk about the wealth of diversity and multiculturalism of the people who make up the STADA Group. In addition, visitors can clearly see the variety of professions that make up STADA's family, as well as the numbers that indicate the complexity of such a system, with people coming from 87 nations. The journey ends with a review of ESG and SDG goals as well as the contribution of the entire STADA Group to sustainable business, care for people and the environment...

UN SDG 12

RESPONSIBLE PRODUCTION & CONSUMPTION

MIGUEL PAGAN FERNANDEZ

Chief Technical Officer / CTO

SUSTAINABLE PRODUCTS AND PACKAGING ARE NOT ONLY INCREASINGLY EXPECTED BY CONSUMERS AND THE MARKET. THEY ALSO ILLUSTRATE STADA TAKING ITS RESPONSIBILITY AND ESG COMMITMENTS SERIOUSLY. THAT IS WHY WE CONSTANTLY STRIVE TO MAKE OUR PORTFOLIO MORE SUSTAINABLE AND ENABLE ADDITIONAL POSITIVE IMPACTS ON THE ENVIRONMENT AND SOCIETY.

The Sustainable Development Goal 12 advocates for ensuring sustainable consumption and production patterns.

To achieve positive ESG impacts, STADA is setting its own targets and ensuring compliance with regulatory requirements, while attempting to be more sustainable in its operations. STADA strives to be a responsible "citizen" and "neighbor" when it comes to production performance in line with sustainability, and the full lifecycle of its products. The following material topics are mainly relevant for STADA to support the SDG 12:

01 **Resource consumption and waste**

02 **Decarbonization and climate change**

03 **Sustainable products**

Resource Consumption and Waste

THE GLOBAL HSE FUNCTION DEVELOPS ENVIRONMENTAL PRINCIPLES AND STANDARDS AND SUPPORTS AND MONITORS THE BUSINESS WITH ADAPTATION AND IMPLEMENTATION.

The Global HSE function develops environmental principles and standards and supports and monitors the business with adaptation and implementation. The Global HSE function reports directly to the Chief Technical Officer (CTO) and steers the Group-wide HSE management system. HSE performance and risk reporting is integrated into the monthly business performance review process of the CTO.

STADA production sites have implemented local processes to ensure compliance with environmental laws and to continuously improve their environmental performance based on Group-wide requirements. As of December 31, 2023, there was a certified environmental management system in place at eight sites. Further certifications for other sites are currently being prepared.

Waste management is an integral part of STADA sites' environmental management processes, programs and targets. Waste management means to continuously reduce and avoid waste, to increase the ratio between recycling and landfilling and finally to ensure an environmentally safe and compliant disposal.

Due to the internal growth of production volumes, the total amount of waste generated increased by 10 % with 5,970 tons in 2023 versus 5,437 tons in 2022. Waste data shown in the table below.

Water is a scare source at many places of the world, and STADA evaluates its water consumption and potential impact on local water bodies. The production sites are supplied by municipal water suppliers and only at the sites in Vrsac and Sabac (Serbia) on-site groundwater extraction wells are operated (2023: ~ 34,174 m³ extracted). The water consumption from the production sites is – despite production growth – stable with ~ 1 mill m³. The impact of STADA on local water stress (scarcity) is assessed annually using the WRI Aqueduct Water Risk Atlas. The site in Miyun (Bejing area, China) is located in an 'extremely high' water stress area and the sites in Uetersen and Bad Vilbel (Germany) are located in an 'high' water stress area. Total water consumption at these sites of 60,000 m³ in 2023 is not expected to have a relevant impact on the local basin water stress situation.

The wastewater effluent from all sites is monitored, controlled and discharged in accordance with local regulatory thresholds as indirect discharge into municipal sewer systems. The units are operated also in 2023 in compliance with local regulations and applicable discharge thresholds.

WASTE DATA TABLE AS GRAPHIC

Waste (tons)	Non-haz. Waste diverted from disposal	Non-haz. Waste directed to disposal	haz. waste diverted from disposal	haz. waste directed to disposal
2022	3,439	952	0	1,047
2023	2,976	1,871	14	1,109

*** 'waste diverted from disposal' excludes waste incineration incl. energy recovery which is reported as 'waste directed to disposal'**

Decarbonization and Climate Change

AS PART OF OUR SUSTAINABILITY APPROACH AND THE REVISED POLICY, STADA HAS COMMITTED TO REDUCE ITS SCOPE 1 & 2 GHG EMISSIONS BY -42% (2020 – 2030) IN LINE WITH THE PARIS AGREEMENT AND TO INCREASE THE SUPPLY OF ELECTRICITY FROM RENEWABLE SOURCES TO 50% BY 2030.

Energy is a critical source and the efficient use of energy is one pillar of STADA's carbon roadmap. Energy consumption decreased for STADA Group from 2022 to 2023 from 342,200 MWh to 331,100 MWh. Main reasons for this have been the separation of Russian business activities including TechOps and Commercial operations and also a small TechOps site in Bradbury in the UK from STADA Group from Q4 2023.

In parallel STADA also continued to increase the amount of energy supply from renewable sources and by this contribute to the decarbonization of the pharma industry. The electricity consumption from renewable sources increased in 2023 to a total of 69,295 MWh (2022: 44,110 MWh, corrected from 41,700 MWh reported in Sustainability Report 2022) resulting from in-house production via photovoltaic (Timisoara in Romania & Vietnam factory), switching energy supply contract for our sites at Vršac and Šabac (Serbia), Huddersfield & Preston (UK) and Pfaffenhofen & Uetersen (Germany), and purchasing Energy Attribute Certificates. Also in 2023, STADA continued reducing its total GHG emissions and remained on track of our GHG absolute reduction target also over-compensating our internal growth. The GHG emissions further reduced from 109,954 tons CO2 eq. (2022) to 99,238 tons CO2 eq. (2023) which represents a reduction by – 24.6% versus 2020 and shows that STADA is on track to achieving its carbon reduction commitment.

Scope 3 emissions are indirect greenhouse gas emissions occurring within STADA's value chain. including emissions from suppliers, customers, and other stakeholders.

For the first time in 2023, using the carbon accounting platform 'Persefoni' STADA, using spend data calculated STADA's scope 3 emissions and identified primary driving scope 3 categories. Scope 3 emissions account for 80% of total emissions across all scopes with Scope 3 Category 1 – Purchased goods & Services contributing 90% to total scope 3 emissions.

NEXT STEPS TO:

- **The total scope 3 emissions accounted to around 900000 tCO2e with Scope 3 Category 1 – Purchased Goods & Services contributing ~ 90% to of the total scope 3 emissions.**
- **In 2024, STADA will calculate the Scope 3 emissions for 2023 embedding the learning from 2023 to improve data accuracy, to identify key suppliers and CMOs and engage with them via the RHI industry initiative facilitated by EcoVadis and to define our long-term scope 3 emission reduction target.**

GHG Emissions	2021	2022	2023
Scope 1 [tons CO_2e]	38,116	42,433	42,696
Scope 2 [tons CO_2e]	76,665	67,521	56,542
Total GHG emissions (Scope 1 + 2)	**114,781**	**109,954**	**99,238**
Scope 1 and 2 GHG emissions cumulative change from baseline 2020 [%]	**-12.8%**	**-16.5%**	**-24.6%**

Sustainable Products

SUSTAINABLE PRODUCTS AND PACKAGING ARE INCREASINGLY EXPECTED BY CONSUMERS AND ARE REQUIRED TO REMAIN COMPETITIVE IN THE MARKETPLACE.

The role of pharmaceutical packaging is to protect products and medicines and ensure they remain safe and stable over time, to allow the products to be transported, and to facilitate their use by consumers. Packaging is necessary and defined by regulatory standards, and STADA is also aware that it must be designed in a way that minimizes its impact on the environment.

STADA ensures to meet the Packaging Environmental regulations, and with this in mind, its focus in 2023 was the analysis of the EU Commission Packaging & Packaging Waste Regulation (PPWR) project. The company welcomes the objective of this proposed EU legislation with packaging waste reduction targets and design requirements for packaging harmonized across the EU. This will help to reduce packaging pollution & build a circular economy. STADA was inspired by this draft document to confirm its target to design packs so they can be recycled, as well as integrate PCR in its new products and help consumers with adequate information.

Based on this, STADA developed its internal Packaging Eco-Design and PCR guidelines. The Eco-Design guideline defines the criteria to meet per packaging type when developing a new pack component. The PCR guideline details the information to consider and gather to ensure safety of STADA's packs when they incorporate PCR material. With such documents, the company provides its developers guidance on good sustainable pack development, with the PPWR in sight.

In 2023, STADA also continued to deploy its packaging sustainability strategy based on the 5Rs.

REMOVE & REDUCE:

Focus in 2023 at STADA has been on the removal of unnecessary packs, and in particular leaflets. Brands such as Prostenal and Proenzi were the first ones to systematically enforce this approach. Concurrently one-page information document was developed to engage HCPs into our approach.

REUSE:

Best example of 2023 is the launch of the Cetraben jar that has been designed with a removable label, hence allowing the consumers to reuse this blank jar for other purposes at home, therefore reducing the quantity of plastic placed in the markets.

RECYCLE ("RECYCLED"):

the new Launches for Derma contains at least 30% PCR[64] plastic. In 2023, for instance, this was the case for the following launches.

REFILL:

STADA also developed a refill for the Zoflora[65] trigger that contains 99% less plastic than the product sold diluted.

64 *PCR - Post-Consumer Resin*
65 *More info at www.zoflora.co.uk*

MAIN INITIATIVE:

STADA Pilots Green Car Fleet (UZBEKISTAN)

STADA Uzbekistan – second biggest market for STADA in Eurasia region – has reached the agreement with the local official dealer of GEELY to lease a trial quantity of fully-electric corporate cars for its employees. Upon completion of the trial usage STADA has plans to transfer the majority of its sales staff in bigger cities of Uzbekistan to this sustainable solution.

STADA will consider further roll-out of electric car fleet in Eurasian countries based on the development of infrastructure for their use. "This project is our special pride as we are the first company within the pharmaceutical industry in the country to shift to the electric cars. STADA worldwide invests a lot in the sustainable development, and we are glad to contribute to this course locally", says Bakhtiyar Khadjimukhamedov, STADA Uzbekistan GM.

Sustainability, and especially ecology, is high on the Government's agenda in Uzbekistan, and the usage of electric cars is supported through tax incentives and the development of the charging infrastructure. STADA closely monitors these developments to be at the forefront of changes positively affecting the carbon footprint the company leaves in this part of the world.

ESG INITIATIVES:

Lean & Green Spain

In 2023, STADA became the first pharmaceutical company in Spain to join the Lean & Green program, one of the main European initiatives to promote decarbonization strategies for logistics processes. This brings STADA closer to its environmental targets, which include a 42% reduction in CO2 emissions by 2030. In November, the company was recognized at the latest edition of the Lean & Green Awards for its commitment to the decarbonization of logistics operations. As part of its sustainability strategy, STADA Spain has made a commitment to reduce carbon emissions from logistics operations by 20% over the next five years. The company becomes the first pharmaceutical company in Spain to receive this recognition.

Plastic Free Offices / Italy

To contribute to a sustainable infrastructure, STADA Italy reduced the use of plastic water bottles. They replaced three vendor water machines with three water dispensers and every employee received a canteen (bottle) to be used instead of the plastic ones. Now, plastic water bottles are available only for a fee. Saved: 28,600 plastic water bottles and 350 kg of plastic per year.

UN SDG 17

PARTNERSHIP FOR THE GOALS

WITH STADA'S PURPOSE OF CARING FOR PEOPLE'S HEALTH AS A TRUSTED PARTNER, SOCIAL RESPONSIBILITY AND COMMITMENT TO PUBLIC HEALTH IS AT THE HEART OF WHAT WE DO. THIS PURPOSE, TOGETHER WITH OUR VALUES, FORMS THE BASIS OF OUR STRONG GROWTH CULTURE AND GUIDES OUR WORKFORCE. ON TOP, OUR COMPREHENSIVE CORPORATE GOVERNANCE ENSURES NOT ONLY COMPLIANCE OF OUR ACTIVITIES WITH APPLICABLE LAWS AND REGULATIONS, BUT INCREASINGLY EXTENDS TO OUR PARTNERS.

BORIS DÖBLER

Chief Financial Officer/CFO

The Sustainable Development Goal 17 stands for strengthening the means of implementation and revitalizing the global partnership for sustainable development.

In order to support meeting this SDG, STADA leads active dialog with its stakeholders and initiates new ESG partnerships within STADA's operations. STADA's corporate values, also presented in its Code of Conduct, define affirmative models of behavior that apply to all employees in the Group. Such affirmative models of behavior are set by full respect of the UN GC 10 Principles as well as all tangible ESG aspects that could improve positive impacts of STADA's operations and its employees' behavior. In this way, STADA strives not only to improve its footprint, but to inspire others to do the same. The following material topics are mainly relevant for STADA to support the SDG 17:

01 **Governance and ethical business**

02 **Corporate culture and values**

03 **Respect for human rights**

04 **Data privacy and security**

05 **CSR and support to public healthcare**

Governance and Ethical Business (including Compliance)

As an internationally active Group, STADA is subject to a wide range of legal frameworks. Adherence to these requirements forms the foundation of a responsible, sustainable and successful corporate governance – because unlawful behavior or even the appearance of a breach of the law can lastingly damage the reputation and market position of the company and potentially cause significant financial loss.

For this reason, the principles of diligent and conscientious, transparent, responsible and value-oriented corporate governance determine the actions of STADA's Executive Board in managing the Company and of the Supervisory Board in conducting its monitoring and advising role. Furthermore, in addition to legal requirements and further regulations, the regulatory framework in which the Company operates encompasses the provisions of its Internal Control and Risk Management System, the STADA Code of Conduct and Group-wide corporate policies on specific topics derived from it.

STADA'S ESG INITIATIVE

Managing ESG in practice on the example of EG Labo / France

STADA's Code of Conduct[66]

STADA'S CODE OF CONDUCT AND CORPORATE POLICIES NOT ONLY SERVE THE COMPANY ITSELF, BUT ALSO ITS EMPLOYEES IN PARTICULAR AS GUIDANCE FOR PROPER BEHAVIOR WHEN CONFRONTING LEGAL OR ETHICAL CHALLENGES IN THEIR DAILY WORK. THEY ARE ALSO DESIGNED TO HELP PREVENT UNETHICAL OR ILLEGAL BEHAVIOR SUCH AS ACTS OF CORRUPTION.

The Code of Conduct contains binding behavioral guidelines on topics such as anti-corruption, fair competition, social aspects regarding tolerance and respect as well as dealing with the media and taxes.

In order to familiarize employees with the content of the Code of Conduct, they are instructed by a compliance officer, for example, in the context of an interactive e-learning including practical examples. Furthermore, in 2022, electronic confirmation was introduced for all employees worldwide to confirm that they had read the Code of Conduct and acted in accordance with its principles. All employees worldwide are required to submit an additional electronic confirmation regarding potentially existing conflicts of interest. Both declarations must be submitted regularly by all employees worldwide.[67]

The successful review of the Compliance Management System formed the basis for continuously developing STADA's compliance activities in the year under review and adapting them to changing regulatory requirements and a dynamic market environment. STADA introduced in 2023 a digital reporting system ("Compliance Reporting Portal") to expand its established whistleblower program with an additional channel for reporting suspected cases of non-compliant behavior. Additionally, STADA established a process for determining appropriate compensation for dealing with healthcare professionals (e.g., doctors) in different countries ("Fair Market Value"). Furthermore, STADA updated numerous policies to adapt to changing market conditions and regulatory requirements (e.g. sanctions and export policies).

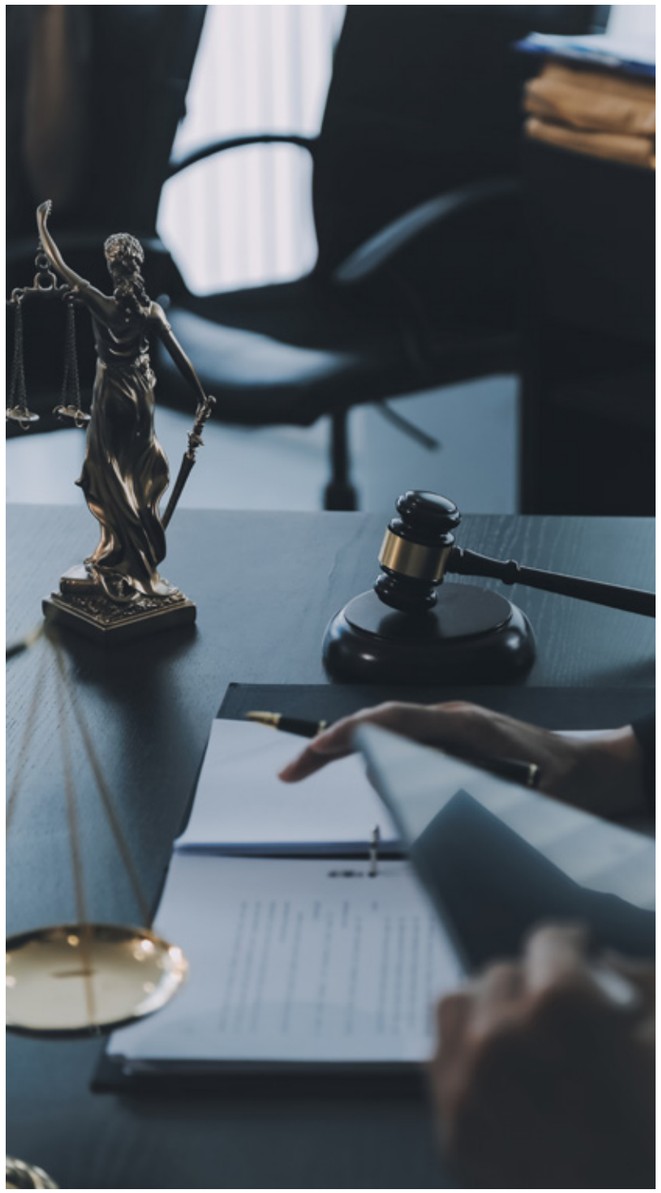
In 2022, the Global Marketing & Sales Policy, which provides the framework for marketing pharmaceuticals within the STADA Group, was updated. The updated guideline now reflects all the requirements of the Code of Conduct of Medicines for Europe, an association of European pharmaceutical companies in the field of biosimilars and generics, of which the STADA Group is a member. The main changes to this Directive include the cross-border publication of payments to healthcare professionals and the dispensing of samples of medicinal products. Additionally, STADA has introduced in 2022 a practice-oriented, mandatory online data protection training course that sensitizes employees to data protection requirements. In addition, a comprehensive digital training management system for employees ["Hero"] was introduced, which enables STADA to ensure the actual implementation of mandatory compliance training by employees.

66 STADA's Code of Conduct is published on the Company's website at www.stada.com/de or www.stada.com.

67 In 2021, STADA obtained a certification for the compliance management system in accordance with IDW PS 980, taking into account further ISO standards for the STADA Group. This external audit covered both the appropriateness and the effectiveness of the compliance management system in the areas of anti-corruption, export control, anti-trust law, and data protection. The audit was concluded with an unqualified audit opinion.

Compliance Management

STADA HAS ESTABLISHED A ROBUST COMPLIANCE MANAGEMENT SYSTEM TO UPHOLD LAWS AND INTERNAL PROTOCOLS, FOCUSING ON ANTI-CORRUPTION, COMPETITION LAW, EXPORT CONTROL, ANTI-MONEY LAUNDERING, AND DATA PROTECTION.



At the core of this system is the Corporate Compliance office, operating as an unbiased advisor. It aims to shield the company's financial standing and reputation, insulate STADA's management and employees from personal risks, avert competitive drawbacks, and boost the trust of consumers, patients, partners, and public authorities in STADA's integrity.

Corporate Compliance offers guidance on compliance areas like data protection and industry codes, proposes process optimization, and frequently liaises with other stakeholders and key business areas and departments.

An ombudsman, accessible via STADA's website, functions as an independent medium for confidentially reporting suspicious activities, relaying information to the compliance office, which then decides the next course of action. Additionally, STADA also has established a digital reporting system to raise concerns.

Besides the central Corporate Compliance team, local compliance departments operate in a decentralized fashion, acting as on-site contact points. They support the Corporate Compliance office, ensuring an ongoing dialog. Furthermore, over 40 compliance coordinators are assigned to local branches. These personnel undertake compliance functions along with their standard roles and act as local contacts for compliance-related processes, enhancing the Group's comprehensive compliance coverage.

The current compliance management system undergoes routine assessments, continuously refined, and enhances the global collaboration among compliance officials. In 2017, STADA amplified its reporting infrastructure from its subsidiary companies to the Compliance Office, a system that has been improving ever since. As part of this upgraded procedure, reports from subsidiaries on specific compliance themes are gathered, reviewed, and used to suggest further enhancements.

Corporate Culture and Values

AS A GLOBAL ENTITY, STADA RECOGNIZES THE BENEFITS OF RESPECTING ITS EMPLOYEES' UNIQUE QUALITIES AND DIVERSITY. THIS RESPECT IS REFLECTED IN STADA'S CORPORATE CULTURE, WHICH IS BASED ON FOUR VALUES UNIVERSALLY APPLICABLE TO ALL EMPLOYEES, IRRESPECTIVE OF LOCATION.

STADA employees embody the company's values and purpose through their actions in and out of work. To reinforce this, STADA initiated a Caring day in 2023, where employees from all locations were doing blood donations.

Furthermore, the Global Communication team launched the new ONESTADA App, designed to provide quick access to the latest news, personalized content, and the social feed. Within the first two weeks after the launch, the app was downloaded by more than 70% of STADAs employees.
STADA ensured the steady transfer of information through the launch of four editions of the employee magazine, One STADA News, during the year. With translations in multiple different languages and local versions, One STADA News guarantees inclusivity and accessibility. The company also held multiple global townhall meetings, streamed live on the intranet with real-time translations in eight languages. Furthermore, nationwide events targeted at employees were held at the country level.

INTEGRITY

ENTREPRENEURSHIP

AGILITY

ONE STADA

STADA's senior leadership team participated in monthly video conferences with the CEO and convened for two in-person gatherings in the spring and fall of 2023. These meetings didn't solely concentrate on strategic updates; they also highlighted the corporate culture and STADA's growth narrative.

STADA's success is predicated on forming a capable team with a growth culture. This culture and the associated values are promoted and embedded at all stages of the employee life cycle through: value-based recruiting, leadership development, employee development, yearly initiatives, and recognition offered to all employees (like the Value awards[68]); core values are also part of the STI (Short Term Incentive) scheme.

[68] On a semiannual basis, employees with outstanding results are nominated to receive The Value Award for their integrity, agility, entrepreneurship and teamwork (One STADA). The winners are announced at a global townhall meeting with recognition and respect for their business success as a motivation to others.

Respect for Human Rights

STADA'S CODE OF CONDUCT EMBODIES ITS SELF-PERCEPTION OF REALIZING ECONOMIC PROSPERITY WHILE ADHERING TO ETHICAL ACCOUNTABILITY AND RESPECTING HUMAN RIGHTS.

STADA successfully incorporated in a growing proportion of new product supply agreements that suppliers adhere to the ten principles of the UN Global Compact.

This commitment includes, among other things, the support and respect for the protection of international human rights, ensuring neither party is involved in any human rights violations, and the pledge to eradicate all forms of forced and child labor. Contracts negotiated since financial year 2016 pursuant to the Corporate Policies and which have been negotiated in connection with the production of finished goods sometimes include clauses to comply with the ten principles of the UN Global Compact. This is associated with an obligation to, among other things, support and respect the protection of international human rights and ensure that neither party is complicit in any violations of human rights and commits to the removal of all forms of compulsory labor and to the elimination of child labor.[69]

Human rights issues also play an important role in STADA's purchasing practices and its sustainable procurement strategies. The Group expects its business partners to comply with all applicable laws, rules and regulations in the countries in which they operate or conduct business and to adhere to the standards set out in the Declaration of Principles on STADA's Human Rights Strategy. This also includes the introduction of relevant procedures by STADA's business partners to ensure respect for human rights – including in their own supply chains (such as the introduction of effective management systems and governance structures as well as appropriate measures to combat corruption and fraud). With STADA's Business Partners Code of Conduct, addressing also ESG requirements and introduced in 2023, the company establishes binding standards on human rights, environmental issues and ethical standards with partners in the company's direct sphere of influence.

69 In 2022, STADA established in 'Responsible Procurement' function and is preparing for the implementation of the requirements from the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG). Also, it started to implement a system solution from EcoVadis© in connection with the Supply Chain Due Diligence Act to evaluate our suppliers in the areas of Environment, Labor & Human Rights, Ethics and Sustainable Procurement. Implementation began in 2022 and initial suppliers were evaluated accordingly. In 2023, further operational implementation took place to address certain ESG aspects to our suppliers and to identify and manage environmental or human rights risks and initiate remediation measures accordingly.

Data Privacy and Security

STADA respects the personal rights of its stakeholders, processes personal data exclusively for specific business purposes and protects it from unauthorized access.

The company takes necessary measures to treat personal data with confidentiality and to collect, process and use it exclusively in accordance with the applicable data protection regulations. Also, special attention is put to all pharmacovigilance data in accordance with all applicable laws and regulations.

CSR and Support to Public Healthcare

STADA, AS ONE OF THE LEADING PHARMACEUTICAL COMPANIES, STRIVES TO SET AN EXAMPLE WITH ITS LAUDABLE APPROACH TO CORPORATE SOCIAL RESPONSIBILITY (CSR).

The organization's efforts are driven by an underlying commitment to public health, underpinning their central business operations and guiding the broader actions they take within their community.

Fueled by the belief that success should be closely balanced with ethical responsibility and societal well-being, STADA offers a broad spectrum of healthcare products that are not only beneficial but also affordable, effectively serving the community at large.

STADA's emphasis on public healthcare is further manifested through their support of the Hemofarm Foundation and its other affiliates. This foundation, closely aligned with STADA's essence of promoting health, spearheads various charitable initiatives focusing on healthcare support and patient aid (i.e. programs and projects including advocating for raising awareness on the importance of organ donation, mental health support, education on fighting high blood pressure, and many others). Ranging from sponsoring scientific research, educating medical personnel and supporting patient groups, to aiding the general population during health crises, the Hemofarm Foundation's activities embody STADA's commitment to fostering a healthier society. Through these actions, the foundation along with STADA delineates a model path of corporate responsibility in the contemporary pharmaceutical landscape. In 2023, STADA initiated collecting feedbacks and insights from its local affiliates about how to structure its future Access to Medicines program in order to address all key health challenges and support lowering the pressure on healthcare systems. This included outreach and discussions with several international medicine-donation charities as well as an extensive dialogue held in October 2023 with UNICEF.

STADA'S ESG INITIATIVE

STADA's OTC Generics Initiative with the German Red Cross (GERMANY)

The STADA OTC Generics Initiative with the German Red Cross will continue in 2024 and enter the next round. Since the start, we have collected more than 250,000 euros for DRK projects and people in need.

STADA's largest OTC generics campaign to improve people's health via donation of 2€ cents for each of the products sold under the OTC generic portfolio. Euro 75k donated to the German Red Cross in 2023.

Reporting Framework

SECTION 3[70]

[70] Only GRI KPIs marked green and with (✔) in this section were subject to a limited assurance engagement.

STADA

STADA HAS BEEN ON A STRONG GROWTH JOURNEY IN THE LAST 5 YEARS, AND IT INCREASINGLY FINDS ITSELF IN LEADERSHIP POSITIONS ACROSS MANY GEOGRAPHIES. STADA'S RESPONSIBILITY TO DO THE RIGHT THING IS THEREFORE BECOMING HEAVIER. GOING FORWARD, AND AMONG OTHER INITIATIVES, IT WILL CONTINUE TO DEVELOP INFRASTRUCTURE AND MAKE INVESTMENTS IN ITS PRODUCTION SITES, DISTRIBUTION AND SUPPLY CHAIN, CONTINUOUSLY IMPROVING ACCESS TO MEDICINES IN THE COUNTRIES IT OPERATES IN.

General Reporting Data

The STADA Group Sustainability Report[71] is being prepared for the third time. This report has been prepared in accordance with the GRI Standards and is published annually.

The reporting period includes January 1, 2023 through December 31, 2023.[72] The scope of this report includes selected 30 KPIs of the global operations of STADA Group, managed from the headquarters in Germany. These selected and audited KPIs are marked with "(✔)". A limited assurance engagement in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (Revised) was performed by the independent Auditing company PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft. The independent auditor's opinion is to be found on p. 140.

71 Published on September 15, 2023.
72 Reporting periods of financial reporting and sustainability reporting are aligned.

Reporting Principles

MATERIALITY MATRIX

The starting point for the preparation of this report is the STADA Materiality Matrix with the List of Material Topics, based on double materiality assessment (presented at the beginning of the report), which represents a comparative overview of important business topics from the perspectives of both the company and the key stakeholders. Topics are ranked according to the upstream and downstream ESG impacts. Indicators and topics are connected by the analysis of GRI indicators, whereby the Materiality Matrix gives the basis for future reporting as well as business improvement. Given that the sustainability report encompasses topics of relevance to the company and stakeholders, it can be used as the basis for the estimates and decisions made by management bodies and stakeholders. The application of GRI guidelines enables the company to transparently report on the performance in three key areas of sustainable operations: the environment, society, and governance, with the presented management approach linking STADA's sustainability program with the SDGs. In addition to the company profile and a number of indicators, the report is based on the following principles.

MATERIALITY

The report encompasses all material topics identified as part of STADA's materiality assessment. It includes relevant economic, environmental, social, and management-related topics and activities that have impact on STADA and its stakeholders. The process of prioritizing the topics in the 2023 report involved an active dialog with key stakeholders through online surveys, creating the Materiality Matrix in accordance with GRI guidelines, the needs and interests of all stakeholders, and the strategic priorities of the company.

STAKEHOLDER INVOLVEMENT

One of STADA's sustainability reporting goals is to address all relevant stakeholders, through active dialogue, from collecting their inputs to presenting the data about STADA's business operations that can, directly and indirectly, affect or influence their work and/or life conditions and environment. The stakeholder dialogue is executed on an annual basis, with previous prioritization of concrete stakeholder groups to be invited for materiality assessment of STADA's double materiality impacts. In addition, STADA fosters speak-up and giving feedback culture among its employees, as the key internal stakeholders and a valuable source of quality inputs that could potentially improve STADA's sustainability efforts. STADA welcomes any feedback from readers of this report about its quality and content, so that it can improve the quality of future reports. The e-mail address for sending suggestions, impressions, and any feedback is sustainability@stada.com.

SUSTAINABILITY

The principle of operational sustainability involves the way in which the company perceives its long-term environmental impact, and presents its activities at the national, regional, and global level.

COMPLETENESS

The report provides relevant information and data from 1 January 2023 up through 31 December 2023. Comparative data from previous years are also shown, wherever possible. Financial and economic indicators are taken over from STADA's Annual Report 2023, pertaining to the company's activities at the Group level and are compatible with STADA's financial report.

BALANCE

Balance requires the presentation of both positive and negative aspects and effects of the company on sustainability, thus on providing impartial and objective presentation of results. Objective presentation of the company results in 2023, in the economic, environmental, and social segments, is based on GRI methodology, which presents relevant information, regardless of their characteristics.

COMPARABILITY

Comparability means presenting data in a consistent and continuous manner, so as to provide an option of comparison with GRI standards and other companies. Since this is the third sustainability report published by STADA, it is comparable to the previous one (published in 2023 on the financial year 2022) as well as other sustainability reports of STADA's affiliate Hemofarm from Serbia. Since this report represents an extension of nonfinancial reporting, it is also possible to compare data with the previous STADA Annual Reports.

ACCURACY

Accuracy implies providing information of appropriate quality and quantity, while constantly improving the system of data collection and analysis. Where source data could not be collected, estimates were performed with explanations regarding the calculation/estimation methodology.

TIMELINESS

Timeliness means consistency in reporting frequency and length of reporting period in order to secure the availability of information on a regular basis, and the possibility to make adequate and timely decisions regarding the company and its operations. STADA reports on its ESG / sustainable development annually.

CLARITY

Clarity is presenting information in a transparent, simple, and clear manner, thus ensuring the accessibility of information. The availability and intelligibility of information from and for all stakeholders was one of the main objectives during the preparation of the 2023 report.

RELIABILITY

Reliability means collecting, recording, compiling, analyzing, and publishing information in a way that can be verified and in a way that substantiates the quality and materiality of the information. **Relying on standards and requirements of the globally recognized GRI methodology, Section 1 of this report, together with selected KPIs (GRI indicators marked green in the following GRI index table) from Section 3, as the main parts of this report, were verified by the auditing company PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft.**

GRI Index[73]

Reporting Principles

DISCLOSURE	REFERENCES
2-1 Organizational details (✔)[74]	
a. Report its legal name;	Section 1 of this Report / Chapter Company Profile 2023
b. Report its nature of ownership and legal form;	STADA Arzneimittel AG is a German stock corporation. It has a 100% shareholder, the Nidda Healthcare GmbH as direct shareholder. Related companies: Bain Capital Investors, LLC, Wilmington, Delaware, USA, and Cinven (Luxco 1) S.A., Luxembourg, exercise direct joint control over the subsidiary Nidda Topco S.à r.l., which in turn indirectly controls the following subsidiaries: Nidda Midco S.à r.l., Nidda German Topco GmbH, Nidda German Midco GmbH, Nidda BondCo GmbH and Nidda Healthcare Holding GmbH, through the direct shareholder Nidda Healthcare GmbH which holds the outstanding shares in STADA Arzneimittel AG.
c. Report the location of its headquarters;	Section 1 of this Report / Chapter Company Profile 2023
d. Report its countries of operation.	Section 1 of this Report / Chapter Company Profile 2023
2-2 Entities included in the organization's sustainability reporting	
a. List all the entities included in its sustainability reporting;	Sustainability reporting includes STADA's countries of operations in Europe (Austria, Belgium, Bosnia-Herzegovina, Bulgaria, Czechia, Croatia, Denmark, Estonia, France, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Moldova, Montenegro, Netherlands, North Macedonia, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine, United Kingdom) and worldwide (Armenia, Australia, Azerbaijan, China, Georgia, Hongkong, India, Kazakhstan, Kyrgyzstan, Philippines, Thailand, Saudi-Arabia, United Arab Emirates, USA, Uzbekistan and Vietnam).
b. If the organization has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting;	No additional entities are included in the sustainability reporting that are not included in its financial reporting.
c. If the organization consists of multiple entities, explain the approach used for consolidating the information, including:	STADA is consolidating the information from its entities of operation through regular reports within separate workstreams (including TechOps, C&P, Legal and Compliance, Communication, Commercial, etc.). These reports are collected through monthly business reviews, quarterly reports and final annual reports and are structured compatible to GRI, including mergers, acquisitions, and disposal of entities or parts of entities as well as adjustments to information for minority interests where applicable.
i. whether the approach involves adjustments to information for minority interests;	
ii. how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities;	
iii. whether and how the approach differs across the disclosures in this Standard and across material topics.	/

[73] The terms 'local' and 'significant locations of operation' apply to 11 countries with production sites, as well as 50 countries (including these 11 countries with production sites) in which STADA has direct subsidiaries. (more details within Section 1 of this report). The term 'management' in this report means top, middle and lower management of the company, including the Chief Executive Officer and the SEC (STADA Executive Committee).

[74] Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
2-3 Reporting period, frequency and contact point	
a. Specify the reporting period for, and the frequency of, its sustainability reporting;	Section 3 of this Report / Chapter Reporting framework
b. Specify the reporting period for its financial reporting and, if it does not align with the period for its sustainability reporting, explain the reason for this;	Section 3 of this Report / Chapter Reporting framework
c. Report the publication date of the report or reported information;	Section 3 of this Report / Chapter Reporting framework
d. Specify the contact point for questions about the report or reported information.	See 'Impressum'; Back cover page of this Report
2-4 Restatements of information	
a. Report restatements of information made from previous reporting periods and explain:	Business reorganization in the STADA Group: STADA carried out a business reorganization in financial year 2023. In this context, STADA transferred its shareholdings in the former Russian subsidiaries to Nidda Lynx S.a r.l., a holding company based in Luxembourg and held by Nidda Midco S.a r.l., in September 2023. Since that time, the Russian companies are no longer subsidiaries of the STADA Group. In principle, reporting date-based key figures as of the end of financial year 2023 do not include "discontinued operations", up to their deconsolidation at the end of September. Flow-based key figures, on the other hand, continue to include "discontinued operations". If these principles do not apply to certain key figures or disclosures, this is explicitly indicated (e.g. in an explanatory footnote).
i. the reasons for the restatements;	
ii. the effect of the restatements.	
2-5 External assurance	
a. Describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved;	STADA's non-financial reports have been subject to a limited assurance engagement as well as the 2021 GRI report and selected sustainability indicators and sections from the 2022 GRI report and 2023 GRI report.STADA Executive Board, based on the inputs from its Sustainability Steering Committee, seeks for an independent auditor.
b. If the organization's sustainability reporting has been externally assured:	
i. provide a link or reference to the external assurance report(s) or assurance statement(s);	Section 3 of this Report / Chapter Independent Auditor's Report
ii. describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process;	Section 3 of this Report / Chapter Reporting framework
iii. describe the relationship between the organization and the assurance provider.	PWC is an independent auditor to STADA.
2-6 Activities, value chain and other business relationships	
a. Report the sector(s) in which it is active;	Section 1 of this Report / Chapter Company Profile 2023
b. Describe its value chain, including:	Section 1 of this Report / Chapter Company Profile 2023
i. the organization's activities, products, services, and markets served;	The term 'operation' for STADA is defined as a country where STADA has either its production facility, local subsidiary or partner offering its products.
ii. the organization's supply chain;	Section 1
iii. the entities downstream from the organization and their activities;	Section 1 of this Report / Chapter Company Profile 2023
c. Report other relevant business relationships;	/
d. Describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.	There were several changes at subsidiaries in financial year 2023 – NextGEN360 Ltd (United Kingdom) and AO Nizhpharm as well as OOO Hemofarm (both Russia) and their units were deconsolidated in the course of the year and have no longer been part of the STADA Group since then. This means that 2,281 employees left the Group in the reporting year.

DISCLOSURE	REFERENCES
2-7 Employees [✓][75]	
a. Report the total number of employees, and a breakdown of this total by gender and by region;	See tables below. As of the balance sheet date December 31, 2023, approximately 5% of employees throughout the Group were employed on a part-time basis (thereof 91% female and 9% male employees). Figures not including Nidda employees.
b. Report the total number of:	Figures presented on due date 31/12/23. i/ii/iv/v.
i. permanent employees, and a breakdown by gender and by region;	
ii. temporary employees, and a breakdown by gender and by region;	
iii. non-guaranteed hours employees, and a breakdown by gender and by region;	
iv. full-time employees, and a breakdown by gender and by region;	
v. part-time employees, and a breakdown by gender and by region;	In this chart NIDDA employees are included. iii. Not applicable
c. Describe the methodologies and assumptions used to compile the data, including whether the numbers are reported:	SAP software-based data collection is used to track the data and present it as required. Data is presented in head count. Figures presented on due date 31/12/23.
i. in head count, full-time equivalent (FTE), or using another methodology;	
ii. at the end of the reporting period, as an average across the reporting period, or using another methodology;	
d. report contextual information necessary to understand the data reported under 2-7-a and 2-7-b;	/
e. describe significant fluctuations in the number of employees during the reporting period and between reporting periods.	Total Hires in 2023: 2,284 Total Leavers in 2023: 1,503 Fluctuation: 12.4% (14.7% in 2022) (including Nidda employees)
2-8 Workers who are not employees	
a. Report the total number of workers who are not employees and whose work is controlled by the organization and describe:	See table below.
i. the most common types of worker and their contractual relationship with the organization;	
ii. the type of work they perform;	
b. Describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported:	
i. in head count, full-time equivalent (FTE), or using another methodology;	
ii. at the end of the reporting period, as an average across the reporting period, or using another methodology;	SAP software-based data collection is used to track the data and present it as required.
c. Describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.	/

STADA employees[76]	12/2022	12/2023	Average
FTE (Full Time Equivalent)	10,859	11,667	11,466
Headcount	11,424	12,300	12,046

Female	6,303	54%
Male	5,363	46%

Country	Full Time F	Full Time M	Full Time D	Full time total	Part time F	Part time M	Part Time total	Fix-term F	Fix-term M	Fix-term total	Permanent F	Permanent M	Permanent D	Permanent total
European Markets	3,640	2,603		6,243	177	11	188	528	414	942	3,289	2,200		5,489
Emerging Markets	1,003	1,160		2,163	7	2	9	338	454	792	672	708		1,380
Germany	766	741		1,507	265	21	286	64	53	117	967	709		1,676
Headquarter + local										0				0
Western Europe	823	904	2	1,729	109	15	124	19	9	28	913	910	2	1,825
Rest of the World	62	29		91	7	1	8	1		1	68	30		98
TOTAL	6,294	5,437	2	11,733	565	50	615	950	930	1,880	5,909	4,557	2	10,468

Contractor workers total in 2023	**89** (mainly active within STADA's Technical Operations)	
Gender structure:	M 47%	F 53%
Locations:	Belgium 3, China 1, Czech Republic 1, Germany 25, Montenegro 59	

[75] Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.
[76] Data presented exclude NIDDA for 2022 and 2023.

DISCLOSURE	REFERENCES
2-9 Governance structure and composition	
a. Describe its governance structure, including committees of the highest governance body;	STADA Arzneimittel AG has a two-tiered board structure with an Executive Board and a Supervisory Board. The Executive Board is the highest governance and decision-making body and manages the businesses; it is supported in this by STADA Executive Vice Presidents of important STADA business lines and functions together forming an extended management team (the STADA Executive Committee, SEC). The SEC is headed by the Chairman of the Executive Board/CEO. The competence and diversity in the SEC team ensure that STADA takes the best decisions for the company. The Supervisory Board appoints and dismisses the Executive Board and monitors and advises the Executive Board in the management of the business.
b. List the committees of the highest governance body that are responsible for decision making on and overseeing the management of the organization's impacts on the economy, environment, and people;	The STADA Executive Board meets physically every month together with the extended management team (SEC). ESG topics and impacts have been on the Agenda in 2023 as required. Within the Executive Board, the management responsibility for sustainability, health, safety and environmental matters falls within the area of responsibility of the Chief Technical Officer. People, corporate culture and diversity falls within the area of responsibility of the Chief People Officer. The STADA Sustainability Steering Committee (SSC) is the main body steering and preparing the decision-making with respect to Sustainability / ESG and has the following members (board members: CFO, CTO, CPO and SEC members: EVP Global Legal; EVP Global Communication; EVP Global CHC, EVP Eastern Europe and Senior Director Global HSE & Sustainability). The STADA Supervisory Board monitors and advises the Executive Board in the running of its business operations. Through a regular dialogue with the Executive Board, the Supervisory Board is informed of the business development, strategy and company planning and also on environmental, social and governance matters. The Supervisory Board receives quarterly reports by the Management also covering updates on ESG activities. Supervisory Board meetings take place in presence in general twice a year and in between the Board convenes or passes resolutions as required. The Supervisory Board forms committees, like the Audit Committee and Chairman's Committee, the Nomination Committee and Compliance Committee.
c. Describe the composition of the highest governance body and its committees by:	
i. executive and non-executive members;	The Executive Board consists of 4 members (Chief Executive Officer, Chief Financial Officer, Chief Technical Officer; Chief People Officer). The Supervisory Board consists of nine members, of whom six members are shareholder representatives and three members are employee representatives.
ii. independence;	All members of the Executive Board are independent. The Executive Board by law manages the Company on its own responsibility. STADA entered into a domination and profit and loss transfer agreement with its 100% shareholder Nidda Healthcare GmbH which grants Nidda Healthcare GmbH the right to issue instructions to the Executive Board of STADA Arzneimittel AG with regard to the management of the Company. STADA, however, is a legally independent entity with the previously described highest governance bodies. Insofar as no instructions are issued, the Executive Board of STADA can and must manage the Company on its own responsibility. STADA Executive Board is also responsible for the representation of the Company.

DISCLOSURE	REFERENCES
ii. independence;	The Supervisory Board consists of six shareholder representatives and three employee representatives. Two members from the six shareholder representatives are independent, four of the shareholder representatives are related to the 100% shareholder of STADA. The three employee representatives are independent from the shareholders.
iii. tenure of members on the governance body;	**Executive Board:** • Peter Goldschmidt (CEO): 2018 – 2027 • Simone Berger (CPO): 2021 – 2027 • Miguel Pagan Fernandez (CTO): 2018 – 2027 • Boris Döbler (CFO): 2022-2027 *Reference: STADA Annual Report 2023* *https://www.stada.com/media/8669/fy2023-annual-report-stada.pdfp. 220* **Supervisory Board:** • Dr. Günter von Au (Chairman of the Supervisory Board): since 2017; current term until 2028 • Markus Damm (Deputy Chairman of the Supervisory Board, employee representative[77]): 2019 – 2024 • Dr. Eric Cornut: since 2016; current term until 2028 • Tim Philipp Baltin: since 2021; current term until 2028 • Benjamin Kunstler: since 2017; current term until 2028 • Dr. Klaus Scheja (employee representative[78]): 2019 – 2024 • Bruno Schick: since 2017; current term until 2028 • Dr. Michael Siefke: since 2017; current term until 2028 • Jens Steegers (employee representative[79]): 2014 – 2024
iv. number of other significant positions and commitments held by each member, and the nature of the commitments;	In 2023, our CEO Peter Goldschmidt held the external position as chairman of the Supervisory Board of SCHOTT Pharma AG & Co. KGaA and SCHOTT Pharma Management AG. Besides this, there are no other external mandates of the members of the Executive Board in 2023. Some of the Supervisory Board members have positions in other committees, however it is ensured that they have enough time to fulfil their tasks and duties in the STADA Supervisory Board and thus such positions are not "significant". In addition, the rules of procedure of the Supervisory Board contain the self-commitment that the members shall not exercise directorships or similar positions or advisory tasks for main competitors of the enterprise. The members of the Supervisory Board shall ensure that they have sufficient time to fulfill their mandate. The mandates of Supervisory Board members are published in the CVs at the company's website.
v. gender	Executive Board: Female: 1 (25%), Male 3 (75%), Total 4 (100%) Supervisory Board: Female: 0 (0%), Male 9 (100%), Total 9 (100%)
vi. under-represented social groups;	/ Not evaluated.

77 Employee representative elections will take place in 2024.
78 Employee representative elections will take place in 2024.
79 Employee representative elections will take place in 2024.

DISCLOSURE	REFERENCES
vii. competencies relevant to the impacts of the organization;	The extended management body of STADA (SEC) consists of the Chief Executive Officer, the Chief Financial Officer, the Chief Technical Officer and the Chief People Officer as well as STADA Executive Vice Presidents of important STADA business lines and functions and represents all geographies of the STADA Group. The competence and diversity in the SEC team ensure that STADA takes the best decisions for the company. Further information and details on the broad competencies can be found on: https://www.stada.com/about-stada/management/stada-executive-committee. The Supervisory Board members have the required knowledge, abilities and specialist experience in order to appropriately assume their tasks at STADA and in line with the strict legal requirements set in particular in the German Stock Corporation Act (personal requirements, sector competence, financial expertise). The members of the Supervisory Board in its entirety are familiar with the pharmaceutical and health care sector and with the responsibilities and requirements of the two-tier board structure of German stock corporation law. The Supervisory Board Members are aware of the importance of ESG and related requirements and will ensure to continuously expand their knowledge also to reflect the increased monitoring tasks with respect to ESG matters.
viii. stakeholder representation.	Within the STADA Supervisory Board, the sole shareholder of STADA is represented with 4 seats and the STADA employees are represented with 3 seats.
2-10 Nomination and selection of the highest governance body	
a. Describe the nomination and selection processes for the highest governance body and its committees;	The Members of the Executive Board are appointed and dismissed by the Supervisory Board who ensures the long-term succession planning in alignment with the Executive Board. Within the framework of legal requirements and the Articles of Association, the Supervisory Board decides on the number of members of the Executive Board (currently 4), the qualifications required and the appointment of suitable individuals to the individual positions. The personnel decisions of the Supervisory Board and aspects regarding Executive Board remuneration are in general prepared by members of the Chairman's Committee. The STADA Supervisory Board is composed in accordance with the provisions of the One-Third Participation Act and consists of nine members, of whom six members are shareholder representatives (elected by the General meeting) and three members are employee representatives (elected by the employees). The members of the committees of the Supervisory Board are nominated by the Supervisory Board. See also: STADA Annual Report 2023 p. 22, 206, 207
b. Describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration:	
i. views of stakeholders (including shareholders);	Besides other criteria, the ownership structure of STADA is a relevant aspect for the selection and nomination of Supervisory Board members and thus the sole shareholder of STADA is represented with 4 seats (out of 9). STADA employees are represented with 3.
ii. diversity;	In the composition of both, the Executive and Supervisory Board, diversity is an important criterion. The Supervisory Board stipulates in its rules of procedures to consider diversity of the Executive Board's composition and in particular gives due consideration to the participation of women. With a 25-%-woman representation in the STADA Executive Board, the target set by the Supervisory Board for woman representation is met. The Supervisory Board has specified an objective of a heterogeneous and diverse Supervisory Board composition with respect to age structure/experience, diversity, educational and professional background as well as cultural diversity and internationality with the aim to enrich the Board's work from various perspectives. The Supervisory Board has set a target proportion of at least one woman in the Supervisory Board to be achieved until 31 December 2027.

DISCLOSURE	REFERENCES
iii. independence;	Executive Board: By law, the Executive Board is appointed by the Supervisory Board. The Executive Board must manage the Company on its own responsibility. Supervisory Board: The representation of the ownership structure on the one hand and independence on the other hand are relevant criteria for the composition of the Supervisory Board to represent the ownership (STADA being 100 % owned by Nidda Healthcare GmbH) and have an appropriate number of independent members. See for shareholding structure Section 1 of this Report.
iv. competencies relevant to the impacts of the organization.	Executive Board: The rules of procedure for the Supervisory Board regulate the appointment of the members of the Executive Board. In particular, the Chairman's Committee prepares the long-term succession planning for personnel decisions of the Supervisory Board. Within the framework of legal requirements and the Articles of Association, the Supervisory Board decides on the qualifications required with respect to our sector, products and geographics and the appointment of suitable individuals to the individual positions. There is also a general age limit for Executive Board members (appointed members should not reach the end of their 70th year). SEC: The extended management committee SEC is composed of Executive Vice Presidents of important business lines and functions and represents all geographies of the STADA Group. The competence and diversity in the SEC team ensure that STADA takes the best decisions for the company. Supervisory Board: The members of the Supervisory Board shall collectively be in possession of the knowledge, skills and professional experience required to correctly perform their duties and shall be familiar with the pharmaceutical and health care sector and with the responsibilities and requirements of the two-tier board structure of German stock corporation law. The Supervisory Board includes at least one member with expertise in the field of accounting and at least one other member with expertise in the field of auditing..
2-11 Chair of the highest governance body	
a. Report whether the chair of the highest governance body is also a senior executive in the organization;	The Chairman of the Supervisory Board is not an executive of the organization (non-executive supervising role in the two-tier system of the German Stock Corporation). The Chairman of the Executive Board is the Chief Executive Officer (CEO) (executive role in the two-tier system). The CEO is appointed by the Supervisory Board.
b. If the chair is also a senior executive, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.	Due to the two-tier system with two separate Bodies - Supervisory Board as monitoring body and Executive Board as managing and decision making body, there is no such risk.

DISCLOSURE	REFERENCES
2-12 Role of the highest governance body in overseeing the management of impacts	
a. Describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development;	The Executive Board of STADA Arzneimittel AG (CEO, CFO, CPO, CTO) is extended by Executive Vice Presidents of important STADA business lines and functions together forming an extended management team (the STADA Executive Committee, SEC). The Chairman of the Executive Board (CEO) is also heading the SEC. The STADA SEC is involved in developing, approving and updating the organization's purpose, value and mission statement, strategies, policies, and goals related to sustainable development (based on quality inputs from the STADA SSC (including the Executive Board members CFO, CTO and CPO) or other SEC members and experts.
b. Describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including:	
i. whether and how the highest governance body engages with stakeholders to support these processes;	In SEC meetings the members regularly discussed the organization's impacts which was reported by the responsible member of the Executive Board, the CTO for environmental, health and safety topics as well as aspects of responsible procurement and CPO for Culture & People-related ESG-topics.
ii. how the highest governance body considers the outcomes of these processes;	The Executive Board and SEC members have approved a detailed "Sustainability Policy and ESG Commitments" which is published as one pager on the STADA website. This Policy and commitment of the highest governance body also includes the results of an ESG materiality analysis (including stakeholder participation).
c. Describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b, and report the frequency of this review.	More details could be found in STADA Annual Report 2023 p. 93.
2-13 Delegation of responsibility for managing impacts	
a. Describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including:	
i. whether it has appointed any senior executives with responsibility for the management of impacts;	Within the Executive Board, the management responsibility for sustainability, health, safety and environmental matters falls within the area of responsibility of the Chief Technical Officer. People, corporate culture and diversity falls within the area of responsibility of the Chief People Officer. The STADA Sustainability Steering Committee is the main body steering and preparing the decision-making with respect to Sustainability / ESG and has the following members: CFO, CTO, CPO and SEC members: EVP Global Legal; EVP Global Communication; EVP Global CHC, EVP Eastern Europe and Senior Director Global HSE & Sustainability.
ii. whether it has delegated responsibility for the management of impacts to other employees;	Depending on the topic, the respective global function (headed by SEC member) takes the leadership to develop respective programs and initiatives addressing and improving sustainability aspects within their area of responsibility (e.g. CTO via Global HSE function for climate change and occupational health & safety; CPO via Global C&P function for diversity and training).
b. Describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people	/

DISCLOSURE	REFERENCES
2-14 Role of the highest governance body in sustainability reporting [(✓)80]	
a. Report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics, and if so, describe the process for reviewing and approving the information;	The STADA Executive Board is responsible for reviewing and approving the reported information. This body confirms the sustainability policy, material topics and aspects of sustainable development, initiated by the SSC. STADA SSC is preparing all the information and steps from locating potential material topics, through stakeholder dialogue, to finalizing the list of material topic, together with proposing reporting KPIs, while the SEC is reviewing and giving feedback inputs to the SSC. When all the topics are aligned, the SEC finally approves reporting concept (including topics and KPIs). Data collecting for reporting, as well as reporting content is presented both to the SSC and the SEC. The same process follows reviewing and approving of sustainability reporting: the first level is the SSC, while the second, and final one, is the SEC.
b. If the highest governance body is not responsible for reviewing and approving the reported information, including the organization's material topics, explain the reason for this	/
2-15 Conflicts of interest	
a. Describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated;	In 2023, electronic confirmation was introduced for all employees worldwide, including SEC members, to confirm that they had read the Code of Conduct and acted in accordance with its principles. Since 2022, all employees worldwide, including SEC members, have also been required to submit an additional electronic confirmation regarding potentially existing conflicts of interest. In the future, both declarations must be submitted annually by all employees worldwide.
b. Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to:	No major/unresolved conflicts of interest were disclosed in 2023.
i. cross-board membership;	
ii. cross-shareholding with suppliers and other stakeholders;	
iii. existence of controlling shareholders;	
iv. related parties, their relationships, transactions, and outstanding balances.	
2-16 Communication of critical concerns	
a. Describe whether and how critical concerns are communicated to the highest governance body;	Monthly business reviews (MBRs) of all SEC members with the CEO, as well as SEC meetings, are used for communicating all critical concerns and acting in accordance with conclusions and proposed action measures. Ad-hoc communication is applied in case of critical concerns.
b. Report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.	Intensive, informative communication was an ongoing topic in the internal channels given the war in Ukraine, global supply difficulties and rising inflation. In numerous employee briefings and across all national borders, STADA CEO Peter Goldschmidt as well as the local Managing Directors provided information on current developments.

80 *Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.*

DISCLOSURE	REFERENCES
2-17 Collective knowledge of the highest governance body	
a. Report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.	Monthly business reviews (MBRs) of all SEC members and country heads with the CEO, as well as, SEC meetings, are used to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.
2-18 Evaluation of the performance of the highest governance body	
a. Describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people;	The Supervisory Board receives reports of the Executive Board on the intended business policy and other fundamental issues of corporate planning (in particular financial, investment and personnel planning), the profitability of the Company, the course of business (in particular sales and the situation of the Company) and transactions that could be of material significance for the profitability or liquidity of the Company. The Supervisory Board ensures that it is appropriately informed through the ongoing reporting from the Executive Board and will, if necessary, exercise its right to demand reports from the Executive Board on matters affecting the company. ESG aspects are part of the listed reports. In Supervisory Board meetings, the Board gets into direct exchange with the Executive Board members also on the organization's impacts on the economy, environment, and people. The members of the Executive Board have ESG-connected remuneration targets which are evaluated by the Supervisory Board.
b. Report whether the evaluations are independent or not, and the frequency of the evaluations;	Evaluations are internal (not independent). See also 2-18.a.
c. Describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices.	Section 1 of this Report / Chapter Company Profile 2023
2-19 Remuneration policies	
a. Describe the remuneration policies for members of the highest governance body and senior executives, including:	All available data presented within STADA Annual Report 2023 p. 206. Also, remuneration policies are affected by country specifics and consequently by collective bargaining agreements. Additional data is currently not publicly available in accordance with applicable corporate procedures and rules.
i. fixed pay and variable pay;	
ii. sign-on bonuses or recruitment incentive payments;	
iii. termination payments;	
iv. clawbacks;	
v. retirement benefits;	Harmonization of benefit plan obligations and retirement plans at the Group level is ongoing and country-specific conditions will not be highlighted separately in this report. This topic will be presented in more detail in future reports.
b. Describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people.	All available data presented within STADA Annual Report 2023 p. 206. Also, remuneration policies are affected by country specifics and consequently by collective bargaining agreements. Additional data is currently not publicly available in accordance with applicable corporate procedures and rules.

DISCLOSURE	REFERENCES
2-20 Process to determine remuneration	
a. Describe the process for designing its remuneration policies and for determining remuneration, including:	All available data presented within STADA Annual Report 2023 p. 206, 207. Additional data is currently not publicly available in accordance with applicable corporate procedures and rules.
i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration;	The Supervisory Board has a Chairman's Committee whose members in general prepare the personnel decisions from the Supervisory Board including the signing, amending and termination of employment contracts with the members of the Executive Board and determination of the remuneration. The Supervisory Board approves an adequate total remuneration of the individual members of the Executive Board in the sense of Article 87 of the German Stock Corporation Act and reviews the compensation on a regular basis. When determining the total compensation of individual Executive Board members, the Supervisory Board ensures that it is in reasonable proportion to the duties and performance of the member of the Executive Board and to the situation of the Company and does not exceed the customary level of compensation without special justification. The members of the Executive Board have ESG-connected remuneration targets.
ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration;	
iii. whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives;	/
b. Report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.	/ Not applicable
2-21 Annual total compensation ratio	
a. Report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees(excluding the highest-paid individual);	All available data presented within STADA Annual Report 2023 p. 207. Additional data is currently not publicly available in accordance with applicable corporate procedures and rules. By internal rules STADA is limited to disclose more details on remuneration policies. According to local data from its significant locations of operation that cover all of its 17 production sites in 11 countries (elaborated in detail in the report), standard entry level wages at STADA are above minimum wage rules for all of its employees, with no gender variations.
b. Report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual);	
c. Report contextual information necessary to understand the data and how the data has been compiled.	
2-22 Statement on sustainable development strategy (✓)[81]	
a. Report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development.	Section 1 of this Report / Chapter CEO's Foreword See also: STADA website / Sustainability

[81] *Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.*

DISCLOSURE	REFERENCES
2-23 Policy commitments	
a. Describe its policy commitments for responsible business conduct, including:	Global policies, which are available to the internal public at all levels via the corporate intranet (and internally promoted), define all behaviors, rules and mechanisms related to this specific and related topics.
i. the authoritative intergovernmental instruments that the commitments reference;	
ii. whether the commitments stipulate conducting due diligence;	
iii. whether the commitments stipulate applying the precautionary principle;	Precautionary Principle is under review in order to be aligned to the global risk management at STADA and would be included in the sustainable development management and sustainability reporting within the upcoming reporting cycles. STADA has established global and local policies, commitments and processes addressing relevant sustainability topics for e.g., environmental impacts, business ethics as corruption or supply chain responsibility. These policies and processes apply the precautionary principle.
iv. whether the commitments stipulate respecting human rights;	Sustainability & ESG Commitments Policy stipulate respecting human rights with strong commitments to this important topic.
b. Describe its specific policy commitment to respect human rights, including:	STADA respects and promotes human rights in accordance with the UN Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights. The detailed commitment is determined in the Statement of principles on STADA Human Rights Strategy. The Statement was signed by the highest governance body, the STADA Executive Board and was published in December 2023.
i. the internationally recognized human rights that the commitment covers;	
ii. the categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment;	All supply chain and stakeholders are expected to share the same approach as STADA considering the respect of human rights and as stated in its Human Rights statement.
c. Provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this;	Sustainability Policy
d. Report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level;	This policy was signed by CTO, EVP Global Legal / General Counsel & Head of Corporate Policy Committee, as well as STADA CEO, who altogether represent relevant members of STADA's Executive Committee.
e. Report the extent to which the policy commitments apply to the organization's activities and to its business relationships;	The policy covers all activities and operations of STADA.
f. Describe how the policy commitments are communicated to workers, business partners, and other relevant parties.	The policy was announced over Intranet article, available to all employees, and uploaded into the section of Global Policies (also available to all employees over Intranet). It was also presented in senior management meetings.
2-24 Embedding policy commitments	
a. Describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including:	Policy commitments are integrated into creation of corporate culture that puts one of its focuses on ESG, which is actively communicated through internal and external communication channels.
i. how it allocates responsibility to implement the commitments across different levels within the organization;	Responsibility is allocated through STADA SEC.
ii. how it integrates the commitments into organizational strategies, operational policies, and operational procedures;	Commitments are integrated into organizational strategies, operational policies and procedures top down – from SEC to functions. Commitments are also addressed through the implementation of planned risk analysis, planned risk management process, the setting up of certain preventive measures, planned trainings and workshops.

DISCLOSURE	REFERENCES
iii. how it implements its commitments with and through its business relationships;	Commitments and their requirements are transparently communicated through STADA's affiliates and supply chain, with expectations to share the same values. EcoVadis platform is used for suppliers' assessment.
iv. training that the organization provides on implementing the commitments.	Regular trainings are organized through responsible workstreams (i.e. ESG training over SAP HERO learning platform).
2-25 Processes to remediate negative impacts	
a. Describe its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to;	In line with its purpose and its Sustainability Policy, STADA is committed to preventing and mitigating all significant negative impact. STADA's approach to identify and manage sustainability impact is described in this Sustainability Report. Its Code of Conduct provides information about the STADA Ombudsman to address grievances from all stakeholders and its contact details are also available at www.stada.com More details could also be found in STADA Annual Report 2023 p. 69.
b. Describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in;	
c. Describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to;	
d. Describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms;	
e. Describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.	
2-26 Mechanisms for seeking advice and raising concerns	
a. Describe the mechanisms for individuals to:	
i. seek advice on implementing the organization's policies and practices for responsible business conduct;	The relevant department gives guidance regarding the implementation of their policies to the individuals seeking advice.
ii. raise concerns about the organization's business conduct.	There are several ways available to the individuals wishing to raise concerns about the organization's business conduct, including, Compliance, HR department, their relevant managers, ombudsman, etc. Relevant information and the contact details are published on the intranet and internet sites.
2-27 Compliance with laws and regulations	
a. Report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by:	In 2023, the overall business operations of STADA Arzneimittel AG and STADA Group were in line with applicable legislation. Accordingly, no materialfines or non-monetary sanctions related to non-compliance with laws or regulations incurred.
i. instances for which fines were incurred;	
ii. instances for which non-monetary sanctions were incurred;	
b. Report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by:	/
i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period;	
ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods;	

DISCLOSURE	REFERENCES
c. Describe the significant instances of non-compliance;	There are no material instances of non-compliance.
d. Describe how it has determined significant instances of non-compliance.	A material instance of non-compliance is determined as an instance having a group-wide effect or an instance in major compliance risk areas (e.g. anti-bribery, anti-corruption, export control, sanctions regulations, anti-monopoly and anti-trust, money laundering, etc.).
2-28 Membership associations	
a. Report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role.	STADA offers its expertise to industry-wide initiatives through its participation in several trade associations. At a global level, STADA CEO Peter Goldschmidt is a member of the IGBA (the International Generic and Biosimilar Medicines Association) CEO Advisory Committee. On a pan-European level, the company works to ensure and improve patient access to quality, affordable, off-patent medicines through its board-level participation in the industry association, Medicines for Europe. This includes involvement in shaping policies and positions through working groups on specific issues affecting generic, biosimilar and specialty or value-added medicines. Also at a national level, STADA is active in several industry associations, such as Medaxes in Belgium, the German generics and biosimilars body ProGenerika, Italian off-patent industry group Egualia and the Spanish generics association Aeseg. For several of these industry associations, STADA holds president, chairperson or other leadership positions. In selected key countries such as Germany, Serbia, and the UK, STADA contributes to the free movement and trade in medicines and healthcare products through active membership of, and interaction with, local chambers of commerce. In Spain, STADA became the first pharmaceutical company to join the 'Lean & Green" European collaboration platform aimed at reducing emissions and improving sustainability associated with logistics and supply chains. STADA is a member of the United Nations Global Compact.
2-29 Approach to stakeholder engagement (✓)[82]	
a. Describe its approach to engaging with stakeholders, including:	
i. the categories of stakeholders it engages with, and how they are identified;	Internal and External stakeholders are included into STADA's stakeholder engagement process. Section 1 / Chapter Stakeholder Dialogue and Materiality Assessment Stakeholders are identified with the aim to cover both internal and external parties that could have an interest in a company and could either affect or be affected by the business. In this way STADA ensures capacities for the assessment of its double materiality impacts (outside-in and inside-out). Stakeholder groups, divided into internal and external stakeholders, then have further subcategories with the aim to cover all business aspects and STADA's operations for creating the most possible balanced overview of its ESG footprints. Internal stakeholders represent all management and employee levels aimed at the best understanding of operational and management processes, while external stakeholders include all potential categories of external contacts addressed through all relevant STADA's business workstreams – from supply chain to professional partners, media representatives, governmental and non-governmental institutions, patients, and family members of STADA's employees. STADA SSC each year chooses relevant categories for the upcoming stakeholder dialogue, based on the intention to include both internal and external stakeholders, with some groups already involved in the previous stakeholder engagement cycle (to track comparability of STADA's materiality assessment over years), but also including some new stakeholders groups (to enable updates, upgrades and further improvements of STADA's materiality assessment).
ii. the purpose of the stakeholder engagement;	STADA seeks feedback from its stakeholders considering double materiality and its ESG impacts.
iii. how the organization seeks to ensure meaningful engagement with stakeholders.	STADA seeks to ensure meaningful engagement with its stakeholders through the process of materiality assessment of its business operations and impacts as well as through the partnerships that the group is initiating, developing and maintaining regarding efforts to achieve health improvement of communities and lower pressure on public healthcare systems. STADA prepares its stakeholder engagement / materiality assessment respecting the principles of transparency, objectivity and continuity, aligned with GRI standards and reporting requirements.

[82] *Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.*

DISCLOSURE	REFERENCES
2-30 Collective bargaining agreements	
a. Report the percentage of total employees covered by collective bargaining agreements;	STADA continues to express a clear commitment to the freedom of association as well as to the right of its workforce to unionize. Approximately 75% of the employees within the group are covered by a collective bargaining agreement (CBA) concluded between STADA and either a union representing the employees or internal employee representation bodies. The CBA is the result of an extensive negotiation process between the parties ensuring fair working conditions for various topics such as wages, working hours, and other terms and conditions of employment. The CBAs applicable within STADA cover either a whole specific entity, industry, or sector. STADA's German employees are covered by the Federal Employers' Association for the Chemical Industry (BAVC) collective agreement and its benefits.
b. For employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.	STADA strives to offer the same working conditions also to the employees not covered by CBA (even in the areas/countries) where it is not obligatory by the law.

Material Topics

DISCLOSURE	REFERENCES
3-1 Process to determine material topics (✓)[83]	
a. Describe the process it has followed to determine its material topics, including:	Potential ESG topics were identified through the assessment of all business operations of STADA and its potential ESG downstream/upstream impacts.
i. how it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships;	STADA Sustainability Steering Committee, based on the inputs from relevant workstreams, made a collection of potential positive / negative ESG impacts, together with likelihood of occurrence. The list was confirmed by STADA SEC in order to be offered to stakeholders. Special focus was put on respect for human rights, which resulted in creating new ESG policy that would be active from Q4 2023.
ii. how it has prioritized the impacts for reporting based on their significance;	The outcome of materiality assessment within the second cycle of stakeholder dialogue (explained in detail in Section 1/ Stakeholder Dialogue and Materiality Assessment of this Report) resulted in creation of a list of material topics. These material topics were prioritized according to the overall score of actual and potential impacts, collected from all engaged stakeholders, including both outside-in and inside-out impacts. Double materiality assessment with the list of prioritized material topics were used as a reporting basement.
b. Specify the stakeholders and experts whose views have informed the process of determining its material topics.	Section 1 of this Report / Chapter Stakeholder Dialogue and Materiality Assessment
3-2 List of material topics (✓)[84]	
a. List the material topics;	Section 1 of this Report / Chapter Stakeholder Dialogue and Materiality Assessment
b. Report changes to the list of material topics compared to the previous reporting period.	Section 1 of this Report / Chapter Stakeholder Dialogue and Materiality Assessment

83 Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.
84 Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
3-3 Management of material topics (✓)[85]	
a. Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights;	Section 1 of this Report / Chapter Stakeholder Dialogue and Materiality Assessment The term 'impact' refers to the effect STADA could have on the economy, the environment, and/or society, which in turn can indicate its contribution (positive or negative) to sustainable development. 'Actual impact" refers to an impact that has already been recorded as ongoing, considered and subject to a further impact management strategy. 'Potential impact' refers to an impact that can potentially occur in the future, and as such will be considered, and will be the subject of a further impact management strategy.
b. Report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships;	STADA is not involved with actual negative material impacts through its activities or as a result of its business relationships. At the same time STADA identified its potential negative impacts with likelihood of occurrence and preventive / corrective measures in managing such impacts, which is presented in Section 1 of this Report within the chapter Managing Material Topics. In order to understand and comprehend the overall impacts of its business, STADA regularly analyzes and records its positive and negative impacts through stakeholder dialogue and the risk management process. Details of the impact analysis are presented in Section 1/ Stakeholder Dialogue and Materiality Assessment of this Report as well as in STADA's Annual Report 2023 within the section 'Opportunities and Risk Report': https://www.stada.com/media/8669/fy2023-annual-report-stada.pdf p.67-81.
c. Describe its policies or commitments regarding the material topic;	The STADA Sustainability Policy defines its commitment to manage material topics and is published on www.stada.com; in Q3 2022, STADA initiated the revision of its 2021 Sustainability Policy by defining its clear ESG commitments. This revised Sustainability Policy with ESG Commitments was formally accepted in Q2 2023 and effective from Q4 2023, after all necessary alignments with various workstreams and ESG topics owners within internal stakeholders.
d. Describe actions taken to manage the topic and related impacts, including:	
i. actions to prevent or mitigate potential negative impacts;	STADA SSC and SEC members responsible for specific material topics are in charge for locating, defining, understanding and preventing potential negative impacts with strategic support from the whole STADA SEC. Referent functional departments have operational processes in place, in line with global policies, to prevent, minimize and mitigate potential negative impacts. In order to understand and comprehend the overall impacts of its business, STADA regularly analyzes and records its positive and negative impacts through stakeholder dialogue and the risk management process. Details of the impact analysis are presented in Section 1/ Stakeholder Dialogue and Materiality Assessment of this Report as well as in STADA's Annual Report 2023 within the section 'Opportunities and Risk Report', p.69.
ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation;	
iii. actions to manage actual and potential positive impacts;	
e. Report the following information about tracking the effectiveness of the actions taken:	
i. processes used to track the effectiveness of the actions;	Monthly business reviews, regular STADA SSC meetings and updates to the SEC as well as STADA Sustainability Report are used to track STADA's progress in sustainability.
ii. goals, targets, and indicators used to evaluate progress;	ESG Outlook, with particular workstreams' KPIs (inline with SDGs) act as a blueprint to evaluate progress. Collection of lessons learned resulted in initiating and establishing new Sustainability & ESG Commitments Policy. STADA's goals, targets and indicators considering its ESG efforts and managing material topics are presented in Section 1/ STADA ESG Outlook of this Report.
iii. the effectiveness of the actions, including progress toward the goals and targets;	
iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures;	
f. Describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).	Double materiality assessment offered stakeholders overview on current progress of STADA in sustainable development, while sustainability reporting and regularly updated contents on the website and intranet, offer adequate level of transparency on all actions taken.

85 Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed: [v]86 a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components: i. Direct economic value generated: revenues; Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments; ii. Economic value retained: 'direct economic value generated' less 'economic value distributed'. b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.	a. **FINANCIAL RESULTS 2023 (MIO EUR):** **Total Group Sales 3,734.8 (+14%)** **EBITDA 802.0 (+19%),** **EBITDA margin 21.5% (+1.0pp)** **Gross profit 1,843.7 (+12%),** **Gross margin 49.4% (-0.5pp)** b. b. More information on financial assets presented within STADA Annual Report 2023, p. 27, 40-44
201-2 Financial implications and other risks and opportunities due to climate change: Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including: i. a description of the risk or opportunity and its classification as either physical, regulatory, or other; ii. a description of the impact associated with the risk or opportunity; iii. the financial implications of the risk or opportunity before action is taken; iv. the methods used to manage the risk or opportunity; v. the costs of actions taken to manage the risk or opportunity.	No case of a crisis situation that inflicted damage to the company or the environment and local communities was recorded in 2023. Climate change does not significantly affect the company's operations, nor does the company contribute significantly to climate change by performing its activities. STADA plans to re-evaluate climate adaptation aspects to its business in 2024.
201-3 Defined benefit plan obligations and other retirement plans a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities. b. If a separate fund exists to pay the plan's pension liabilities: i. the extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them; ii. the basis on which that estimate has been arrived at; iii. when that estimate was made. c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage. d. Percentage of salary contributed by employee or employer. e. Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact.	Harmonization of benefit plan obligations and retirement plans at the Group level is ongoing and country-specific conditions will not be highlighted separately in this report. This topic will be presented in more detail in future reports.

[86] *Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.*

DISCLOSURE	REFERENCES
201-4 Financial assistance received from government a. Total monetary value of financial assistance received by the organization from any government during the reporting period, including: i. tax relief and tax credits; ii. subsidies; iii. investment grants, research and development grants, and other relevant types of grant; iv. awards; v. royalty holidays; vi. financial assistance from Export Credit Agencies (ECAs); vii. financial incentives; viii. other financial benefits received or receivable from any government for any operation. b. The information in 201-4-a by country. c. Whether, and the extent to which, any government is present in the shareholding structure.	/ No Group wide global data tracking on this topic has been established yet.
GRI 202: Market presence 2016	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage a. When a significant proportion of employees are compensated based on wages subject to minimum wage rules, report the relevant ratio of the entry level wage by gender at significant locations of operation to the minimum wage. b. When a significant proportion of other workers (excluding employees) performing the organization's activities are compensated based on wages subject to minimum wage rules, describe the actions taken to determine whether these workers are paid above the minimum wage. c. Whether a local minimum wage is absent or variable at significant locations of operation, by gender. In circumstances in which different minimums can be used as a reference, report which minimum wage is being used. d. The definition used for 'significant locations of operation'.	Standard entry level wages at STADA are above minimum wage rules for all of its employees, with no gender variations.
202-2 Proportion of senior management hired from the local community a. Percentage of senior management at significant locations of operation that are hired from the local community. b. The definition used for 'senior management'. c. The organization's geographical definition of 'local'. d. The definition used for 'significant locations of operation'.	The "upper management level" (equivalent to senior management) includes all members of the STADA Global Leadership Team, which consist of 133 members from all countries where STADA operates. **Total SGLT members** 127 **Same country hired** 93 73% **Different country hired** 34 27%

DISCLOSURE	REFERENCES
GRI 203: Indirect Economic Impacts 2016	
203-1 Infrastructure investments and services supported [✓][87] a. Extent of development of significant infrastructure investments and services supported. b. current or expected impacts on communities and local economies, including positive and negative impacts where relevant. c. whether these investments and services are commercial, in-kind, or pro bono engagements.	a. **Investments (EUR)** Total of **321.9** million (2022: 276.6 million): • **45%** (37% in 2022) investments in property, plant and equipment or 145.0 million (101.1 in 2022) or 3.9% of Group sales (3.1% in 2022); • **55%** (63% in 2022) investments in intangible assets or 176.7 million (175.5 million in 2022). More data available in STADA Annual Report 2023 starting p. 33. 44, and 51. as well as at www.stada.com b. Positive impact of STADA's investments is primarily directed towards improving reliability of supply chain to enable future improvement of availability of medicines. At the same time, no actual and potential negative material impacts are recorded. c. The investments are commercial.
203-2 Significant indirect economic impacts a. Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts; b. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas.	Since its establishment 1993 until end of 2023, Hemofarm Foundation (HFF), STADA's subsidiary in Serbia, conducted a total of 2,400 activities and supported 3,800 young people, future leaders in the health, pharmaceutical, and technology industries. HFF invested more than 14 million EUR in programs for health, education and culture that make a difference in society and distinguish the Hemofarm company from other companies in the pharmaceutical industry. Only in the period from 2015 to 2023, HFF implemented a support program for more than 75 health institutions worth more than EUR 800,000.00 by donating medical instruments and equipment to improve work processes and patient health. During the past eight years, the HFF has been awarded 57 times for its work at the global, European, regional, and national levels. More than 100 exceptional individuals, experts in the fields of health, education, social responsibility, sustainable development, philanthropy, and culture wrote blogs for HFF on the most current topics in these fields. More details available at: https://www.fondacijahemofarm.org.rs/eng
GRI 204: Procurement Practices 2016	
204-1 Proportion of spending on local suppliers a. Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (such as percentage of products and services purchased locally); b. The organization's geographical definition of 'local'; c. The definition used for 'significant locations of operation'.	/ STADA is aware of the importance of developing local economies by spending on local suppliers where applicable. Global data tracking on spending on local suppliers is not available yet. Data are available for individual countries and production sites (i.e., in Serbia in 2023 still more than 80% of services, one third of packaging and more than 5% of raw materials/bulk and finished products come from local suppliers). Since the company seeks to foster local economic development and understands the importance of investing in local suppliers, data will be available in future reports.

[87] *Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.*

DISCLOSURE	REFERENCES
GRI 205: Anti-corruption 2016	
205-1 Operations assessed for risks related to corruption [✓][88] a. Total number and percentage of operations assessed for risks related to corruption; b. Significant risks related to corruption identified through the risk assessment.	a. All operations (100%) are in the scope of STADA's compliance management system (including STADA's global Code of Conduct, global Anti-Bribery and Anti-Corruption Policy, and subject to internal audits). Whistleblowing Policy enables employees to submit any suspicion of a corruption case Therefore, all operations within all subsidiaries are in scope of STADA's compliance management system and the operation in all entities are covered by respective regulations. The list of subsidiaries is presented in STADA Annual Report 2023. b. No significant risks (zero cases) related to corruption were identified in STADA in 2023.
205-2 Communication and training about anti-corruption policies and procedures a. Total number and percentage of governance body members that the organization's anticorruption policies and procedures have been communicated to, broken down by region; b. Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region; c. Total number and percentage of business partners that the organization's anticorruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations; d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region; e. Total number and percentage of employees that have received training on anticorruption, broken down by employee category and region.	Global Anti-Bribery and Anti-Corruption Policy, along with other global policies and the Code of Conduct, have been presented to all STADA's employees and made available to them over STADA's intranet. All STADA employees have been enrolled to the Compliance e-learning covering anticorruption topics, with high overall participation rate.
205-3 Confirmed incidents of corruption and actions taken a. Total number and nature of confirmed incidents of corruption; b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption; c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption; d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.	In 2023 there were no confirmed incidents of corruption.
GRI 206: Anti-competitive Behavior 2016	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices a. Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant; b. Main outcomes of completed legal actions, including any decisions or judgements.	/ STADA's compliance management system is monitoring and preventing the occurrence of any anti-competitive behavior, anti-trust, and monopoly practices in all Group's operations. By the Code of Conduct, STADA is committed to a free, fair and undistorted competition. STADA expects its employees to act in the course of business in accordance with antitrust laws and must always be aware and comply with applicable laws and regulations and adhere to the principle of fair competition. Whistleblowing Policy enables employees to submit any suspicion of a case relevant for the addresses aspects.

[88] *Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.*

DISCLOSURE	REFERENCES
GRI 207: Tax 2019	
207-1 Approach to tax A description of the approach to tax, including: i. whether the organization has a tax strategy and, if so, a link to this strategy if publicly available; ii. the governance body or executive-level position within the organization that formally reviews and approves the tax strategy, and the frequency of this review; iii. the approach to regulatory compliance; iv. how the approach to tax is linked to the business and sustainable development strategies of the organization.	All economic performance data, including tax, is presented in STADA Annual Report 2023, starting p. 43, 44.
207-2 Tax governance, control, and risk management a. A description of the tax governance and control framework, including: i. the governance body or executive-level position within the organization accountable for compliance with the tax strategy; ii. how the approach to tax is embedded within the organization; iii. the approach to tax risks, including how risks are identified, managed, and monitored; iv. how compliance with the tax governance and control framework is evaluated. b. A description of the mechanisms to raise concerns about the organization's business conduct and the organization's integrity in relation to tax; c. A description of the assurance process for disclosures on tax including, if applicable, a link or reference to the external assurance report(s) or assurance statement(s).	
207-3 Stakeholder engagement and management of concerns related to tax A description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including: i. the approach to engagement with tax authorities; ii. the approach to public policy advocacy on tax; iii. the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders.	

DISCLOSURE	REFERENCES
207-4 Country-by-country reporting a. All tax jurisdictions where the entities included in the organization's audited consolidated financial statements, or in the financial information filed on public record, are resident for tax purposes; b. For each tax jurisdiction reported in Disclosure 207-4-a i. Names of the resident entities; ii. Primary activities of the organization; iii. Number of employees, and the basis of calculation of this number; iv. Revenues from third-party sales; v. Revenues from intra-group transactions with other tax jurisdictions; vi. Profit/loss before tax; vii. Tangible assets other than cash and cash equivalents; viii. Corporate income tax paid on a cash basis; ix. Corporate income tax accrued on profit/loss; x. Reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax. c. The time period covered by the information reported in Disclosure 207-4.	All economic performance data, including tax, is presented in STADA Annual Report 2023, starting p. 43, 44.
GRI 301: Materials	
301-1: Materials used by weight or volume Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by: i. non-renewable materials used; ii. renewable materials used.	

Group of materials (2022)[89]	Total share 2022 (%, value)	Total share 2023 (%, value)
Semifinished products + Finished products[90]	72	74.6
API	12.8	11.0
Excipients	5.5	5.4
Packaging	9.5	9.0

89 It is not possible to display the materials in kg, as some groups of materials are reported in kg or t, while others are in the number of pieces. In this regard, the only comparative methodology is the presentation in the value share of the total procurement.

90 Including intercompany sales.

DISCLOSURE	REFERENCES
301-2: Recycled input materials used [91] Percentage of recycled input materials used to manufacture the organization's primary products and services.	STADA uses recycled cardboard for the secondary and transport packaging of its product. The use of recycled carton for the folding boxes in 2023 amounted to 3,528.7t (2022: 3,145.1t) or 48% (2022: 38.4%) of the total quantity of folding boxes. The calculation is based on the average reference weight of folding boxes - 12g. There was a total increase in quantities of both virgin and recycled cardboard used for packaging in 2023, influenced by the increase of production and acquisitions of new products to the portfolio. The recycled quota is an estimation based on the percentage of recycled cardboard per type being used.
301-3: Reclaimed products and their packaging materials a. Percentage of reclaimed products and their packaging materials for each product category; b. How the data for this disclosure have been collected.	Given that pharmaceutical production involves the creation of products that have a high impact on human health, this kind of reuse of products is currently not possible, in accordance with the laws and regulations of the industry itself.

GRI 302: Energy

302-1: Energy consumption within the organization [92]

a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used;

b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used;

c. In joules, watt-hours or multiples, the total:
- i. electricity consumption
- ii. heating consumption
- iii. cooling consumption
- iv. steam consumption

d. In joules, watt-hours or multiples, the total:
- i. electricity sold
- ii. heating sold
- iii. cooling sold
- iv. steam sold

e. Total energy consumption within the organization, in joules or multiples;

f. Standards, methodologies, assumptions, and/or calculation tools used;

g. Source of the conversion factors used.

a. /b. /c: The total fuel energy consumption by fuel type of STADA group:

Per energy type	2020*	2021	2022 (✓)	2023 (✓)
Natural gas / Heating oil [MWh]	161,240	176,162	183,147	171,510
Steam/district heating [MWh]	11,406	13,728	9,455	10,481
Electricity – non-renewable [MWh]	139,332	119,257	105,524	79,818
Electricity – renewable [MWh]	0	21,668	44,110	69,295
Total energy consumption [MWh]	**311,978**	**330,814**	**342,237**	**331,103**

* *2020 data was not included, and 2021 energy data breakdown was included in higher aggregation in PwC audit scope of Sustainability Report 2021. Data marked with (✓) has been audited by PwC.*

a./b. Total energy consumption from production sites, pure office sites and company cars; c. STADA is collecting energy consumption for fossil sources (incl. purchased steam) which is used mainly for heating purposed and electricity;
c iii./iv. No separate energy monitoring for cooling and steam available as consumption is covered either in fossil fuel and/or electricity consumption;
d. STADA is not selling energy;
f. / g. Energy consumption data is based on meter readings and applicable heating value. Source for conversion factors is DEFRA 2023.

[91] *Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.*
[92] *Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.*

DISCLOSURE	REFERENCES
302-2: Energy consumption outside of the organization a. Energy consumption outside of the organization, in joules or multiples; b. Standards, methodologies, assumptions, and/or calculation tools used; c. Source of the conversion factors used.	Not applicable as STADA's products are pharmaceutical products and do not consume energy.
302-3: Energy Intensity a. Energy intensity ratio for the organization; b. Organization-specific metric (the denominator) chosen to calculate the ratio; c. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all; d. Whether the ratio uses energy consumption within the organization, outside of it, or both.	a. The energy intensity ratio of STADA is as followed:

	2020	2021	2022	2023
Energy consumption in MWh per 1 mill packs (internal production)*	458,1	519,3	509,3	543,68
Energy consumption in MWh / k€ Sales	0,10	0,10	0,09	0,088

b. per 1 mill packs: Energy consumption from STADA Group per 1 mill produced product packages from internal production; per Net revenue: Energy consumption from STADA Group per net revenue of STADA Group, (net revenue resulting from internally and externally produced and sold products)
c. energy includes all fuel types as disclosed in GRI 302-1
d. energy intensity ratio is based on energy consumption of STADA

302-4: Reduction of energy consumption a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples; b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all; c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it; d. Standards, methodologies, assumptions, and/or calculation tools used.	a. / b. The electricity consumption from renewable sources increased in 2023 to a total of 69,295 MWh (2022: 44,110 MWh) resulting from in-house production via photovoltaic (Timisoara in Romania & Vietnam factory), switching energy supply contract for our sites at Vršac and Šabac (Serbia), Huddersfield & Preston (UK) and Pfaffenhofen & Uetersen (Germany), and purchasing Energy Attribute Certificates. c./ d. Energy reduction potential is estimated as part of business case calculation.
302-5: Reductions in energy requirements of products and services a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples; b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it; c. Standards, methodologies, assumptions, and/or calculation tools used.	/ Not relevant for STADA product portfolio

DISCLOSURE	REFERENCES
GRI 303: Water and Effluents	
303-1: Interactions with water as a shared resource a. A description of how the organization interacts with water, including how and where water is withdrawn, consumed, and discharged, and the water-related impacts caused or contributed to, or directly linked to the organization's activities, products or services by a business relationship (e.g., impacts caused by runoff); b. A description of the approach used to identify water-related impacts, including the scope of assessments, their timeframe, and any tools or methodologies used; c. A description of how water-related impacts are addressed, including how the organization works with stakeholders to steward water as a shared resource, and how it engages with suppliers or customers with significant water-related impacts; d. An explanation of the process for setting any water-related goals and targets that are part of the organization's management approach, and how they relate to public policy and the local context of each area with water stress.	a. The efficient use of water is essential for STADA. Water is used at STADA's production sites for manufacturing (incl. cleaning) and associated auxiliary processes. Water withdrawn is from third-party supplies (municipal water suppliers) and groundwater wells are operated at our sites at Vrsac and Sabac, Serbia site. Global water consumption from our production sites is stable over the years and was 1,021,416 m^3 in 2023. b. Water from STADA's production sites is discharged as in-direct discharge to public sewer networks and are subject to discharge permit requirements. The impact of STADA on local water stress (scarcity) is assessed annually using the WRI Aqueduct Water Risk Atlas. The site in Miyun (Bejing area, China) is located in an 'extremely high' water stress area and the sites in Uetersen and Bad Vilbel, (Germany) are located in an 'high' water stress area. These sites total water consumption of 60,000 m^3 in 2023 is not expected to a relevant impact on the local basin water stress situation. c) / d) Water consumption is reported quarterly for monthly consumption data and evaluated on site and global level to understand trends and initiate action as required. The regular management business review meetings are used to address relevant water-related impacts and aligning them with stakeholders' requirements and public policies.
303-2: Management of water discharge-related impacts A description of any minimum standards set for the quality of effluent discharge, and how these minimum standards were determined, including: i. how standards for facilities operating in locations with no local discharge requirements were determined; ii. any internally developed water quality standards or guidelines; iii. any sector-specific standards considered; iv. whether the profile of the receiving waterbody was considered.	i) Wastewater management is part of STADA's site HSE MS standards and processes to meet applicable regulatory requirements. Wastewater is discharged from all sites as in-direct discharge to public sewer networks subject to local discharge permit (incl. physical and chemical threshold parameters as well as monitoring requirements). At some sites we also operate waste-water treatment plants before discharge into the municipal sewer and the subsequent treatment by the urban wastewater treatment plant. ii) Wastewater discharge is subject to permit requirements which define our internal specification and therefore there are no specific internally developed water quality standards or guidelines. iii) STADA started to evaluate the application of the AMR IA Antibiotic Manufacturing Standard and plans to evaluate relevant internal production sites in 2023/2024 accordingly. iv) The profile of the receiving waterbody was not considered by STADA as the discharge is in the municipal sewer (indirect discharge) and is subject to the discharge thresholds specified by the operator of the receiving wastewater treatment plant.

DISCLOSURE	REFERENCES
303-3: Water withdrawal a. Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable: i. Surface water; ii. Groundwater; iii. Seawater; iv. Produced water; v. Third-party water. b. Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable: i. Surface water; ii. Groundwater; iii. Seawater; iv. Produced water; v. Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv. c. A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories: i. Freshwater (≤1,000 mg/L Total Dissolved Solids); ii. Other water (>1,000 mg/L Total Dissolved Solids). d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	a. Water withdrawal of STADA 2021, 2022 and 2023 is as followed: **Water withdrawal** / **2020** / **2021** / **2022** / **2023** Surface water (freshwater (< 1,000 mg/L total dissolved solids) [m^3] — - / - / - / - Seawater [m^3] — - / - / - / - Produced water (groundwater) [m^3] — 45,028 / 39,796 / 39,668 / 34,174 Third-party water [m^3] — 909,686 / 957,173 / 973,141 / 987,242 **TOTAL water withdrawal** — **954,714** / **996,969** / **1,012,809** / **1,021,416** Water withdrawal from produced water from own groundwater wells has been corrected for 2020 and 2021. b b./c. Information is not fully available as the final source and location of water withdrawal from the municipal supplier is not known. The 2 sites with own groundwater-wells are not located in an area with high water stress. **Water withdrawal** (areas with water stress) / **2020** / **2021** / **2021** / **2022** Surface water (freshwater (< 1,000 mg/L total dissolved solids) [m^3] — - / - / - / - Seawater [m^3] — - / - / - / - Produced water (groundwater) [m^3] — - / - / - / - Third-party water [m^3] — 39,561 / 36,899 / 36,899 / 51,539 **TOTAL water withdrawal** (areas with water stress) — **39,561** / **36,899** / **36,899** / **51,539** Assumption: Third-party water consumed by sites located in areas with water stress (high / extremely high) is withdrawn in these areas by the municipal supplier. Data from 2021 has been corrected. Overall water consumption from sites located in areas with elevated water stress was in 2023 ~ 60,000 m^3 which represents ~ 6% of total water with-drawl. d. Data is based on water meter readings

DISCLOSURE	REFERENCES
303-4 Water discharge a. Total water discharge to all areas in megaliters, and a breakdown of this total by the following types of destination, if applicable: i. Surface water; ii. Groundwater; iii. Seawater; iv. Third-party water, and the volume of this total sent for use to other organizations, if applicable. b. A breakdown of total water discharge to all areas in megaliters by the following categories: i. Freshwater (≤1,000 mg/L Total Dissolved Solids); ii. Other water (>1,000 mg/L Total Dissolved Solids). c. Total water discharge to all areas with water stress in megaliters, and a breakdown of this total by the following categories: i. Freshwater (≤1,000 mg/L Total Dissolved Solids); ii. Other water (>1,000 mg/L Total Dissolved Solids). d. Priority substances of concern for which discharges are treated, including: i. how priority substances of concern were defined, and any international standard, authoritative list, or criteria used; ii. the approach for setting discharge limits for priority substances of concern; iii. number of incidents of non-compliance with discharge limits. e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	a. Water of STADA production sites is discharged into municipal sewer and a constant measurement of discharge quantities is not required at most sites. Reported water discharge therefore is based on water intake used for production, sanitary and auxiliary processes. The amount of collected stormwater runoff discharged into municipal sewer; not collected rainwater runoff (e.g. from roof areas) penetrated into the surface ground or water input into products is not monitored and considered in reported data. Water discharge to all areas 2021, 2022 and 2023: b. Water discharge to areas with water stress 2021, 2022 and 2023: Assumption: Third-party water is discharged by municipality in the areas where our sites (located in areas with water stress (high / extremely high)) are located. d: i., ii.: Discharge limits are defined by the local authority as part of our indirect-discharge permits; iii: Discharge incident at Norbitec, German site resulting in the release of 15 L residual culture without prior inactivation by mistake into the wastewater drain. It was reported to the authorities. No fines or prosecutions were applied there was no significant adverse impact on the local environment. e. /

	2020	2021	2022	2023
Surface water [m^3]	-	-	-	-
Seawater [m^3]	-	-	-	-
Third-party water (total) [m^3]	954,714	996,969	1,012,809	1,021,416
Third-party water (sent for use to other organisations) [m^3]	-	-	-	-
TOTAL	**954,714**	**996,969**	**1,012,809**	**1,021,416**

	2020	2021	2022	2023
Surface water [m^3]	-	-	-	-
Seawater [m^3]	-	-	-	-
Third-party water (total) [m^3]	39,561	36,899	51,539	59,563
Third-party water (sent for use to other organisations) [m^3]	-	-	-	-
TOTAL	**39,561**	**36,899**	**51,539**	**59,563**

DISCLOSURE	REFERENCES
303-5 Water consumption a. Total water consumption from all areas in megaliters; b. Total water consumption from all areas with water stress in megaliters; c. Change in water storage in megaliters, if water storage has been identified as having a significant water-related impact; d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used, including whether the information is calculated, estimated, modeled, or sourced from direct measurements, and the approach taken for this, such as the use of any sector-specific factors.	Please check GRI 303-3 in which STADA discloses its 'water withdrawal' data which is considered as water intake at its production sites. As the company is not legally obliged to continuously measure its water discharge volumes (see GRI 303.4), STADA considers quantity of water discharge = water withdrawal. With this approach, its 'water consumption' according to GRI guidance is zero. Information regarding STADA's impact on water bodies is disclosed in GRI 303-3.
GRI 304: Biodiversity	
304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas For each operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, the following information: i. Geographic location; ii. Subsurface and underground land that may be owned, leased, or managed by the organization; iii. Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas; iv. Type of operation (office, manufacturing or production, or extractive); v. Size of operational site in km2 (or another unit, if appropriate); vi. Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem); vii. Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).	Based on internal evaluation (e.g. using EEA GIS Map application) none of STADA production sites is located in or adjacent to protected areas and areas of high biodiversity value outside protected areas.

DISCLOSURE	REFERENCES
304-2: Significant impacts of activities, products, and services on biodiversity a. Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following: i. Construction or use of manufacturing plants, mines, and transport infrastructure; ii. Pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources); iii. Introduction of invasive species, pests, and pathogens; iv. Reduction of species; v. Habitat conversion; vi. Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level). b. Significant direct and indirect positive and negative impacts with reference to the following: i. Species affected; ii. Extent of areas impacted; iii. Duration of impacts; iv. Reversibility or irreversibility of the impacts.	STADA's business operations do not exert a significant negative impact on the environment or biodiversity surrounding its manufacturing plants or on the business premises of the company in which its core activity is carried out. In that regard, there are no protected habitats, areas of high biodiversity value outside protected areas or endangered animal and plant species under special protection at the sites at which STADA operates.
304-3 Habitats protected or restored a. Size and location of all habitat areas protected or restored, and whether the success of the restoration measure was or is approved by independent external professionals. b. Whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures. c. Status of each area based on its condition at the close of the reporting period. d. Standards, methodologies, and assumptions used.	
304-3: IUCN Red List species and national conservation list species with habitats in areas affected by operations Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk: i. Critically endangered ii. Endangered iii. Vulnerable iv. Near threatened v. Least concern	There are no IUCN Red List species and national conservation list species with habitats in areas affected by STADA's operations.

DISCLOSURE	REFERENCES
GRI 305: Emissions	
305-1 Direct (Scope 1) GHG emissions (✓)[93] a. Gross direct (Scope 1) GHG emissions in metric tons of CO_2 equivalent; b. Gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all; c. Biogenic CO_2 emissions in metric tons of CO_2 equivalent; d. Base year for the calculation, if applicable, including: i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions. e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source; f. Consolidation approach for emissions; whether equity share, financial control, or operational control; g. Standards, methodologies, assumptions, and/or calculation tools used.	a. The scope 1 and 2 GHG emissions STADA from baseline 2020 to 2023 are as followed:

GHG Emissions	2020	2021	2022	2023
Scope 1 [tons CO2e]	38,202	38,116	42,433	42,696
Scope 2 [tons CO2e]	93,417	76,665	67,521	56,542
Total GHG emissions (Scope 1 + 2)	**131,619**	**114,781**	**109,954**	**99,238**
Scope 1 and 2 GHG emissions cumulative change from baseline 2020 [%]	**-**	**-12.8%**	**-16.5%**	**-24.6%**

STADA has committed in 2021 reducing its Scope 1 & 2 emission based on the 1.5°C global warming target and has set the goal reducing its own absolute greenhouse gas emissions (scope 1 and 2) by -42 %. Over the last 3 years we have overachieved an absolute GHG emission reduction of -24.6% overcompensating to growth of the company

305-1:
b) CO2 from primary energy combustion
c) not applicable because no direct biogenic CO2 emissions present
d) Base year is 2020 (i) group wide reporting started in 2020, (ii) 2020, (iii) no recalculation of base year
e) DEFRA emission factors
f) Consolidation approach based on 'operational control'
g) GHG protocol as underlying standard; production sites: based on monitored primary energy consumption; offices: based on measured primary energy consumption (if available) or estimated based on floor space and average energy consumption factor; company cars: based on reported mileage and average fuel consumption factor

305-2 Indirect (Scope 2) GHG emissions (✓)[94] a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO_2 equivalent; b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO_2 equivalent; c. If available, the gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all; d. Base year for the calculation, if applicable, including: i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions. e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source; f. Consolidation approach for emissions; whether equity share, financial control, or operational control; g. Standards, methodologies, assumptions, and/or calculation tools used.	305-2 a) Indirect emissions are location-based b) / c) Not applicable d) Base year is 2020 (i) group wide reporting started in 2020, (ii) 2020, (iii) no recalculation of base year e) Sources are GHG Protocol, IEA data or country/supplier specific data f) Consolidation approach based on 'operational control' g) GHG protocol as underlying standard; production sites: based on monitored electricity consumption; offices: based on monitored electricity consumption (if available) or estimated based on floor space and average energy consumption factor

93 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.
94 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
305-3 Other indirect (Scope 3) GHG emissions a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO_2 equivalent; b. If available, the gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all; c. Biogenic CO_2 emissions in metric tons of CO_2 equivalent; d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation; e. Base year for the calculation, if applicable, including: i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions. f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source; g. Consolidation approach for emissions; whether equity share, financial control, or operational control; h. Standards, methodologies, assumptions, and/or calculation tools used.	For the first time in 2023, using with Persefoni carbon calculation platform STADA, using spend data calculated its scope 3 emissions and identified primary driving scope 3 categories. The total scope 3 emissions accounted to around 900000 tCO_2e.
305-4 GHG emissions intensity a. GHG emissions intensity ratio for the organization; b. Organization-specific metric (the denominator) chosen to calculate the ratio; c. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3); d. Gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all.	The STADA GHG emissions intensity (scope 1 and 2) is as followed: **GHG EMISSIONS (Scope 1&2)** / **2020** / **2021** / **2022** / **2023** T CO_2/mill packs: 193.3 / 180.2 / 163.6 / 162,95 Tons CO_2 / k€ Sales: 0.044 / 0.035 / 0.029 / 0,0265 c. Includes scope 1 and scope 2 GHG emissions
305-5 Reduction of GHG emissions a. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO_2 equivalent; b. Gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all; c. Base year or baseline, including the rationale for choosing it; d. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3); e. Standards, methodologies, assumptions, and/or calculation tools used.	The reduction of STADA's scope 1 and 2 GHG emissions from baseline 2020 to 2022 are as followed: **GHG EMISSIONS** / **2020 - 2021** / **2020 - 2022** / **2020-2023** Scope 1 and 2 GHG emissions cumulative change from baseline 2020 [%]: -12.8% / -16.5% / -24.6% STADA has committed in 2021 reducing its Scope 1 & 2 emission based on the 1.5°C global warming target and has set the goal reducing its own absolute greenhouse gas emissions (scope 1 and 2) by -42 % (2020 – 2030). Over the last 2 years we have overachieved an absolute GHG emission reduction of -16.5% overcompensating to growth of the company. b) CO2 gases included from fossil fuel consumption; HFCs c) Base year is 2020 when STADA defined its GHG reduction target d) Scope 1 and 2 g) GHG protocol as underlying standard; assumptions/estimates applied in case measured data not available (e.g. GHG emissions resulting from average company car fuel consumption and mileage; energy consumption from offices when measured data not available)

DISCLOSURE	REFERENCES
305-5 Emissions of ozone-depleting substances (ODS) a. Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent; b. Substances included in the calculation; c. Source of the emission factors used; d. Standards, methodologies, assumptions, and/or calculation tools used.	STADA is not involved in production of ODS but is using ODS in its cooling units which are mainly required for HVAC, cooling of production equipment and offices. Equipment is subject to regular inspection as legally required. ODS losses are reported and included in GHG reporting.
305-6 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions a. Significant air emissions, in kilograms or multiples, for each of the following: i. NOx ii. SOx iii. Persistent organic pollutants (POP) iv. Volatile organic compounds (VOC) v. Hazardous air pollutants (HAP) vi. Particulate matter (PM) vii. Other standard categories of air emissions identified in relevant regulations b. Source of the emission factors used; c. Standards, methodologies, assumptions, and/or calculation tools used.	STADA is NOx, SOx and other air pollutants by the combustion of natural gas which is our main fossil fuel used. Sites are subject to regular emission monitoring following applicable concentration thresholds. Absolut air emissions in kilograms are therefore not tracked and available.
GRI 306: Waste	
306-1: Waste generation and significant waste-related impacts *(✔)*[95] For the organization's significant actual and potential waste-related impacts, a description of: i. the inputs, activities, and outputs that lead or could lead to these impacts; ii. whether these impacts relate to waste generated in the organization's own activities or to waste generated upstream or downstream in its value chain.	i. Waste originates from production (main inputs are raw materials, packaging material) and office activities. Waste streams are segregated for recycling or disposal based on local regulatory requirements and local market options for recycling. Outputs include mainly plastic, paper / cardboard, general waste, laboratory waste and others; ii. Data regarding waste generation refers to STADA's own activities
306-2 Management of significant waste-related impacts a. Actions, including circularity measures, taken to prevent waste generation in the organization's own activities and upstream and downstream in its value chain, and to manage significant impacts from waste generated; b. If the waste generated by the organization in its own activities is managed by a third party, a description of the processes used to determine whether the third party manages the waste in line with contractual or legislative obligations; c. The processes used to collect and monitor waste-related data.	a. Waste management is an integral part of STADA sites' environmental management processes, programs and targets. Waste management is based on the principle to continuously reduce and avoid waste, to increase the ratio between recycling and landfilling and finally to ensure an environmentally safe and compliant disposal via certified waste management companies; b. Waste is further handled by third party waste management companies which are subject to internal control processes (e.g., certified waste management companies; site visits); c. Waste is segregated and collected on-site following defined internal processes. Waste data is monitored by dedicated personnel (e.g., waste records) and recorded for local purposes and reported to global function.

[95] *Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.*

DISCLOSURE	REFERENCES
306-3 Waste generated a. Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste; b. Contextual information necessary to understand the data and how the data has been compiled. **306-4 Waste diverted from disposal** a. Total weight of waste diverted from disposal in metric tons, and a breakdown of this total by composition of the waste; b. Total weight of hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: i. Preparation for reuse; ii. Recycling; iii. Other recovery operations. c. Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: i. Preparation for reuse; ii. Recycling; iii. Other recovery operations. d. For each recovery operation listed in Disclosures 306-4-b and 306-4-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste diverted from disposal: i. onsite; ii. offsite. e. Contextual information necessary to understand the data and how the data has been compiled. **306-5 Waste directed to disposal** a. Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste; b. Total weight of hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: i. Incineration (with energy recovery); ii. Incineration (without energy recovery); iii. Landfilling; iv. Other disposal operations. c. Total weight of non-hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: i. Incineration (with energy recovery); ii. Incineration (without energy recovery); iii. Landfilling; iv. Other disposal operations. d. For each disposal operation listed in Disclosures 306-5-b and 306-5-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste directed to disposal: i. onsite; ii. offsite. e. Contextual information necessary to understand the data and how the data has been compiled.	306.3 a; 306.4; 306.5 **Waste generated*** |	2020	2021	2022	2023 | |---|---|---|---|---| | Hazardous waste – diverted from disposal [tons]** | 0 | 0 | 0 | 14 | | Hazardous waste – directed to disposal [tons] | 1,119 | 1,097 | 1,047 | 1,109 | | Incineration with energy recovery | 700 | 651 | 900 | 876 | | Incineration without energy recovery or send to landfill | 419 | 446 | 147 | 233 | | **Total hazardous waste generated [tons]** | **1,119** | **1,097** | **1,047** | **1,123** | | Non-hazardous waste – diverted from disposal tons]** | 2,415 | 2,998 | 3,439 | 2,976 | | Non-hazardous waste – directed to disposal [tons]** | 1,015 | 1,364 | 952 | 1,871 | | **Total non-hazardous waste generated [tons]** | **3,430** | **4,362** | **4,391** | **4,847** | | **Total waste generated [tons]** | **4,549** | **5,459** | **5,438** | **5,970** | ** Data split between 'diverted from disposal / directed to disposal' adjusted for 2020 and 2021; waste quantities 2021 corrected* *** Breakdown by disposal operation not available.* 306-3 b: Reported waste generated includes waste from STADA production sites. Waste generated from stand-alone office locations is not included. Waste data is reported and consolidated at site level according to applicable legal requirements and reported and consolidated at global level. 306-4 b/c: Breakdown by recovery operation not available d) No waste recovery is executed on-site e) Waste data is reported and consolidated at site level according to applicable legal requirements and reported and consolidated at global level. 306-5 b ii./iii.: Data split not available as internal reporting does not differentiate accordingly c) Breakdown by recovery operation not available d) No waste disposal is executed on-site e) Waste data is reported and consolidated at site level according to applicable legal requirements and reported and consolidated at global level.

DISCLOSURE	REFERENCES
GRI 308: Supplier Environmental Assessment	
308-1: New suppliers that were screened using environmental criteria Percentage of new suppliers that were screened using environmental criteria.	In 2022, STADA has started to set-up its Responsible Procurement program (RP program) and decided to partner with EcoVadis to evaluate the ESG risk and performance of its suppliers. STADA's RP program is headed by our Global Procurement function and executed by a cross-functional steering and project team including members from Global HSE, Legal and Supply Chain has been established. Starting 2023, STADA has defined its critical supplier categories and is currently in the process to evaluate them using EcoVadis. By December 31th, 2023, 723 suppliers have already been assessed in EcoVadis for environmental and social criteria.
308-2: Negative environmental impacts in the supply chain and actions taken a. Number of suppliers assessed for environmental impacts; b. Number of suppliers identified as having significant actual and potential negative environmental impacts; c. Significant actual and potential negative environmental impacts identified in the supply chain; d. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment; e. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why.	In 2022, STADA has started to set-up its Responsible Procurement program (RP program) and decided to partner with EcoVadis to evaluate the ESG risk and performance of its suppliers. STADA's RP program is headed by our Global Procurement function and executed by a cross-functional steering and project team including members from Global HSE, Legal and Supply Chain has been established. Starting 2023, STADA has defined its critical supplier categories and is currently in the process to evaluate them using EcoVadis. By December 31th, 2023, 723 suppliers have already been assessed in EcoVadis for environmental and social criteria. No significant negative environmental impacts in the supply chain were recorded to STADA's knowledge in 2023.
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover (✔)[96] a. Total number and rate of new employee hires during the reporting period, by age group, gender and region. b. Total number and rate of employee turnover during the reporting period, by age group, gender and region.	a. STADA offers its employees both performance-oriented as well as demand and market-oriented compensation. Employee fluctuation in 2023 including NIDDA: | 12/2023 | 09/2023 | 06/2023 | 03/2023 | Avg HC 2023 | |---|---|---|---|---| | 12,348 | 12,174 | 12,156 | 11,696 | 12,094 | | **Total Hires in 2023** | | | | **2,284** | | **Total Leavers in 2023** | | | | **1,503** | | **Fluctuation in 2023** | | | | **12.4% (14.7% in 2022)** | New hires split by gender: F: 1,233; M: 1,050; O: 1 (total: 2,284) Data collection on age group and region, considering new employee hires, is established on the Group level, while the reporting on such data is not established yet. b. Data collection on age group, gender and region, considering turnover, is established on the Group level, while the reporting on such data is not established yet.

[96] *Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.*

DISCLOSURE	REFERENCES
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees [(✓)97] a. Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation. These include, as a minimum: i. life insurance; ii. health care; iii. disability and invalidity coverage; iv. parental leave; v. retirement provision; vi. stock ownership; vii. others. b. The definition used for 'significant locations of operation'.	a. The same benefits are offered to temporary, part time and full time employees. i./ii./iii. Social security for employees is an important part of the corporate culture. For this reason, STADA offers a wide range of voluntary additional benefits. In Germany (which is a significant location of operations), these include payments or subsidies for the commute to the workplace, supplementary occupational disability insurance in the chemical industry (BUC) for every employee covered by collective agreements and those covered by similar agreements, the promotion of the ChemiePensionfonds, as well as group accident insurance which also covers private accidents. Since 2021, STADA has been pressing ahead with the permanent implementation of new forms of work. It has been possible to work in a mobile office up to two days a week, to the extent that this is operationally feasible. Voluntary health care insurance is also offered to STADA employees (i.e. in Serbia) iv.Covered by Collective bargaining agreement (more details on CBA could be found in GRI 2-30 in Section 3 of this Report). v. / vi. / vii. Data not reported on the Group level. b. The benefits listed above are exemplary for Germany.
401-3 Parental leave a. Total number of employees that were entitled to parental leave, by gender; b. Total number of employees that took parental leave, by gender; c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender; d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender; e. Return to work and retention rates of employees that took parental leave, by gender.	In accordance with national regulations, STADA employees have the opportunity to take parental leave. In the 2023 financial year, 80 women and 21 men took advantage of this opportunity. In the same year, the re-entry rate was 98%. 1) The re-entry rate is the ratio between the total number of employees who returned to work after parental leave and the total number of employees whose return to work after parental leave was agreed. 2) These include employee resignations and employer terminations, severance agreements and resignations after the expiration of the contract.

	Women		Men		Total	
Re-entry rate in Germany after parental leave / Employees by headcount	absolut	in %	absolut	in %	absolut	in %
Employees on parental leave in 2023	80	79.21	21	20.79	**101**	**100**
thereof still on parental leave / resting contract as of December 31st, 2023	46	94	3	6	**49**	**48.51**
thereof returned from parental leave in 2023	33	65	18	35	**51**	**50.50**
thereof left from parental leave in 2023	1	100	0	0	**1**	**0.99**

Parental leave data is not collected Group wide yet but only within subsidiaries. Global data would be available in the upcoming reporting cycles.

GRI 402: Labor/Management Relations 2016

402-1 Minimum notice periods regarding operational changes a. Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them; b. For organizations with collective bargaining agreements, report whether the notice period and provisions for consultation and negotiation are specified in collective agreements.	The defined notice period (minimum notice period) for acceptance of any change within the contract, scope of work, position, remuneration, and other working factors is defined by law in all countries where STADA operates (i.e., in Serbia, Bosnia-Herzegovina and Montenegro it is 8 days) and is offered to employees throughout the SAP Success Factor online tool with referent email notification. The minimum notice period is defined in the Collective Bargaining Agreement. All compensation changes are monitored via SAP Success Factors approval flows, including HR and the one-over-one approval principle to ensure full compliance with audit standards. Stakeholders, and also shareholders, are involved in remuneration practices via global approval governance.

97 Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
GRI 403: Occupational Health and Safety	
403-1: Occupational health and safety management system [(✓)98] a. A statement of whether an occupational health and safety management system has been implemented, including whether: i. the system has been implemented because of legal requirements and, if so, a list of the requirements; ii. the system has been implemented based on recognized risk management and/or management system standards/guidelines and, if so, a list of the standards/guidelines. b. A description of the scope of workers, activities, and workplaces covered by the occupational health and safety management system, and an explanation of whether and, if so, why any workers, activities, or workplaces are not covered.	a. i./ii. STADA's HSE (Health, Safety and Environment) approach is an integrated part of its production sites' business performance and has HSE management systems implemented at global and site level to ensure safe and healthy working conditions for employees and contractors. STADA's HSE management system has been implemented to protect its employees and contractors and to ensure compliance with applicable legal requirements. STADA's HSE system is based on the proactive approach to managing safety through risk assessment of its materials, processes, and workplace activities with training targeting competency building of its staff. Safety targets and KPIs are defined on global and local level and are fully integrated in our operational management reporting. Accidents and near-misses are analyzed based on global specification to identify the underlying causes, with lessons learnt shared globally to prevent re-occurrence. b. STADA's sites HSE management systems and processes are covering all employees at the sites, contractors and visitors. In 2023, a certified occupational health and safety management system was introduced at STADA's site in Miyun Economic Development Zone, Beijing, China, bringing the total number of sites certified in accordance with ISO 45001 to nine as of December 31, 20232. Other production sites are currently in the process of implementing ISO 45001 systems.

Location[99]	ISO 45001	ISO 14001
Vrsac/Dubovac, Serbia	X	X
Sabac, Serbia	X	X
Podgorica, Montenegro	X	X
Banja Luka, Bosnia and Herzegowina	X	X
Huddersfield, UK	X	X
Nizhny Novgorod, Russia[1 2]	X	X
Tuy Hoa [1], Vietnam	X	X
Tuy Hoa [2], Vietnam	X	X
Miyun, China	X	
Obninsk, Russia [2]		X
Bila Tserkva, Ukraina		X

1: GOST 12.0.230.1-2015 occupational safety and health protection in connection with GOST 12.0.230-2007.

2: There were several changes at subsidiaries in financial year 2023 – NextGEN360 Ltd (United Kingdom) and AO Nizhpharm as well as OOO Hemofarm (both Russia) and their units were deconsolidated in the course of the year and have no longer been part of the STADA Group since then.

98 Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.
99 Business reorganization in the STADA Group: STADA carried out a business reorganization in financial year 2023. In this context, STADA transferred its shareholdings in the former Russian subsidiaries to Nidda Lynx S.a r.l., a holding company based in Luxembourg and held by Nidda Midco S.a r.l., in September 2023. Since that time, the Russian companies are no longer subsidiaries of the STADA Group. In principle, reporting date-based key figures as of the end of financial year 2023 do not include "discontinued operations", up to their deconsolidation at the end of September. Flow-based key figures, on the other hand, continue to include "discontinued operations". If these principles do not apply to certain key figures or disclosures, this is explicitly indicated (e.g. in an explanatory footnote).

DISCLOSURE	REFERENCES
403-2: Hazard identification, risk assessment, and incident investigation a. A description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, and to apply the hierarchy of controls in order to eliminate hazards and minimize risks, including: i. how the organization ensures the quality of these processes, including the competency of persons who carry them out; ii. how the results of these processes are used to evaluate and continually improve the occupational health and safety management system. b. A description of the processes for workers to report work-related hazards and hazardous situations, and an explanation of how workers are protected against reprisals; c. A description of the policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health, and an explanation of how workers are protected against reprisals; d. A description of the processes used to investigate work-related incidents, including the processes to identify hazards and assess risks relating to the incidents, to determine corrective actions using the hierarchy of controls, and to determine improvements needed in the occupational health and safety management system.	a. STADA's global and site level H&S processes on Risk Assessment and Management sets its guidance and requirements based on the hierarchy of risk control, to ensure that a) the risks and impacts of its operations and of external risks to people, the environment, equipment, operations, and property are identified, assessed, and understood; b) appropriate controls are selected to eliminate or reduce risks and environmental impacts; c) issuance of safe work permits for specified high risk activities; d) controls are monitored continually to ensure their effectiveness and the risk re-evaluated in response to incidents or any deterioration in controls; and e) risks and controls are communicated across our organization. b. STADA encourages and promotes a culture of safety where everyone is mindful of hazards and helps to resolve and avoid them by doing the right thing. STADA operates a no blame culture and actively promotes employees to report unsafe acts & unsafe conditions via its near miss program. These are reported and investigated with appropriate actions implemented, to continually look to reduce the likelihood of harm within STADA's work environments and keep its employees safe. Every employee has also the option to report any issues via the STADA ombudsman. c. STADA's global and site level H&S processes are defining responsibilities by line management to ensure compliance, show active leadership and promote pro-active HSE culture and for employees to support positive H&S culture and being responsible for their own and other colleagues' safety and report any H&S non – compliance, incident or near miss situation. Every employee has also the option to report any issues via the STADA ombudsman. Where employees have safety concerns, they are encouraged to stop work and report to line management who can carry out the necessary investigation to evaluate concerns and take any measures required to ensure the work environment is safe for work to continue. d. Health and safety performance at STADA is managed via internal processes that define the requirements for the classification, recording and investigation of accidents. When accidents do occur, our investigations focus on understanding causal factors, identifying the root cause and identifying both corrective & preventative measures to prevent re-occurrence. STADA shares information and lessons learnt from incident investigations across all its operational sites via the HSE Global community. STADA reports lagging indicators (as Lost Time Incident Rate) and leading indicators (as Near Miss Reporting rate). The company analyzes data to identify and initiate areas for improvement at the site or global level with each site having discrete individual targets in place.
403-3: Occupational health services A description of the occupational health services' functions that contribute to the identification and elimination of hazards and minimization of risks, and an explanation of how the organization ensures the quality of these services and facilitates workers' access to them.	Occupational health support is provided by external professional company doctors / occupational health providers. The services provided to our employees include mandatory medical surveillance, return to work advice and – depending on the local organization – different voluntary health checks-up or consultancy services. Where relevant due to the associated hazards, company doctors are involved in the workplace risk assessments process.
403-4: Worker participation, consultation, and communication on occupational health and safety a. A description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers; b. Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.	a. The active participation of employees is for STADA a critical element to enable a safe and healthy working environment. Safety communication is fully embedded at our production site's TIER – meeting process which ensure a structured daily communication about H&S at the shop floor. Through regular communication, training and site-level activities (e.g. ILO World Day for Safety and Health at Work) we ensure workforce engagement and awareness. b. Health & safety committees are in place as legally required and managed locally. These committees typically include representatives from unions/ workers council, management representatives, H&S experts and company doctor.

DISCLOSURE	REFERENCES
403-5: Worker training on occupational health and safety A description of any occupational health and safety training provided to workers, including generic training as well as training on specific work-related hazards, hazardous activities, or hazardous situations.	Occupational health and safety training is provided as integral part of STADA's site-level HSE management system (e.g. ISO 45001 certified) and are based on training matrix/need assessment. Trainings include general induction training for new employees, training on the specific work-related hazards and prevention measures and external for specific functions trainings as legally required.
403-6 Promotion of worker health a. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided; b. A description of any voluntary health promotion services and programs offered to workers to address major non-work-related health risks, including the specific health risks addressed, and how the organization facilitates workers' access to these services and programs.	a./b. STADA offers on local level different programs to address general health aspects. This includes local health activities (e.g. in the course of health days), voluntary well-being offers (e.g. fitness centres/sport apps and global initiatives as the 'Kyan' mental health program.
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships A description of the organization's approach to preventing or mitigating significant negative occupational health and safety impacts that are directly linked to its operations, products, or services by its business relationships, and the related hazards and risks.	There are no significant negative occupational health and safety impacts identified that are directly linked to STADA's operations, products or services by its business relationships, and the related hazards and risks.
403-8 Workers covered by an occupational health and safety management system a. If the organization has implemented an occupational health and safety management system based on legal requirements and/or recognized standards/guidelines: i. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system; ii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited; iii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been audited or certified by an external party. b. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded; c. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	All employees (100%) as well as all workers who provide services to STADA at company's sites (100%) are covered by an occupational health and safety management system.

DISCLOSURE	REFERENCES

403-9: Work-related injuries *(✓)100*

a. For all employees:
i. The number and rate of fatalities as a result of work-related injury;
ii. The number and rate of high-consequence work-related injuries (excluding fatalities);
iii. The number and rate of recordable work-related injuries;
iv. The main types of work-related injury;
v. The number of hours worked.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:
i. The number and rate of fatalities as a result of work-related injury;
ii. The number and rate of high-consequence work-related injuries (excluding fatalities);
iii. The number and rate of recordable work-related injuries;
iv. The main types of work-related injury;
v. The number of hours worked.

c. The work-related hazards that pose a risk of high-consequence injury, including:
i. how these hazards have been determined;
ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period;
iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls.

d. Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls.

e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked.

f. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.

g. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.

a. work-related injury data for STADA employees:

STADA Employees	2020[1]		2021[1]		2022		2023	
Number / Rate of recordable injuries	134	1.24	118	1.09	120	1.06	101	0.89
Number / Rate of injuries resulting in lost days	42	0.39	44	0.40	38	0.35	32	0.28
Number / Rate of high consequence injuries	0	0	0	0	2	0.02	2	0.02
Number / Rate of fatalities	0	0	0	0	0	0	0	0
Main type of work-related injuries	Slip/trip/ falls		Slip/trip/ falls		Machine related		Machine related	
Number / rate of lost days (resulting from injuries)	1,020	9.42	978	9.00	858	7.6	1.24	10.9
Number of working hours	21,660,805		21,744,234		22,578,288		22,786,580	

1: for 2020 and 2021 only 'rate of injuries resulting in lost days' and 'number / rate of fatalities' have been audited

b. work-related injury data for workers who are not employees but whose work and/or workplace is controlled by STADA:

Contractors	2020[1]		2021[1]		2022		2023	
Number / Rate of recordable injuries	2	NA[2]	3	NA[2]	3	NA[2]	5	NA[2]
Number / Rate of injuries resulting in lost days	2	NA[2]	3	NA[2]	3	NA[2]	5	NA[2]
Number / Rate of high consequence injuries	0	0	0	0	0	0	0	0
Number / Rate of fatalities	0	0	0	0	0	0	0	0
Main type of work-related injuries	Slip/trip/ falls		Slip/trip/ falls		Slip/trip/ falls		Slip/trip/ falls	
Number / Rate of lost days (resulting from injuries)	NA[2]	NA[2]	NA[2]	NA[2]	NA[2]	NA[2]	NA[2]	NA[2]

1: Data for 2020 and 2021 has not been audited
2: Data not available

c./d. Work-related hazards are determined through workplace risk assessment following global guidance and local legal requirements. The 2 high consequence injuries have been machine-related and slip/trip/falls. Both accidents have been fully investigating and preventive action been identified and implemented including technical and organizational measures. Results have been shared across all sites and site heads to evaluate the potential for similar risks to avoid re-occurrence.
e. Calculation of work-related injury data is based on 200.000 working hours
f. No worker or group of workers has been excluded.

100 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES

403-10: Work-related ill health

a. For all employees:
i. The number of fatalities as a result of work-related ill health;
ii. The number of cases of recordable work-related ill health;
iii. The main types of work-related ill health.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:
i. The number of fatalities as a result of work-related ill health;
ii. The number of cases of recordable work-related ill health;
iii. The main types of work-related ill health.

c. The work-related hazards that pose a risk of ill health, including:
i. how these hazards have been determined;
ii. which of these hazards have caused or contributed to cases of ill health during the reporting period;
iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls.

d. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded;

e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.

a. No work-related cases of recognized occupational diseases were recorded in 2023.

b. Data not available.

c. Work-related hazards that pose a risk of ill health are mainly evaluated through workplace risk assessment.

d/e. Not applicable.

GRI 404: Training and Education 2016

404-1 Average hours of training per year per employee *(✓)101*

a. Average hours of training that the organization's employees have undertaken during the reporting period, by:
i. gender;
ii. employee category.

LMS (Learning Management System) data system is used to aggregate data for the average hours of training per employee, that amounted at 2 hours per employee in 2023. The system contains e-learning modules in various areas, which are implemented sequentially.

i. / ii. The data on gender and employee category split considering the average hours of training per year per employee is being collected but it has not been reported on the Group level yet. Due to internal guidelines at STADA, it is not allowed to track the training hours individually (per gender and/or employee category).

404-2 Programs for upgrading employee skills and transition assistance programs

a. Type and scope of programs implemented and assistance provided to upgrade employee skills;

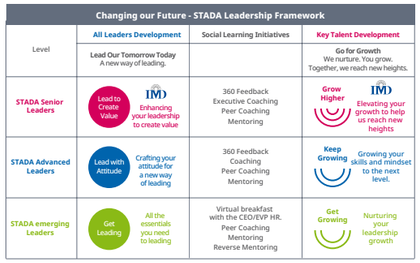
b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

Employee training is defined and coordinated by the respective departments on a needs-oriented basis and in accordance with individual development plans (IDP) offered to all employees. Several talent development programs (for all leaders and for high potentials) took place and organizational talent reviews (OTRs) were conducted twice during the year.

STADA developed its own learning approach consisting of 3 main pillars: learning on the job (70%), social learning (20%), and formal learning (10%).

404-3 Percentage of employees receiving regular performance and career development reviews

Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.



100% - All employees within the STADA group did receive feedback.

101 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees *(✓)*[102] a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories:	
i. Gender	Executive Board: Female: 25%, Male 75%, Total 100% Supervisory Board: Female: 0%, Male 100%, Total 100%
ii. Age group: under 30 years old, 30-50 years old, over 50 years old;	Executive Board: under 30 years old: 0% / 30-50 years old: 50% / over 50 years old: 50% Supervisory Board: under 30 years old: 0 persons / 30-50 years old: 3 persons / over 50 years old: 6 persons
iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).	/
b. percentage of employees per employee category in each of the following diversity categories:	Calculations based on HC, full-time and permanent employees. Including Nidda employees
i. Gender	Female 55.5%, Male: 44.4%, Other 0.02%, Total 100%
ii. Age group: under 30 years old, 30-50 years old, over 50 years old;	Under 30 years old: 16.5%, 30-50 years old: 65.3%, over 50 years old: 18.2%, Total 100%
iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).	/ 89 nations are represented in STADA's team

102 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
405-2 Ratio of basic salary and remuneration of women to men a. Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation; b. The definition used for 'significant locations of operation'.	/ Standard entry level wages at STADA are above minimum wage rules for all of its employees, with no gender variations (including ratio of basic salary and remuneration of women to men).
GRI 406: Non-discrimination 2016	
406-1 Incidents of discrimination and corrective actions taken *(✓)*[103] a. Total number of incidents of discrimination during the reporting period; b. Status of the incidents and actions taken with reference to the following: i. Incident reviewed by the organization; ii. Remediation plans being implemented; iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Incident no longer subject to action.	STADA complies with existing regulations, and therefore is committed to the principle of equal treatment, and pursues violations of the German Non-Discrimination Act (AGG; due to the location of its headquarters or adequate local complementary laws and regulations with other subsidiaries) with disciplinary consequences. In order to promote protection against discrimination in the workplace, employees at German locations are, for example, instructed in the applicable non-discrimination policy upon entering the company, and an internal complaints office serves as a contact point. No incidents of discrimination, together with corrective actions taken, were recorded in the reporting period at STADA. According to the Whistleblower Policy STADA's employees are enabled to submit potential cases of violation their rights. No such whistleblowing cases were reported in the reporting year 2023.
GRI 407: Freedom of Association and Collective Bargaining 2016	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk a. Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. b. Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining.	/ No Group wide global data tracking has been established yet.
GRI 408: Child Labor 2016	
408-1 Operations and suppliers at significant risk for incidents of child labor a. Operations and suppliers considered to have significant risk for incidents of: i. child labor; ii. young workers exposed to hazardous work. b. Operations and suppliers considered to have significant risk for incidents of child labor either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. c. Measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labor.	a. For STADA Operation no such significant risk is identified. For suppliers, STADA has implemented in 2023 its Responsible Procurement program (RP program) in line with the requirements of the German Supply Chain Act. As part of the program, STADA conducted the risk assessment of its supply chain and evaluated the ESG risk and performance of prioritized suppliers through EcoVadis ESG assessments (723 suppliers assessed in 2023). No significant risk which required immediate action has been identified. b. The own operations considered include the operations of the STADA group including the manufacturing site and office locations. The suppliers evaluated included suppliers of production input materials as API, excipients and packaging materials as well as CMOs and key suppliers of the 'indirect spend category'. The country location of suppliers was not restricted and includes suppliers worldwide. c. To date, the company has not received reports of cases of the employment of minors, or any cases of the violation of labor rights of its employees, on any grounds whatsoever.

103 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
GRI 409: Forced or Compulsory Labor 2016	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor a. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. b. Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.	For STADA Operation no such significant risk is identified. For suppliers, STADA has implemented in 2023 its Responsible Procurement program (RP program) in line with the requirements of the German Supply Chain Act. As part of the program, STADA conducted the risk assessment of its supply chain and evaluated the ESG risk and performance of prioritized suppliers through EcoVadis ESG assessments (723 suppliers assessed in 2023). No significant risk which required immediate action has been identified. In 2023, the company has not received reports of significant risks for accidents of cored or compulsory labor.
GRI 410: Security Practices 2016	
410-1 Security personnel trained in human rights policies or procedures a. Percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security. b. Whether training requirements also apply to third-party organizations providing security personnel.	Security personnel (either STADA's own or third party) has to comply with STADA Code of Conduct and its ethical principles.
GRI 411: Rights of Indigenous Peoples 2016	
411-1 Incidents of violations involving rights of indigenous peoples a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period; b. Status of the incidents and actions taken with reference to the following: i. Incident reviewed by the organization; ii. Remediation plans being implemented; iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Incident no longer subject to action.	STADA does not exert a negative impact on the indigenous populations in the communities in which it performs its activities.
GRI 413: Local Communities 2016	
413-1 Operations with local community engagement, impact assessments, and development programs *(✔)104* Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of:	STADA is engaging with local communities, including impacts assessments and development programs through Hemofarm Foundation, its subsidiary from Serbia (covering Serbia, Bosnia and Herzegovina, Montenegro) as well as through ad hoc initiatives within different subsidiaries. Since only Hemofarm Foundation has formal local community engagement programs, it would be considered here as the only data source. Compared to number of employees in those countries where the Foundation is active, to all STADA employees, the percentage of STADA's operations with local community engagement, impacts assessments and development programs amounts at 28%.

DISCLOSURE	REFERENCES
i. social impact assessments, including gender impact assessments, based on participatory processes;	Hemofarm Foundation directs its activities into 3 main programs - Program for Health, Program for Education and Program for Culture. Since gender balance is an important ESG KPI for STADA, the Foundation strives to enable full respect for gender balance within all its programs. Also, it assesses the needs of vulnerable groups including gender impacts i.e. within LGBTIQ+ population.
ii. environmental impact assessments and ongoing monitoring;	In accordance with the assessment of the impact of climate change on the environment in Serbia, Bosnia and Herzegovina and Montenegro, the Hemofarm Foundation initiated a continuous afforestation of endangered areas, which has so far planted hundreds of trees in order to preserve local ecosystems, with a special focus on preventing soil erosion due to floods.
iii. public disclosure of results of environmental and social impact assessments;	Regular activity reports are publicly available at: https://www.fondacijahemofarm.org.rs/eng/ko-smo-mi/izvestaji-o-radu
iv. local community development programs based on local communities' needs;	The Hemofarm Foundation's initiative, "A Cup of Coffee with a Psychologist," not only promotes mental health but also embodies the core mission of STADA — caring for people's health. This flagship initiative aims to destigmatize mental health issues and promote open dialogue. By offering free sessions with psychologists, we've sparked conversations on various topics, including emotional well-being, stress management, and societal impacts like those of the Covid-19 pandemic. These discussions have reached a wide audience, with our YouTube sessions garnering hundreds of thousands of views. Notably, our session featuring Aleksandar Stanković, a renowned journalist from Croatia, discussing his battle with depression, drew significant attention and acclaim. Through partnerships with academic and cultural institutions, we've facilitated over 30 sessions from 2019 until 2023, addressing critical issues and providing support to those in need. This project underscores our commitment to fostering empathy and understanding, ensuring that mental health receives the attention and care it deserves while aligning with STADA's mission of caring for people's health.
v. stakeholder engagement plans based on stakeholder mapping;	More than 100 exceptional individuals, experts in the fields of health, education, social responsibility, sustainable development, philanthropy, and culture wrote blogs for HFF on the most current topics in these fields. Content available at https://www.fondacijahemofarm.org.rs/eng/blog Stakeholder mapping and selection is being managed according to the following criteria: based on their reputation and influence in the sphere of public action.
vi. broad based local community consultation committees and processes that include vulnerable groups;	Hemofarm Foundation is the founder and member of the Serbian Philanthropic Forum and a member of the European Philanthropic Association, which gathers 10,000 profit and non-profit foundations from 30 European countries. These institutions include assessing the needs of vulnerable groups like migrants, LGBTIQ+ and others. Humanitarian aid, inter alia, has been collected for NURDOR (National Association of Parents of Children with Cancer in Serbia), Shelter for Parentless Children, Shelter for Adults and Elderly People, and others.
vii. works councils, occupational health and safety committees and other worker representation bodies to deal with impacts;	All STADA's formal employee bodies in the countries where Hemofarm Foundation is active are encouraged to participate in the process of social partnership for the benefit of the community. One of such examples was collecting goods to donate to Ukraine, after the war started there.

104 Only GRI KPIs marked green and with (✔) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
viii. formal local community grievance processes.	The entire public in the areas where the Foundation is active is invited to point out all key issues of social importance, including complaints and objections, to publicly available contacts. The Foundation actively considers all types of externally initiated communication and, in accordance with the conclusions, proposes further action, addressing institutions of public importance, which can be involved in solving localized social problems. Contacts are available from the Foundation's website: https://www.fondacijahemofarm.org.rs/eng
413-2 Operations with significant actual and potential negative impacts on local communities Operations with significant actual and potential negative impacts on local communities, including: i. the location of the operations; ii. the significant actual and potential negative impacts of operations.	No case of a crisis situation or significant actual and potential negative impacts on local communities in the areas of STADA's operations was recorded in 2023.
GRI 414: Supplier Social Audit	
414-1: New suppliers that were screened using social criteria *(✓)*[105] Percentage of new suppliers that were screened using social criteria.	Starting 2023, STADA has defined its critical supplier categories and implemented the process to evaluate them using EcoVadis. By December 31th, 2023, 723 suppliers (out of 1,063 prioritized suppliers or 67%) have already been assessed in EcoVadis for environmental, social, governance and supply chain criteria.
414-2: Negative social impacts in the supply chain and actions taken a. Number of suppliers assessed for social impacts; b. Number of suppliers identified as having significant actual and potential negative social impacts; c. Significant actual and potential negative social impacts identified in the supply chain; d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment; e. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.	a) In total 723 suppliers have been assessed via EcoVadis ESG assessment against social criteria. b) In total 13 suppliers had a rating score < 25 (insufficient) which is an indication for a potential negative social impact. A spart of EcoVadis 360°Watch service, no actual significant negative social impact has been identified. c) See point b. d) As rating results have been available only at the end of 2023, the follow up was initiated beginning 2024 and all 13 suppliers have been contacted for follow up by end of February 2024.

105 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
GRI 415: Public Policy 2016	
415-1 Political contributions a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary; b. If applicable, how the monetary value of in-kind contributions was estimated.	In 2023, as in the previous reporting cycles (2022 and nonfinancial reporting), STADA did not receive or grant any types of donations, either in kind or in money, to political parties, politically active persons, or political and state institutions.
GRI 416: Customer Health and Safety 2016	
416-1 Assessment of the health and safety impacts of product and service categories *(✓)*[106] Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	Within pharmacovigilance all products (100%) are obligatory monitored for health and safety impacts (pharmaceutical industry requirements). An Adverse Drug Reaction (ADR) in pharmacovigilance is defined as an unintended or undesired harmful reaction occurring at doses normally used by a patient for the diagnosis, treatment, or prevention of a disease. Simply put, these are unexpected medical issues that occur due to medication use. ADRs are key concerns in pharmacovigilance, the science and activities related to the detection, assessment, understanding, and prevention of adverse effects or any other possible drug-related problems. Unintended reactions could be minor like a rash, or more severe like organ failure, and in extreme cases can even lead to death. They can occur immediately after administration, or they can take time to develop. Identifying ADRs, and working to reduce their occurrence is a crucial part of pharmacovigilance. This includes post-market surveillance where the safety of drugs is monitored in large numbers of patients in the 'real-world' setting post approval, in addition to regulated clinical trials carried before the drug's approval. This also involves communicating the risk associated with medicines to healthcare professionals and the public, as well as implementing strategies to minimize any potential risk. Overview of the number of ADR reports at STADA in 2023, by reporting party and ADR severity:

Qualification of reporter	No. of ADR reports	Serious ADRs	Non-serious ADRs
Physician	445	120	325
Pharmacist	759	93	666
Other health professional	4,350	537	3,813
Consumer or other non-health professional	2,553	166	2,387
Total	**8,107**	**916**	**7,191**

106 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services [(✓)107] a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by: i. incidents of non-compliance with regulations resulting in a fine or penalty; ii. incidents of non-compliance with regulations resulting in a warning; iii. incidents of non-compliance with voluntary codes. b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.	STADA's quality and pharmacovigilance management system is monitoring and preventing the occurrence of incidents of non-compliances with regulations and/or voluntary codes regarding the health & safety of our products There were no instances of non-compliance of STADA products with the regulations resulting in a fine or penalty or warning over the course of 2023.
GRI 417: Marketing and Labelling 2016	
417-1 Requirements for product information and labelling a. Whether each of the following types of information is required by the organization's procedures for product and service information and labeling: i. The sourcing of components of the product or service; ii. Content, particularly with regard to substances that might produce an environmental or social impact; iii. Safe use of the product or service; iv. Disposal of the product and environmental or social impacts; v. Other (explain). b. Percentage of significant product or service categories covered by and assessed for compliance with such procedures.	Labelling is defined as written, printed or graphical matter on any article or container, which provides adequate and necessary information about the product. The purpose of labelling of medicines is the clear unambiguous identification of the medicine and the conditions for its safe use. A drug label is required by legal regulations and pharmaceutical standards for the marketing of any drug. STADA applies mandatory information to its products to meet the standards of product safety.
417-2 Incidents of non-compliance concerning product and service information and labelling [(✓)108] a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling, by: i. incidents of non-compliance with regulations resulting in a fine or penalty; ii. incidents of non-compliance with regulations resulting in a warning; iii. incidents of non-compliance with voluntary codes. b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.	/ b. STADA's quality and pharmacovigilance management system is monitoring and preventing the occurrence of incidents of non-compliances with regulations and/or voluntary codes regarding product and service information and labelling. There were no material instances of non-compliance of STADA products with the regulations resulting in any material fine or penalty or warning over the course of 2023 concerning product and service information and labelling.
417-3 Incidents of non-compliance concerning marketing communications a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by: i. incidents of non-compliance with regulations resulting in a fine or penalty; ii. incidents of non-compliance with regulations resulting in a warning; iii. incidents of non-compliance with voluntary codes. b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.	/ In 2023, there were no material incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications at STADA, including advertising, promotion and sponsorship.

107 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.
108 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.

DISCLOSURE	REFERENCES
GRI 418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data [(✓)109] a. Total number of substantiated complaints received concerning breaches of customer privacy, categorized by: i. complaints received from outside parties and substantiated by the organization; ii. complaints from regulatory bodies. b. Total number of identified leaks, thefts, or losses of customer data; c. If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient.	a. There have been no substantiated material complaints concerning breaches of customer privacy by outside parties, organizations or regulatory bodies. b. There were no leaks, thefts, or losses of customer data in 2023.

109 Only GRI KPIs marked green and with (✓) in this table are audited by the independent auditor.

Independent Practitioner's Report on a Limited Assurance Engagement on Sustainability Information

Independent Practitioner's Report

STADA Arzneimittel AG
Bad Vilbel

Assurance engagement on the 2023 STADA Sustainability Report

Auftrag: DEE00125256.1.1

Independent Practitioner's Report on a Limited Assurance Engagement on Sustainability Information

To STADA Arzneimittel AG, Bad Vilbel

We have performed a limited assurance engagement on the disclosures denoted with "√" in section 1 and 3 of the Sustainability Report of STADA Arzneimittel AG, Bad Vilbel (hereinafter "the Company"), for the period from 1 January to 31 December 2023 (hereinafter the "Report"). Our engagement in this context relates solely to the disclosures denoted with the symbol "√".

Responsibilities of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Report in accordance with the principles stated in the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter the "GRI-Criteria") and for the selection of the disclosures to be evaluated.

This responsibility of Company's executive directors includes the selection and application of appropriate methods of sustainability reporting as well as making assumptions and estimates related to individual sustainability disclosures, which are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal controls as they have considered necessary to enable the preparation of a Report that is free from material misstatement whether due to fraud or error.

Audit Firm's Independence and Quality Management

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Management 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality management for audit firms (IDW Qualitätsmanagementstandard 1: Anforderungen an das Qualitätsmanagement in der Wirtschaftsprüferpraxis - IDW QMS 1 (09.2022)), which requires the audit firm to design, implement and operate a system of quality management that complies with the applicable legal requirements and professional standards.

Practitioner´s Responsibility

Our responsibility is to express a limited assurance conclusion on the disclosures denoted with "√" in the Report based on the assurance engagement we have performed.

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to allow us to conclude with limited assurance that nothing has come to our attention that causes us to believe that the disclosures denoted with "√" in the Company's Report for the period from 1 January to 31 December 2023 have not been prepared, in all material aspects, in accordance with the relevant GRI-Criteria. This does not mean that a separate conclusion is expressed on each disclosure so denoted.

In a limited assurance engagement the assurance procedures are less in extent than for a reasonable assurance engagement and therefore a substantially lower level of assurance is obtained. The assurance procedures selected depend on the practitioner's judgment.

Within the scope of our assurance engagement, we performed amongst others the following assurance procedures and further activities:

- Obtaining an understanding of the structure of the sustainability organization and of the stakeholder engagement
- Assessment of the process for conducting the materiality analysis in accordance with the GRI criteria
- Inquiries of personnel involved in the preparation of the Report regarding the preparation process, the internal control system relating to this process and selected disclosures in the Report
- Identification of the likely risks of material misstatement of the Report under consideration of the GRI-Criteria
- Analytical evaluation of selected disclosures in the Report
- Evaluation of the presentation of the selected disclosures regarding sustainability performance

Assurance Conclusion

Based on the assurance procedures performed and assurance evidence obtained, nothing has come to our attention that causes us to believe that the disclosures denoted with "√" in the Company's Report for the period from 1 January to 31 December 2023 have not been prepared, in all material aspects in accordance with the relevant GRI-Criteria.

Intended Use of the Assurance Report

We issue this report on the basis of the engagement agreed with the Company. The assurance engagement has been performed for purposes of the Company and the report is solely intended to inform the Company as to the results of the assurance engagement. The report is not intended to provide third parties with support in making (financial) decisions. Our responsibility lies solely towards the Company. We do not assume any responsibility towards third parties.

Frankfurt am Main, April 26, 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Nicolette Behncke
Wirtschaftsprüfer
(German Public Auditor)

Claudia Niendorf-Senger
Wirtschaftsprüferin
(German Public Auditor)

Appendices

Index to Appendices

STADA Sustainability Report 2023

General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as of January 1, 2024