

# CARING FOR PEOPLE'S HEALTH



## SUSTAINABILITY REPORT 2021



# STADA's Sustainability Vision:

## **At STADA,**

we respect and value our personnel, investors, partners and those who use our products, the communities in which we work and the natural environment.

Each and every one of us constantly strives to make a positive impact on the world around us by focusing on the way we work and live.



# General Reporting Data

The STADA Group Sustainability Report is being prepared for the first time. This report has been prepared in accordance with the GRI Standards: Core option, and will be published annually.

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 pages 139 and 140.

The reporting period includes January 1, 2021, through December 31, 2021. The scope of this report includes the global operations of STADA Group, managed from the headquarters in Germany.

# CEO EDITORIAL: Caring for people's health

STADA's commitment to sustainable development stems from the Group's purpose of caring for people's health as a trusted partner. Giving our best to ensure sustainable business and growth, with positive impact on people and their health, the economy and the environment, aligns with the Group's strategic priorities, as well as with our four corporate values of Integrity, Agility, Entrepreneurship and One STADA. And we aim to bring this purpose, these priorities, and these values to life every day. For us, caring for people's health is more than providing support for prevention and treatment through a complete range of STADA's quality, reliable and affordable pharmaceutical products. It also involves raising awareness of personal healthcare and healthy lifestyles, while supporting public healthcare systems. Further, we see it as our civic duty to act as responsible citizens - as individuals, as a team, and as a society.

With the appearance of COVID-19 and during the fight against this pandemic of modern times, society realized the importance of good health and strong immunity. Also, current hostilities in Ukraine, in the most unfortunate circumstances, put a spotlight on the vital importance of healthcare and pharmaceuticals. STADA immediately acted to supply much needed medicines and supplies to hospitals in Ukraine while donating to UNICEF to support the humanitarian response to refugees during 2022.

Recognizing its additional responsibility in ambition to protect human health, STADA has placed an emphasis on sustainable development by publishing its first global sustainability report.

STADA is striving to be a sustainable company, a fact illustrated by examples throughout the Group. We invite you to follow us and become inspired to make your own contribution to sustainability around you.

STADA became a member of the UN Global Compact<sup>1</sup> in 2021 with the aim of giving support to global sustainability through the UN 2030 Agenda and UN Sustainable Development Goals.

*Our strategic priorities and values are the basis of our entire commitment to sustainable development in order to lead sustainable business and growth, while achieving a positive impact on people and their health, the economy and the environment. And we bring these to life everyday. For us, caring for people's health is more than providing support for prevention and treatment through a complete range of STADA's quality, reliable and affordable pharmaceutical products. It also involves raising awareness of personal health care and healthy lifestyles, while supporting public health care systems. Further, it is our civic duty to act as responsible citizens - we as individuals, we as a team and a society. This is exactly what makes us a partner of trust and choice when it comes to people's health.*



Within 17 SDGs, we recognized five goals to which we contribute, in particular, together with our stakeholders. Among these goals, STADA is putting focus on SDG number 3 – good health and well-being, which fits with our purpose of caring for people's health as a trusted partner.

Research shows that while 60% of consumers feel they can make a (sustainable) difference in the world through their choices and actions, barely 10% of businesses are able to connect with them successfully.<sup>2</sup> STADA strives to be among these businesses. By helping people to look after and maintain their own health, with or without direct support from healthcare professionals, we try to contribute meaningfully to personal health.

Throughout STADA, from the board down through the entire organization, our sustainable development is linked inextricably with our growth journey. What is important is that we strive constantly to improve and do things better for ourselves, for our customers, for our partners, for society, and for the planet. Positive changes start with each and every one of us. We invite you to join our STADA sustainability journey.

Peter Goldschmidt  
CEO

<sup>2</sup> According to the results of Euromonitor International's Voice of the Consumer Lifestyles Survey 2021.



STADA's ambition to connect its history with its future with a unified sustainability approach:

As an internationally active healthcare group, STADA has been assuming responsibility for its employees, society, and the environment for 125 years - because responsible action, as well as socially and ecologically sustainable management, are the foundation for long-term success.

# IT COMES NATURALLY FOR US

Because sustainable development stems from our values,

**Because a great vision is always sustainable,**

Because the future can be seen better from the top,

**because our strategic priorities stem from 125 years of sustainable thinking,**

Because health, the economy, and the environment are **ONE** - like **STADA** is.

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# COMPANY PROFILE

## STADA Group in 2021 at a glance

### Continuous development:

**125** years of growth and development of a trusted pharmaceutical brand.

**20** production sites in **11** countries.

### Human Resources:

About **13,297** (↑2,339 in 2021)<sup>3</sup> employees represent the One STADA family in more than 50 countries worldwide within STADA's business operations.

### Market share:

In 2021, considering Europe/all STADA markets, STADA's OTC category share was **3%** in value; (+6.5% compared to 2020) or **3.3%** in volume (-0.5%), while GX category share was **5.3%** in value (+1.7%) or **4.8%** in volume (+0.6%).<sup>4</sup>

### Financial results (Mio EUR)<sup>5</sup>

Total Group Sales **3,249.5** (+8%)

EBITDA **776.5** (+37%), EBITDA margin **23.9%** (+5.0%)

Gross profit 1,544.0 (+3%), Gross margin **47.5%** (-2.3%)

<sup>3</sup> Data presented refers to HC (head count), while FTE data represents 12,520 people in 2021.

<sup>4</sup> Data provided from IQVIA 2021 database

<sup>5</sup> Net sales and total capitalization, broken down in terms of debt and equity, are presented in STADA's Annual Report 2021, pages 22 and 57 (<https://www.stada.com/investor-relations/financial-publications/annual-report-2021>)

**STADA portfolio:** Generics (prescription medicines or Gx), Consumer Healthcare (non-prescription pharmaceuticals or CHC) and Specialty (including biosimilars) products. Sales structure Gx (**40.8%** or **+2%**), CHC (**39.5%** or **+15%**), Specialties (**19.7%** or **+9%**). Portfolio includes around **20,000** SKUs in all forms and dosages within all STADA affiliates worldwide.

**Gender balance:**

**52%** share of women in management positions (at all levels).

**2021 production in numbers:**

- **1.1** billion packs supplied
- **13** billion units and
- **637** million packs produced in-house

**Investments (Mio EUR)\***

Total **385.7**

Organic **253.0**

Acquisitions **123.7**

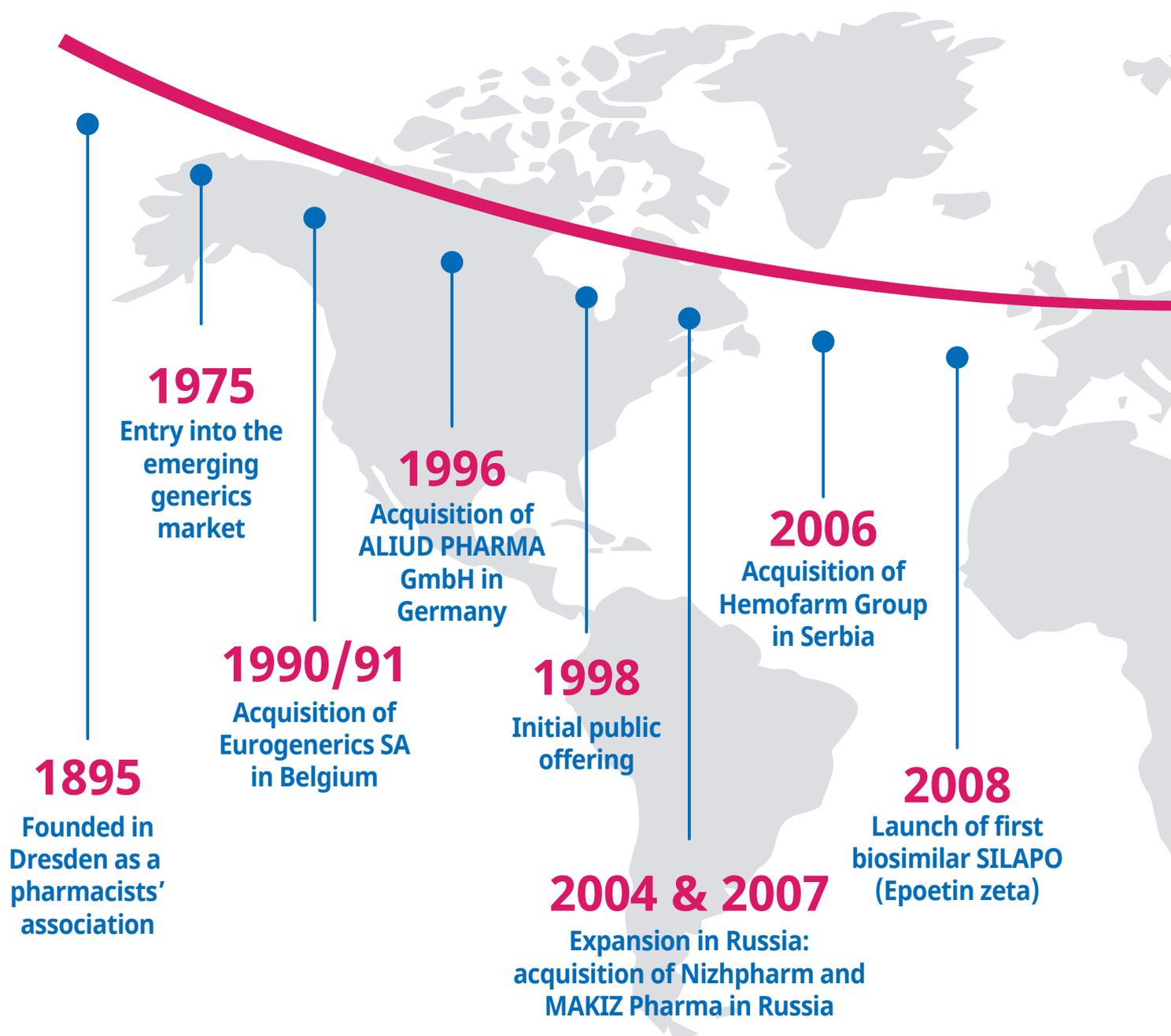
\*The coronavirus pandemic, as a huge external factor, influenced the temporary decrease in acquisitions vs. 2020, while organic investments increased +11%.

Serving **120** markets with pharmaceutical products worldwide.

# STADA'S PROFILE

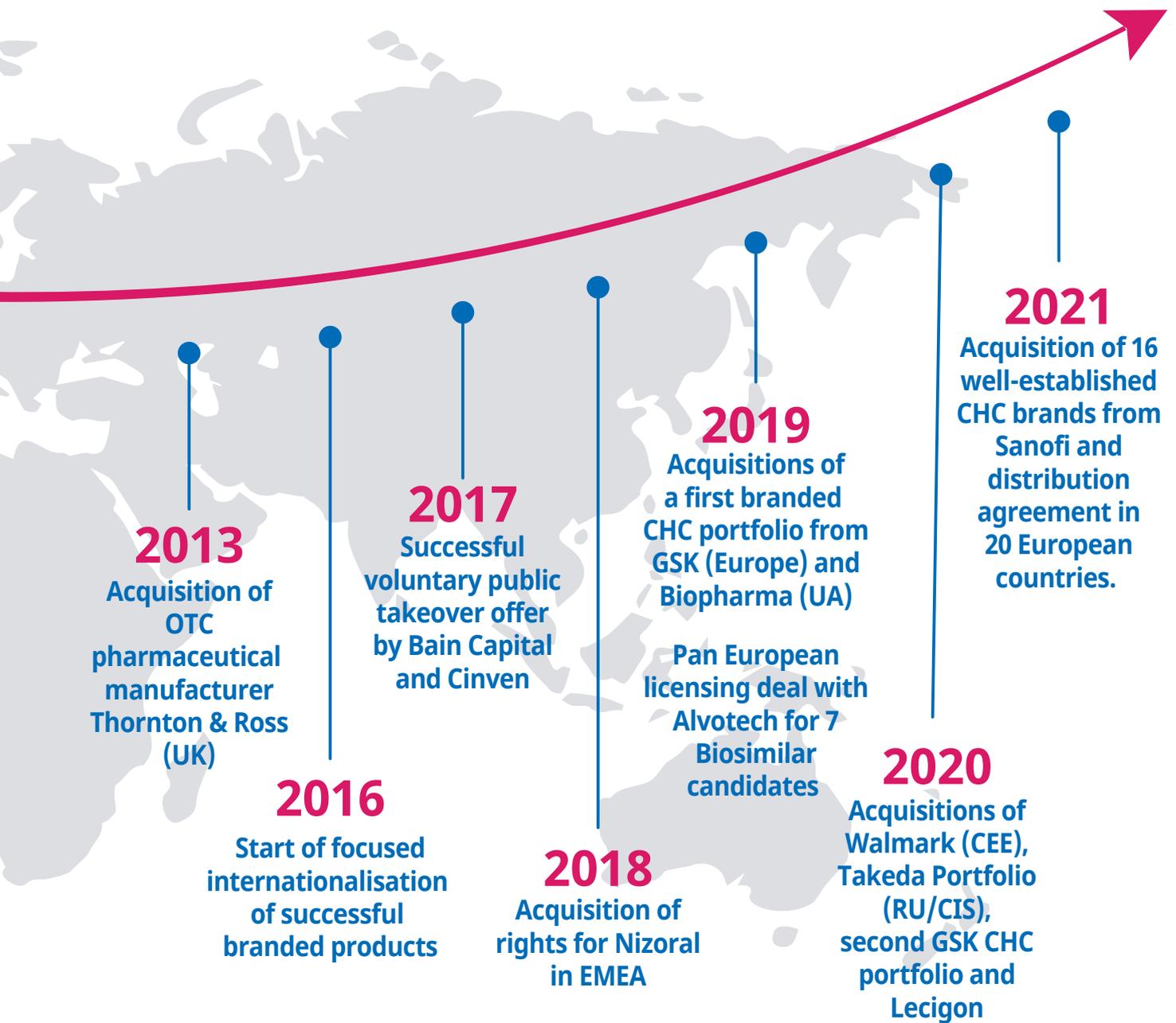
## How it all started

In March 1895, several pharmacists in Dresden joined forces to produce joint preparations. This was the beginning of STADA. The STADA founders set a goal to care for patients' well-being by preparing certain medicines in accordance with standardized guidelines. Their main motivation was to provide more affordable medicines to people, without compromising their quality and effectiveness.<sup>6</sup>



<sup>6</sup> Generics are pharmaceutical products that contain the exact active pharmaceutical ingredient as the original patented product of the initial supplier. Despite their quality, generics are substantially cheaper. A generic medicine must also meet regulatory requirement without exceptions. The effectiveness and safety of a generic product is equal to that of the original patented medicine.

Their strategy was based on the offer of generic pharmaceutical products. Since then, the ambition to preserve health has been the focus of business activities throughout the STADA Group.

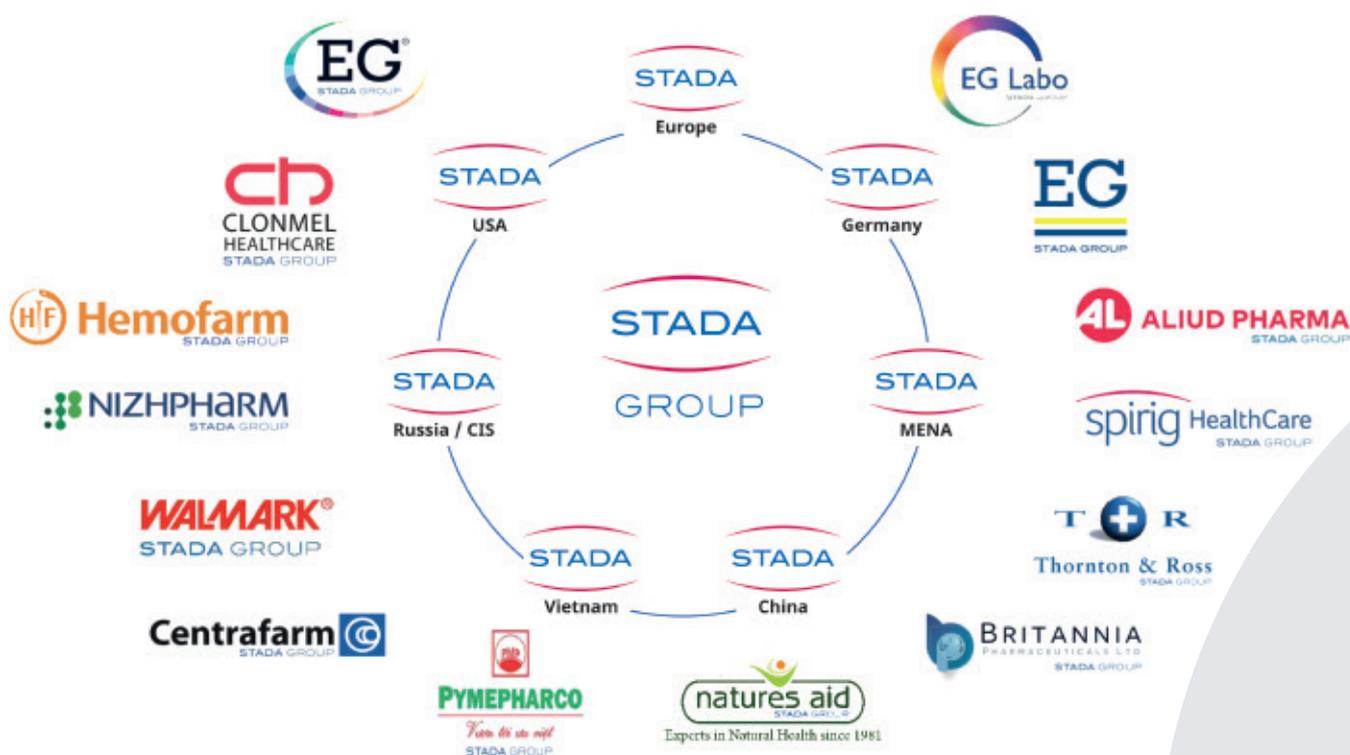


## Who STADA is today

STADA is among the leading manufacturer of quality pharmaceuticals.<sup>7</sup> <sup>8</sup> With its generics, the company aspires to ensure that everyday health remains affordable.

STADA Arzneimittel Aktiengesellschaft (STADA Arzneimittel AG)<sup>9</sup> <sup>10</sup> as the parent company of the STADA Group (hereafter referred to as STADA), is an internationally oriented company that is active in the healthcare and pharmaceuticals markets, especially in the generics and branded products segments. STADA focuses on a three-pillar strategy consisting of generics, specialty pharma and non-prescription consumer healthcare products. Worldwide, STADA distributes its products in approximately 120 countries.<sup>11</sup> Consumer healthcare brands such as Zoflora®, Grippostad®, Snup®, Aqualor®, Vitaprost® and Nizoral® are among the top sellers in their respective product categories.<sup>12</sup> The portfolio includes generics (prescription medicines or Gx), consumer healthcare (non-prescription pharmaceuticals or CHC) and specialty (including biosimilars) products.

One STADA based on international company brands  
(As shown in STADA's Corporate Presentation on the Group's Intranet.)



<sup>7</sup> Pharmaceutical quality is the foundation that allows patients and consumers to have confidence in the safety and effectiveness of their medications. It ensures following relevant standards in pharmaceutical production with uniform drug quality program across all sites of manufacture, and across all human drug product areas – new drugs and biologics, generics, biosimilars, over-the-counter drugs and certain compounded drugs. ([www.fda.gov/drugs/development-approval-process-drugs/pharmaceutical-quality-resources](http://www.fda.gov/drugs/development-approval-process-drugs/pharmaceutical-quality-resources))

<sup>8</sup> STADA offers its products within pharmaceutical and medical sectors to professional customers (wholesalers and/or pharmacies, medical institutions as well as all similar medical care providers) and has no contact with end consumers (apart from CHC omnichannel promotional activities) according to laws that regulate the pharmaceutical industry.

<sup>9</sup> It is a stock corporation under German law, and not listed on any stock exchange. 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.

<sup>10</sup> Based in Germany and with its registered office (headquarter) in Stadastraße 2–18, 61118 Bad Vilbel.

<sup>11</sup> Including main subsidiaries in Europe (Austria, Belgium, Bosnia-Herzegovina, Bulgaria, Czechia, Croatia, Denmark, France, Germany, Hungary, Ireland, Italy, Lithuania, Montenegro, Netherlands, Poland, Portugal, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Switzerland, Ukraine, United Kingdom) and worldwide (Australia, China, Kazakhstan, Philippines, Thailand, United Arab Emirates, USA and Vietnam).

<sup>12</sup> More details can be found in STADA's Annual Report 2021 / starting on page 10. (<https://www.stada.com/investor-relations/financial-publications/annual-report-2021>)

STADA offers its expertise to industry-wide initiatives through its participation in several trade associations. At a global level, STADA CEO Peter Goldschmidt recently became a member of the newly established 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 work 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 and the German medicines manufacturers' association, the BAH. 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.

STADA and its affiliates received the following awards in 2021: Global Generics & Biosimilars Awards: Company of the Year EMEA (fourth year in a row); OTC Toolbox Consumer Healthcare Industry (CHi) Award for Business Development Team of the Year; Top Employer Germany (Europe-wide in 2022); Natures Aid (UK): Queen's Award; UK – The Pharmacy Most Valuable Product (MVP) Awards; Belgium – EG won a silver Belgian Effie award for the Lunestil launch campaign; Serbia – Hemofarm Foundation / “The Unbreakable” – several awards for the mental health support project of the year, both locally and regionally; Consumer Healthcare Industry Awards – CHI: Sustainability Project of the Year – Wild Earth – Natures Aid.

## Further growth in 2021

The Group continued to make progress in 2021 in terms of its acquisitions policy, which is aimed at driving organic growth through external stimulus. In the second quarter of the year, STADA announced strengthening its European Consumer Healthcare portfolio through the acquisition of local consumer healthcare brands from Sanofi, including 16 brands, predominantly in the EU countries including France, Germany, Italy, Poland and Spain. The acquisition further strengthens the Group's position as a top-five player in the European consumer healthcare market and supports its growth strategy.<sup>13</sup> Also, in the third quarter of 2021, STADA announced entering into a distribution agreement with Sanofi to distribute and market approximately 50 consumer healthcare brands in 20 EU countries starting in November 2021.

<sup>13</sup> Data provided from IQVIA 2021 database.

# MANAGEMENT

The Group is managed by the STADA Executive Committee (SEC).<sup>14</sup> It consists of Executive Board members Peter Goldschmidt, Dr. Wolfgang Ollig, Simone Berger and Miguel Pagan Fernandez, and the Executive Vice Presidents of important business lines and functions, and represents all geographies of the STADA Group.<sup>15</sup> The SEC is headed by the Chairman of the Executive Board/CEO, Peter Goldschmidt.<sup>16</sup>



**Peter Goldschmidt**  
Chief Executive Officer



**Simone Berger**  
Chief Human Resources Officer



**Carsten Cron**  
Emerging Markets



**Dr. Christoph Dengler**  
General Counsel



**Dr. Wolfgang Ollig**  
Chief Financial Officer



**Dr. Stephan Eder**  
Russia/CIS



**Yann Brun**  
Regulatory & Business  
Development/Licensing



**Miguel Pagan Fernandez**  
Chief Technical Officer



**Roger Scarlett-Smith**  
UK/US



**Frank Staud**  
Global Communications

STADA's Supervisory Board appoints the members of the Executive Board, and also monitors and advises the Executive Board in the running of business operations. Through a regular dialog with the Executive Board, the Supervisory Board is informed of the business development, strategy, and company planning. It approves the company planning, the annual report of STADA Arzneimittel AG, and the consolidated financial statements of the STADA Group.<sup>17</sup>

Good governance relies on the leading-by-example approach and on a set of relevant STADA management systems and policies. Such mechanisms for advice and concerns about ethics at STADA include:

- Established Compliance Management System (CMS) that was externally audited successfully in 2021;
- Code of Conduct as the main document for guidance on employee behavior;<sup>18</sup>

<sup>14</sup> STADA SEC, supported by investors and shareholders, is in charge of setting purpose, values, and business strategy, as well as mission statements, strategies, policies, and goals related to economic, environmental, and social topics. This includes identifying and managing economic, environmental, and social topics and their impacts, risks, and opportunities in STADA's operations and due diligence processes.

<sup>15</sup> STADA tries to achieve gender balance within all its governance bodies.

<sup>16</sup> Since September 1, 2018, Peter Goldschmidt has been CEO of STADA Arzneimittel AG. He has 30 years of experience and success in the pharmaceutical industry. A German national, he is a graduate in politics and economic geography, and holds a master's degree in sociology from the University of Muenster in Germany. He has completed post-graduate studies at the London Business School, UK, and at the Harvard Business School and Stanford Business School in the US.

<sup>17</sup> If applicable, STADA provides information on the mandates in other memberships and supervisory bodies in curricula vitae profiles on its website. ([www.stada.com/about-stada/management](http://www.stada.com/about-stada/management))

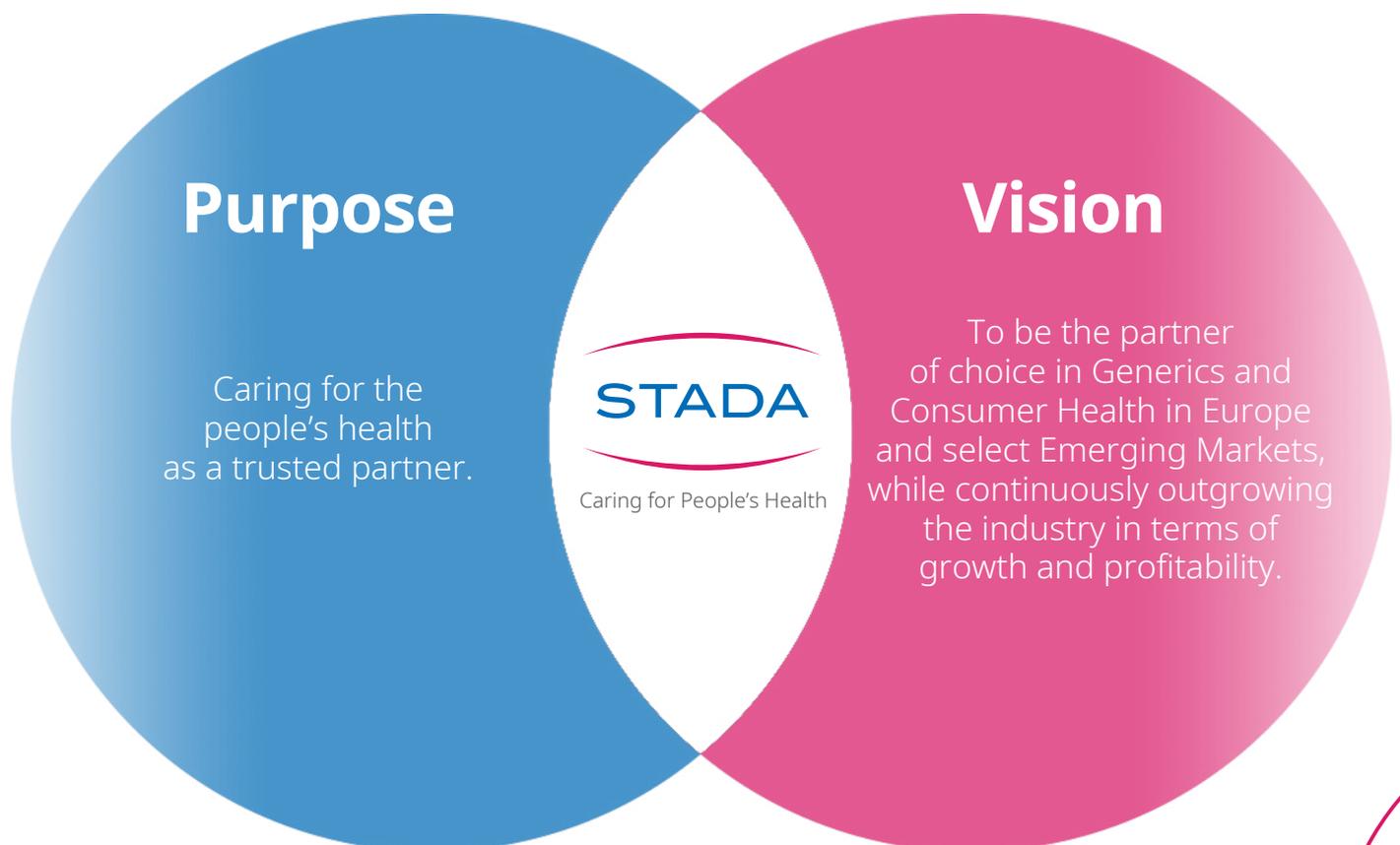
<sup>18</sup> STADA's Code of Conduct is published on the company's website at [www.stada.com/de](http://www.stada.com/de) or [www.stada.com](http://www.stada.com).

- Corporate, regional and local contacts from the Compliance department available to all relevant stakeholders (i.e., corporate Intranet, policies, etc.), with general email contact to Corporate Compliance on corporate website;
- Reporting system: Global ombudsman in place, who can also be contacted anonymously both from internal and external parties, with transparent contact also on corporate website;
- Whistle-blower policy published in 2021 including options on how to report incidents, how they are investigated, and non-retaliation aspects in case of reports made in good faith;
- Global “Conflicts of Interest Policy” (CoI Policy) in place including disclosure and approval process.

More relevant data on corporate governance is presented in chapter SDG 17 in this report.

## STADA’S PURPOSE

With a long-standing tradition rooted in the pharmacy business, the company has been recognized as a reliable and trustworthy partner for more than 125 years.



# STADA's growth – a long-term strategy for caring for people's health

STADA seizes the opportunity to support caring for people's health by expanding its commercial platform for offering quality affordable drugs while becoming the leader and partner of choice for commercializing a broad Gx portfolio, scalable specialty/biosimilar products and leading local CHC brands.

STADA's operations are based on its 5 strategic priorities that support STADA in managing its ESG (environmental, social, governance) impacts and meeting the UN SDGs.<sup>19</sup>



STADA's business priorities are dedicated to both its own and external development.

## **Leading marketing and sales platform:**

Improving people's quality of life through access to affordable and modern, quality products.

## **Superior growth through pipeline acceleration:**

Launching innovative products with clear patient benefits.

## **Benchmark low-cost operating model:**

Establishing resource-efficient production to be competitive and to be able to offer products at affordable prices.

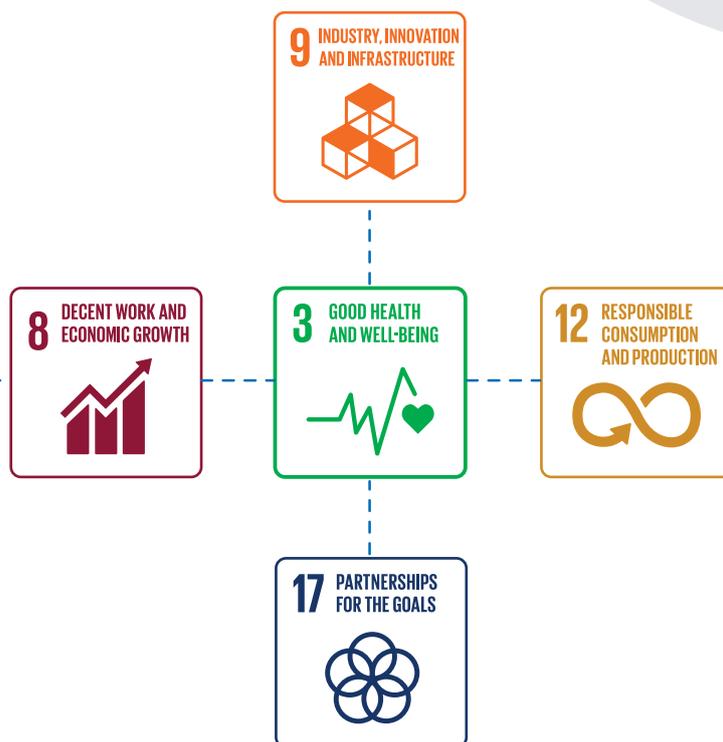
## **Highly efficient and reliable supply chain:**

Ensuring a reliable supply without shortages of medicines, according to the needs of patients and healthcare systems.

## **Growth culture:**

Developing ONE STADA for growth – for our people and for STADA.

As a healthcare company with a focus on the pharmaceutical market, STADA is active in one of the world's growth industries and considers sustainability as one important aspect. Significant growth drivers include the continuously growing and aging world population, improved access to health care, particularly in emerging markets, and the availability of new medications—including those for currently untreatable or hard-to-treat diseases.

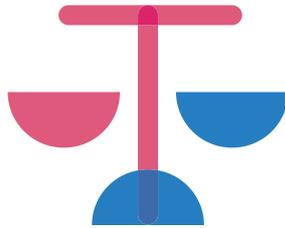


STADA's corporate strategy focuses on increased investments in its core markets, new product launches, new marketing channels and efficiency enhancements in marketing and sales as well as general and administrative expenses. The Group is also making targeted acquisitions and entering into strategic partnerships at an international level in the areas of development and production as a means to complement organic growth.

Overall, these measures are geared toward ensuring that the Group continues to have a competitive product portfolio, that it can generate sustainable growth in the future and offer solutions in caring for people's health.

## STADA's success driven by its values

The four STADA values of Integrity, Agility, Entrepreneurship, and One STADA are the foundation of all its actions and the framework for expected behavior of its employees. The values were discussed and shaped in a close collaboration between the Global STADA Executive Board (SEC)



### INTEGRITY

**Each and every one of us acts ethically in line with the company's internal as well as external standards. Our actions are led by speaking-up and respect.**

Sustainability aspiration:

**Strong integrity for a better health.**

STADA acts with INTEGRITY to ensure the quality and safety of its products and to innovate and invest in its portfolio and infrastructure for a better future and improved health.



### ENTREPRENEURSHIP

**Each and every one of us drives new ideas and actions creating future growth and value.**

Sustainability aspiration:

**Entrepreneurship supports a better future to come sooner.**

STADA acts with ENTREPRENEURSHIP to achieve sustainable economic growth for a better and stable future with a free spirit among its employees and stakeholders that fosters individual and societal development.

and around 150 employees worldwide from different business units, hierarchy levels and countries.



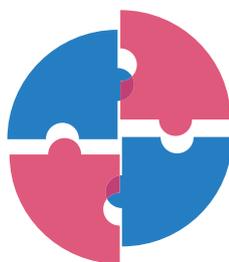
## AGILITY

**Each and every one of us leads change with flexibility and decisiveness as part of their ongoing journey of personal development.**

Sustainability aspiration:

**Everyone's well-being is not just a dream.**

STADA acts with AGILITY in easing access to affordable, modern, and quality products to constantly improve quality of life and support individual and public health.



## ONE STADA

**Each and every one of us acts in the best interests of the overall company rather than their business unit or function to build one successful STADA.**

Sustainability aspiration:

**One STADA for sustainable partnership in all we do.**

STADA is striving to achieve positive impact on society and the economy, through collaboration of its employees as one team.

# SUSTAINABILITY AT STADA

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries—developed and developing—in a global partnership.

STADA supports the UN Sustainable Development Goals and in 2021 joined the UN Global Compact. The Group commits itself to responsible and sustainable corporate governance. To underline this, STADA introduced a new global Sustainability Policy in 2021, supported by its top management.

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.

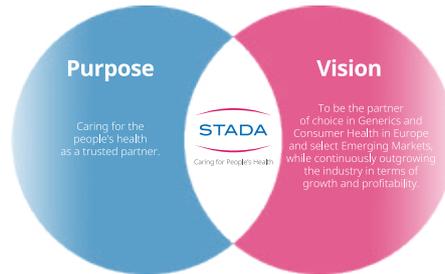


# SUSTAINABILITY POLICY



At STADA, we respect and value our personnel, investors, partners and those who use our products, the communities in which we work and the natural environment. Each and every one of us constantly strives to make a positive impact on the world around us by focusing on the way we work and live.

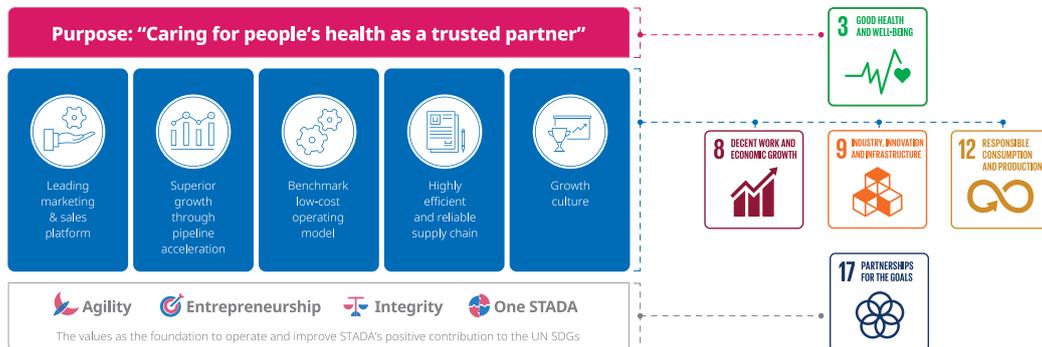
## From Our Purpose and Vision to Our Sustainability



Achieving our purpose and vision is based on full commitment to sustainable and responsible business. That is why sustainable principles and values are an integral part of our business strategy and everything we do.

STADA is dedicated to the implementation of the UN 2030 Agenda for Sustainable Development, in line with the SDGs and the Ten Principles of the UN Global Compact.

Our strategic priorities and values are the basis of our entire commitment to sustainable development in order to lead sustainable business and growth, while achieving a positive impact on people and their health, the economy and the environment. And we bring these to life everyday.



For us, caring for people's health is more than providing support for prevention and treatment through a complete range of STADA's quality, reliable and affordable pharmaceutical products. It also involves raising awareness of personal health care and healthy lifestyles, while supporting public health care systems. Further, it is our civic duty to act as responsible citizens - we as individuals, we as a team and a society. This is exactly what makes us a partner of trust and choice when it comes to people's health.

At STADA, each and everyone of us contribute to applying this Policy within all our business operations and growth ambitions, in all countries where we operate.

Peter Goldschmidt  
Chairman of the Executive Board/CEO

Dr. Wolfgang Ollig  
Chief Financial Officer/CFO

Simone Berger  
Chief Human Resources Officer (CHRO) / Head of Global Human Resources

Miguel Pagan Fernandez  
Chief Technical Officer/CTO

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

Carsten Cron  
Executive Vice President Emerging Markets

Dr. Christoph Dengler  
Executive Vice President Global Legal

Dr. Stephan Eder  
Executive Vice President Russia/CIS

Roger Scarlett-Smith  
Executive Vice President UK / US

Frank Staud  
Executive Vice President Global Communications, Branding & Sponsoring

Dr. Steffen Wagner  
Executive Vice President European Markets

# UN SUSTAINABILITY DEVELOPMENT GOALS (SDGs)

STADA tries to play a part in fulfilling the SDGs, by supporting one of the global agendas for improving environmental, social, and governance aspects of global sustainability. 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.

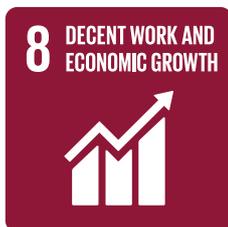
In line with its business priorities, purpose, and values STADA supports meeting the following SDGs:



## **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.



## **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).



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**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.

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**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).

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**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).

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## STADA's sustainability topics

The highest governing body of the company, SEC, is also responsible for the sustainability strategy. This body defines the sustainability policy, which is officially approved by the CEO, as well as all topics and aspects of sustainable development, including potential material topics.

STADA SEC defined 21 topics associated with sustainability areas with set definitions and boundaries.<sup>20</sup> Each topic is directed towards supporting one or more of the SDGs, but with a general focus and contribution to SDG 3 which is directly related to STADA's primary business.<sup>21</sup>

### ACCESS TO HEALTHCARE (SDG 3)

1. Availability of medicines
2. Preventive health education
3. Transparency and ethical marketing
4. Developing local communities and health care

### ENVIRONMENTAL PROTECTION (SDG 12)

5. Pharmaceuticals in the environment
6. CO2 emissions and climate change
7. Resource efficiency and waste

### SUSTAINABLE BUSINESS (SDG 9, SDG 12)

8. Portfolio focused on medical needs
9. Sustainable products and packaging
10. Responsible procurement

### GOOD GOVERNANCE (SDG 8, SDG 17)

11. Corporate governance
12. Corporate culture and values
13. Ethical and compliant behavior
14. Data privacy and security

### HUMAN CAPITAL (SDG 8)

15. Employee engagement and retention
16. Employee development
17. Occupational health and safety
18. Fair working conditions
19. Gender equality, diversity, and inclusion

### PATIENT HEALTH AND SAFETY (SDG 12, SDG 9)

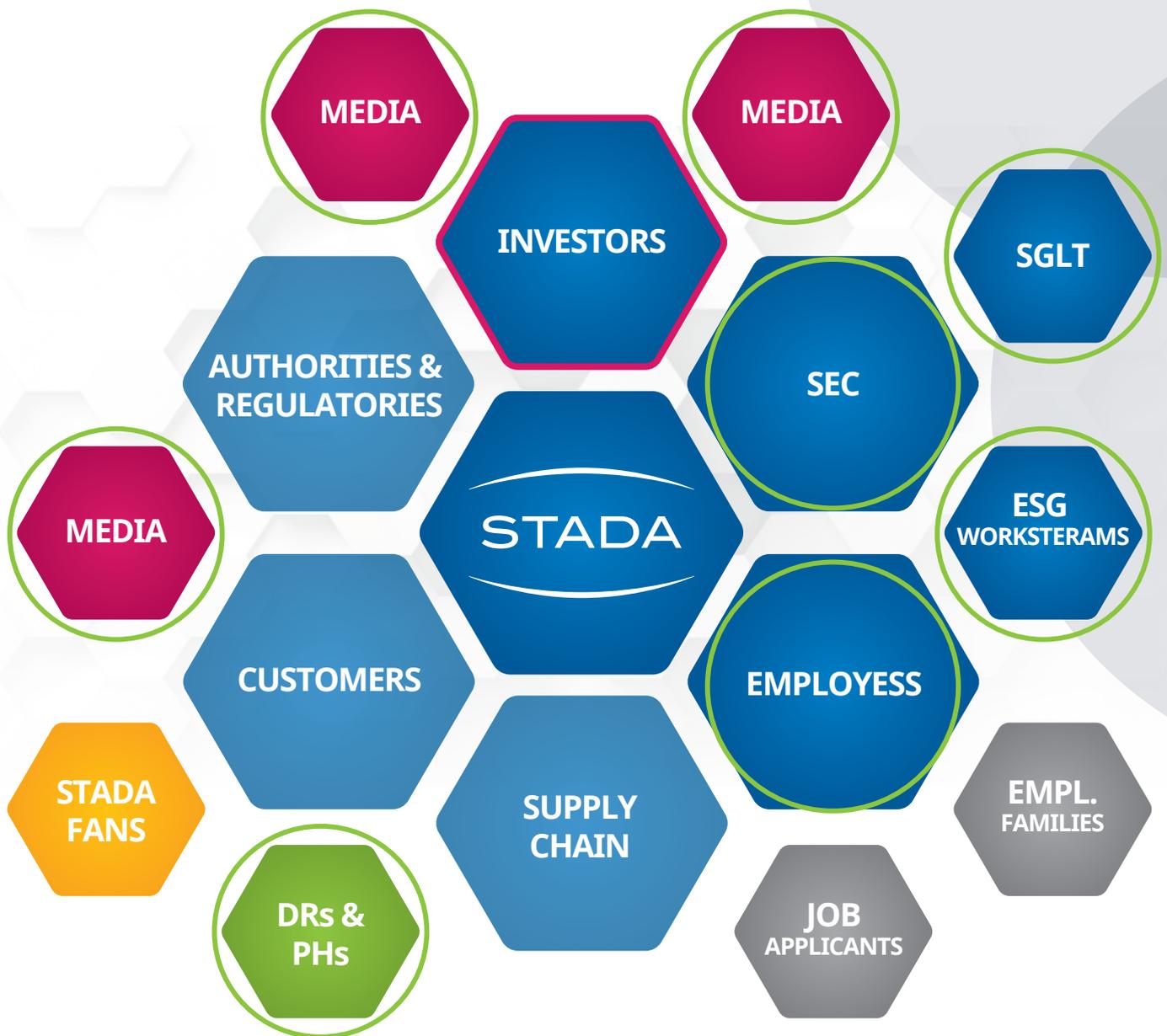
20. Quality and safety of products
21. Pharmacovigilance and product users' satisfaction

## Dialog with stakeholders

STADA respects its stakeholders and collects its feedbacks through a materiality assessment and defining its materiality matrix. Prior to this, STADA SEC, together with key internal stakeholders, executed a stakeholder mapping and prioritization (as shown on the illustration below). The materiality assessment is done on an annual basis, through the cycles of dialog with key stakeholders. The first cycle was organized during Q3 and Q4 2021, in accordance with the previously mapped groups of relevant stakeholders and their prioritization for the initial cycle of the dialog. In its meetings, STADA SEC aims to analyze relevant sustainability aspects and their potential future implementation within business operations.

<sup>20</sup> STADA SEC is in charge of initiating and approving sustainability reporting, and confirming that all material topics are included in the reports.

<sup>21</sup> Each topic that was found to be relevant and material in the dialog with the stakeholders is presented in this report in the section associated with the relevant SDG



STADA stakeholder mapping and stakeholders addressed in the first cycle of the dialog (marked green) in 2021

The first stakeholder dialog at STADA involved both internal and external stakeholders (a total of 181 stakeholders)<sup>22</sup>, including the SEC members, who analyzed potentially material topics:

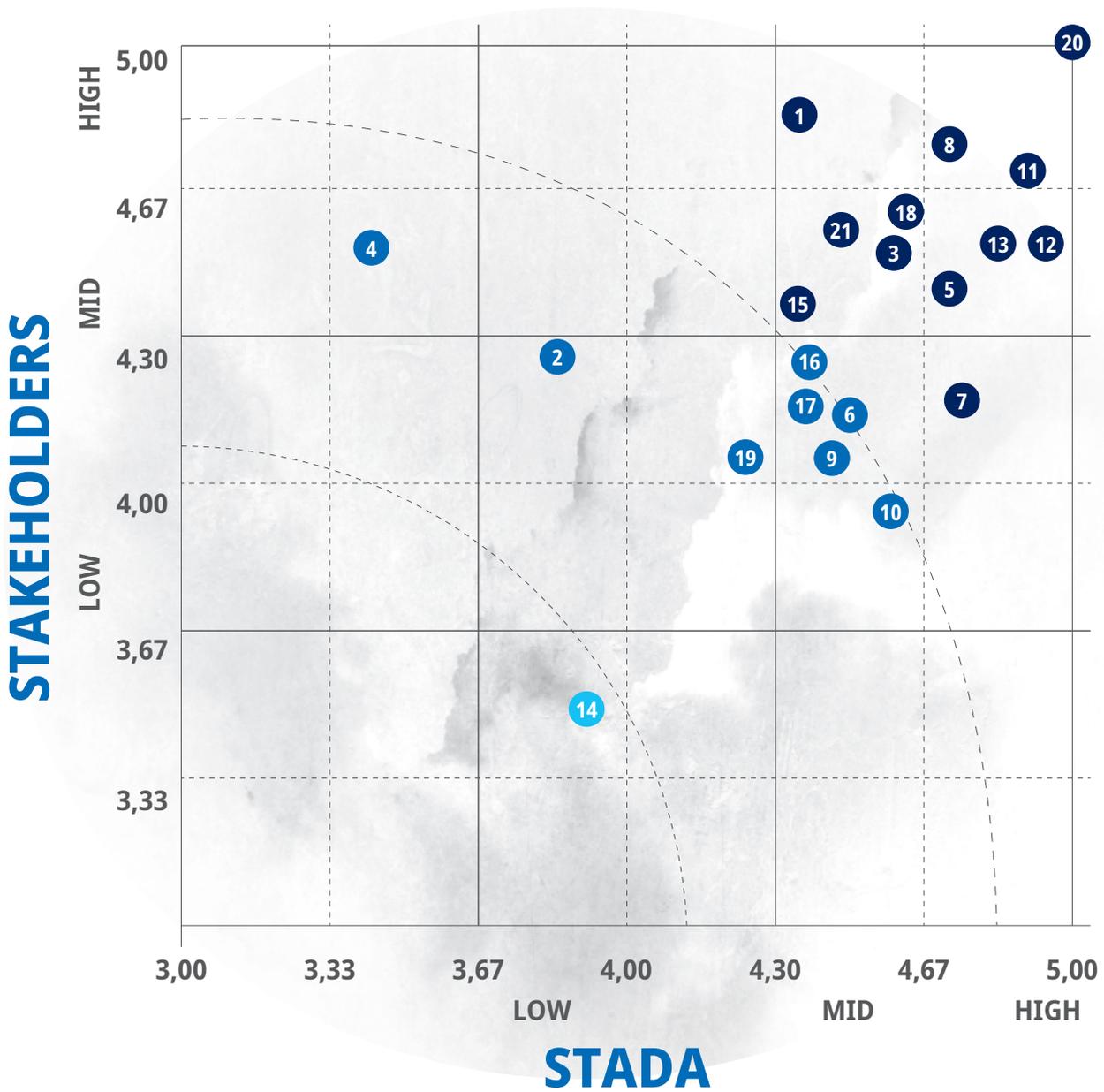
- SEC members – 11 stakeholders
- Sustainability Reporting Workstream members – 35 stakeholders
- Global Internal Communications members – 8 stakeholders
- SGLT (STADA Global Leadership Team) members – 110 stakeholders
- Key Opinion Leaders – representatives of the pharmacies – 12 stakeholders
- Media representatives – 5 stakeholders

In accordance with the COVID-19 prevention measures and restrictions, the stakeholder dialog was executed as an online survey using the SLIDO poll tool.

<sup>22</sup> The first cycle of the stakeholder dialog had response rate of 87% despite the impact of objective external factors like the COVID -19 pandemic.

# Materiality Matrix and material topics

The first cycle of the stakeholder dialog at STADA involved the assessment of the 21 topics listed below, and their impact on STADA's business, the society, and the environment.



Material Topics		Non-material Topic
High Impact	Medium Impact	Low Impact
1. Availability of medicines	2. Preventive health education	14. Data privacy and security
3. Transparency and ethical marketing	4. Developing local communities and healthcare	
5. Pharmaceuticals in the environment	6. CO <sub>2</sub> emissions and climate change	
7. Resource efficiency and waste	9. Sustainable products and packaging	
8. Portfolio focused on medical needs	10. Responsible procurement	
11. Corporate governance	16. Employee development	
12. Corporate culture and values	17. Occupational health and safety	
13. Ethical and compliant behaviour	19. Gender equality, diversity and inclusion	
15. Employee engagement and retention		
18. Fair working conditions		
20. Quality and safety of products		
21. Pharmacovigilance and products users' satisfaction		

After analyzing the outcomes of the stakeholder dialog, 12 topics were defined as relevant material topics with high impact, while another eight were defined as relevant material topics with medium impact. One topic was defined as non-material with low impact.<sup>23</sup> According to all stakeholder feedback, the quality and safety of products, in combination with the availability of medicines and a portfolio focused on medical needs, have high impact in the context of STADA's business. The COVID-19 pandemic experience and the lessons learned through the fight for people's health affected realizing the importance and value of strong immunity and good health. Topics addressing optimized, efficient and responsible production also have high impact on STADA's business according to its stakeholders, while employee matters and preventive health education are rising topics. All potential reporting and topic boundaries are defined by STADA's business and strategic pillars or the company's obligations towards investors and shareholders.

<sup>23</sup> Data privacy and security are not defined as material topics in the materiality assessment by stakeholders and they will not be discussed further in this report. They still remain multidimensional categories for STADA, that continues to make all data private and secured, in line with its internal policies and regulations.





SDG 3

# Good health and well-being

A portrait of Frank Staud, a middle-aged man with a beard and mustache, wearing a black long-sleeved shirt. He is smiling slightly and looking towards the camera. The background is a plain, light-colored wall. A large green circular graphic is overlaid on the bottom left of the image.

## Frank Staud

Executive Vice President  
Global Communications,  
Branding & Sponsoring

The activist is not the man who says the river is dirty. The activist is the man who cleans up the river. The same applies to health. Each person is their own health manager, responsible for actively sustaining their own wellbeing. That is why we stand for preventive health and promoting a healthy lifestyle.

## SDG 3

### **GOOD HEALTH AND WELL-BEING: STADA as a health partner**

#### **What this means for STADA:**

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

STADA's contribution to SDG 3 is based on creating and offering an effective portfolio of pharmaceuticals that are available to people. At the same time, education on healthy habits and lifestyles is aimed at promotion of preventive health care and lowering risks. Finally, by supporting local communities in improving health care capacities, STADA strives to achieve a positive impact on society and the environment. During the COVID-19 pandemic, STADA was able to meet growing demand for medicines and other healthcare products, while at the same time pointing out the importance of strong immunity and good health.<sup>24</sup>

#### **Relevant Material topics**

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##### Access to health care

- Availability of medicines
- Preventive health education
- Transparency and ethical marketing
- Developing local communities and health care.

<sup>24</sup> Including providing regular advice to employees via the intranet and to the external public via social media, sending out care packages for the employees, publishing health stories on STADA's website, etc.

# Availability of medicines

**The availability of pharmaceutical products has a direct impact on the ability of both public health systems and patients themselves to deal with various health issues, improve prevention and develop a healthy lifestyle. As a manufacturer of generics, in particular, STADA provides clients with medicines of the same efficacy and quality as the originals, but at a more affordable price.**

Making medicines available to people directly supports UN SDG 3, therefore the Group-wide product portfolio is continuously expanded and optimized.<sup>25</sup>

STADA's business model is focused on supplying the global healthcare market with a portfolio of products covering as many pharmacotherapeutic groups as possible, with patent-free active ingredients at competitive prices. In the Generics segment, STADA pursues the goal of launching a generic product in the respective market directly following expiration of the original product's patent protection. STADA has implemented a Group-wide "Idea-to-Market" process for agile launching of new products. In the Consumer Healthcare segment, which also generally includes products with active ingredients that are no longer protected, the focus is on additional benefits for patients—such as a long-lasting effect or fewer side effects. STADA is seeking to expand in the area of specialty pharmaceuticals, focusing on medicines with added value. An example is the in-licensing of the orphan drug Nefecon from Calliditas for the treatment of nephropathy.

STADA is a global healthcare partner:

- Pharmaceutical products sold in 120 countries
- Co-operations with partners around the world
- Internal production in 11 countries



STADA's responsibility is also exemplified by its participation in the WHO (World Health Organization) Model Lists of Essential Medicines.<sup>26</sup> More information on STADA's inclusion in WHO Model Lists can be found in the report in the section on SDG 9.

<sup>25</sup> This approach proved to be important during the pandemic when STADA's products, like antibiotics, were used in virus treatment and control protocols.

<sup>26</sup> The WHO Model Lists of Essential Medicines are updated every two years by the Expert Committee on Selection and Use of Essential Medicines. The first Essential Medicines List was published in 1977, and the first Essential Medicines List for Children was published in 2007. The current versions, updated in September 2021, are the 22nd Essential Medicines List (EML) and the 8th Essential Medicines List for Children (EMLc).

# Preventive health education

**STADA is committed to raising awareness of the importance of personal involvement in the development of healthier lifestyles by sharing advice on health prevention.**

Health education strategies at STADA are tailored to their target population—either professional, public or patients, and users of STADA products. Through health education, STADA presents information to target audiences on particular health topics, including the health benefits/threats they face, and provides tools to build capacity and support potential behavioral changes.

STADA demonstrates its commitment to people's education by publishing health information, including the following examples:

- The STADA Health Report,<sup>27</sup> which has been published since 2014, offers health information. A key element of the report, which brings together experts from the worlds of medicine, science, sports, and lifestyle, is an annual study. Surveys of people's attitudes, desires, behaviors and knowledge related to the topic of health form the basis of the respective studies. Since 2018, the survey has been conducted in various countries. For the STADA Health Report 2021, published in various languages under the title "The Year of Changes," roughly 30,000 people in 15 European countries were surveyed.
- STADA offers a health blog accessible to the public ([www.yourhealth.stada](http://www.yourhealth.stada)) and is present on the company website and active in social networks providing information on various health topics.
- STADA recently launched the new section "Stories" on its website<sup>28</sup>, dedicated to preventive health education and promoting healthy lifestyles and well-being. This specific blog format offers objective and scientifically backed pieces of advice on good health divided into three main sections: Health, People, and Research. In 2021, COVID-19 prevention was among the most important topics, as well as post-COVID recovery. In addition to being present on the global site, STADA, together with its subsidiaries, shares local stories that promote good health and well-being.

<sup>27</sup> More about Health Report at [www.stada.com/media/health-report/stada-health-report-2021](http://www.stada.com/media/health-report/stada-health-report-2021)

<sup>28</sup> More about STADA Stories at [www.stada.com/stories](http://www.stada.com/stories)

# Transparency and ethical marketing

**Transparency and ethical marketing are regulated by law. STADA endeavors to make the legal basis only a starting point for its operation, aspiring to be an open, accessible, and ethical company, in accordance with its own corporate values.**

Pharmaceutical marketing requires ethical compliance for all STADA's product-related information. In addition to complying with legal frameworks, such information has to be verified, validated and supported by appropriate scientific references.<sup>29</sup>

In accordance with the law, the company presents therapeutic benefits, intended indications and rules for the use of pharmaceutical products through an active dialog with all stakeholders, especially doctors and pharmacists, insisting on responsible administration of therapy based solely on professional authority.<sup>30</sup> The responsibility also lies in encouraging the public to report potential suspicions of adverse drug reactions.

## Developing local communities and healthcare

**STADA aspires to develop its local communities and emerging markets in which it operates, primarily through stable support for strengthening public health systems, as well as through corporate social responsibility.**

STADA is aware that effective corporate governance and corporate social responsibility (CSR) practices can have a positive impact on public health. STADA, with its Generics and Specialty Pharmaceuticals portfolio, aims to provide access to affordable medical care and thus reduces the cost pressure on the healthcare systems. At the same time, with its Consumer Healthcare portfolio, STADA contributes to preventive health care.

An example of STADA's support to local communities comes from Hemofarm, STADA's subsidiary in Serbia, that established its Foundation in 1993. The Hemofarm Foundation's mission is to increase the quality of services in the healthcare system of Serbia and establish public-private partnerships in order to improve the quality of life in the local community. In 2021, the Hemofarm Foundation carried out 55 activities related to health, education, and cultural programs, in the amount of around 414,000 EUR of financial support to society through donations, sponsorships, humanitarian aid, different campaigns, and projects.

<sup>29</sup> Any information is additionally checked internally. The Legal Affairs and Compliance Division is involved in all STADA's marketing activities to protect interests of all parties involved, from professionals to patients.

<sup>30</sup> 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.).

During the first year of the pandemic, STADA donated 150 medical monitors for intensive care units (ICUs) in public healthcare institutions in Serbia, Bosnia and Herzegovina, and Montenegro through the Hemofarm Foundation.

This donated equipment is essential for the work of doctors to monitor the vital functions of patients on respirators or with serious health conditions caused by the COVID-19 virus. In addition, STADA employees donated volunteer hours to developing local communities where the Group operates.<sup>31</sup>

Examples of support to developing local communities can be found across the STADA Group. In January 2020, three members of STADA's UK company Thornton & Ross (T&R) were attacked in Linthwaite. T&R started a fund to support charities that work to prevent young people from becoming involved in knife crime. T&R made an initial substantial donation to kick start the fund and organized a charity golf day in August 2021 at Crosland Health golf club where it raised another £20,000 to fight knife crime in Kirklees.



<sup>31</sup> Global tracking of volunteer hours is still not established within the Group. In some countries employees have achieved a positive impact on society through volunteering. Within the Hemofarm Foundation's activities in 2021, 363 hours (about 10 working weeks) of volunteer work were provided by Hemofarm's employees through the Mentoring program and the Internship program for scholarship holders (live sessions, workshops, etc.). In monetary terms, these volunteer hours are estimated at more than 5,000 EUR (price per hour information obtained by Hemofarm's HR department based on 2019 estimates in Serbia to enable data comparability).

# STADA in action in connection to the SDG 3: Health report to listen to people's opinions on health

## Background and objectives

In 2014, the first STADA Health Report was launched. Originally conceptualized as a German study, the STADA Health Report has now been conducted internationally for the third consecutive year. Twelve countries participated in the survey in 2020, and fifteen took part in 2021.

With the Health Report, STADA aims to deliver a data-based foundation to enable and initiate a discourse on an important topic of people's health - how knowledgeable Europeans are about health topics. By providing insights from this research, STADA wants to help patients, healthcare professionals, governments, and commercial partners to better realize some of the key aspects of their health management. The research results from STADA's Health Report, offered pro bono to all interested stakeholders, could support raising awareness on the topics addressed within the SDG 3.

## The STADA Health Report 2021

Research in 2021 involved around 30,000 respondents in 15 countries who answered a total of 34 questions.<sup>32</sup> This was the most extensive study for STADA since it started this project. STADA wanted to check in with the people of Europe and find out: What has weighed on their minds during the pandemic? Who do they trust when it comes to matters of health? Have their attitudes towards health and healthy living changed due to COVID?

In cooperation with the market research company Kantar Health, STADA conducted the online survey from mid-March until mid-April 2021. The previous Health Report, published in June 2020, was based on findings from an online survey carried out from February to March 2020, prior to the outbreak of COVID in Europe.

The questionnaire included eight categories, subdivided into the areas of trust, care, and partners. Research subjects included: health as a popular pastime, health influencers, healthcare systems, preventive healthcare, medication, chronic diseases, digital health, and mental health.<sup>33</sup>

<sup>32</sup> Around 2,000 people between the ages of 18 and 99 from Austria, Belgium, Czechia, France, Germany, Italy, the Netherlands, Poland, Portugal, Russia, Serbia, Spain, Switzerland, Ukraine and the United Kingdom took part in the study. As always, the study included representatives from all genders, regions, and age groups.

<sup>33</sup> <https://www.stada.com/media/health-reports/stada-health-report-2022>



## Content of questionnaire:

The questionnaire was divided into 9 subjects:

1. Health as a popular pastime
2. Health influencers
3. Healthcare system
4. Preventive healthcare
5. Medication
6. Mental health

**And many more...**





SDG 8

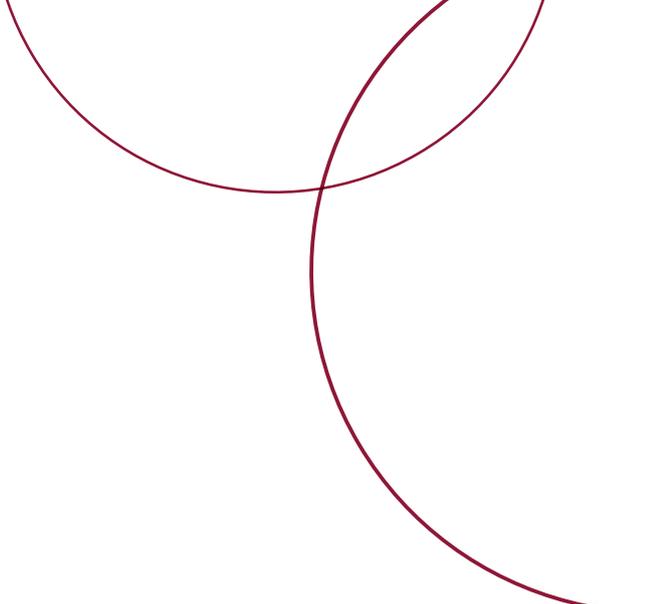
# Decent work and economic growth



## **Simone Berger**

Chief Human Resources  
Officer (CHRO) / Head of Global  
Human Resources

Change does not just come from challenging the status quo. It also comes from offering a new model of how to do things better. That is why we are all entrepreneurs who celebrate inclusion and diversity, where knowledge and experience count, but attitude and performance win.



## SDG 8

# DECENT WORK AND ECONOMIC GROWTH: STADA as a Top Employer

### What this means for STADA:

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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.

### Relevant Material topics

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#### Human Capital

- Employee engagement and retention
- Employee development
- Occupational health and safety
- Fair working conditions
- Gender equality, diversity and inclusion

# Employee engagement and retention

**STADA strives to create a motivating, supporting and health maintaining work environment with adequate salaries. It pays attention to employees development and received the Top Employer 2021 Award in Germany.<sup>34</sup> To attract and retain the best employees, STADA strives to offer its workforce a range of social and monetary benefits <sup>35</sup> in addition to corporate purpose, vision, and values.**

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 the efforts of Global HR Department: value-based recruiting, leadership development, employee development, yearly initiatives, and recognition offered to all employees (like the Value awards<sup>36</sup>); core values are also part of the STI (Short Term Incentive) scheme.

STADA's global "family" represents more than 13,000 employees in more than 50 countries.

STADA employees <sup>37</sup>	12/2020 <sup>38</sup>	12/2021	Average
FTE (Full Time Equivalent)	12,310	12,520	12,497
Headcount	13,013	13,297	13,244

On top management level, the STADA Global Leadership Team (SGLT), 75% of the members whose mandate was active in 2021 were hired in their home country/nationality.<sup>39</sup> This reflects STADA's care for recognizing and hiring local experts.

<sup>34</sup> Published by Top Employers Institute.

<sup>35</sup> For example, in Germany, other financial contributions 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. The same benefits are offered both to full-time and part-time employees.

<sup>36</sup> 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.

<sup>37</sup> Data presented exclude NIDDA.

<sup>38</sup> Only data for 2021 included in PwC assurance scope.

<sup>39</sup> 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 on pages 8, 10, 23 and 57).

In order to remain successful and committed to the goals as a company and as a team, employee engagement is closely monitored via pulse surveys conducted several times per year since 2019. These surveys are embedded with corporate governance processes. The results are discussed intensively on all relevant corporate levels and improvement plans are established and pursued. Three pulse surveys were conducted in 2021 showing good engagement scores.<sup>41</sup>

Age Structure <sup>40</sup> FEMALE+MALE	Total	Total (%)
Under 20	8	<b>0.1</b>
20-29	2,111	<b>15.9</b>
30-39	4,663	<b>35.1</b>
40-49	3,881	<b>29.2</b>
50-59	2,178	<b>16.3</b>
60-69+	443	<b>3.2</b>
<b>Total</b>	<b>13,284</b>	<b>99.8</b>

These surveys are also an opportunity to encourage the speak-up culture as well as to give employees the opportunity to make new proposals and offer ideas on how to improve processes and the working environment in general.

One of the key points of employee engagement remained the internal growth initiative STADA+, which was launched in 2020. STADA+ promotes the corporate value of entrepreneurship by motivating employees to develop and advance business cases. Through communication on the cases that were submitted, the understanding of the initiative was deepened, resulting in over 100 business cases being submitted just one year after the start.



<sup>40</sup> 13 employees chose not to disclose their age. Data presented in the chart refers to the headcount data on December 31 2021.

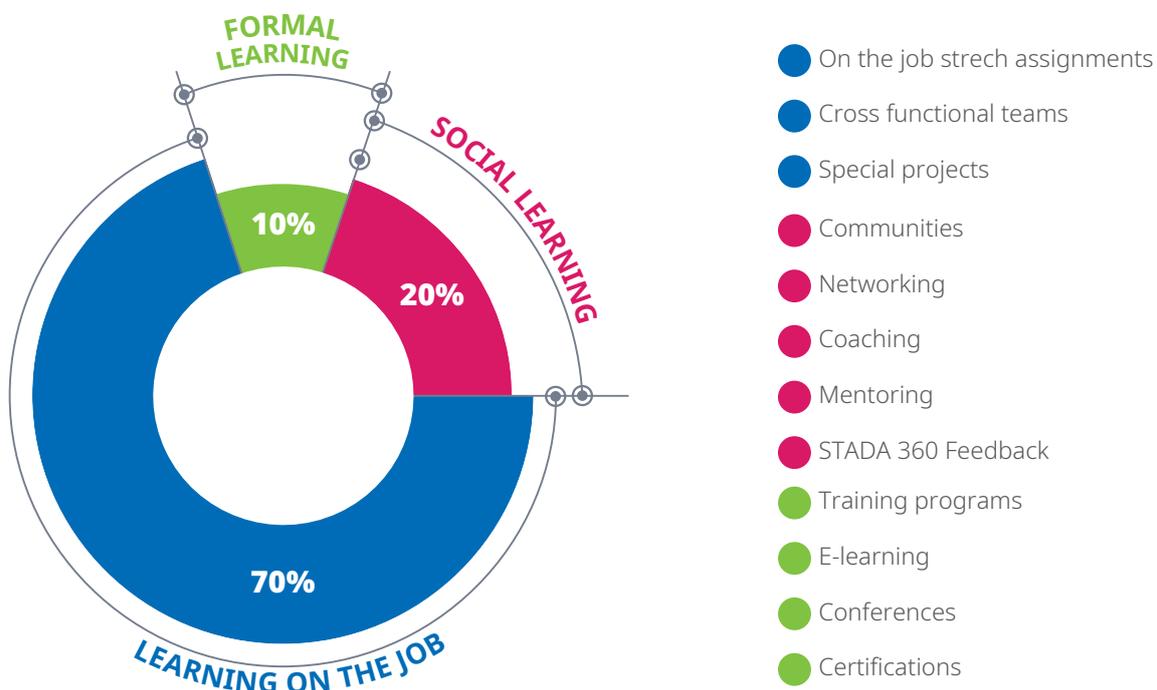
<sup>41</sup> The average result of 2021 pulse surveys was 8.2 out of 10, with a response rate of 81% of all employees.

# Employee development

**STADA makes efforts to provide education and continuous development to its employees. At the same time, the company endeavors to recognize and develop especially talented individuals whose work will provide new, future opportunities.**

STADA attaches importance to training and development. Particularly against the backdrop of fulfilling its own need for qualified young talent and, with it, securing and strengthening the competitiveness of the company, STADA makes use of internal promotion and targeted programs. 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. Nearly one out of two employees had an IDP documented in the SAP Success Factors Employee Management System<sup>42</sup> in 2021. Several talent development programs (for all leaders and for high potentials) took place and organizational talent reviews (OTRs) were conducted twice during the year. The Development & Succession Planning module was also launched in the SAP Success Factors online tool in 2021.

STADA developed its own learning approach consisting of 3 main pillars: learning on the job, social learning, and formal learning. In light of the fact that millennials<sup>43</sup> represent the majority of employees, STADA aims to offer a motivating and dynamic working environment.<sup>44</sup>



STADA LEARNING APPROACH

<sup>42</sup> In 2020, global HR launched this new online tool, aimed at automating and digitizing processes and helping employees manage their business profiles online (control of status, salary band, recording of annual leave, electronic salary slips, e-learning platform, etc.). It also offers managers the opportunity to drive all HR processes in an automated, harmonized, and compliant way.

<sup>43</sup> 26–41 represents the age range of millennials.

<sup>44</sup> The total number of educational trainings tracked in SAP Success Factors in 2021 is 2,287. This includes both individual and group trainings (up to 10 or more participants). Due to COVID-19 preventive measures, some of the trainings were held online using the MS Teams platform. It is assumed that almost two thirds of all employees were involved in trainings in 2021, excluding obligatory trainings as Good Manufacturing Practices (GMP), pharmacovigilance and safety trainings. Selected global professionals underwent additional trainings in different STADA's departments. As part of its development program, the company also offers students the opportunity to gain practical experience in the pharmaceutical industry with an internship or clerkship.

Giving feedback and a speak-up culture underline STADA's value of integrity. An open feedback functionality is available within the SAP Success Factor online tool. Feedback training for managers was conducted throughout the organization in 2021 to put adequate focus on this important element of both personal and team development. Also, the year-end review (YER) feedback discussion is monitored via the SAP Success Factors online tool with both qualitative and quantitative aspects to be assessed.<sup>45</sup>

STADA has a global program for the promotion of talents. In three development cycles, participants are given a comprehensive understanding of STADA's purpose, vision, and values. Those customized leadership development programs could provide support to STADA's sustainable growth and emphasize the focus on internal development at STADA.

Changing our Future - STADA Leadership Framework			
Level	All Leaders Development	Social Learning Initiatives	Key Talent Development
	<b>Lead Our Tomorrow Today</b> A new way of leading.		<b>Go for Growth</b> We nurture. You grow. Together, we reach new heights.
<b>STADA Senior Leaders</b>	 <b>Lead to Create Value</b> Enhancing your leadership to create value 	360 Feedback Executive Coaching Peer Coaching Mentoring	 <b>Grow Higher</b> Elevating your growth to help us reach new heights 
<b>STADA Advanced Leaders</b>	 <b>Lead with Attitude</b> Crafting your attitude for a new way of leading	360 Feedback Coaching Peer Coaching Mentoring	 <b>Keep Growing</b> Growing your skills and mindset to the next level.
<b>STADA emerging Leaders</b>	 <b>Get Leading</b> All the essentials you need to leading	Virtual breakfast with the CEO/EVP HR. Peer Coaching Mentoring Reverse Mentoring	 <b>Get Growing</b> Nurturing your leadership growth

Two further global programs are used in the group with the aim of recruiting and promoting young, talented employees. Over the course of the 24-month "Impact" trainee program, graduates are trained in four functional areas at STADA and prepared for a potential long-term position at STADA. The "Accelerate" program, which was started in reporting year 2021, is targeted toward people with initial work experience and aims to train future leaders during a 24-month program.

<sup>45</sup> Applicable to all STADA employees.

# Occupational health and safety

**STADA pays equal attention to the health and safety of its employees by providing a safe work environment. During the coronavirus pandemic, STADA further improved the methods of providing for the safety and health of employees.**

STADA's HSE (Health, Safety and Environment) approach is an integrated part of its production sites' business performance by providing a safe and healthy working environment. The company's global and site specific HSE management system provides the framework for the safe and healthy working conditions for employees and contractors and for continuous improvement. All of which are regularly assessed through external or internal reviews. STADA's occupational health and safety site management systems are currently ISO 45001-certified at seven sites, while all larger production sites are in the process of developing and implementing certified systems. The overview of STADA's ISO certificates is provided under SDG 12.

## Safety at work

STADA takes a proactive approach to managing safety through risk assessments of its materials, processes, and workplace activities. The company engages with its staff to ensure that they receive health and safety information by training and internal communication via intranet, and posters to increase awareness of safe systems of working.

STADA reports and analyzes lagging indicators (as Lost Time Incident rate) and leading indicators (as Near Miss Reporting rate) to identify and initiate areas for improvement at the site or global level with each site having discrete individual targets in place. Each lost time incident is investigated by site cross-functional team, following global standard operating procedures (SOPs), to understand the underlying cause and consequence, and lessons learned identified by the investigation team are communicated via the global HSE community to avoid re-occurrence.

STADA's business integrates health and safety performance as an immanent part of its operational performance management aimed at achieving more sustainable operations. The company's tier programs, which are implemented at all production sites, are meant to ensure that health and safety are given a high profile within daily business meetings from the machine operator to the site head, ensuring that any safety concerns can be raised, fixed, and communicated quickly. Safety performance is discussed weekly in the site's leadership team by all relevant functions and reported at least monthly to the STADA Group. Safety committees are established at sites where this is legally required.<sup>46</sup> Contractors and visitors are subject to specific safety instructions when entering our production sites. All these pieces of information form the basis for STADA's annual global and site level HSE improvement programs and future HSE KPI targets.

During 2021, STADA continued to improve its safety performance at its production sites by achieving an 8% reduction in its Lost Time Injury Rate (LTIR) from 0.48 in 2020 down to 0.44 in 2021. At the same time, the company reduced its resulting total lost working days by 16% in 2021 compared to 2020. The majority of incidents resulting in lost time were slips, trips, falls, and minor injuries by cuts or puncture.

After the year of lockdown, in 2021 STADA's sales force continued to visit pharmacies, doctors, and hospitals. This resulted in an increase of accidents due to more travel and is the main reason that on the STADA level, the LTIR increased slightly from 0.39 to 0.40.

In 2020 and 2021, there were no recorded fatal accidents or major injuries with long lasting effects (e.g., loss of a body part) and no work-related illnesses.

Lost Time Incident Rate	2020 <sup>47</sup>	2021
LTIR – Production Sites	0.48	0.44
LTIR – STADA Global	0.39	0.40

LTIR calculated per 200.000 working hours

In view of the continuing global COVID-19 pandemic, STADA set up a special Crisis Management Team in March 2020 to observe and oversee the situation at the national organizations and sites. Locally, the COVID-19 safety measures have been continued in line with legal requirements and global guidance. Voluntary site level vaccination initiatives have been continued to support the public vaccination programs.

## Supporting employees' health

STADA takes responsibility for its employees' health, and supported them through the COVID-19 pandemic by ensuring legal prevention measures were implemented and maintained at the different sites and offices. It also provided various health and well-being initiatives and benefits to overcome the mental challenges that employees experience both at work and also in their private lives.

STADA's basic health support is provided by external company doctors / occupational health providers which include mandatory health surveillance checkups and additional voluntary health checks. STADA also offers the opportunity to all its SGLT members to benefit from a biennial executive health check.

Beyond that, STADA initiates country-specific initiatives and programs, including the following examples:

- In 2021 in Germany, STADA conducted its traditional Health Promotion Days under strict COVID-19 measures, provided COVID-19 vaccination days at the site in Bad Vilbel, and successfully piloted the option to co-fund membership with external fitness studios. STADA also introduced a STADABike program which enables colleagues to lease bikes under attractive conditions; this encourages a healthy lifestyle and contributes to the reduction of CO2 emissions from commuting.
- In the UK, STADA offered membership to FIIT, a premium workout streaming service providing access to virtual workouts with personal trainers accessed from home via a phone or tablet in order to lose weight, get strong, improve flexibility or simply de-stress.
- Thornton and Ross, one of STADA's affiliates in the UK recognized that mental health first aid is just as important as physical first aid. They trained over twenty of their colleagues in mental health first aid as part of a continuing program to support employees not only during the pandemic but also through difficult times in their life. As part of a focus on mental health the company also introduced activities in the areas of mindfulness, meditation, and yoga, and included topics in its internal "feeling it" publication to support improving mental health.

STADA continued in 2021 to address mental health challenges and maintain the connection between colleagues and departments despite intensive working-from-home regulations in line with COVID-19 prevention measures. One new element was a global initiative for all STADA's leaders to exchange information and ideas on the topic of resilience through professionally moderated virtual sessions.

<sup>47</sup> Only data for 2021 included in PwC assurance scope.

# Fair working conditions

**A fair and decent work environment is the basis of employee satisfaction, which directly reflects on potential growth and development (of both employees and the company). STADA strives to provide equal opportunities to all, and to recognize and reward personal efforts and business achievements. The company also encourages the work of independent trade unions, so that working conditions are always viewed from multiple angles, and through a corporate speak-up culture it encourages all voices to be heard.**

STADA's Human Resources (HR) strategy is managed centrally by the Global HR department at Group headquarters. In this regard, the global functional departments of Talent Management, HR Digitization and People Analytics, and Compensation & Benefits (C&B) lay out the standards, guidelines, and processes that are implemented by the international subsidiaries and supplemented in accordance with the conditions specific to the market. In view of a strong, centrally managed international HR structure, there are also functional reporting lines from all regional HR managers to the global HR management, as well as a global HR management team with local representatives from the largest market regions.

Global C&B guidelines were introduced as a harmonized and compliant remuneration policy, based on WillisTowersWatson and Mercer as an external benchmark, as well as a grading approach for senior management. STADA endorses a pay-for-performance philosophy and utilizes variable incentives, when consistent with market practices, to drive individuals towards optimum performance. STADA's C&B department is tracking and monitoring GenderPay equality and working on ensuring compliance with EqualPay requirements from the EU commission which will be one of the focus topics for the coming years. STADA aspires to offer similar compensation ranges for both women and men, for the same business positions, regardless of gender.

All compensation changes are monitored via SAP Success Factors<sup>48</sup> 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.

When it comes to the compatibility of career and family, employees at STADA are offered flexible working hours, while the company aims to provide subsidies for childcare costs as well as counselling on the topic of caring for relatives, independent of the job title/description.

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)<sup>49</sup> 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. STADA also continues to express a clear commitment to the freedom of association as well as to the right of its workforce to unionize. Approximately 50% 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.<sup>50</sup>

<sup>48</sup> 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 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.

<sup>49</sup> Due to the location of its headquarters or adequate local complementary laws and regulations with other subsidiaries.

<sup>50</sup> 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 2021.

Two virtual global HR conferences were held in the reporting year, bringing together representatives of the global HR functions and HR managers from the subsidiaries with the objective of intensifying international cooperation and developing a common understanding of HR priorities and the global initiatives promoted in 2021.<sup>51</sup>

# Gender equality, diversity, and inclusion

**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.<sup>52</sup>**

As an internationally active Group, diversity is an important part of STADA. It encourages every employee to leverage uniqueness and sees this as a recipe for success in its growth culture. To this end, STADA launched a communication campaign in 2021 under the motto “#UniquenessStartsWithU”.<sup>53</sup> As a part of this campaign, various aspects of uniqueness were presented, including language, sexual orientation, gender, etc. These efforts will be continued in the future. In addition, as a pilot project, all managers of the British STADA subsidiary were offered training on the topic of “unconscious bias.”

## #UniquenessStartsWithU



<sup>51</sup> Furthermore, in the reporting year, the process of creating and implementing the SAP-based HR IT environment was continued, enabling the standardization and digitalization of group-wide HR processes. Following their global rollout in the course of the reporting year, “On-/Off-boarding” and “Development & Succession Planning” are now being used in all countries in addition to the first three modules “Employee Central,” “Recruiting,” and “Performance & Goals.” “Compensation & Variable Pay” and “Learning” have been prepared as further and final modules in 2021, with their introduction planned for 2022. The “Learning” module will give all employees the same access to training and motivation for personal and professional development in the future.

<sup>52</sup> 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).

<sup>53</sup> Video available at STADA’s YouTube channel: <https://www.youtube.com/watch?v=mbSVRZW14vM>

Uniqueness as a representation of diversity was one of the focal HR topics within the group in 2021, supported by internal and external awareness raising campaign. This topic was positioned on the SGLT agenda within the framework of ESG KPIs set to be cascaded down throughout the company. The latest employee pulse survey confirmed the results of all the efforts of STADA's leaders and HR department to promote diversity.<sup>54</sup>

With regard to equal opportunity for women and men, STADA places importance on the balanced representation of both 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. With the appointment of Simone Berger as Chief Human Resources Officer (CHRO) in 2021, the Executive Board team gained its first female member.

Gender Quota	Overall	Upper management	Middle management	Lower management
Women in management <sup>55</sup> positions	52%	29%	54%	55%

Gender diversity is measured at different levels at STADA, divided into upper, middle, and lower management levels. The upper management level includes all members of the STADA Global Leadership Team. Women made up 29% of this group in 2021 (previous year: 23%). For the middle management level, 54% are women (previous year: 49%), and for the lower management level, 55% are women (previous year: 57%).

The company's biggest production sites in Tuy Hoa (Vietnam) and Nizni Novgorod (Russia) promoted women to the position of site head in 2021, which is an example of how STADA encourages women to take positions in a traditionally male-dominated production environment.

<sup>54</sup> Scoring 8.5/10 for the statement "At STADA, we embrace diversity".

<sup>55</sup> 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.



# STADA in action in connection to the SDG 8: The Unbreakable, a campaign for preserving mental health and fighting depression and stigma

## Background and motivation: Time of crisis and depression, without solidarity

In order to prevent the spread of COVID-19 being followed by an epidemic of mental disorders, Hemofarm Foundation, together with the Faculty of Philosophy in Belgrade, created a national campaign in Serbia, called the Unbreakable. It was launched in April 2021 for the purpose of preserving mental health, fighting depression and stigma, and providing psycho-social support to people.<sup>56</sup> The campaign was recognized and supported by the Ministry of Health of the Republic of Serbia.

Research shows that 1 in 4 people around the world is affected by some form of depression, involving either emotional, motivational, cognitive, or somatic symptoms, such as depressed mood, loss of interest and satisfaction, decreased energy, a feeling of guilt, helplessness, low self-esteem, sleep and appetite disorders, poor concentration, and dark thoughts, to name just a few. Depression does not recognize gender, social class, intellectual level, or even age, which is why it is increasingly seen in young people who are just beginning to mature.<sup>57</sup>

In Serbia, exacerbated by the COVID crisis, 28.9% of the population reported having symptoms of moderate to severe depression.<sup>58</sup> People hide their symptoms for fear of being condemned by society, or because they refuse to accept the facts, or simply because they lack information about the effects or side effects of this disease.

## Campaign, outcomes, and positive impact on society

Billboards with the messages, "Watch out, fragile" and "Don't let it break you," visible in 18 cities in Serbia, announced the launch of the campaign and promoted a free and anonymous SOS phone line to fight depression.<sup>59</sup> Help and support were made available via email (podrska@nesalomivi.rs and pokret@nesalomivi.rs), the website [www.nesalomivi.rs](http://www.nesalomivi.rs), and via the social media pages of the foundation and the campaign. The Unbreakable campaign website contains texts and advice from experts for improving psycho-social health, confessions of people who are struggling with depression, FAQs and answers about depression, "A Cup of Coffee with a Psychologist" sessions, as well as addresses of mental healthcare facilities in Serbia.

<sup>56</sup> An initial idea for the project came from the intention to offer Hemofarm's and STADA's employees a safe and supporting working environment, especially to those who felt under pressure after the lockdown due to coronavirus pandemic.

<sup>57</sup> It is invisible to X-rays, tasteless and odorless, it attacks insidiously, and a victim often becomes aware of it only after becoming significantly contaminated by its toxic effects. Suicide is the second most common cause of death in the population between 15 and 29 years of age. Reference: Institute of Public Health of Serbia Dr Milan Jovanovic BATUT / the World Mental Health Day 2019 - <https://www.zdravlje.org.rs/index.php/aktuelne-vesti/815-svetski-dan-mentalnog-zdravlja-2019>

<sup>58</sup> The information was published on the Faculty of Philosophy of the University of Belgrade website (<http://reff.bg.ac.rs/handle/123456789/3298>) referring to the International Journal of Environmental Research and Public Health, 2021, 18, 4, MDPI, Basel, Switzerland (DOI: 10.3390/ijerph18041957, ISSN: 1660-4601, PubMed: 33671432, WoS: 000623528000001, Scopus: 2-s2.0-85101188061).

<sup>59</sup> The line 0800 001 002 was operational 24/7, and 40 psychologists and psychiatrists from the Special Hospitals for Psychiatric Diseases in Vršac, Gornja Toponica, Kovin, and Novi Kneževac provided assistance and support.

The Unbreakable campaign raised awareness for fighting depression and the associated stigma, and within the first nine months it achieved the following:



- it is assumed that total reach of the campaign exceeded **one million** contacts<sup>60</sup>
- nearly **9,000** inquiries were reaching the SOS line, e-mails and through the social media channels
- **40 statements** about the fight against depression were published on the Unbreakable website, together with **26 blogs** on key topics of mental health
- TV stations with national and cable coverage announced the launch of the campaign in their prime-time news shows<sup>61</sup>

The engagement of prominent professors, academics, doctors and influencers who shared their personal experiences through blogs on fighting depression attracted additional attention.

The American Chamber of Commerce of Serbia, the American Chamber of Commerce Europe, the German-Serbian Chamber of Commerce, the Donors and Foundations Networks in Europe (Dafne) and the Serbian Philanthropy Forum supported the Unbreakable movement, together with NGOs, to raise awareness on this topic.

The success of the Unbreakable campaign stems from its timely recognition of the importance of mental health as a topic of public interest, and the lack of local initiatives in this area.<sup>62</sup>

The Unbreakable campaign was awarded<sup>63</sup> at international and local competitions and marketing festivals.

<sup>60</sup> From April 26th to December 31st, 2021, there were more than 10,000,000 total impressions on the Unbreakable Facebook page, together with almost 6,000,000 total impressions on its Instagram profile, and more than 100,000 views of the campaign's videos on its YouTube channel. Estimations made on the data from the Unbreakable Facebook and Instagram pages analytics. Potential double counting included in the estimations.

<sup>61</sup> All data taken from the estimations from the reports of marketing and digital agencies involved in implementing the project (i.e., New Moment New Ideas, Belgrade, etc.); TVC reach estimated on the average reach of the prime-time news TV show on Serbian national television.

<sup>62</sup> This project has potential for being replicated in other countries where STADA operates in the context of its more holistic approach of caring for people's health.

<sup>63</sup> As stated on Hemofarm Foundation's website: [www.fondacijahemofarm.org.rs/eng/nagrade](http://www.fondacijahemofarm.org.rs/eng/nagrade).





SDG 9

# Industry, Innovation and Infrastructure



## **Yann Brun**

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

Sustainability comes from developing and integrating environmental health, social equity and economic vitality to create thriving, healthy, diverse and resilient communities for generations to come. We can contribute to such goals by enabling people to care for their own health through access to high-quality, innovative products.

## SDG 9

### **INDUSTRY, INNOVATION AND INFRASTRUCTURE: Sustainability based on portfolio development**

#### **What it means for STADA:**

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For a better health, STADA constantly improves its product portfolio and production infrastructure together with its employees, stakeholders, and local communities.

Although STADA's roots are in generic pharmaceuticals, there is a lot of space for innovations within its processes, and for developing and updating its portfolio, which also includes Specialty Pharmaceuticals and Consumer Healthcare, as well as for constant improvement of its infrastructure. One of the main aspects of supporting SDG 9 aligns with STADA's core business—the production of affordable, effective, quality drugs. This requires an agile response to market need, centered on supporting public healthcare systems. In STADA's case, it typically also means the transfer of technology and know-how throughout its 20 production sites in 11 countries, with constant investments in improving its production.

#### **Relevant Material topics**

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##### Sustainable business

- Portfolio focused on medical needs
- Sustainable products and packaging
- Responsible procurement

##### Patient health and safety

- Quality and safety of products
- Pharmacovigilance and products users' satisfaction

# Portfolio focused on medical needs

**The responsibility of pharmaceutical companies became particularly apparent with the onset of the coronavirus pandemic. Being aware of the importance of its role, and in line with its purpose, STADA strives to optimize and develop its portfolio according to the actual needs of people and healthcare systems.**

One focus of STADA's development activities is the field of generics, however, STADA also focuses on specialty pharmaceuticals and created a separate segment for this in 2021. These include off-patent molecules that gain new value through novel uses, formulations or combinations. These drugs are more complex than standard generics due to their technology or application form, and developing them is accordingly more expensive. In the reporting year, for example, STADA launched Cabazitaxel and Fulvestrant and was thus able to further expand its range of cost-effective generic therapy options for oncologists and their patients. At the same time, the company bolstered its specialty offering to oncologists with the biologic therapy bevacizumab.

Another focus is consumer healthcare due to its growth potential in supporting preventive healthcare. These products include, in particular, non-prescription drugs, dietary supplements, and cosmetics.<sup>64</sup>

## Competences in development and regulatory

Product development through R&D enables a broader and deeper portfolio range to better care for people's health. The importance of constantly developing new solutions to healthcare problems was highlighted particularly during the period of the COVID-19 pandemic, when responding with agility to sudden shifts in public demand and healthcare systems' needs was paramount.

Reported / no. of products	2020 <sup>65</sup>	2021 <sup>66</sup>
MAAs submitted <sup>67</sup>	more than 800	more than 1,300
MAs approved <sup>68</sup>	more than 600	more than 700
Introduction of individual products	around 798	around 988

<sup>64</sup> Examples of consumer healthcare development and launches in reporting year 2021 include SNUPPIK® and KAMISTAD®.

<sup>65</sup> Only data for 2021 included in PwC assurance scope.

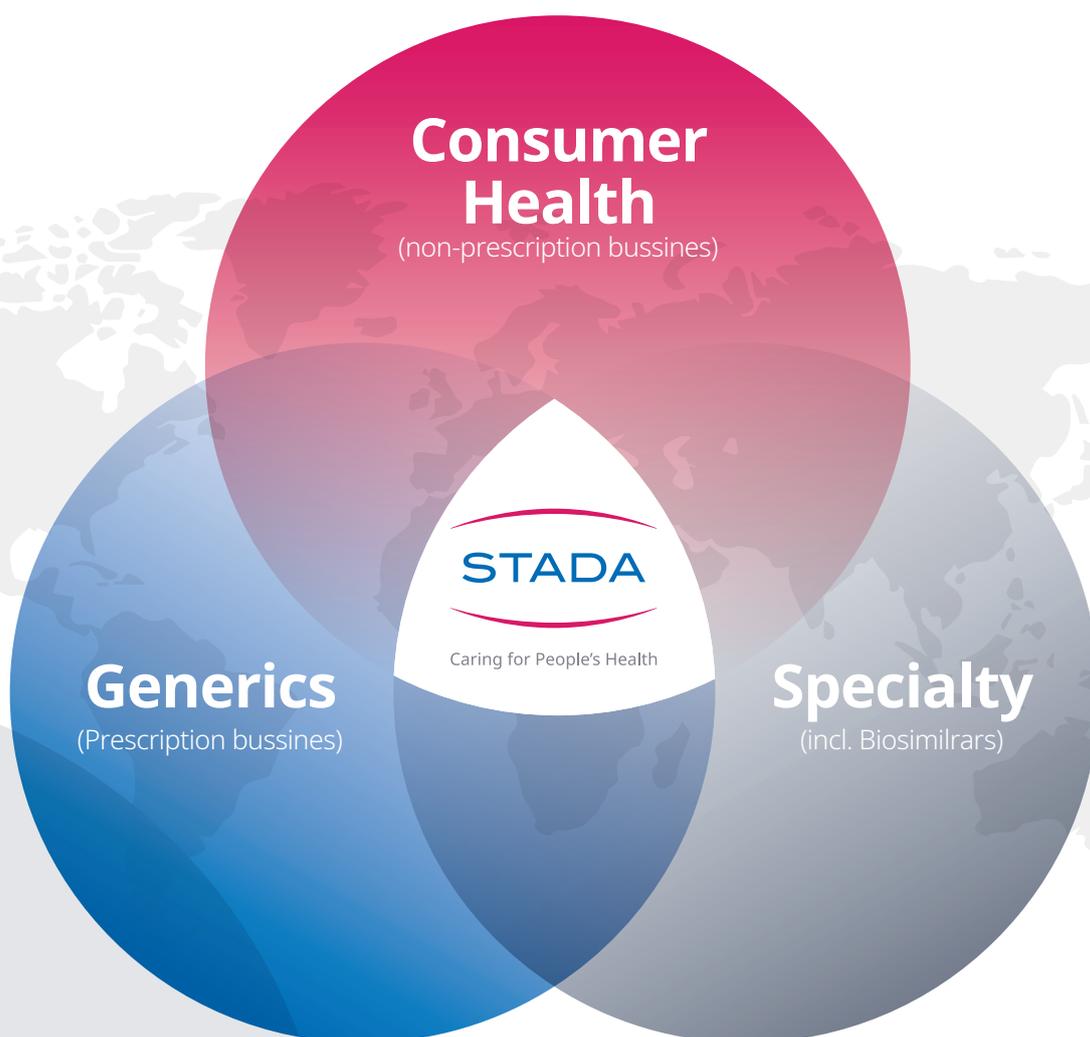
<sup>66</sup> Reference: STADA Annual Report 2021, page 35.

(<https://www.stada.com/investor-relations/financial-publications/annual-report-2021>)

<sup>67</sup> MAAs = marketing authorization applications, applications for approval to market a medicine in one or more markets.

<sup>68</sup> MAs = marketing authorizations, approvals to market a medicine in one or more markets.

As of 31 December 2021, STADA had a product pipeline with more than 1,900 approval procedures for over 160 active pharmaceutical ingredients and combinations in more than 55 countries.



STADA's responsibility and role of caring for people's health is also exemplified by its participation on the WHO Model Lists of Essential Medicines.<sup>69</sup>

STADA portfolio in numbers	Total number of products	Pharmacotherapeutic groups that STADA covers	% of WHO Model Lists of Essential Medicines <sup>70</sup>
Generics 41% <sup>71</sup>	More than 20,000 SKUs in all dosages and forms	<ul style="list-style-type: none"> <li>• Alimentary tract and metabolism</li> <li>• Blood and blood forming organs</li> <li>• Cardiovascular system</li> <li>• Dermatologicals</li> <li>• Genito-urinary system</li> <li>• Systemic hormonal preparations</li> <li>• Anti infectives for systemic use</li> <li>• Antineoplastic and immunomodulating agents</li> <li>• Metabolism and endocrinology</li> <li>• Nervous system</li> <li>• Antiparasitic products</li> <li>• Respiratory system</li> <li>• Sensory organs</li> <li>• VMS</li> </ul>	<p><b>STADA's products cover 21% of the listed medicines: 14% (existing portfolio or 82 products out of 579) +7% (pipeline or 42 out of 579)</b></p>
CHC 40%			
Specialty / Biosimilars 19%			

Ranking 2021 (2020)	Generic Brand
1 (1)	Tildine line
2 (2)	Atorvastatin
3 (4)	Pantoprazole
4 (3)	Omeprazole
5 (5)	Diclofenac
6 (6)	Bisoprolol line
7 (7)	Amoxi-Clavulan
8 (8)	Enalapril line
9 (19)	Esomeprazol
10 (14)	Tadalafil

STADA analytics, based on sales.

Ranking 2021 (2020)	Speciality Brand
1 (1)	Epotin Zeta
2 (2)	Apo-go
3 (3)	Bortezomid
4 (4)	Edarbi
5 (7)	Teriparatid
6 (8)	Xefo
7 (5)	Versatis
8 (6)	RxDermaline
9 (9)	Tramal
10 (11)	Vipidia/Aloglip

STADA analytics, based on sales.

Ranking 2021 (2020)	CHC Brand
1 (2)	Magnyl
2 (1)	Zooflora
3 (5)	Agualor
4 (3)	Snup
5 (4)	Nizoral
6 (9)	Vitaprost
7 (8)	Hirudoid
8 (7)	Paracetamol
9 (12)	Walmark Line
10 (27)	Artra

STADA analytics, based on sales.

<sup>69</sup> The WHO Model Lists of Essential Medicines are updated every two years by the Expert Committee on Selection and Use of Essential Medicines. The first Essential Medicines List was published in 1977. The current versions, updated in September 2021, are the 22nd Essential Medicines List (EML) and the 8th Essential Medicines List for Children (EMLC).

<sup>70</sup> Excluding medicines distributed in Europe country markets.

<sup>71</sup> Out of total sales.

# Generics – sustaining affordable access to medicines

Around the world, including in emerging markets, generic medicines<sup>72</sup> form the backbone of better access to medicines. The price competition that results from a generic entering the market allows more patients to be treated for the same cost.

Across Europe, STADA is among leading producers and suppliers of generic medicines as the fourth-largest company by value, with top-five market positions in countries including Germany, Italy, Spain, Belgium, Serbia and Switzerland.<sup>73</sup> STADA was named Company of the Year, EMEA for the fourth time in a row by the industry publication Generics Bulletin.

STADA is also a significant generics supplier in other territories, such as Russia/Commonwealth of Independent States (CIS), the Middle East and South-East Asia.

Important innovative developments in STADA's generics portfolio in 2021 include:

- In Germany and the UK: STADA brought competition to the product category of respiratory therapies by introducing inhalers that combine the active ingredients fluticasone and salmeterol.
- In Australia, launching triple combination tablets containing levodopa, carbidopa, and entacapone complemented the Group's local Parkinson's disease portfolio.
- In Spain, generic launches during 2021 included: the latest-generation antihistamine bilastine that complements the company's existing allergy remedies such as loratadine, desloratadine and ebastine; the intestinal motility enhancer levosulpride; and sorafenib, an oral oncology agent for treating hepatocellular carcinoma and renal cell carcinoma.

In Serbia, where STADA and its local Hemofarm subsidiary supply one in four prescriptions and OTC medicines, the company achieved above-market growth,<sup>74</sup> aided by having strengthened its cardiovascular portfolio with the first-to-market launch of generic ticagrelor. STADA's retail generics team in Russia continued to achieve value and volume growth while capturing market share in highly competitive categories, such as through cholesterol-lowering medicines including azilsartan medoxomil.

<sup>72</sup> Definition of generics – STADA's profile, see page 9.

<sup>73</sup> Data provided from IQVIA 2021 database.

<sup>74</sup> Data provided from IQVIA 2021 database.

# Specialty including biosimilars – offering pharmaceutical innovations

A biosimilar medicine is developed to be highly similar to an existing biological medicine (“reference medicine”). Compared to generic drugs, i.e., copies of chemically produced drugs, biosimilars<sup>75</sup> require considerably more time and effort for the development as well as the control of the manufacturing process, and a significantly larger amount of data must be submitted for their approval.

STADA has been active in the area of specialty pharmaceuticals for years, demonstrating its ability for innovation and cooperation.

Through in-house innovation and partnerships, STADA has grown its Specialty portfolio and pipeline consistently in recent years, including the following examples:

- With over a decade of experience in biosimilars since launching epoetin zeta in 2008, a biosimilar for treating anemia caused by chronic kidney failure and chemotherapy, STADA has since received approval for and launched the biosimilar teriparatide for the treatment of osteoporosis, the granulocyte colony-stimulating factor pegfilgrastim, and the oncology agent bevacizumab in Europe.
- Through partnerships, STADA has also built up a comprehensive biosimilars pipeline comprising blockbuster molecules in several therapeutic categories. These include the autoimmune agent adalimumab, through an alliance with Alvotech, for which the European Commission granted marketing authorization, as well as a pending EU application to market the ophthalmic agent ranibizumab, through a partnership with Xbrane.



<sup>75</sup> Specialty medicines include biosimilars, copies of biotechnologically produced drugs, or biopharmaceuticals. These are active substances obtained from living cells of plants or animals. Biopharmaceuticals now play an important role in the treatment of serious diseases, such as osteoporosis, arthritis, and cancer.

- The introduction in 2019 of an injectable bortezomib solution presented multiple myeloma patients and their caregivers in Europe with a ready-to-use option that does not need to be reconstituted<sup>76</sup>.
- STADA is now also offering a triple combination of the active ingredients levodopa and carbidopa in gel form, which is administered via the small intestine using modern pump technology. The Group has already launched the product in countries such as Germany, Austria, the Netherlands, and Slovenia and is committed to making this novel therapy available to more patients in Europe.<sup>77</sup>
- STADA partnered with Swedish company Calliditas Therapeutics in 2021 to develop a specialty therapy that, if authorized, would be the first treatment approved in the EU for the chronic kidney disease IgA nephropathy, also known as Berger's disease.

## Consumer healthcare products: STADA supporting prevention through self-care

Through its extensive portfolio of consumer healthcare brands, STADA enables people to take responsibility for caring for their own health by preventing and treating minor and self-limiting illnesses and conditions, such as coughs, cold and flu infections, vitamin and mineral deficiencies, mild pain, skin and scalp conditions, and sleep disorders.

STADA is ranked among the top-five consumer healthcare companies by sales in Europe, and among the top 10 providers of over-the-counter products globally.<sup>78</sup>

<sup>76</sup> apotheke adhoc: STADA launches generic Bortezomib in 14 European countries | STADA

<sup>77</sup> STADA launches novel Parkinson's therapy in Germany, Austria | STADA

<sup>78</sup> Data provided from IQVIA 2021 database.

Some of STADA's most important CHC product ranges include:

- Cough and Cold, including products: Grippostad®, Covonia®, SNUP®, Aqualor®, Lemocin®, Orofar, and Mebucaine
- Derma, including products: Ladival®, Multilind®, Hedrin®, Cetraben®, Nizoral®/Terzolin®, Trofolastin®, and Duofilm®



- Vitamins, Minerals, and Gastro, including products: Magnetrans®, DAOSiN®, EUNOVA®, Elotrans®, Curazink®, Cetebe®, Natures Aid, WALMARK® LINE, BIOPRON®, and Martians®
- Pain and Relief, including products: Hirudoid®, Kamistad®, Mobilat®, Radian®B, Hepathrombin, Proenzi®, Venoruton®, and Artra
- Calm and Sleep, including products: Hoggar® Night and Lunestil
- Other categories, including products: Zoflora®, Vitaprost®, Essliver®, Urinal®, and Prostenal®



As part of its efforts in the area of preventive health education, STADA strives to use its digital communications platforms to help patients and consumers make informed choices about managing and protecting their health. This includes insights into healthcare attitudes and behaviors generated by the annual STADA Health Report.<sup>79</sup>

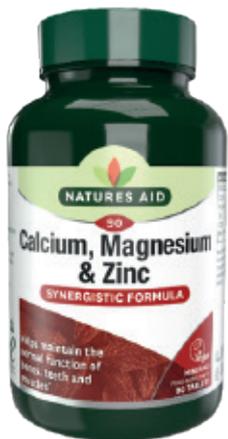
Beyond product-related communications at a national level, STADA also disseminates information around healthy lifestyle choices and preventive medicine through inspirational stories, videos and messages on its corporate website at [www.stada.com](http://www.stada.com).

## Sustainable products and packaging

**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 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, but STADA is aware that it must be designed in a way that minimizes its impact on the environment.

In late 2021 a new packaging sustainability strategy was put in place to serve as a guide to all packaging activities within the Group. The goal is to gradually make packaging more environmentally friendly wherever possible. The company has recognized that there is a lot of unused potential in this area and that improvements are possible and necessary. With the new packaging organization, these changes are now to be initiated.



STADA's CHC brands already benefit from this new approach. In the UK, Natures Aid<sup>80</sup> finished this year by deploying new food supplement bottles with 100% recycled PET. In 2021, this brand also started to switch its glass bottle range to recycled PET. Wild Earth, a new brand created from Natures Aid,<sup>81</sup> is also using biodegradable blisters for its minerals range. Products under the Nizoral umbrella brand are now offered to the



consumers with a bottle containing bio resin, delivering an aggregated recyclability of 95% for the combination packaging for the hair tonic bottle (certified by Cyclos HTP). And in STADA's Hemofarm business, child-resistant plastic caps (CRC) were redesigned to reduce the quantity of plastic by 30%, without influencing either quality or functionality. Also, in Hemofarm 171 hectares of wood have been preserved over the past 10 years by using recycled cardboard for packaging. This is equivalent to almost 218 football fields.<sup>82</sup>

<sup>79</sup> Explained in more detail in this report in the chapter SDG 3 / Health report to listen to people's opinion on health.

<sup>80</sup> More info at [www.naturesaid.co.uk](http://www.naturesaid.co.uk)

<sup>81</sup> More info at [www.wildearth-nutrition.com](http://www.wildearth-nutrition.com)

<sup>82</sup> Reference: Hemofarm Sustainability report, page 139.

([https://www.hemofarm.com/docs/odrziwi-razvoj/HF%20Izvestaj%20o%20odrzivom%20razvoju%202021%20WEB\\_11\\_01\\_2022.pdf](https://www.hemofarm.com/docs/odrziwi-razvoj/HF%20Izvestaj%20o%20odrzivom%20razvoju%202021%20WEB_11_01_2022.pdf))

These few examples show some of the benefits associated with well-designed packaging that could result in reducing STADA's impact on the environment; but there is still room for improvement in this area.

STADA now applies the 5R filter to every new project:

Some examples of what has already been initiated include: the removal of folding boxes in the UK Oilatum range (Remove), the inclusion of a minimum of 30% recycled PET into Zoflora bottles (Recycle), the relaunch of Mitosyl offered in sugar cane tubes (Reduce), and the refill of Zoflora products to be launched at Tesco later in 2022 (Refill).



## Responsible procurement<sup>83</sup>

**The responsibility of STADA as a pharmaceutical manufacturer relies on close cooperation with suppliers. STADA selects its partners carefully, and cooperates and establishes partnerships only with responsible parties.<sup>84</sup>**

The Group has three supply-chain hubs managed through STADA Arzneimittel AG: one in Bad Vilbel (Germany), one in Vršac (Serbia), and one in Moscow (Russia). At these hubs, centralized needs planning takes place for selected products in the Group. STADA continually invests in the Group's own production facilities and test laboratories. Managed by Global Procurement, investments in the expansion and modernization of production sites and testing labs amounted to 65.7 million EUR in reporting year 2021 (previous year: 42.5 million EUR).<sup>85</sup>

Agility and good planning are among the most important challenges of pharmaceutical procurement, because the availability of raw pharmaceutical materials is limited.<sup>86</sup> COVID-19 introduced a new dimension of limited access to raw materials within lockdowns, while STADA's role of supporting global health increased.

Transparent business relations with existing and potential suppliers represent important aspects of procurement, giving equal chances to everybody, regardless of the territory.<sup>87</sup> With regard to the types of materials, procurement at STADA in 2021 included the following top-level categories:

<sup>83</sup> Striving to offer quality products and services, with uninterrupted supply of drugs to the market, especially during a pandemic, without drug shortages.

<sup>84</sup> Potential partners are evaluated by BSCI (Business Social Compliance Initiative) surveys.

<sup>85</sup> Reference: STADA Annual Report 2021, page 37. (<https://www.stada.com/investor-relations/financial-publications/annual-report-2021>)

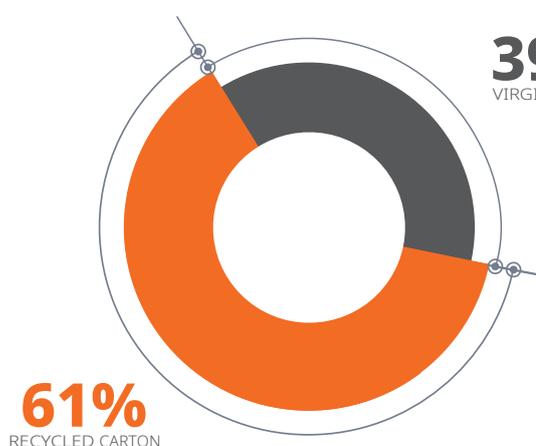
<sup>86</sup> There is a limited number of reliable suppliers, geographically located in certain areas of the world (mostly in the Far East – India and China), with complex procedures, such as the purchasing of psychoactive controlled substances subject to special purchasing protocols.

<sup>87</sup> General business and purchase terms are available on STADA's website, with an indicated link to each purchase order: <https://www.stada.com/terms-and-conditions>

Group of materials (2021)	Total share (% , quantity)
Raw materials	18.2%
Bulk Product	19.6%
Semifinished product	4.8%
Packaging	47.0%
Finished Product <sup>88</sup>	10.4%

The use of recycled carton for the folding boxes in 2021 amounted to 1,293.9t or 61% of the total quantity of folding boxes: <sup>89 90</sup>

Folding boxes delivered in 2021 (in kg)			
Region	Quantity	Recycled	% of recycled folding boxes out of total quantity
SEE	1,196,540	1,064,921	<b>89%</b>
WE	350,045	227,529	<b>65%</b>
CIS	337,165	0	<b>0%</b>
UK	242,652	1,456	<b>0.6%</b>
<b>Sum</b>	<b>2,126,402</b>	<b>1,293,906</b>	
Recycled carton		1,293,906	
Virgin carton		832,496	



Folding boxes 2021% (kg),  
Recycled vs Virgin cartons

STADA conducts regular Good Manufacturing Practice (GMP) audits of its suppliers as a part of its quality management systems ensuring that products meet quality standards, safety requirements, and all other regulations in place at the time of manufacture. These audits are mandatory for batch releases, finished products, contract testing labs, intermediates (quality-critical step before final active ingredient) and active ingredients at least every 3 years. These audits are also used in some cases (i.e., for sterile products, unknown suppliers, quality issues) for excipients, packaging materials, and GMP service providers. In 2020, 686 audit requests were fulfilled, while in 2021, 796 supplier requests were fulfilled.<sup>91</sup>

<sup>88</sup> Including intercompany sales.

<sup>89</sup> The calculation is based on the average reference weight of folding boxes (45g).

<sup>90</sup> The recycled quota is an estimation based on the percentage of recycled cardboard per type being used.

<sup>91</sup> The total number of audits includes both virtual and on-site audits with no difference in the final audit quality.

In 2021, in the context of COVID-19 challenges, employees in the Global Procurement Division continued to take actions to prevent the pandemic from jeopardizing the purchase of starting materials needed for production at all STADA sites. Responsible procurement process management also includes evaluating and monitoring the financial standing and business efficiency, and respecting the employees' rights—from assessing possible suppliers<sup>92</sup> to initiating and maintaining cooperation.

In 2021, STADA established its External Supply Chain Organization (ESO). The ESO focuses on managing external contract manufacturers with the mission of maintaining and even fostering STADA's long-term and trustful business relations with them—in line with its mission and values.

## Quality and safety of products

**The quality and safety of products intended for human health are essential for STADA. Pharmaceutical industry standards are the starting point for STADA, which always strives to be uncompromising when it comes to product quality and safety - from raw materials to the distribution of finished products.**

### Quality at STADA

Delivering quality and upholding its responsibility towards all those who use its products and services is among the fundamental components of STADA's corporate strategy, enabled by the Quality Policy aligned throughout the Group.

Assessing the risks of newly arising, previously unknown side effects of active ingredients also play an important role in the quality of pharmaceutical products. This is defined by pharmaceutical standards that act as a starting point for STADA, which strives to go above legal expectations in providing its products' quality and safety. The company has implemented all of the standard graduated plan proceedings for recording or detecting such pharmaceutical product risks throughout the Group.

### 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 the planning and conducting of clinical trials, the Group follows Good Clinical Practice (GCP), an international ethical and scientific standard for the planning, execution, documentation, and reporting of clinical trials in humans. Compliance with this standard ensures that the rights, safety, and well-being of trial subjects are respected in accordance with the Declaration of Helsinki. It also ensures the credibility of data collected during clinical trials. Contract research organizations for the execution of clinical trials in Germany and abroad are qualified by STADA and regularly audited to ensure GCP compliance during 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 as necessary.

<sup>92</sup> All new suppliers (like in Serbia, Bosnia or Montenegro) fill out the BSCI questionnaire, including environmental criteria, which is used to evaluate the social compliance of their business operations.

## Good manufacturing practices

Within the scope of the production of pharmaceuticals, STADA follows the EU's GMP. These EU GMPs constitute the quality requirements for the manufacturing processes, environmental conditions, and quality control of drugs, active pharmaceutical ingredients, and cosmetics that apply within the EU.

Compliance with GMP quality standards is regularly reviewed at both STADA's production facilities and at suppliers and contract manufacturers. Given the travel restrictions imposed in response to the COVID-19 pandemic, most of these audits were conducted virtually in 2021. Following the same principle, various EU and non-EU regulatory authorities also carried out inspections at the Group's manufacturing sites. In the reporting year 2021, STADA received a critical observation<sup>93</sup> as part of an official inspection of the production site in Bila Tserkva, Ukraine. The corrective action plan for the identified deficiencies was submitted on time and is currently being processed.

	2020 <sup>94</sup>	2021
Number of Authority Inspections	21	29
Critical Findings	0	1

In 2021, STADA completed a redesign of its global quality management system, with a particular focus on the harmonization of GMP-relevant processes across the entire manufacturing network. Beyond this, STADA focused on efficiency increases through greater standardization of quality control processes.

## Pharmacovigilance and product users' satisfaction

**Pharmacovigilance (adverse drug reactions reporting and processing) and product user satisfaction are two closely related and important categories<sup>95</sup>, as STADA products directly or indirectly influence people's health.<sup>96</sup>**

As part of a Group-wide global pharmaceutical safety system - i.e., the STADA Global Pharmacovigilance System—the safety of all STADA pharmaceuticals worldwide is monitored and ensured through the collection and evaluation of all reported pharmaceutical risks. Here, STADA's subsidiaries work in accordance with SOPs issued by the Corporate Pharmacovigilance department. In accordance with Good Pharmacovigilance Practices (GVP) and as a part of the Global Pharmacovigilance Quality System, adherence to legal requirements and STADA's standard operating procedures is monitored globally by means of a pharmacovigilance auditing system.

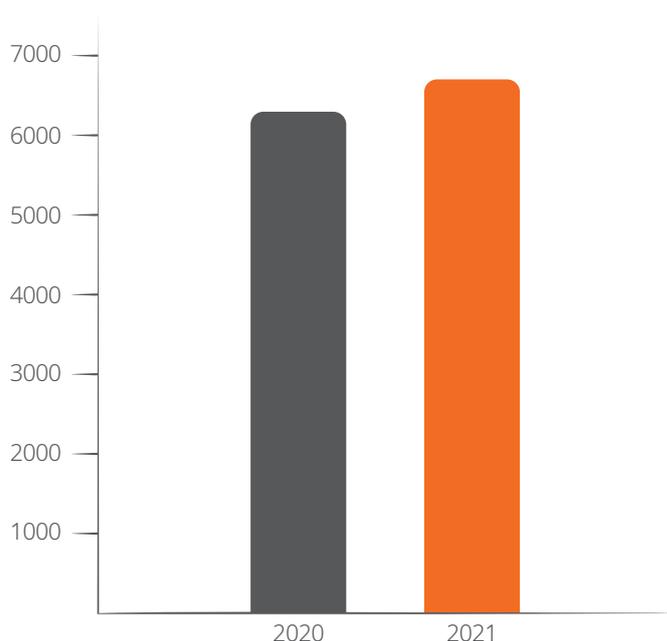
<sup>93</sup> Critical deficiency is a deficiency which has produced, or leads to a significant risk of producing either a product which is harmful to the human or veterinary patient. It could occur if the manufacturer has engaged in fraud, misrepresentation or falsification of products or data. A critical deficiency may consist of several related deficiencies, none of which on its own may be 'critical', but which may together represent a 'critical' deficiency, or systems' failure where a risk of harm was identified and should be explained and reported as such.

<sup>94</sup> Only data for 2021 included in PwC assurance scope.

<sup>95</sup> Pharmaceutical manufacturers and marketing authorization holders, along with the entire public healthcare system, are obliged to continuously monitor, detect, analyze, understand and prevent adverse drugs reactions and effects. This segment of pharmaceutical industry is regulated by pharmacovigilance. It operates globally, in order to share all relevant findings and important information in a timely manner to prevent the adverse effects of drugs on patients.

<sup>96</sup> 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.

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). There were no inspections in the reporting year 2021.



Overview of the total number of reported adverse drug reaction (ADR) cases per year<sup>97</sup>

All stakeholders (including professionals – doctors and pharmacists, business partners in the supply chain as well as end users of STADA's products) 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<sup>98</sup>, as well as on the websites of all subsidiaries within the Group. In addition, all employees are informed about the pharmacovigilance procedures.

The largest number of reports in 2021 also came from other healthcare professionals, followed by consumers/patients or other non-healthcare professionals, and then pharmacists and doctors:<sup>99</sup>

Qualification of reporter	No. of ADR reports	Serious ADRs	Non-serious ADRs
Physician	244	65	179
Pharmacist	592	64	528
Consumer or other non health professional	2,034	133	1,901
Other health professional	3,810	560	3,250
<b>Total</b>	<b>6,680</b>	<b>822</b>	<b>5,858</b>

<sup>97</sup> Only data for 2021 included in PwC assurance scope.

<sup>98</sup> <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](mailto:info@stada.de) or a contact form.

<sup>99</sup> By gender, female patients predominated (3,755 female versus 2,732 male, 193 patients of unknown gender). The number of reported ADRs was highest in age groups 71–80 years, 61–70 years and 51–60 years. Most reports originated from the United Kingdom, followed by Germany.

# STADA IN ACTION IN CONNECTION TO THE SDG 9: LUNESTIL, INNOVATING TO HELP IMPROVE SLEEP

STADA Health Report 2021 survey found that 15% of all those surveyed said that, since COVID-related lockdowns, they had suffered from problems with sleeping or falling asleep.

One challenge facing STADA's EG affiliate in Belgium was how to innovate to bring new solutions to the people in need of a good night's sleep. The answer was Lunestil: an effective food supplement, based on natural ingredients, in an innovative duo capsule with delayed-release technology. An outer capsule contains an English lavender essential oil that helps consumers fall asleep with its calming and relaxing effect; while the inner capsule helps users stay asleep with a combination of purple passionflower, vitamin B6 and melatonin.

Lunestil placed among the leading products by volume in Belgium's OTC sleeping aid market within weeks after launch in autumn 2020, indicating unmet public need for effective and natural support for restful sleep.

A satisfaction survey conducted among 325 Belgian adult users found that Lunestil consumers were more satisfied than users of alternative sleeping aid brands. Consumers with sleep disturbances confirmed that Lunestil met their needs.

Following Lunestil's success in Belgium, STADA is now bringing this sleeping aid to consumers across Europe. Concept tests run in European and international markets involving consumers with sleep problems indicated their interest in this product.







SDG 12

# Responsible Consumption and Production



## Miguel Pagan Fernandez

Chief Technical Officer/CTO

People say we did not inherit the Earth from our ancestors. We only borrowed it from our children. To ensure we pass on a healthy world to the next generation, we have to shape it – in a responsible and sustainable way. That is why we strive to achieve a positive impact on society and the environment, not least through optimizing efficient production processes.

## SDG 12

### **RESPONSIBLE PRODUCTION AND CONSUMPTION: Responsible actions today – for a better tomorrow**

#### **What this means for STADA:**

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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.

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.

#### **Relevant Material topics**

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##### Environmental protection

- CO<sub>2</sub> emissions and climate change
- Resource efficiency and waste
- Pharmaceuticals in the environment

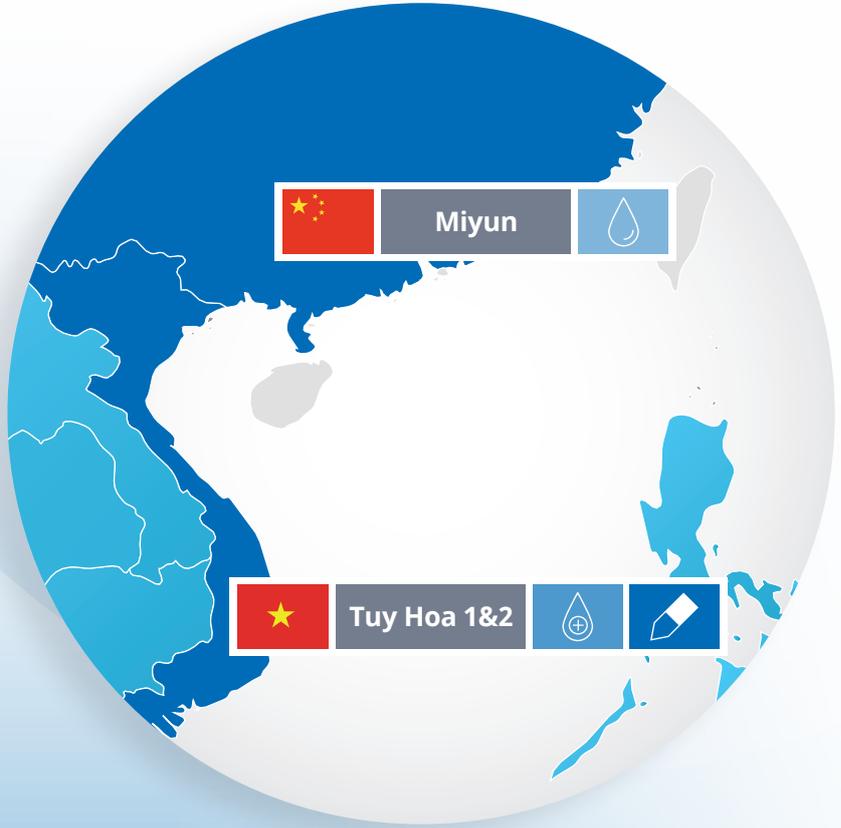
##### Patient health and safety

- Quality and safety of products
- Pharmacovigilance and products users' satisfaction

# STADA's Technical Operations

Responsible production is entrusted to the STADA Technical Operations Sector or Tech Ops, which is managed centrally from the headquarters in Germany. It operates 20 production facilities in 11 countries across Europe and Asia-Pacific with a total of 7,000 TechOps employees that produced 13 billion units and 637 million packs of products in 2021. STADA, together with its suppliers, delivered 1.1 billion packs of pharmaceutical products in 2021.





Miyun



Tuy Hoa 1&2



Obninsk



Nizhny Novgorod



Bila Tserkva



	Semi solid forms (e.g. creams, lotions)
	Solid dosage forms (e.g. tablets, coated tablets, capsules)
	Liquids
	Sterile liquids
	Packaging

STADA's TechOps also became more digital and automated in terms of supply chain and quality processes, i.e., APO (Advanced Planning Optimization), LIMS (Laboratory Information Management System) in the labs, and eQMS (electronic Quality Management System), including data analytics.<sup>100</sup>

In 2021, STADA's TechOps continued with the evolution and enhancement of its quality systems, sustaining a quality and compliance foundation by passing more than 47 authority inspections (i.e., EU GMP) and certifications (e.g., ISO 9001) and reducing the total numbers of recalls in general.

In order to ensure and enhance availability of medicines is why STADA continued its diligent supply chain transformation in 2021. It resulted in improving its performance levels and performance indicators such as Forecast Accuracy (FCA), Pack Fill Rate (PFR) and On Time In Full (OTIF), that are among enablers of uninterrupted supply of drugs to the market. STADA experienced many cost increases in 2021 driven by COVID-19 pandemic. Due to its optimizations in production and procurements, it was able to compensate for an almost 20m EUR increase in costs and in addition, bring another 17m EUR net savings to the business, without significant influence on drugs pricing.

## Responsible production and consumption

As a manufacturer of pharmaceutical products and food supplements, STADA recognizes its impact on the environment through the consumption of natural resources and the generation of greenhouse gases, wastewater and waste. The Group therefore strives to reduce and minimize its negative impact by meeting environmental regulations and continually improving its processes.

### STADA's approach to environmental stewardship

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

STADA's sites have implemented local processes to ensure compliance with environmental, legal requirements as well as to continuously improve their environmental performance beyond compliance requirements via annual HSE programs. In order to have these processes regularly

monitored externally, HSE management systems with certification to relevant ISO standards are in place for 8 sites (ISO 14001), respectively 6 sites (ISO 45001) out of 20 production sites in total. Other sites have started to develop ISO-compliant HSE management systems and will continue to do so. This approach supports STADA to improve the environmental performance at its sites.

Sites with certified ISO management systems (as of end 2021):		
Standard	ISO 45001	ISO 14001
Vršac / Dubovac, Serbia	x	x
Šabac, Serbia	x	x
Podgorica, Montenegro	x	x
Banja Luka, Bosnia and Herzegovina	x	x
Huddersfield, UK	x	x
Nizhny Novgorod <sup>101</sup> , Russia	x	x
Obninsk, Russia		x
Bila Tserkva, Ukraine		x

# Climate change and energy consumption

## CO2 emissions

In 2021, STADA carried out a strategic project on climate change and its greenhouse gas emissions. The Group decided to support the 1,5°C global warming target. On this basis, STADA has set the goal of reducing its own absolute greenhouse gas emissions (GHG) (scope 1 and 2) by 42% (compared to 2020)<sup>102</sup> by 2030.

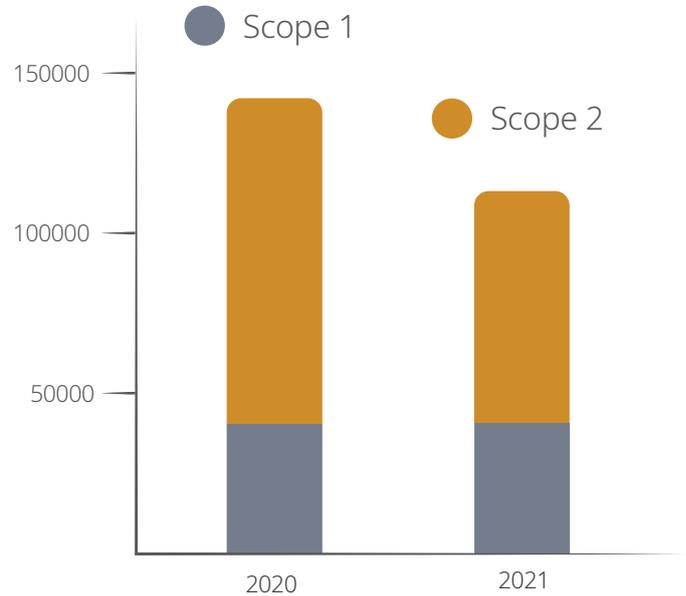
<sup>101</sup> GOST 12.0.230.1-2015 Occupational safety and health management systems in connection for application of GOST 12.0.230-2007.

<sup>102</sup> Only data for 2021 included in PwC assurance scope.

In order to achieve this ambitious absolute reduction target, STADA's Carbon Roadmap is based on the 3 pillars:

- Energy efficiency and reduction
- On-site renewable energy generation
- Use of electricity from renewable sources

STADA reduced its GHG emissions from 2020<sup>103</sup> to 2021 by 13% from 132 ktms of CO<sub>2</sub> to 115 ktms of CO<sub>2</sub> and is therefore on track with its total reduction target. In addition to the implementation of operational energy-saving measures, approx. 2,600 tons of CO<sub>2</sub> were saved through the photovoltaic system at the site in Tuy Hoa, Vietnam, which went into operation at the beginning of 2021. In 2021 STADA increased the share of renewable energy through the purchase Energy Attribute Certificates (EACs) from renewable electricity sources, reducing its scope 2 CO<sub>2</sub> emissions.



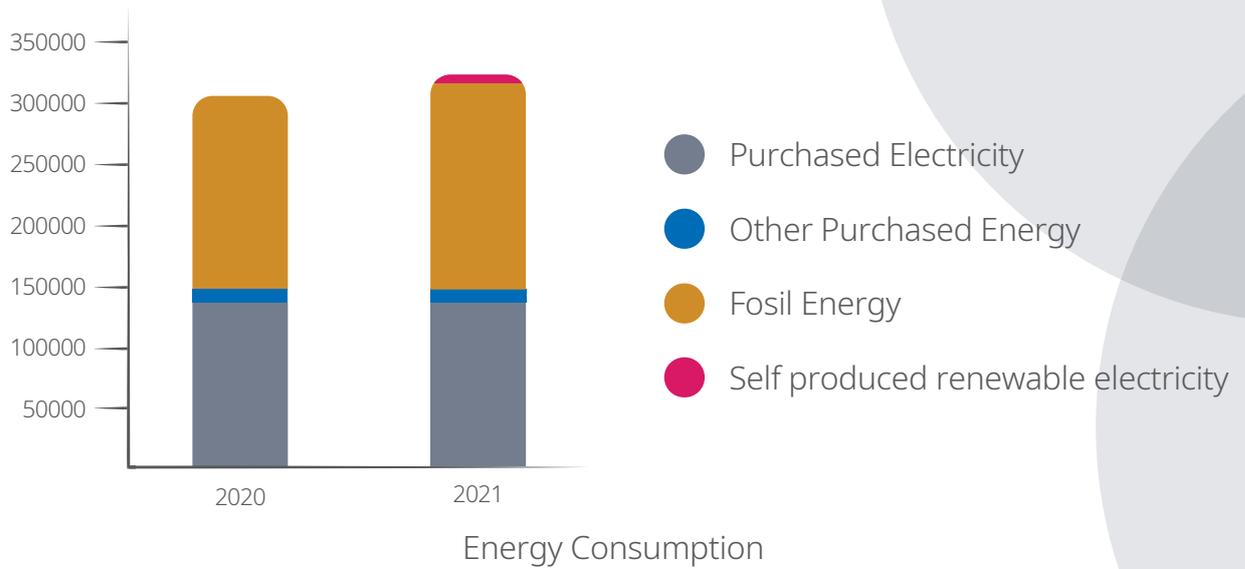
Scope 1 and 2 Greenhouse Gas Emissions

## Energy consumption

Energy is a critical source for the company's manufacturing and the efficient use of energy is one pillar of its carbon roadmap. Energy consumption increased from 2020<sup>104</sup> to 2021 by 6% from 312,000 MWh to 331,000 MWh mainly because of an increase in production.

The identification and implementation of energy reduction and efficiency measures is a well-established process at STADA. Investment in energy efficiency measures in 2021 included, for example, the upgrading of boiler houses at the Nizny Novgorod site and the implementation of indoor and outdoor LED lighting at multiple sites. Energy efficiency audits have been executed at the sites in Huddersfield (UK), Sabac (Serbia) and Trinec (Czechia) in 2021, and the results will serve as a project pipeline for these locations in the following years.

In 2021, STADA started to transform its electricity supply to renewable sources, finding opportunities for its own improvement in this perspective. Despite its on-site solar power installation in Vietnam, STADA has increased its electricity supply from renewable sources to approx. 15% by purchasing Energy Attribute Certificates (EAC). STADA understands the procurement of EACs as a transitional solution and plans to evaluate additional options for on-site photovoltaic installation and other means for renewable electricity supply in 2022.



Photovoltaics in Tuy Hoa (Vietnam)

At its two production sites in Tuy Hoa (Vietnam), roof-top photovoltaics have been installed on all production buildings in 2020 and put into operation at the beginning of 2021. The installation of a total of 13,000 m<sup>2</sup> of solar panels required extra-enforced installation to withstand typhoons and generated approx. 3,100 MWh in 2021 which represents approx. 10% of the site's total electricity consumption.

In Germany, STADA encourages its 1,200 employees to use greener modes of transportation for commuting. This includes the subsidy of public transport job tickets, the company bike program introduced in 2021 where employees can lease a bike at a discounted rate, and the installation of the first electrical car charging stations at the campus in Stadastrasse in Bad Vilbel, Germany, with more electrical car charging stations to be available at other STADA locations in 2022.

## Resource efficiency and waste

**Resource efficiency and responsible waste management provide benefits to both the company and the environment.**

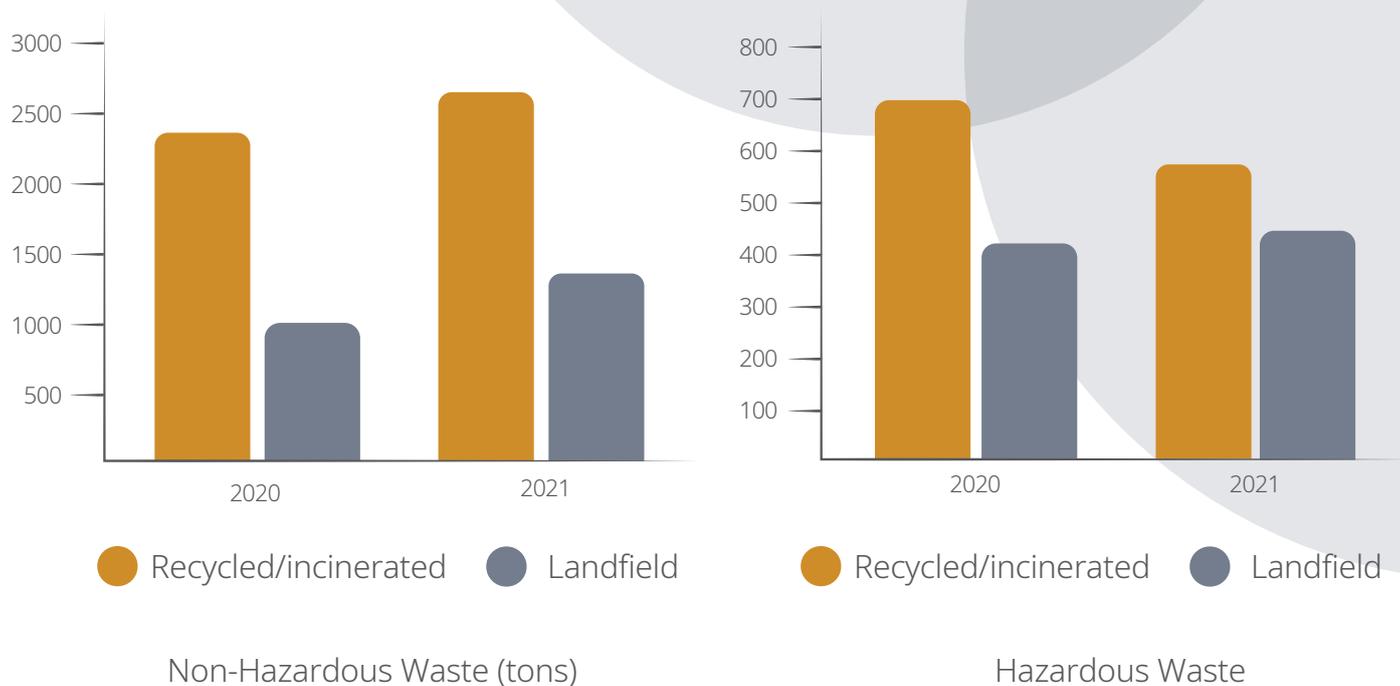
The production processes at STADA's sites involve the manufacture of pharmaceutical bulk ware (mainly tablets) and the subsequent packaging of the finished dosage form into the primary and secondary packaging (mainly blisters for tablets but also other packaging forms). In these manufacturing processes, STADA strives to continuously improve and reduce its environmental impact.

### Waste

Waste management is a part of STADA sites' environmental management processes and is proactively addressed in its internal site HSE programs and certified ISO 14001 management systems.

Beside operational waste minimization, STADA strives to improve the ratio between recycling and landfilling of waste. This is an on-going task because not all of the countries STADA operates in have a well-established waste recycling industry. Where possible, STADA also initiates pilot projects with niche recycling operators to reduce landfilling step-by-step.

Despite local initiatives, STADA's total waste quantities increased by +18% from 2020 to 2021 due to an increase in production volumes but also due to waste generated through construction and investment projects. STADA intends to break this trend. Waste management is therefore an area for improvement:



## Water and Effluents (incl. PiE)<sup>105</sup>

STADA's production sites are supplied by municipal water systems. Only the site in Vršac operates a groundwater well (2021: 9,235 m<sup>3</sup> extracted) in addition. The water consumption across all production sites in 2021 was 1 mill m<sup>3</sup> which is equivalent to the consumption of approx. 21,000 individual consumers in Germany (assuming an average consumption of 125 l per day per person).

The use and availability of fresh water - especially in areas where water is scarce - is a rising challenge in different parts of the world. STADA therefore evaluated its impact on water-stressed areas using the Aqueduct Water Risk Atlas of the World Resources Institute (WRI) with the result that 4% (40,000 m<sup>3</sup>) of its total water consumption originated from sites located in a water-stressed area. STADA will annually evaluate changes in its water consumption and local impact to understand potential changes.

The wastewater effluent from all sites is monitored and controlled at all sites and is discharged in accordance with local regulatory thresholds as indirect discharge into municipal sewer systems. At some sites, wastewater streams are subject to on-site pre-treatment prior to discharge. The units are operated in compliance with local regulations and applicable discharge thresholds. Because the impact that pharmaceuticals have on the environment starts with responsible production, STADA pays attention to this topic at its production sites in order to raise awareness within the supply chain and among end users about the proper disposal of pharmaceuticals whose life cycle has ended.

In order to address the topic of 'Pharmaceutical in the Environment - PiE' and going beyond regulatory requirements, STADA will start to evaluate the impact of discharges of Active Pharmaceutical Ingredient (API), including antibiotics, from its production sites and implement a PiE program in the next years (potential introduction of recycling spots in public places to dispose medicines and boxes after therapy is over).

<sup>105</sup> PiE = Pharmaceuticals in the environment

# STADA in action in connection to the SDG 12: Wild Earth from Natures Aid, a brand that aims to drive innovation

Natures Aid has been manufacturing and supplying nutritional supplements for more than four decades. Established in 1981, Natures Aid has become recognized in the UK as a brand of vitamins, supplements, and herbal products.

Wild Earth from Natures Aid is among specifically designed ranges of vitamins and supplements, aimed at being planet-friendly and eco-friendly. The brand's ambition is to offer a natural solution for consumers seeking a sustainable way to look after themselves.<sup>106</sup>

Developed hand-in-hand with consumers, Wild Earth has been carefully crafted to meet and exceed the expectations of the eco-conscious shopper through ingredients and formulations such as turmeric, magnesium, and organic evening primrose oil.

Recognizing the rapidly growing interest in eco-ethical purchasing, Natures Aid embarked on the Wild Earth project with the goal of leading the way in eco-ethical vitamin, mineral, and supplement (VMS) portfolio, providing a true eco-ethical solution for responsible consumers that put sustainability in focus.

## Driving innovation

Natures Aid has created a fully eco-friendly, recyclable, biodegradable, and compostable packaging solution for Wild Earth.

In the Wild Earth box, consumers will find a real innovation that has the potential to solve a major packaging problem in a sustainable way: the world's first biodegradable blister pack. It was developed together with environmental experts and validated by the Eden Project Research Laboratory. Consumers can dispose of this blister pack in any waste bin as it is biodegradable.

During 2021, Wild Earth partnered with Trees for Cities, the UK charity working with local communities to plant trees in cities.

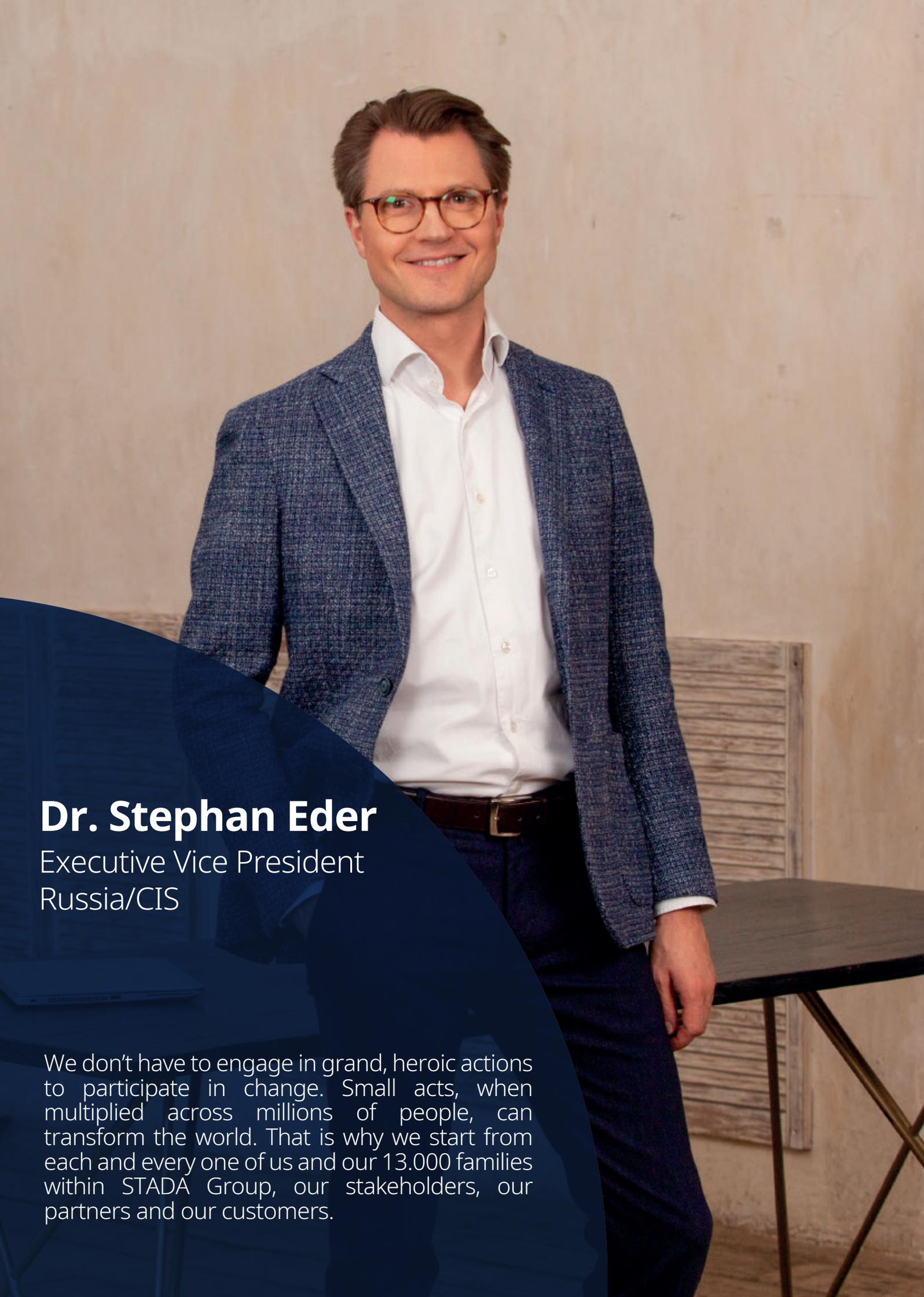
<sup>106</sup> The brand was awarded the Sustainability Project of the Year Award at the Consumer Healthcare Industry (CHI) Awards hosted by OTC Toolbox. It also received a Queen's Award for Enterprise in International Trade in 2021 in recognition of its export network covering more than 50 countries.





SDG 17

# Partnerships for the goals



## **Dr. Stephan Eder**

Executive Vice President  
Russia/CIS

We don't have to engage in grand, heroic actions to participate in change. Small acts, when multiplied across millions of people, can transform the world. That is why we start from each and every one of us and our 13.000 families within STADA Group, our stakeholders, our partners and our customers.

## SDG 17

### **PARTNERSHIP FOR THE GOALS: STADA as a trusted partner**

#### **What this means for STADA:**

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STADA leads active dialog with its stakeholders and initiates new partnerships to meet the SDGs addressed by 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 sustainable aspects of the values presented in this report.<sup>107</sup>

STADA's Code of Conduct, a framework policy intended to provide employees with guidance when it comes to correct behavior in the face of legal and ethical challenges—includes, among other things, rules of conduct for dealing with each other and with third parties, and rules regarding tolerance, respect and discrimination. In addition, the Code of Conduct explicitly states that STADA markets and sells its products in accordance with all relevant rules and regulations and prohibits the use of forced or exploitative child labor in any form whatsoever.

#### **Relevant Material topics**

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Good governance

- Corporate governance
- Corporate culture and values
- Ethical and compliant behaviour

<sup>107</sup> More details presented on page 15

# Corporate governance

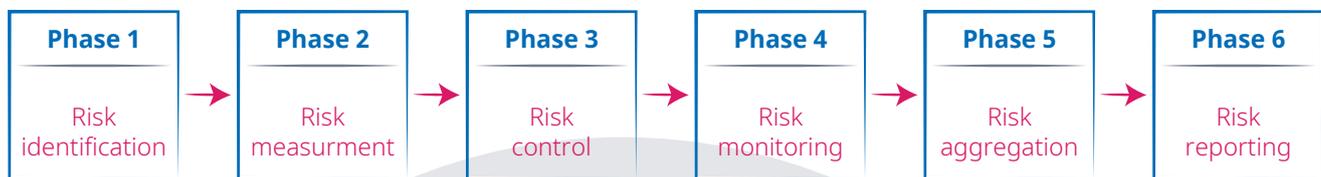
**Sustainable action is based on good corporate governance. It aims to ensure the consistent implementation of all relevant standards. It is also an important instrument for achieving the sustainability goals and KPIs that have been set.**

As an internationally active Group, STADA is subject to a large number of legal framework conditions, compliance with which forms the basis of corporate governance. In addition, the principles of transparent, responsible and value-oriented corporate governance as well as internally agreed regulations such as the Group-wide risk management system, the STADA Code of Conduct, and other group-wide corporate guidelines, form the basis of the STADA Group's actions.

## Risk management system and internal audits

STADA's Group-wide risk management system ensures the systematic and forward-looking handling of non-financial and financial risks.<sup>108</sup> 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, the 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.

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



The Risk Management System is subject<sup>109</sup> to annual internal and external audits.

The internal audit function is an integral element of the corporate governance of STADA and supports the Executive Board as an independent body outside and within daily business operations by evaluating Group-wide internal procedures and processes from an objective perspective and with the necessary distance. The goal is to optimize business processes, reduce costs, realize efficiency increases and achieve internally determined goals by way of improved internal controls.

<sup>108</sup> More details about STADA Risk Management can be found in STADA's Annual Report 2021 / Risk Report, starting on page 67. (<https://www.stada.com/investor-relations/financial-publications/annual-report-2021>)

<sup>109</sup> 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).

## Certifications within STADA's corporate governance

Two important milestones of STADA's corporate governance in 2021 represent successful certifications after external audit of:

- Internal Audit, which represents the "3<sup>rd</sup> line of defense for risk mitigation and avoidance," and
- Corporate Compliance, which represents the "2<sup>nd</sup> line of defense for risk mitigation and avoidance"

The internal audit certification was conducted by KPMG with a score of 97.56% out of 100%. The external assessment scope covered the appropriateness, implementation and effectiveness of the internal audit system. This covers the appropriateness of internal audit guidelines, methods and measures to ensure compliance with the requirements of the International Professional Practices Framework. The internal audit function's set-up and performance is measured by the principles for proper performance of reasonable assurance engagements by the German Institute of public auditors IDW. The key attributes of the internal audit function highlighted in the review were the strong staff structure with multi-dimensional language skills, several internal-audit-specific qualifications and strong professional experience, as well as the high priority of quality management of internal audits with multi-step assurance levels. Implementation of internally specified procedures to execute audits and other types of engagements also proved that STADA's governance is paying the highest possible attention to all aspects of its operations.

The second external audit, initiated by STADA's SEC as a best practice, covered STADA's corporate compliance.



**Broad  
Geographic  
Scope**

**200** Meetings  
**7100** documents,  
over **3.000** hours  
invested by EY

**Focus approach on  
key risk areas:**

- Anti-Bribery/  
Anti-Corruption
- Antitrust,
- Export Control,
- Data protection

- Independent audit of compliance function (design, appropriateness and operating effectiveness) completed by Ernst & Young acc. to German Audit Standard 980 as well as the requirements of ISO 19600 / ISO 37301
- 10 key STADA markets: Germany (incl. global compliance function), Russia, Serbia, Vietnam, UK (T & R), Austria, Belgium, Hungary and MENA.
- Received an "**unqualified audit opinion**".

# Corporate culture and values

## (including respect for human rights)

STADA is an international company and sees it as an advantage to respect the uniqueness and diversity of its employees. To preserve this uniqueness and diversity, STADA's corporate culture is based on four values that apply equally to everyone, wherever they are in the world.

## Corporate culture and values

By their behavior and actions at work and outside of it, STADA employees confirm the values that STADA stands for.<sup>110</sup> The Connect4Values games were launched to promote personal exchange and further entrench the corporate values, and they were a highlight in the reporting year. Here, employees worldwide had the opportunity to register for a virtual game designed and moderated as a joint project by Global HR and Global Communications. In short case studies, cross-functional and cross-national small groups of five to ten participants discussed what courses of action could be inferred from the values for the situation described. Thanks to intensive internal communication, around 5,000 STADA employees from the different subsidiaries took part in the value games.

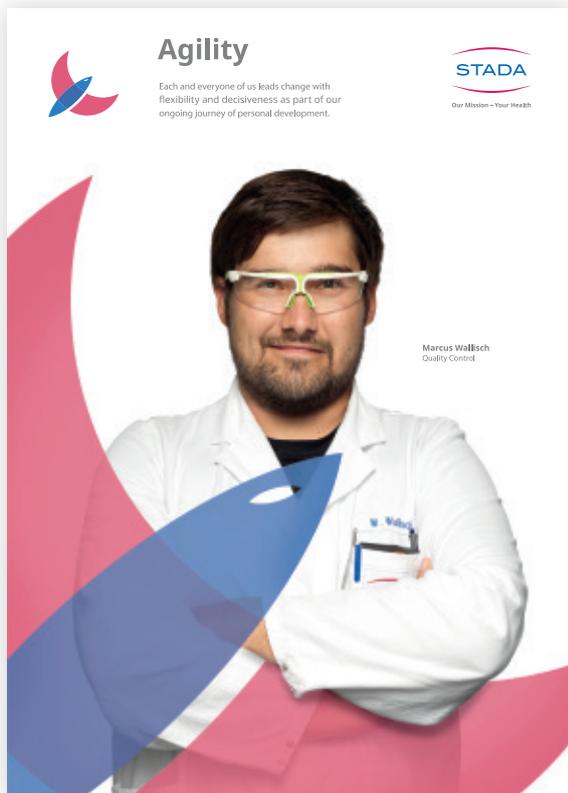


Employees as Values ambassadors worldwide

Promoting networking and the flow of information was also a focus of the expansion of the intranet to include local sites for Spain and the UK. This increased the number of languages available to five, following the launch in English, German, Serbian and Russian two years ago. Another milestone in providing access to internal information with as few barriers as possible was the integration of the intranet into the Microsoft Teams collaboration platform.

To provide better information to STADA employees in production, logistics, laboratories, and the supply chain area, a separate area for all technical operations topics was established within the Global Communication team in the third quarter of 2021. The team develops targeted information formats for employees with no access to a computer workstation and supports the management in the development of messages that convey the overall strategy of the company in an understandable way to the workforce.

The constant flow of information was maintained through four issues of the employee magazine One STADA News, which is published in 13 different languages and with local editions, as well as three global employee meetings. These were broadcast live on the intranet with simultaneous translations into eight different languages. At the country level, there were also local events targeted at employees. For the global leadership team, there were monthly video conferences with the CEO as well as a physical meeting in the fall of 2021, focusing not only on strategic updates but also on corporate culture and STADA's growth journey.



Employees as Values ambassadors worldwide

# Respect for human rights<sup>111</sup>

With its Code of Conduct, STADA reflects the Group's self-image of achieving economic success within the realm of ethical responsibility and the respect for human rights.

STADA was able to agree within an increasing number of new contracts relating to the supply of products that its suppliers will 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 elimination of all forms of compulsory and child labor.

In the reporting year 2021, suppliers were evaluated using questionnaires in the context of a procurement procedure. In addition, in the reporting year it was possible to increasingly agree upon audit rights with suppliers with regard to compliance with corporate social responsibility and international human rights.

## Ethical and compliant behavior

(Employees' behavior, including the code of conduct, policies, standards, guidelines, etc.)

### STADA's Code of Conduct

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 themselves with the content of the Code of Conduct, all employees receive instruction, for example, in the context of an interactive e-learning including practical examples. In order to prevent conflicts of interest in accordance with legal and ethical norms, employees are expected to sign a statement that they are familiar with preventive measures, confirming if there are no conflicts of interest relevant for their job positions or submit a suspicion of a conflict of interest for further analysis.

In the reporting year, one of the priorities was obtaining 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

<sup>111</sup> STADA is preparing for the operational implementation of the requirements from the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz - LkSG), which the Group will be subject to as of January 1, 2024 due to the relevant employee threshold. With this in mind, STADA has established an internal project group that includes representatives from the areas of Legal and Compliance, Sustainability, and Procurement which deals with the implementation of the process specifications and contents of the new legal requirements on an interdisciplinary basis.

control, anti-trust law, and data protection. The audit was concluded with an unqualified audit opinion. For the reporting year 2022, one focus will be on implementing the Group-wide findings and corrective measures from this audit.

In addition, a global policy on whistleblowing was implemented in reporting year 2021 and forms an important component of the corporate compliance system. Its aim is to further strengthen the compliance management system around the Group-wide “speak-up” culture, including openly addressing misconduct.

## Compliance management

In order to ensure compliance with applicable laws and internal rules, STADA implemented a comprehensive compliance management system comprising the main areas of anti-corruption, competition law, export control, anti-money laundering, and data protection.

A key component of the compliance management system at STADA is the corporate compliance office, which acts as an independent and objective advisor. Its function is to protect the company from damage to its financial position and reputation, to safeguard STADA’s management and employees from personal liability, prevent the occurrence of competitive disadvantages, and strengthen the confidence of consumers, patients, contract partners, and public authorities in STADA and its integrity. It advises and consults other departments on all aspects of compliance with data protection regulations and industry codes, presents recommendations on the optimization of intra-Group processes, and regularly conducts exchanges of information with other corporate departments, particularly with Risk Management and Internal Audit (2nd and 3rd line of defense functions). Additionally, an ombudsman is available to employees as well as business partners and other third parties as a neutral and independent contact person for reporting suspicious cases. The ombudsman’s contact details can be accessed on the company’s website at [www.stada.com/compliance](http://www.stada.com/compliance). The ombudsman’s task is to receive confidential information and, with the consent of the information provider or anonymously, to forward it to the compliance office. A decision is then made on how to proceed in each individual case.

In addition to the Corporate Compliance team at Head Office, there are further compliance departments that manage the topic locally in a decentralized manner and act as contact persons on site. They support the corporate compliance office and maintain an intensive dialog with it. There are also more than 30 compliance coordinators at the local subsidiaries, who take on compliance tasks in addition to their original duties, are available as contacts for local compliance tasks and thus contribute to a thorough compliance-related coverage of the Group.

Through a regular review, the existing compliance management system is continuously optimized, and the international exchange among compliance officers is intensified. In 2017, an expanded reporting system from the subsidiaries to the Compliance Office was set up and has since been developed on an ongoing basis. As part of this system, disclosures from subsidiaries regarding individual compliance topics are collected and evaluated in order to derive new optimization measures from them in turn. There is also a regular exchange with Risk Management and Internal Audit, where risks and further optimization to current developments are discussed. Any optimization potentials that are identified will also be shared with the subsidiaries.

# STADA in action in connection to the SDG 17: Preventive health care in focus through partnership

## Post-COVID syndrome: preventive healthcare tips from cardiologists and general practitioners

In 2021, STADA's affiliate in Russia created an advisory board with healthcare experts to exchange scientific expertise on the use of antiplatelet drugs as a prevention of vascular complications after a COVID-19 infection. It involved specialists in the treatment of coronavirus patients with the aim of sharing expert opinions on controversial and ambiguous issues related to the prevention of arterial vascular diseases (heart attacks, strokes, cardiovascular death) with further implementation of this expertise in clinical recommendations.

The board shared its recommendations on post-COVID health prevention with public health care institutions. It was followed by a campaign for doctors, pharmacists, and consumers offering an online self-assessment of post-COVID risk factors with advice on how to improve prevention and full recovery after having COVID.

## Mobile diagnostic services for the community

The STADA Health Report showed that, due to the pandemic, a lot of people had to forego necessary, regular visits to their doctor to monitor chronic diseases.<sup>112</sup> At the same time, COVID aggravates such chronic issues as cardiovascular diseases and diabetes.

In 2021, STADA organized medical examinations for people living in remote areas who had COVID-19 and comorbidities, using the STADA Mobile Diagnostic Complex (SMDC). The SMDC consists of medical offices equipped with medical equipment in a mobile truck. The focus in 2021 was to draw attention to post-COVID syndrome and the importance of medical examination with early detection of medical complications and consequences.<sup>113</sup>

This STADA initiative was supported by the Ministry of Health of the Republic of Karelia, enabling 250 residents of remote areas with limited access to public healthcare services in Medvezhegorsk, Segezha and Belomorsk<sup>114</sup> have undergone in-depth medical examination. In 2022, STADA plans to continue similar projects in different countries to offer people in remote areas the opportunity to undergo an in-depth medical examination.

<sup>112</sup> European average is 10%.

<sup>113</sup> This initiative aimed at improving the health of the general population received the 2021 Russian Pharma Award, an annual award in the field of pharma and medicine.

<sup>114</sup> Remote areas with limited access to public healthcare services were chosen as the focus of this initiative.



## Preventive health education

STADA recently launched the new section “Stories” on its global website in 2021, dedicated to the preventive health education of the general population and to promoting healthy lifestyles and well-being. This specific blog format offers quality pieces of advice on good health divided into three main sections: Health, People, and Research.<sup>115</sup> In 2021, COVID-19 prevention was among the most important topics, as well as post-COVID recovery, especially promoted with a specialized self-assessment test offered online by STADA in Russia. In addition to being present on the global site, STADA, together with its subsidiaries, shares local stories that promote good health and well-being.

<sup>115</sup> <https://www.stada.com/stories>

# STADA's ESG data<sup>116</sup>

STADA's general commitment to the ESG agenda is based on securing access to low cost and affordable medicines globally based on a supply chain that is sustainable in the long-term. Due to the flexibility of its production and commercialization engine, STADA has already adapted its product range to include more sustainable products. Ultimately, STADA treats people as the foundation ensuring diversity and equal opportunity at all levels of the organization. Responsible social and governance factors rely on employee well-being, diversity, HSE, commitments to regulations, transparency, and a move towards more patient-centric business models. The elements that contribute to social sustainability include pricing, market access, R&D practices, and the quality of supply chains (including ethics, labor, health, and safety). STADA SEC's collective knowledge of economic, environmental, and social topics is being developed and enhanced through monthly business reviews (MBRs) while analyzing and planning the implementation of all relevant ESG topics. All critical concerns in this perspective are communicated to the SEC during MBRs. In addition, there are regular meetings of STADA SEC with the investors to share and analyze risks and opportunities relevant to ESG topics as well as to confirm future ESG activities. Depending on the level of impact of each relevant ESG topic it could become a part of STADA's regular risk assessment.<sup>117</sup> STADA aims to transfer its values and principles of leading sustainable business operations to its stakeholders, expecting them to respect all key aspects of the ESG concept. This is done through stakeholder dialog, as well as through common activities directed towards improving the overall impact and footprints.

STADA also made further progress in the area of sustainability in the first half of 2021 through the significant improvement of the Sustainalytics<sup>118</sup> rating. Here, the Group was classified in the "medium risk" category and was thus among the top 12% of pharmaceutical companies.

In reporting year 2021, STADA achieved the following financial results:<sup>119</sup>

Key figures for the Group, adjusted in million EUR	2020	2021	±
<b>Group sales</b>	3,008.2	<b>3,249.5</b>	+8%
Generics	1,303.7	<b>1,326.8</b>	+2%
Consumer Healthcare	1,119.2	<b>1,284.0</b>	+15%
Specialty	585.3	<b>638.7</b>	+9%
<b>EBITDA</b>	714.7	<b>711.1</b>	-1%
<b>EBITDA margin</b>	23.8%	<b>21.9%</b>	-1.9pp

Adjusted for special Items<sup>1</sup> and currency effects<sup>2</sup>

Key figures for the Group, adjusted for special Items <sup>2</sup> . In million EUR	2020	2021	±
<b>Group sales</b>	3,010.3	<b>3,249.5</b>	+8%
Generics	1,304.4	<b>1,326.8</b>	+2%
Consumer Healthcare	1,120.4	<b>1,284.0</b>	+15%
Specialty	585.5	<b>638.7</b>	+9%
<b>EBITDA</b>	688.3	<b>717.8</b>	+4%
<b>EBITDA margin</b>	22.9%	<b>22.1%</b>	-0.8pp

<sup>116</sup> KPIs relevant to 2020 are not a part of this audit (applicable to all the charts and data in this chapter).

<sup>117</sup> More details about STADA Risk Management can be found in this report in the chapter SDG 12/ Risk management system and internal audits, as well as in STADA's Annual Report 2021 / Risk Report, starting on page 67.

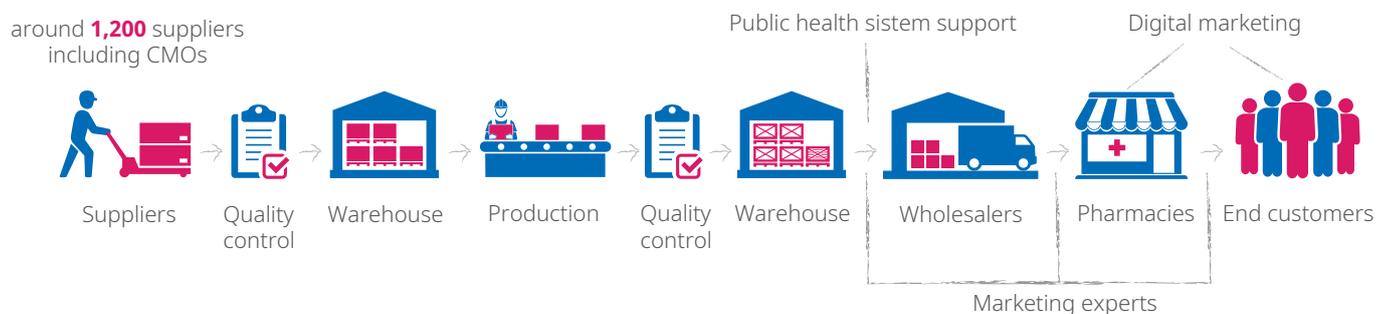
(<https://www.stada.com/investor-relations/financial-publications/annual-report-2021>)

<sup>118</sup> Sustainalytics, a Morningstar Company, provides quality, analytical environmental, social and governance (ESG) research, ratings, and data to institutional investors and companies. More info at [www.sustainalytics.com](http://www.sustainalytics.com)

<sup>119</sup> As presented in STADA's Annual Report 2021 / page 22.

(<https://www.stada.com/investor-relations/financial-publications/annual-report-2021>)

Reported figures for the Group. In million EUR	2020	2021	±
<b>Group sales</b>	3,010.3	<b>3,249.5</b>	+8%
Generics	1,304.4	<b>1,326.8</b>	+2%
Consumer Healthcare	1,120.4	<b>1,284.0</b>	+15%
Specialty	585.5	<b>638.7</b>	+9%
<b>EBITDA</b>	568.2	<b>776.5</b>	+37%
<b>EBITDA margin</b>	18.9%	<b>23.9%</b>	+5.0pp
<b>Gross profit from sales</b>	1,499.9	<b>1,544.0</b>	+3%
<b>Gros margin</b>	49.8%	<b>47.5%</b>	-2.3pp
<b>Cash flow from operating activities</b>	405.9	<b>598.2</b>	+47%
<b>Investments</b>	1,455.1	<b>385.7</b>	-73%
thereof organic	227.9	<b>253.0</b>	+11%
thereof acquisitions	1,227.2	<b>132.7</b>	-89%



Life cycle illustration of STADA's pharmaceutical products

Total production (internal)	2020 <sup>120</sup>	2021
<b>Production (IN MILLIONS OF PACKS)</b>	681	<b>637</b>
<b>Production (IN MILLIONS OF UNITS)</b>	13,032	<b>13,022</b>

**Note:** Pandemics and changes in demand influenced total production of both packs and units. Due to all external factors of influence, STADA continued to optimize its production processes and planning.

<sup>120</sup> Only data for 2021 included in PwC assurance scope

Resources consumption <sup>1</sup>	2020 <sup>121</sup>	2021
<b>Electricity consumption / (MWh)</b>	139,332	<b>137,757</b>
<b>Self produced renewable energy / (MWh)</b>	0	<b>3,168</b>
<b>Fossil fuels and purchased district heating/ (MWh)</b>	172,646	<b>189,889</b>
<b>Total water consumption (m<sup>3</sup>)</b>	954,714	<b>996,969</b>
<b>Water consumption from "high" water stress areas (%)<sup>2</sup></b>	36,561 (4%)	<b>40,154 (4%)</b>
<b>Notes:</b>		
1 Mixed effect in local weather conditions, production procedures and pandemics influenced the consumption of all main resources despite highly optimized production processes.		
2 Sites in Bad Vilbel, Uetersen, and Hannover (Germany) and Miyun (China) are identified as being located in high/extremely high water-stress areas within STADA operations according to the WRI Aqueduct Water Risk Atlas.		

Total energy consumption per pack (internal production)	2020 <sup>122</sup>	2021
<b>MWh / 1 million packs (internal production)</b>	458.1	<b>519.3</b>
<b>Note:</b> Energy consumption per 1 million packs increased due to pandemics that influenced production efficiency and idle time. The calculations were made based on in-house produced packs including transfers of products between production sites and centralized packaging centers.		

GHG emissions / (tCO <sub>2</sub> eq)	2020 <sup>123</sup>	2021
<b>SCOPE 1<sup>1</sup></b>	38,202	<b>38,116</b>
<b>SCOPE 2<sup>2</sup></b>	93,417	<b>76,665</b>
<b>Emissions per 1 mill. packs (internal production)</b>	193.3	<b>180.2</b>
<b>Note:</b>		
1 Scope 1 emissions include production sites / offices based on energy consumption.		
2 Scope 2 emissions include the effect of purchased energy attribute certificates.		
3 Calculations were made based on in-house produced packs including transfers of products between production sites and centralized packaging centers.		

Waste management / disposed of (t)	2020 <sup>124</sup>	2021
<b>Hazardous waste (recycled / not recycled or landfilled)</b>	700 / 419	<b>627 / 446</b>
<b>Non hazardous waste (recycled / not recycled or landfilled)</b>	2,415 / 1,015	<b>2,896 / 1,364</b>

Headcount and safety performance	2020 <sup>125</sup>	2021
<b>FEMALE (%)</b>	57.4	<b>57.5</b>
<b>MALE (%)</b>	42.6	<b>42.5</b>
<b>TOTAL</b>	13,013	<b>13,297</b>
<b>Lost time incident rate (production sites/total)</b>	0.48 / 0.39	<b>0.44 / 0.40</b>
<b>Lost working days</b>	1,020	<b>978</b>
<b>Notes:</b>		
The gender balance is important at all levels within STADA, including top/senior management (52% of females in all management positions). The total number includes production and commercial operations. The increase in the total incident rate was influenced by minor car accidents associated with increased post-covid sales activities. Data presented exclude NIDDA.		

<sup>121</sup> Only data for 2021 included in PwC assurance scope

<sup>122</sup> Only data for 2021 included in PwC assurance scope

<sup>123</sup> Only data for 2021 included in PwC assurance scope

<sup>124</sup> Only data for 2021 included in PwC assurance scope

<sup>125</sup> Only data for 2021 included in PwC assurance scope

Gender / Contract Type	Female	Male	Total	31.12.2021 in HC
Fixed term	925	1,093	2,018	
Permanent	6,740	4,587	11,327	
<b>Total</b>	<b>7,665</b>	<b>5,680</b>	<b>13,345</b>	

Region / Contract Type	CIS	Emerging Markets	European Markets	Germany Headquarter	Germany Local	UK	Total
Fixed term	14	1,070	837	34	40	23	2,018
Permanent	2,629	990	5,265	609	898	936	11,327
<b>Total</b>	<b>2,643</b>	<b>2,060</b>	<b>6,102</b>	<b>643</b>	<b>938</b>	<b>959</b>	<b>13,345</b>

Gender / Contract Type	Female	Male	Total	% Female part-full-time	% Male part-full-time
Absent	566	79	645		
Part time	383	45	428	5%	1%
Full time	6,716	5,556	12,272	95%	99%
<b>Total</b>	<b>7,665</b>	<b>5,680</b>	<b>13,345</b>		

Gender / Contract Type	Female	Male	Total	Notes: The same share of part-time and full-time employees are represented in the absent population
Part time	414	46	459	
Full time	7,251	5,634	12,886	
<b>Total</b>	<b>7,665</b>	<b>5,680</b>	<b>13,345</b>	

**Leaver 2021:** 2,009

**AVG HC 2021:** 13,288

**Fluctuation 2,021:** 15.1%

**Note: Data presented include NIDDA.** Collective bargaining agreements (CBAs) apply for approximately 50% of STADA's employees. Those CBAs have been concluded between the STADA affiliates and their social partners, such as unions or other employee representative bodies. The CBAs are the result of negotiations with the social partners, ensuring fair working conditions for various topics such as wages, working hours, and other terms and conditions of employment.

Portion of agency workers – these kinds of workers are hired only through contractors and suppliers; total number is being tracked per countries not centralized; each worker who enters STADA's sites is covered by mandatory insurance.

All the data considering HR figures has been compiled from the SAP system, including any assumptions made in accordance with STADA's global policies.

Results of use of recycled cardboard for product packaging		
	1t <sup>126</sup>	<b>2021 (1,293.9t)</b>
<b>Electricity savings (MW)</b>	4,200 kW	<b>5,434.4 MW</b>
<b>Water savings (m<sup>3</sup>)</b>	32,000	<b>41,404,800</b>
<b>Preserved trees (pcs.)</b>	17	<b>21,996</b>

<sup>126</sup> Estimations made on the references presented in Hemofarm's Sustainability Report for 2020. (<https://www.hemofarm.com/docs/odrzivi-razvoj/HF%20Izvestaj%20o%20odrzivom%20razvoju%202020.pdf>)

# STADA's ESG OUTLOOK

In 2021, STADA established a global sustainability approach by defining its Sustainability Policy, relevant SDG targets, and a link to the Group's business strategy. After the SEC defined ESG KPIs in order to follow future improvements, a decision was taken to publish the first global STADA Sustainability Report as a starting point of STADA's sustainability journey.

STADA acknowledges that it is just starting its sustainable development journey to integrate sustainability aspects more systematically into its business processes. The Group is aware that it needs to continue that journey by defining areas for improvement from the 2021 starting point, such as:

ESG area	Particular Topic	STADA's Commitments
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.
	Sustainable Products and Packaging	Full implementation of 5R strategy while designing products and packaging: Remove, Reduce, Reuse, Recycle, Refill.
S	Diversity / Gender Equality	Continue to increase the % of women in management positions at all 3 management levels.
	Safety at work	Increase the safety performance and achieve STADA's LTIR Target below 0,35
G	Responsible Procurement	Build and start the roll-out of our responsible procurement approach in 2022 as a basis from which to establish more precise targets
	ESG Data Reporting	Harmonize and improve global ESG data tracking of all relevant parameters
<b>Notes:</b> Commitments are made compared to current status of reference areas and topics presented in this report as well as STADA's Annual Report 2021.		

In 2022, STADA will re-visit and further extend its Sustainability Roadmap by including additional potential topics (i.e., digitalization, rare diseases, etc.) and associated ESG risks within its new materiality assessment. Therefore, STADA plans to invite a wider number of external stakeholders, defined within its stakeholder mapping, to the second cycle of stakeholder dialogue (as it was limited in doing so in the first cycle during post-Covid limitations).



# REPORTING FRAMEWORK

## Reporting Principles

### **MATERIALITY MATRIX**

The starting point for the preparation of this report is the STADA Materiality Matrix (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 impact and significance from the company's standpoint on the horizontal axis, and then plotted according to assessments obtained from stakeholders on the vertical axis.

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. The company also addressed topics that were not among the top-ranked ones, but are considered essential for the overall development of the local communities in which STADA operates, which exceeds basic reporting requirements according to the GRI standard.

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 2021 report involved an active dialog with key stakeholders through workshops and 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.

### **INCLUSIVITY**

One of STADA's sustainability reporting goals is to improve mutual relations and raise the general level of satisfaction with company operations by creating conditions for an efficient dialog with all stakeholders. Apart from the dialog with key stakeholders, STADA strives to respect feedbacks made through its speak-up culture.

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](mailto: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 2021 up through 31 December 2021. Comparative data from previous years are also shown, wherever possible. Financial and economic indicators are taken over from STADA's 2021 financial statements, pertaining to the company's activities at the Group level.

## **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 2021, 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 first sustainability report published by STADA, but not the first one within STADA Group, and it represents an extension of nonfinancial reporting, it is possible to compare data with the previous related 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.

## **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 2021 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, this report was verified by the auditing company PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft.

## Additional disclosures, terms and definitions

In 2021, STADA had no changes in the shareholding structure<sup>127</sup> with regard to the previous year. Also, there were no restatements of information compared to previously published reports or publicly available announcements.

A list of all entities included in the organization's consolidated financial statements is presented in STADA's Annual Report on pages 113–115 (<https://www.stada.com/investor-relations/financial-publications/annual-report-2021>).

The term "management" in this report means top, middle and lower management of the company, also including the highest "governance" bodies: the Chief Executive Officer and the SEC (STADA Executive Committee), which represent a management role that is equal to the Board of Directors. 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.

Economic, environmental, and social topics are being analyzed through regular monthly to quarterly meetings of the Sustainability Reporting Team (executive level) and 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 SEC, who makes the final decision on the activities to be undertaken, including sustainability reporting. The highest governance body's ESG performance is evaluated further in monthly business reviews and reporting on selected KPIs, and is presented to investors and shareholders via a specialized dashboard.

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 20 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.

In 2021, the overall business operations of STADA Arzneimittel AG and STADA Group were in line with applicable legislation. Accordingly, no significant complaints or fines related to company products were recorded. STADA has no reporting limitations, either within the organization or outside of it. Also, with regard to the data presented in the previous reporting cycle (for 2020, nonfinancial reporting), there were no subsequent adjustments of the previously stated figures.<sup>128</sup> In 2021, as in the previous reporting cycles (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.

In 2021, there were no proceedings instituted against the company on the grounds of any type of discrimination or violation of human rights. To date, the company has not had any cases of the employment of minors, or any cases of the violation of labor rights of its employees, on any grounds whatsoever.

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.

No case of a crisis situation that inflicted damage to the company or the environment and local communities was recorded in 2021. Climate change does not significantly affect the company's operations, nor does the company contribute significantly to climate change by performing its activities.<sup>129</sup> No significant negative environmental impacts in the supply chain were recorded to STADA's knowledge in 2021. STADA does not exert a negative impact on the indigenous populations in the communities in which it performs its activities.

In 2021, there were no official fines or restrictions imposed on STADA relating to the packaging and/or labelling<sup>130</sup> of its products, the sale of banned<sup>131</sup> products, marketing communications, the violation of privacy, or the loss of consumer data.

STADA's business operations do not exert a 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.<sup>132</sup>

There were no instances of non-compliance of STADA products with the law in terms of safety and health protection over the course of 2021. No work-related diseases at STADA were recorded in 2021.

STADA is still not tracking globally within its procurement the proportion of spending on local suppliers. Data are available for individual countries and production sites (i.e., in Serbia 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.<sup>133</sup>

<sup>129</sup> Climate change could mainly affect the use of heating or cooling systems within the company's production facilities and business premises, with neither significant risks or opportunities, nor financial implications.

<sup>130</sup> 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.

<sup>131</sup> No products within the STADA portfolio are banned in any markets.

<sup>132</sup> With no IUCN Red List species and national conservation list species with habitats in areas affected by STADA's operations.

<sup>133</sup> 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 relevant chapters of this report).

# GRI Index

Disclosure Number	Disclosure Title	Reporting Requirements	Page(s) / Note(s)
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## GRI 102: Universal Standard: General Disclosures

### Organizational Profile

102-1	Name of the organization	a. Name of the organization.	11
102-2	Activities, brands, products, and services	a. A description of the organization's activities. b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	7-8, 9-10, 11, 57-65, 71-72, 108
102-3	Location of headquarters	a. Location of the organization's headquarters.	11
102-4	Location of operations	a. Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	7-8, 9-10, 11
102-5	Ownership and legal form	a. Nature of ownership and legal form.	11
102-6	Markets served	a. Markets served, including: i. geographic locations where products and services are offered; ii. sectors served; iii. types of customers and beneficiaries.	7-8, 9-10, 11
102-7	Scale of the organization	a. Scale of the organization, including: i. total number of employees; ii. total number of operations; iii. net sales (for private sector organizations) or net revenues (for public sector organizations); iv. total capitalization (for private sector organizations) broken down in terms of debt and equity; v. quantity of products or services provided.	7-8, 9-10, 58, 99-100
102-8	Information on employees and other workers	a. Total number of employees by employment contract (permanent and temporary), by gender. b. Total number of employees by employment contract (permanent and temporary), by region. c. Total number of employees by employment type (full-time and part-time), by gender. d. Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.	7-8, 41-42, 101-102

102-8	Information on employees and other workers	<p>e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries).</p> <p>f. An explanation of how the data have been compiled, including any assumptions made.</p>	7-8, 41-42, 101-102
102-9	Supply chain	a. A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services."	100
102-10	Significant changes to the organization and its supply chain	<p>a. Significant changes to the organization's size, structure, ownership, or supply chain, including:</p> <p>i. Changes in the location of, or changes in, operations, including facility openings, closings, and expansions;</p> <p>ii. Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations);</p> <p>iii. Changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination."</p>	107
102-11	Precautionary Principle or approach	a. Whether and how the organization applies the Precautionary Principle or approach.	/ Precautionary Principle is under review in order to be aligned to the global risk management at STADA and would be included in sustainable development management and sustainability reporting within the upcoming reporting cycles.
102-12	External initiatives	a. A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses.	3, 12, 19
102-13	Membership of associations	a. A list of the main memberships of industry or other associations, and national or international advocacy organizations.	3, 12, 19

### Strategy

102-14	Statement from senior decision-maker	a. A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.	3, 4
102-15	Key impacts, risks, and opportunities	a. A description of key impacts, risks, and opportunities.	25, 91, 92, 103

### Ethics and Integrity

102-16	Values, principles, standards, and norms of behavior	a. A description of the organization's values, principles, standards, and norms of behavior.	13, 14, 17, 18, 93, 94
102-17	Mechanisms for advice and concerns about ethics	<p>a. A description of internal and external mechanisms for:</p> <p>i. seeking advice about ethical and lawful behavior, and organizational integrity;</p> <p>ii. reporting concerns about unethical or unlawful behavior, and organizational integrity."</p>	13, 33, 91, 95-96 Global policies, which are always available to the internal public at all levels via the corporate intranet, define all behaviors, rules and mechanisms related to this specific and related topics.

## Governance

102-18	Governance structure	<ul style="list-style-type: none"> <li>a. Governance structure of the organization, including committees of the highest governance body.</li> <li>b. Committees responsible for decision-making on economic, environmental, and social topics.</li> </ul>	13
102-19	Delegating authority	<ul style="list-style-type: none"> <li>a. Process for delegating authority for economic, environmental, and social topics from the highest governance body to senior executives and other employees.</li> </ul>	3, 13, 23-24, 99, 103
102-20	Executive-level responsibility for economic, environmental, and social topics	<ul style="list-style-type: none"> <li>a. Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental, and social topics.</li> <li>b. Whether post holders report directly to the highest governance body.</li> </ul>	107
102-21	Consulting stakeholders on economic, environmental, and social topics	<ul style="list-style-type: none"> <li>a. Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics.</li> <li>b. If consultation is delegated, describe to whom it is delegated and how the resulting feedback is provided to the highest governance body.</li> </ul>	23-24, 99
102-22	Composition of the highest governance body and its committees	<ul style="list-style-type: none"> <li>a. Composition of the highest governance body and its committees by:                             <ul style="list-style-type: none"> <li>i. executive or non-executive;</li> <li>ii. independence;</li> <li>iii. tenure on the governance body;</li> <li>iv. number of each individual's other significant positions and commitments, and the nature of the commitments;</li> <li>v. gender;</li> <li>vi. membership of under-represented social groups;</li> <li>vii. competencies relating to economic, environmental, and social topics;</li> <li>viii. stakeholder representation.</li> </ul> </li> </ul>	13-14
102-23	Chair of the highest governance body	<ul style="list-style-type: none"> <li>a. Whether the chair of the highest governance body is also an executive officer in the organization.</li> <li>b. If the chair is also an executive officer, describe his or her function within the organization's management and the reasons for this arrangement."</li> </ul>	13-14
102-24	Nominating and selecting the highest governance body	<ul style="list-style-type: none"> <li>a. Nomination and selection processes for the highest governance body and its committees.</li> <li>b. Criteria used for nominating and selecting highest governance body members, including whether and how:                             <ul style="list-style-type: none"> <li>i. stakeholders (including shareholders) are involved;</li> <li>ii. diversity is considered;</li> <li>iii. independence is considered;</li> <li>iv. expertise and experience relating to economic, environmental, and social topics are considered.</li> </ul> </li> </ul>	13-14, 41
102-25	Conflicts of interest	<ul style="list-style-type: none"> <li>a. Processes for the highest governance body to ensure conflicts of interest are avoided and managed.</li> <li>b. Whether conflicts of interest are disclosed to stakeholders, including, as a minimum:                             <ul style="list-style-type: none"> <li>i. Cross-board membership;</li> <li>ii. Cross-shareholding with suppliers and other stakeholders;</li> </ul> </li> </ul>	/

102-25	Conflicts of interest	iii. Existence of controlling shareholder; iv. Related party disclosures.	/
102-26	Role of highest governance body in setting purpose, values, and strategy	a. Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics.	13
102-27	Collective knowledge of highest governance body	a. Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental, and social topics.	99, 107
102-28	Evaluating the highest governance body's performance	a. Processes for evaluating the highest governance body's performance with respect to governance of economic, environmental, and social topics. b. Whether such evaluation is independent or not, and its frequency. c. Whether such evaluation is a self-assessment. d. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental, and social topics, including, as a minimum, changes in membership and organizational practice.	/
102-29	Identifying and managing economic, environmental, and social impacts	a. Highest governance body's role in identifying and managing economic, environmental, and social topics and their impacts, risks, and opportunities – including its role in the implementation of due diligence processes. b. Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental, and social topics and their impacts, risks, and opportunities.	/ This would be elaborated in more details in the upcoming reports as it was addressed in STADA's ESG OUTLOOK (page 103)
102-30	Effectiveness of risk management processes	a. Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental, and social topics.	/
102-31	Review of economic, environmental, and social topics	a. Frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities.	107
102-32	Highest governance body's role in sustainability reporting	a. The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material topics are covered.	107
102-33	Communicating critical concerns	a. Process for communicating critical concerns to the highest governance body.	107-109
102-34	Nature and total number of critical concerns	a. Total number and nature of critical concerns that were communicated to the highest governance body. b. Mechanism(s) used to address and resolve critical concerns.	/

102-35	Remuneration policies	<ul style="list-style-type: none"> <li>a. Remuneration policies for the highest governance body and senior executives for the following types of remuneration: <ul style="list-style-type: none"> <li>i. Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares;</li> <li>ii. Sign-on bonuses or recruitment incentive payments;</li> <li>iii. Termination payments;</li> <li>iv. Clawbacks;</li> <li>v. Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.</li> </ul> </li> <li>b. How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics."</li> </ul>	<p style="text-align: center;">/</p> <p>The data is currently not publicly available in accordance with applicable corporate procedures and rules.</p>
102-36	Process for determining remuneration	<ul style="list-style-type: none"> <li>a. Process for determining remuneration.</li> <li>b. Whether remuneration consultants are involved in determining remuneration and whether they are independent of management.</li> <li>c. Any other relationships that the remuneration consultants have with the organization.</li> </ul>	<p style="text-align: center;">/</p> <p>The data is currently not publicly available in accordance with applicable corporate procedures and rules.</p>
102-37	Stakeholders' involvement in remuneration	<ul style="list-style-type: none"> <li>a. How stakeholders' views are sought and taken into account regarding remuneration.</li> <li>b. If applicable, the results of votes on remuneration policies and proposals.</li> </ul>	47
102-38	Annual total compensation ratio	<ul style="list-style-type: none"> <li>a. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.</li> </ul>	<p style="text-align: center;">/</p> <p>The data is currently not publicly available in accordance with applicable corporate procedures and rules.</p>
102-39	Percentage increase in annual total compensation ratio	<ul style="list-style-type: none"> <li>a. Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.</li> </ul>	<p style="text-align: center;">/</p> <p>The data is currently not publicly available in accordance with applicable corporate procedures and rules.</p>

### Stakeholder engagement

102-40	List of stakeholder groups	<ul style="list-style-type: none"> <li>a. A list of stakeholder groups engaged by the organization.</li> </ul>	24
102-41	Collective bargaining agreements	<ul style="list-style-type: none"> <li>a. Percentage of total employees covered by collective bargaining agreements.</li> </ul>	47, 102
102-42	Identifying and selecting stakeholders	<ul style="list-style-type: none"> <li>a. The basis for identifying and selecting stakeholders with whom to engage.</li> </ul>	23-24
102-43	Approach to stakeholder engagement	<ul style="list-style-type: none"> <li>a. The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.</li> </ul>	23-24

102-44	Key topics and concerns raised	<ul style="list-style-type: none"> <li>a. Key topics and concerns that have been raised through stakeholder engagement, including: <ul style="list-style-type: none"> <li>i. how the organization has responded to those key topics and concerns, including through its reporting;</li> <li>ii. the stakeholder groups that raised each of the key topics and concerns.</li> </ul> </li> </ul>	23-26
Reporting practice			
102-45	Entities included in the consolidated financial statements	<ul style="list-style-type: none"> <li>a. A list of all entities included in the organization's consolidated financial statements or equivalent documents.</li> <li>b. Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.</li> </ul>	107
102-46	Defining report content and topic Boundaries	<ul style="list-style-type: none"> <li>a. An explanation of the process for defining the report content and the topic Boundaries.</li> <li>b. An explanation of how the organization has implemented the Reporting Principles for defining report content.</li> </ul>	23-26
102-47	List of material topics	<ul style="list-style-type: none"> <li>a. A list of the material topics identified in the process for defining report content.</li> </ul>	26
102-48	Restatements of information	<ul style="list-style-type: none"> <li>a. The effect of any restatements of information given in previous reports, and the reasons for such restatements.</li> </ul>	107
102-49	Changes in reporting	<ul style="list-style-type: none"> <li>a. Significant changes from previous reporting periods in the list of material topics and topic Boundaries.</li> </ul>	107
102-50	Reporting period	<ul style="list-style-type: none"> <li>a. Reporting period for the information provided.</li> </ul>	2
102-51	Date of most recent report	<ul style="list-style-type: none"> <li>a. If applicable, the date of the most recent previous report.</li> </ul>	107
102-52	Reporting cycle	<ul style="list-style-type: none"> <li>a. Reporting cycle.</li> </ul>	2
102-53	Contact point for questions regarding the report	<ul style="list-style-type: none"> <li>a. The contact point for questions regarding the report or its contents.</li> </ul>	back cover page
102-54	Claims of reporting in accordance with the GRI Standards	<ul style="list-style-type: none"> <li>a. The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either: <ul style="list-style-type: none"> <li>i. 'This report has been prepared in accordance with the GRI Standards: Core option';</li> <li>ii. 'This report has been prepared in accordance with the GRI Standards: Comprehensive option'.</li> </ul> </li> </ul>	2
102-55	GRI content index	<ul style="list-style-type: none"> <li>a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report.</li> <li>b. For each disclosure, the content index shall include: <ul style="list-style-type: none"> <li>i. the number of the disclosure (for disclosures covered by the GRI Standards);</li> </ul> </li> </ul>	111

102-55	GRI content index	<ul style="list-style-type: none"> <li>ii. the page number(s) or URL(s) where the information can be found, either within the report or in other published materials;</li> <li>iii. if applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.</li> </ul>	111
102-56	External assurance	<ul style="list-style-type: none"> <li>a. A description of the organization's policy and current practice with regard to seeking external assurance for the report.</li> <li>b. If the report has been externally assured: <ul style="list-style-type: none"> <li>i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process;</li> <li>ii. The relationship between the organization and the assurance provider;</li> <li>iii. Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report.</li> </ul> </li> </ul>	139-140

GRI 200: Topic-specific Standard: Economic

GRI 201: Economic Performance

201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>a. Direct economic value generated and distributed (EVG&amp;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: <ul style="list-style-type: none"> <li>i. Direct economic value generated: revenues;</li> <li>ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;</li> <li>iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.</li> </ul> </li> <li>b. Where significant, report EVG&amp;D separately at country, regional, or market levels, and the criteria used for defining significance.</li> </ul>	7-8, 99-100 More information on financial assets presented withn STADA's Annual Report 2021
201-2	Financial implications and other risks and opportunities due to climate change	<ul style="list-style-type: none"> <li>a. Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including: <ul style="list-style-type: none"> <li>i. a description of the risk or opportunity and its classification as either physical, regulatory, or other;</li> <li>ii. a description of the impact associated with the risk or opportunity;</li> <li>iii. the financial implications of the risk or opportunity before action is taken;</li> <li>iv. the methods used to manage the risk or opportunity;</li> <li>v. the costs of actions taken to manage the risk or opportunity.</li> </ul> </li> </ul>	79, 108

201-3	Defined benefit plan obligations and other retirement plans	<ul style="list-style-type: none"> <li>a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities.</li> <li>b. If a separate fund exists to pay the plan's pension liabilities: <ul style="list-style-type: none"> <li>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;</li> <li>ii. the basis on which that estimate has been arrived at;</li> <li>iii. when that estimate was made.</li> </ul> </li> <li>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.</li> <li>d. Percentage of salary contributed by employee or employer.</li> <li>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.</li> </ul>	41 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
201-4	Financial assistance received from government	<ul style="list-style-type: none"> <li>a. Total monetary value of financial assistance received by the organization from any government during the reporting period, including: <ul style="list-style-type: none"> <li>i. tax relief and tax credits;</li> <li>ii. subsidies;</li> <li>iii. investment grants, research and development grants, and other relevant types of grant;</li> <li>iv. awards;</li> <li>v. royalty holidays;</li> <li>vi. financial assistance from Export Credit Agencies (ECAs);</li> <li>vii. financial incentives;</li> <li>viii. other financial benefits received or receivable from any government for any operation.</li> </ul> </li> <li>b. The information in 201-4-a by country.</li> <li>c. Whether, and the extent to which, any government is present in the shareholding structure.</li> </ul>	/ No Group wide global data tracking on this topic has been established yet.
GRI 202: Market Presence			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> <li>d. The definition used for 'significant locations of operation'.</li> </ul>	107

202-2	Proportion of senior management hired from the local community	<ul style="list-style-type: none"> <li>a. Percentage of senior management at significant locations of operation that are hired from the local community.</li> <li>b. The definition used for 'senior management'.</li> <li>c. The organization's geographical definition of 'local'.</li> <li>d. The definition used for 'significant locations of operation'.</li> </ul>	41, 109
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#### GRI 203: Indirect Economic Impacts

203-1	Infrastructure investments and services supported	<ul style="list-style-type: none"> <li>a. Extent of development of significant infrastructure investments and services supported.</li> <li>b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant.</li> <li>c. Whether these investments and services are commercial, in-kind, or pro bono engagements.</li> </ul>	8, 66, 81
203-2	Significant indirect economic impacts	<ul style="list-style-type: none"> <li>a. Extent of development of significant infrastructure investments and services supported.</li> <li>b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant.</li> <li>c. Whether these investments and services are commercial, in-kind, or pro bono engagements.</li> </ul>	33-34, 51-52, 97-98 Support to local community development includes in-kind and pro-bono engagements.

#### GRI 204: Procurement Practices

204-1	Proportion of spending on local suppliers	<ul style="list-style-type: none"> <li>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).</li> <li>b. The organization's geographical definition of 'local'.</li> <li>c. The definition used for 'significant locations of operation'.</li> </ul>	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. Some local examples are presented within this report.
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#### GRI 205: Anti-corruption

205-1	Operations assessed for risks related to corruption	<ul style="list-style-type: none"> <li>a. Total number and percentage of operations assessed for risks related to corruption.</li> <li>b. Significant risks related to corruption identified through the risk assessment.</li> </ul>	108 a. All operations are in the scope of STADA's compliance management system (including STADA's global Anti-Bribery and Anti-Corruption Policy, and subject to internal audits). Whistleblowing Policy enables employees to submit any suspicion of a corruption case. b. No risks related to corruption were identified in STADA in 2021.
205-2	Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none"> <li>a. Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region.</li> <li>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.</li> <li>c. Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region.</li> </ul>	/

205-2	Communication and training about anti-corruption policies and procedures	<p>Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations.</p> <p>d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.</p> <p>e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.</p>	/
205-3	Confirmed incidents of corruption and actions taken	<p>a. Total number and nature of confirmed incidents of corruption.</p> <p>b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.</p> <p>c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.</p> <p>d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.</p>	/

GRI 206: Anti-competitive Behavior

206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<p>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.</p> <p>b. Main outcomes of completed legal actions, including any decisions or judgments."</p>	<p>/</p> <p>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.</p>
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GRI 207: Tax

207-1	Approach to tax	<p>The reporting organization shall report the following information:</p> <p>a. A description of the approach to tax, including:</p> <ol style="list-style-type: none"> <li>whether the organization has a tax strategy and, if so, a link to this strategy if publicly available;</li> <li>the governance body or executive-level position within the organization that formally reviews and approves the tax strategy, and the frequency of this review;</li> <li>the approach to regulatory compliance;</li> <li>how the approach to tax is linked to the business and sustainable development strategies of the organization.</li> </ol>	/
207-2	Tax governance, control, and risk management	<p>The reporting organization shall report the following information:</p> <p>a. A description of the tax governance and control framework, including:</p> <ol style="list-style-type: none"> <li>the governance body or executive-level position within the organization accountable for compliance with the tax strategy;</li> <li>how the approach to tax is embedded within the organization;</li> <li>the approach to tax risks, including how risks are identified, managed, and monitored;</li> <li>how compliance with the tax governance and control framework is evaluated.</li> </ol> <p>b. A description of the mechanisms for reporting concerns about unethical or unlawful behavior and the organization's integrity in relation to tax.</p> <p>c. A description of the assurance process for disclosures on tax and, if applicable, a reference to the assurance report, statement, or opinion.</p>	/

207-3	Stakeholder engagement and management of concerns related to tax	<p>The reporting organization shall report the following information:</p> <p>a. A description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including:</p> <p>i. the approach to engagement with tax authorities;</p> <p>ii. the approach to public policy advocacy on tax;</p> <p>iii. the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders.</p>	/
207-4	Country-by-country reporting	<p>The reporting organization shall report the following information:</p> <p>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.</p> <p>b. For each tax jurisdiction reported in Disclosure 207-4-a:</p> <p>i. Names of the resident entities;</p> <p>ii. Primary activities of the organization;</p> <p>iii. Number of employees, and the basis of calculation of this number;</p> <p>iv. Revenues from third-party sales;</p> <p>v. Revenues from intra-group transactions with other tax jurisdictions;</p> <p>vi. Profit/loss before tax;</p> <p>vii. Tangible assets other than cash and cash equivalents;</p> <p>viii. Corporate income tax paid on a cash basis;</p> <p>ix. Corporate income tax accrued on profit/loss;</p> <p>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.</p> <p>c. The time period covered by the information reported in Disclosure 207-4.</p>	/

GRI 300: Topic-specific Standard: Environmental

GRI 301: Materials

301-1	Materials used by weight or volume	<p>a. 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:</p> <p>i. non-renewable materials used;</p> <p>ii. renewable materials used.</p>	67
301-2	Recycled input materials used	<p>a. Percentage of recycled input materials used to manufacture the organization's primary products and services.</p>	67
301-3	Reclaimed products and their packaging materials	<p>a. Percentage of reclaimed products and their packaging materials for each product category.</p> <p>b. How the data for this disclosure have been collected.</p>	<p>/</p> <p>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.</p>

GRI 302: Energy

<p>302-1</p>	<p>Energy consumption within the organization</p>	<ul style="list-style-type: none"> <li>a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.</li> <li>b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.</li> <li>c. In joules, watt-hours or multiples, the total:             <ul style="list-style-type: none"> <li>i. electricity consumption</li> <li>ii. heating consumption</li> <li>iii. cooling consumption</li> <li>iv. steam consumption</li> </ul> </li> <li>d. In joules, watt-hours or multiples, the total:             <ul style="list-style-type: none"> <li>i. electricity sold</li> <li>ii. heating sold</li> <li>iii. cooling sold</li> <li>iv. steam sold</li> </ul> </li> <li>e. Total energy consumption within the organization, in joules or multiples.</li> <li>f. Standards, methodologies, assumptions, and/or calculation tools used.</li> <li>g. Source of the conversion factors used.</li> </ul>	<p>80-83, 102            c. STADA is collecting energy consumption for fossil sources (incl. purchased steam) which is used mainly for heating purposed and electricity; 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. Energy consumption data is based on meter readings and applicable heating value. Source for heating value is GHG Protocol.</p>
<p>302-2</p>	<p>Energy consumption outside of the organization</p>	<ul style="list-style-type: none"> <li>a. Energy consumption outside of the organization, in joules or multiples.</li> <li>b. Standards, methodologies, assumptions, and/or calculation tools used.</li> <li>c. Source of the conversion factors used.</li> </ul>	<p>80-83, 102</p>
<p>302-3</p>	<p>Energy intensity</p>	<ul style="list-style-type: none"> <li>a. Energy intensity ratio for the organization.</li> <li>b. Organization-specific metric (the denominator) chosen to calculate the ratio.</li> <li>c. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all.</li> <li>d. Whether the ratio uses energy consumption within the organization, outside of it, or both.</li> </ul>	<p>80-83, 102            a. STADA Energy Intensity in MWh / € Net Revenue is 0.1 MWh / € Net revenue.            b. The denominator is the Net revenue of STADA group and            c. energy included covers fossil fuel and electricity consumption from direct STADA operations.            d. STADA Energy Intensity in MWh / Net Revenue is used external reporting. Internal Energy Intensity KPI related to production volume.</p>
<p>302-4</p>	<p>Reduction of energy consumption</p>	<ul style="list-style-type: none"> <li>a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.</li> <li>b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.</li> <li>c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</li> <li>d. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	<p>80-83, 102            a./b. Data from significant energy efficiency projects are reported and consolidated globally. By implementing several measures in 2021 an energy reduction of ~ 800,000 kWh/year energy (electricity and fossil fuel) was achieved. c. / d. Energy reduction potential is estimated as part of business case calculation.</p>

302-5	Reductions in energy requirements of products and services	<ul style="list-style-type: none"> <li>a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples.</li> <li>b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</li> <li>c. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	/ Not relevant for STADA product portfolio.
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GRI 303: Water and Effluents

303-1	Interactions with water as a shared resource	<ul style="list-style-type: none"> <li>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).</li> <li>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.</li> <li>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.</li> <li>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.</li> </ul>	<p>84, 102</p> <ul style="list-style-type: none"> <li>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 one groundwater well operated at our site is Vrsac, Serbia site.</li> <li>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 using the WRI Aqueduct Water Risk Atlas. Only our site in Miyun (Beijing area, China) is located in a 'extremely high' water stress area. The site's water consumption of 11.000 m<sup>3</sup> in 2021 has no impact on the Beijing basin water stress situation.</li> <li>c. / d. MBR meetings are relevant for addressing water-related impacts and align them with stakeholders' requirements and public policies.</li> </ul>
303-2	Management of water discharge-related impacts	<ul style="list-style-type: none"> <li>a. A description of any minimum standards set for the quality of effluent discharge, and how these minimum standards were determined, including: <ul style="list-style-type: none"> <li>i. how standards for facilities operating in locations with no local discharge requirements were determined;</li> <li>ii. any internally developed water quality standards or guidelines;</li> <li>iii. any sector-specific standards considered;</li> <li>iv. whether the profile of the receiving waterbody was considered."</li> </ul> </li> </ul>	<p>84</p> <ul style="list-style-type: none"> <li>i. All production sites are subject to in-direct discharge permits which specify applicable discharge thresholds for physical and chemical parameters as well as monitoring requirements.</li> <li>ii. There are no specific internally developed water quality standards or guidelines.</li> <li>iii. There are no sector specific standards.</li> <li>iv. The profile of the receiving waterbody was not considered due to due to water consumption that is not significant</li> </ul>
303-3	Water withdrawal	<ul style="list-style-type: none"> <li>a. Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable: <ul style="list-style-type: none"> <li>i. Surface water;</li> <li>ii. Groundwater;</li> <li>iii. Seawater;</li> <li>iv. Produced water;</li> <li>v. Third-party water.</li> </ul> </li> <li>b. Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable: <ul style="list-style-type: none"> <li>i. Surface water;</li> <li>ii. Groundwater;</li> <li>iii. Seawater;</li> </ul> </li> </ul>	<p>84</p> <ul style="list-style-type: none"> <li>a. Total water consumption in 2021 was 993.700 m<sup>3</sup> out of which 984.500 m<sup>3</sup> (99%) were sourced by third-party water and 9.200 m<sup>3</sup> (1%) from groundwater.</li> <li>b. The following data is not being tracked and reported</li> <li>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:</li> </ul>

303-3	Water withdrawal	<ul style="list-style-type: none"> <li>iv. Produced water;</li> <li>v. Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv.</li> <li>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: <ul style="list-style-type: none"> <li>i. Freshwater (<math>\leq 1,000</math> mg/L Total Dissolved Solids);</li> <li>ii. Other water (<math>&gt; 1,000</math> mg/L Total Dissolved Solids).</li> </ul> </li> <li>d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</li> </ul>	<p>84</p> <ul style="list-style-type: none"> <li>i. Freshwater (<math>\leq 1,000</math> mg/L Total Dissolved Solids);</li> <li>ii. Other water (<math>&gt; 1,000</math> mg/L Total Dissolved Solids).</li> <li>d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</li> </ul>
303-4	Water discharge	<ul style="list-style-type: none"> <li>a. Total water discharge to all areas in megaliters, and a breakdown of this total by the following types of destination, if applicable: <ul style="list-style-type: none"> <li>i. Surface water;</li> <li>ii. Groundwater;</li> <li>iii. Seawater;</li> <li>iv. Third-party water, and the volume of this total sent for use to other organizations, if applicable.</li> </ul> </li> <li>b. A breakdown of total water discharge to all areas in megaliters by the following categories: <ul style="list-style-type: none"> <li>i. Freshwater (<math>\leq 1,000</math> mg/L Total Dissolved Solids);</li> <li>ii. Other water (<math>&gt; 1,000</math> mg/L Total Dissolved Solids).</li> </ul> </li> <li>c. Total water discharge to all areas with water stress in megaliters, and a breakdown of this total by the following categories: <ul style="list-style-type: none"> <li>i. Freshwater (<math>\leq 1,000</math> mg/L Total Dissolved Solids);</li> <li>ii. Other water (<math>&gt; 1,000</math> mg/L Total Dissolved Solids).</li> </ul> </li> <li>d. Priority substances of concern for which discharges are treated, including: <ul style="list-style-type: none"> <li>i. how priority substances of concern were defined, and any international standard, authoritative list, or criteria used;</li> <li>ii. the approach for setting discharge limits for priority substances of concern;</li> <li>iii. number of incidents of non-compliance with discharge limits.</li> </ul> </li> <li>e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</li> </ul>	<p>84</p> <ul style="list-style-type: none"> <li>a-c. The following data is not being tracked and reported</li> <li>d. Priority substances of concern for which discharges are treated, including: <ul style="list-style-type: none"> <li>i. how priority substances of concern were defined, and any international standard, authoritative list, or criteria used;</li> <li>ii. the approach for setting discharge limits for priority substances of concern;</li> <li>iii. number of incidents of non-compliance with discharge limits.</li> </ul> </li> <li>e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</li> </ul>
303-5	Water consumption	<ul style="list-style-type: none"> <li>a. Total water consumption from all areas in megaliters.</li> <li>b. Total water consumption from all areas with water stress in megaliters.</li> <li>c. Change in water storage in megaliters, if water storage has been identified as having a significant water-related impact.</li> <li>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.</li> </ul>	<p>84, 102</p> <ul style="list-style-type: none"> <li>a. Total water consumption in 2021 from all production sites was 993,700 m<sup>3</sup>.</li> <li>b. Total water consumption from water stress areas (WRI Aqueduct Water Risk Atlas): Water Stress – High: 29,150 m<sup>3</sup> (STADA sites located in Bad Vilbel, Uetersen, Hannover) Water Stress – Extremely High: 11,000 m<sup>3</sup> (STADA site located in Miyun, China) c. no changes recorded d) no sector-specific factor”</li> </ul>

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	<ul style="list-style-type: none"> <li>a. 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:               <ul style="list-style-type: none"> <li>i. Geographic location;</li> <li>ii. Subsurface and underground land that may be owned, leased, or managed by the organization;</li> <li>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;</li> <li>iv. Type of operation (office, manufacturing or production, or extractive);</li> <li>v. Size of operational site in km<sup>2</sup> (or another unit, if appropriate);</li> <li>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);</li> <li>vii. Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).</li> </ul> </li> </ul>	/
304-2	Significant impacts of activities, products, and services on biodiversity	<ul style="list-style-type: none"> <li>a. Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:               <ul style="list-style-type: none"> <li>i. Construction or use of manufacturing plants, mines, and transport infrastructure;</li> <li>ii. Pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources);</li> <li>iii. Introduction of invasive species, pests, and pathogens;</li> <li>iv. Reduction of species;</li> <li>v. Habitat conversion;</li> <li>vi. Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level).</li> </ul> </li> <li>b. Significant direct and indirect positive and negative impacts with reference to the following:               <ul style="list-style-type: none"> <li>i. Species affected;</li> <li>ii. Extent of areas impacted;</li> <li>iii. Duration of impacts;</li> <li>iv. Reversibility or irreversibility of the impacts.</li> </ul> </li> </ul>	108 No Group wide global data tracking considering this topic has been established yet (only separate country biodiversity impact studies executed).
304-3	Habitats protected or restored	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>c. Status of each area based on its condition at the close of the reporting period.</li> <li>d. Standards, methodologies, and assumptions used.</li> </ul>	108

304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	<ul style="list-style-type: none"> <li>a. 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: <ul style="list-style-type: none"> <li>i. Critically endangered</li> <li>ii. Endangered</li> <li>iii. Vulnerable</li> <li>iv. Near threatened</li> <li>v. Least concern</li> </ul> </li> </ul>	108
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GRI 305: Emissions

305-1	Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> <li>a. Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent.</li> <li>b. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</li> <li>c. Biogenic CO2 emissions in metric tons of CO2 equivalent.</li> <li>d. Base year for the calculation, if applicable, including: <ul style="list-style-type: none"> <li>i. the rationale for choosing it;</li> <li>ii. emissions in the base year;</li> <li>iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.</li> </ul> </li> <li>e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</li> <li>f. Consolidation approach for emissions; whether equity share, financial control, or operational control.</li> <li>g. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	<p>80-81, 101</p> <ul style="list-style-type: none"> <li>b. CO2 gases included from fossil fuel consumption</li> <li>c. Not applicable because no direct biogenic CO2 emissions present</li> <li>f. Consolidation approach based on 'operational control'</li> <li>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)</li> </ul>
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305-2	Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> <li>a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent.</li> <li>b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent.</li> <li>c. If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</li> <li>d. Base year for the calculation, if applicable, including: <ul style="list-style-type: none"> <li>i. the rationale for choosing it;</li> <li>ii. emissions in the base year;</li> <li>iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.</li> </ul> </li> <li>e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</li> <li>f. Consolidation approach for emissions; whether equity share, financial control, or operational control.</li> <li>g. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	<p>80-81, 101</p> <ul style="list-style-type: none"> <li>c. Scope 2 emissions include CO2 emissions from purchased electricity applying market-based electricity emission factors;</li> <li>e. Emission factors used for all countries except UK and Germany either country emission factors published by IEA or from country governmental organization;</li> <li>f. Consolidation approach based on 'operational control';</li> <li>g) Data based on electricity consumption from measured data or estimated data for offices (using average electricity consumption values for offices based on size) when no measured data was available.</li> </ul>
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305-3	Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> <li>a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO2 equivalent.</li> <li>b. If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</li> <li>c. Biogenic CO2 emissions in metric tons of CO2 equivalent.</li> <li>d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.</li> <li>e. Base year for the calculation, if applicable, including: <ul style="list-style-type: none"> <li>i. the rationale for choosing it;</li> <li>ii. emissions in the base year;</li> <li>iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.</li> </ul> </li> <li>f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</li> <li>g. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	/ STADA is not calculating Scope 3 emissions yet.
305-4	GHG emissions intensity	<ul style="list-style-type: none"> <li>a. GHG emissions intensity ratio for the organization.</li> <li>b. Organization-specific metric (the denominator) chosen to calculate the ratio.</li> <li>c. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).</li> <li>d. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</li> </ul>	80-81, 101 a. GHG emissions intensity ratio for the organization is provided in the ESG data table b. GHG emission intensity calculated per 1 mill packs of products produced in-house c. GHG emission intensity includes Scope 1 and 2 emissions d. GHG emissions include CO2 from Scope 1 or Scope 2 emissions
305-5	Reduction of GHG emissions	<ul style="list-style-type: none"> <li>a. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO2 equivalent.</li> <li>b. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</li> <li>c. Base year or baseline, including the rationale for choosing it.</li> <li>d. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).</li> <li>e. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	80-81, 101 b. Gases included in GHG emission reduction is CO2 emissions from scope 1 and 2 emissions d. GHG reduction initiatives include scope 1 and 2 emissions e. Reported GHG reduction emissions from photovoltaic installation is based on measured kWh electricity produced and the country electricity emission factor
305-6	Emissions of ozone-depleting substances (ODS)	<ul style="list-style-type: none"> <li>a. Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent.</li> <li>b. Substances included in the calculation.</li> <li>c. Source of the emission factors used.</li> <li>d. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	/
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	<ul style="list-style-type: none"> <li>a. Significant air emissions, in kilograms or multiples, for each of the following: <ul style="list-style-type: none"> <li>i. NOX</li> <li>ii. SOX</li> <li>iii. Persistent organic pollutants (POP)</li> <li>iv. Volatile organic compounds (VOC)</li> <li>v. Hazardous air pollutants (HAP)</li> <li>vi. Particulate matter (PM)</li> <li>vii. Other standard categories of air emissions identified in relevant regulations</li> </ul> </li> <li>b. Source of the emission factors used.</li> <li>c. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	/

GRI 306: Waste

306-1	Waste generation and significant waste-related impacts	<p>a. For the organization's significant actual and potential waste-related impacts, a description of:</p> <ul style="list-style-type: none"> <li>i. the inputs, activities, and outputs that lead or could lead to these impacts;</li> <li>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.</li> </ul>	<p>83-84, 101</p> <ul style="list-style-type: none"> <li>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.</li> <li>ii. Data regarding waste generation refers to STADA's own activities</li> </ul>
306-2	Management of significant waste-related impacts	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>c. The processes used to collect and monitor waste-related data.</li> </ul>	<p>83-84, 101</p> <ul style="list-style-type: none"> <li>b. Third party waste management companies are subject to internal control processes (e.g., certified waste management companies; site visits).</li> <li>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.</li> </ul>
306-3	Waste generated	<ul style="list-style-type: none"> <li>a. Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste.</li> <li>b. Contextual information necessary to understand the data and how the data has been compiled</li> <li>2.1 When compiling the information specified in Disclosure 306-3-a, the reporting organization shall: <ul style="list-style-type: none"> <li>2.1.1 exclude effluent, unless required by national legislation to be reported under total waste;</li> <li>2.1.2 use 1000 kilograms as the measure for a metric ton."</li> </ul> </li> </ul>	<p>83-84, 101</p> <ul style="list-style-type: none"> <li>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.</li> </ul>
306-4	Waste diverted from disposal	<ul style="list-style-type: none"> <li>a. Total weight of waste diverted from disposal in metric tons, and a breakdown of this total by composition of the waste.</li> <li>b. Total weight of hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: <ul style="list-style-type: none"> <li>i. Preparation for reuse;</li> <li>ii. Recycling;</li> <li>iii. Other recovery operations.</li> </ul> </li> <li>c. Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: <ul style="list-style-type: none"> <li>i. Preparation for reuse;</li> <li>ii. Recycling;</li> <li>iii. Other recovery operations.</li> </ul> </li> <li>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: <ul style="list-style-type: none"> <li>i. onsite;</li> <li>ii. offsite.</li> </ul> </li> </ul>	<p>83-84, 101</p> <ul style="list-style-type: none"> <li>a. Total weight of waste generated by production sites diverted from disposal in 2021: 3523 tons. This includes waste from incineration (with energy recovery) if incineration plant is considered as thermal recycling in the respective country</li> <li>b. Total weight of hazardous waste generated by production sites diverted from disposal per recovery option: <ul style="list-style-type: none"> <li>i. preparation for reuse: data not available</li> <li>ii. recycling: 627 tons</li> <li>iii. other recycling options: data not available</li> </ul> </li> <li>c. Total weight of non-hazardous waste generated by production sites diverted from disposal per recovery option: <ul style="list-style-type: none"> <li>i. preparation for reuse: data not available</li> <li>ii. recycling: 2,896 tons</li> <li>iii. other recycling options: data not available</li> </ul> </li> <li>d. No waste recovery is executed on-site</li> <li>e. Waste data is reported and consolidated at site level according to applicable legal requirements and reported and consolidated at global level.</li> </ul>

306-4	Waste diverted from disposal	<p>e. Contextual information necessary to understand the data and how the data has been compiled.</p> <p>2.2 When compiling the information specified in Disclosure 306-4, the reporting organization shall:</p> <p>2.2.1 exclude effluent, unless required by national legislation to be reported under total waste;</p> <p>2.2.2 use 1000 kilograms as the measure for a metric ton</p>	83-84, 101
306-5	Waste directed to disposal	<p>a. Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste.</p> <p>b. Total weight of hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations:</p> <p>i. Incineration (with energy recovery);</p> <p>ii. Incineration (without energy recovery);</p> <p>iii. Landfilling;</p> <p>iv. Other disposal operations.</p> <p>c. Total weight of non-hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations:</p> <p>i. Incineration (with energy recovery);</p> <p>ii. Incineration (without energy recovery);</p> <p>iii. Landfilling;</p> <p>iv. Other disposal operations.</p> <p>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:</p> <p>i. onsite;</p> <p>ii. offsite.</p> <p>e. Contextual information necessary to understand the data and how the data has been compiled.</p> <p>2.4 When compiling the information specified in Disclosure 306-5, the reporting organization shall:</p> <p>2.4.1 exclude effluent, unless required by national legislation to be reported under total waste;</p> <p>2.4.2 use 1000 kilograms as the measure for a metric ton.</p>	<p>83-84, 101</p> <p>a. Total weight of waste generated by production sites directed to disposal in 2021: 1,848 tons</p> <p>b. Total weight of hazardous waste generated by production sites directed to disposal per recovery option:</p> <p>i. Incineration (with energy recovery): data not available or reported 'recycling' in case of incineration is considered as thermal recycling in the respective country;</p> <p>ii. / iii. / iv: 2021: 484 tons. Split of data is not available</p> <p>c. Total weight of non-hazardous waste generated by production sites directed to disposal per recovery option:</p> <p>i. Incineration (with energy recovery): data not available or reported 'recycling' in case of incineration is considered as thermal recycling in the respective country;</p> <p>ii. / iii. / iv: 2021: 1,364 tons. Split of data is not available</p> <p>d. No waste disposal is executed on-site</p> <p>e. Waste data is reported and consolidated at site level according to applicable legal requirements and reported and consolidated at global level.</p>

### GRI 307: Environmental Compliance

307-1	Non-compliance with environmental laws and regulations	<p>a. Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations in terms of:</p> <p>i. total monetary value of significant fines;</p> <p>ii. total number of non-monetary sanctions;</p> <p>iii. cases brought through dispute resolution mechanisms.</p> <p>b. If the organization has not identified any non-compliance with environmental laws and/or regulations, a brief statement of this fact is sufficient.</p>	108
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### GRI 308: Supplier Environmental Assessment

308-1	New suppliers that were screened using environmental criteria	<p>a. Percentage of new suppliers that were screened using environmental criteria.</p>	68
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308-2	Negative environmental impacts in the supply chain and actions taken	<ul style="list-style-type: none"> <li>a. Number of suppliers assessed for environmental impacts.</li> <li>b. Number of suppliers identified as having significant actual and potential negative environmental impacts.</li> <li>c. Significant actual and potential negative environmental impacts identified in the supply chain.</li> <li>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.</li> <li>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.</li> </ul>	/
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GRI 400: Topic-specific Standard: Social

GRI 401: Employment

401-1	New employee hires and employee turnover	<ul style="list-style-type: none"> <li>a. Total number and rate of new employee hires during the reporting period, by age group, gender and region.</li> <li>b. Total number and rate of employee turnover during the reporting period, by age group, gender and region.</li> </ul>	/
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>i. life insurance;</li> <li>ii. health care;</li> <li>iii. disability and invalidity coverage;</li> <li>iv. parental leave;</li> <li>v. retirement provision;</li> <li>vi. stock ownership;</li> <li>vii. others.</li> </ul> </li> <li>b. The definition used for 'significant locations of operation'.</li> </ul>	41 The same benefits are offered both to part time and full time employees.
401-3	Parental leave	<ul style="list-style-type: none"> <li>a. Total number of employees that were entitled to parental leave, by gender.</li> <li>b. Total number of employees that took parental leave, by gender.</li> <li>c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender.</li> <li>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.</li> <li>e. Return to work and retention rates of employees that took parental leave, by gender.</li> </ul>	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

402-1	Minimum notice periods regarding operational changes	<ul style="list-style-type: none"> <li>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.</li> <li>b. For organizations with collective bargaining agreements, report whether the notice period and provisions for consultation and negotiation are specified in collective agreements.</li> </ul>	47
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<p>403-1 (Management approach disclosures)</p>	<p>Occupational health and safety management system</p>	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ul style="list-style-type: none"> <li>a. A statement of whether an occupational health and safety management system has been implemented, including whether: <ul style="list-style-type: none"> <li>i. the system has been implemented because of legal requirements and, if so, a list of the requirements;</li> <li>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.</li> </ul> </li> <li>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.</li> </ul>	<p>45-46</p>
<p>403-2 (Management approach disclosures)</p>	<p>Hazard identification, risk assessment, and incident investigation</p>	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>i. how the organization ensures the quality of these processes, including the competency of persons who carry them out;</li> <li>ii. how the results of these processes are used to evaluate and continually improve the occupational health and safety management system.</li> </ul> </li> <li>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.</li> <li>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.</li> <li>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.</li> </ul>	<p>45-46, 101 c. STADA has Global HSE SOPs defining responsibilities by line management to ensure compliance, show active leadership and promote pro-active HSE culture and for employees to support positive HS culture and being responsible for their own and other colleagues' safety and report any H&amp;S non-compliance, incident or near miss situation. Every employee has also the option to report any issues via the STADA ombudsman; d. STADA reports and analyzes lagging indicators (as Lost Time Incident Rate) and leading indicators (as Near Miss Reporting rate) here to identify and initiate areas for improvement at the site or global level with each site having discrete individual targets in place. Lost time incidents are investigated by site cross-functional team following global SOP to understand the underlying causes and root cause. Corrective actions are initiated following the STOP-principle and lessons learned identified by the investigation team are communicated via the global HSE community to avoid re-occurrence.</p>
<p>403-3 (Management approach disclosures)</p>	<p>Occupational health services</p>	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ul style="list-style-type: none"> <li>a. 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.</li> </ul>	<p>45-46</p>

403-4 (Management approach disclosures)	"Worker participation, consultation, and communication on occupational health and safety "	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ol style="list-style-type: none"> <li>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.</li> <li>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.</li> </ol>	45-46
403-5 (Management approach disclosures)	Worker training on occupational health and safety	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ol style="list-style-type: none"> <li>a. 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.</li> </ol>	45-46
403-6 (Management approach disclosures)	Promotion of worker health	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ol style="list-style-type: none"> <li>a. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided.</li> <li>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.</li> </ol>	45-46
403-7 (Management approach disclosures)	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.	45-46 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"	<ol style="list-style-type: none"> <li>a. If the organization has implemented an occupational health and safety management system based on legal requirements and/or recognized standards/guidelines: <ol style="list-style-type: none"> <li>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;</li> <li>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;</li> <li>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.</li> </ol> </li> </ol>	45-46 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.

403-8	Workers covered by an occupational health and safety management system	<ul style="list-style-type: none"> <li>b. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.</li> <li>c. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</li> </ul>	45-46
403-9	Work-related injuries	<ul style="list-style-type: none"> <li>a. For all employees: <ul style="list-style-type: none"> <li>i. The number and rate of fatalities as a result of work-related injury;</li> <li>ii. The number and rate of high-consequence work-related injuries (excluding fatalities);</li> <li>iii. The number and rate of recordable work-related injuries;</li> <li>iv. The main types of work-related injury;</li> <li>v. The number of hours worked.</li> </ul> </li> <li>b. For all workers who are not employees but whose work and/or workplace is controlled by the organization: <ul style="list-style-type: none"> <li>i. The number and rate of fatalities as a result of work-related injury;</li> <li>ii. The number and rate of high-consequence work-related injuries (excluding fatalities);</li> <li>iii. The number and rate of recordable work-related injuries;</li> <li>iv. The main types of work-related injury;</li> <li>v. The number of hours worked.</li> </ul> </li> <li>c. The work-related hazards that pose a risk of high-consequence injury, including: <ul style="list-style-type: none"> <li>i. how these hazards have been determined;</li> <li>ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period;</li> <li>iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls.</li> </ul> </li> <li>d. Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls.</li> <li>e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked.</li> <li>f. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.</li> <li>g. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</li> </ul>	45-46
403-10	Work-related ill health	<ul style="list-style-type: none"> <li>a. For all employees: <ul style="list-style-type: none"> <li>i. The number of fatalities as a result of work-related ill health;</li> <li>ii. The number of cases of recordable work-related ill health;</li> <li>iii. The main types of work-related ill health.</li> </ul> </li> <li>b. For all workers who are not employees but whose work and/or workplace is controlled by the organization: <ul style="list-style-type: none"> <li>i. The number of fatalities as a result of work-related ill health;</li> <li>ii. The number of cases of recordable work-related ill health;</li> <li>iii. The main types of work-related ill health.</li> </ul> </li> <li>c. The work-related hazards that pose a risk of ill health, including: <ul style="list-style-type: none"> <li>i. how these hazards have been determined;</li> <li>ii. which of these hazards have caused or contributed to cases of ill health during the reporting period;</li> </ul> </li> </ul>	45-46

403-10	Work-related ill health	<ul style="list-style-type: none"> <li>iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls.</li> <li>d. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.</li> <li>e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</li> </ul>	45-46
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GRI 404: Training and Education

404-1	Average hours of training per year per employee	<ul style="list-style-type: none"> <li>a. Average hours of training that the organization's employees have undertaken during the reporting period, by: <ul style="list-style-type: none"> <li>i. gender;</li> <li>ii. employee category.</li> </ul> </li> </ul>	43
404-2	Programs for upgrading employee skills and transition assistance programs	<ul style="list-style-type: none"> <li>a. Type and scope of programs implemented and assistance provided to upgrade employee skills.</li> <li>b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.</li> </ul>	43-44
404-3	Percentage of employees receiving regular performance and career development reviews	<ul style="list-style-type: none"> <li>a. Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.</li> </ul>	44

GRI 405: Diversity and Equal Opportunity

405-1	Diversity of governance bodies and employees	<ul style="list-style-type: none"> <li>a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories: <ul style="list-style-type: none"> <li>i. Gender;</li> <li>ii. Age group: under 30 years old, 30-50 years old, over 50 years old;</li> <li>iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).</li> </ul> </li> <li>b. Percentage of employees per employee category in each of the following diversity categories: <ul style="list-style-type: none"> <li>i. Gender;</li> <li>ii. Age group: under 30 years old, 30-50 years old, over 50 years old;</li> <li>iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).</li> </ul> </li> </ul>	<p>42, 49</p> <p>a. i. gender structure: male - 10 persons (91%), female - 1 person (9%);</p> <p>ii age structure: age 30-50 - 5 persons (45%), age over 50 - 6 persons (55%); one person is excluded from the description due to a change of company, but is included in the numerical analysis.</p> <p>iii. no other indicators of diversity available</p> <p>b. i/ii/iii page number stated in previous column</p>
405-2	Ratio of basic salary and remuneration of women to men	<ul style="list-style-type: none"> <li>a. Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation.</li> <li>b. The definition used for 'significant locations of operation'.</li> </ul>	/

### GRI 406: Non-discrimination

406-1	Incidents of discrimination and corrective actions taken	<ul style="list-style-type: none"> <li>a. Total number of incidents of discrimination during the reporting period.</li> <li>b. Status of the incidents and actions taken with reference to the following:               <ul style="list-style-type: none"> <li>i. Incident reviewed by the organization;</li> <li>ii. Remediation plans being implemented;</li> <li>iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;</li> <li>iv. Incident no longer subject to action.</li> </ul> </li> </ul>	108
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### GRI 407: Freedom of Association and Collective Bargaining

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<ul style="list-style-type: none"> <li>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:               <ul style="list-style-type: none"> <li>i. type of operation (such as manufacturing plant) and supplier;</li> <li>ii. countries or geographic areas with operations and suppliers considered at risk.</li> </ul> </li> <li>b. Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining.</li> </ul>	/ No Group wide global data tracking has been established yet.
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### GRI 408: Child Labor

408-1	Operations and suppliers at significant risk for incidents of child labor	<ul style="list-style-type: none"> <li>a. Operations and suppliers considered to have significant risk for incidents of:               <ul style="list-style-type: none"> <li>i. child labor;</li> <li>ii. young workers exposed to hazardous work.</li> </ul> </li> <li>b. Operations and suppliers considered to have significant risk for incidents of child labor either in terms of:               <ul style="list-style-type: none"> <li>i. type of operation (such as manufacturing plant) and supplier;</li> <li>ii. countries or geographic areas with operations and suppliers considered at risk.</li> </ul> </li> <li>c. Measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labor.</li> </ul>	/ No Group wide global data tracking has been established yet.
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### GRI 409: Forced or Compulsory Labor

409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<ul style="list-style-type: none"> <li>a. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of:               <ul style="list-style-type: none"> <li>i. type of operation (such as manufacturing plant) and supplier;</li> <li>ii. countries or geographic areas with operations and suppliers considered at risk.</li> </ul> </li> <li>b. Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.</li> </ul>	/ No Group wide global data tracking has been established yet.
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### GRI 410: Security Practices

410-1	Security personnel trained in human rights policies or procedures	<ul style="list-style-type: none"> <li>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.</li> <li>b. Whether training requirements also apply to third-party organizations providing security personnel.</li> </ul>	/ No Group wide global data tracking has been established yet.
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### GRI 411: Rights of Indigenous Peoples

411-1	Incidents of violations involving rights of indigenous peoples	<ul style="list-style-type: none"> <li>a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period.</li> <li>b. Status of the incidents and actions taken with reference to the following: <ul style="list-style-type: none"> <li>i. Incident reviewed by the organization;</li> <li>ii. Remediation plans being implemented;</li> <li>iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;</li> <li>iv. Incident no longer subject to action.</li> </ul> </li> </ul>	108
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### GRI 412: Human Rights Assessment

412-1	Operations that have been subject to human rights reviews or impact assessments	<ul style="list-style-type: none"> <li>a. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.</li> </ul>	108 Due to relevant global policies, all operations with all subsidiaries (countries) are being subject to internal human rights reviews within usual business operations.
412-2	Employee training on human rights policies or procedures	<ul style="list-style-type: none"> <li>a. Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations.</li> <li>b. Percentage of employees trained during the reporting period in human rights policies or procedures concerning aspects of human rights that are relevant to operations.</li> </ul>	/ No Group wide global data tracking has been established yet.
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<ul style="list-style-type: none"> <li>a. Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.</li> <li>b. The definition used for 'significant investment agreements'.</li> </ul>	/ No Group wide global data tracking has been established yet.

### GRI 413: Local Communities

413-1	Operations with local community engagement, impact assessments, and development programs	<ul style="list-style-type: none"> <li>a. Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of:               <ul style="list-style-type: none"> <li>i. social impact assessments, including gender impact assessments, based on participatory processes;</li> <li>ii. environmental impact assessments and ongoing monitoring;</li> <li>iii. public disclosure of results of environmental and social impact assessments;</li> <li>iv. local community development programs based on local communities' needs;</li> <li>v. stakeholder engagement plans based on stakeholder mapping;</li> <li>vi. broad based local community consultation committees and processes that include vulnerable groups;</li> <li>vii. works councils, occupational health and safety committees and other worker representation bodies to deal with impacts;</li> <li>viii. formal local community grievance processes.</li> </ul> </li> </ul>	33-34, 51-52, 97-98
413-2	Operations with significant actual and potential negative impacts on local communities	<ul style="list-style-type: none"> <li>a. Operations with significant actual and potential negative impacts on local communities, including:               <ul style="list-style-type: none"> <li>i. the location of the operations;</li> <li>ii. the significant actual and potential negative impacts of operations.</li> </ul> </li> </ul>	108

### GRI 414: Supplier Social Assessment

414-1	New suppliers that were screened using social criteria	<ul style="list-style-type: none"> <li>a. Percentage of new suppliers that were screened using social criteria.</li> </ul>	No Group wide global data tracking has been established yet.
414-2	Negative social impacts in the supply chain and actions taken	<ul style="list-style-type: none"> <li>a. Number of suppliers assessed for social impacts.</li> <li>b. Number of suppliers identified as having significant actual and potential negative social impacts.</li> <li>c. Significant actual and potential negative social impacts identified in the supply chain.</li> <li>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.</li> <li>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.</li> </ul>	No Group wide global data tracking has been established yet.

### GRI 415: Public Policy

415-1	Political contributions	<ul style="list-style-type: none"> <li>a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary.</li> <li>b. If applicable, how the monetary value of in-kind contributions was estimated.</li> </ul>	107
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GRI 416: Customer Health and Safety

416-1	Assessment of the health and safety impacts of product and service categories	a. Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	69-70 Within pharmacovigilance -all products and services are obligatory monitored for health and safety impacts (pharmaceutical industry requirements).
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	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.	107-108

GRI 417: Marketing and Labeling

417-1	Requirements for product and service information and labeling	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.	/
417-2	Incidents of non-compliance concerning product and service information and labeling	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.	/

417-3	Incidents of non-compliance concerning marketing communications	<ul style="list-style-type: none"> <li>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by: <ul style="list-style-type: none"> <li>i. incidents of non-compliance with regulations resulting in a fine or penalty;</li> <li>ii. incidents of non-compliance with regulations resulting in a warning;</li> <li>iii. incidents of non-compliance with voluntary codes.</li> </ul> </li> <li>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</li> </ul>	80-82
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GRI 418: Customer Privacy

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<ul style="list-style-type: none"> <li>a. Total number of substantiated complaints received concerning breaches of customer privacy, categorized by: <ul style="list-style-type: none"> <li>i. complaints received from outside parties and substantiated by the organization;</li> <li>ii. complaints from regulatory bodies.</li> </ul> </li> <li>b. Total number of identified leaks, thefts, or losses of customer data.</li> <li>c. If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient.</li> </ul>	/
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GRI 419: Socioeconomic Compliance

419-1	Non-compliance with laws and regulations in the social and economic area	<ul style="list-style-type: none"> <li>a. Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of: <ul style="list-style-type: none"> <li>i. total monetary value of significant fines;</li> <li>ii. total number of non-monetary sanctions;</li> <li>iii. cases brought through dispute resolution mechanisms.</li> </ul> </li> <li>b. If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.</li> <li>c. The context against which significant fines and non-monetary sanctions were incurred.</li> </ul>	107-108
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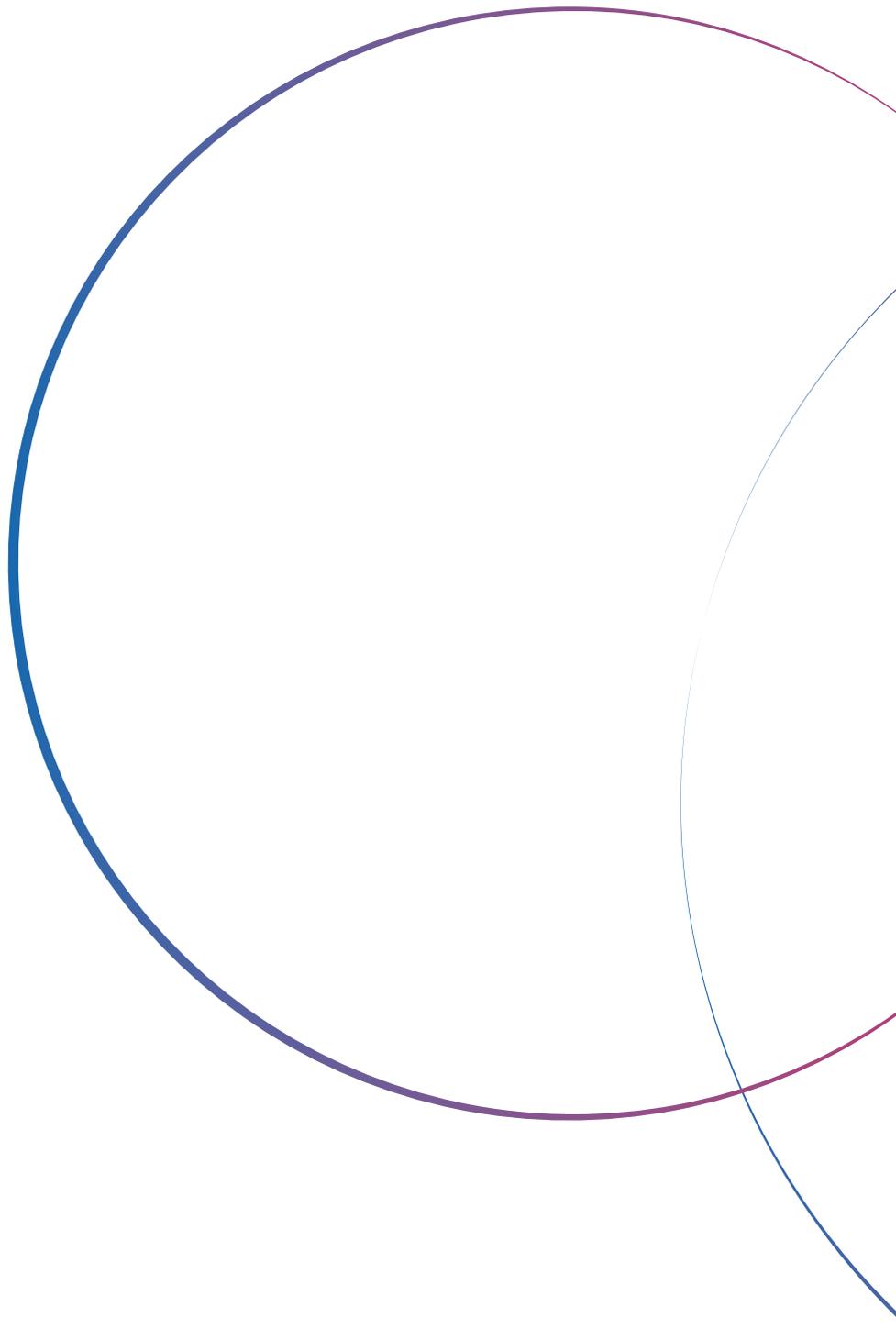


## Dr. Wolfgang Ollig

Chief Financial Officer

There is an intrinsic link between social progress and corporate success. Shared values such as sustainability, philanthropy and social responsibility are now essential in working with partners and being relevant to customers. Everything we do is thus centered around our purpose: Caring for People's Health as a Trusted Partner.

**Note:** Unfortunately, Wolfgang Ollig passed away shortly before the STADA Sustainability Report was published. We will always remember him.





# **Independent Practitioner's Limited Assurance Report**

## **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 2021 Sustainability Report of STADA Arzneimittel AG, Bad Vilbel (hereinafter “the Company”), for the period from 1 January to 31 December 2021 (hereinafter the “Report”).

### **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”).

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.

### **Independence and Quality Control of the Audit Firm**

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 Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis - IDW QS 1) – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Practitioner 's Responsibility**

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

Within the scope of our engagement we did not perform an audit on external sources of information or expert opinions, referred to in the Report.

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 in the Company's Report for the period from 1 January to 31 December 2021 has not been prepared, in all material aspects, in accordance with the relevant GRI-Criteria.

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
- 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
- Comparison of selected disclosures with corresponding data in the consolidated financial statements and in the group management 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 in the Company's Report for the period from 1 January to 31 December 2021 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 toward the Company. We do not assume any responsibility towards third parties.

Frankfurt am Main, 11 August 2022

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft



Nicolette Behncke  
Wirtschaftsprüferin  
(German Public Auditor)



Claudia Niendorf-Senger  
Wirtschaftsprüferin  
(German Public Auditor)

## **Index to Appendices**

STADA Sustainability Report 2021

General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften  
[German Public Auditors and Public Audit Firms] as of January 1, 2017



# STADA

Caring for People's Health

## Impressum

The authors of this report are representatives of STADA's Sustainable Development Team (M. Heß, K. Hempe, D. Stojakovic), as well as of various workstreams that follow the company's structure.

Any questions, suggestions, and dialog on the topic of sustainable development can be addressed by e-mail to [sustainability@stada.com](mailto:sustainability@stada.com).

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Kaffee paper, a unique ecological paper that follows all relevant standards, was used to create this report. According to the supplier's specification, coffee residues from the coffee processing process, as well as consumer waste, were used to make this paper.

No hazardous waste has been generated during the preparation of this Sustainability Report.\*

\* In place of chemical developers, Vizartis d.o.o. printing shop uses advanced certified materials in the production process as a result of which no hazardous waste is generated.