

Annual **SUSTAINABILITY** Report

Financial year 2021



NORMON



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OUR APPROACH TO SUSTAINABILITY



NORMON

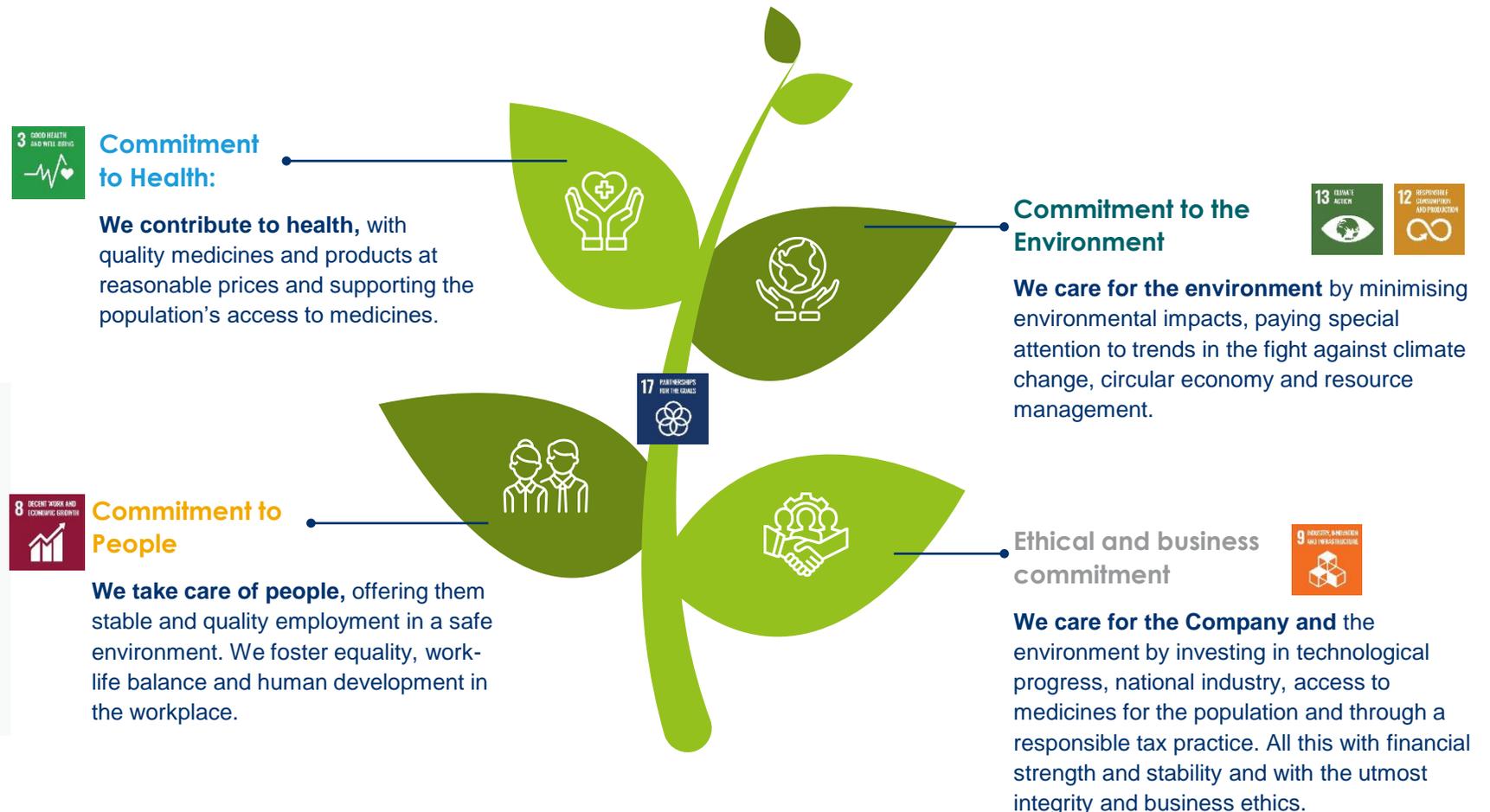
We understand sustainability as the contribution to the health and well-being of people, to economic and technological progress and to social welfare, causing the least possible impact on the environment and all this under the certainty of doing things in an ethical and integrated way.

Therefore, at Normon, we consider it essential **to create long-term value** both internally for the company itself and for our stakeholders.

To achieve our goals and objectives, we support the Sustainable Development Goals (SDGs) of the United Nations and establish strategic partnerships with third parties.

We also aim to communicate our sustainability culture and commitments to our value chain and stakeholders.

THE PILLARS OF SUSTAINABILITY AT NORMON ARE CENTERED ON FOUR MAIN AXES:



SUSTAINABLE DEVELOPMENT OBJECTIVES AT NORMON

The United Nations Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect the planet and improve the lives and prospects of people around the world.

Normon supports this initiative and includes it in our sustainability strategy.



We focus our efforts on **those SDGs that are most relevant to our material issues**. Below is a summary of our contribution to each of the SDGs in 2021.



MAIN CONTRIBUTIONS TO THE SDGs IN 2021



We have had an agreement with the **Queen Sofia Foundation** for more than 10 years, which channels our humanitarian aid by supplying essential drugs free of charge to those who need them most.



In 2020 we donated **117,000+ kg** of food to food banks, which were badly affected by the Coronavirus crisis. At Normon, we also **monitor food waste in our canteens**.



As a manufacturer of generic medicines, **we contribute to rationalising public spending**, facilitating **citizens' access to quality medicines**. We cover the most important therapeutic areas of the market: cardiovascular, central nervous system, digestive, respiratory, oncology, etc. and with OTC products we contribute to self-care.



In addition to **training company employees** (an average of 26 hours of training per employee) and promoting internal communication, we collaborate with healthcare professionals, pharmacists associations and other healthcare organisations to promote the development of training activities and foster scientific knowledge.



54% of the workforce is female, with a presence at all levels of responsibility and a narrow salary gap (3.71 %). We have an **Equality Plan and** protocols in place to deal with situations of harassment in the workplace. We have policies that promote work-life balance and co-responsibility (working hours, digital disconnection, etc.).



Our water plant is equipped with state-of-the-art technology. During 2021, we reduced water consumption by 15.6%. **Waste water** from production processes is collected in special tanks for **reuse in secondary processes**, making the most of the resources.



The electricity we consume comes from 100% renewable energy sources. We are in the process of installing **5,244 solar panels** at our facilities, to achieve an annual energy output of 5,215 MWh, and with the goal of producing 15% of the energy needed for production during sunshine hours.



We employ **2,500+ people** in Spain, with 91% of the workforce on permanent contracts. Our employees enjoy a variety of **social benefits** (canteen, childcare vouchers, shuttles, employee store). The **XX Collective Agreement for the Chemical Industry** applies to 100% of the workforce and we have a solid **Occupational Risk Prevention** management system, reducing the accident rate every year.



We have **2 industrial complexes** with a gross floor area of 100,000+ m²; 5 state-of-the-art manufacturing and control buildings: general manufacturing of oral and injectable medicines, penicillin and cephalosporin antibiotics, highly potent and cytotoxic drug products. Company rated as **"Good" by the Profarma programme**, the highest rating in production and industrial investments.



We collaborate with several **special employment centres** to promote access to employment for people with disabilities (Novo Rehum, Ilunion CEE, Fundación Juan XXIII, Fundación Numen, Fundación SERMES, Fundación Manantial). Our facilities are 100% adapted for people with reduced mobility.



As a COVID-19 measure, we provide employees with **shuttles** that go from various points in the Community of Madrid to our facilities. We offer **transport vouchers** to our employees, contributing to more sustainable mobility. We have also installed several **electric vehicle charging points** and docking stations for **bicycles**.



We finance the management of packaging waste placed on the market that may reach the consumer through membership of integrated waste management systems (IWMS): **ECOEMBES** (household and commercial packaging) and **SIGRE** (leftover medicines and domestic packaging). Furthermore, we are a local company in Spain and Europe: we manufacture 92.11% of our medicines in Tres Cantos (Madrid).



We work to **reduce greenhouse gas emissions** and calculate our carbon footprint. We have implemented a gradual changeover of the lighting system to LED lighting with the objective of reducing the intensity of these emissions by 40%.



We are working to **reduce paper usage** by raising awareness in the business areas and by committing to the **digitalisation of processes**.



We have a **compliance system** that mitigates the risks of bribery, corruption and money laundering. We have set up an ethical channel for both internal and external personnel to report irregularities. The company has a Code of Ethics and Conduct. We pay all our taxes in Spain contributing to the welfare state.



To achieve the different objectives, we collaborate with **sectoral associations** (AESEG, ANEFP, CEOE, AETC); integrated waste management systems (SCRAP: ECOEMBES, SIGRE); training agreements for trainees, special employment centres, pharmacists' associations and patients' associations; among others.



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NORMON

2.1 At a glance

 **100 %** Family-owned company with Spanish capital

 **85** Years of history.

 Mission, Vision and Values.

Main SDG:



Other related SDGs:



We care for the Company and the environment by investing in technological progress, national industry, access to medicines for the population and through a responsible tax practice.

All this with financial strength and stability and with the utmost integrity and business ethics.

- ✓ Company rated as **"Good"** by the Profarma programme (2017-2020).
- ✓ **Good Corporate Governance.**
- ✓ **Values:** Security, People, Excellence, Trust, Approachability, Innovation
- ✓ Factory in Tres Cantos (Madrid): 2 factories with **a gross floor area in excess of 100,000 m².**
- ✓ **5 Business areas:** Prescription, Dental, Self-care, Hospitals, International.
- ✓ **Business Ethics:**
 - ✓ Regulatory Compliance System
 - ✓ Data Protection and Information Security (ISO 27001 Information Security Standard certification).
 - ✓ Ethical Channel.
 - ✓ Adherence to AESEG and ANEFP self-regulation codes.
 - ✓ Responsible tax practice.

✓ Solidarity Contributions:

- ✓ Ongoing collaboration with the Queen Sofia Foundation.
- ✓ Collaboration with special employment centres.
- ✓ In 2020 Normon donated 117,000+ kg of food to food banks, which were badly affected by the Coronavirus crisis.
- ✓ In 2022 Normon donated 7.9 tons of essential medicines to Ukraine valued at €500,000+.
- ✓ Our employees have collected 10 pallets of toys and basic necessities to be donated to families at risk of exclusion through the Fundación Juan XXIII Roncalli.

2.2 Mission, vision, values

All of Normon's objectives are underpinned by the Mission, Vision and Values defined for the Company.



MISSION

To contribute to improving the health and well-being of people around the world through state-of-the-art technology and by innovating, developing, producing and marketing medicines of the highest quality, at reasonable prices, in a sustainable manner and with a strong social and environmental commitment.

VISION

To be a national and international benchmark in the pharmaceutical industry. To be recognised as a leading company in technology, thanks to a fully trained and committed human team; facilities equipped with the most modern technology to develop and manufacture quality products at competitive prices.

VALUES

Our origins date back to 1937 as a family business and our way of seeing things emanates from the very principles of our founders: approachability, pride in what we do and a commitment that goes beyond words. We look to the future, without forgetting that our history is what has brought us to where we are in the company and can be summarised by the following.



SECURITY:

Responsibility and the search for a better future are present in our decision making. **Security for our employees** in their daily work and in the future and for our customers through a constant search for the highest quality and excellence.



EXCELLENCE:

Our obligation is to **do our job to the best of our ability**. We make every effort to be proud of the way we work and the way we relate to the environment. Excellence is in our facilities, in the continuous improvement of processes, in our daily work and, of course, in our products.



PROXIMITY:

We work with passion and we must convey this passion to our collaborators every day. To outside the company, with a clear vocation of customer orientation, and internally **by stimulating** interdepartmental relations, **teamwork** and a sense of belonging.



PEOPLE:

All of us at Normon must **take care of those around us**- co-workers, suppliers and customers. We look for talent and work as a team, it is important to have both good professionals and good people. The happier we are able to make others, the happier we will be.



TRUST:

Among all of us at Normon, developing the **mechanisms to promote teamwork**, transparent communication, critical thinking and responsibility in decision making.



INNOVATION:

It is present in all areas; in **access to the most modern technologies**, in the digitalisation of the company, in the development of our products, in analytical and decision-making processes and in the search for new solutions.

2.3 We are Normon

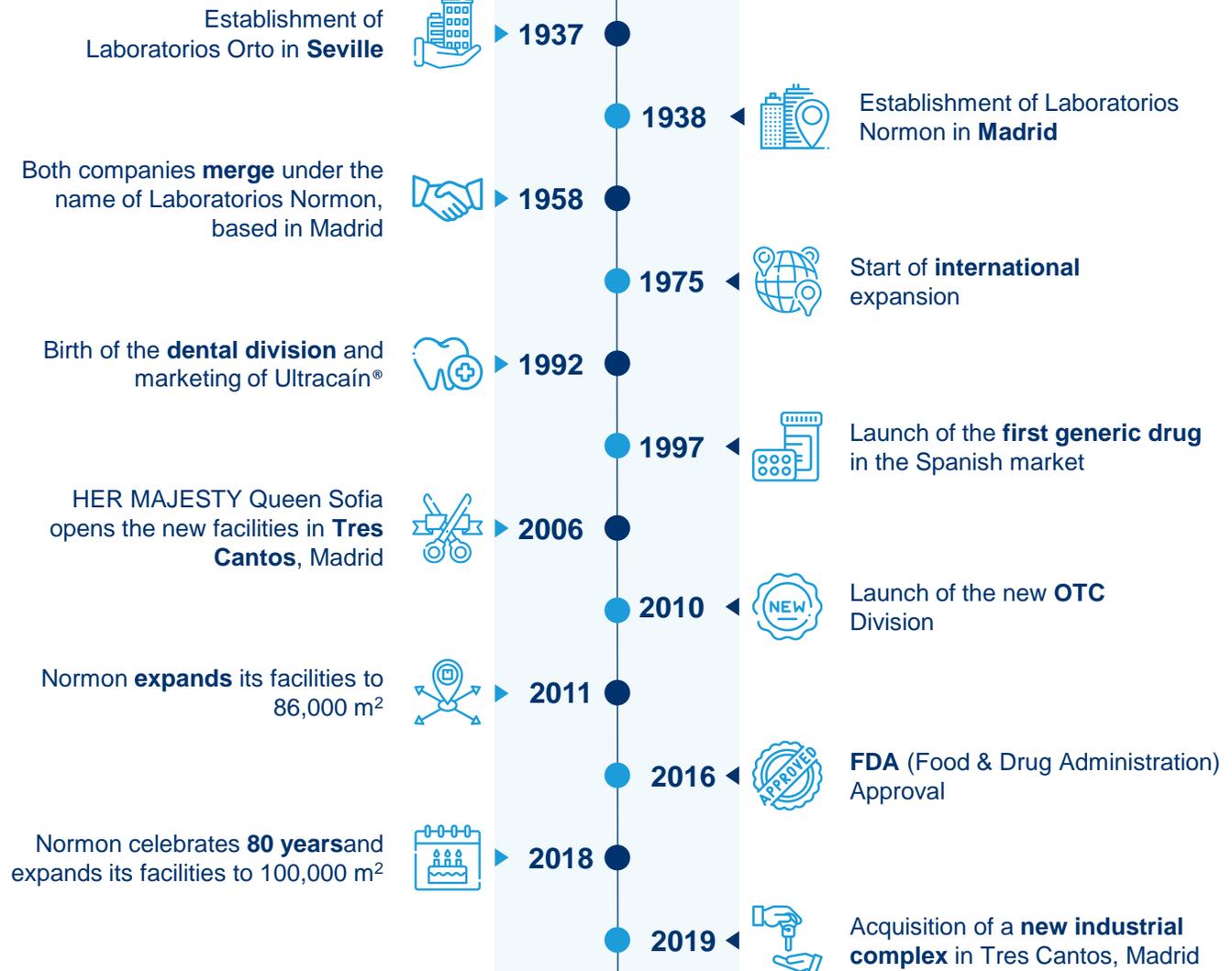
FAMILY BUSINESS THAT HAS STOOD THE TEST OF TIME



A long road that began **more than 85 years** ago and that we have been making a reality day by day

This has been an exciting challenge, which has led us to become a company with a wealth of experience, reliability, solidity and capacity to adapt to the healthcare needs demanded by society.

We began more than 80 years ago as a pharmacy in Seville and, today, we are still a 100% Spanish family-owned company. We believe in people, in trusting relationships and in collaboration. We are committed to innovation and technology to guarantee the highest quality and safety in our medicines and products.



2.3 We are Normon

NORMON IN FIGURES (2021)



223 million
units produced.



15–18
molecules developed each year.



3,512 million
doses manufactured.



52.1 %
market share in dental
anaesthetics.



225
active ingredients.



18.7 %
market share in hospitals.



+1000
different dosage forms and
sizes.



16.5 %
market share in generic
medicines.



+100
self-care product lines.



+85
countries where we do
business.



+2,500
Professionals.



EU
GMP



+100,000 m²
Facilities. *



US
FDA



RESPONSIBLE GOVERNING BODY

Normon's Board of Directors is a governing body of integrity and accountability.

The company's directors are, essentially, members of the second generation of the owner family.



During the year 2020, a process of updating the governing body was carried out, with the following key features:



By 2021, **54% of the members of Normon's board of directors are women** (including external and internal advisers), and 40% of the directors are women.



The **Internal Audit Department** and the **Compliance Department**, among others, report to the Governing Body or its committees.



It has **three working committees**:

- ✓ Audit Committee.
- ✓ Appointments and Remuneration Committee.
- ✓ Strategy and Technological Development Committee.



External and internal **advisers**.

- 3 Women.**
- 2 Men.**

KNOWING AND COLLABORATING WITH OUR STAKEHOLDERS IS A KEY ELEMENT OF NORMON'S STRATEGY



Ownership/Shareholders

We are firmly committed to **value creation** and profitability while maintaining sustainability and a long-term business vision.



Suppliers and contractors

We always work with our suppliers and contractors on the basis of **mutual trust, quality and excellence**. It is important to share with them our culture of ethics and sustainability in order to establish productive and reciprocal relationships.



Health Professionals

Our relationship with healthcare professionals is essential for the **promotion and improvement of public health**. We exchange experiences with them in a transparent manner and in compliance with applicable laws and associative codes.



Patients and Consumers

Our commitment is to improve patients' lives and ensure that they have access to quality medicines. Patients are the focus of our work and our decision making.



Our Employees

We want to provide a **close and personal treatment** to our Staff, promoting stable and quality employment in a safe environment. We consider it essential to ensure respect for labour rights, a harassment-free workplace, occupational health and safety and equal opportunities.



Clients and strategic partners

We treat our clients and strategic partners with integrity, anticipating their needs and providing quality products and services, offering good treatment, attention, respect, honesty, and service, and taking into account the different cultural sensitivity of each person and individual needs.



Public Administrations and Authorities

As a regulated sector, our relationship with public administrations is essential. Coordination and collaboration with the different administrations is essential for the proper functioning of the company. **Our relations with administrations and authorities must be transparent, collaborative, sincere and honest.**



Society

We contribute to health and well-being by investing in technological progress, national industry, access to medicines for the population and through a responsible tax practice. At all times respecting applicable laws and trying to minimise environmental impacts, observing trends in the fight against climate change, circular economy and resource management.

2.5 Business units

5 business areas



PRESCRIPTION

- ✓ First laboratory to market the first three authorised generic medicines in our country.
- ✓ Pioneers and leaders with a **16.5 % share of the generic drugs market** in Spain (sell-out IQVIA data, close of 2021).
- ✓ Brand name products and generic drugs.
- ✓ Vademecum with **225 active ingredients** marketed in 900 dosage forms and sizes.
- ✓ Presence in the **most important therapeutic areas of the market:** cardiovascular, central nervous system, digestive, respiratory, oncology, etc.



OTC

- ✓ **OTC products** (those that do not require a prescription) and self-care products.
- ✓ The aim is to enjoy a good quality of life, acquire healthy habits and prevent diseases.
- ✓ **100 products** including medical devices, over-the-counter drugs, cosmetics, food supplements and biocides.
- ✓ Areas of presence: oral health care, rest/sleep, vitality, analgesics/respiratory system, skin care, physical activity and sports, eye care, nasal care, etc.



HOSPITAL

- ✓ Leading laboratory in 2021, **18.7% of the total doses** of the hospital market in Spain.
- ✓ Presence in practically all clinics and hospitals in Spain.
- ✓ **The largest range of oral and parenteral products** for use in clinics and hospitals in Spain.
- ✓ **Pioneers** in the production of products in **unitary dosage forms**, facilitating the work of health professionals.



INTERNATIONAL

- ✓ **40+ years** of Normon exporting products.
- ✓ Currently present (directly and/or indirectly) in approximately **85 countries** in Europe, Central America, South America, North America, Asia and Africa.
- ✓ In 2016 Normon obtained FDA approval to market products in the United States.



DENTAL

- ✓ **+Leader** in the dental anaesthetics sector with **53.8% market share**.
- ✓ **Anaesthetics and prescription drugs:** antibiotics, analgesics and anti-inflammatory drugs.
- ✓ **Broad portfolio of products** such as the range of needles and syringes, restorative and impression materials, disinfection products, bleaching agents and a complete line of biomaterials for bone regeneration.

2.6 Factory, facilities and technological innovation



We have one of the most modern pharmaceutical laboratories in Europe and we are one of the most versatile companies in terms of drug manufacturing, due to both the number of different pharmaceutical dosage forms and the large number of pack sizes we market.

TOTAL 114,979.94 m² gross floor area

- 67,463,80 m² in Normon 1
- 47,516,14 m² in Normon 2

Normon 1 has 4 independent manufacturing and control buildings:

- General manufacturing of oral and injectable drugs.
- Penicillin antibiotics.
- Cephalosporin antibiotics.
- Highly potent and cytotoxic drug products.



Our warehouse is an **automated warehouse with a capacity for 20,000 pallets**. It consists of 8 individual stacker cranes that manage the location of goods in the warehouse. The management is automatic and computerised and validated in accordance with CFR Part 11. The preparation of orders and manufacturing orders are also computerised, ensuring the traceability of all medicinal products and materials from the time an order is placed until the medicinal product is dispatched.



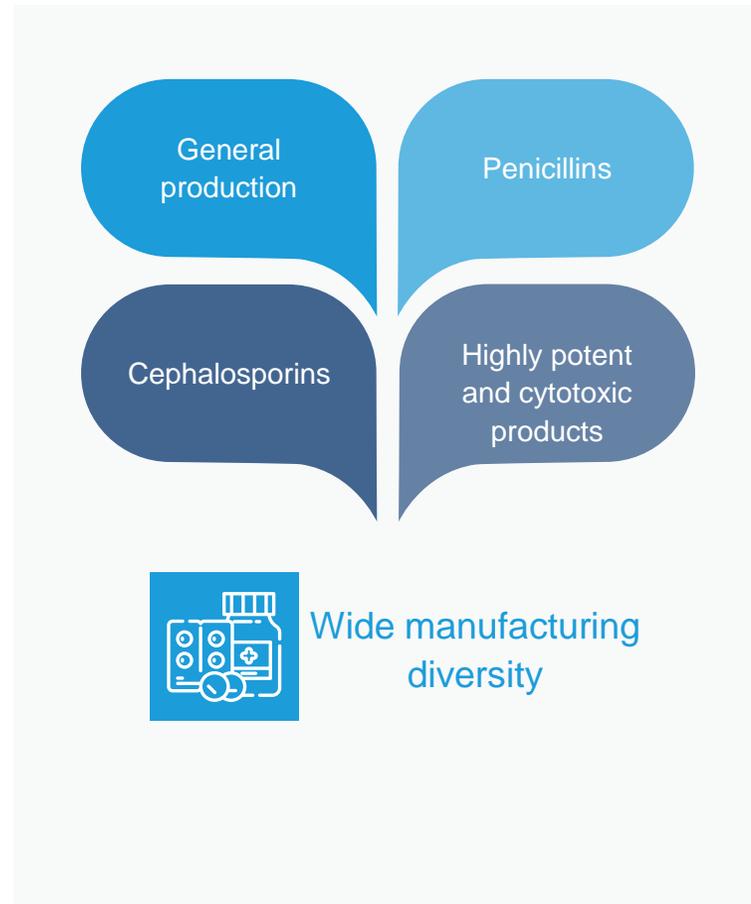
We have an extensive manufacturing capacity. In 2021, we manufactured a total of **222,474,500** packaged units and **3,512,799,220** doses.

- ✓ In 2019 **we acquired a new industrial complex**, currently under construction, for **our international expansion and to continue leading the generic drugs market in Spain**. These works include: a fully automated robotised warehouse with a capacity for 24,000 pallets, a new product development laboratory and service centres.
- ✓ At Normon 1 **we have built an automated palletising centre** (robotisation of the finished product). We have also completed the construction of facilities to expand the production of liquid and freeze-dried vials, as well as different production lines such as ampoules, dental cartridges and oral medicinal products.
- ✓ Our **office space** is configured as an "**Open Space**", which allows, on the one hand, the creation of a greater number of physical workstations and on the other hand, **more space, comfort and brightness in the work areas** and environments, with the primary objective of facilitating communication between workers and promoting new forms of teamwork.
- ✓ The offices have numerous renovated meeting rooms, furniture, domotics, lighting, ventilation, coffee-points and **other suitable spaces to provide a working environment that is appropriate** and adapted to new technologies.

- ✓ **For the second consecutive year**, we have retained the "Good" rating awarded by the Profarma programme (2017-2020), with the best rating for generic medicines companies with the largest market share in Spain and the highest score in its category in terms of investment in production and industrial activity.
- ✓ All the technologies we use to manufacture our products are of **the highest standard**. We don't just want them to provide us with an adequate production capacity, but also to guarantee the best results in terms of quality.
- ✓ For this purpose, we have computerised systems and **highly qualified personnel**. This rating is a reflection of our corporate policy, which is based on a constant reinvestment of profits.
- ✓ In fact, since our beginnings, we have continuously made **significant investments** in the expansion of our facilities and the improvement and increase of our various production lines, with the aim of consolidating our leadership in the Spanish market and responding to the growing international demand.



WE STAND OUT DUE TO OUR BROAD PRODUCT PORTFOLIO AND WIDE MANUFACTURING DIVERSITY:



Oral Products

- ✓ Tablets.
- ✓ ODT tablets.
- ✓ Coated tablets.
- ✓ Capsules.
- ✓ Sachets.
- ✓ Oral and topical solutions and suspensions.
- ✓ Extemporaneous suspensions.



Injectable Products

- ✓ Liquid vials.
- ✓ Powder vials.
- ✓ Freeze-dried vials.
- ✓ Ampoules.
- ✓ Perfusion bags.
- ✓ Cartridges.

CODE OF ETHICS AND CONDUCT

We have a **Code of Ethics and Conduct** that establishes the basic principles and rules that inspire the professional, ethical and responsible behaviour of everyone who is part of Normon.

Our employees can access it through the Employee Portal and third parties can consult it on our website through the following link:
<https://www.normon.es/compromiso-y-transparencia>



The Code establishes guidelines for conduct in relation to the following topics:

- ✓ Compliance with applicable laws and internal regulations.
- ✓ Conflicts of interest.
- ✓ Respect for Human Rights.
- ✓ Treatment of confidential information.
- ✓ Occupational health and safety.
- ✓ Data privacy.
- ✓ Zero tolerance for violence in the workplace.
- ✓ Use and protection of Normon's assets.
- ✓ Environmental responsibility
- ✓ Media and social networks.
- ✓ Anti-corruption and the fight against fraud.
- ✓ Promotional activities.
- ✓ Prevention of money laundering and financing of terrorism.
- ✓ Competition law.
- ✓ Product quality and safety.

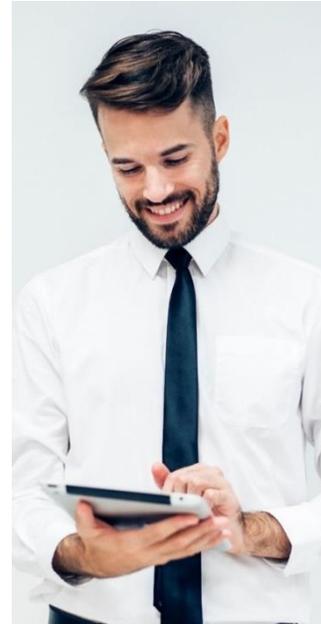
CORPORATE COMPLIANCE

We have a **Corporate Compliance risk management programme** that establishes the framework for the organisation, prevention, management and control of legal risks, including the company's **criminal risks**, as provided for in Article 31bis of the Spanish Criminal Code.

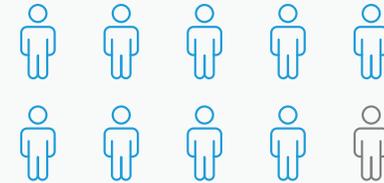
Among other risks, we analyse those related to bribery, corruption and money laundering. This analysis is dynamic and we keep it updated at all times to maintain an adequate level of control.

It is essential for us not to be involved in any case of corruption or money laundering, not only because of the risk it represents from a sanctions perspective, but also because of the reputational damage and loss of sustainability. Corruption is a threat to good governance, sustainable development, democratic processes and fair corporate practices.

During the 2021 financial year, **there were no allegations** or legal proceedings concerning corruption, money laundering, unfair competition or monopolistic practices at Normon. Nor have any business contracts with third parties or employment contracts with employees been terminated due to corruption or money laundering offences.



We train all our employees in Crime Prevention and Regulatory Compliance.



As of December 2021, **91.59% of the workforce has completed and passed the course** entitled "Code of Ethics, Compliance and Crime Prevention".



We have a Compliance Area and a Compliance Officer who ensures compliance with these regulations and is responsible for its management system.

We have a solid **integrity policy structure**. Among others, we have:

- ✓ Compliance and Crime Prevention Manual.
- ✓ Crime Prevention Policy.
- ✓ Procedure for Interactions with the Healthcare Community.
- ✓ Anti-corruption policy.
- ✓ Gift Policy.
- ✓ Conflict of Interest Management Procedure.

- ✓ We have set up an **Ethical Channel** for employees and third parties to report irregularities, including any crime and/or form of corruption. Complaints are always treated confidentially and can be made anonymously. The management of complaints follows a regulated procedure.
- ✓ The Board of Directors has an **Audit Committee** that supervises and monitors regulatory compliance and the accuracy of the accounts.

INTERACTIONS WITH THE HEALTHCARE COMMUNITY AND TRANSPARENCY

We are members of the Spanish Generic Medicines Association (AESEG) and the Spanish Association of Self-care (ANEFP).

Accordingly, Normon must comply with their respective Codes of Conduct, which regulate advertising and interaction with the healthcare community.

Specifically, the AESEG Code establishes the obligation to disclose, on an annual basis, the Transfers of Value made to the Healthcare Community (healthcare professionals, healthcare organizations and patient organisations).



We publish these Transfers of Value on our website on an annual basis. You can find them at the following link:
<https://www.normon.es/compromiso-y-transparencia>

INFORMATION SECURITY AND PERSONAL DATA PROTECTION



Because we care about the confidentiality and privacy of our Stakeholders, in order to provide information security we have implemented an Information Security Management System (ISMS) based on the **ISO 27001 Standard** on Information Security as a tool that allows us to know, manage and minimise the possible risks that threaten the security of information and the protection of personal data in our company.

- ✓ Our ISMS is currently **based on the aspects of confidentiality, integrity and availability**, which are the pillars underpinning our information protection measures.
- ✓ In September 2020 we were awarded **ISO 27001** Information Security certification.
- ✓ All our employees have received training in Information Security.
- ✓ We have a Data Protection Officer (DPO) who ensures **compliance with these regulations** and is responsible for its management system.
- ✓ You can find our Information Security Policy here: <https://www.normon.es/sistemas-de-gestion-iso>

RESPONSIBLE TAX PRACTICE



Our tax strategy ensures strict compliance with applicable tax regulations, and seeks legal certainty while allowing for an appropriate business strategy in the short, medium and long term.

We do not have a presence in territories classified as "tax havens" and our commercial operations with third parties in these territories are in the context of our ordinary industrial and commercial activity.

We reject the transfer of financial results to these territories or under cover of the opacity of information they offer, in accordance with the OECD's guidelines and recommendations on international taxation.

SUPPLY CHAIN

We are committed to interacting only with third parties that adopt standards of ethical conduct comparable to our own, and we are committed to encouraging the development and implementation of ethical programmes in our value chain that are consistent with our standards.

We have a **Supplier Code of Conduct** that establishes a series of minimum principles and values that suppliers wishing to enter into and maintain business relationships with Normon must know and comply with.



This Code covers the following areas, which are in turn aligned with our Code of Ethics and Conduct:

- ✓ **Respect for the law.**
- ✓ **Respect for Human Rights.**
- ✓ **Security, Health and Protection**
- ✓ **Environmental Responsibility.**
- ✓ **Anti-Corruption, fight against fraud and conflicts of interest.**
- ✓ **Confidentiality and Data Protection.**
- ✓ **Fair Competition.**
- ✓ **Quality.**

Our work in this area in the coming years will focus on integrating social and environmental requirements into our value chain.

Likewise, our Purchasing Policy emphasises the importance of interacting with those suppliers that can **guarantee their integrity and reliability**, as well as adherence to our ethical and compliance standards.

During 2021, **100% of our suppliers** have complied with the environmental requirements established by the organisation and no supplier has been identified with a significant negative environmental impact.

The quality of the products and services we purchase from third parties is a priority. In this sense, we audit our suppliers in accordance with the requirements established internally in the company.

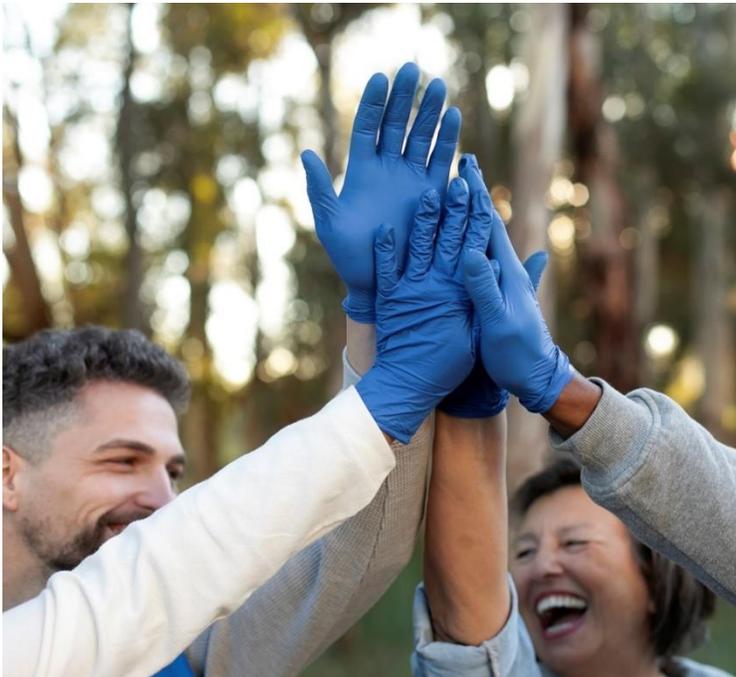
On the other hand, one of the sector's current concerns is to keep markets supplied. We try to do our utmost to guarantee the continuity and quality of our supply chain and to ensure that our suppliers are reliable through actions such as the following:

- ✓ Action plans to approve alternative suppliers.
- ✓ Internal plans of action in case of shortage of a material.
- ✓ Being proactive in the search for raw materials.
- ✓ Constant communication with the Health Authorities regarding stock-outs.
- ✓ Inventory planning.

This Code is available on Normon's website, in English and Spanish, for all our suppliers to access: <https://www.normon.es/compromiso-y-transparencia>

3.8 Solidarity actions

We collaborate with non-profit organisations through which we channel humanitarian aid by providing free drugs to those who need them most. These contributions have an impact on various social areas such as poverty reduction, etc. **We highlight the following actions for 2021:**



Ongoing collaboration with the Queen Sofia Foundation. Normon has signed an agreement through which it channels its humanitarian aid by supplying essential drugs free of charge.



Donation of **€4,000** to **Fundación Cofares** for the 2021 Christmas Benefit Concert, to be used for various charitable activities.



Donation of a batch of products with the **book value of €1,048.20** to the Foundation for the Promotion and Development of Bangassou.



Collection of toys and basic necessities at Christmas for a parish through the Fundación Juan XXIII Roncalli. A container was made available for all employees to place their contributions and the initiative received overwhelming support (with a total collection of 10 pallets), as in previous Christmases.



Collaboration with **the donation of self-care** products to the Asociación MACMA- Women Affected by Breast Cancer in Aspe (Alicante), valued at €1,944, where several of those affected took part in the fourth charity walk along the Camino de Santiago (Unesco World Heritage Site). The association donates all the proceeds to breast cancer projects and organises activities to help all those affected to recover and improve their wellbeing.

NOTABLE ACTIONS FROM OTHER YEARS:



In 2020 we donated **117,000+** kg of food to food banks, which were badly affected by the Coronavirus crisis.



In 2022 we donated **7.9** tons of essential medicines to Ukraine valued at **€500,000+**. More than 70,000 packs of 17 different products have been shipped.



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NORMON

3.1 At a glance



Integrated Quality and Environmental System in accordance with the **UNE- EN-ISO 9001** and **UNE-EN-ISO-14001** standards



The electricity we consume comes from 100% renewable energy sources, **certified by the CNMC.**

Main SDG:



Other related SDGs:



We care for the environment by minimising environmental impacts, paying special attention to trends in the fight against climate change, circular economy and resource management

- ✓ The **water discarded** in the production processes (15,000m³) is collected and **reused** for secondary uses (cooling circuits).
- ✓ In 2021, we **reduced water consumption** by 15.6 % at Normon 1. In Normon 2, consumption increases due to the start of construction work and activities.
- ✓ Project for the installation of **photovoltaic panels**. Throughout 2022, 5,244 solar panels will be installed, to achieve an annual energy output of 5,215 MWh, and produce 15% of the energy needed for production during sunshine hours.
- ✓ We promote **sustainable mobility** with shuttle service during the COVID-19 period, transport vouchers, electric vehicle charging points in our car park and docking stations for bicycles.
- ✓ Our - **provisional- teleworking policies implemented due to COVID-19** favour the decarbonisation and decongestion of cities.
- ✓ Our work in the coming years will focus on **calculating the carbon footprint and** setting additional targets for the fight against climate change.
- ✓ We are part of **SIGRE's** Business Plan for Packaging Waste Prevention (**PEP 2021–2023**)
- ✓ During 2021 we generated a total of 2,211,472 kg of **waste, 22,292 kg** less than the previous year.
- ✓ We are working towards the **elimination of plastic** from clinical packaging.
- ✓ Strategic alliances through adherence to integrated waste management systems (IWMS): **ECOEMBES** (household and commercial packaging) and **SIGRE** (leftover medicines and domestic packaging).

3.2 Environmental commitment

Sustainable development is based on achieving a transition to a green, circular and low-carbon economy, which allows for a change in the production model based on the efficient use of resources, minimising environmental impact and reducing GHG (greenhouse gas) emissions.

This is why companies have to take an active role in environmental issues. At Normon we carry out our activities with respect for the environment, trying to minimise possible negative impacts and establishing preventive measures.



In our **activity of designing, manufacturing and distributing medicines and products, we identify potential environmental impacts**, both direct impacts derived from ordinary activities and those over which the organisation does not have full control of their management, but does have a certain capacity to influence.

We work to minimise the impact derived from:

- ✓ **Depletion of natural resources:** consumption of water, electricity, wood waste, paper and cardboard waste, etc.
- ✓ **Atmospheric pollution:** boiler emissions, vehicle emissions, etc.
- ✓ **Land occupation:** common waste, consumption of reagents, etc.
- ✓ **Soil contamination:** chemical product spill.

3.2 Environmental commitment

We have implemented an **Integrated Quality and Environmental System** certified in accordance with the following standards

✓ UNE- EN-ISO 9001

✓ UNE-EN-ISO 14001



OUR QUALITY AND ENVIRONMENTAL POLICY HAS THE FOLLOWING OBJECTIVES:



Achieve a **high level of environmental quality and performance** by continuously improving the Integrated Management System through the establishment of specific and quantifiable objectives.



Plan and provide adequate training using the necessary resources to enable the development of and compliance with the Quality and Environmental Policy.



Comply with applicable laws and regulations, as well as other requirements to which Normon voluntarily subscribes.



Prevent and reduce pollution in order to minimise all possible impacts.



Carry out **permanent control to ensure compliance with current environmental legislation** and regulations, extending it to suppliers and subcontractors.



To provide all the human and material resources necessary for the continuous improvement of the Quality and Environmental System.



Encourage appropriate environmental behaviours among our employees.



This Policy is **disseminated at all levels of the company and is available to the public**, as well as to all interested parties upon request. In addition, we have a procedure for the annual establishment of environmental objectives, in particular the reduction of CO2 emissions.

CLIMATE CHANGE

The reduction of CO2 and greenhouse gas emissions are a priority in the annual setting of environmental targets. We will continue to work on calculating and tracking the company's carbon footprint and setting measurable targets.



- ✓ We have focused our efforts on **reducing direct CO2 emissions** by switching to LED lighting. The project aims to reduce the intensity of these emissions by 40%.
- ✓ We have identified and labelled all equipment containing fluorinated greenhouse gases in order to work on **continuous improvement in our management**.
- ✓ In 2021 we evaluated **all atmospheric sources** and the values obtained comply with the limits established in the administrative authorisations.

AFFORDABLE AND CLEAN ENERGIES

According to the United Nations, **energy is the main contributor to climate change**, accounting for around 60% of all global greenhouse gas emissions.



Our activities depend on **reliable and affordable energy services**, which is why we are working to **find alternative sources of green energy** that are also affordable from a financial point of view. Therefore:



The electricity we consume comes from **100% renewable energy sources**, certified by the CNMC. In addition, in our commitment to the environment, we continue to switch from halogen to LED lighting.



During 2021 we have been working on **a project for the installation of photovoltaic panels**. In 2022, 5,244 solar panels will be installed, to achieve an annual energy output of 5,215 MWh, and produce 15% of the energy needed for production during sunshine hours.



In addition to seeking alternative energy sources, we carry out energy controls (water, electricity and gas) to detect possible deviations and take the appropriate measures in each case.



SUSTAINABLE MOBILITY

We make sustainable forms of mobility available to our employees:



Shuttle service (COVID-19 period) at different points in Madrid, Fuenlabrada, Parla, Alcorcón, Alcalá de Henares, El Molar, Campamento, Moncloa, etc.



Charging points for **electric vehicles** in the car park. A grant has been obtained for their installation.



Mixed system of on-site and teleworking that contributes to decarbonisation by avoiding vehicle emissions on journeys.



Transport voucher, contributing to more sustainable mobility.



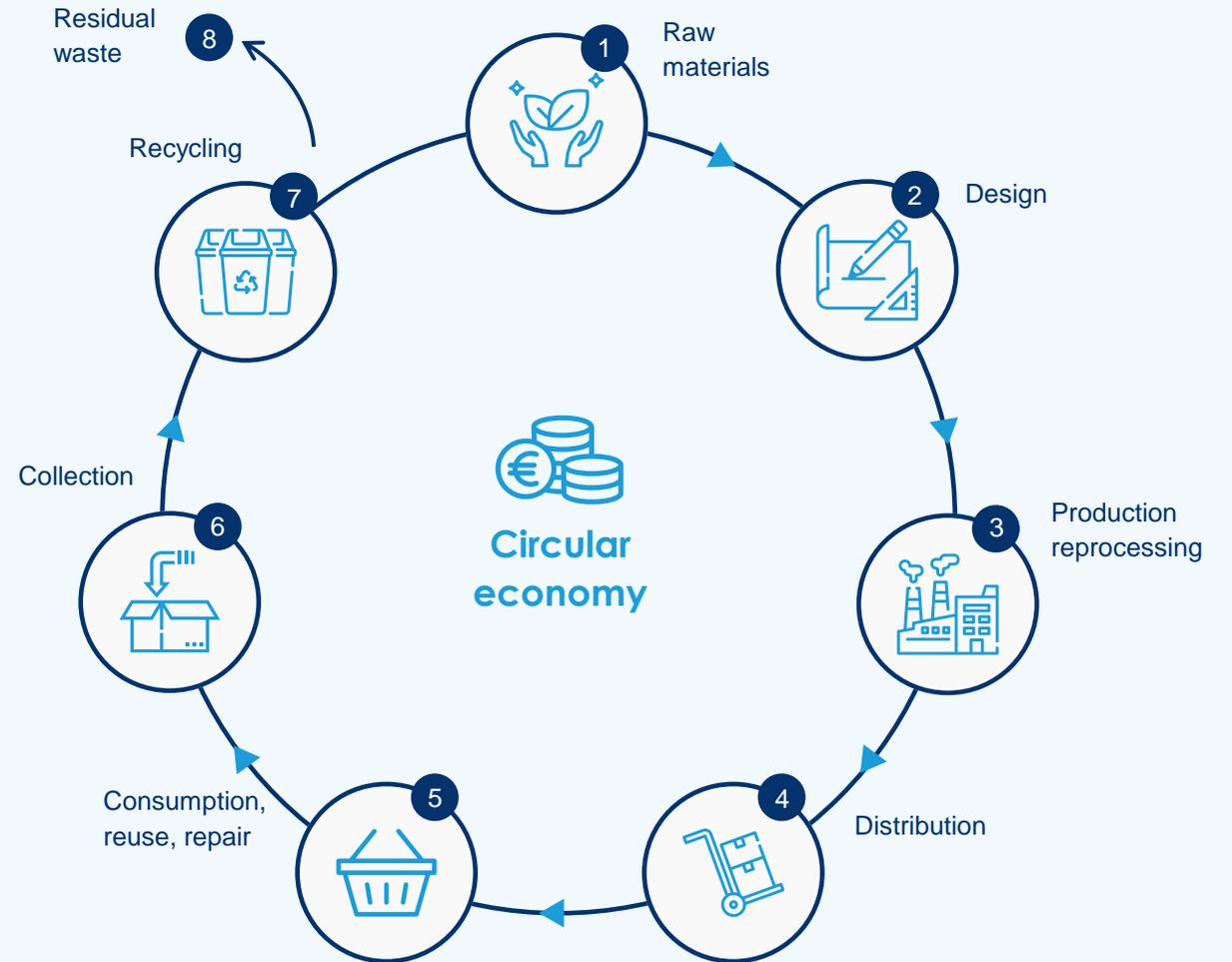
Docking stations for **parking bicycles**.

3.4 Circular economy and waste management

CIRCULAR ECONOMY

The transition to a **circular economy** requires **commitment** from all actors in society. New technologies, regulations and consumer behaviour are key factors in this change.

At Normon **we are aware of our responsibility** and know that we must make efficient use of resources, offer efficient products and take responsibility for the waste we generate.



WASTE

All waste generated at our Tres Cantos facilities is managed in such a way as to minimise the environmental impact and comply with applicable environmental requirements.

To this end, and based on legal compliance, we have a waste minimisation plan.

We are currently working towards the elimination of plastics in the packaging of clinical containers. This elimination of plastics has an impact on many of our products, considerably reducing the use of plastics.



We pay attention to **any technological advance** in order to include it in our processes with the objective of **reducing the generation of hazardous waste**.



During 2021 we generated a total of 2,211,472 kg of **waste**, 22,292 kg less than the previous year.



We try **not to increase the generation of such waste** by evaluating the hazardous waste indicators every four months in accordance with the **ISO 14001:2015 standard**. This evaluation of four-monthly indicators anticipates any deviation that may occur and allows us to take the appropriate measures.



We finance the **waste management** of all **packaging placed on the market**, through membership in integrated waste management systems (IWMS): ECOEMBES (household and commercial packaging) and SIGRE (leftover medicines and domestic packaging).

ECO-DESIGN

Eco-design, applied to pharmaceutical packaging, is a form of design that analyses its overall environmental impact at all stages of the life cycle, **from material selection to end-of-life and recycling.**

At Normon we have a procedure that defines the stages to be followed during the design and development of a new product in its life cycle.



Furthermore, a large group of pharmaceutical companies collaborate, in coordination with SIGRE, to seek improvements in packaging throughout its life cycle to reduce the waste generated and minimise the possible environmental impact. In this regard, we are part of the **Business Plan for Packaging Waste Prevention (PEP) 2021–2023**, the challenges of which can be summarised as follows:

- ✓ Contribute to meeting the recycling and energy recovery targets for pharmaceutical packaging waste.
- ✓ Encourage the reduction of the weight of packaging waste generated.
- ✓ Increase the reuse rates of grouping and transport packaging.
- ✓ Increase the recyclability of packaging.
- ✓ Minimise the environmental impact of pharmaceutical packaging throughout its life cycle.
- ✓ Improvement of prevention indicators. Strive to achieve the estimated reduction targets in the 2021–2023 plan.

WATER

Water is an **essential resource** for carrying out our manufacturing activities. We could qualify water as an essential raw material in our productive activities.

The **main use we make of water is as a raw material** for the manufacture of injectable products, as well as in other production processes.

We have **automated the cleaning processes**, which results in **significant water savings**.

The **water discarded** in the production processes (15,000m³) is collected and **reused** for secondary uses (cooling circuits).

We do not draw from any wells or use water from any groundwater aquifers.



We obtain **100 % of our water from the company Canal de Isabel II**. The geographical area in which our facilities are located is not an area with special water stress characteristics. However, no excessive or uncontrolled use of this natural resource is permitted.



In **2021**, we consumed 148,505 m³ of water at **Normon 1**, having **reduced water consumption by 15.6%**. This reduction is mainly due to improvements in the Engineering area. At Normon 2, consumption has increased mainly due to the start-up of the works.



In August 2020, the application for the new discharge authorisation was made and in January 2022 the new discharge authorisation for Normon 1 was received.



Normon has a wastewater discharge of 96,903 m³ in 2021 to the municipal sewer (88,120 m³ in 2020), within the discharge authorisation limits.



4 WE CARE FOR PEOPLE

- 4.1 At a glance
- 4.2 Stable, quality employment
- 4.3 Equality, work-life balance and inclusion
- 4.4 Occupational Health and Safety
- 4.5 Human development and on-the-job training

4.1 At a glance



74 more employees than in 2020, (+ 3.02%) reaching 2,527 employees.



91 % of staff on permanent contracts.



100 % of the workforce covered by the XX Collective Agreement for the Chemical Industry.

Main SDG:



Other related SDGs:

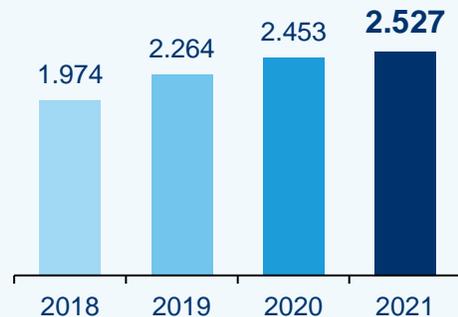


We take care of people, offering them stable and quality employment in a safe environment. We foster equality, work-life balance and human development in the workplace.

- ✓ **46% men, 54% women.** Normon employs a total of 1,360 women.
- ✓ **23 different nationalities** different nationalities among Normon employees.
- ✓ No Temporary Redundancy Plan (ERTE) during the pandemic.
- ✓ Occupational **Risk Prevention Management System.**
- ✓ **Reduction of occupational accidents** in 2021.
- ✓ AENOR Certification of the COVID-19 Action Plan.
- ✓ Measures that encourage **work-life balance** (annual working hours shorter than those established by the Agreement, main working hours from 8:00-16:00, flexitime in certain positions, teleworking policies in certain positions, work calendar, clocking-in systems, etc.).
- ✓ **Staff benefits:** Shuttle service (COVID-19 measure), subsidised canteen service, childcare vouchers, transport vouchers, "Normon Benefits Club" discounts, employee store, medical service, physiotherapy.
- ✓ **Wage gap of 3.71%**, lower than the average for the sector and for Spain.
- ✓ Alliances with **Special Employment Centres** and foundations dedicated to labour insertion (Novo Rehum, Ilunion CEE, Fundación Juan XXIII, Fundación Numen, Fundación SERMES, Fundación Manantial, FUNCARMA, LASERCART).
- ✓ Facilities **100% adapted for people with reduced mobility.**
- ✓ During 2021, Normon's **Second Equality Plan** has been signed and is currently under review.
- ✓ We have **protocols for** workplace harassment, sexual harassment and gender-based harassment.
- ✓ Digital **training platform** "Normon Academy" and Employee Portal.
- ✓ During 2021, a total of **65,792 hours of training**, in 1,444 courses and with 25,927 attendees. The average number of training hours per employee in 2021 was 26 hours.

4.2 Stable, quality employment

No. EMPLOYEES/YEAR



Our commitment to our employees is one of the fundamental pillars of the company. We focus our efforts on creating stable, quality employment in an equal, safe and healthy environment that allows the development of talent and professional growth.

During 2021, the workforce continued the growth experienced in previous years, reflecting the company's situation, which continues with the expansion and improvement of the plant's capacity and the internationalisation process.

The workforce grew from 2,453 employees at the end of 2020 to 2,527 employees at the end of 2021; 74 employees more, an increase of 3.02% (compared to the previous year's increase of 8.35 %). This growth is **expected to be largely maintained in 2022** due to the multiple investments made by Normon.

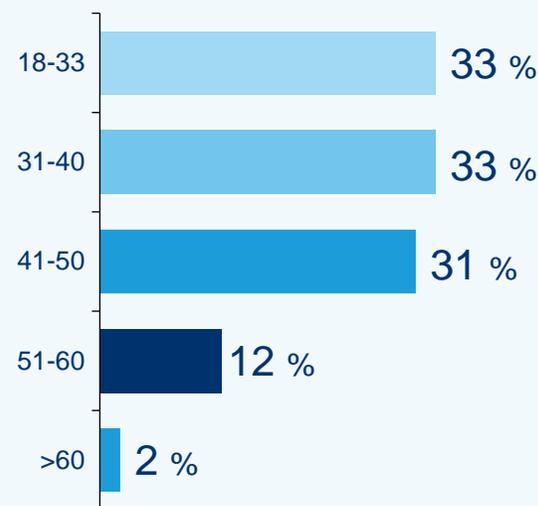
In any case, this growth will be steady and controlled. Normon's stability as a company is reflected in the fact that **91% of the workforce** is on **permanent contracts** (up from 82% in 2020).

At Normon **we are committed to equality** and our figures reflect this commitment; **54 % of the workforce is female**.



During 2021, we have continued to focus on job creation with young professionals, while at the same time complementing it with experienced professionals.

AVERAGE AGE OF EMPLOYEES



Of particular significance during 2021 was the complex personnel management carried out during the COVID-19 crisis with a mixed management model depending on whether employees belong to the offices, commercial network or production.

Absenteeism **figures fell during 2021**.

Since the beginning of the pandemic we have not implemented any Temporary Redundancy Plan (ERTE) derived from the COVID-19 situation. All positions that have had to cease their activity (e.g. kitchen employees, commercial visits, etc.) have been temporarily relocated to other positions.

4.3 Equality, work-life balance and inclusion

EQUAL TREATMENT AND OPPORTUNITIES

We are committed to ensuring that all our employees enjoy equal opportunities for career development.

We promote the principle of non-discrimination on grounds of **age**, with a heterogeneous but balanced workforce made up of senior employees who bring a wealth of experience, as well as staff who are just starting out in their careers.

We are aware that **people with disabilities** are one of the groups at risk of exclusion with the greatest difficulties in accessing employment. In this regard, the company is enriched by the contribution of people with different abilities, who can offer added value. In addition, we subcontract certain activities to Special Employment Centres (preparation of Christmas hampers, handling of product packaging materials, etc.).

On the occasion of World Day for **Cultural Diversity**, we have focused the spotlight on Cultural Diversity in our company, promoting awareness through videos and interviews with employees, an article on the benefits of working with different cultures and a knowledge pill.

EQUALITY PLAN

Axes of the 2021–2025 Equality Plan:

- ✓ Culture and Communication.
- ✓ Working Conditions.
- ✓ Selection and Access to employment.
- ✓ Training, Promotion and development.
- ✓ Remuneration and salary audit.
- ✓ Work-life balance and co-responsibility.
- ✓ Under-representation of women.
- ✓ Prevention.

In 2016 we signed the first **Equality Plan**, with the implementation of different measures and actions that integrate equal opportunity between men and women. During 2020, we began the procedures for its renewal. To this end, an Equality Commission was formed, comprising representatives of the employees and the company.

The Equality Plan was signed by the Committee on 5 March 2021, and is valid until 2025, although it is currently under review.

The Equality Plan presents a programme of action, based on the conclusions of the diagnosis and the aspects of improvement detected in the area of gender equality, defining a series of specific objectives for each defined line of action.



SALARY GAP

In order to ensure the application of the principle of equal pay, we monitor the gender pay gap by regularly assessing indicators that relate pay differentials by job position and gender.



3.71 %

Normon's salary gap in 2021, lower than the average in Spain.

We do not discriminate between men and women and women when it comes to hiring, pay and benefits.

We consider the **full and equal integration of women into the labour market to be essential**. This is reflected in the personnel structure, with **54 of the company's positions occupied by women**.

On the occasion of **International Women's Day**, we focused on gender equality and diversity in our company, reinforcing our commitment through the signing of the Equality Plan and promoting awareness through videos and interviews with employees.

4.3 Equality, work-life balance and inclusion

WORK-LIFE BALANCE

We have various measures in place to help employees reconcile their personal and professional lives.



Annual working hours lower than those established by the Collective Agreement for the Chemical Industry applicable to the entire workforce, with fewer hours and including more holidays.



The **main shift is from 8:00 a.m. to 4:00 p.m.**, a timetable that favours the work-life balance and effective enjoyment of rest time.



During the **pandemic**, new work shifts were introduced, bringing forward the starting times for all shifts: morning, afternoon and evening, in order to facilitate our workers' need to reconcile work and family life.



Flexitime policy for all non-shift personnel.



Teleworking policies, since the start of the pandemic, for office staff. At present, as this is a period of de-escalation, a mixed attendance system is maintained.



Right to Digital Disconnection Policy, signed at the beginning of 2022, to highlight the right to rest time and to respect for personal and family privacy.



Work calendar, agreed with the employees' representatives, which guarantees the employees' enjoyment of the holiday period.



Clocking-in systems at all levels, which guarantee the recording of working hours and the avoidance of longer working hours through the digital platform eTempo, which allows workers to manage the recording of working hours.



Other corporate benefits shuttle service (COVID-19 measure), on-site parking, canteen service with different weekly menu options, store with Normon over-the-counter products at very affordable prices and a "Benefits Club".

ZERO TOLERANCE OF HARASSMENT

The conduct expected of all workers is always to treat fellow workers in a **respectful, fair, and professional manner**.

Our Code of Ethics and Conduct devotes an entire section to a message of **zero tolerance for violence in the workplace**.

We consider very important to treat colleagues in a respectful, fair and professional manner and there is no place in our company for physical violence, psychological harassment at work and/or sexual harassment.

In the coming years, we will reinforce this message of zero tolerance of harassment through employee training sessions.



We have **zero tolerance** for any situation of workplace violence, and we have appropriate and effective mechanisms in place for the prevention, resolution and follow-up of this type of behaviour. We **have two protocols, updated during 2021**, which provide action and solutions to situations of workplace violence:



Protocol for prevention and action in cases of moral or psychological harassment (mobbing).



Protocol for prevention and action in cases of sexual harassment, gender-based harassment, and discriminatory harassment.

PERSONNEL WITH DISABILITIES

31 workers with disabilities (as at September 2021)

In September 2020, the Directorate General of the Public Employment Service of the Community of Madrid decided to exempt the company from the obligation to incorporate people with disabilities in the workforce and authorised Normon to adopt alternative measures **collaborating with several Special Employment Centres and making donations aimed at helping people with disabilities to find work.**

In addition to the entities with which Normon collaborates in relation to alternative measures, we collaborate with the following Special Employment Centres:

FUNCARMA Special Employment Centre. They seek the labour inclusion of people with disabilities, and we collaborate with product handling actions.

Fundación Manantial. This foundation seeks comprehensive care for people with mental health problems and provides secondary packaging services for pharmaceutical products.

LASERCART special employment centre. They provide us with print waste collection and management services, and work with the aim of supporting and facilitating the integration of people with disabilities into the labour market.

For the first period covered by the exemption granted, from September 2020 to August 2021, the following measures were undertaken:

- ✓ The Special Employment Centre **NOVO REHUM, S.L.U.** was contracted to put together Christmas hamper for employees (€106,879.56). The main objective of Novo Rehum is the labour inclusion of people with disabilities, mainly intellectual, providing the necessary means for the personalised adaptation of each job.
- ✓ Cleaning services for our facilities are contracted with the Special Employment Centre **ILUNION CEE LIMPIEZA Y MEDIO AMBIENTE, S.A.** (€106,105.07). Part of the ONCE Group, it pursues the full social and labour inclusion of people with disabilities.
- ✓ Donation to the **FUNDACIÓN JUAN XXIII RONCALLI** for the amount of €38,724.48. They have been working for more than 50 years for the social and labour inclusion of people with intellectual disabilities.
- ✓ Donation to the **NUMEN FOUNDATION** of €29,043.36. Numen is dedicated to the education, rehabilitation and care of people affected by cerebral palsy and related neurological damage; its main goals are the full integration of people with cerebral palsy in society, respect for their rights inherent to their human dignity and the achievement of a satisfactory quality of life.
- ✓ Donation to the **SERMES FOUNDATION** of €20,000. They strive for the integration of disabled people into the labour market through training, as well as the fostering of clinical research in those areas that add value and innovation to society.

UNIVERSAL ACCESSIBILITY FOR PEOPLE WITH DISABILITIES

Normon's facilities are accessible to people with disabilities.

They have **adapted toilets, accesses, ramps and lifts** that allow access to any part of the facilities. Likewise, any drill or emergency takes into consideration the needs in these scenarios.



4.4 Occupational health and safety

We promote a preventive culture aimed at ensuring the right to the protection of the health and integrity of all workers and people who access our facilities and work areas.

We have an **Occupational Risk Prevention Policy**, the aim of which is to protect the life, integrity and health of all the employees. The central themes of this policy are:

- ✓ Information and training for all workers in the area of ORP.
- ✓ Compliance with applicable laws and regulations.
- ✓ Safety Principle
- ✓ Continuous Improvement.
- ✓ To develop an Integrated ORP Management System.
- ✓ To encourage the participation of workers in ORP issues.
- ✓ Allocation of the necessary resources in the area of ORP.



Our ORP Plan is adopted at all hierarchical and activity levels: management, technical, administrative and personnel involved in manufacturing and logistics within our plant.

We also analyse the risks and **plan the preventive needs** throughout our commercial network and branches. The main occupational hazards identified by Normon are essentially those inherent in a production and quality control plant.

The organisation of our preventive activity is carried out and controlled by:



In-house Prevention Service (SPP), which takes responsibility for the specialist areas of Safety, Hygiene, Ergonomics and Applied Psychosociology.



External Prevention Service (SPA) accredited for Occupational Medicine.

For the consultation and participation of workers, a Health and Safety Committee (HSC) has been established, in addition to the existence of Prevention Delegates as intermediaries between workers and the company.

ACCIDENT RATE

During 2021, our Prevention Service carried out the investigation and monitoring of:

93 Accidents in the workplace.

41 Commuting accidents.

0 Occupational diseases.

(compared to 110 and 36 respectively in 2020). The number of occupational accidents has been reduced in absolute terms with respect to the previous year, despite the increase in the number of employees. Our goal is to continue working to reduce them.



4.4 Occupational health and safety

ORP AND COVID-19

Some of the most relevant actions we have implemented for the control and containment of COVID-19, in order to avoid outbreaks and contagions are the following:



Creation of a **Crisis Committee** to take decisions and define new actions in accordance with the analysis of the pandemic's progress.



Permanent **communication with employees**. Reporting of cases and incidents and constant follow-up of open cases. Opening of a COVID-19 incident mailbox.



Case **registration and tracking system**. Internal testing and monitoring by antigen testing at medical discretion.



Periodic controls by means of diagnostic tests for new recruits and people returning to the plant after a period of sick leave.



Two **mass testing campaigns** are carried out for members of staff when they start work, coinciding with the return from the Christmas and summer holidays. Reinforcement tests for persons with symptoms and suspected cases.



Recruitment of additional health personnel in charge of antigen testing in all work shifts.



In 2021, through AENOR, we successfully passed the audit and certified the "COVID-19 Action Plan" and all associated protocols. This certificate is an external endorsement of the effectiveness of the measures implemented by the company and endorses that these initiatives comply with the guidelines established by the Ministry of Health in terms of COVID-19 prevention and hygiene.



Teleworking in office positions, and definition of maximum occupancies per work area. Creation of an app for reserving office spaces.



Transport assistance for employees, ensuring the maximum permitted occupancies.



Staff hygiene. Hand sanitiser alcohol gel dispensers are placed at all entrances to buildings and work areas, corridors and common areas.



Reinforcement and increase of cleaning and disinfection in common areas.



Control of access to the facilities. Two thermal imaging cameras were purchased to monitor the temperature of people entering the plant.



Distancing measures. Placement of methacrylate screens between office workstations. General recommendation for remote training and meetings.



Coordination with contractors. Sending an internal certificate via the platform with the obligations for contractors with regard to COVID-19. Halting non-essential work. Requirement of screening tests for external contractors with regular access.



Ongoing **awareness-raising** on the use of protective measures against COVID-19 through memos sent to staff and recommendations posted on the employee portal.



Weekly meetings with the Health and Safety Committee, of an informative nature for the consultation and participation of the workers.



Remote training meetings, aimed at informing plant department managers of the internal measures and procedures.



Acquisition of a large **stock of FFP2 and surgical masks**.



Control of third party visits to the plant.

OCCUPATIONAL RISK PREVENTION AND COVID-19

Medical service and medical examinations

We have medical facilities that simultaneously host **medical care and occupational medicine services** through an external provider who is part of an on-site occupational medicine team. Its mission is to carry out on-site health surveillance of all employees, medical examinations and aptitude assessments of sensitive personnel, pregnant women, etc.

During 2021, there have been:

2,126 medical examinations of the workforce

27 aptitude assessments of sensitive workers

48 assessments of pregnant workers

As for the medical assistance service, **we have our own medical team**, with its own consultation area within the facilities, responsible for dealing with possible medical incidents and consultation.

We also have a physiotherapy **service during the morning and afternoon shifts**.



Industrial Hygiene Measures

During 2021, our In-house Prevention Service has been supported by a **toxicology service**, to assist in the categorisation of active pharmaceutical ingredients (APIs).

Throughout 2021, 209 active ingredients have been pre-categorised according to their toxic characteristics.

As a result of these categorisations, information sessions have been held for the change of conditions and acquisition of new personal protective equipment.

Hygiene Controls

During 2021, our In-house Prevention Service has performed

49 noise measurements.

41 brightness measurements.

3 spot air temperature and humidity measurements.



4.4 Occupational health and safety

OCCUPATIONAL RISK PREVENTION AND COVID-19

Coordination of Business Activities (CBA)

We protect both our employees and the employees of other companies who access our facilities.

During 2021, the In-house Prevention Service managed access to the facility and carried out the coordination of preventive activities for a total of **52 works and refurbishment projects within the facility.**

We manage a Coordination of Business Activities (CBA) platform that handles more than 4,846 external workers and 953 external companies that have access to the facility for maintenance and service provision.

Our CBA platform has a linked access control, which allows us to establish control over all external companies/workers accessing our facilities and verify that they have the required documentation and training.

Cardioprotected space and breathing equipment



Normon is **a cardioprotected space.** For this reason, we have the following equipment, which undergoes regular maintenance:

5 SAED defibrillators.

8 Self-contained breathing apparatus for contaminated atmospheres.

Emergency plan

During 2021, we have drawn up **the Self-protection plan** for the new "Normon 2" work centre, as well as the revision of the same document for the existing "Normon 1" facilities, which was pending approval at the end of the year.

Emergency drills are carried out annually, involving the evacuation and intervention teams and emergency managers, all in compliance with COVID-19 measures. During 2021:

- 2** Emergency drills
- 2** Plants evacuated
- 392** People evacuated



Training in Occupational Risk Prevention (ORP)

With regard to **internal training courses within the job positions**, this year the SPP has provided a total of:

- 15** Training actions
- 54** Awareness/information sessions
- 300+** Training actions for new recruits

TRAINING

Training at Normon is a process of high strategic value and continuous improvement, aligned with the strategic and business objectives.

Through training **we encourage the development and improvement of our employees' potential**. Retaining talent is a priority.

Since 2020, we have had the digital training platform "**Normon Academy**", available to 100% of the workforce. Through this platform, all employees can find out about their assigned training, explore the progress status of each course, consult additional resources, participate in learning communities and discover new courses to register for.

There are currently **11 training plans**, which bring together regulatory and professional development related training.



Key pillars of our training

- ✓ **Respect for Human Rights** and promoting a culture of ethical behaviour.
- ✓ **Non-discrimination based on sex, age or origin**. Professionals in equal position and professional development have the same training opportunities.
- ✓ Facilitate **training on new regulations** so that workers are aware of the legislation in force.
- ✓ Use of **different modalities** for training adapted to different needs (face-to-face, online, mixed).
- ✓ The **dissemination and exchange of** existing knowledge within the Company and continuous learning, etc. will be encouraged.
- ✓ **Support the Company's** strategic and business plan.
- ✓ **Encourage professional development**.
- ✓ **Covering the** training needs of jobs.
- ✓ Supporting **organisational** change management.
- ✓ **Increase the levels of efficiency and quality** of the departments and company.

TRAINEES

We collaborate with education centres so that students can carry out Workplace Training (WT) and complete their studies by doing practical work experience in a real environment with advanced technology, contributing to their inclusion in the labour market.

6 Employment Centres with which we have collaborated in 2021.

13 trainees in 2021.

370 hours of training per student.

9 students taken on after the training period.

69% of students taken on after the training period.



During 2021, a total of **65,792 hours of training** were carried out, in 1,444 courses and with 25,927 attendees. The average number of training hours per employee in 2021 was 26 hours.

4.5 Human development and on-the-job training

INTERNAL COMMUNICATION

The Internal Communication Area aims to provide transparency and fluidity to the Company's information, addressing only and permanently the group of employees.

Effective internal communication has a positive impact on its recipients and makes the company's initiatives and plans visible.

Our Internal Communication area **provides support to the different departments for the communication of improvements** in day-to-day processes, strategic and transformational projects, policies, as well as for the digitalisation of channels and information, with the following benefits:

- ✓ Improves the exchange of ideas between teams.
- ✓ Promotes participation.
- ✓ Decreases uncertainty about strengths, weaknesses and goals.
- ✓ Generates a sense of belonging and commitment to the company.
- ✓ Helps create a better work environment.
- ✓ Increases team productivity through the use of collaborative tools.

In 2021, the Normon Portal has become an integral part of the employee's daily life, with a high frequency of visits and an increase in the updating of relevant news in relation to the business, internal policies and the COVID situation.

Notable among the campaigns launched were those in support of the Diversity and SAP projects, as well as the press releases for the launch of new people management systems (eTempo, Academia Normon, Success Factors, among others).

The platform promotes employee participation and interaction, giving them the possibility to comment and click on "Like", and to participate in specific Communities.

Through this same channel, we have launched opinion surveys, facilitating bilateral communication and the transfer of concerns, proposals, suggestions or queries to the company. This has generated closer ties, favouring the commitment, sense of belonging and motivation of the teams.

The creation of the Portal has been especially relevant in the situation caused by the COVID-19 health crisis, in which effective internal communication of the business measures and situation has been fundamental to support the management, change and collaboration between the different departments.





5 WE CARE FOR HEALTH

- 5.1 At a glance
- 5.2 Our commitment to Health
- 5.3 The value of generic drugs
- 5.4 Commitment to research
- 5.5 Contribution to health during the pandemic
- 5.6 Health and Safety of patients and professionals
- 5.7 Services to healthcare professionals
- 5.8 Commitment to training and scientific knowledge



NORMON

5.1 At a glance

 **5** divisions dedicated to health care.

 **15–18** molecules developed each year.

 **+98 %** Complaints resolved at year-end.

Main SDG:



Other related SDGs:

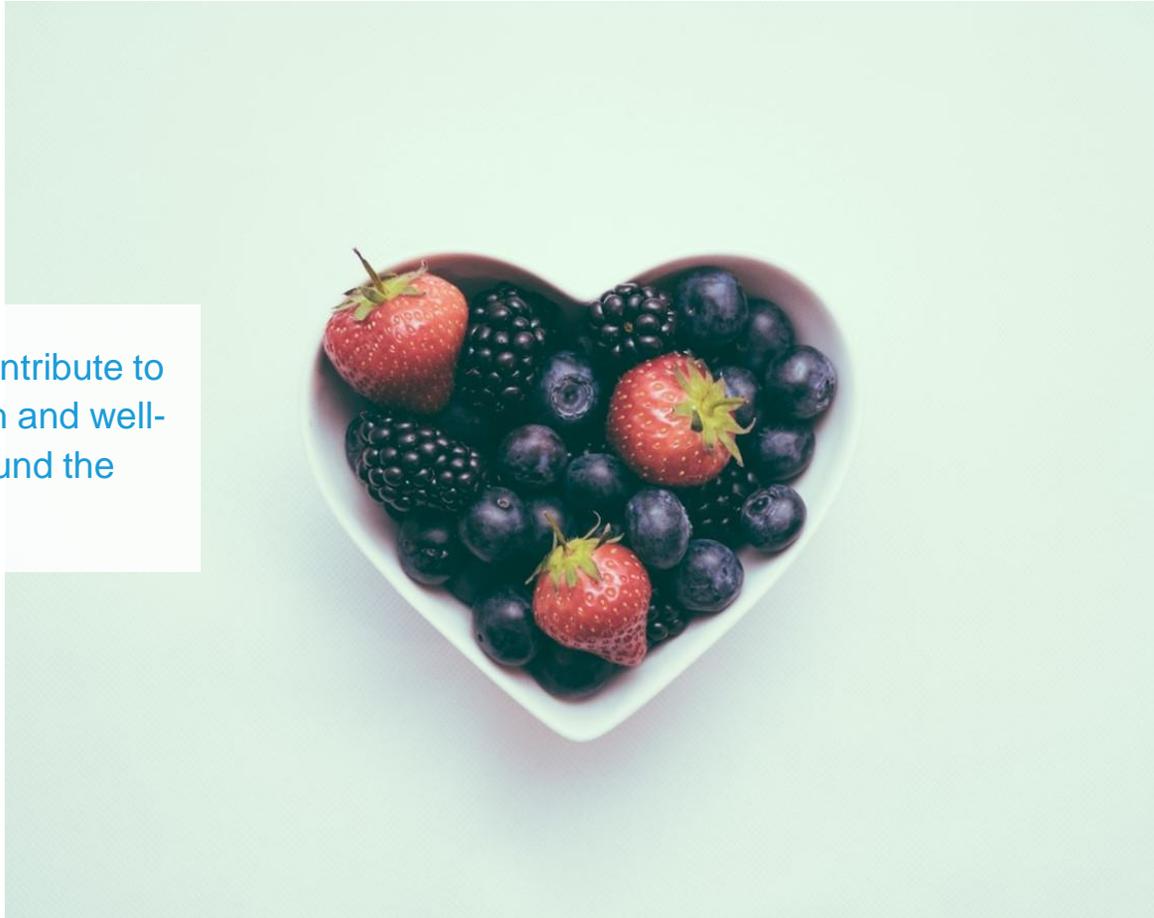


- ✓ We provide a vademecum comprising **225 active ingredients**, with a presence in the key therapeutic areas.
- ✓ Presence in practically all **clinics and hospitals** in Spain, with the widest range of oral and parenteral products.
- ✓ We contribute with products for **health self-care** with approximately 100 references among Medical Devices, Medicines, Cosmetics, Food Supplements and Biocides.
- ✓ We offer dental professionals **a wide range of products** (e.g. a range of needles and syringes, restorative and impression materials, disinfection products, bleaching agents and a line of biomaterials for bone regeneration).
- ✓ Presence (directly and/or indirectly) in **approx. 85 countries** in Europe, Central and South America, Asia and Africa; we provide access to quality medicines at competitive prices in all these regions.
- ✓ Manufacture of **drugs directly involved in the fight against COVID-19** (e.g. midazolam, cisatracurium) both for Spain and for third countries. Continuity is maintained in the manufacture of many other essential products for other types of pathologies that cannot be left unattended.
- ✓ With generic drugs, we promote **the accessibility** of medicines on the market.
- ✓ Our factory, located in Spain, has provided an optimal level of **supply of essential products** during the pandemic. Likewise, our factory in Spain helps to ensure a continuous supply of medicines in the national territory.
- ✓ We manufacture 92.11% of the products we market at our facilities (in Spain).
- ✓ **We disseminate scientific and** health content through our social networks.
- ✓ Effective **complaints and pharmacovigilance systems**.
- ✓ 100% of audits with favourable results.
- ✓ **Fostering scientific knowledge** with training on composites, biosafety for the dental practice, implantology in patients with needs, dental anaesthesia and systemic diseases in special patients.

We contribute to health, with quality medicines and products at reasonable prices and supporting the population's access to medicines.



Our mission is to contribute to improving the health and well-being of people around the world.



- ✓ Attention to Health Professionals
- ✓ Decision-making with patients in mind
- ✓ Highest quality of our products
- ✓ Local domestic production
- ✓ Market supply
- ✓ Access to medicines for the population

5.3 The value of generic drugs

A generic medicine is one that has the same qualitative and quantitative composition in active substances and the same pharmaceutical dosage form as an original medicinal product and has demonstrated bioequivalence. It can be recognized by the initials EFG on the label.

The main difference between a generic medicine and a brand name drug is in the name: the generic medicine acquires the name of the medicinal substance of which it is composed. Generally, generic drugs are placed on the market once the patent on the original medicine has expired and it has been authorised. The main advantage lies in the savings on the final retail price. They benefit citizens and contribute to **rationalising public expenditure on medicines**.



On the other hand, we manufacture most of the medicines we market in our own facilities. If we manufacture a medicine outside our facilities in Tres Cantos, it is either because we do not have the appropriate technology or because we have not been able to develop the medicine in question for other reasons.

Proximity in manufacturing not only contributes to environmental sustainability, but also to **local development** and to guaranteeing the supply of products in the national territory.

92.11% Medicines manufactured at our facilities.

4.79% Medicines manufactured by third parties in Spain.

2.56% Medicines manufactured in the EU.

0.85% Medicines manufactured outside the EU.

With regard to other types of products that we market (non-medicines), 94% of them are manufactured in European countries.



5.4 Commitment to research

Innovation is present in all areas of Normon, including product development and marketing.

We promote clinical research in areas that add value to society, including the development of generic medicinal products. We conduct all the clinical trials in Spain, in highly prestigious institutions and in compliance with all relevant regulations.



Our R&D&i Department is responsible for the development of new products. For this purpose, we have an R&D&i laboratory that assesses the suitability of the development and galenic batches manufactured by Normon for the development of its products. Among our most noteworthy equipment are apparatus for dissolution tests, HPLCs, UPLCs, etc. with advanced detection systems and technology. The R&D&i laboratory complies with Good Laboratory Practice (GLP) regulations.



As mentioned in previous sections, **the objective of the Profarma programme is to encourage the competitiveness of the sector and promote activities that provide greater added value and foster R&D&i.** Normon has been rated very positively in the Profarma programme for new licences, pipeline projects and galenic activity. Our commitment to innovation has led us to be the company that launched the most generic medicines during 2020, placing 36 references on the market.

5.5 Contribution to health during the pandemic

Generic medicines have been instrumental in preventing widespread shortages during the COVID-19 crisis. Generic drug companies have played a fundamental role in access to medicines.

The years 2020 and 2021 have been marked by the **global pandemic** caused by the SARS-CoV-2 Coronavirus (COVID-19).



On 14 March 2020, a **State of Alarm was declared in Spain due to COVID-19, which entailed**, among other things, restrictions on the freedom of movement of persons in Spanish territory, with the exception of, among others, travel to the workplace for work, professional or business purposes; a large part of the business activities and commercial establishments in Spain were also suspended.

As a manufacturer of drugs directly involved in the fight against COVID-19 (e.g. midazolam, cisatracurium), continuity in production and distribution has been essential in order to **ensure their supply**.

Likewise **we have also maintained continuity in the manufacture** of many other essential products for other conditions that could not be left unattended. All this despite the enormous difficulties from a logistical, purchasing, personnel and commercial point of view.

During the pandemic, we have maintained a high level of contact with the various authorities, especially with the Spanish Agency for Medicinal Products and Medical Devices (AEMPS), to coordinate at all times the needs generated by the COVID-19 crisis and to avoid drug shortages.

Generic drugs are a safety net, which has ensured the availability and access to treatments during the health crisis.



5.6 Health and safety of patients and professionals

QUALITY

Customers, health professionals and patients are at the heart of our business and for this reason we are committed to the following:

-  To pay attention to the **protection of the health and safety** of customers and patients throughout the entire life cycle of products.
-  Maintain the necessary **confidentiality** in the processing of their data.
-  Manage and **resolve your queries and complaints** in the shortest possible time.
-  To respect and comply with the rules that regulate **marketing activities** and to accept the voluntary codes that give transparency and truthfulness to these actions.

We have a quality system that is aimed at continuous quality improvement and covers the processes of the manufacturing plant, subcontracted manufacturers, suppliers of raw materials, packaging materials and external services, storage and distribution. Our Quality Assurance Department:

- ✓ Ensures **compliance with the regulations** of Good Manufacturing Practices (GMP) and Good Laboratory Practices (GLP).
- ✓ Ensures that all drug manufacturing and control equipment and processes are **qualified and validated**.
- ✓ Has validated computerised systems for the control of the entire manufacturing plant.
- ✓ Provides **training courses** for all staff.
- ✓ Is responsible for external audits (manufacturers of raw materials, packaging materials, etc.) and internal audits (self-inspections).

The quality of our products is continuously monitored. Regular inspections are carried out by the authorities as well as by business partners. Likewise, we carry out quality audits of our suppliers to ensure the quality of our raw materials and services.

In order to assess compliance with the laws and requirements of the authorities, we differentiate between inspections/audits depending on whether the product in question is a pharmaceutical product or another type of product. Below is the data for 2021:



PHARMACEUTICAL PRODUCT

<p>11</p> <p>Routine third-party/business partner audits of Normon.</p>	<p>1</p> <p>Routine inspection of Normon by Health Authorities.</p>	<p>17</p> <p>Normon audits of Packaging Material manufacturers.</p>	<p>4</p> <p>Normon audits of Service providers.</p>
	<p>121</p> <p>Normon audits of raw material manufacturers.</p>	<p>11</p> <p>Normon audits of Finished Product manufacturers.</p>	<p>100%</p> <p>Favourable result.</p>



MEDICAL DEVICES, FOOD SUPPLEMENTS, COSMETICS

<p>1</p> <p>Routine inspection of Normon by Health Authorities</p>	<p>3</p> <p>Normon audits of Finished Product manufacturers.</p>
<p>100%</p> <p>Favourable result</p>	



COMPLAINT AND PHARMACOVIGILANCE SYSTEMS

We have several channels of contact depending on the need for communication. All of them are available through our website. In particular, if a customer, business partner or health professional contacts Normon with a **quality complaint or grievance**, our Quality Assurance Department initiates an internal procedure to identify the cause and prevent a recurrence. The data for 2021 are detailed below:



MEDICINAL PRODUCTS

308 Complaints

149 of the complaints were justified

70 Complaints dismissed

84 Complaints were unfounded

98 % of complaints answered by the end of 2021

136,601,291 units placed on the market



MEDICAL DEVICES, FOOD SUPPLEMENTS, COSMETICS

106 Complaints

81 of the complaints were justified

8 Complaints unfounded/dismissed

99.06% of complaints answered by the end of 2021

If the report concerns an adverse reaction, the Pharmacovigilance Department is in charge of processing it. We have an **effective Pharmacovigilance System** that complies with Good Pharmacovigilance Practices (GPV) and manages any suspected adverse reaction/special situation reporting. During 2021, a total of 105 suspected adverse reactions/special situations were received directly from health professionals, patients and third parties.

The Pharmacovigilance Department of **Normon has set up a communication channel via e-mail** (farmacovigilancia@normon.com) or phone [(+34) 91 806 52 40]. There is also a 24h direct contact with the Pharmacovigilance Manager.

FIGHT AGAINST COUNTERFEIT MEDICINES

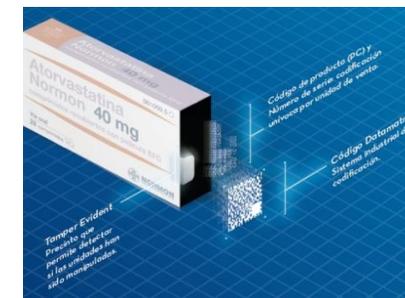
In recent years, we have made significant technological and human investments to adapt our infrastructures to the medicines safety regulations in accordance with Directive 2011/62/EU and Delegated Regulation (EU) 2016/161, which entered into force on 9 February 2019.

It is a **regulation that aims to fight against counterfeiting and falsification of medicinal products**, avoiding possible tampering and in this way contributing to offering greater guarantees and safety to patients.

We made an **investment of around 17 million euros in technology**, with the installation of approximately **40 machines** for printing unique identifiers and the incorporation of anti-tampering devices, in addition to the implementation of technological systems necessary for serialisation, such as Seavision and Tracelink.

It is a system that requires identification on medicine packages by a unique code, a tamper-evident seal and the need for authenticity to be verified at the point of dispensing before reaching patients.

To carry out this project we collaborated with various official bodies and entities such as AEMPS, AESEG, SEVeM, EMVO, Hospitals and other local bodies in different countries.



5.7 Services to health professionals

During 2021 Normon has set up an exclusive portal for both pharmacies and dental clinics to facilitate the management of their orders, download documents of interest, resolve possible doubts or incidents and access useful training materials and resources.

The website aims **to help customers in their daily work**, streamlining the direct relationship with Normon, maintaining the close relationship that is characteristic of the company and always seeking the highest level of customer satisfaction.

This new Normon Customer Area, very visual and easy to navigate, incorporates functionalities and tools aimed at facilitating the management of the pharmacy and dental practice. This is a direct line with the company that provides solutions adapted to each type of business.



Pharmacists and dentists **can use this** private and personalised website to track their orders, consult the history of their purchases, download their invoices and other documents required for tax purposes, contact customer service, consult Normon's extensive vademecum of medicines and products and contact their delegate for any queries they may have.

There is also a **materials and training area** where users can access a wide range of training content to broaden their knowledge and provide quality assistance. It also makes available to customers elements designed to help product visibility either in pharmacies or in dental clinics and which will be available through direct download.

5.8 Commitment to training and scientific knowledge

We collaborate with Healthcare Professionals, Pharmacists Associations and other Healthcare Organisations in Spain in order to promote the development of training and scientific activities with the Healthcare Community and to foster knowledge and professional development.



Training organised by Normon on subjects such as:

- ✓ Composites
- ✓ Implantology in patients with special needs
- ✓ Biosafety for the dental clinic
- ✓ Dental anaesthesia and systemic diseases, in special patients.



Funding for Health Professionals to attend events, at congresses such as:

- ✓ Exponential Scientific Congress, on 26 June 2021 in Madrid
- ✓ Congress "XIV EIBA-FH 2021" organised by EIBAFH from 3–5 October 2021 in Zaragoza, Spain
- ✓ "III Course on Systematic Reviews and Meta-analysis. Tools and practical application", from 19 April to 22 September 2021
- ✓ "5th Biennial Congress of the Official College of Dentists and Stomatologists of the First Region", 12–13 February 2021
- ✓ "Intensive course on antimicrobial therapy- 50th EDITION", from 27 September to 1 October 2021



We are also committed to the training of the health sector through the sponsorship of scientific-professional meetings:

- ✓ II Knotgroup Congress "The Renaissance" on 12–13 March 2021
- ✓ "III Annual Congress of the Andalusian Association of Oral Surgery ("AACIB")", on 12 June 2021 in Huelva.
- ✓ "5th Biennial Congress 2021 of the Official College of Dentists and Stomatologists of the First Region ("COEM)".
- ✓ "XVIII CONGRESS of the Spanish Society of Oral Surgery ("SECIB)", on 24–25 September 2021.
- ✓ "14th Pharmaceutical Conference of Seville: #DisPensando", 18 February 2021 organised by the Royal and Illustrious Official College of Pharmacists ("RICOFSE")
- ✓ "Programme for the Implementation of Adherence from Community Pharmacy organised by the Spanish Society of Family and Community Pharmacy ("SEFAC)".
- ✓ "XXVI Conference of the Catalan Society of Clinical Pharmacy", 15 June 2021, organised by the Private Foundation of the Academy of Medical and Health Sciences of Catalonia and the Balearic Islands and the Catalan Society of Clinical Pharmacy.
- ✓ "VIII Conference on Pharmacotechnics and Drug Development", 17-18 June 2021, organised by the Galicia Sur Biomedical Foundation.
- ✓ Sponsorship of the "XV Congress of the Spanish Society of Odontostomatology in Barcelona on 19 and 20 November 2021.
- ✓ "III Edition Expofarma Digital", 28 April to 2 May 2021 organised by Unnefar Sociedad Cooperativa.
- ✓ Collaboration in the course entitled "Fissure Sealants: what, how, when, where and why" in Barcelona on 23 October 2021, organised by the Association of Dental Hygienists and Dental Assistants of Catalonia (AHIADEC).
- ✓ "Update on Prevalent Disorders. Performance of the Pharmacist 2021" on 24 and 25 November 2021 organised by the General Foundation of the University of Alcalá (FGUA).
- ✓ Collaboration in kind with materials from the dental line in: "University Expert in Dental Aesthetics", in Jaén, starting in November 2020 and finishing in May 2021.



6 ABOUT THIS ANNUAL REPORT



NORMON

6.1 Materiality

During 2020, we conducted a **materiality analysis with the issues that impact our business model and our Stakeholders**. Material aspects are those that can substantially affect the organisation's ability to create shared value. This analysis will be reviewed periodically.

This study **provides insight into the importance** of issues related to the business strategy, identifies stakeholder expectations and needs, clarifies accountability planning, and guides the reporting of sustainability indicators/information. Indicators of **high relevance are prioritised in the report**, as opposed to indicators of low relevance. It combines the internal vision of the different businesses and the external vision of the stakeholders.

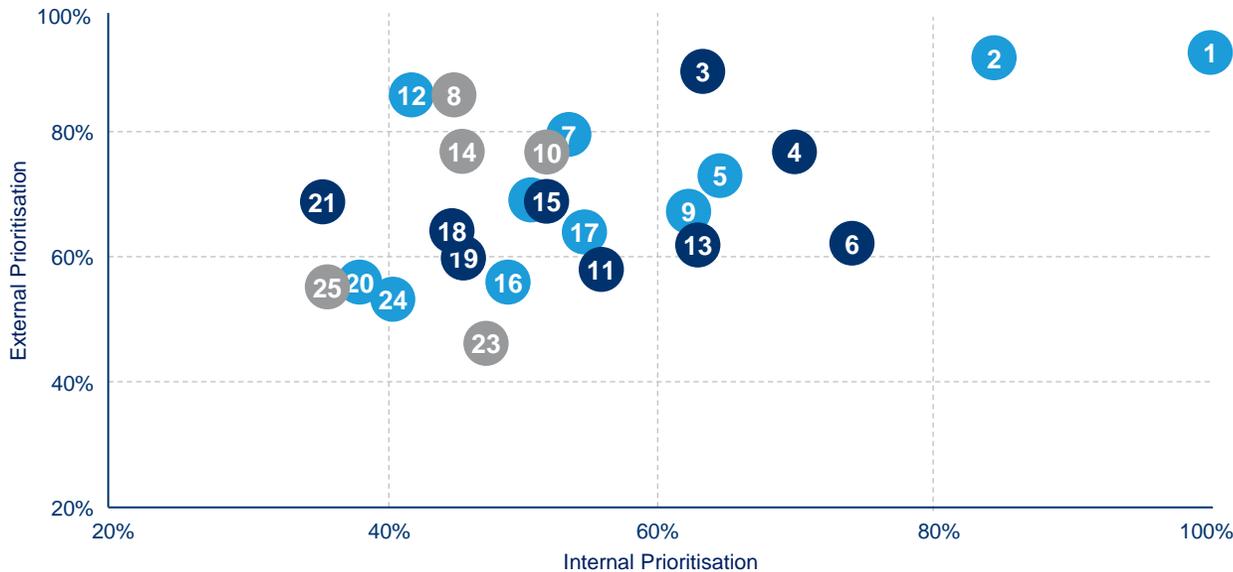
The first step in this analysis is to take as a reference material issues established by law and set forth in previous reports. A total of 25 subjects are identified, divided into 3 blocks. Two variables have been taken into consideration:



External relevance. Aims to identify ESG issues, including: (i) expectations of investors and society in general that aggregate ESG ratings and trends; (ii) interviews with Normon stakeholders; and (iii) benchmarking of companies in the sector.



Internal relevance. The objective is to assess the internal importance of the issues identified above and determine their priority issues. The evaluation was carried out through internal consultation with members of the company.



Very High Relevance

- 1 Safety and quality of the medicinal product
- 2 Employees
- 3 Anti-corruption
- 4 Sustainable innovation (R&D)
- 5 Occupational health and safety

High Relevance

- 10 Waste
- 11 Political and regulatory influence
- 12 Supplier social and environmental compliance & human rights
- 13 Corporate Governance

Medium relevance

- 18 Anti-competitive behaviour
- 19 Marketing and labelling
- 20 Accessibility for people with disabilities
- 21 Business results and contribution to the welfare state

- 6 Information security and cybersecurity
- 7 Training
- 8 Climate change and energy
- 9 Accessibility of medicines to society

- 14 Water
- 15 Risk and crisis management
- 16 Commitment of the company to sustainable development and the health of the population
- 17 Labour relations

- 22 Clinical trials and animal welfare
- 23 Sustainability of raw materials
- 24 Local community
- 25 Biodiversity

6.2 Table of Contents Law 11/2018 - GRI

This Sustainability Report covers issues related to our business and our Environmental, Social and Governance (ESG) performance during the 2021 financial year. For its preparation, we have drawn on data and information from the Non-Financial Information Statement of Laboratorios Normon S.A. for the 2021 financial year, in accordance with Law 11/2018 of 20 December and with the Essential option of the Global Reporting Initiative (GRI) Standards. The data in this report can be expanded in the Statement of Non-Financial Information for the 2021 financial year, which has been verified by a third party.

GENERAL INFORMATION

	PAGE	GRI		PAGE	GRI
Brief description of the business model including its business environment, organisation and structure	4, 8-17	102-2 102-7	Circular economy and waste prevention and management		
Markets in which it operates	14	102-3, 102-4, 102-6	Waste prevention, recycling, reuse, other forms of recovery and disposal measures	30-32	103-2. 306-1, 306-2
Organisational objectives and strategies	4-6, 9	103-2	Actions to combat food waste	6	103-2
Main factors and trends that may affect its future development	EINF21	102-15	Sustainable use of resources		
Reporting framework used	58-59	102-54	Water consumption and water supply according to local constraints	33	303-5 (2018)
Principle of materiality	58	102-47, 102-46	Consumption of raw materials and measures taken to improve the efficiency of their use	31	301-1
			Direct and indirect consumption of energy	27-29	302-1. 302-2. 302-3
ENVIRONMENTAL ISSUES			Measures taken to improve energy efficiency	27-29	103-2
Management approach: description and results of the policies related to these issues, as well as the main risks related to these issues linked to the group's activities	4-6, 24-26	102-15. 103-2	Use of renewable energies	28	302-1
Detailed information on the current and foreseeable effects of the company's activities on the environment and, where applicable, on health and safety	EINF21	102-15	Climate change		
Environmental assessment or certification procedures	26	103-2	Greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	EINF21	305-1. 305-2
Resources dedicated to environmental risk prevention	24-26	102-11	Measures taken to adapt to the consequences of climate change	27	103-2
Application of the precautionary principle	24-26	102-11	Voluntary reduction targets established in the medium and long term to reduce greenhouse gas emissions and the means implemented to that end	27	305-5
Amount of provisions and guarantees for environmental risks	24-26	103-2	Biodiversity protection		
Pollution			Actions taken to preserve or restore biodiversity	EINF21	304-3
Measures to prevent, reduce or remedy emissions that seriously affect the environment; taking into account any form of activity-specific air pollution, including noise and light pollution	25-29	103-2	Impacts caused by activities or operations in protected areas	EINF21	304-2

6.2 Table of Contents Law 11/2018 - GRI

SOCIAL AND PERSONNEL ISSUES

	PAGE	GRI		PAGE	GRI
Management approach: description and results of the policies related to these issues, as well as the main risks related to these issues linked to the group's activities	35-36	102-15, 103-2	Social relations	EINF21	103-2
Employment	2		Organisation of social dialogue, including procedures for informing, consulting and negotiating with employees	35	102-41
Total number and distribution of employees by country, gender, age and job classification	EINF21	102-8, 405-1	Percentage of employees covered by collective bargaining agreements, by country	35, 41	403-4 (2018)
Total number and distribution of employment contracts and average annual number of permanent contracts, temporary contracts and part-time contracts by gender, age and job classification	EINF21	102-8	Review of collective bargaining agreements, particularly in the field of occupational health and safety		
Number of dismissals by gender, age and job classification	EINF21	103-2	Training		
Average salaries and their evolution broken down by gender, age and job classification or equal value	EINF21	103-2, 405-2	Policies implemented in the field of training	45-46	404-2
Wage gap, the remuneration for equal or average jobs in society	37	103-2, 405-2	Total number of training hours per professional category	EINF21	103-2
Average remuneration of directors and executives, including variable remuneration, allowances, indemnities, payments to long-term savings schemes and any other payments broken down by gender	EINF21	103-2, 405-2	Integration and universal accessibility of persons with disabilities		
Implementation of work disconnection policies			Integration and accessibility measures	40	103-2
Number of employees with disabilities	38	103-2	Equality		
Organisation of work	40	405-1	Measures taken to promote equal treatment and opportunities between women and men	37-40	103-2
Organisation of working time			Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment.	37-40	103-2
Number of hours of absenteeism	35, 38	103-2	Policy against all types of discrimination and, where appropriate, diversity management.	37-40	103-2
Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of work-life balance by both parents	EINF21 38	103-2, 403-9a(2018) 103-2	RESPECT FOR HUMAN RIGHTS		
Health and Safety			Management approach: description and results of the policies related to these issues, as well as the main risks related to these issues linked to the group's activities.	21	102-15, 103-2
Occupational health and safety conditions			Application of due diligence procedures		
Occupational accidents, in particular their frequency and severity, as well as occupational diseases; disaggregated by sex	41-4 41+ EINF21	403-1 to 403-3 403-7 (2018) 403-9 403-10 (2018)	Implementation of human rights due diligence procedures and prevention of risks of human rights abuses and, where appropriate, measures to mitigate, manage and redress possible abuses committed	21	102-16, 102-17
			Complaints about human rights violations	None	103-2, 406-1

6.2 Table of Contents Law 11/2018 - GRI

	PAGE	GRI		PAGE	GRI
Measures implemented for the promotion and enforcement of the provisions of the ILO core conventions related to the respect for freedom of association and the right to collective bargaining; the elimination of discrimination in respect of employment and occupation; the elimination of forced or compulsory labour; the effective abolition of child labour	21, 35, 37-46	103-2, 408-1, 409-1, 407-1	Consideration in relations with suppliers and subcontractors of their social and environmental responsibility	21	102-9, 308-1, 414-1
FIGHT AGAINST CORRUPTION AND BRIBERY			Monitoring and auditing systems and their results	21	102-9, 308-2, 414-2
Management approach: description and results of the policies related to these issues, as well as the main risks related to these issues linked to the group's activities	6, 18, 19, 21	102-15, 103-2, 103-2, 102-16, 102-17, 205-2 e)	Consumers		
Measures adopted to prevent corruption and bribery	6, 18, 19, 21	103-2, 102-16, 102-17, 205-2 e)	Measures for the health and safety of consumers	53, 54	103-2, 416-1
Measures to combat money laundering	6, 18, 19, 21		Complaint systems, complaints received and their resolution	53.53	103-2, 418-1
Contributions to foundations and non-profit entities	6, 8, 22	102-13, 201-1	Tax information		
INFORMATION ABOUT THE COMPANY			Country-by-country profits	EINF21	207-4 (2019)
Management approach: description and results of the policies related to these issues as well as the main risks related to these issues linked to the group's activities	4-6, 63-68	103-2, 102-15	Taxes paid on profits	EINF21	207-4 (2019)
Company commitments to sustainable development			Public subsidies received	EINF21	201-4
The impact of the company's activities on employment and local development	36	103-2, 203-2			
The impact of the company's activities on local populations and the territory	48-52	413-1, 103-2			
Relationships maintained with local community stakeholders and the modalities of dialogue with them	13	103-43, 413-1			
Partnership or sponsorship actions					
Subcontracting and suppliers	56	103-2, 201-1			
Inclusion of social, gender equality and environmental issues in the procurement policy	21	103-2			

6.3 Report according to the SDGs in 2021

Below are the different actions carried out by Normon in the 2021 financial year, reported according to each Sustainable Development Goal:



- Collection of toys and basic necessities at Christmas for a parish through the Fundación Juan XXIII Roncalli. A total of ten (10) pallets have been delivered with the contribution of our employees.
- Ongoing collaboration with the Queen Sofia Foundation. Normon has had an agreement with the Queen Sofia Foundation for more than 10 years, through which it channels its humanitarian aid by supplying essential drugs free of charge to those who need them most.
- Donation of €4,000 to Fundación Cofares for the 2021 Christmas Benefit Concert, to be used for various charitable activities.
- Donation of a batch of products for the book value of €1,048.20 to the Foundation for the Promotion and Development of Bangassou.



- We have 5 divisions, all of them dedicated to health care: Prescription/Generic drugs division; hospital division, self-care division, dental division, international division.
- We provide a vademecum composed of 225 active ingredients marketed in 900 dosage forms and sizes, with presence in the relevant therapeutic areas such as: cardiovascular, central nervous system, digestive, respiratory, oncology, etc.
- We are present in practically all clinics and hospitals in Spain, with the widest range of oral and parenteral products for use in these healthcare centres.
- We contribute with products for health self-care with approximately 100 references among Medical Devices, Medicines, Cosmetics, Food Supplements and Biocides.
- We offer dental professionals a wide range of products (e.g. a range of needles and syringes, restorative and impression materials, disinfection products, bleaching agents and a line of biomaterials for bone regeneration).
- We are currently present (directly and/or indirectly) in approximately 85 countries in Europe, Central America, South America, North America, Asia, Africa and Oceania; we provide access to quality medicines at competitive prices in all these regions.
- During 2021, drugs directly involved in the fight against COVID-19 (e.g. midazolam, cisatracurium) continue to be manufactured both for Spain and for third countries. Likewise, continuity is maintained in the manufacture of many other essential products for other types of pathologies that cannot be left unattended.
- Our activity (generic drugs) promotes the accessibility of drugs on the market. This social contribution results primarily in a direct improvement in the health and quality of life of patients, as well as in savings for taxpayers.
- Our factory, located in Spain, has helped supply essential products during the pandemic. Likewise, our factory in Spain helps to ensure a continuous supply of medicines in the national territory.
- We have collaborated with the donation of self-care products to the Asociación MACMA- Women Affected by Breast Cancer in Aspe (Alicante), valued at €1,944, where several of those affected walked the Camino de Santiago (Unesco World Heritage Site).
- We have fostered scientific knowledge with training on composites, biosafety for the dental practice, implantology in patients with needs, dental anaesthesia and systemic diseases in special patients.
- We disseminate scientific and health content through our social networks.
- We have effective complaint and pharmacovigilance systems.

6.3 Report according to the SDGs in 2021



- Since 2020, the digital training platform "Normon Academy" has been available to 100% of the workforce, where all employees can access information about their assigned training, explore the progress status of each course, consult additional resources, participate in learning communities and discover new courses to register for.
- We have 11 training plans: GCP, GLP, Commercial, Corporate, Pharmacovigilance, QA, Clinical QA, QA-PV, ISO and Environment, SPP and ORP.
- During 2021, training for Normon employees has been increased. A total of 65,792 training hours have been recorded, in 1444 courses (both internal and external training).
- In 2021, an average of 26 hours of training per employee was carried out, an increase over the previous year.
- We have established collaboration with thirteen (13) trainees to complete their studies in a real working environment, with a 69% incorporation rate.
- The Normon portal is a digital platform for corporate communication, which develops information and communication spaces for all employees. The platform promotes employee participation and interaction, giving them the possibility to comment and click on "Like", and to participate in specific Communities.
- We collaborate with Health Professionals, Pharmaceutical Associations and other Healthcare Organizations in order to promote the development of training activities and foster scientific knowledge, for the ultimate benefit of patients and society, through direct training or sponsorship of scientific-professional meetings where training activities are carried out.



- In 2021, 54% of the members of Normon's Board of Directors were women (including external and internal advisers), 40% of the directors were women.
- At year-end 2021, Normon's workforce was 45% male and 54% female. Normon employs a total of 1,360 women.
- 90.9% of women have a full-time permanent contract.
- In the 18-40 age bracket, there are also more women (759) than men (626).
- We work continuously to reduce the wage gap. We have a wage gap of 3.71%, lower than the average for the sector and for Spain (approx. 20%).
- During 2021, Normon's Second Equality Plan has been implemented with the following pillars: Culture and Communication; Working Conditions; Recruitment and Access to employment; Training, Promotion and Development; Remuneration and pay audit; Work-life balance and co-responsibility; Prevention; Under-representation of women.
- We have protocols for Workplace Harassment, Sexual Harassment and Gender-based Harassment.
- We have policies that favour work-life balance. During the pandemic, a mixed management model has been maintained in terms of on-site and teleworking in non-shift positions.
- Normon's annual working hours are less than those established by the XX Collective Agreement for the Chemical Industry.
- For all non-shift personnel, we have a flexitime policy with an entry time from 7:30 to 9:00 a.m. (the working time compensated by leaving between 15:30 and 17:00).
- During 2021, communication campaigns on diversity have been carried out for all employees.

6.3 Report according to the SDGs in 2021



- The water discarded in the production processes (15,000 m³/year) is collected in special tanks and reused for secondary use in the cooling circuits.
- During 2021, water consumption has been reduced by 15.6%. In 2021, Normon consumed 148,505 m³ of water. This figure is lower than the limit of our discharge authorisation for Normon1 (154,950 m³).
- The water plant software has been modified to optimise the start-up and operation of the equipment, with savings in waste water and electricity consumption of 3% of the total consumption of the water plant.



- The electricity we consume comes from 100% renewable energy sources, certified by the CNMC. In addition, in our commitment to the environment, we continue to switch from halogen to LED lighting.
- The installation of photovoltaic panels is moved to 2022. We are in the process of installing 5,244 solar panels at our facilities, to achieve an annual energy output of 5,215 MWh, and with the goal of producing 15% of the energy needed for production during sunshine hours.



- Normon has one of the largest and most modern pharmaceutical laboratories in Europe with a gross floor area of 67,463.80 m² at Normon1 and 47,516.14 m² at Normon2. Normon1 has four independent manufacturing and control buildings: general manufacturing of oral and injectable drugs, penicillin antibiotics, cephalosporin antibiotics, highly potent and cytotoxic drug products.
- We have an extensive manufacturing capacity. In 2021, a total of 222,474,500 packaged units were manufactured (including tablets, capsules, sachets, oral solutions and suspensions, dental cartridges, ampoules, infusion bags, vials-liquid, powder, freeze-dried); and 3,512,799,220 manufactured doses (of which 183,834,011 correspond to injectables and 3,387,157,698 to orals).
- In 2019 Normon acquired a new industrial complex, with the aim of undertaking its international expansion and continuing to lead the generic drugs market in Spain. It is currently in the refurbishment phase. These works include: a fully automated robotised warehouse with a capacity for 24,000 pallets, a new product development laboratory, and the construction of central services (water, gas, etc.).
- At NORMON 1, the construction of an automated palletising centre (robotisation of the finished product in the palletising centre) has been carried out. Construction has also been completed on facilities to expand the production of liquid and freeze-dried vials, as well as different production lines such as ampoules, dental cartridges and oral medicines.
- Normon's Board of Directors has a Strategy and Technological Development Committee.
- Normon, for the second consecutive year, has been awarded the "Good" rating by the Profarma programme (2017-2020), with the best rating for generic medicines companies with the largest market share in Spain and the highest score in its category in terms of investment in production and industrial activity.
- Normon is the company with the most generic drug launches during 2020, putting 36 references on the market.

6.3 Report according to the SDGs in 2021



- In 2021, the workforce grew to 2,527 employees; this is 74 employees more than the previous year, representing an increase of 3.02%, with a forecast for continued steady growth.
- We are committed to stable employment, with 91% of our personnel on permanent contracts by 2021.
- During the pandemic, Normon has not implemented any Temporary Redundancy Plan (ERTE).
- During 2021, the number of dismissals has been reduced.
- Reduction of absenteeism figures during 2021.
- Increase in average salaries during 2021.
- 100% of Normon's workforce is covered by the XX Collective Agreement for the Chemical Industry.
- Through the eTempo digital platform, 100% of employees can manage their time, holidays and absences.
- The office space is configured as an "Open-Space", with plenty of space, light, coffee-points and other spaces suitable for a working environment adapted to new technologies.
- On-site dining service is available with different menu options. During the pandemic it has been suspended.
- Shuttle service for employees (as an interim measure due to COVID-19).
- We have an employee store where staff can buy over-the-counter products (not prescription or over-the-counter medicines) at low cost.
- The "Normon Benefits Club" is a discount platform for Normon employees on different products/services (Technology, Leisure, Home, Travel).
- Childcare and transport vouchers are offered to all employees.
- The company has an Occupational Risk Prevention system that includes internal policies, such as the Occupational Risk Prevention Policy, whose objective is to protect the life, integrity and health of all employees, both our own and those of collaborating companies.
- Maintenance of COVID-19 measures (teleworking, canteen closure, disinfection of spaces, temperature control, distribution of masks, COVID detection test, protective screens, additional shuttles, etc.), having successfully passed the audit and certifying the COVID-19 Action Plan and all its associated protocols through the AENOR certification body.
- Reduction of workplace accidents in 2021.
- Normon has medical facilities that simultaneously house the medical care service and the occupational medicine service through a first-tier external provider.
- Normon is a cardioprotected space, with 5 SAEDs in the facilities.
- There are the following working committees with workers' representatives: Communication, Training, Equality, Social Affairs, Canteen, and Prevention.

6.3 Report according to the SDGs in 2021



- Normon's workforce is balanced in terms of age distribution (2021 data: 22% 18-30 years old; 33% 31-40 years old; 31% 41-50 years old; 12% 51-60 years old and 2% 60+ years old).
- There are a total of 23 different nationalities among Normon employees.
- Diversity of culture campaign, promoting awareness through videos and interviews with workers, articles and a knowledge pill.
- We collaborate with several special employment centres to promote access to employment for people with disabilities (Novo Rehum, Ilunion CEE, Fundación Juan XXIII, Fundación Numen, Fundación Manantial, Fundación SERMES, FUNCARMA, LASERCART).
- Our facilities are 100% adapted for people with reduced mobility.
- In accordance with the regulations, the packaging material of medicines and other products include Braille texts on the carton.



- Shuttles/coaches made available to employees, as a temporary COVID-19 measure, at different points in the community of Madrid: Fuenlabrada, Parla, Alcorcón, Alcalá de Henares, El Molar, Campamento, Moncloa, etc.
- We offer a transport vouchers to our employees, contributing to more sustainable mobility.
- Several electric vehicle charging points have been installed. A grant has been obtained for their installation.
- The facility is equipped with docking stations for parking bicycles.



- We have an environmental management system and high-level declarations of environmental compliance and mitigation of environmental impacts. We have implemented an Integrated Quality and Environmental System in accordance with the UNE-EN-ISO 9001 and UNE-EN-ISO-14001 standards and the corresponding certifications.
- We have specific waste management for the different materials.
- Normon finances the management of all packaging waste placed on the market that may reach the consumer, through membership of integrated waste management systems (IWMS): ECOEMBES (household and commercial packaging) and SIGRE (leftover medicines and domestic packaging).
- We are working towards the elimination of 100% of plastic in clinical packaging.
- We have established a waste segregation plan in the canteen service, which in turn contributes to the control of food waste and the reduction of CO2 emissions.
- In relation to eco-design, Normon has a procedure that defines the steps to be followed during the design and development of a new product in its life cycle.
- During the year 2021, 100% of our suppliers have complied with the environmental requirements established by the organisation.
- We are a local company in Spain and Europe: we manufacture 92.11% of our packaged medicinal products in Tres Cantos (Madrid).

6.3 Report according to the SDGs in 2021



- During 2021, the 2022–2025 Strategic Plan was approved, which aims to undertake a Sustainability Project in the company.
- We have a procedure for the annual establishment of environmental objectives, where the reduction of CO2 emissions with changes to the lighting stands out.
- In 2021, an assessment was carried out for all atmospheric sources in accordance with the parameters established in the current authorisation. The values obtained for each of the atmospheric sources comply with the limits established in the administrative authorisation.
- We have established a gradual changeover from the current lighting system (fluorescent) to LED lighting. The project aims to reduce the intensity of these emissions by 40%.
- All equipment containing fluorinated greenhouse gases is identified and labelled, reflecting its charge and type of refrigerant used.



- 100% of the projects that require it are subject to environmental impact assessment and public consultations, working together with the Public Administrations and seeking to minimise the environmental impact as much as possible.
- For the development of Generic medicinal products Normon does not perform clinical trials on animals.
- We are working to reduce paper usage by raising awareness in the business areas and by committing to the digitalisation of processes.



- Normon's Board of Directors has an Audit Committee that supervises and monitors, among other things, the company's regulatory compliance and the accuracy of its accounts.
- We comply with the Self-Regulatory Codes of AESEG, MfE and from 2022 the ANEFP Codes.
- We have a system of Regulatory Compliance and crime prevention, (with an Anti-Corruption Policy and Gift Policy and a Conflict of Interest Management Procedure).
- As of December 2021, 91.59% of the workforce has successfully completed and passed the course "Code of Ethics, Compliance and Crime Prevention".
- We internally review interactions with the Healthcare Community to verify compliance, conducting an annual transparency exercise (on the website).
- During 2021, there have been no complaints or legal proceedings regarding corruption, money laundering, human rights, unfair competition or monopolistic practices.
- We have set up the Ethics Channel so that both internal and external personnel can report irregularities (including any crime or form of corruption).
- Normon has been certified in ISO 27001 Information Security Management Systems (ISMS) Certification and trained all employees in Information Security.
- We do not have a presence in territories classified as "tax havens" and our commercial operations with third parties in these territories are in the context of our ordinary industrial and commercial activity. We reject the artificial transfer of financial results to these territories.



- We collaborate with various sectoral associations (AESEG, ANEFP, CEOE, AETC).
- As a member of AESEG and ANEFP, it is subject to Autocontrol's advertising jury.
- We collaborate with integrated waste management systems (SCRAP): ECOEMBES, SIGRE).
- Collaboration agreements with 6 training centres so that students can complete their studies by doing work experience in a real environment, contributing to their inclusion in the labour market.
- We collaborate with special employment centres, promoting access to employment for people with disabilities (Novo Rehum, Ilunion CEE, Fundación Juan XXIII, Fundación Numen, Fundación SERMES, Fundación Manantial, FUNCARMA, LASERCART).
- We collaborate and exchange synergies with pharmacists' associations, patient associations and other organisations in the sector.



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