



Annual Report

# SUSTAINABILITY

Financial year 2022



**NORMON**

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**ANNUAL REPORT**





Sustainability



Normon 2022



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## OUR APPROACH TO SUSTAINABILITY

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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.

## 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 2022.

## MAIN CONTRIBUTIONS TO THE SDGs IN 2022



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.



At Normon we monitor food waste in our canteens.



As a manufacturer of generic medicines, we contribute to rationalizing public spending, facilitating citizens' access to quality medicines. In 2022, **we donated more than 1.5 million doses of medicines to the Ukrainian people**, mainly hospital products for injection, antibiotics, pain treatments and disinfectants, most of which are considered essential medicines by the World Health Organization (WHO).



In addition to the **annual training plans for employees**, Normon has collaboration agreements with several master programs oriented to the pharmaceutical industry, and with Vocational Training centers in order to annually incorporate **trainees in different areas of the company** with the aim that they can begin their professional career with us.



**53%** of the workforce is female, with a presence at all levels of responsibility and a narrow salary gap (4.14 %). We have the **2022-2026 Equality Plan** and protocols approved 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 2022, we reduced water consumption by **8.4%**. **Waste water** from production processes is collected in special tanks for **reuse in secondary processes**, making the most of the resources. In 2022, wastewater discharge was reduced by **25%**.



The electricity we consume comes from 100% renewable energy sources. More than **5,000 solar panels** have been installed at our facilities, covering 12,000 m<sup>2</sup>. This represents a reduction in CO<sub>2</sub> emissions of 1,572 tons per year, thus contributing to a significant decrease in our environmental impact and an optimization of energy costs.



We employ **2,700+ people** in Spain, with 96% of the workforce on permanent contracts. We have **flexitime, teleworking and digital disconnection policies** as measures for work-life balance. The **XX General 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 m<sup>2</sup>; 5 state-of-the-art manufacturing and control buildings: general manufacturing of oral and injectable medicines, penicillin and cephalosporin antibiotics, and high containment products. Company rated as **"Good" by the Profarma program**, the highest rating in production and industrial investments.



We collaborate with several **special employment centers (SEC)** (Emplazados Social, Ilunion SEC, Juan XXIII Foundation, SERMES Foundation, Manantial Foundation, Funcarma SEC and Lasercart SEC) to promote access to employment for people with disabilities. Our facilities are 100% adapted for people with reduced mobility.



We provide the staff with **shuttle buses** that go from various points in the Community of Madrid to our facilities. We also offer **transport vouchers** to our employees, contributing to a 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 (SCRAP): **ECOEMBES** (household and commercial packaging) and **SIGRE** (leftover medicines and domestic packaging). Furthermore, we are a local company in Spain and Europe: we manufacture **92,44%** our medicines in Tres Cantos (Madrid, Spain).



**We work to reduce greenhouse gas emissions**, calculating our carbon footprint until Scope 3. In 2022, the calculation has been established on a four-monthly basis in order to identify improvements to reduce emissions, as well as any possible deviation.



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

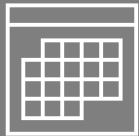


We have a **compliance system** that mitigates the risks of bribery, corruption and money laundering. We have set up an ethical channel for both internal and external personnel to report irregularities. The company has a **Code of Ethics and Conduct**. We pay all our taxes in Spain thereby contributing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





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## At a glance



**100%** Family business with Spanish capital



**85** Years of history.



Mission, Vision and Values.

### ODS Principal:



### Otros ODS relacionados:



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 program (2021-2022).

✓ **Good Corporate Governance.**

✓ **Values:** Security, People, Excellence, Trust, Approachability, Innovation

✓ Manufacturing plant in Tres Cantos (Madrid): 2 manufacturing plants with **a gross floor area in excess of 100,000 m<sup>2</sup>.**

✓ **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 centers.
- ✓ In **2022 Normon donated 7.9 tons of essential medicines to Ukraine.** More than 70,000 packs of 17 different products were shipped, mainly hospital products for injection, antibiotics, pain treatments and disinfectants, most of which are considered essential medicines by the WHO.
- ✓ Campaigns aimed at collecting toys and staples at Christmas through the Juan XXIII Roncalli Foundation. Thanks to the active participation of Normon personnel, 7 pallets of this material were collected.
- ✓ Monetary donation to the Cofares Foundation for the Christmas Benefit Concert, to be used for various charitable activities.



## At a glance

### NORMON IN FIGURES (2022)



**+277 millions**  
units produced.



**15**  
molecules developed each year.



**4,091 millions**  
doses manufactured.



**54.8%**  
market share in dental anesthetics.



**234**  
active ingredients.



**18.9 %**  
market share in hospitals.



**1200**  
different dosage forms and sizes.



**17.3 %**  
market share in generic medicines.



**+120**  
self-care product lines.



**90**  
countries where we do business.



**+2,700**  
Professionals.



**EU**  
GMP.



**+100,000 m<sup>2</sup>**  
Facilities. \*



**US**  
FDA.





## Mission, vision, values

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



### MISIÓN

To contribute to improving the people's health and well-being around the world thanks to cutting-edge technology and through by innovation, development, production and marketing of high-quality medicines at reasonable prices, on a sustainable basis and with marked social and environmental commitment.

### VISIÓN

To be a point of reference within the national and international pharmaceutical industry. To become a benchmark for combining solid experience, fervent innovation and avantgarde technology used in modern facilities by skilled experts who are committed to providing high quality products at competitive prices.

## VALUES

Normon was created as a family business in 1937, and our company values reflect the moral principles and ethical code of conduct ingrained within that same family: approachability, pride in what we do, and professional commitment to excellence. Our deep roots from the past are what keep pushing us forward into the future.



### CONFIDENCE:

Confidence is one of the mainstays for our business strategy at Normon. **Responsibility** and the **search for a better future** are key in making decisions that will strengthen that pillar. With confidence, our **staff can feel secure in their day-to-day work** as well as in the longer-term future that Normon holds out to them. With confidence, **our customers can be assured of the best guarantees** in terms of quality and service.



### EXCELLENCE:

Our duty is **to be the best that we can be**. With this always in mind, we can **take pride** in relentless efforts to ensure that the right tools and working procedures are in place, whilst creating a **working environment** which encourages healthy, positive interaction with each other inside Normon and with our surrounding outside.



### PROXIMITY:

Normon is made up of professionals who **work with passion for excellence**, and that passion needs to be shared with everyone who connects with us. Outside of Normon our focus is on **nurturing customer relationships through a clear client-oriented approach**; within Normon we encourage **free-flowing interdepartmental communication, teamwork and sense of belonging**.



### PEOPLE:

Our origins as a **family business** keep us acutely aware of how each of us at Normon should look out for our colleagues, our suppliers and our customers. At Normon we don't just want great workers, **we want great human being**. We seek talented professionals who care about people and about their environment. The happier we make others, the happier we will make ourselves.



### TRUST:

We believe that for a business to be truly successful, **it needs to be built on trust**. At Normon we promote **teamwork, open communication**, and **constructive criticism** whilst encouraging critical thinking and the opportunity to **share in decision making** whenever possible.



### INNOVATION:

**Innovation** seeps from every pore of our company. From automated, **high-precision equipment** and **digitalization**, to **investments in R&D, analytical and decision-making processes**, our focus is on being at the forefront of **business innovation**.



## We are Normon

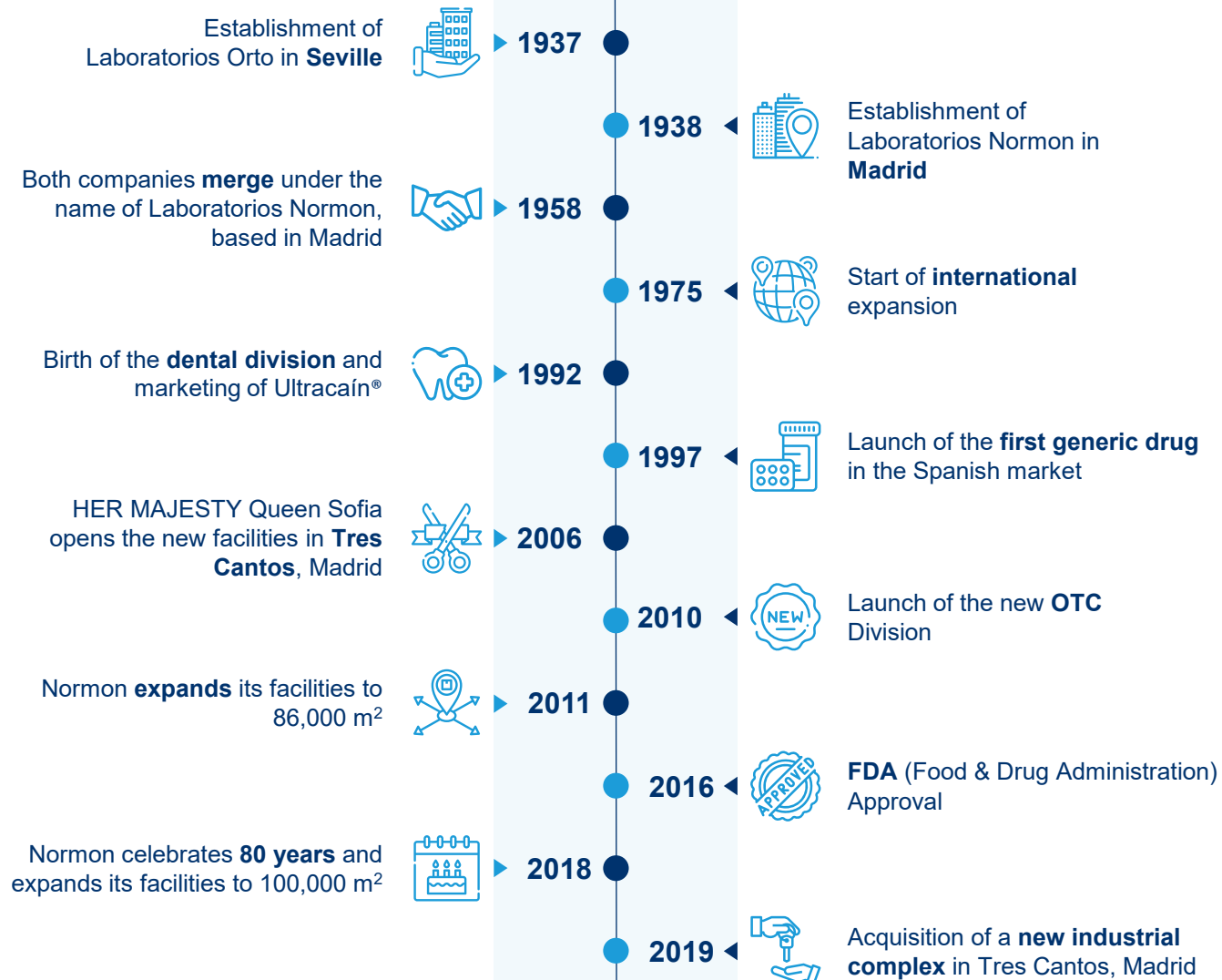
### FAMILY BUSINESS THAT HAS STOOD THE TEST OF TIME



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 drugstore 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.



## We are Normon

### 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:



In 2022, **40% of the members of Normon's board of directors were women** (including external and internal advisers), and 40% of the directors were women.



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



It has **two working committees**:

- ✓ Audit Committee.
- ✓ Appointments and Remuneration Committee.



External and internal **advisers**.

**2 Women.**  
**2 Men.**



In 2022, the **new Sustainability area** was created, reporting to the Legal Management.



## Stakeholders

### 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 always 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 health 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 labor rights, a harassment-free workplace, occupational health and safety and equal opportunities.



#### Customers and strategic partners

**We treat our customers 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 fundamental. 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 minimize environmental impacts, observing trends in the fight against climate change, circular economy and resource management.

## Business units

5 business areas



### PRESCRIPTION

- ✓ First laboratory to market the first three authorized generic medicines in our country.
- ✓ Pioneers and leaders with a **17.3% share of the generic drugs market** in Spain (sell-out IQVIA data, close of 2022).
- ✓ Brand name products and generic drugs.
- ✓ Vademecum with **220 active ingredients** marketed in 830 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.
- ✓ **120 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 2022, **18.9% 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 **90 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 anesthetics sector with **54.8% market share**.
- ✓ **Anesthetics 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.

## Manufacturing plant, 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 m<sup>2</sup>** gross floor area

- **67,463.80 m<sup>2</sup>** in Normon 1
- **47,516.14 m<sup>2</sup>** in Normon 2

Normon 1 has 4 independent manufacturing and control buildings:

- General manufacturing of oral and injectable drugs.
- Penicillin antibiotics.
- Cephalosporin antibiotics.
- High containment 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 computerized and validated in accordance with CFR Part 11. The preparation of orders and manufacturing orders are also computerized, ensuring the traceability of all medicinal products and materials from the time an order is placed until the medicinal product is dispatched.



## Manufacturing plant, facilities and technological innovation



We have a great manufacturing capacity. In 2022, we manufactured a total of **277,662,934** packaged units and **4,026,303,989** 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 robotized warehouse with a capacity for 24,000 pallets, a new product development laboratory and service centers.
- ✓ At Normon 1 **we have built an automated palletizing center** (robotization 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 third consecutive year**, we have retained the “**Good**” rating awarded by the Profarma program (2021-2022), 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 computerized 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.



## Manufacturing plant, facilities and technological innovation

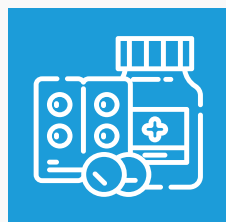
WE STAND OUT DUE TO OUR BROAD PRODUCT PORTFOLIO AND WIDE MANUFACTURING DIVERSITY:

General  
production

Penicillins

Cephalosporins

High containment  
products



Wide manufacturing  
diversity



Oral products

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



Products for injection

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

## Ethical and business commitment

### 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 behavior 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.
- ✓ Processing of confidential information.
- ✓ Occupational health and safety.
- ✓ Personal data protection.
- ✓ Zero tolerance for violence in the workplace.
- ✓ Use and protection of Normon's assets.
- ✓ Respect for the environment.
- ✓ 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.





## Ethical and business commitment

### REGULATORY COMPLIANCE

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

Among other risks, we analyze 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.



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

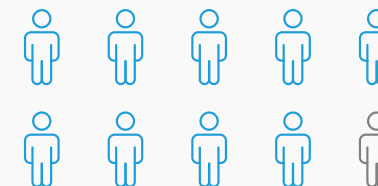
It is essential for us not to be involved in any case of corruption or money laundering, not only because of the risk it represents from a sanctions perspective, but also because of the reputational damage and loss of sustainability. Corruption is a threat to good governance, sustainable development,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

During the 2022 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 offenses.

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 train all our employees in Crime Prevention and Regulatory Compliance.



As of December 2022, **98% of the workforce has completed and passed the course** entitled "Code of Ethics, Compliance and Crime Prevention".

- ✓ We have set up an **Ethics 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.



## Ethical and business commitment

### 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 (ToV) made to the Healthcare Community (healthcare professionals, healthcare institutions and patient organizations).



We publish these ToVs 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 **ISO 27001** regarding Information Security as a tool that allows us to know, manage and minimize 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.

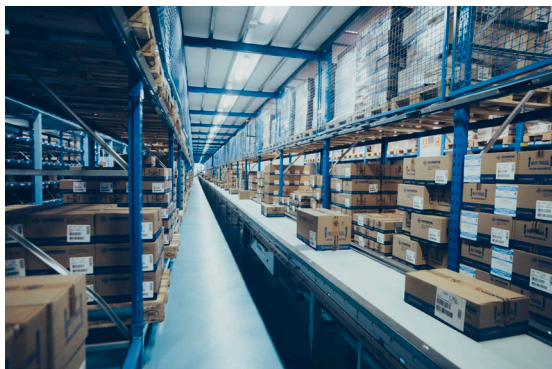


## Ethical and business commitment

### 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 programs 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:

- ✓ **Compliance with applicable legislation.**
- ✓ **Respect for Human Rights.**
- ✓ **Health, Safety and Security.**
- ✓ **Environmental Responsibility.**
- ✓ **Anti-Corruption, Combating Fraud and Conflicts of Interest.**
- ✓ **Confidentiality and Data Protection.**
- ✓ **Competition Law.**
- ✓ **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 emphasizes 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 2022, **100% of our suppliers** have complied with the environmental requirements established by the organization 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.

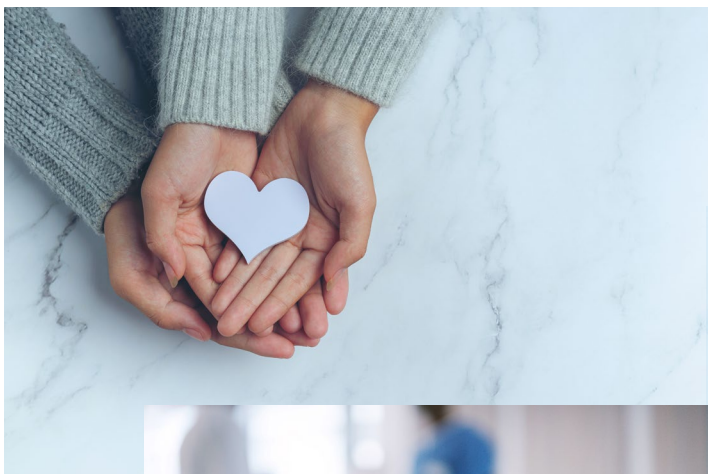
This Code is available on Normon's website, in English and Spanish, for all our suppliers to access: <https://www.normon.es/compromiso-y-transparencia>



## Solidarity actions

We collaborate with **non-profit organizations** 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.

We highlight the following actions for 2022:



**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 more than **1.5 million doses of medicines** (70,000 containers with 17 different references, mainly injectable hospital products, antibiotics, pain treatment, and most disinfectants) **to the Ukrainian people for a book value of €114,478, for humanitarian aid.**



Donation of a **batch of products** for the book value of **€3,190.10 to the foundation called Smile is a Foundation** for its humanitarian work in Zimbabwe.

Donation of a **batch of products** for the book value of **€4,367.10 to the Sonrisas al Sur Association**, for its humanitarian work in Guinea Bissau.



**Solidarity campaign by Normon employees**, with the **collection of toys and basic commodities at Christmas**, for the Santo Domingo de la Calzada parish in Madrid, organized by Normon and the Juan XXIII Roncalli Foundation.



**Red Cross Blood Donation Campaign by Normon employees.** Every year the Red Cross medical team visits the Normon facilities to carry out this campaign. The participation in 2022 was very significant.



Donation of **€38,000 to the JUAN XXII Foundation** for the development of its activities related to the training and integration of people with disabilities.

Donation of **€29,000 to the NUMEN Foundation** collaborating in the comprehensive care and training of people seriously affected by cerebral paralysis and other related brain injuries.



## 3 Commitment to **HEALTH**

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- 3.6 Services to healthcare professionals
- 3.7 Commitment to training and scientific knowledge





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

- ✓ We provide a vade mecum comprising **234 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 **120 products** 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. 90 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.
- ✓ With generic drugs, we promote the **accessibility** of medicines on the market.
- ✓ Our manufacturing plant, located in Spain, has provided an optimal level of **supply of essential products** during the pandemic. Likewise, our manufacturing plant in Spain helps to ensure a continuous supply of medicines in the national territory.
- ✓ We manufacture 92.44% 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 favorable results.
- ✓ **Fostering scientific knowledge** with training on composites, biosafety for dentist's offices, implantology in patients with needs, dental anesthesia and systemic diseases in special patients.



## Our commitment to health



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

## 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 Spanish initials EFG (generic pharmaceutical equivalent) 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 authorized. The main advantage lies in the savings on the final retail price. They benefit citizens and contribute to **rationalizing 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.

**92.44%** Medicines manufactured at our facilities

**3.83%** Medicines manufactured by third parties in Spain.

**2.59%** Medicines manufactured in the EU.

**1.04%** 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.

## 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 program 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 program for new licenses, pipeline projects and galenic activity. Our commitment to innovation has led us to be the company that launched the most generic medicines during 2022, placing 30 new products on the market.



## 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.



To 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 computerized 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 2022:



#### PHARMACEUTICAL PRODUCT

9

Routine third-party/business partner audits of Normon.

1

Routine inspection of Normon by Health Authorities.

25

Normon audits of Packaging Material manufacturers.

6

Normon audits of Service providers.

145

Normon audits of raw material manufacturers.

7

Normon audits of Finished Product manufacturers.

100%

Favorable result.



#### MEDICAL DEVICES, FOOD SUPPLEMENTS, COSMETICS

1

Routine inspection of Normon by Health Authorities

1

Normon audits of Finished Product manufacturers.

100%

Favorable result



## Health and safety of patients and professionals

### 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 2022 are detailed below:



#### MEDICINAL PRODUCTS

**407** complaints.

**226** of the complaints were justified.

**75** complaints dismissed.

**106** Complaints were unfounded.

**96%** of complaints answered by the end of 2022.



#### MEDICAL DEVICES, FOOD SUPPLEMENTS, COSMETICS

**78** complaints.

**105** of the complaints were justified.

**10** complaints unfounded/dismissed.

**99%** of complaints answered by the end of 2022.

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 2022, a total of 164 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

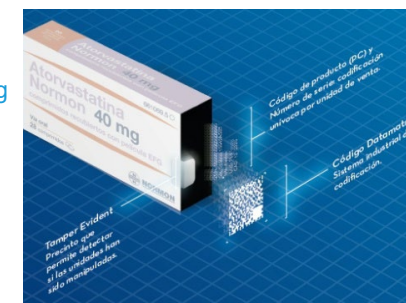
In recent years, we have made significant technological and human investments to adapt our infrastructures to the medicines safety regulations in accordance with Directive 2011/62/EU and Delegated Regulation (EU) 2016/161, which entered into force on 9 February 2019.

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 serialization, 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.



## Services to health professionals

Normon has an exclusive portal for both drugstores and dentist's offices 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 drugstore and dentist's office. 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 personalized 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 vade mecum 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 drugstores or in dentist's offices and which will be available through direct download.



## Commitment to training and scientific knowledge

We collaborate with Healthcare Professionals, Pharmacists Associations and other Healthcare Organizations 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 organized by Normon on subjects such as:

- ✓ Composites
- ✓ Whitening in dentist's office



### Funding for Health Professionals to attend events

- ✓ We pay for registration, accommodation and/or transportation expenses for conference presentations on various topics (dental, biomaterials, composites, gerodontology fears, dental whitening), in scientific, medical and pharmaceutical congresses, as well as the visit to our manufacturing plant and facilities, as a training visit and a sign of quality and transparency of the manufacturing processes.



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

Sponsorship of the XVII Congress of the Andalusian Society of Hospital Pharmacists (SAFH) in Cadiz (Spain), from 6 to 8 April 2022.

Sponsorship of the VII Andalusian Pharmaceutical Conference in Jaen (Spain), on 20 and 21 April 2022.

Collaboration in the X International Congress on Orphan Drugs and Rare Diseases in Seville (Spain), from 26 to 28 April 2022.

Sponsorship of the Annual Congress Valencia 2022 of the Spanish Society of Digital Dentistry and New Technologies (SOCE) in Valencia (Spain), on 29 and 30 April 2022.

Sponsorship of the X National Congress of Community Pharmacists in the event and fair center IFEMA (Madrid), from 5 to 7 May 2022.

Sponsorship of the V Edition Expofarma in Santiago de Compostela (Spain), from 11 to 15 May 2022.

Sponsorship of the XXIV National and XI International Congress in Pamplona (Spain), on 12, 13 and 14 May 2022.

Sponsorship of the XX National and IX International Congress of the Spanish Society of Gerodontology in Oviedo (Spain), from 2 to 4 June 2022.

Sponsorship of the IV Annual Congress of the Andalusian Association of Oral Surgery in Sancti Petri, on 4 June 2022.

Sponsorship of the IX Conference on Pharmaceutical Technology and Drug Development (IX FEM) in Pontevedra (Spain), on 16 and 17 June 2022.

Sponsorship of the L Meeting of the Center for Odonto-stomatological Studies in Valencia (Spain), on 16, 17 and 18 June 2022.



## 4 Committed to the **ENVIRONMENT**

- 4.1 At a glance
- 4.2 Environmental commitment
- 4.3 Fight against climate change and for affordable energies
- 4.4 Circular economy and waste management







## 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 Spanish National Commission on Markets and Competition (CNMC).**

### Main SDG:



### Other related SDGs:



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

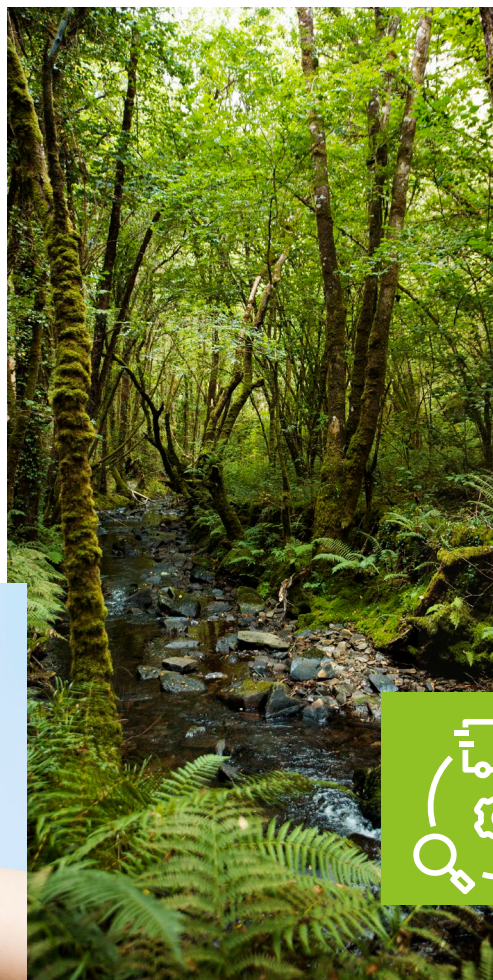
- ✓ **Water is an essential resource** for carrying out our activities. The **water discarded** in the production processes (15,000 m<sup>3</sup>) is collected and **reused** for secondary uses (cooling circuits).
- ✓ In 2022, we **reduced water consumption** by **8.4%** at Normon 1 compared to 2021. In Normon 2, consumption increases due to the start of construction work and activities.
- ✓ Project for the installation of **photovoltaic panels**. Throughout 2022, 5,000 solar panels were installed, covering 12,000 m<sup>2</sup> covered, and a monitoring system was installed. This represents a reduction in GHG (greenhouse gas) emissions of 1,572 tons per year.
- ✓ We promote **sustainable mobility** with shuttle bus service, transport vouchers, electric vehicle charging points in our car park and docking stations for bicycles.
- ✓ Our **teleworking and digital disconnection policies** favor the decarbonization and decongestion of cities.
- ✓ Our work in the coming years will focus on **calculating the carbon footprint with scope 3** and **calculating the water footprint**, by verifying it and establishing reduction plans, with the aim of contributing to the fight against climate change.
- ✓ We are part of **SIGRE's Business Plan for Packaging Waste Prevention (PEP) 2021-2023**
- ✓ We are working towards the **elimination of plastic** from clinical packaging.
- ✓ Strategic alliances through adherence to integrated waste management systems (SCRAP): **ECOEMBES** (domestic and commercial packaged products) and **SIGRE** (containers and unused medicines of domestic origin).



## 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, minimizing 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 minimize 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 organization does not have full control of their management, but does have a certain capacity to influence.

### We work to minimize 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.



## 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 minimize 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 behaviors** 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**.



## Fight against climate change and for affordable energies

### CLIMATE CHANGE

The reduction of CO<sub>2</sub> and greenhouse gas emissions are a priority in the annual setting of environmental targets. We continue to work to improve the calculation of our carbon footprint and the setting of reduction and compensation plans.

In 2022, the calculation has been established on a four-monthly basis in order to identify improvements to reduce emissions, as well as any possible deviation.



- ✓ The **Scope 3** calculation has been improved by including CO<sub>2</sub><sub>eq</sub> emissions associated with waste management (hazardous and non-hazardous), national and international logistics and the shuttle bus service offered to the workforce.
- ✓ In 2022, **equipment containing fluorinated gases** were **replaced by fancoil systems** (9% of total equipment with fluorinated gases or equipment with ozone layer depleting gases)
- ✓ In 2022, **solar panels were installed at our facilities**, from which 100% of the electricity produced will be consumed.



## Fight against climate change and for affordable energies

### 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. Moreover, in our commitment to environment, we keep implementing changes to the lighting system from halogens to LED.



In 2022, the installation of more than **5,000 solar panels on Normon's roof, covering 12,000 square meters**, and the installation of a monitoring system were completed. This represents a reduction in CO<sub>2</sub> emissions of 1572 tons per year, thus contributing to decrease in our environmental impact and an optimization of energy costs. This commitment will continue in 2023, expanding these facilities .



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.

## Fight against climate change and for affordable energies

### SUSTAINABLE MOBILITY

We make sustainable forms of mobility available to our employees:



**Shuttle bus service** 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.



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



**Transport voucher**, contributing to more sustainable mobility.



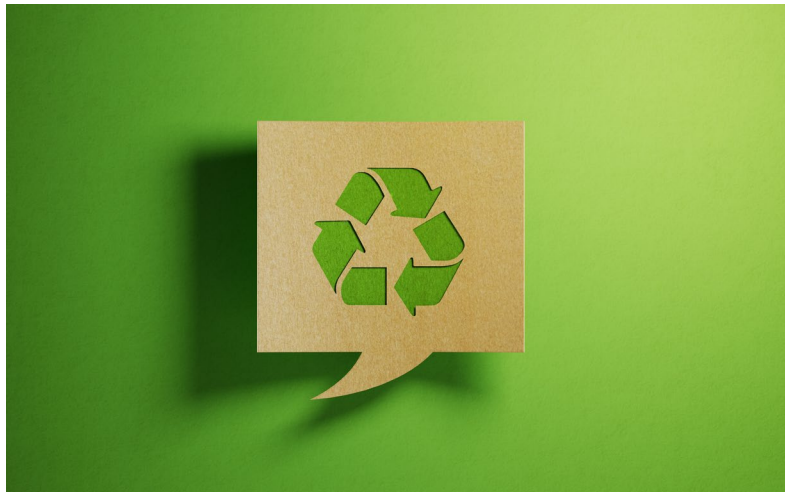
Docking stations for **parking bicycles**.

## 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 behavior 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.





## Circular economy and waste management

### WASTE

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

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

We are currently working towards the elimination of plastics in the packaging of clinical containers.



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**.



As part of our commitment to improving waste management, we are increasing every year the % of waste recovery, reaching in 2022 **92% of non-hazardous waste** and **63% of hazardous waste**.



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 (SCRAP): ECOEMBES (domestic and commercial packaged products) and SIGRE (containers and unused medicines of domestic origin).

## Circular economy and waste management

### 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.

In 2022, **plastic consumption** was reduced by **71%** in the ampoules size of several of our products.



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 minimize 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 summarized 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.
- ✓ Minimize 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.



## Circular economy and waste management

### 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 products for injection, 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 (15,000m<sup>3</sup>) 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 2022, we consumed **135,987 m<sup>3</sup> of water** at Normon 1, having **reduced water consumption by 8.4%**. This reduction is mainly due to improvements in the Engineering area. At Normon 2, consumption has been increased mainly due to the start-up of the works.



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



Normon has a **wastewater discharge of 73,094 m<sup>3</sup> in 2022** to the municipal sewer (96,903 m<sup>3</sup> in 2021), within the discharge authorization limits.





## 5 Commitment to **PEOPLE**

- 5.1 At a glance
- 5.2 Stable, quality employment
- 5.3 Equality, work-life balance and inclusion
- 5.4 Occupational Health and Safety
- 5.5 Human development and on-the-job training

## At a glance



**203** more employees than in 2021, (+ 8.03%) reaching 2,730 employees.



**96%** of staff on permanent contracts.



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

### Main SDG:



### Other related SDGs:



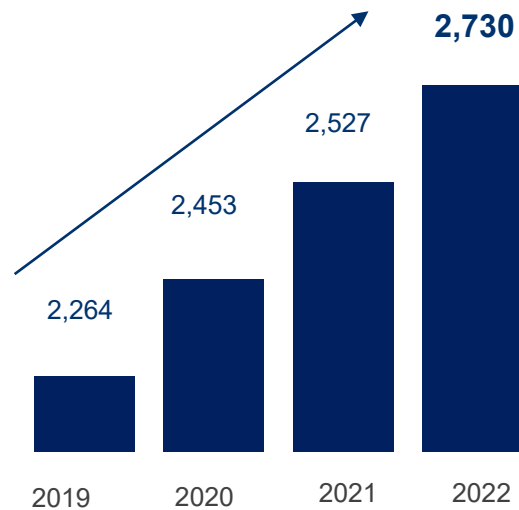
We take care of people, offering them stable and quality employment in a safe environment. We foster equality, work-life balance and human development in the workplace.

- ✓ **47% men, 53% women.** Normon hires a total of 1452 females.
- ✓ **28 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 2022.
- ✓ 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 bus service, subsidized canteen service, childcare vouchers, transport vouchers, "Normon Benefits Club" discounts, employee store, medical service, physiotherapy.
- ✓ **Wage gap of 4.14%,** lower than the average for the sector and for Spain.
- ✓ Alliances with **Special Employment Centers (SEC)** and foundations dedicated to labor insertion (Emplazados Social, Ilunion SEC, Juan XXIII Foundation, Numen Foundation, SERMES Foundation, Manantial Foundation, FUNCARMA, LASERCART).
- ✓ Facilities **100% adapted for people with reduced mobility.**
- ✓ The **2022-2026 Second Equality Plan** of Normon was formalized throughout 2022.
- ✓ We have **protocols for workplace harassment**, sexual harassment, and harassment on grounds of sex.
- ✓ Platform for **digital training** "Normon Academy" and Employee Portal.
- ✓ Throughout 2022, a total of **44,826 hours of training**, in 1,288 courses and with 23,859 attendees.

## Stable, quality employment

Our commitment to the Human Team of Normon 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 2022, we have continued to focus on job creation with young professionals, while at the same time complementing it with experienced professionals.

**203**

more employees than in 2021, (+ 8.03%) reaching 2,730 employees.

**96%**

of staff on permanent contracts.

- ✓ In 2022 there was an **increase of 8.03% in workforce** compared to the previous year, which was 3.02%. This growth **is expected to be largely maintained** in 2023 due to the multiple investments made by Normon.
- ✓ Normon's stability as a company is reflected in the fact that **96% of the workforce is on permanent contracts** (up from 91% in 2021).







## 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, nationality and gender 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.



**28** Nationalities

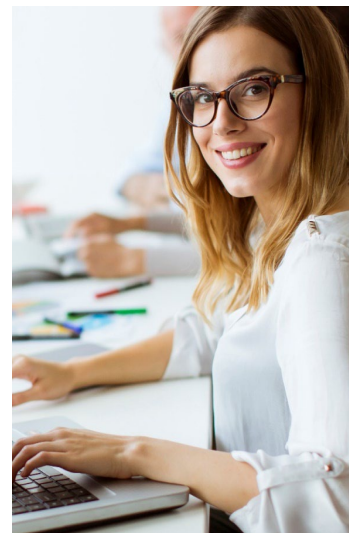
### EQUALITY PLAN

#### Axes of the 2022-2026 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. In October 2022, the **2022-2026 Equality Plan** is formally registered.

The Equality Plan presents a program 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.



**4.14%**

Normon's salary gap in 2022, 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 labor market to be essential**. This is reflected in the personnel structure, with **53% of the company's positions occupied by women**.

## Equality, work-life balance and inclusion

### WORK-LIFE BALANCE

We have various measures in place to help our staff 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 favors the work-life balance and effective enjoyment of rest time.



**Flexitime policy** for all non-shift personnel.



**Teleworking policies:** in 2022, the teleworking policy was formalized, including a mixed system of on-site for those positions that do not require to perform their activity only in person.



**Flexible Compensation Plan.** All employees, in accordance with the current regulations, have access to the platform *MyFlex*, where they can allocate part of their annual salary to products with tax benefits (childcare vouchers, transport vouchers and health insurance)



**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 bus service, on-site parking, canteen service with different weekly menu options, store with Normon over-the-counter products at very affordable prices and a discount platform "*Normon Benefits Club*" for all workforce.

## Equality, work-life balance and inclusion

### ZERO TOLERANCE OF HARASSMENT

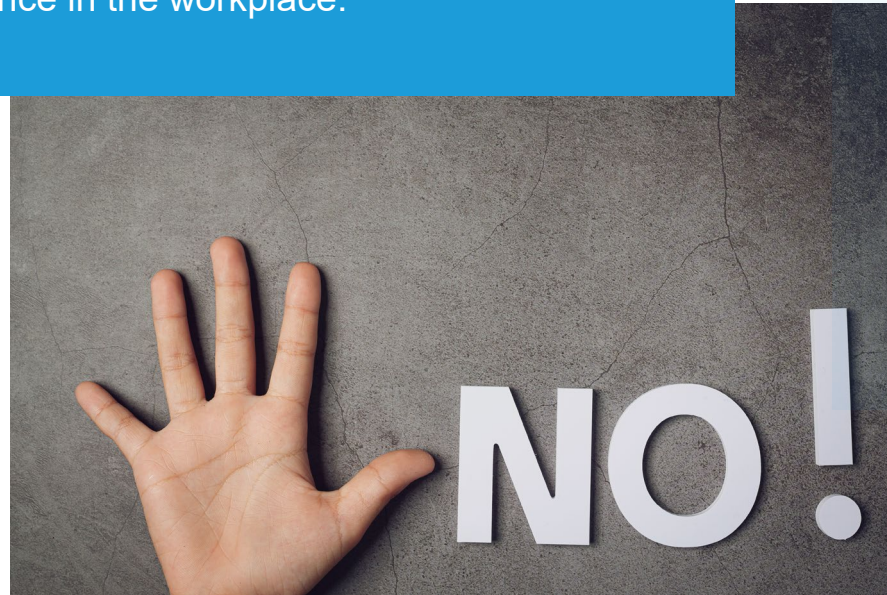
At Normon there is no place for physical violence, psychological harassment at work and/or sexual harassment. We have zero tolerance for any situation of workplace violence, and we have appropriate and effective mechanisms and procedures in place for the prevention, resolution and follow-up of this type of behavior. Our Code of Ethics and Conduct devotes an entire section to a message of zero tolerance for violence in the workplace.

In 2022, we reinforced this message of **zero tolerance** of harassment through training sessions for the heads of teams.



**+180**

Heads of teams  
have been trained in mobbing  
prevention in 2022



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 behavior. 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.



## Equality, work-life balance and inclusion

### PERSONNEL WITH DISABILITIES

#### 33 workers with disabilities (as at September 2022)

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 authorized Normon to adopt alternative measures **collaborating with several Special Employment Centers 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 Centers:

**FUNCARMA Special Employment Center.** They seek the labor inclusion of people with disabilities, and collaborate with product handling actions.

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

**LASERCART special employment center.** 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 labor market.

For the second period covered by the exemption granted, from September 2021 to August 2022, the following measures were undertaken:

- ✓ The Special Employment Center **EMPLAZADOS SOCIAL S.L** was contracted to prepare Christmas hampers for employees (€147,094.75). The main objective of Emplazados Social is the labor inclusion of people with functional diversity, providing the necessary means for the individualized adaptation of each job position.
- ✓ Cleaning services for our facilities are contracted with the Special Employment Center **ILUNION SEC LIMPIEZA Y MEDIO AMBIENTE, S.A.** (€125,452.04). Part of the ONCE Group, it pursues the full social and labor inclusion of people with functional diversity.
- ✓ Secondary packaging services “recovery of blister plates” are contracted with the Special Employment Center **MANANTIAL INTEGRA, S.L.U** (€95,045.90). Manantial Foundation seeks the comprehensive inclusion of people with mental health problems.
- ✓ Donation to the **SERMES FOUNDATION** of €20,000. They strive for the integration of people with disabilities into the labor market through training, as well as the fostering of clinical research in those areas that add value and innovation to society.



In June 2022, Normon received the **Solidarity Seal** from the Manantial Foundation, recognizing the great work in the area of inclusion of people with mental health problems.

### 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.



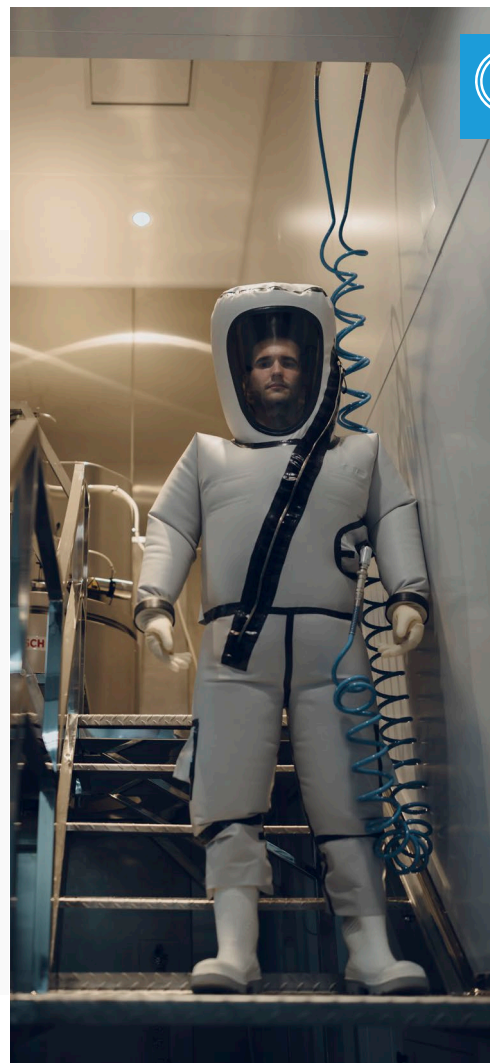


## Occupational health and safety

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 analyze 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 organization 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

Throughout 2022, our Prevention Service carried out the investigation and monitoring of:

**86 Accidents in the workplace.**

**36 Commuting accidents.**

**0 Occupational diseases.**  
(compared to 93 and 41, respectively, in 2021)

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



## Occupational health and safety

### ORP

#### 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.

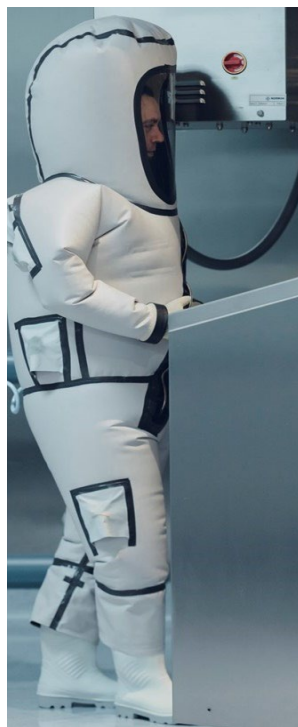
During 2022, there have been:

**2,213** medical examinations of the workforce.

**26** aptitude assessments of sensitive workers.

**45** 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.



#### Industrial Hygiene Measures

During 2022, the In-house Prevention Service has been supported by a **toxicology service**, to assist in the categorization of active pharmaceutical ingredients (APIs).

Throughout the year 2022, 34 active ingredients have been pre-categorized according to their toxic characteristics, with a final categorization of 33 APIs and 8 product risk analyses.

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

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

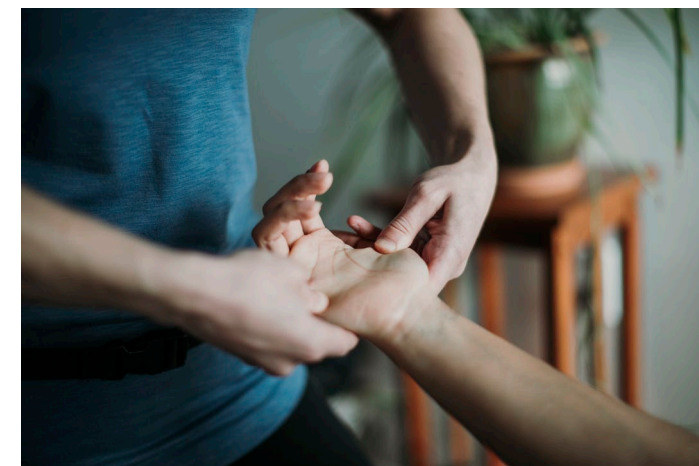
#### Hygiene Controls

Our In-house Prevention Service, during the year 2022, has considerably increased the controls in:

**84** noise measurements-(49 in 2021)

**173** brightness measurements-(41 in 2021)

**16** thermo-hygrometric measurements-(3 in 2021)





## Occupational health and safety

### ORP

#### Coordination of Business Activities (CBA)

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

During 2022, the In-house Prevention Service managed access to the facility and carried out the coordination of preventive activities for a total of **68 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 Coordination of Business Activities (CBA) platform has a linked access control, which enables 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 apparatuses for contaminated atmospheres.

#### Emergency plans

During the year 2022, the "Normon 1" self-protection plan was updated. The existing fire-fighting and fire protection equipments have been inspected by an specialized company, as well as the self-contained breathing apparatus located in risk areas.

An update regarding the emergency equipments in all areas was carried out, this being of vital importance to keep the teams properly informed and updated.

In 2022, the following have been carried out:

**3** Emergency drills.

**8** Zones evacuated.

**497** 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:

**11** Training actions.

**39** Awareness/information sessions

**+600** Training actions for new recruits

## Human development and on-the-job training

### 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 **12 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 behavior.
- ✓ **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 **organizational** change management.
- ✓ **Increase the levels of efficiency and quality** of the departments and company.



### TRAINEES

We signed collaboration agreements with several master programs oriented to the pharmaceutical industry to incorporate trainees in different areas of the Company with the aim that they can begin their professional career in Normon.

We collaborate with education centers 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 labor market.

**7** Master Centers and **9** Vocational Training Centers in 2022

**46** Trainees in 2022

**22** Students taken on after the training period in 2022

**48%** of students taken on after the training period

During 2022, a total of **44,826 hours of training** were carried out, in 1,288 courses and with 23,859 attendees.

## Human development and on-the-job training

### INTERNAL COMMUNICATION

Knowing and collaborating with our Stakeholders, understanding their expectations and concerns, is a key element of Normon's strategy.

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

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 digitalization 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 2022, 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 and internal policies.

The platform promotes engagement and interaction of employees, providing them with the opportunity to comment and endorse the posts, allowing them to take part in specific Communities too.

Through this same channel, we have launched opinion surveys, facilitating bilateral communication and the transfer of concerns, proposals, suggestions or queries to the company.

Normon has a total of **41 screens located throughout the facilities**, enabling the visualization of contents in the different spaces.







## 6

## About this ANNUAL REPORT

- 6.1 Materiality
- 6.2 Table of Contents Law 11/2018 - GRI
- 6.3 Report according to the SDGs in 2022



## 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 organization'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 prioritized 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.

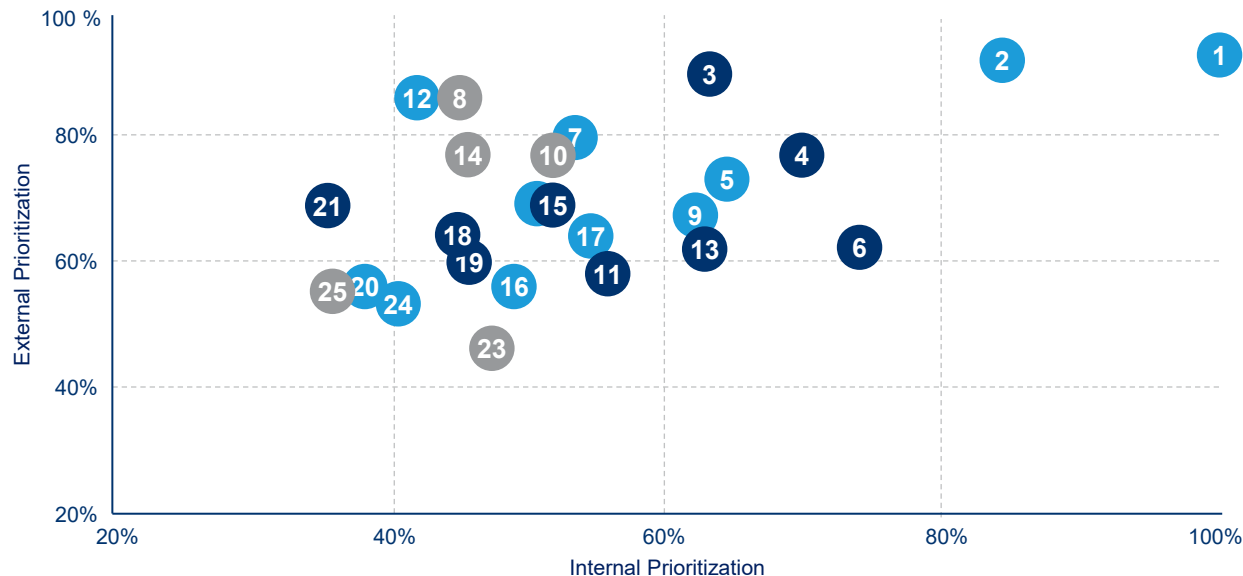
The first step in this analysis is to take as a reference material issues established by law and set forth in previous reports. A total of 25 subjects are identified, divided into 3 blocks. Two variables have been taken into consideration:



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

### High Relevance

- 10 Waste
- 11 Political and regulatory influence
- 12 Supplier social and environmental compliance & human rights
- 13 Corporate Governance
- 14 Water
- 15 Risk and crisis management
- 16 Commitment of the company to sustainable development and the health of the population
- 17 Labor relations

### Medium relevance

- 18 Anti-competitive behavior
- 19 Marketing and labeling
- 20 Accessibility for people with disabilities
- 21 Business results and contribution to the welfare state
- 22 Clinical trials and animal welfare
- 23 Sustainability of raw materials
- 24 Local community
- 25 Biodiversity



## 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 2022 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 2022 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 2022 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, organization and structure	4, 8-17	GRI 2-6 and GRI 2-28 (2021)	<b>Circular economy and waste prevention and management</b>	39-42	GRI 306-1 306-2
Markets in which it operates	14	GRI 2-1 and GRI 2-6 (2021)	Waste prevention, recycling, reuse, other forms of recovery and disposal measures		GRI 306-3 hazardous and non-hazardous waste (GRI 2020 Version)
Organizational objectives and strategies	4-6, 9	GRI 2-1 (2021)	Actions to combat food waste	6	GRI 3-3 (2021)
Main factors and trends that may affect its future development	EINF22	GRI 3-3 (2021)	<b>Sustainable use of resources</b>		
Reporting framework used	56-59	GRI 1 (2021)	Water consumption and water supply according to local constraints	42	GRI 303-1 303-5
Principle of materiality	56	GRI 3-1 and GRI 3-2 (2021)	Consumption of raw materials and measures taken to improve the efficiency of their use	37	GRI 301-1
			Direct and indirect consumption of energy	36-38	GRI 302-1 302-3
			Measures taken to improve energy efficiency	36-38	GRI 3-3 (2021)
			Use of renewable energies	37	GRI 302-1
<b>ENVIRONMENTAL ISSUES</b>			<b>Climate change</b>		
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, 33-35	GRI 3-3 (2021)	Greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	EINF22	GRI 305-1 305-2
Detailed information on the current and foreseeable effects of the company's activities on the environment and, where applicable, on health and safety	EINF22	GRI 3-3 (2021)	Measures taken to adapt to the consequences of climate change	36	GRI 305-3 305-4
Environmental assessment or certification procedures	35	GRI 3-3 (2021)	Voluntary reduction targets established in the medium and long term to reduce greenhouse gas emissions and the means implemented to that end	36	GRI 3-3 (2021)
Resources dedicated to environmental risk prevention	33-35	GRI 3-3 (2021)	<b>Biodiversity protection</b>		GRI 305-5
Application of the precautionary principle	33-35	GRI 2-23 (2021)	Actions taken to preserve or restore biodiversity	EINF22	GRI 3-3 (2021)
Amount of provisions and guarantees for environmental risks	33-35	GRI 3-3 (2021)	Impacts caused by activities or operations in protected areas	EINF22	GRI 3-3 (2021)
<b>Contamination</b>					GRI 304-1 304-2
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	36-38	GRI 3-3 (2021)			



## 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	44-45	GRI 3-3 (2021)	<b>Social relations</b>		
<b>Employment</b>			Organization of social dialog, including procedures for informing, consulting and negotiating with employees	EINF22	GRI 3-3 (2021)
Total number and distribution of employees by country, gender, age and job classification	EINF22	GRI 405-1	Percentage of employees covered by collective bargaining agreements, by country	44 44-50	GRI 2-30 (2021) GRI 3-3 (2021)
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	EINF22	GRI 2-7 (2021)	Review of collective bargaining agreements, particularly in the field of occupational health and safety		
Number of dismissals by gender, age and job classification	EINF22	GRI 3-3 (2021)	<b>Training</b>	53-54	GRI 404-2
Average salaries and their evolution broken down by gender, age and job classification or equal value	EINF22	GRI 3-3 (2021)	Policies implemented in the field of training	EINF22	GRI 3-3 (2021) and GRI 404-1
Wage gap, the remuneration for equal or average jobs in society	46	GRI 3-3 (2021)	Total number of training hours per professional category		
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	EINF22	GRI 3-3 (2021)	<b>Integration and universal accessibility of persons with disabilities</b>	49	GRI 3-3 (2021)
Implementation of work disconnection policies			Integration and accessibility measures		
Number of employees with disabilities	47	GRI 3-3 (2021)	<b>Equality</b>	47-49	GRI 3-3 (2021)
<b>Organization of work</b>	49	GRI 3-3 (2021) AND GRI 405-1	Measures taken to promote equal treatment and opportunities between women and men	47-49	GRI 3-3 (2021)
Organization of working time	47	GRI 3-3 (2021)	Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment.	47-49	GRI 3-3 (2021)
Number of hours of absenteeism	EINF22	GRI 3-3 (2021)	Policy against all types of discrimination and, where appropriate, diversity management.	47-49	GRI 3-3 (2021)
Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of work-life balance by both parents	47	GRI 3-3 (2021) And GRI 403-3	<b>RESPECT FOR HUMAN RIGHTS</b>		
<b>Health and Safety</b>			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	GRI 3-3 (2021)
Occupational health and safety conditions			<b>Application of due diligence procedures</b>		
Occupational accidents, in particular their frequency and severity, as well as occupational diseases; disaggregated by sex	50-52 51+ EINF22	GRI 3-3 (2021), GRI 403-1, 403-3 and 403-7 GRI 403-9, 403-10	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	GRI 2-23 and GRI 2-26 (2021) GRI 3-3 (2021) and GRI 406-1 (2016)
			Complaints about human rights violations	None	



## 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 labor; the effective abolition of child labor	21, 35, 37-46	GRI 3-3 (2021)	Consideration in relations with suppliers and subcontractors of their social and environmental responsibility.	21	GRI 2-6 (2021) and GRI 308-1 and 414-1
			Monitoring and auditing systems and their results.	21	GRI 2-6 (2021) and GRI 308-2 and 414-2
<b>FIGHT AGAINST CORRUPTION AND BRIBERY</b>			<b>Consumers</b>		
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, 18-21	GRI 3-3 (2021)	Measures for the health and safety of consumers	28, 29	GRI 3-3 (2021) and GRI 416-1
Measures adopted to prevent corruption and bribery.	6, 18-21	GRI 3-3, 2-23, 2-26, (2021), GRI 205-1 and 205-3	Complaint systems, complaints received and their resolution	28,29	GRI 3-3 (2021)
Measures to combat money laundering.	6, 18-21	GRI 3-3, 2-23, 2-26, (2021), GRI 205-1 and 205-3	<b>Tax information</b>		
Contributions to foundations and non-profit entities.	6, 8, 22	GRI 201-1	Country-by-country profits	EINF22	GRI 3-3 (2021) and GRI 207-4
			Taxes paid on profits	EINF22	GRI 3-3 (2021) ,GRI 201-1 and 207-4
			Public subsidies received	EINF22	GRI 201-4
<b>INFORMATION ABOUT THE COMPANY</b>					
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, 60-65	GRI 3-3 (2021)			
<b>Company commitments to sustainable development</b>					
The impact of the company's activities on employment and local development.	45	GRI 3-3 (2021) and GRI 203-2			
The impact of the company's activities on local populations and the territory.	48-52	GRI 3-3 (2021) and GRI 413-1			
Relationships maintained with local community stakeholders and the modalities of dialog with them.	13	GRI 2-29 (2021) and GRI 413-1			
Partnership or sponsorship actions.					
<b>Subcontracting and suppliers</b>	65	GRI 3-3 (2021) AND GRI 201-1			
Inclusion of social, gender equality and environmental issues in the procurement policy	21	GRI 3-3 (2021)			

## Report according to the SDGs in 2022

Below are the different actions carried out by Normon in the 2022 financial year, reported according to each Sustainable Development Goal:



- Campaigns aimed at collecting toys and staple goods during the Christmas season for a church thanks to the Juan XXIII Roncalli Foundation. A total of ten (7) pallets have been delivered with the contribution of our employees.
- Continuous collaboration with the Queen Sofia Foundation. For more than 10 years, Normon has signed an agreement with the Queen Sofia Foundation for the provision of humanitarian aid. The agreement aims to make essential medication available to those who most need it, free of charge
- Donation of €4,000 to the Cofares Foundation for the Christmas Fundraising Concert 2022 destined to different solidarity activities.
- Donation of a batch of products for the book value of €3,190 to the foundation called Smile is a Foundation for its humanitarian work in Zimbabwe, and for the amount of €4,367 to the Sonrisas al Sur Association, for its humanitarian work in Guinea Bissau.



- We have 5 divisions destined to health care: the Generic drug prescription division, the Hospital division, the Self-care division, the Dental division, and the International division.
- We provide a vade mecum 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 centers.
- We contribute with products for health self-care with around 120 references between 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 89 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.
- Our activity (generic drugs) promotes market access to medicinal products. This social contribution mainly results in a direct improvement of health and life quality of patients, as well as in savings for taxpayers.
- Our manufacturing plant, located in Spain, has helped supply essential products during the pandemic. Likewise, our manufacturing plant in Spain helps to ensure a continuous supply of medicines in the national territory.
- Donation of more than 1.5 million doses of medicines to the Ukrainian people as humanitarian aid. More than 70,000 packs of 17 different products were shipped, for a value of €114,478.
- We have fostered scientific knowledge with training actions in terms of composites, biosafety for dentist's offices, implantology for patients with special needs, dental anesthesia, and systemic diseases in special patients.
- We disseminate scientific and health knowledge through our social media.
- We count on effective complaints and drug safety systems.



## Report according to the SDGs in 2022



- Since 2020, we count on the digital training platform “Normon Academy” focused on 100% of the workforce and thanks to which all employees may know their assigned training courses, explore their progress status regarding each of them, check extra resources, engage in learning communities, and find out new courses on which to enroll.
- We have 12 training plans: GCP, GLP, Commercial, Corporate, Pharmacovigilance, QA, Clinical QA, QA-PV, ISO and Environment, SPP and ORP.
- During 2022, a total of 44,826 training hours have been recorded, in 1288 courses (both internal and external training).
- We collaborate with 7 Master centers, incorporating 26 technician trainees for their training at Normon, and with 9 Vocational Training Centers with 20 trainees to complete their studies in a real working environment, with a 39% and 55% incorporation rate, respectively.
- Normon portal is a corporate communication digital platform offering 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 cooperate with healthcare professionals, pharmacists’ associations, and further healthcare organizations in order to boost the development of training activities and foster scientific knowledge for the shake of patients and society through direct training sessions or sponsorships of scientific-professional meetings where training activities are conducted.



- Since 2022, 40% of the members of the Board of Directors of Normon are women (including in-house and external advisers), and 40% of board members are women.
- At 2022 year-end closing date, Normon’s workforce consisted of 47% males and 53% females. Normon hires a total of 1452 females.
- 95.7% of women have a permanent, full-time contract.
- Likewise, there a greater number of females (790) than males (691) at the age groups ranging from 18 to 40 years.
- We continually work on bridging the salary gap. We have a wage gap of 4.14%, lower than the average for the sector and for Spain (approx. 28% in 2022).
- The Second Equality Plan of Normon was implemented in 2022, based on the following principles: Culture and Communication; Working conditions; Recruitment and employability; Training, Promotion, and Development; Remuneration and wage audit; Conciliation and co-responsibility; Prevention; Female under-representation.
- We have protocols for workplace harassment, sexual harassment, and harassment on grounds of sex.
- We have policies favoring conciliation. Teleworking policy, with a mixed system of on-site and digital disconnection policy agreed with the employees’ representatives.
- The annual working time in Normon is lower than that established by the XX Collective Bargaining 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).



## Report according to the SDGs in 2022



6

AGUA LIMPIA  
Y SANEAMIENTO

- The water discarded in the production processes (15,000 m<sup>3</sup>/year) is collected in special tanks and reused for secondary use in the cooling circuits.
- In 2022, the percentage of water consumption has been reduced by 8.4%. In 2022, Normon consumed 135,987 m<sup>3</sup> of water in Normon 1 and 8,421 m<sup>3</sup> in Normon 2. This figure is lower than the limit of our discharge authorization (262,896 m<sup>3</sup>).
- Normon has reduced its wastewater discharge by 25% by 2022. (73,094 m<sup>3</sup> in 2022 compared to 96,903 m<sup>3</sup> in 2021.)



7

ENERGÍA ASEQUIBLE  
Y NO CONTAMINANTE

- The electricity we consume comes from 100% renewable energy sources, certified by the CNMC. Moreover, in our commitment to environment, we keep implementing changes to the lighting system from halogens to LED.
- In 2022 the installation of more than 5,000 solar panels, covering 12,000 m<sup>2</sup>, and the installation of a monitoring system were completed. This represents a reduction in CO<sub>2</sub> emissions of 1,572 tons per year, thus contributing to a significant decrease in our environmental impact.



9

INDUSTRIA,  
INNOVACIÓN E  
INFRAESTRUCTURA

- Normon has one of the largest and most modern pharmaceutical laboratories in Europe with a gross floor area of 67,463.80 m<sup>2</sup> at Normon1 and 47,516.14 m<sup>2</sup> at Normon2. Normon1 has four independent manufacturing and control buildings: general manufacturing of oral and injectable drugs, penicillin antibiotics, cephalosporin antibiotics, and high containment products.
- We have a great manufacturing capacity. In 2022, a total of 277,662,934 packaged units were manufactured (including tablets, capsules, sachets, oral solutions and suspensions, dental cartridges, ampoules, infusion bags, and liquid, powder and freeze-dried vials); and 4,026,303,989 manufactured doses, increasing production compared to the previous year by 13%.
- In 2019, Normon acquired a new industrial complex in order to carry out its international expansion and keep leading the generic drug market within Spain. It is currently in the refurbishment phase. This expansion includes a fully automated robotic warehouse housing 24,000 pallets, a new laboratory for the development of new products and a utility center (water, gas, etc.).
- At NORMON 1, the construction of an automated palletizing center (robotization of the finished product in the palletizing center) has been carried out. The construction of facilities expanding the production of liquid and freeze-dried vials, as well as different production lines such as ampoules, dental cartridges, or oral medications, has also been completed.
- Normon's Board of Directors has an Internal audit Committee.
- Normon, for the second consecutive year, has been awarded the "Good" rating by the Profarma program (2021-2022), 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 laboratory that led the generic drug launching ranking in 2022, with the launch of 30 references to the market.

## Report according to the SDGs in 2022



- In 2022 the workforce grew to 2,730 employees; that is 203 employees more than the previous year, which represents an increase of 8.03%, with the forecast of continuing to grow steadily.
- We are committed to stable employment; in 2022, 96% of the staff had a permanent contract.
- During 2022 the number of dismissals has been reduced.
- Increase in average remuneration during 2022.
- 100% of Normon's workforce is covered by the XX Collective Agreement for the Chemical Industry.
- Through the eTempo digital platform, 100% of the workers can manage time registration, vacations, and absences.
- The office space is designed as an "Open-Space", with large space, natural light, coffee-points, and other suitable spaces for a suitable work environment adapted to new technologies.
- We have a canteen service with different menu options in our facilities.
- Shuttle bus service for employees with increased routes during 2022.
- We have an employee store where staff can buy over-the-counter products (not prescription or over-the-counter medicines) at low cost.
- "Normon Benefits Club" is a discount platform for Normon employees with different products/services (IT, leisure, home, trips, etc.).
- All employees are offered health insurance, childcare and transport vouchers, as a Flexible Compensation Plan.
- The company is provided with a Occupational Hazard Prevention system including in-house policies such as the Occupational Hazard Prevention policy whose aim is to protect the life, physical integrity, and health of all employees, both in-house staff and outsourced workforce.
- Reduction in occupational accidents in 2022.
- Normon counts on medical facilities covering the medical care services and the occupational health services simultaneously through a top-tier outsourced supplier.
- Physiotherapy service in morning and afternoon shifts.
- Normon is a cardioprotected space, with 5 SAEDs in the facilities.
- We have the following working committees with the employees' representatives: Communication, Training, Equality, Social Affairs, Canteen, and Occupational Hazard Prevention.





## Report according to the SDGs in 2022



- Normon's workforce is balanced in terms of age distribution (2022 data: 21% 18-30 years old; 34% 31-40 years old; 31% 41-50 years old; 13% 51-60 years old and 2% 60+ years old).
- There is a total of 28 different nationalities among Normon employees.
- We collaborate with different special employment centers (SEC) to promote access to employment for people with disabilities (Empleados Social, Ilunion SEC, Juan XXIII Foundation, Manantial Foundation, SERMES Foundation, 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.



- Bus shuttles made available to employees at different points in the Community of Madrid: Fuenlabrada, Parla, Alcorcón, Alcalá de Henares, El Molar, Campamento, Moncloa, etc.
- We offer transport vouchers to our employees, contributing to a more sustainable mobility.
- Several electric vehicle charging points have been installed.
- The system has anchorages for parking bicycles.



- We have a top-level environmental and complaints management system to pursue the compliance of the environmental regulation and the mitigation of the environmental impacts. We have an Integrated Quality and Environment Management System in accordance with UNE-EN-ISO 9001 and UNE-EN-ISO-14001 standards and the corresponding certificates.
- 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 (SCRAP): ECOEMBES (domestic and commercial packaged products) and SIGRE (containers and unused medicines of domestic origin).
- 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.
- With regards to eco-design, Normon has a procedure defining the stages to be followed during the design and development of a new product throughout its life cycle.
- In 2022, 100% of our suppliers met the environmental requirements established by the company.
- We are a local company in Spain and Europe: we manufacture 92.44% of our packaged medicinal products in Tres Cantos (Madrid).



## Report according to the SDGs in 2022



13  
ACCIÓN  
POR EL CLIMA

- During 2022, the 2022-2025 Strategic Plan was approved, which sets the definition and development of the a Sustainability Plan of the company.
- In 2022, the Scope 3 calculation for the Carbon Footprint has been improved by including CO<sub>2eq</sub> emissions associated with waste management (hazardous and non-hazardous), national and international logistics and the shuttle bus service offered to the workforce.
- In 2022, solar panels were installed at our facilities, from which 100% of the electricity produced will be consumed.
- All equipment containing fluorinated greenhouse gases has been replaced by fancoil systems (9% of total equipment with fluorinated gases or equipment with ozone layer depleting gases)



15  
VIDA  
DE ECOSISTEMAS  
TERRESTRES

- 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 minimize the environmental impact as much as possible.
- For the development of Generic medicinal products, Normon does not perform clinical trials on animals.
- We work to reduce paper by raising awareness in the business areas and opting for the digitization of processes.



16  
PAZ, JUSTICIA  
E INSTITUCIONES  
SÓLIDAS

- The Board of Directors of Normon has an Audit commission supervising and monitoring, *inter alia*, the compliance of the company's regulation and the accuracy of the accounts.
- We meet the Codes of Self-regulation of AESEG, MfE and, since 2022, ANEFP.
- 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 2022, 98% of the workforce has successfully completed and passed the course "Code of Ethics, Compliance and Crime Prevention".
- We review the interactions with the Health Community internally to verify its compliance, in an annual exercise of transparency (in the webpage).
- No complaints or judicial procedures in terms of corruption, money laundering, human rights, unfair competition, or monopolistic practices took place in 2022.
- 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 obtained the ISO 27001 Certification on Information Security Management System (ISMS) and has trained to all employees on Information Security.
- We are not present in territories described as tax haven and, where applicable, our commercial activities with third parties in such territories (and any others) are placed under their standard industrial and commercial activities. We reject the transfer of results artificially to such territories



17  
ALIANZAS PARA  
LOGRAR  
LOS OBJETIVOS

- 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 cooperate with waste management integrated systems (SCRAP: ECOEMBES, SIGRE).
- Collaboration agreements with 9 Vocational Training centers y 7 Master centers, so that students can complete their studies by doing work experience in a real environment, contributing to their inclusion in the labor market.
- We collaborate with special employment centers (SEC), promoting access to employment for people with disabilities (Emplazados Social, Ilunion SEC, Juan XXIII Foundation, SERMES Foundation, Manantial Foundation, FUNCARMA and LASERCART).
- We create synergies with pharmaceutical associations, patient associations, and further industry associations.

# EXPERIENCE AND TECHNOLOGY COMMITTED TO HEALTHCARE



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