

Ferrer's ESG extra indicators



We are Ferrer

Making a positive impact in society

1. Context

Since our beginnings in 1950, we have positioned ourselves as a pharmaceutical company that aims to improve the society's health and quality of life. In this regard, the society, the people, and the **planet** are the three areas of action that define everything we do. This is the spirit that symbolizes our corporate identity, our "For Good".

Following this rationale and being conscious of the climate crisis that we are already experiencing, **at Ferrer we are committed to tackle climate change**. Holding the world to a temperature increase of 1.5°C is still technically possible, but this requires us to accelerate our efforts by reducing global carbon emissions.

In this context, we have launched the new climate strategy "**Ferrer Carbon Positive, beyond the zero-emissions target**". We want to be carbon positive of our direct emissions by 2030, and carbon positive of our direct and indirect emissions by 2050. To do so, our strategy is structured around 6 key commitments, with which we will pursue different objectives. These cover all our operations, considering not only our employees, but also our customers and suppliers.

International Indexes



To further advance in our purpose of tackling climate change, in 2021 we have decided to participate and report our environmental information to the following internationally recognized indexes: **the Carbon Disclosure Project (CDP) and the Dow Jones Sustainability Index (DJSI)**. Participating in these indexes will provide us a clear view of how we are performing in the governance, environmental and social aspects, gives us an expert vision of how can we improve our actions, and obtain an insight of how companies of the same sector are performing. On the other hand, reporting to these indexes will be a way of promoting our actions to our stakeholders. All in all, is a way of being aligned with the international standards, the adoption of which will allow the business world to fight climate change more effectively.

The CDP is a global standard for measuring and understanding the environmental impact of companies. In 2021, we have completed the CDP Climate Change Questionnaire, disclosing our actions to tackle climate change, as well as our environmental indicators.

The DJSI is a global standard that measures and evaluates the governance, environmental, and social performance of a company. In 2021, even though we were not invited as a guest company (since we are not a publicly traded company), we have decided to participate voluntarily, getting a clearer idea of how we are performing and how can we improve, not only in the environmental area, but also in the governance and social areas.

In this regard, we have decided to elaborate this document, as a way of **transmitting our commitment and better disclose all the activities, processes, and information**, which are necessary when responding to both questionnaires. The following information is disclosed as follows, indicating the scope of application and separated between the governance (economic), environmental and social areas.

It must be noted, however, that **the information disclosed in the present document is intended to be included publicly for the next year**, either on our Sustainability Report or on our Non-Financial Information Report.

2. Scope of Application

The scope of the information included in this Report is aligned with the Sustainability and Non-Financial reports. In this way, the coverage (scope of application) **considers the 98% of Ferrer activities**. This % applies to all the environmental and social indicators disclosed below, with the exception of the employee engagement survey, which only considers the employees of Spain.

3. Governance Area

Mean Employee Compensation: In 2020, the mean employee compensation is equal to **45'167.54€**. This value considers all employees except the Chief Executive Officer.

Board Average Tenure (taking into account the members of the Board of Directors and the Management Committee): **2.4 years**

Members of the Board of Directors with experience in the pharmaceutical sector: 4 (Sergi Ferrer-Salat, Josep Vilarasau Salat, Jordi Ramentol Massana, Joan Fanés Trillo)

Family Ownership: As a family-owned company, neither any executive director, nor any governmental institution hold shares.

Tax Reporting

Fiscal information (per country)	Number of employees	Revenue	Profit/Loss
Europe	1569		
Spain	1506	671'559'172	43'479'444.32
Germany	15	1'419'486	-2'337'221.33
France	-	-	-86.89
Belgium	-	-	477'524.00
Portugal	48	6'811'022	-775'690.32
Greece	-	3'198'588	-27'654.91
Italy	-	-	-145.47
North America	49		
United States	49	8'842'375	-21'152'708.29
Central America-Caribbean-Mexico	162		
México	149	31'199'502	669'503.80
Costa Rica	13	17'045'652	1'322'071,.15
Nicaragua	-		-
Guatemala	-		-21'859.10
El Salvador	-		-
South America	58		
Chile	39	6'487'823	-89'751.37
Brazil	-		-399'198.94
Colombia	-	5'134	-59'867.82
Uruguay	-	11'429'592	1'582'045.22
Venezuela	-		-
Argentina	4	168'684	-283'716.76
Peru	15	5'719'797	1'312'693.02
Far East	-		
China	-	-	-2'998'984.42

Hong Kong	-	-	-
Middle East	23		
Kazakhstan	23	863'832	-629'572.19

Effective Tax Rate

Fiscal information	FY 2019	FY 2020
Earnings Before Tax	35'407'954.86	20'066'823.70
Reported Taxes	11'950'447.32	9'200'647

4. Environmental Area

In 2020, there has been a removal of an industrial plant of our organization, which has led to a recalculation of the data for the previous years for comparability purposes. In this way, the data presented as follows for the years 2020, 2019 and 2018 matches with the data disclosed on our 2020 Sustainability Report and 2020 Non-Financial Information Report. For the year 2017, however, it should be noted that the numbers do not match with those presented in the last year Sustainability Report and last year Non-Financial Information Report, as the 2017 data disclosed below includes the methodology recalculation.

Direct and Indirect Green-House Gas emissions

GHG Emissions (tCO ₂ eq)	2020	2019	2018	2017	2019-2020 Variation (%)
Scope 1	4'572	6'187	7'754	6'805	-26.11%
Scope 2	1'757	1'729	1'892	2'011	1.59%
Scope 3	38'112	47'671	25'970	24'686	-20.05%
Total	44'440	55'588	35'616	33'502	-20.05%

Energy consumption

Energy Consumption (GJ)	2020	2019	2018	2017	2019-2020 Variation (%)

Diesel	18'900	45'001	51'324	52'417	-58.00%
Propane Gas	116	110	142	149	5.88%
Gas GLP	2	6	34	55	-71.28%
Electricity	117'299	115'018	114'084	102'910	1.98%
Natural Gas	93'692	90'433	93'693	78'060	3.60%
Steam	96'972	86'971	94'091	71'708	11.50%
Total Energy consumption	326'981	337'540	353'580	305'299	-3.13%

Water consumption

Water Consumption (m3)	2020	2019	2018	2017	2019-2020 Variation (%)
Municipal Water Supplies	191'783	211'788	215'484	182'000	-9.45%
Wastewater	130'909	146'732	160'642	143'000	-10.78%
Total	322'692	358'520	376'126	325'000	-9.99%

Recycled and reused water	2020	2019	2018	2017	2019-2020 Variation (%)
Recycled water (m ³)	2'917	2'602	1'957	1'957	12.10%
Reused water (m ³)	0	0	10	0	0%
Recycled water (%)	1.52	1.23%	0.91%	1.08%	23.80%
Reused water (%)	0.00%	0.00%	0.00%	0.00%	0.00%

Waste disposal

Volume of waste generated by type (t)	2020	2019	2018	2017	2019-2020 Variation (%)
Non- Hazardous Waste	1'952	1'241	1'672	1'663	31.99%
Hazardous Waste	5'087	4'714	4'836	3'844	7.91%
Total	7'039	6'509	5'507	5'507	13.66%

Disposal Method (%)	2020*	2019	2018	2017
Non- Hazardous Waste				
Recycling	50.68%	54.60%	53.26 %	8.32%
Treatment	9.33%	0.00%	0.00%	0.00%
Composting	0.01%	0.03%	0.03%	0.00%
Recovery	15.62%	2.28%	3.42%	16.79%
Incineration	0.20%	0.04 %	0.62 %	0.00%
Landfill	24.19%	43.08%	42.70 %	74.89%
Hazardous Waste				
Reuse	0.00%	0.00 %	0.04 %	0.00%
Recycling	0.63%	0.05 %	0.02 %	0.01%
Recovery	52.5%	56.79%	51.53%	59.19%
Treatment	5.03%	0.41%	0.00 %	0.00%
Landfill	16.08%	36.13%	40.35%	40.15%
Incineration	6.40%	6.61%	8.05%	0.64%
Other valorization	19.35%	0.00%	0.00%	0.00%

5.Social Area

Workforce Breakdown: Gender

Directives in Revenue-generating functions	2020
Men	13
Women	10
% of Women	43.48%

Employees in STEM positions	2020
Men	79
Women	55
% of Women	41.04%

Workforce Breakdown: Nationalities

Nationalities as of 2020	Number of Employees	Share in total workforce (as % of total workforce)
ES	1482	79.63%
MX	149	8.01%
US	49	2.63%
PT	49	2.63%
CL	39	2.1%
KZ	23	1.24%
DE	16	0.86%
PE	15	0.8%
CR	13	0.7%
IT	8	0.43%
AR	7	0.38%

GB	2	0.1%
FR	2	0.1%
EG	1	0.05%
UA	1	0.05%
RO	1	0.05%
CO	1	0.05%
CN	1	0.05%
BR	1	0.05%
CA	1	0.05%
Total	1861	100%

Gender Pay Indicators

Employee Level	Average Women Salary (€)	Average Men Salary (€)
Executive level (base salary)	217'717.00	239'033.00
Management level: directors and senior management (base salary)	78'610.26	85'860.64
Non-management: advisors, professionals, specialists, supervisors, staff, and direct labor-workers (base salary)	31'293.06	33'928.24

Training and Development Inputs

Training & Development Inputs	FY 2020
Average hours per FTE of training and development	54.28 hours
Average amount spent per FTE on training and development	493€

Hiring

Employee Hires	FY 2017	FY 2018	FY 2019	FY 2020
Total number of new employee hires	228	201	225	189

Employee Hires disclosed by gender	FY 2020
Men	91
Women	98

Employee Hires disclosed by age groups	FY 2020
<20	7
20-25	7
25-30	34
30-35	22
35-40	41
40-45	35
45-50	25
50-55	14
55-60	4

Trend of Employee Engagement

Great Place to Work- Survey	FY 2019	FY 2020
Survey Results- Average Trust Index	57	68

Great Place to Work- Survey disclosed by gender	FY 2020
Average Trust Index- Answered by Women	69
Average Trust Index- Answered by Men	67

Great Place to Work- Survey disclosed by age groups	FY 2020
25 years or less	76
26-34 years	70
35-44 years	65
45-54 years	69
55 years or more	68

Great Place to Work- Survey disclosed by management level	FY 2020
Advisor	71
Chief	86
Director	82
Head of	79
Manager	81
Professional	74
Senior Manager	80
Specialist	69
Staff	71
Supervisor	60
Worker	58

Coverage: 64.64% (the survey was launched in Spain)