



# SUSTAINABILITY REPORT 2023/2024

EXPERIENCE EVOLUTION

Database 2023.

**biolab**  
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# PRESENTATION

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# About this report

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Biolab Sanus Farmacêutica Ltda. (Biolab Farmacêutica) presents its first Annual Sustainability Report, highlighting the Company's main results, challenges and achievements for the period from January 1 to December 31, 2023, focusing on economic aspects and ESG (environmental, social and governance) topics.

The scope of this report was determined based on the topics considered most relevant by Biolab in its sustainability strategy, which was conducted throughout the year. With this initiative, the Company reaffirms its lifelong commitment to transparency and sustainability, and demonstrates to its partners, the medical community, customers, employees and other

stakeholders how it creates value through its business, promoting health and well-being in society. Using measurable indicators, Biolab showcases the maturity of its operation and communicates its plans for the coming years.

Data presented in this document was submitted for analysis and approval by Biolab's Advisory Board, which played a major part in making decisions on the mapping of existing ESG initiatives and the evolution of the Sustainability Report. It is important to emphasize that, in its first edition, this Report was not subjected to external assurance. It should also be noted that the final decisions on this publication were made by the Company's partners.

To learn more about the report or the information herein, please contact Biolab at [sustentabilidade@biolabfarma.com.br](mailto:sustentabilidade@biolabfarma.com.br).



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# Materiality

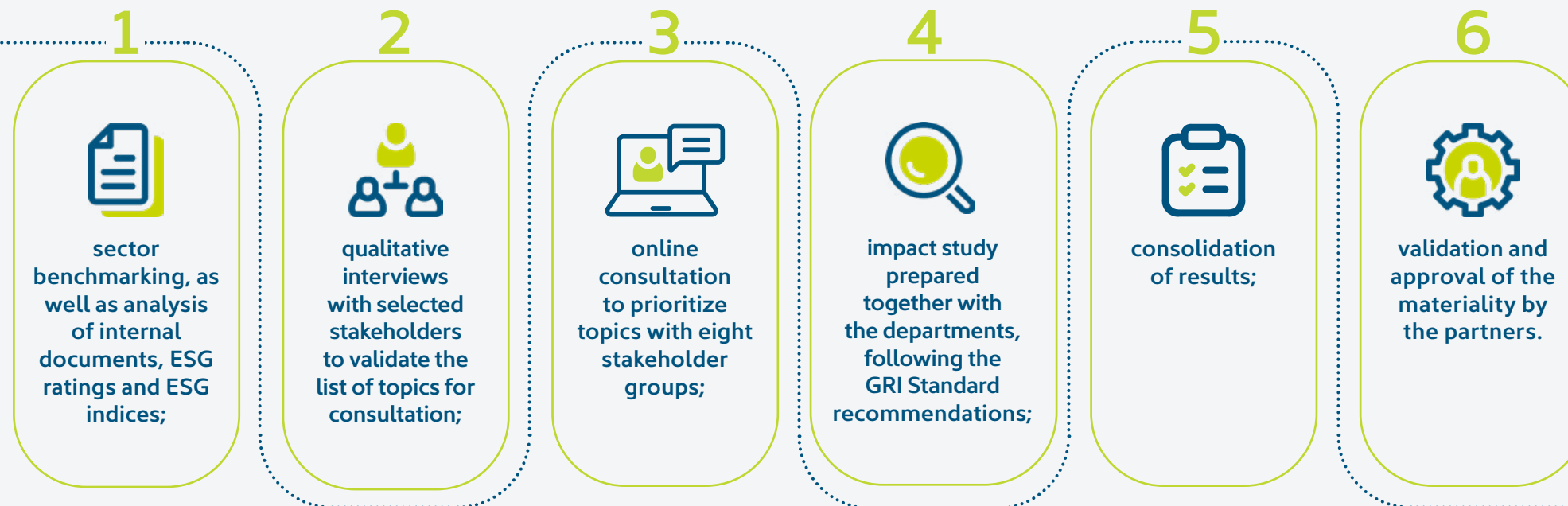
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Biolab prepared and completed its Materiality Matrix in 2024, aimed at identifying and prioritizing the most relevant ESG topics for its business model and stakeholders. This process was conducted with the support of a specialized consultancy. In this sense, it is important to note that the result of this process is in accordance with the materiality matrix that guides the content

of this Report and, therefore, remains applicable by the Company to improve its management.

The Matrix creation process encompassed several stages, which included sector benchmarking with foreign and domestic companies, analysis of ESG ratings and indices, review of internal documents and comprehensive media research.

## Stages of the materiality process:



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Stakeholders were consulted through qualitative interviews and an online survey. The qualitative interviews were carried out with key stakeholders in order to validate the list of topics used in the consultation. In addition, during these interviews, the Company also gathered the perception of stakeholder groups as regards the main impacts that Biolab creates and is exposed to, positive aspects about management and growth opportunities in the market.

The Company consulted eight stakeholder groups: 1<sup>st</sup> generation partners; 2<sup>nd</sup> generation partners; Advisory Board; Executive Board; internal leaders; physicians; specialized media; and distributors. A total of 164 responses were obtained, providing a broad and representative view of the stakeholders' perceptions and priorities.

Together with the Company's departments, an impact study was carried out on the suggested topics, in accordance with the GRI Standards, aimed at identifying the most relevant impacts (positive and negative) from Biolab's direct or indirect actions, as well as the impacts to which the Company is subject due to its business relationships and external actions. The information collected was analyzed and consolidated, resulting in 12 material topics, validated and approved by the Company's partners.

## MATERIAL TOPICS

The 12 topics below represent the main areas of focus and concern for both Biolab and its stakeholders, ensuring that the Company's strategies are aligned with the expectations and needs of stakeholders.



Ethics and compliance



Corporate governance and transparency



Launch of new products, research, development and innovation



Product quality and safety



Industrial capacity and planning



Risk management



Customer relations and satisfaction



Data intelligence



Relationship with physicians



People management



Social responsibility



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# Impact Study

Material topic	Impact	Stakeholders	
<b>Corporate governance and transparency</b>	The inclusion of independent members on the Advisory Board strengthens the Company's management and transparency. Moreover, Biolab is developing new governance policies and investing in the continuous training of its leaders, ensuring more robust governance practices and increasingly qualified leadership.	<ul style="list-style-type: none"> <li>● Biolab</li> <li>● Shareholders</li> </ul>	<ul style="list-style-type: none"> <li>○ Employees</li> <li>○ Customers</li> <li>○ Suppliers</li> </ul>
<b>Ethics and compliance</b>	Biolab understands the importance of strengthening ethical values and has been implementing comprehensive Compliance, Anti-Corruption and Human Rights Policies. Moreover, the Company uses due diligence tools to assess third parties in order to prevent negative impacts and ensure its operations' integrity.	<ul style="list-style-type: none"> <li>● Biolab</li> <li>● Shareholders</li> <li>● Employees</li> <li>● Suppliers</li> </ul>	
<b>Risk management</b>	Biolab is committed to improving its risk management, avoiding serious problems that can arise from a lack of follow-up to internal audits.	<ul style="list-style-type: none"> <li>● Biolab</li> <li>● Shareholders</li> </ul>	<ul style="list-style-type: none"> <li>○ Employees</li> <li>○ Suppliers</li> </ul>
<b>Industrial capacity and planning</b>	To better meet customer needs, Biolab is optimizing its planning and production strategies. These actions aim to increase operational efficiency and ensure continuous supply to the market, minimizing possible negative impacts.	<ul style="list-style-type: none"> <li>● Biolab</li> <li>● Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>○ Community</li> </ul>
<b>Data intelligence</b>	By improving its technological infrastructure, Biolab aims to optimize customer segmentation and incentive management using up-to-date reports and predictive analytics. These improvements will enable a more strategic and efficient approach to managing relationships and resources.	<ul style="list-style-type: none"> <li>● Biolab</li> </ul>	<ul style="list-style-type: none"> <li>○ Customers</li> <li>○ Employees</li> </ul>



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Material topic	Impact	Stakeholders	
<b>Launch of new products, research, development and innovation</b>	Investing in innovation and intellectual protection is crucial for Biolab to remain competitive. With advanced and well-equipped research centers, the Company is well positioned to face fierce competition and lead the market.	<ul style="list-style-type: none"> <li>● Biolab</li> <li>● Shareholders</li> <li>● Customers</li> </ul>	<ul style="list-style-type: none"> <li>○ Employees</li> <li>○ Community</li> </ul>
<b>Product quality and safety</b>	In order to ensure regulatory compliance, Biolab adopts strict quality and safety standards. Transparency in the supply chain and compliance with health regulations are essential for mitigating financial risks and maintaining stakeholder trust.	<ul style="list-style-type: none"> <li>● Biolab</li> <li>● Customers</li> <li>● Physicians</li> </ul>	<ul style="list-style-type: none"> <li>○ Employees</li> </ul>
<b>Customer relations and satisfaction</b>	By improving its services and communication, Biolab seeks to increase customer satisfaction and strengthen customer loyalty.	<ul style="list-style-type: none"> <li>● Biolab</li> <li>● Customers</li> </ul>	<ul style="list-style-type: none"> <li>○ Employees</li> </ul>
<b>People management</b>	Biolab invests in the health and safety of its talents and their development to create a qualified and safe working environment. These investments aim to increase employee engagement and reduce the occurrence of work-related accidents.	<ul style="list-style-type: none"> <li>● Biolab</li> <li>● Employees</li> </ul>	
<b>Relationship with physicians</b>	To improve interaction with physicians and maximize the effectiveness of its launches, Biolab is customizing its service and strengthening its corporate image.	<ul style="list-style-type: none"> <li>● Biolab</li> <li>● Physicians</li> </ul>	
<b>Social responsibility</b>	Biolab is committed to social programs aimed at promoting the well-being of the community, thus strengthening its commitment to social responsibility and generating a sustainable positive impact.	<ul style="list-style-type: none"> <li>● Biolab</li> <li>● Community</li> </ul>	<ul style="list-style-type: none"> <li>○ Employees</li> </ul>
<b>Environmental management</b>	By promoting responsible management, the Company implements selective waste collection and environmental monitoring programs, which play an essential role in mitigating negative impacts and preserving the environment.	<ul style="list-style-type: none"> <li>● Biolab</li> </ul>	<ul style="list-style-type: none"> <li>○ Community</li> <li>○ Suppliers</li> </ul>

Legenda: Impact: ● Direct ○ Indirect



# Message from Management

GRI 2-22

Biolab's journey is driven by our mission to promote health and well-being through innovative, high-quality products; the result of decades dedicated to researching, developing and manufacturing medicines for several therapeutic needs. In 2023, we faced significant challenges, both commercial and industrial, which emphasized the importance of detailed planning that covered everything from the transformation of materials to the end product. We overcame these obstacles and ended the year delivering positive results, demonstrating the effectiveness of our growth strategy.

In Brazil, we achieved gross revenue of R\$2.4 billion, a significant growth stemming from the expansion of our product portfolio and the strengthening of our presence in the domestic market. Our EBITDA Margin came to 22%, showing our ability to generate robust operating results and maintain efficient financial management. We have successfully expanded our horizons globally, with 1.11 million units exported. Vonau Flash® has been very successful, leading the market in Ecuador

and Colombia. We also began exporting it to Saudi Arabia. Other products were also exported: Encrise® to Saudi Arabia and Admuc® to Ecuador. These achievements have been driven by more than 50 strategic and international partnerships as well as over 400 patent applications.

To sustain significant advances in the healthcare field, we continue to consistently invest 10% of our revenue in research and development, of which more than 50% comes from innovative products. Our team of almost 4,000 employees, supported by a Sales Force of more than 1,500 professionals, delivers more than 300,000 medical contacts a month, ensuring a dynamic and effective

**Biolab's journey is driven by our mission to promote health and well-being through innovative, high-quality products.**

Cleiton de Castro Marques  
Biolab's CEO

presence in the market. We have developed specific products for more than ten therapeutic specialties, reaffirming our commitment to quality and innovation in all our operations, covering both human and animal health.



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To keep up with our growth, we are expanding our production capacity in Pouso Alegre to over 400 million units per year, thus contributing to local economic growth, strengthening public health and expanding our possibilities to access the main global markets with future certifications from the Food and Drug Administration (FDA) and the European Medicines Agency (EMA). The recent acquisition of Exzell Pharma in Canada and the strategic agreement with Bayer for the distribution of the Qlaira® oral contraceptive pills in Brazil are clear examples of our global expansion strategy and the partnerships that drive our growth.

At the same time, we are strengthening our journey towards sustainability with the creation of the Biodiversity Committee. Biolab will launch a product with Stryphnodendron (barbatimão, in Portuguese) as an active ingredient;

Paulo de Castro Marques  
*Biolab's COO*

hence, it is working closely with the local communities.

This milestone not only strengthens our commitment to responsible environmental practices but also sets a new standard for the compliance of our products with the strictest environmental regulations. Simultaneously, we have made significant progress with the digitization of our processes and the implementation of the Electronic Batch Recording (EBR) Pilot Project, improving the

ability to efficiently monitor our production processes and mitigating the generation of waste in production, ensuring more transparent and sustainable management.

With a 27-year history, we know we are a company built to last. Our perpetuity is directly related to our ability to quickly incorporate new technologies, anticipate complex solutions and deliver early diagnoses. We want to be increasingly recognized by the medical community and our customers for our strategic execution capacity and management discipline — elements that allow us to pursue sustainable growth, guided by innovation and quality products accessible to all. We remain committed to being one of the leading Brazilian pharmaceutical companies driven by integrity, quality and care, earning the trust of our consumers and partners at every step.

We would like to express our gratitude especially to our employees, customers, consumers and the entire medical community for an exceptional 2023!

**We hope you enjoy your reading!**



Dante Alario Jr.  
*Biolab's CSO*



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# 2023 Highlights

**R\$ 2.4 billion**

in gross revenue



**3,689**  
employees

Products available in  
**3,426** municipalities in **26** states

**1,500+** professionals in the Sales  
Force, the 4<sup>th</sup> largest team in Brazil

**300,000+**  
medical contacts per month



**515 products**

in Biolab's portfolio (human  
and animal health)



**50+**  
international partnerships

**50%+** of revenue from  
innovative products

**400+**

patent applications



**10%+** of revenue invested  
in innovation

**R\$ 10 million**

in exporting revenue

**1.11 million**

units exported



Alone **Vonau Flash®** totaled  
**R\$ 7.8 million** in sales in Colombia and Ecuador



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# Awards and recognitions

The excellence of Biolab's processes and products is recognized and valued by important industry awards, reflecting the Company's ongoing commitment to quality and innovation. These awards not only highlight Biolab's leading position in the industry but also reinforce its commitment to providing distinguished solutions to its customers.



In addition, accolades validate the Company's relentless effort to achieve the highest excellence standards in all aspects of its operations.

It is essential for Biolab to continue on this path, remaining focused on continuous improvement and customer satisfaction, which directly contributes to its reputation as a recognized and trustworthy company in the market.

- **Lupa de Ouro 2020 Award – Pantogar®:** This award is granted by the Pharmaceutical Products Industry Association (Sindusfarma, in Portuguese) to honor pharmaceutical companies in various categories, in recognition of the quality and excellence of their processes.

- **Qualidade Farma Panpharma 2021 – Dermatology category:** This award is given by one of our customers and recognizes companies that stand out the most in dermatology.
- **Qualidade Farma Panpharma 2021 Santa Cruz:** Granted by the *Santa Cruz* supplies distributor; this award evaluates and recognizes pharmaceutical companies that have increased their prestige with new solutions and/or improvements to existing processes.
- **Qualidade Farma Panpharma 2021 (3<sup>rd</sup> place):** Organized by a prestigious pharmaceutical distributor, this award attests to and evaluates the performance of the companies that stand out in the marketing of their products.



- **Qualidade Farma Santa Cruz 2021 (2<sup>nd</sup> place):** Awarded by the *Santa Cruz* distributor, this accolade refers to a specific evaluation of the companies during the second half of 2021.
- **Qualidade Farma Santa Cruz 2021 – Dermatology category (1<sup>st</sup> place):** This accolade is awarded by one of our customers to the companies that stand out in dermatology.



- **Qualidade Farma Santa Cruz 2021 – Dermatology category (3<sup>rd</sup> place):** This is another award granted by one of our customers in this segment.
- **SOC Tree Award:** The prestigious certificate recognizes companies that stand out in implementing actions that significantly reduce the use of paper on a daily basis.
- **Qualidade Farma Santa Cruz 2023 – Dermatology category (2<sup>nd</sup> place):** This is an important award from Grupo SC, which assesses the performance of pharmaceutical companies based on indicators such as service level, delivery time and customer service.



- **Excellence in Occupational Health and Safety Management Award (GST, in Portuguese) 2023 – Health Projects – Company with more than 1,001 employees category (1<sup>st</sup> place):** Created by the Pharmaceutical Products Industry Association (Sindusfarma, in Portuguese), the award honors companies that deliver excellence in occupational health and safety management.
- **Reclame Aqui 2022 and 2023 Awards (RA 2022 and RA 2023 Nominations):** This is an award given by the prestigious *Reclame Aqui* portal, recognizing the companies that had the fewest complaints from consumers during the year and had a positive and efficient attitude towards resolving the cases registered.
- **Sorria Award – Sindusfarma:** Biolab Farmacêutica won the “Health Project” category of the 12<sup>th</sup> GST Award— Excellence in Occupational Health and Safety Management, awarded by Sindusfarma, with our *Sorria* (Smile) Program – Health Promotion. The project promotes greater health and quality of life through various actions and brings together employees and their families for a day of many activities in the “Smile Walk” event.



- **2022 McHappy Day – GRAACC:** This is a symbolic plaque given to companies that, in partnership with McDonald’s, support this celebratory date and are part of this action in favor of children and adolescents undergoing cancer treatment.
- **2023 GST Award – Occupational Health Professional category (1<sup>st</sup> and 2<sup>nd</sup> place):** Also offered by Sindusfarma, this award focuses on companies that stand out for their innovative and efficient attitudes towards their employees’ occupational health.



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# BIOLAB



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# Biolab

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**Biolab is one of the largest pharmaceutical companies in Brazil, with a strong commitment to the development of science and the industry.**

Biolab Farmacêutica is a private pharmaceutical company that develops, produces, distributes and markets medicines and products for human and animal health and well-being.

Founded in 1997, the Company stands out for the quality and high technological added value of its products, maintaining an

excellent reputation among physicians and charging prices that are in line with the reality of the Company and its consumers.

As one of Brazil's leading pharmaceutical companies, it is constantly expanding globally through partnerships and with a unit in Canada, Exzell Pharma.

Focused on its mission to promote health at all stages of life, Biolab provides innovative solutions and a comprehensive portfolio, investing nearly 10% of its revenue in **research, development and innovation**. The Company is currently a benchmark in cardiology medicine and has a significant presence in other areas such as Gynecology; Dermatology; Pediatrics; Central Nervous System; Angiology; Orthopedics and Rheumatology; and Dermocosmetics.

## The Company operates in four segments:



Pharma  
(human line)



Generic medicine  
(human line)



Veterinary  
(animal line)



Over-the-counter  
medicines (OTC) -  
(human line)



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# Mission, vision and values



## OUR MISSION

Biolab is a pharmaceutical company whose mission is to develop, produce and market products that improve the quality of life of its consumers, always combining quality with high technological added value and an excellent reputation among physicians, at prices that suit both the Company's and the Brazilian consumer's reality.



## OUR VISION

Biolab's vision is to be among the five largest and best pharmaceutical companies in Brazil and to be the domestic company with the largest share of innovative products in its portfolio.



## OUR VALUES

Biolab's values are commitment, adaptability, entrepreneurship and valuing people.



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# History

To get where it is, Biolab has remained focused on its purpose of bringing quality of life and well-being to people. In its journey, the Company has seized opportunities and made important decisions that have helped build a history full of innovation.

1997

1<sup>st</sup> factory, in Taboão da Serra (SP), and beginning of production.

1999

Inauguration of the RD&I center, in Itapeçerica da Serra (SP).

2008

Acquisition of the non-hormonal oral solids unit, in Jandira (SP).

2010

Joint venture with German company Merz, founding Merz-Biolab.  
New line of procedures and start of exports.

2017

1<sup>st</sup> Brazilian pharmaceutical company to have a research center abroad (Mississauga/Canada).

2014

Creation of Avert Biolab Saúde Animal, focused on pets.

2013

Acquisition of the Bragança Paulista (SP) plant from Hypera laboratory. New liquid and semi-solid products, as well as food supplements.

2011

Purchase of Zurita laboratory.

2018

Acquisition of Actavis Farmacêutica's portfolio and entry into the generic medicine sector (Biolab Genéricos).

2020

Beginning of construction of the manufacturing complex in Pouso Alegre (MG).

2022

Purchase of Canadian company Exzell Pharma.

2023

Visual identity update, including packaging, logo and tagline.  
Acquisition of the Pet Nutrition line.  
Start of corporate governance, creation of Advisory Board and committees.



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# Operations map

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Aimed at continuing to be one of the best Brazilian medicine manufacturing companies, Biolab reinforces its commitment to expanding its operations, based on the values of commitment, adaptability, entrepreneurship and valuing people.

In Brazil, the Company has three factories, three RD&I centers, administrative offices and technology centers, as well as an industrial complex under construction in Pouso Alegre (MG). In Canada, it has a RD&I center and a sales department, and is the first Brazilian pharmaceutical company to have a Research Center in the region.

Biolab also has an animal nutrition plant in Pirassununga (SP).

The Company has a strong presence in all Brazilian regions, with a higher concentration in the Southeast, accounting for around 40% of total sales. In 2017, Biolab began operating in the foreign market by exporting the human and the Avert Biolab Saúde Animal's pet product lines. Currently, the products are sent to several countries, such as Saudi Arabia, Colombia, Ecuador, Mozambique, Costa Rica and Panama.



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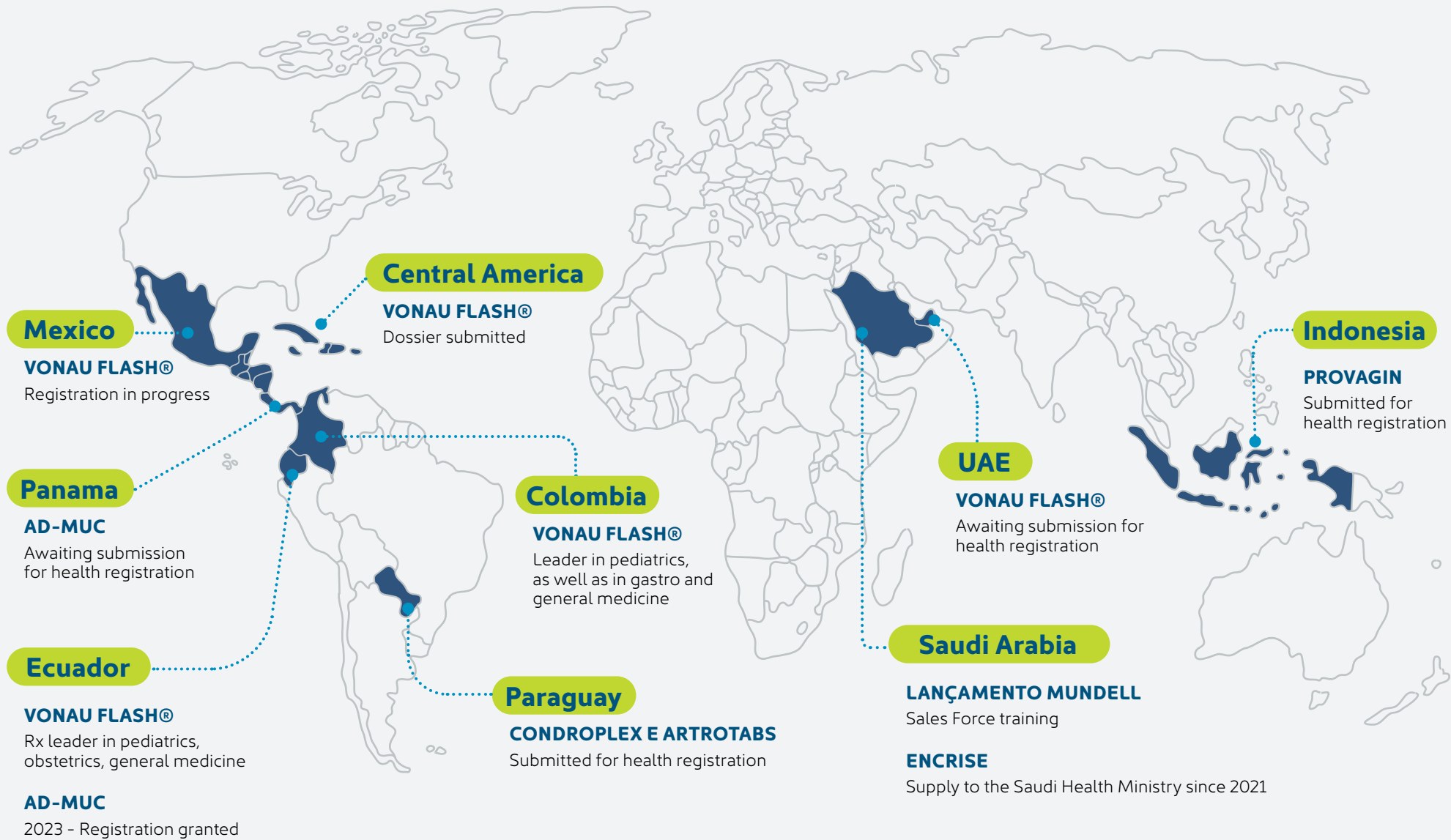
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# Status of product and medicine exports by country



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# Portfolio

GRI 2-6

Biolab offers a comprehensive portfolio of more than 500 products. This diversified portfolio reflects the Company's commitment to innovation and high quality standards in its two main areas: **Human Health and Animal Health.**

The Company focuses on several fields, including cardiology, dermatology, women's health, gastroenterology, hospital care, central nervous system, pediatrics, procedures, Otorhinolaryngology and Over-the-counter (OTC) medicines.

## Human Health

Biolab's Human Health area specializes in the development, manufacture and marketing of medicines for various therapeutic specialties. Divided into four distinct product lines, Biolab offers a wide range of therapeutic solutions.

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### Biolab Farmacêutica

The Company is a benchmark in Heart medication, with relevant operations in various specialties, such as Dermatology, Women's Health, Gastroenterology, Procedures, OTC, Hospital Care, Central Nervous System, Pediatrics and Otorhinolaryngology.



### Avert® Biolab Saúde Humana

Portfolio of **32 products.**

**Robust portfolio with Biolab DNA,** highlighting quality, innovation and safety. Similarly to pharmaceutical and generic products, maintaining **high quality standards** and sharing information.



### Biolab Genéricos

Portfolio of **92 products.**

Quality manufacturing in the same laboratories as branded products.

Expansion in 2023 with new business fronts in the Generic Medicine Unit.

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FARMA GENÉRICOS

### Biolab Farma Genéricos

**23 products** in the pharmaceutical area.

Advanced softgel technology.

Dedicated supplements and vitamins.

**Quality guarantee with MGQ seal,** ensuring strict standards at every stage, from design to packaging.



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## Animal Health

Since 2013, Avert® Biolab Animal Health has been Biolab's veterinary division, focused on developing supplements, dermocosmetics and medicines for dogs and cats. With a robust portfolio, it is one of the 10 largest veterinary pharmaceutical companies in the pet market. Products are indicated for dogs and cats at all stages of life, from puppies and kittens to senior animals, promoting the best pharmaceutical practices for the advancement of veterinary medicine in Brazil.

In 2023, Biolab Farmacêutica acquired Petitos® and, within the Avert structure, the company was renamed Pet Nutrition®. This strategic acquisition aims to strengthen Biolab's presence in the animal nutrition market, expanding its portfolio of products focused on the health and well-being of pets.

Below, we highlight some of Avert Biolab Animal Health's and Pet Nutrition®'s main veterinary product lines, which include high quality supplements, dermocosmetics and medicines, developed to meet pets' specific needs.



### Avert® Biolab Saúde Animal

Portfolio of **89 products**.

**Specialized in supplements, dermocosmetics and medicines** for pets.

**Improves the quality of life of dogs and cats at all stages, covering various specialized areas.**

Pet Nutrition

### Pet Nutrition®

Portfolio of **62 products**.

In 2023, Biolab Farmacêutica acquired **Petitos®** which, within the Avert structure, became Pet Nutrition®.

**A pioneer in natural snacks**, it offers high-quality products, following **Biolab's production and quality parameters**, for moments of interaction and to please both pets and their guardians.



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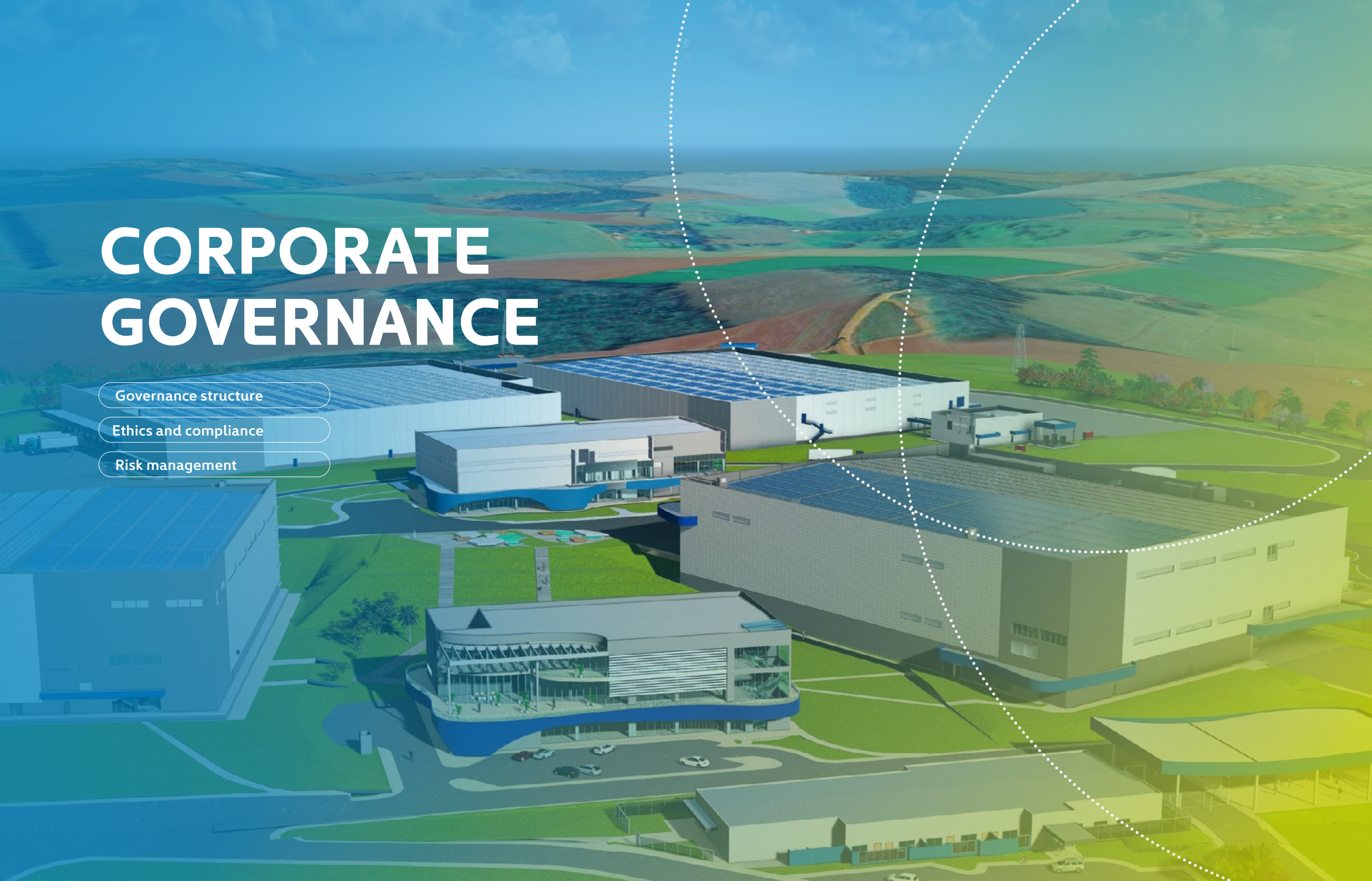
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# CORPORATE GOVERNANCE

Governance structure

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Biolab's corporate governance has been implemented with a clear focus on efficiency and transparency, including a smooth natural succession process. In 2024, the Organization completed its first year with the current architecture, demonstrating its commitment to making the system more mature, as it believes that it will move towards a model based on a Board of Directors in the future.

For the time being, Biolab believes that its model, supported by the agenda of its Advisory Board, is essential for learning, with decisions centered on the partners. Thus, governance has strongly encouraged the construction of processes and the implementation of support tools; constantly supported the executives' agency and behavior focused on making proposals to benefit all; and managed an agenda designed to promote a favorable environment for more discussions and joint decision-making.

At the end of its first corporate governance cycle, Biolab recognizes the importance and benefits of its decision and is engaged in

**Biolab recognizes the importance and benefits of its decision and is engaged in designing the future of the organization, also strengthening its corporate and family governance**

designing the future of the organization while also strengthening its corporate and family governance. At the same time, the agenda for mapping and developing successors is already being discussed based on a proposal that considers a set of actions that meet this need.



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## Tools and documents

The Company's corporate governance is supported by documents that establish an effective system which guides all parties in the fulfillment of their duties in an aligned manner. It also uses tools that enable the implementation of best governance practices and continuous process improvements.

Corporate governance tools have been used to their maximum capacity, both to automate agendas, manage content and draw up minutes, and to monitor the progress of recommendations to the Advisory Committees and Functional Offices.

The management of all the guidelines for governance bodies aims to guarantee the progress of the agendas

discussed. Through the management platform, all the guidelines are applied, thus ensuring that they are properly addressed to those in charge and that the progress of all the issues and their impacts is monitored. This overall vision has guided the drafting of agendas focused on proposals for the good of all and aimed at discussing the Organization's most strategic and priority issues.

One of these documents is the Corporate Governance Manual, published in June 2024, based on the Code of Best Governance Practices of the Brazilian Institute of Corporate Governance (IBGC, in Portuguese). Biolab also published its Corporate Governance Policy, which serves as the basis for the Charters of the Governance Bodies.

In 2024, an internal overall satisfaction survey covering all internal stakeholders, including the Advisory Board, revealed opportunities for improvements in the next cycle. The results of this survey promoted an alignment between all stakeholders in an environment of transparency and trust, reinforcing the commitment to the continuous development and improvement of the documents that underpin the governance system. It is worth noting that Biolab does not yet carry out a formal evaluation of the individual performance of the members of the Advisory Board.

The presence and participation of independent members in the Advisory Board favors high-quality discussions and brings complementary perspectives, thanks to their diverse expertise and experience. Biolab benefits from the careful selection of Advisory Board members.



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# Governance structure

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Biolab has invested in a new corporate governance structure, focused on improving processes and training internal stakeholders. The restructuring process began in 2018, with the support of McKinsey & Co, and is currently being implemented.

The current governance structure includes:

- Three independent Board members and three internal Board members;
- A governance officer;
- A Strategy and Innovation Committee with nine internal and three external members;
- A People and Culture Committee with five internal and three external members;
- An Audit, Risk and Compliance Committee with five internal and three external members.

Shareholders occupy the positions of Chief Executive Officer (CEO), Chief Operations Officer (COO) and Chief Scientific Officer (CSO), together with the executive officers, and are responsible for managing impacts. In this first cycle, the system will be presented in some forums with the participation of leaders and various teams.



# Advisory Board

GRI 2-9 | 2-10 | 2-11 | 2-12

In 2023, the creation of the Advisory Board strengthened management, aligning it with the best corporate governance practices, which enabled in-depth and enriching discussions including diverse perspectives.

The Advisory Board is the central body of the corporate governance system, performing its duties with a focus on the Company's long-term interests and preserving its values. The Board is committed to recommending actions that benefit the Company and its processes, with an emphasis on the Organization's core topics: People; Performance; Risks; Strategy; and Innovation.

In 2023, Ana Karina Bortoni Dias took office as Chairwoman, with the support of two independent members, after playing a crucial role as a leader at McKinsey. This innovation in the governance structure seeks to strengthen the definition and implementation of the long-term strategy, providing critical and advisory support to Senior Management.

Internally, the Board holds monthly alignment meetings with the partners to encourage the development of governance bodies. Independent members are introduced to employees at relevant events and through internal channels, promoting transparency and engagement.

With regard to sustainable development, independent members play a crucial role in encouraging the mapping of ESG initiatives already in place and promoting a more proactive agenda in this area for Biolab.

Independent members attended an extensive onboarding program with all the main Biolab executives, which included visits to factories and RD&I centers. They also participated in internal events such as the Sales Convention, Innovation Workshops, the Product Journey and the Executive Integration Dinner, which considerably enriched their knowledge of the Company's market. They also held extraordinary meetings with executives to bridge information gaps and offer support in managing specific issues.



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## Committees

Biolab’s corporate governance structure is made up of the Advisory Board and three dedicated advisory committees.

### People and Culture Committee

The People and Culture Committee focuses on the continuous improvement of the people management model, promoting and preserving the Company’s culture. This committee is responsible for maintaining a positive work environment and quality of life for employees, as well as aligning the Company’s goals with those of its employees.

### Strategy and Innovation Committee

The Strategy and Innovation Committee oversees the formulation of the corporate strategy, monitors its implementation and reviews the results. It also promotes a culture of innovation, monitors the competitive environment, studies strategic investments and ensures that the strategy is effectively communicated to stakeholders.

### Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee helps control the quality of the financial statements, supervises internal controls and manages audits. This committee also manages risks and compliance to ensure the reliability and integrity of information, as well as contributes to protecting and improving governance.

Each of these committees plays an essential role in maintaining Biolab’s corporate governance structure, ensuring that operations are conducted efficiently, transparently and in line with the Company’s strategic goals.



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## Highest governance body

Name	Gender	Executive or non-executive member	Independence	Tenure	Number of other positions and commitments held by the member and the nature of the commitments
Paulo de Castro Marques	Men	Executive member	No	Partner	Member of the Board, all committees and COO
Dr. Dante Alario Jr.	Men	Executive member	No	Partner	Member of the Board, all committees and CSO
Cleiton de Castro Marques	Men	Executive member	No	Partner	Member of the Board, all committees and CEO
Ana Karina Bortoni Dias	Women	Non - executive member	Yes	Not applicable	Chairwoman of the Board and a member of all Biolab's advisory committees, a board of the Board of Directors of Grupo Silvio Santos and Grupo Iguatemi and a member of the Audit Committee of Banco Carrefour. She holds a bachelor's degree in Chemical Sciences and a master's degree in the same area. With a career spanning more than 25 years, she has worked at McKinsey & Company for 17 years. During her career, she has acted as CEO of Banco BMG, leading an intense transformation process focused on strategy and the evolution of a niche bank into a complete one (physical and digital).
Maria Alice Frontini	Women	Non - executive member	Yes	Not applicable	Member of the Board, the Strategy and Innovation Committee and the Audit, Risks and Compliance Committee. She is a board member of MIT, NPL Brasil and the healthtechs Central da Visão and TissueLabs. Additionally, her career has spanned important strategic consulting, start-up, telecommunications and retail companies. This diversity of experience gives her a deep knowledge of technology applied to innovation and efficiency gains.
Fábio Alberto Amorosino	Men	Non - executive member	Yes	Not applicable	Member of the Board, the People and Culture Committee and the Audit, Risks and Compliance Committee. He was the CEO of the Banco Alfa Conglomerate and sits on the Board of Directors of Deltabank, Instituto Somar and the NGO Banco de Alimentos; he also holds the position of managing director of Instituto Reciclar. He has valuable financial experience and a successful track record in managing family businesses and maintaining legacies.



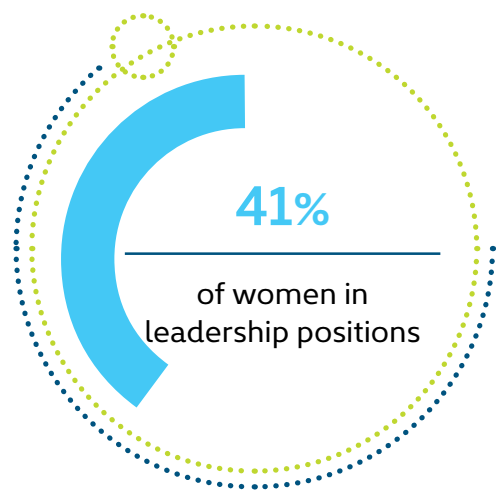
## Strategy and Innovation; People and Culture; and Audit, Risks and Compliance Committees

Name	Gender	Executive or non-executive member	Independence	Number of other positions and commitments held by the member and the nature of the commitments
Ana Karina Bortoni Dias	Women	No	Yes	Chairwoman of the Board and member of all advisory committees.
Maria Alice Braga Frontini	Women	No	Yes	Member of the Board and all advisory committees.
Fábio Alberto Amorosino	Men	No	Yes	Member of the Board and all advisory committees.
Marco Aurélio da Silva	Men	Yes	No	Member of the Strategy and Innovation Committee and Vice President of Innovation and Quality.
David Carlos Pomarico	Men	Yes	No	Member of the Strategy and Innovation, and Audit, Risks and Compliance Committees and Technology Superintendent.
Álvaro Farias Galassi	Men	Yes	No	Member of the Strategy and Innovation Committee and Innovation and Quality Manager.
Denise Queiroz Ferreira	Women	Yes	No	Member of the Strategy and Innovation Committee and Regulatory and Government Affairs Officer.
Fernando Henrique Ghelere da Silva	Men	Yes	No	Member of the Strategy and Innovation Committee and PMO superintendent.
José Roberto da Costa Pereira	Men	Yes	No	Member of the Strategy and Innovation Committee and New Business Officer.
Marcelo Pinto Guedes	Men	Yes	No	Member of the People and Culture, Strategy and Innovation, and Audit, Risks and Compliance Committees and Vice President of Marketing and Demand.
Roberto Bleuel Amazonas	Men	Yes	No	Member of the Strategy and Innovation Committee (coordinator) and Medical Officer.
Eloi Donizeti Netto	Men	Yes	No	Member of the People and Culture and Industrial Officer.



Name	Gender	Executive or non-executive member	Independence	Number of other positions and commitments held by the member and the nature of the commitments
Filipe J. B. Galiote Brossi Pelissari	Men	Yes	No	Member of the Audit, Risks and Compliance Committee (coordinator) and Financial Administrative Officer.
Thiago Arthur da Silva	Men	Yes	No	Member of the Audit, Risks and Compliance Committee and Controller.
Lucas Magalhães Cohin	Men	Yes	No	Member of the People and Culture Committee (coordinator) and Operations Superintendent.
Merlin Nogueira Monteiro de Castro	Men	Yes	No	Member of the People and Culture Committee and Human Health Business Unit Officer.
Tatiana Fonseca Sartori	Women	Yes	No	Member of the People and Culture Committee and Human Resources Officer.
Adriana Luizari Rozas	Women	Yes	No	Member of the Audit, Risks and Compliance Committee and Legal Officer.
Leandro Henrique Pavão	Men	Yes	No	Member of the Strategy and Innovation Committee and Industrial Operations Superintendent.

## Diversity in Senior Management



In 2023, Biolab reached a significant milestone with 41% of women in leadership positions, an increase of 3.16% compared to 2021, when the figure was 36%.

The diversification in the composition of the Advisory Board also reflects the Company's commitment to equity and representativeness in corporate governance. Currently led by a woman, the independent Advisory Board is made up of two women and one man.



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## Compensation of independent members and governance agents

GRI 2-19 | 2-20

Biolab's partners are responsible for determining the compensation of independent members based on detailed market research. This process aims to ensure that compensation is competitive and in line with current industry practices.

Internal members who take part in advisory committees do not receive additional pay for their roles as Governance Agents, while independent members receive only a fixed monthly compensation.

**Biolab works with competence, skills and ethics, always respecting people and institutions.**

## Ethics and compliance

GRI 3-3 Material Topic Ethics and compliance | 2-15 | 2-16 | 2-23 | 2-24 | 2-26 | 2-27

Biolab is committed to conducting its business with ethics, integrity and transparency, in full compliance with the law, including the Brazilian Anti-Corruption Law. The Company does not tolerate bribery, corruption, fraud, harassment or any behavior contrary to the ethical values established in the Code of Ethical Conduct.

On a voluntary and qualitative basis, the Company has established compliance goals and targets to ensure that its practices are aligned with its corporate principles and values. In line with this guideline, employees take part in related training.

In order to reach its goals, Biolab works with competence, skills and ethics, always respecting people and institutions. It also believes that this approach is fundamental to a fair and sustainable society; therefore, it promotes a diverse and respectful environment among professionals, as well as protects not only the Company's financial interests but also its reputation.

The Compliance department is responsible for managing the Ombudsman channel, detailed on [page 36](#), as well as providing training, reviewing policies, answering internal questions related to the topic and conflict of interest issues, and analyzing contracts from a compliance perspective, among other duties.

### Revision of codes and policies

Biolab's policies and normative instructions are constantly revised by the BPM department, validated by the executive officers and approved by the partners. As regards to Compliance, in particular, new policies are underway at the Company, based on the Universal Declaration of Human Rights and the United Nations Global Compact, among other international standards.



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In 2023, Biolab revised the Code of Ethical Conduct and the Code of Business Conduct, as well as updated relevant policies. Throughout 2024, new training sessions were conducted in collaboration with the Labor Law department, adapted to the specific topics covered. In addition, the Legal and Compliance departments play a crucial role in supporting the leadership, identifying and mitigating potential legal risks that could negatively impact the Company.

On Biolab’s website, we have access to **the Code of Ethical Conduct**, the **Code of Business Conduct** and the **Data Privacy Policy (Brazilian General Data Protection Law – LGPD in Portuguese)**, among others. All employees have access to internal policies through internal communication channels.

### Code of Ethical Conduct

All employees and contractors must follow Biolab’s Code of Ethical Conduct. The document sets out the fundamental principles that guide ethical decision-making in business and in interactions with various stakeholders, including customers, suppliers, the government and society in general.

The Code reaffirms Biolab’s understanding of ethical behavior, making it clear that behaving ethically means building the common good in the Company and in the community and that this goal is achieved through the sum of the conduct of each of its employees.

Thus, all internal policies and procedures are aligned with the requirements of this Code, integrating them into Biolab’s management system. On the other hand, failure to comply with its guidelines can result in administrative sanctions.

## Ombudsman Channel

Biolab has an exclusive Ombudsman channel operated by an independent supplier that provides services and makes records in an impartial and confidential manner, ensuring anonymity when requested. This channel

allows employees, customers, suppliers and partners to report suspicious episodes, as well as facts and behaviors contrary to local legislation, the Codes of Conduct or other internal policies.

All complaints are analyzed individually, ensuring that whistleblowers in good faith do not suffer reprisals. Confidentiality of information and anonymity are guaranteed for those who prefer not to be identified during the investigation. All cases are discussed with Senior Management monthly. Most cases are of low complexity; however, the most relevant or serious cases are dealt with directly by the partners.

In 2023, the Ombudsman channel registered a total of 264 complaints.

Accesses



Website  
[contatoseguro.com.br/biolab](http://contatoseguro.com.br/biolab)



Telephone  
0800 810 8512



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## Other tools

Biolab is developing a tool for carrying out third-party due diligence through detailed investigations and analyses to assess risks and ensure compliance in transactions or operations. The new tool will enable a more in-depth analysis of third parties, ensuring that all contracts and partnerships comply with Biolab's policies. In addition, the Company is seeking to establish an integrated flow involving the Compliance, Registration and Procurement departments to improve the evaluation process.

The guidelines set out in the Code of Conduct and the use of the Ombudsman Channel are shared with all new employees during the Onboarding Program, which includes the basic concepts of Biolab's Compliance Program. The Company also offers periodic communications on relevant topics and face-to-face training on non-violent communication and the prevention of moral and sexual harassment. In addition, the department is constantly mapping out possible new topics for future training.

## Privacy Policy

Biolab's commitment to the privacy and protection of personal data guides the Company to constantly review and update its policies in order to comply with the current legislation.

Biolab's Privacy Policy is designed to provide transparent information on how the Company treats the personal information of visitors and users who interact with the websites and communication channels, such as the call center and pharmacovigilance.

Biolab's Policy also states that the data collected are stored using cutting-edge technology resources, in compliance with information security regulations and the Brazilian General Data Protection Law (LGPD, in Portuguese).



# Risk management

GRI 3-3 Material topics Risk management | 2-25

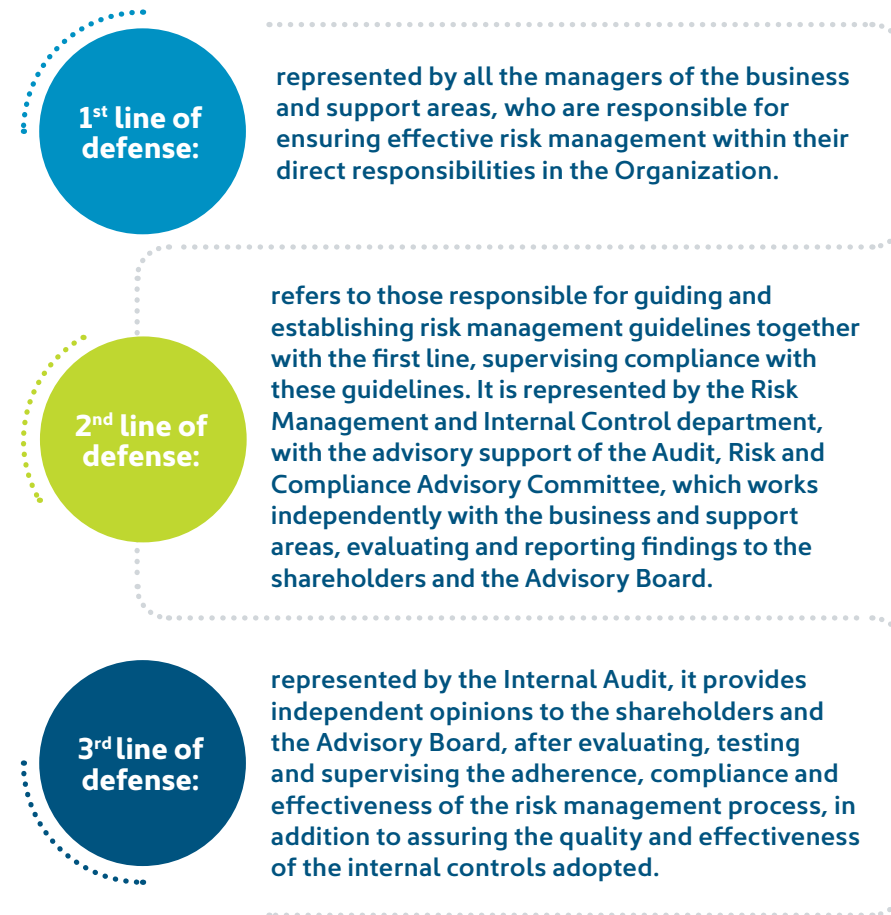
Biolab is focused on projects to improve its process guidelines and strengthen its risk management culture. The Company's **Corporate Risk Management Policy** aims to establish clear guidelines and define precise responsibilities in business processes and among members of management.

## Corporate risk management

Since the restructuring of the Corporate Risk Management department, in 2020, Biolab has implemented measures to identify and mitigate possible negative impacts. Periodic assessments of the effectiveness of business process controls are defined in the Annual Audit Plan and conducted by independent internal auditors. In addition, the Risk Management and Internal Control team continuously monitors the action plans agreed with management.

Initiatives to manage actual and potential positive impacts are included into the integrated corporate risk management process, following national and international best practices. The robust corporate risk management process includes standards such as ISO 31000:2018 – Risk Management, COSO ICIF (2013) and COSO ERM (2017).

This process is based on the governance concept known as Three Lines of Defense by the Institute of Internal Auditors of Brazil (IIA, in Portuguese). According to this governance model, each line plays a specific role:



This integrated model allows Biolab to proactively manage risks, ensuring compliance with strict regulations and standards and promoting an organizational culture focused on efficient risk management.



## Internal controls

In 2023, the internal audit process was strengthened by the hiring of an internal auditor to improve the efficiency of the process and the quality of the final report. In addition, to make risk management more effective, Biolab is restructuring its internal control mechanisms in order to allow Management to assess whether its operations are in accordance with the related policies.

The internal control processes and systems adopted are mainly based on identifying risk factors and their implications for achieving goals. Therefore, the potential impact and probability of occurrence of such risks are periodically assessed, taking into account the risk limits that the Company is willing to incur in the pursuit of return and value creation.

## Biolab Process Management (BPM)

In the first half of 2023, Biolab created a Process Management (BPM) department with the mission to improve process management in the Company. The department was organized as a method office and was responsible for supporting the Company's business management, guiding department managers to maintain the alignment of performance and projects with the Company's strategy, and disseminating the concept and application of its own management methodology — Biolab Process Management (BPM).

Following the Company's strategic guidelines and with a process-oriented business vision, BPM works towards results, more effective management (by institutionalizing documents and standardizing processes), continuous improvement and integration between departments.

### BPM Goals

BPM was created to standardize and systematize internal processes and their documents in order to streamline the flow of day-to-day activities, which had previously been subject to the permanence of the Company's intellectual capital in the face of an increasingly competitive job market.

The new department is also responsible for the next step in creating value for the business: the Company's digital transformation, through the digitalization of management and automation of as many processes as possible. In 2023, the sector produced 40 regulations, 11% more than the initial target of 36 in the first half of the year. The goal is to reach 96 new documents in 2024.

### BPM's main scope of action

- Process mapping, design or redesign;
- Management of regulatory documents;
- Support for the management of strategic and innovation projects;
- Support for organizational restructuring.

### Management of regulatory documents

Regulatory documents, including internal policies, are a set of guidelines and rules that govern the forms of conduct adopted by everyone in strategic, decision-making or operational actions.



Biolab believes that internal policies are essential for its development and the stability of the business, as they promote a healthy work environment in line with its organizational values. The main goals are:

**1 Improving strategic alignment and consistency in decisions**

They help direct actions towards organizational goals, contributing to the Company’s success. Internal policies ensure that decisions are made uniformly and fairly, avoiding discrepancies and favoring transparency.

**2 Reducing internal conflicts and improving communication**

By clearly defining guidelines, rules and expectations, policies minimize misunderstandings and conflict between employees and management, facilitate communication and align all employees with Biolab’s practices, principles and values.

**3 Promoting a harmonious work environment and increasing productivity**

By setting standards of behavior, internal policies create a healthier and more productive environment.

**Ensuring compliance with the law**

**4 Well-defined policies help prevent inappropriate practices and possible legal disputes.**

**Policies published in 2023:**

Name	Status
Access to Brazilian and Foreign Biodiversity	Published
Purchase of Materials and Services	Published
Accounting Reconciliation	Published
Accounts Receivable and Collection	Published
Contracts	Published
Credit Management for the Customer Portfolio	Published
Individual Sales Force Rewards – Hospital	Published
Individual Sales Force Rewards – Procedure	Published
Individual Sales Force Rewards – Pharma Sales	Published
Manual Accounting Entries	Published
Financial Transactions	Published
Payments and Advances to Suppliers	Published
Attraction and Selection	Published



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## Methodologies applied

With a view to creating more value, BPM also began implementing several management tools, such as PDCA, Lean Office, SWOT analysis, balance scorecard and SIPOC Matrix. Results are measured by indicators of gains, also taking into account the capacity to absorb innovations that the change in process may bring.

### Value Chain

An analysis model to show which macro-processes the Organization carries out to create value for customers, with segmentation into strategic, tactical and support levels.

### SIPOC

A practical and intuitive way to get a clear overview of the main stages of the process and other important points, such as its scope, start and end points, activities and process and result indicators.

### BSC

A planning tool that enables the definition of the strategic goals of each department, in order to determine the cause-and-effect links between the four BSC strategic perspectives (Customers, Financial, Processes and Human Resources) in a balanced way.

### PDCA

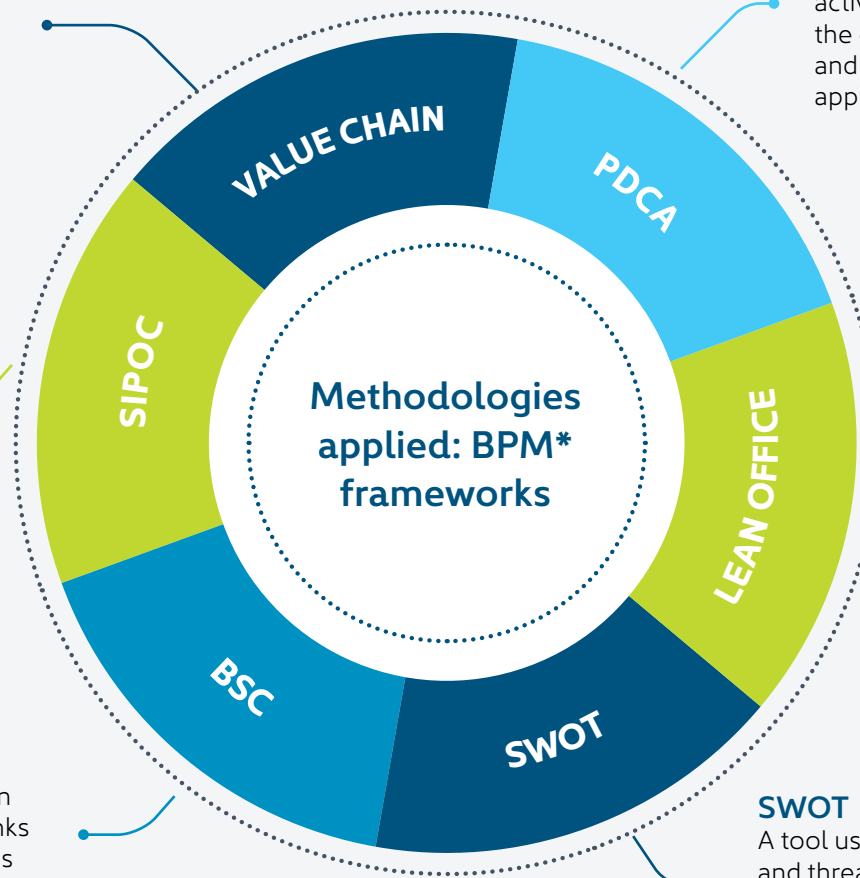
In order to promote process design and redesign activities, the BPM department will work by applying the concepts of the PDCA methodology, but the phases and activities of this methodology will be adapted and applied according to the scope, deadline and needs.

### Lean Office

Lean Office is the application of lean production concepts to administrative areas, with the aim of reducing waste related to the Company's internal processes. Implemented based on Lean Six Sigma – DMAIC (Define, Measure, Analyze, Improve and Control).

### SWOT

A tool used to identify strengths, weaknesses, opportunities and threats. By analyzing the data identified, it is possible to draw up an action plan to reduce weaknesses and threats, consolidate strengths and identify new opportunities.



## Examples of improvement

One of the examples of improvement is the implementation of a workflow for managing regulations, in a SharePoint system, with full control over access, management and visibility of what happens on the management platform, as well as segregation of files and documents (some automated business rules prevent downloads and printing, guaranteeing information security).

A similar feature was used to automate the flow of requesting and managing access to patent information. Among other things,

automation has brought a better view of who has access to Biolab's patent information and resources for customizing access types and restricting downloads.

BPM also proposed automating the entire guaranteed sales process, reducing the number of steps in the flow and making the process more agile. The implementation of automation is underway with the Information Technology department.



## Authorized Economic Operator (OEA, in Portuguese) certification

One of the most important strategic projects carried out by BPM during the year was to review and improve processes in order to meet the requirements of the Brazilian Federal Revenue Service to prepare for the Authorized Economic Operator (OEA). The Certification provides some benefits when importing or exporting products but requires compliance with a series of strict security requirements related to the logistics chain and documentation. In order to adapt internal processes, the department mobilized the entire Company to prepare the necessary documentation and comply with procedures and policies.

We expect to be audited in September 2024. With this, in addition to improving processes, Biolab will have financial gains, as the Certification will increase the Company's competitiveness in the domestic market by allowing faster input imports.



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# OPERATIONS MANAGEMENT

Industrial capacity and planning

Market intelligence

Data intelligence

Development & innovation

Product quality and safety



# Industrial capacity and planning

GRI 3-3 Material topic Industrial capacity and planning

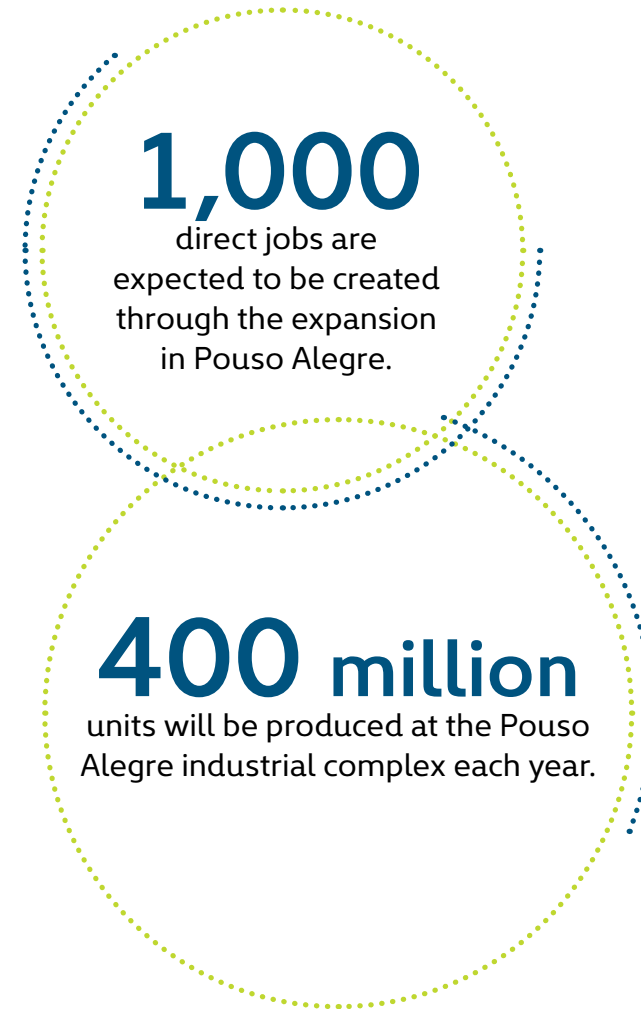
The year 2023 was very challenging for both our Sales department and the industry, given the rise in demand, underscoring the importance of robust planning, from material transformation to finished products. Despite the obstacles we faced, we managed to end the year with positive results, reflecting the effectiveness of the Company's growth strategy.

The expansion in Pouso Alegre is expected to substantially boost production capacity and has bolstered the municipality's economy by creating new jobs, supporting local businesses, and increasing tax collection. The Pouso Alegre industrial complex covers a total area of 100,000 sq.m. It is expected to create more than 1,000 direct jobs, and will be responsible for producing over 400 million units per year, doubling the lab's current manufacturing capacity.

Announced in 2017, the new industrial unit is partially operational and expected to start drug production in 2025. In addition to complying with Brazilian regulations, Biolab's new

industrial complex will follow the guidelines set by the Food and Drug Administration (FDA) and the European Medicines Agency (EMA). Increased production efficiency at Biolab is achieved through continuous improvement programs, integrated planning, and autonomous maintenance, backed by team training and effective communication.

We keep a close eye on all implemented or ongoing projects and programs, with specific goals to ensure the effectiveness and sustainability of gains. Results are measured by specific indicators for each project, especially those concerning production capacity and efficiency.







# Market intelligence

GRI 3-3 Material topic Data intelligence

“Data intelligence” was one of the most relevant material topics within the Materiality Matrix prepared in 2024. The perception is that the ability to intelligently handle business-sensitive information is of paramount importance for the pharmaceutical industry. The Market Intelligence department focuses on data science and sales force productivity to support better decision-making across all the Company’s business areas.

This department oversees all relevant business information, including secondary data (market audits) and primary data (surveys), and is also in charge of preparing reports and dashboards to disseminate information.

In terms of innovation, all identified new business opportunities are brought to the Data

department, which is responsible for gathering the necessary information to support the feasibility analysis of new projects alongside the Marketing department.

In 2023, a new CRM tool was deployed for the sales teams. After extensive feasibility analysis, the chosen tool was the CRM by Veeva, a global leader in this segment. In addition to the CRM module, the event management module was also implemented, allowing for a broad management of promotional resource allocation. The entire sales force incentive process is also overseen by the Data team. In 2022, all sales team incentive policies were redesigned, from the development of goal-setting calculations to the effective communication of the topic across all levels of the Organization.



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# Data intelligence

Biolab's corporate data management, led by the Information Technology department, aims to ensure compliance with the General Data Protection Law (LGPD, in Portuguese) through information security tools and policies, while also driving innovation and a data-driven management culture. In 2023, Biolab carried out a thorough review of its policies, restructured its data architecture, and implemented a new information governance model. This work is still developing and evolving, with the goal of democratizing data

use to generate intelligence in an integral and reliable manner.

Furthermore, Biolab actively manages the data project portfolio, with projects and processes being regularly discussed with stakeholders. This management model allows for any expressed needs to be properly escalated, ensuring efficient response to demands and supporting the continuous improvement of data processes within the Company.

# Development & innovation

**GRI 3-3 Material topic Launch of products, research, development, and innovation**

For 27 years, Biolab has been dedicated to applying science in the discovery and development of new technologies, molecules, and products that transform lives, such as medications, dermocosmetics, dietary supplements, and health products. Over 50% of its portfolio consists of innovative medicines, reflecting its commitment to scientific advancement and public health.

As a major advocate for pharmaceutical innovation in Brazil, Biolab has actively supported the José Ribeiro do Valle Young Researcher Award since 2009, organized by the Brazilian Society of Pharmacology and Experimental Therapeutics (SBFTE, in Portuguese). Furthermore, Biolab values strategic partnerships with startups, which are essential for driving continuous innovation and adapting practical solutions to emerging challenges in healthcare.

## Multidisciplinary technological update project

To prevent or mitigate the potential negative impacts of inadequacies with new data technologies, Biolab created a multidisciplinary project team, led by the IT department, to evaluate new solutions and modernize its informational structure. This project is expected provide alternatives and a roadmap proposal for the implementation of a new data platform and architecture.



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## The key research, development, and innovation initiatives are present below:



**University and business partnerships:** notable success stories and royalty payments from university partnerships, bolstering the innovation pipeline.



**Vonau Flash®:** developed in 2005 in collaboration with the University of São Paulo (USP, in Portuguese), this is one of Biolab's most important products. The innovative medication treats nausea with a formula that allows for rapid dissolution in the mouth, providing immediate relief. As of now, Vonau Flash® accounts for 90% of the royalties earned by USP.



**Photoprot®:** resulting from a joint project with the Federal University of Rio Grande do Sul (UFRGS, in Portuguese), Photoprot® is a sunscreen with SPF 99 that uses nanotechnology in its formula for maximum sun protection effectiveness.

Biolab's innovation initiatives are supported by strict internal policies, including patent reviews for projects, access to Brazilian and international biodiversity, open innovation flows for early-stage products, and improvement of internal processes. Management is guided by committees dedicated to identifying and promoting innovative opportunities, ensuring that operations are sustainable and effective.

In 2023, the Company began restructuring its procedures to optimize new product development, including the creation of a Pipeline Management department to prioritize unique projects in line with its strategy. The review of innovation processes, supported by external consultancy, aims to reduce waste and improve efficiency from development to market launch.

Emphasis is also placed on the Company's commitment to leading innovation in the pharmaceutical industry, ensuring quality, effectiveness, and compliance with national and international regulatory standards, thereby reinforcing its role as a reference in health and science.



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# Product quality and safety

GRI 3-3 Material topic Product quality and safety | 416-1 | 417-1 | 417-2 | 417-3

The pharmaceutical industry plays a crucial role in global health, and its excellence relies on three fundamental pillars: quality, safety, and efficacy. These pillars are ingrained in Biolab's DNA, which is why its products are recognized in the market by both physicians and consumers as reliable and top-quality. All of its operations are closely tied to ensuring quality, focusing primarily on ensuring compliance with domestic and international laws and regulations.

Quality assurance also aims to ensure that all activities comply with Good Manufacturing Practices (GMP) and regulations established by the Brazilian National Health Surveillance Agency (Anvisa, in Portuguese). Furthermore, extending its reach, Biolab is audited and certified by other international regulatory agencies, such as the National Institute for Food and Drug Surveillance (Invima, in Spanish) in Colombia, the General Directorate of Medicines, Supplies, and Drugs (Digemid, in Spanish) in Peru, and the Saudi Food and Drug Authority (SFDA) in Saudi Arabia.

As a medicine registration holder, adhering to safety, quality, and efficacy standards is crucial for Biolab's continued operation. This is essential for maintaining the trust of domestic and international regulatory authorities, consumers, prescribing doctors, partners, investors, and the general public. Given the pharmaceutical industry's high level of regulation, strict compliance with sanitary standards is mandatory, highlighted by Good Manufacturing Practice inspections conducted by Anvisa every two years at all manufacturing sites. Compliance with all regulations ensures the continuity of the Company's business operations.

Product quality complaints are monitored as a key performance indicator, correlating the total number of units produced with the number of complaints per million units (ppm). Currently, Biolab has a rate of 5 ppm, below the typical market target of 10 ppm, reflecting its commitment to excellence.

**Biolab is aligned with Good Manufacturing Practices (GMP) and regulations established by the Brazilian National Health Surveillance Agency (Anvisa, in Portuguese), and is also audited and certified by some international agencies.**



## Inspection mechanisms

The Company also benefits from the Pharmaceutical Inspection Co-operation Scheme (PIC/S), a global initiative aimed at modernizing regulatory frameworks for pharmaceutical inspection. In 2021, Anvisa became the 54th member of this group, boosting the Agency's recognition and credibility, aligning it with leading global health authorities.

These agreements facilitate the conclusion of bilateral agreements of interest to member countries, promoting international cooperation in Good Manufacturing Practice inspections for medications, pharmaceutical inputs, cosmetics, and medical products for human use in Brazil. This

recognition greatly facilitates the export of pharmaceutical products manufactured in Brazil, including those of Biolab.

The product lifecycle adheres to the Good Manufacturing Practices of the pharmaceutical industry, as per PIC/S, ensuring that procedures maintain rigorous control at all stages, from development to final market placement.

Furthermore, the Company carefully assesses its domestic and international raw material and packaging material suppliers, through on-site or document-based assessments, to ensure product component quality and compliance with its own standards.

## Medicine and product labeling

Biolab follows regulatory guidelines, ensuring that all products are properly labeled with mandatory and regulatory information. It also actively participates in Reverse Logistics programs for post-consumer packaging and expired or unused home medications.

Product leaflets include detailed information on the safe use of medications, potential side effects, contraindications, and specific instructions for different groups, such as children, pregnant women, and the elderly, in full compliance with Anvisa's regulations. Every medicine and pharmaceutical product is carefully identified with

a comprehensive list of active and inactive ingredients, in compliance with regulatory requirements.

In terms of compliance, every potential issue was thoroughly reviewed in 2022 and 2023, with only one case noted thanks to a strict pre-change control approach, adjusting labels as needed to comply with current legislation. Furthermore, over the past five years, only two health notifications for irregularities in advertising materials have been recorded, reflecting Biolab's commitment to ethical practices and compliance in all its commercial communications.



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Health, safety and well-being

Relationship with physicians

Customer relationship

Suppliers

Social responsibility



# Employees

GRI 3-3 Material topic People management | 2-7 | 2-8

In order to fulfill its purpose, Biolab must nourish a cohesive and committed team, aligned in its daily activities with the same values that support the Organization. Through its Human Resources (HR) department, the Company not only looks after its teams but also acts as a facilitator in understanding and executing the corporate strategy and meeting employee expectations.

Thus, Biolab is dedicated to promoting a healthy and inclusive work environment in which each individual feels valued and motivated.



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## Development, Training and Education



Five pillars drive this strategic people management model in the Organization, namely:



Culture

## Care



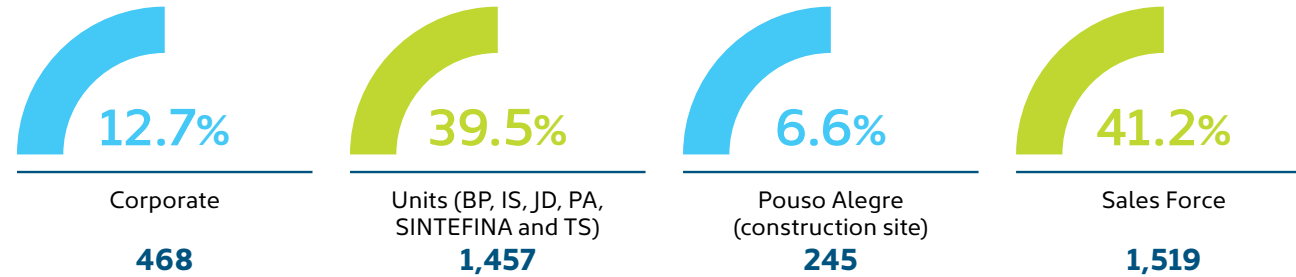
Climate Management

## Preparation for the Future

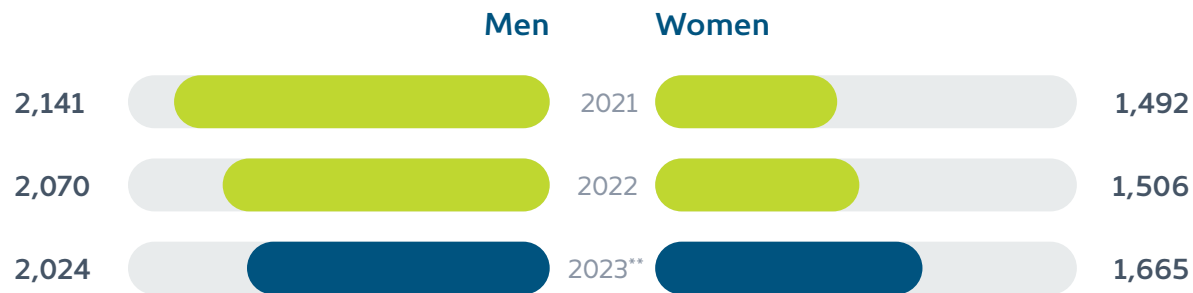


# Workforce

The workforce consists of **3,689** active positions, distributed into four different groups



## Employees by employment type and gender\*



\* Biolab only has permanent employees.

\*\* To compile the above data, we used the December 2021, 2022 and 2023 payrolls. In order to calculate the number of employees without guaranteed hours, we considered the positions of supervisor, coordinator, manager, superintendent, Executive Officer and shareholder. Part-time employees are the doctors responsible for the internal care of Biolab employees, who have specific days and times during the week. All others were considered full-time employees.

Given the nature of pharmaceutical industrial activities, most of Biolab’s employees work full time, except for the physicians responsible for internal care, who work specific periods. Biolab also has 303 outsourced employees working in the following areas: restaurant, ergonomics, dentistry, security and surveillance of the units, among others.



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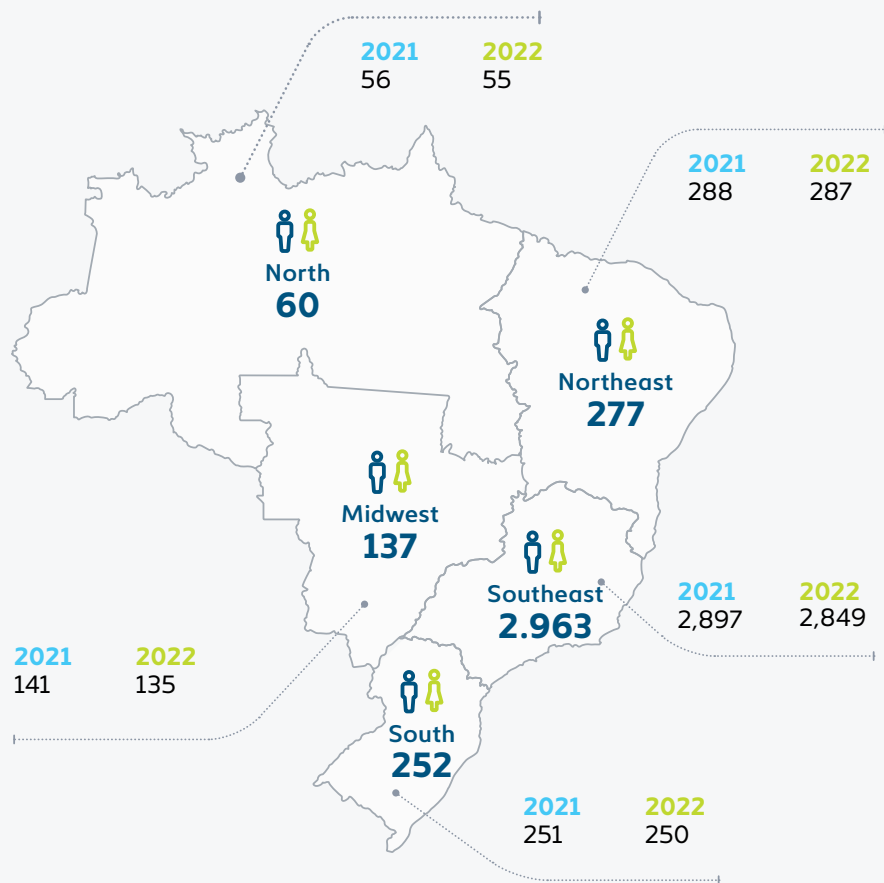
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## Information on employees by employment type and region



Total	2021	2022	2023
	3,633	3,576	3,689

\* Biolab does not have temporary employees.

\*\* To compile the above data, we used the December 2021, 2022 and 2023 payrolls.

## Employees by employment type and region

	2021	2022	2023	
<b>Non-guaranteed hours employees</b>	North	4	5	7
	Northeast	32	32	33
	Midwest	20	20	22
	South	29	29	33
	Southeast	330	332	364
	<b>Total</b>	<b>415</b>	<b>418</b>	<b>459</b>
<b>Full-time employees</b>	North	52	50	53
	Northeast	256	255	244
	Midwest	121	115	115
	South	222	221	219
	Southeast	2,565	2,513	2,595
	<b>Total</b>	<b>3,216</b>	<b>3,154</b>	<b>3,226</b>
<b>Part-time employees</b>	North	0	0	0
	Northeast	0	0	0
	Midwest	0	0	0
	South	0	0	0
	Southeast	2	4	4
	<b>Total</b>	<b>2</b>	<b>4</b>	<b>4</b>
<b>Total</b>	North	56	55	60
	Northeast	288	287	277
	Midwest	141	135	137
	South	251	250	252
	Southeast	2,897	2,849	2,963
	<b>Total</b>	<b>3,633</b>	<b>3,576</b>	<b>3,689</b>

\* To compile the above data, we used the December 2021, 2022 and 2023 payrolls.



## Diversity

For Biolab, promoting diversity is an opportunity to strengthen values centered on valuing people, such as respect and care. The Company aims to transform work environments into spaces recognized for welcoming and including everyone, where they have opportunities to grow both personally and professionally. We seek to create an environment in which each individual can thrive and reach

their full potential, feeling safe to be authentic.

The Company's management model is underpinned by the Code of Conduct, which aims to reinforce internal standards and promote respectful and inclusive practices at all levels and in all relationships. Moreover, the Organization actively supports its employees in resolving any incidents.

It is important to note the gradual increase in the number of women in leadership positions. At year-end 2023, women held approximately 41% of such positions, compared to around 36% in 2021. In addition, the number of employees at the end of 2023 grew by a 3.16% compared to 2022.

the number of employees at the end of 2023 grew by a **↑ 3.16%** compared to 2022.



# Culture and engagement

GRI 401-1 | 401-3

Culture is essential to build Biolab's identity, encompassing its core values and characteristics, the so-called **Biolab Way of Being**. In order to welcome new employees properly, improve their understanding of the Company's main processes and programs and facilitate their adaptation to the Company's culture in a natural and positive way, Biolab carries out several engagement initiatives. These actions aim to enable employees to incorporate Biolab's culture into their professional activities in an integrated and rewarding way.

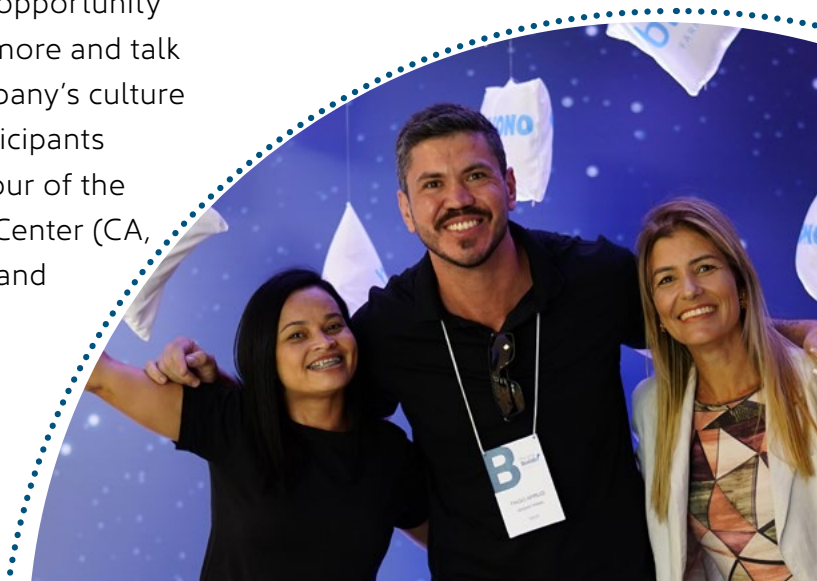
– **Functional onboarding** focused on helping broaden the vision of the Company and its culture, strengthening employees' connection with Biolab. Onboarding takes place on the first day at the job, when essential/mandatory information is provided for the start of activities.

– **Climate Management** The Company values creating active listening spaces for employees and seeks to understand their motivational needs, as well as monitoring the impact of the actions promoted to constantly improve Biolab's practices. To this end, a Climate Survey is carried out every two years to help devise plans for the Organization's evolution.

– **Employee Handbook** An exclusive material with important information about the Company's history, areas and programs, it presents Biolab in a comprehensive way to new employees. The kit is easy to consult and is available on the online onboarding trail.

– **Coffee with the Shareholders** an event Biolab holds three times a year to promote the integration of the teams with their top executives. In addition to the opportunity to understand more and talk about the Company's culture and future, participants take a guided tour of the Administrative Center (CA, in Portuguese) and the factories.

– **Sponsor Program** carefully developed to support new employees by sharing information, so that they feel welcome and have a quick onboarding. Upon receiving the welcome letter, new employees are informed of the identity of their Sponsor, i.e., the person who will play the role of facilitator and guardian of their experience during their first 30 days at work.



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## Coffee with Shareholders

### 2023 Editions

13.04

**428**  
people registered

Satisfaction - 9.8

17.08

**405**  
people registered

Satisfaction - 9.9

16.11

**409**  
people registered

Satisfaction - 9.9

**18**  
seats  
per edition

Distributed among:  
CA/PN/MO,  
Factories, RD&I  
centers and Sintefina,  
FV (Demand / VET/  
Generic medicine and  
Pharma sales team)



## Sponsor program



**238**

Active Sponsors



Average satisfaction

**9.4**



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## Attracting and retaining talent

In order to support its growth and expand its business, Biolab seeks to attract talented and committed individuals who are aligned with its values. By embedding these cultural aspects into its selection processes, the Company ensures a more careful selection of candidates and a more accurate mapping of profiles, while also guaranteeing compliance with the necessary technical requirements.

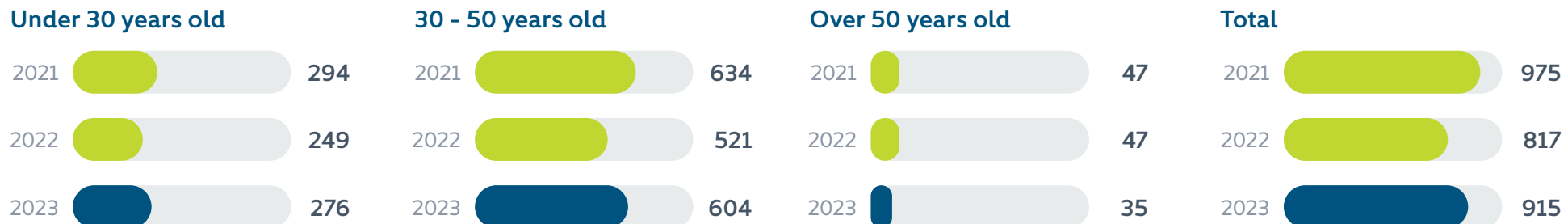
Biolab deepens its analysis of various people-related indicators to promote the ongoing progress of its practices. Among the initiatives aimed at employee retention, we highlight

the monitoring of dismissal indicators, the evaluation of dismissal interviews, the analysis of skills and the promotion of diversity, among other practices.

This topic is of utmost importance; therefore, indicators are presented to the People and Culture Committee on a quarterly basis, which allows Biolab to plan specific actions for talent retention. In addition, the Company takes part in an annual salary survey to monitor the overall compensation of professionals in the industry, ensuring competitiveness in the job market.



### New hires by age group



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## New hires by gender



## New hires by region

Region	2021	%	2022	%	2023	%
Northeast	85	8.72%	103	12.61%	70	7.65%
Midwest	25	2.56%	23	2.82%	26	2.84%
Southeast	813	83.38%	636	77.85%	747	81.64%
North	12	1.23%	9	1.10%	6	0.66%
South	40	4.10%	46	5.63%	66	7.21%
<b>Total</b>	<b>975</b>	<b>100.00%</b>	<b>817</b>	<b>100.00%</b>	<b>915</b>	<b>100.00%</b>



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# Training and education

GRI 404-2

Biolab values the different generations and devotes its efforts to expanding internal growth opportunities for employees in various Company departments. This commitment to generations extends to caring for those who have dedicated their time, developed careers and contributed significantly to Biolab's development and trajectory to date.

In order to improve the skills required for the job, the Company conducts in-person and virtual training in partnership with external

and internal specialists. To this end, it relies on the **Biolab Academy**, an internal learning platform, and **LIT** (a distance learning program in partnership with Saint Paul), an external education platform.

Moreover, continuous training programs, such as Leadership Immersion and Management Pills, are available for leaders. Every year, according to eligibility criteria, all employees can apply for the Educational Incentive Program, which covers undergraduate, graduate, master's, technical

and language courses and through which Biolab covers 70% of such expenses.

The programs and initiatives are designed to train employees and managers, offering continuous learning opportunities and alignment with Biolab's values and leadership practices. Thus, we contribute to our business' high performance and sustainability, supporting each of our employees' continuous improvement.



One of our initiatives is **HR on the Agenda** (RH em Pauta, in Portuguese), which aims to present the main HR programs and best practices to Sales Force leaders so that they can support their teams. This program is conducted through online workshops.



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# Training and development

## External courses

1,279

2023 training hours

R\$ 102,352.39

of annual investment

## LIT Saint Paul

**1<sup>st</sup> wave** 174 nominees  
May-Aug 271 certificates  
97% adhesion

**2<sup>nd</sup> wave** 280 nominees  
Aug-Nov 358 certificates  
97% adhesion

**3<sup>rd</sup> wave** 216 nominees  
Nov-Feb 139 certificates  
In progress

## Top 5: topics most accessed on LIT

- 1<sup>st</sup> Strategic leadership
- 2<sup>nd</sup> Interpersonal relationship and conflict management
- 3<sup>rd</sup> Presentation techniques
- 4<sup>th</sup> Excel 2019 – module 1
- 5<sup>th</sup> Power BI 2019

## Biolab Academy

Launch for leaders:

158 participants

22 courses available

**Health up to date (Dorcas):**

we have 33 pieces of content on physical and emotional health, self-care and financial management.

## Mandatory training on Regulatory Standards

Annual investment:

R\$ 60,577.80

281 Participants

**Topics:**

NR 10, NR 33, NR 35, CIPA and Fire Brigade.

## Highlights: training initiatives

Action	No. of participants	Month	Adhesion
Leaders' game	73	July	98.6%
Green belt	17	April (began in 2022)	80.0%
OEA	354	July	91.2%
HL Ninja	367	Sept, Oct and Nov	Appointed by the manager



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# Employee development

The development, growth and retention of employees is a continuous task. In order to promote alignment with the organizational culture and prepare talents for specific demands, as well as the continuous improvement of our activities, Biolab offers training opportunities through development programs adapted to the different needs of employees.

## Educational partnerships

Partnerships with educational institutions are encouraged in order to offer advantages to employees and their families when hiring services from these partners. Biolab has partnerships with schools that offer discounts on tuition and courses for employees.

## Continuing education

The Company offers subsidies for technical, undergraduate, graduate, MBA, master's and language courses. In 2023, 106 employees benefited from this program, of which 49 already received the benefit in the previous year and 57 were nominated by the Evaluation Committee.

In addition, 74% of these employees belong to the Operational and Professional groups, with 65% of them coming from our factories.

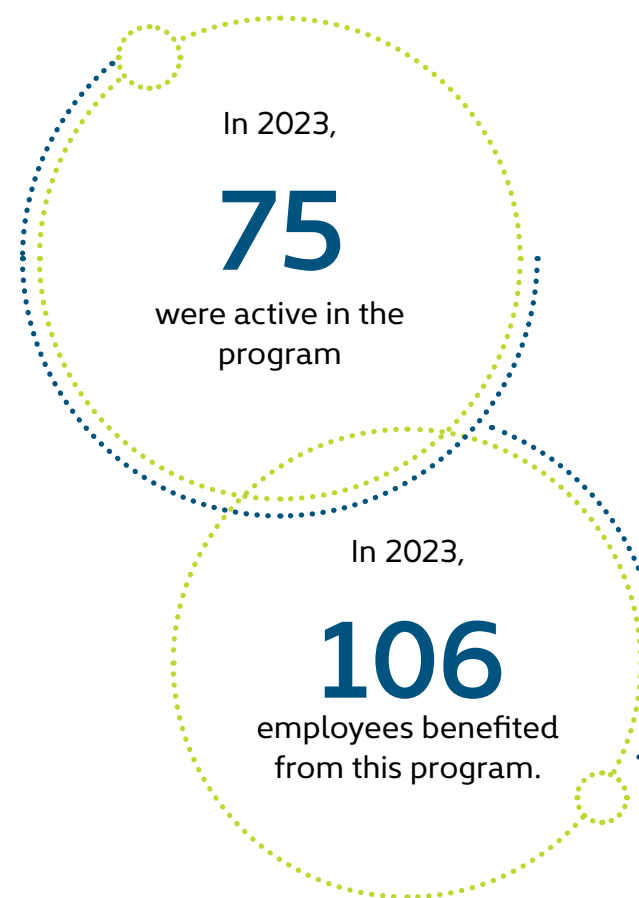
## Internship Program

A two-year program that aims to attract, retain and develop new talent by offering concrete opportunities for learning and professional growth. It gives students a chance to apply the technical knowledge acquired at university in practice, while acquiring new skills during their internship experience.

## Best Apprentice

In partnership with external companies, Biolab hires apprentices, giving young high school students aged between 14 and 24 the opportunity to explore how a Company operates and its various departments, offering a development trail. The program, which can last one or two years, combines practical and technical learning, allowing apprentices to participate in different

routines in various departments. In 2023, 75 apprentices were active in the program (of these, 15 started during the year).



## Impulse Program

Biolab's internal recruitment program promotes the professional growth of employees, in addition to helping those who seek a career change within the Company, prioritizing their participation in internal selection processes. In 2023, 58 promotions resulted from these initiatives.

## Referral Program

This program recognizes and rewards employees who refer candidates aligned with Biolab's culture and values, encouraging their active participation in the creation of multidisciplinary, engaged and talented teams. In 2023, 37 employees were rewarded for their successful nominations.

## Leadership development

All leadership development initiatives are complementary and based on three main pillars: Self-Awareness Assessments; Management Pills; and Leadership Immersion

## Lean Six Sigma

In 2023, Biolab started a Lean Six Sigma project to simplify processes and reduce errors, training Lean Office green belt professionals in the factories to work on corporate and administrative processes. Six Sigma has a number of tools that focus on simplifying and increasing the efficiency of administrative processes.

## Educlick

Through training, Educlick promotes the digital inclusion of employees without previous access to technology. The goal is to teach the essential principles of using equipment, accessing the internet, the Office package, information security and using social media for professional relationships. In 2023, 103 employees benefited from this program.

## Green Belt

This program was developed by the Engineering department with the purpose of providing technical equity to the team, focusing on projects to improve and reduce variability and, afterwards, it was extended to some employees in the Maintenance and Quality departments.

## Coaching/ mentoring

In 2023, the Company established partnerships with specialized professionals to support and contribute to the development of leaders' specific needs and implemented 11 individual training programs.

## Sindusfarma Games

The games organized by the Pharmaceutical Products Industry Association (Sindusfarma, in Portuguese) aim to strengthen integration between employees through sports championships, rewarding the participating teams. In 2023, more than 150 Biolab employees signed up and were awarded four bronze medals, six silver medals and two gold medals.



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## Average hours of training per employee, per employment category | GRI 404-1

Employment category	2021		2022		2023	
	Total hours	Average hours	Total hours	Average hours	Total hours	Average hours
Assistants	-	-	798.50	3.05	3,386	9.76
Consultants (consultant and sales assistant - FV)	51,881	26.76	73,125	14.34	179,456	17.91
Executives (officers, superintendents, VP)	-	-	165.50	18.39	3	1.50
Managers, coordinators, supervisors, specialists	8,409	9.15	28,449.50	8.74	73,159	24.21
Operational	-	-	13,306.50	10.68	18,165	9.56
Professionals	-	-	7,992	6.85	15,069	12.44
<b>Total training hours</b>	<b>60,290</b>	<b>21.10</b>	<b>123,837</b>	<b>11.20</b>	<b>289,237.50</b>	<b>17.50</b>

\* We develop annual training and development plans in line with business needs and strategies. In recent years, Biolab has been in the evolution and transformation stage. Due to organizational changes, we have had fluctuations in the number of hours per audience.



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# Compensation

GRI 2-19 | 2-20

Biolab's Compensation Policy, drawn up by specialists and validated by the Company's shareholders, is currently being reviewed.

Every year, Biolab carries out a compensation survey, in partnership with a specialized consultancy, to analyze employee salaries, considering different groups of positions and departments. These market-based practices include a comparative analysis of salaries and benefits offered by similar companies in the same industry and geographical region, ensuring that employees receive competitive pay, taking into account their level of experience, their position and the impact of their activities on the business.

It is important to note that the hiring of people for new positions or functions that differ significantly (more than 90%) from the internal practice adopted is subject to approval by shareholders.

Compensation at Biolab is made up of the base salary, which is nominal, plus a short-term incentive known as Profit Sharing (PLR, in Portuguese) and other advantages. The business units also receive monthly bonuses based on the achievement of targets. It is important to note that no hiring bonuses, recruitment incentives or clawbacks are granted to members who terminate their contracts.

In cases of termination of senior executives' contracts, only the amounts relating to the notice period and what is mandated by law or collective bargaining agreements are paid. There are no retirement benefits or retirement plans announced for all Company members.

## Ratio x Compensation\*

12.35

The ratio of the annual total compensation of Company's highest-paid individual and the average annual total compensation of all employees\*\*

0.61

The ratio of the percentage increase in the annual total compensation of the Company's highest-paid individual and the average percentage increase in annual total compensation of all employees

\* The calculation only considered employees who were active in the 12 months to 2023, excluding employees on leave for more than 365 days.

\*\* Average salary for the year \*13.33 +PLR+ Technical Responsibility.



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# Benefits

GRI 401-2

Biolab genuinely values people's well-being and seeks to ensure it cares for its employees, offering as main benefits:



Meal vouchers or cafeteria;



Dental care insurance;



*Festejando* (Celebrating);



Extended parental leave;



Food vouchers;



Life insurance;



*Dorcas* – Employee Support Program (PAP, in Portuguese);



Allowance for children with special needs;



Private pension;



Gym allowance;



Labor gymnastics and massage;



Transportation vouchers/ charter buses.



Payroll-deductible loan;



Pharmacy allowance;



Donation of Biolab medications / reimbursement of dermocosmetics;



Healthcare insurance;



Day care allowance;



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Benefits vary according to the position and unit where employees work.

### Health Space

Committed to its employees' health, Biolab has a Health Space at all its units. Occupational physicians, general practitioners and nurses provide urgent care, consultations and first aid, as well as periodic, admission and dismissal exams. In 2023, 20,572 health consultations were recorded.

### Ergonomics

In order to establish working practices and conditions that favor employee health while performing their activities and do not generate impacts on their physical health, Biolab has a strategic partner responsible for ergonomics at work in all its units: executive check-up.

All executives, from the executive management level to the vice-presidency, were invited to have a health check-up in 2023, and 73% of the target audience participated.

The Company mapped the health of all its employees in order to compare the adherence of the programs with the real needs of this stakeholder group. Based on this, a new, more appropriate program will be implemented in 2024.

### Parental Leave

Parental leave	2021		2022		2023	
	Men	Women	Men	Women	Men	Women
Total number of employees that were entitled to parental leave	2,141	1,492	2,070	1,506	2,024	1,665
Total number of employees that took parental leave	*	50	*	57	*	59
Total number of employees that returned to work after the parental leave ended	*	50	*	57	*	59
Total number of employees who returned to work after taking parental leave and remained on the job 12 months after they returned to work	*	44	*	39	*	52
Rate of return to work of employees who took parental leave	*	100%	*	100%	*	100%
Retention rate of employees that took parental leave	*	88%	*	68.42%	*	88%

\* We have recently implemented extended paternity leave (20 days). The retention rate figures for 2023 are still under construction, due to the fact that not all employees have returned from leave; nor do we have the parameter of 12 months after returning.



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## Smile Program

Biolab's Smile Program is an initiative to promote the health and well-being of its employees. Through this program, Biolab seeks to create a positive and engaging work environment, encouraging practices that promote happiness and quality of life at work, as well as addressing health issues related to annual employee awareness campaigns.

### SMILE 2023!

- Video with tips on healthy eating habits.
- Share a photo of the physical activity you do or would like to do.
- Tips on preventive safety measures at home.
- Raffle of 100 personalized dominoes.
- Tips on time management.
- Self-care.
- Support network and quality of life.
- Numerous attractions for all ages (soccer, fit dance, face painting, children's theater play, massage, etc.).
- More than 100 prizes raffled off during the event (bicycles, electric fryers and grills, headphones, etc.).
- Walk at the Cemucam park.

Nearly  
**1,450**  
people attended the  
Smile Walk

**100**  
personalized sports bags  
raffled off



## Other initiatives carried out in 2023

- **Donation of school supplies:** annual donation of school supplies to employees' children up to the age of 12.
- **Christmas boxes:** distribution of Christmas boxes to all employees.
- **Christmas boxes:** distribution of Christmas gifts for employees' children up to the age of 12.
- **Children's Day gifts:** distribution of toy cards for employees' children up to the age of 12.
- **Vaccination campaign:** annual flu vaccination campaigns for employees and their dependents.
- **Health campaigns:** annual health campaigns during Pink October and Blue November, encouraging self-care and offering subsidies on health insurance co-payments for exams.
- **Pharmaceutical Assistance Program:** donation of prescribed medicines to employees, their dependents and their parents, and offer of discounts on Biolab medicines, as well as a pharmacy agreement, which subsidizes the purchase of any type of product.
- **Check-up at Fleury laboratory:**  
Satisfaction Survey:  
73% adhesion  
Average satisfaction: 9.08





### — Health mapping for SAS beneficiaries

Beneficiaries who responded: 61%

Dependents who responded: 5%

### — 2 HR on the Agenda held for the Sales Force

Medical leave

Medical Assistance + Dorcas

### — Excellence in the use of the Digital SOC, significantly reducing the amount of paper printed on a daily basis.

### — We welcomed the Caterpillar Occupational Health and Safety Team to learn about our good practices with the SOC.

### — 2023 Sindusfarma GST Award

### — Health Project

### — 2022 Smile — Live healthier

These initiatives aim not only to promote the well-being of employees and their families but also to strengthen Biolab's work environment and organizational culture, demonstrating an ongoing commitment to caring for and supporting its members.

## Dorcas



The Dorcas Program expresses Biolab's care and respect for its community. The service involves various areas, including the legal area, physical education, nutrition, dentistry, medicine, physiotherapy, psychology and even pet consultancy. The right professional for each case can advise the employee or offer any assistance that they, their family members and households need on a daily basis. From clarifying doubts to helping in the most critical cases, the concept of the Dorcas Program is to provide people with all the support they need.

Dorcas was created to solve emergency problems, supporting families in the event

of an accident or catastrophe. It is currently available 24/7, by phone at **0800 772 5678** by e-mail at [fale@papauster.com.br](mailto:fale@papauster.com.br) and on the website [dorcas.biolabfarma.com.br](http://dorcas.biolabfarma.com.br). Assistance can be provided online or in person, and can be requested by employees or by someone in their family.

In addition, a social worker often visits the Company's units, to address specific issues. If she encounters a more sensitive social matter, she can complement her work by visiting the employee's home.

### Dorcas in 2023

5,400  
service instances

2,300  
employees assisted



4,083

mental health consultations (psychology)



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# Health, safety and well-being

GRI 403-1 | 403-2 | 403-5 | 403-6 | 403-8 | 403-9

Biolab prioritizes the health and safety of its employees and is firmly committed to the best working practices.

The Company is currently implementing an Occupational Health and Safety Management System based on the ISO 45001 standard, covering all employees in its units, departments and activities. Actions are guided by the Occupational Health and Safety Policy, which is based on the following commitments:

- Continuously improve the Policy, processes and procedures to achieve high environmental and occupational safety performance;
- Strictly comply with all legal and regulatory aspects applicable to environmental protection and worker safety;
- Implement environmental programs aimed at preserving natural resources,

minimizing wastage and preventing environmental impacts;

- Promote safety programs to prevent accidents, improve the working environment and reduce occupational risks;
- Raise awareness and train employees and contractors to perform their activities in accordance with good environmental and safety practices, in full compliance with the policy;
- Maintain an ethical and transparent relationship with all stakeholders based on environmental responsibility and safety at work;
- Respect and collaborate with the dissemination and implementation of government-enacted environmental and occupational safety policies; and

- Fully comply with established environmental and occupational safety guidelines.



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## Training

Biolab offers a comprehensive annual theoretical and practical training program, focused on specific topics such as legislation and safety, identified by the Company after an extensive survey of hazards and risks. In addition to regular training, occupational safety campaigns are carried out on a monthly basis through the various internal communication channels, including a magazine, TV, social media and Weekly Toolbox Talks.

During the Internal Week for the Prevention of Occupational Accidents and the Environment (Sipatma, in Portuguese), organized by the Occupational Safety team in collaboration with the Internal Committee for Prevention of Accidents (Cipa, in Portuguese), playful and interactive activities are conducted to raise awareness about the prevention of accidents and occupational illness, with the active participation of all employees.

The Occupational Safety Training process begins with the identification of specific needs, analyzed through the applicability of legal requirements and a survey of the risks associated with each internal task. Employees exposed to these risks are then included in the Training Matrix, which is shared with the Training Team for implementation.

Meetings with managers and suppliers are scheduled to evaluate and record participation. Continuous refresher training is ensured through the Training Matrix, managed by the Training and Workplace Safety teams, guaranteeing that everyone is up to date and prepared to deal with safety challenges at the workplace.

## Accident monitoring

In order to manage Occupational Safety and Health (OSH) risks, the Company has implemented a robust process, which involves several stages and preventive measures, as follows:

### Identification of Accident Risks:

- **Risk Management Program (RMP):** score structure for managing and mitigating risks.
- **Hazard/Risk Survey:** detailed assessment of each internal task to identify potential risks.
- **Assessment of Compliance with Legal Requirements:** ensuring compliance with rules and regulations.
- **Record of Incidents and Unsafe Conditions (RIC, in Portuguese) Form:** encouraging employees to perceive risks.
- **Cipa:** made up of employees elected to take preventive action.

### Accident control:

- **Operating Procedures:** standardization of safe practices.
- **Change Management Procedure:** managing changes to minimize new risks.



- **New Projects Process:** integration of safety measures from conception.
- **Periodic Training:** continuous capacity-building on safety at work.
- **Safety Campaigns:** initiatives to raise awareness and engage employees.
- **Preventive Indicators:** constant monitoring to prevent accidents.

### Accident monitoring:

- **Accident Investigation:** includes effective communication, investigation methodology and corrective action plan.
- **Accident Indicators:** monitoring of severity and frequency rates to assess safety performance.

### Continuous improvement:

- **Sharing Lessons Learned:** dissemination of knowledge to prevent recurrence.

- **Periodic Monitoring Meetings:** regular evaluation of indicators and results.
- **Periodic Strategic Critical Analysis Meetings:** strategic discussions to improve the OSH system.

In 2023, 30 accidents were recorded, resulting in 125 lost days. The main incidents included superficial hand injuries, sprained feet and exposure of eyes to products due to improper use of machinery and inappropriate behavior.

In addition to taking care of employee's health and integrity, Biolab is also concerned with the confidential treatment of their health and safety information, in compliance with the requirements of the Brazilian General Data Protection Law (LGPD, in Portuguese), thus ensuring that electronic medical records are exclusive to the employee and the healthcare team and preventing them from being used for any improper purpose.

**Employees have access to the Ethics Channel (Whistleblowing Channel) to confidentially report health risks.**



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## Workers covered by the occupational health and safety management system

	2021	2022	2023
Number of workers covered by the system	3,633	3,576	3,689
Percentage of workers covered by the system	100%	100%	100%
Number of workers covered by the internal audit system	0	0	0
Percentage of workers covered by the internal audit system	0%	0%	0%
Number of workers covered by the system with external audit	0	0	0
Percentage of workers covered by the system with external audit	0%	0%	0%

\* All employees are covered by the occupational safety management system. The methodology applied to the occupational health and safety management system is ISO 45001.

## Information on employees

	2021	2022	2023
Number of fatalities caused by work-related accidents	0	0	0
Rate of fatalities caused by work-related accidents	0	0	0
Number of high-consequence work-related injuries (except for fatalities)	0	0	0
Rate of high-consequence work-related accidents (except for fatalities)	0	0	0
Number of recordable work-related injuries	0	43	30
Rate of recordable work-related accidents	0	5.80	3.90
Number of hours worked	7,233,008	7,424,366	7,453,282

\* rates were calculated based on 1,000,000 hours worked. The methodology adopted is based on the ISO45001 standard.



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# Relationship with Physicians

GRI 3-3 Material topic Relationship with doctors

Biolab fosters a strong and trusting relationship with physicians throughout Brazil, based on the pillars of collaboration, educational support and innovation. Its commitment is to offer high-quality and safe pharmaceutical products, ensuring that healthcare professionals can rely on our therapeutic solutions for their patients.

The initiatives include educational programs that provide up-to-date information on the products in the Company's portfolio, treatment protocols and relevant clinical research. In addition, the Company offers ongoing technical support, such as detailed information material and access to specialists to clarify doubts and offer personalized guidance.

Biolab values physicians' feedback and uses their contributions to constantly improve its products and services. This collaboration is essential, as it allows solutions to be adapted to the clinical needs and

expectations of healthcare professionals, thus contributing to the well-being and quality of life of its patients.

Over the years, the Company has forged a bond of mutual respect and partnership with the medical community, sharing its commitment to excellence and ethics in the practice of medicine. The Company remains committed to continuing to invest in initiatives that further strengthen this relationship, ensuring that positive and impactful results for the health of the population are achieved. To this end, it has representatives who are committed to presenting to physicians the latest innovations launched on the market, explaining the characteristics of each new solution and making clear the benefits and contraindications for patients. This relationship of trust is essential for doctors to be able to prescribe the right medicines for their patients.

Biolab has specific products for more than ten therapeutic specialties and makes around **150,000** visits each month

totaling more than **300,000** medical contacts a month.

To ensure effective service and build successful relationships with physicians, Biolab offers open and accessible communication channels, such as telephones, e-mails and messaging apps, facilitating direct and agile contact.



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## Representatives

Biolab has professionals across Brazil who are highly trained and prepared to provide quality updates on diagnostics, treatments, and other relevant medical practice topics. The goal is to deliver personalized, high-quality service, ensuring that customers have access to all necessary information about products and medications.

Key products were released for the medical community in 2023. To address this, Biolab developed marketing materials for the medical community, meeting all regulatory requirements. Furthermore, it offered training for the sales team to assist doctors with product information, availability, where to find them, and how to incorporate these products into their daily practice.

## Digital Channels

Providing quality interaction with the public, in addition to supplying products, was a major challenge in 2023. For this reason, Biolab implemented a range of digital channels aimed at drawing in consumers and provide them with reliable information:



The **Biolab at Home** institutional website brings users closer to the Company's portfolio. It allows users to explore all Biolab products and access medication prices at nearby partner pharmacies, allowing for quick, convenient, and secure purchases.



A portal connecting healthcare professionals **Biolab Studio** features exclusive articles on health management, medical marketing, scientific content, and unique information about products and new releases.



The **Evolving Health** benefits program is designed to facilitate access to healthcare, encouraging adherence to prescribed treatments, and offering discounts on medications at accredited pharmacies, along with providing treatment-related information and educational materials.



This is Biolab's healthcare podcast. It offers content on health and quality of life in a light and educational manner. Using educational language, leading names in Brazilian medicine address topics related to daily well-being. The first season is hosted by psychiatrist Dr. Jairo Bouer. **Biolab Cast** is available for free on major streaming platforms.

Furthermore, Biolab maintains pages on Instagram, LinkedIn, Facebook, and TikTok to engage directly with the public and share quality information.



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## Event Participation

The Company is actively involved in national and international events to share knowledge, promote the spread of scientific evidence, best practices, and new technologies. This participation significantly contributes to the continuous improvement and updating of healthcare professionals in the field.

## Design Sprint

The goal of the partnership between Biolab and Performa IT is to enhance the relationship experience between representatives and physicians. The entire Sales Force journey was mapped using the Design Sprint. In collaboration with various departments within the Company, innovative, practical, and viable ideas and solutions were created.

Following this, the project's Lean Canvas was developed, and the prototype was enthusiastically approved by the team, leading to the creation of the Biolab Studio platform ([read more in Digital Channels](#)).

Over 1,500 representatives across Brazil and physicians from all regions are already using the new platform, which was also introduced at Biolab's annual sales convention. Today, the entire sales team uses the new system with virtually no need for additional training.

## Customer relationship

GRI 3-3 Material topic Customer relationships and satisfaction | 418-1

Biolab's relationship with its customers is marked by a close and committed approach, aiming at not only meeting but also exceeding their expectations. The Company builds long-term strategic partnerships with various segments, including pharmacies, hospitals, governments, and drug distributors, ensuring continuous and effective support.

The priority is to understand each customer's specific needs and provide dedicated, swift service, focusing on keeping an open communication channel for ongoing feedback. Through this constant interaction, Biolab aims to add value through unique services and specialized technical support for its high-quality products.



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# Suppliers

GRI 2-6 | 2-9

Biolab's suppliers play a crucial role in the Company's development and strengthening, with ongoing, close collaboration, verifying the origin of each input and ensuring that all components meet its strict quality standards.

In line with its collaborative growth with suppliers, in 2023, Biolab also launched its first collaboration program with the top ten suppliers in the packaging materials category, aiming at projects focused on sustainability, innovation, cost efficiency, availability, and risk mitigation. In its first edition, over 40 projects were proposed and are now in the implementation phase.

## Supplier Overview:

Consisting of companies involved in production materials, indirect materials, indirect services, and construction, Biolab's supplier chain plays a crucial role, accounting for a significant portion of the Company's total expenses, and is categorized as follows:

### Production Materials Suppliers:

- **Total Amount:** R\$ 443,878,001 (48% of total spending).
- **Contractual Terms:** Predominantly medium- and short-term, with 46 twelve-month contracts, and 46 six-month contracts.

### Indirect Materials Suppliers:

- **Total Amount:** R\$ 204,866,024 (22% of total spending).
- **Contractual Terms:** Diversified, with 20 long-term (24+ months), 30 medium-term (12 months), and 1 short-term (6 months) contracts.

### Indirect Services Suppliers:

- **Total Amount:** R\$ 165,578,389 (18% of total spending).
- **Contractual Terms:** Primarily long-term, with 65 contracts exceeding 24 months, and 37 medium-term (12 months) contracts.



### Construction Suppliers:

- **Total Amount:** R\$ 107,131,121 (12% of total spending).
- **Contractual Terms:** Predominantly medium- and short-term, with 42 twelve-month contracts, and 14 six-month contracts.

This detailed overview reflects Biolab's supply structure, underlining the strategic significance of contracts and their varying terms.



## Partnerships

Long-term strategic partnerships are established with both retail chains and distribution networks. These collaborations are fundamental for ensuring efficient and continuous product sales and for boosting the Company's presence in the market. Biolab's primary customer is the Santa Cruz network, which has 16 distribution centers in five regions of Brazil, serving pharmacies in 4,494 cities. Following that, RD Saúde, owner of the Droga Raia and Drogasil brands, is another key customer with over 3,000 stores in 594 cities across all Brazilian states.

Since May 2023, Biolab Genéricos has joined as a collaborative partner of the Brazilian Association of Pharmaceutical Distribution and Logistics (Abradilan, in Portuguese). This association provides direct access to the Company's new products and releases, expanding and accelerating business opportunities for its customers.

Biolab also has strategic partnerships with renowned universities such as USP, Unicamp, UFMG, and UFRGS. A standout achievement in this context is the development of Vonau Flash® in collaboration with the University of São Paulo (USP, in Portuguese). This is the most prescribed antiemetic in the Brazilian market, leading in specialties like Pediatrics and Gastroenterology, treating over 6 million patients annually, and is also exported to Ecuador and Colombia.

The Company also enters into commercial agreements with foreign pharmaceutical companies, allowing for the sale of their products in Brazil. Notable partnership products include Novanlo (Emcure), Pantogar (Merz), Livalo (Lilly)-RL, Repatha (Amgen), and Nebilet (Menarini). In 2010, the Merz-Biolab joint venture paved the way not only for the Procedures line but also for the sale of the botulinum toxin Xeomin® to clinics, focusing on therapeutic treatments.

Drug distributors make  
up **53%** of  
Biolab's overall sales,

whereas  
pharmacy networks  
contribute  
**31%**  
of the sales.

Out of Brazil's 91,000 pharmacies, Biolab is present in over **89,000**, representing a comprehensive market coverage of about **98%** (IQVIA data – 2023).



# Social responsibility

GRI 3-3 Social Responsibility | 2-29

Since its inception, Biolab has embedded respect and solidarity in its core values. In addition to supporting institutions and cultivating social values, the Company is deeply concerned about people and the environment, continually working to enhance its sustainability practices to reduce environmental impact and promote the responsible use of natural resources.

Investments in social responsibility initiatives are approved by Biolab's partners. Through social project incentive laws, Biolab annually supports institutions that assist children, adolescents, the elderly, and people with disabilities in the areas of Health and Solidarity; Sports and Education; and Arts and Culture.

## Social Projects

### Girassol German Charitable Society

The Girassol German Charitable Society (SBA, in Portuguese) project offers professional courses for young people in social vulnerability. In addition to preparing them for the job market, these courses include an entrepreneurship module that encourages participants to explore opportunities and pursue innovation.

### Solidarity Christmas ('Natal Solidário') – Basic food boxes donation

Basic food baskets are donated to families near Biolab's manufacturing units, with voluntary contributions from employees who donate R\$10.00 and nominate a beneficiary family, while the Company provides the additional funds needed.



## Solidarity Christmas ('Natal Solidário') – Christmas Gifts for Institutions

Voluntary donations of clothes, shoes, toys, and hygiene items are collected from employees for Christmas kits for children and adolescents from charitable institutions near Biolab units. Gifts are delivered by Santa Claus at an event organized by the Company at the institutions, featuring entertainers, food, and drinks.

## McHappy Day

The Company backs the Support Group for Children and Adolescents with Cancer (Graacc, in Portuguese) through a campaign organized by the Ronald McDonald Institute. Biolab buys McHappy Day tickets and gives each employee and their dependents tickets for a BigMac on the campaign day, aiming to support the treatment and fight against childhood cancer. Employees with no dependents are given an extra ticket to bring a guest.

## Support Group for Children and Adolescents with Cancer (GRAACC, in Portuguese)

Biolab actively supports Graacc's mission of helping children and adolescents in their fight against cancer through the annual McHappy Day campaign.

## Minor Support Association (Promenor, in Portuguese)

The Company backs the Minor Support Association (Promenor, in Portuguese), based in Minas Gerais (MG), on a monthly basis to aid in its activities and assist underprivileged children in the region.



## Arts and Culture

Biolab takes pride in supporting exhibitions of renowned national artists both in Brazil and abroad, as well as art books that play a key role in promoting and recording the country's cultural heritage. Supported visual artists include Bia Doria, Claudio Tozzi, Emanuel Araújo, Gregório Gruber, Gustavo Rosa, Guto Lacaz, Ivald Granato, and Yugo Mabe.

Furthermore, employees enjoy free access to the Brazilian Museum of Sculpture and Ecology (Mube, in Portuguese) and the São Paulo Museum of Art (Masp, in Portuguese), both based in São Paulo (SP).



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biolab  
PHARMA

# ENVIRONMENTAL MANAGEMENT

The image features a vibrant, natural scene with a central tree and a sunburst effect. The background is a gradient of blue and green, with a dotted white line forming a large circle around the central elements. The text 'ENVIRONMENTAL MANAGEMENT' is prominently displayed in white, bold, uppercase letters on the left side of the image.

# Environmental Management

GRI 3-3 Material topic Environmental management

Biolab's Environmental Management actions are grounded on environmental commitments, through Policies and Operational Procedures that guide and standardize the entire waste management and water use processes at its units. These policies, commitments and procedures aim to minimize negative environmental impacts and foster sustainable practices in its operations.

Biolab fully complies with legal requirements, keeping its licenses and commitments up to date and managing waste efficiently. Currently, the Board of Executive Officers and shareholders are discussing expanding the scope of the Environment department's activities to include sustainability topics such as greenhouse gas inventory, energy efficiency programs and water reuse.

## Training and Occupational Safety Programs

Biolab offers Onboarding, Training and Awareness-raising Programs for all employees, covering waste and water management practices, as well as safety in handling hazardous waste, and promoting a culture of sustainability and environmental responsibility. Moreover, appropriate training and Personal Protective Equipment (PPE) are provided to ensure the safety of employees dedicated to handling waste and activities in water systems, ensuring compliance with occupational health standards.

## Responsible Treatment

Solid waste and water use are topics responsibly addressed by the Company, as it understands the importance of managing them for environmental preservation; the safety of its own employees and those of partner companies; its operational efficiency; reducing reputational risks; and regulatory compliance.



**Biolab has recently set up a Biodiversity Committee to assess and ensure that products comply with current legislation and regulations on the topic.**

**This committee aims to ensure that products comply with current legislation and regulatory determinations.**



## The main aspects of the Operational Policy and Procedures are:



Practices and Procedures adopted for Proper Waste Management and Water Use;



Engagement;



Innovation and Technology;



Operational Efficiency;



Waste Sorting;



Regulatory Compliance;



Final Waste Disposal;



Continuous Monitoring;



Recycling and Reuse;



Capacity Building and Training;



Internal Environmental Programs.

Biolab constantly seeks innovation and improvements to minimize its environmental impact, by adopting a comprehensive and systematic approach to managing waste and water use, aimed at mitigating possible harmful impacts, as well as encouraging financial efficiency, regulatory compliance and the promotion of sustainability.

To this end, the Company relies on a combination of performance indicators, internal and external audits, and continuous feedback from employees in the department, leaders, other areas and partners involved to ensure that operations are aligned with the best waste and water management practices, as well as with its sustainability goals. To monitor the efficiency of waste and water management, the

Company has established specific performance indicators, which are monitored and presented at periodic Industrial Control meetings.

The Quality Assurance department is responsible for conducting periodic internal audits to assess management processes and identify possible improvements.

In addition to the Company's internal audits, the Brazilian Health Regulatory Agency (Anvisa, in Portuguese), business partners and foreign and domestic health surveillance agencies regularly conduct external audits to assess the entire manufacturing process, including waste and water management. These assessments consist of inspections and audits.



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# Waste Management and Reverse Logistics

GRI 3-3 Material topic Environmental Management | 301-1 | 301-2 | 301-3 | 306-2 | 306-3 | 306-4 | 306-5

Biolab actively participates in reverse logistics programs for medications and post consumer packaging, in collaboration with associations such as the Pharmaceutical Products Industry Association (Sindusfarma, in Portuguese), the Brazilian Association of the Pet Products Industry (Abinpet, in Portuguese) and the Brazilian Association of Personal Hygiene, Perfumery and Cosmetics Industry (Abihpec, in Portuguese).

As regards waste management, Biolab uses different disposal and treatment technologies that are examples of environmentally responsible and sustainable practices. Some of the key aspects about each of the technologies mentioned include Incineration, Pyrolysis, Co-processing, Recycling, Composting and Landfill.

By combining these different technologies, Biolab can optimize waste management, seeking the best results in terms of environmental, financial and public health aspects, which includes minimizing adverse environmental impacts, complying

with environmental regulations, reducing operating costs and protecting public health through proper management of industrial waste.

Aimed at responsible waste management and to manage potential significant risks and impacts, the Company implements a series of operational measures:

- audits, meetings and feedback with partners, through which Biolab strives to ensure sustainable waste management, recycling and destruction practices;
- indicators that are used to assess the volume of waste generated, recycled and destroyed;
- periodic training.

All waste generated at the units is managed by in-house teams and includes sorting; internal collection; temporary storage; dispatch to destinations; monitoring of

destruction of finished products and/or controlled waste; and control and receipt of proof of waste destruction or recycling.

As for hazardous waste, such as chemicals, raw materials, production leftovers and failed/ expired medicines, the Company uses environmentally approved technologies for their destruction.

In addition to strictly complying with health and environmental regulations, Biolab seeks to maximize the positive impacts of its waste management and water use practices. This approach not only promotes a healthier and more sustainable environment but also leads to significant economic and social value. Below, you can read about some of the initiatives that reinforce this commitment:

## Material recycling:

Recycling programs are implemented at all units to curb the Company's environmental impact, thus reducing the volume of waste sent



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to landfills, the extraction of natural resources and the emission of greenhouse gases.

### **Organic waste composting:**

Organic waste generated at the Pouso Alegre construction site is sent to composting plants, thus reducing the volume of waste sent to landfills, as well as contributing to soil and water preservation, avoiding contamination by leachate and reducing the emission of methane gas, a powerful greenhouse effect booster.

### **Sustainable packaging:**

All the packaging used for Biolab's products is easily recyclable, reducing the volume of waste sent to landfills and incinerators.

### **Reduced operating costs:**

Optimizing waste generation and water use at the Company's facilities leads to a reduction in operating costs related to water consumption and treatment, as well as those related to the purchase of materials and, subsequently, waste treatment and disposal expenses.

### **Employee training:**

The Company maintains capacity building and ongoing training programs for employees on the importance of proper waste and water management, as well as encourages innovation and environmental responsibility in the workplace.

## **Sorting and Selective Waste Collection**

Biolab implements a strict waste sorting and selective collection system in all its operations. This system ensures that waste is properly classified and sent for appropriate treatment,

fostering circular economy and reducing environmental impacts related to the use of natural resources.

## **Waste collection points**

Specific and appropriate collection points and routes have been established for hazardous and non-hazardous waste. These points are systematically created with clear signage and are accompanied by training for all employees, ensuring efficient and safe waste management.

### **Innovation**

Biolab is committed to digitizing its processes and implementing an Electronic Batch Recording (EBR) Pilot Project, which will allow for more agile and reliable collection of information on waste generation during production. The tool will enable monitoring performance more effectively and setting targets based on accurate data.



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## Follow-up and Monitoring

Biolab follows up and monitors the effectiveness of waste and water consumption management practices through a robust system that includes Internal Audits, “Genba” Practices, Indicator Management and Industrial Control Meetings. In addition, Loss Reduction Committees discuss processes and implement continuous improvement actions and projects in manufacturing processes, aimed at reducing material and water wastage, as well as increasing operational efficiency.

### Waste Management Monitoring and Auditing

To ensure effective waste management, Biolab adopts a systematic process that includes identifying and weighing waste generated, sorting it as hazardous or non-hazardous, and recording the quantities in specialized waste management systems. This process strictly adheres to internal quality and regulatory compliance standards.

To improve operations, Biolab has focused on digitalizing one of its factories. This project began in early 2023 and is expected to be fully implemented by mid-2024, transforming the plant into a paper-free environment. The transition to a fully digitalized operation represents a significant milestone, not only for the Company but also in the vision for the future we have for the sector.

Furthermore, Biolab implements a robust monitoring and auditing system to evaluate and improve waste and water management practices, which encompasses internal audits, “Genba” practices, indicator management and industrial control meetings, ensuring compliance and promoting continuous improvement.

These actions show Biolab’s commitment to environmental, social and economic sustainability. The Company not only meets regulatory expectations but also promotes the circular economy, the preservation of natural resources and the mitigation of climate change. Through innovative initiatives, education and employee engagement, Biolab strives to maximize the positive impacts of its practices, developing a culture of sustainability and responsibility.

Waste generated by type of final disposal | in metric tons

	2022	2023
Hazardous waste (Class I)	449.45	447.83
Co-processing	337.36	338.46
Incineration	96.27	46.64
Pyrolysis	15.82	62.73
Non-hazardous waste (Class II)	765.22	724.31
Recycling	735.14	674.91
Composting	30.08	49.4
<b>Total</b>	<b>1,214.67</b>	<b>1,172.14</b>

\* Waste volumes presented were collected from the Waste Transportation Manifests (MTRs, in Portuguese) that are sent to waste treatment and destruction companies.



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# Water and Effluent Management

GRI 303-1 | 303-4 | 303-5

Medicine production requires several raw materials, active pharmaceutical ingredients (APIs) and chemical substances, which also applies to the Quality Control laboratories, and analysis and development of new products. In order to assess the potential environmental risks and the impact on the industrial effluent treatment systems at the units, Biolab uses information from the Material Safety Data Sheets (MSDSs).

Water, especially industrial effluents, is discharged through dedicated network systems for each type of effluent. The system is monitored to ensure that there are no negative environmental impacts. Practices include:

## Industrial Effluent and Sanitary Sewage Treatment

Individualized networks have been set up at the units to collect industrial effluents and sanitary sewage, ensuring safer and more efficient handling of the liquid waste generated. This measure reduces environmental and health risks, ensures regulatory compliance and offers flexibility to adapt to future needs.

The Company has been making significant progress in effluent treatment. At several units, including Jandira and Bragança, industrial effluents are being treated efficiently. In Pouso Alegre, an innovative treatment plant is being built and will allow all treated effluent to be reused, representing a significant milestone for the Company's operational sustainability.

All industrial effluents generated are collected and treated at proper Effluent Treatment Plants (ETPs). The treatment processes ensure that the effluent meets regulatory standards and minimize potential environmental risks. Sanitary sewage is collected in the areas and directed to the ETPs or to the public sewage collection and treatment network.

Periodic analyses are conducted to ensure that the treated effluent is within the applicable environmental standards.



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Biolab is aware of the importance of sustainable water management and therefore continues to invest in technologies and practices to optimize water use.

## Treatment of Industrial Effluent in Own Effluent Treatment Plant

All industrial effluent generated is collected and sent for treatment at Effluent Treatment Plants (ETPs) located at the units. This treatment aims to protect the environment and public health by preventing contamination of water bodies and springs. It also ensures compliance with current regulations and contributes to improving the corporate image.

## Sanitary Sewage Treatment

Sanitary sewage is collected in the areas and sent to Effluent Treatment Plants (ETPs) or to the public sewage collection and treatment network. Periodic analyzes are conducted to ensure that the treated effluent is within the applicable environmental standards.

## Water Abstraction

GRI 303-1

Water abstraction is an essential part of the pharmaceutical industry's manufacturing process, as this resource is critical in many stages, from the production of active pharmaceutical ingredients (APIs) to the final formulation of medicines. The quality of the water used must therefore meet strict standards to guarantee the safety, efficacy and compliance of the pharmaceutical products.

In carrying out its activities, Biolab uses water abstracted from various sources, mainly:

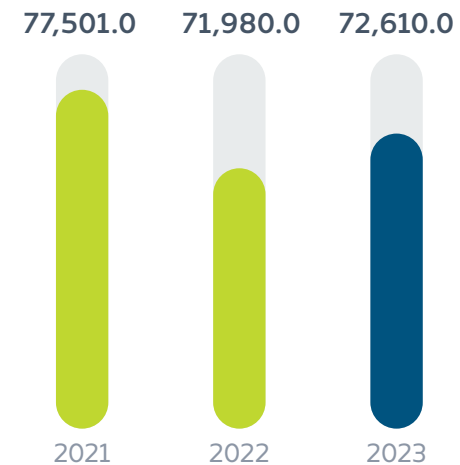
- **Public utilities:** Public companies responsible for supplying drinking water to the general population, in compliance with all health and potability standards required for use in the production of medicines.
- **Groundwater:** water that is abstracted from duly licensed artesian wells or underground aquifers.

Each of these sources can present different characteristics and challenges in terms of quality and availability.

There are currently no environmental impacts caused by Biolab's water use. All impacts are potential and are being adequately managed through operational and control procedures.

### Water consumption | in m<sup>3</sup>

GRI 303-4, 303-5



Note: the volume of water consumed at the units was collected from water utility bills.



# Energy Use Management

GRI 302-1

Biolab’s energy management strategy is based on reducing consumption and replacing fossil fuel with renewable sources in all its operations. Over time, the Company has developed a series of energy efficiency projects and initiatives, including redesigning processes, adapting equipment and improving operational management.

The Pouso Alegre unit showcases the Company’s commitment to sustainability through a photovoltaic system installed in its two warehouses, covering almost 20,000 square meters with solar panels. This project allows generating energy to meet the Company’s own demand; and, if there is a surplus, it can be sold on the market. Biolab is also optimizing its industrial park focused on

energy efficiency, by replacing boilers with more efficient models, which has led to a significant reduction in LPG consumption.

In partnership with companies such as Schneider, Honeywell and Siemens, the Company has also been implementing a system to analyze electricity consumption point by point, identifying flaws and

wastage seeking improvement opportunities.

In addition to exploring the free energy market, the Company is negotiating the purchase of International Renewable Energy Certificates (IRECs) with renewable energy suppliers. This move aims to highlight its sustainable practices in its sustainability report and consolidate its commitment

to being a leader in environmental initiatives in the sector.

This approach not only reinforces the Company’s commitment to environmental sustainability but also positions the organization at the forefront of responsible business practices, making a positive impact on both the environment and the Company’s operating results.

## Energy consumption within the organization | in GJ

	2021	2022	2023
<b>Non-renewable fuels</b>	<b>23,046,485.53</b>	<b>21,933,144.12</b>	<b>21,575,904.72</b>
Diesel	1,182.15	1,159.08	1,783.88
LPG	23,045,303.38	21,931,985.04	21,574,120.84
Energy consumption	84,947.99	92,903.56	106,443.2
Electricity from utility company	50,287.25	32,317.81	25,772.54
Electricity from solar panels	0.00	7,951.17	9,329.54
Electricity from the free energy market (renewable)	34,660.74	52,634.58	71,341.12
<b>Total energy consumption</b>	<b>23,131,433.52</b>	<b>22,026,047.68</b>	<b>21,682,347.92</b>

Note: Electricity consumption refers to the Taboão da Serra, Jandira, Itapevi, Bragança and Pouso Alegre units; 3 - Energy generated by solar panels refers to the Pouso Alegre unit; 2 - Diesel and LPG consumption refers only to industrial equipment that uses these products as fuel.



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# GRI content index

Declaration of use	Biolab reported in accordance with the GRI Standards for the period from January 1, 2023 to December 31, 2023
GRI 1 used	GRI 1: Fundamentals 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI standard	Content	Page/ answer	Omission		
			Omitted requirements	Reason	Explanation
<b>General content</b>					
<b>The organization and its reporting practices</b>					
GRI 2: General Disclosures 2021	2-1	Organizational details	15		
	2-2	Entities included in the organization's sustainability reporting	15		
	2-3	Reporting period, frequency and contact point	4		
	2-4	Restatements of information		2-4	Not applicable This is Biolab's first report.
	2-5	External assurance			The report has not been externally assured.
<b>Activities and workers</b>					
GRI 2: General Disclosures 2021	2-6	Activities, value chain and other business relationships	15, 18, 20, 73		
	2-7	Employees	47		
	2-8	Workers who are not employees	47		



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GRI standard	Content	Page/ answer	Omission		
			Omitted requirements	Reason	Explanation
<b>Governance</b>					
GRI 2: General Disclosures 2021	2-9	Governance structure and composition	23, 25, 26, 73		
	2-10	Nomination and selection of the highest governance body	23, 26		
	2-11	Chair of the highest governance body	23, 26		
	2-12	Role of the highest governance body in overseeing the management of impacts	23, 26		
	2-13	Delegation of responsibility for managing impacts	23		
GRI 2: Conteúdos gerais 2021	2-14	Role of the highest governance body in sustainability reporting	4, 23		
	2-15	Conflicts of interest	31		
	2-16	Communication of critical concerns	23, 31		
	2-17	Collective knowledge of the highest governance body	23		
	2-18	Evaluation of the performance of the highest governance body	23		
	2-19	Remuneration policies	23, 31, 60		
	2-20	Process to determine remuneration	23, 31, 60		
	2-21	Annual total compensation ratio	23		
<b>Strategy, policies and practices</b>					
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	9		
	2-23	Policy commitments	31		
	2-24	Embedding policy commitments	31		



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GRI standard	Content	Page/ answer	Omission		
			Omitted requirements	Reason	Explanation
<b>Strategy, policies and practices</b>					
GRI 2: General Disclosures 2021	2-25	Processes to remediate negative impacts	34		
	2-26	Mechanisms for seeking advice and raising concerns	31		
	2-27	Compliance with laws and regulations	31		
<b>Stakeholder engagement</b>					
GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	75		
	2-30	Collective bargaining agreements	100% of employees are covered by collective bargaining agreements, always taking into account the employee's employment category		
<b>Material Topics</b>					
GRI 3: Material Topics 2021	3-1	Process to determine material topics	5		
	3-2	List of material topics	5		
<b>Corporate governance and transparency</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	27		
<b>Ethics and compliance</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	31		



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GRI standard	Content	Page/ answer	Omission		
			Omitted requirements	Reason	Explanation
<b>Ethics and compliance</b>					
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	205-1	Not applicable	The due diligence process for assessing risks related to corruption has not yet been implemented. However, in specific cases in which the Compliance area has been called in to carry out the assessment, no cases with risks related to corruption have been identified.
	205-2	Communication and training about anti-corruption policies and procedures	205-2	Not applicable	The anti-corruption policy is currently being drafted. When published, it will be available to all employees via the Intranet and to third parties on the company's website.
<b>Risk Management</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	34		
<b>Capacity and industrial planning</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	40		
<b>Data intelligence</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	41		
<b>Launch of new products, research, development and innovation</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	42		
<b>Product quality and safety</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	44		



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GRI standard	Content	Page/ answer	Omission			
			Omitted requirements	Reason	Explanation	
<b>Product quality and safety</b>						
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	44			
	417-1	Requirements for product and service information and labeling	44			
	417-2	Incidents of non-compliance concerning product and service information and labeling	44	417-2-a-i e 417-2-a-iii	Not applicable	There were no occurrences.
GRI 417: Marketing and Labeling 2016	417-3	Incidents of non-compliance concerning marketing communications	44			
	<b>Customer relations and satisfaction</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	72			
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	72	418-1	Not applicable	The organization has not had any incidents or complaints about this issue.
<b>People management (health and safety, attraction and retention, diversity and training)</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	47			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	51			
	401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	61			
	401-3	Parental leave	51			
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	66	403-1-a	Not applicable	There is no applicable legal requirement.
	403-2	Hazard identification, risk assessment, and incident investigation	66			



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GRI standard	Content	Page/ answer	Omission		
			Omitted requirements	Reason	Explanation
<b>People management (health and safety, attraction and retention, diversity and training)</b>					
GRI 403: Occupational Health and Safety 2018	403-5	Worker training on occupational health and safety	66		
	403-6	Promotion of worker health	66		
GRI 403: Occupational Health and Safety 2018	403-8	Workers covered by an occupational health and safety management system	66		
	403-9	Work-related injuries	66	403-9	Not applicable Information not available.
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	59		
	404-2	Programs for upgrading employee skills and transition assistance programs	55	404-2-b	Not applicable The organization has no specific end-of-career management program. There is a support program for executives in the termination process.
<b>Relationship with doctors</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	70		
<b>Social responsibility</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	75		
<b>Environmental Management</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	78, 80		
GRI 301: Materials 2016	301-1	Materials used by weight or volume	80		



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GRI standard	Content	Page/ answer	Omission			
			Omitted requirements	Reason	Explanation	
<b>Environmental Management</b>						
GRI 301: Materials 2016	301-2	Recycled input materials used	80	301-2	Not applicable	In the production of medicines, the organization does not use recycled raw materials; packaging materials used cardboard boxes.
	301-3	Reclaimed products and their packaging materials	80			
GRI 302: Energy 2016	302-1	Energy consumption within the organization	85			
	303-1	Interactions with water as a shared resource	83, 84			
GRI 303: Water and Effluents 2018	303-4	Water discharge	83, 84			
	303-5	Water consumption	83, 84			
	306-2	Management of significant waste-related impacts	80			
GRI 306: Waste 2020	306-3	Waste generated	80			
	306-4	Waste diverted from disposal	80			
	306-5	Waste directed to disposal	80			



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# Credits

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