



# ESG and Sustainability Data Sheet

B·R·A·I·N

BRAIN Biotech AG

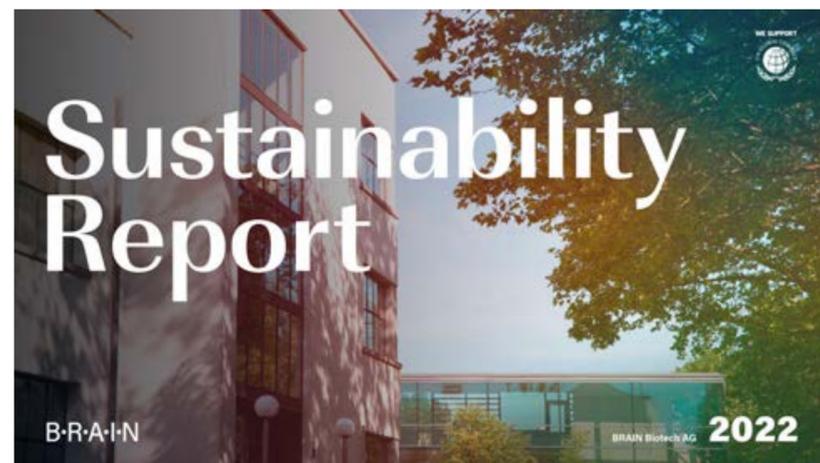
**2023**

# Introduction

BRAIN Biotech AG's ESG & Sustainability data sheet presents our key ESG and Sustainability data in an easily accessible format which will be updated and extended regularly.



For our full inaugural ESG report with a detailed description of all our sustainability efforts please view:  
→ [Sustainability Report 2022, BRAIN Biotech AG](#)



## **Accounting principles**

We have applied our standard accounting principles for the financial data which can be reviewed in our [→ Annual Report FY 21/22](#).

The nonfinancial data was prepared in reference to the GRI standards (core option) and has not been audited externally.

## **Figures explained**

For our inaugural ESG & Sustainability Report we have defined calendar year 2020 or respectively financial year 2020/21 as our base year. Therein all relevant data has been available and comparable within the Group.

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# Financial Overview

## Consolidated balance sheet as at 30 September 2022

€ thousand	30.09.2022	30.09.2021
<b>Non-current assets</b>		
Intangible assets and goodwill	16,764	13,531
Property, plant and equipment	28,737	24,291
Equity-accounted investments	1,938	550
Other non-current assets	168	251
	<b>47,608</b>	<b>38,623</b>
<b>Current assets</b>		
Inventories	9,661	7,015
Trade receivables	8,036	6,722
Other current assets	3,811	617
Current tax assets	0	9
Other financial assets	435	207
Cash and cash equivalents	8,443	24,545
	<b>30,384</b>	<b>39,114</b>
<b>ASSETS</b>	<b>77,992</b>	<b>77,737</b>

€ thousand	30.09.2022	30.09.2021
<b>Equity</b>		
Subscribed capital	21,847	21,847
Capital reserves	92,660	95,890
Retained earnings	-85,197	-79,509
Other reserves	328	555
	<b>29,638</b>	<b>38,783</b>
Non-controlling interests	4,610	3,044
<b>Total equity</b>	<b>34,248</b>	<b>41,828</b>
<b>Non-current liabilities</b>		
Deferred tax	3,292	2,790
Provisions for post-employment benefits for employees	1,153	2,271
Financial liabilities	15,435	17,669
Other liabilities	1,709	736
Deferred income	766	1,109
	<b>22,356</b>	<b>24,575</b>

€ thousand	30.09.2022	30.09.2021
<b>Current liabilities</b>		
Provisions	654	404
Tax liabilities	190	116
Financial liabilities	8,437	2,649
Prepayments received	13	79
Trade payables	6,754	3,831
Other liabilities	3,350	2,684
Deferred income	1,990	1,572
	<b>21,388</b>	<b>11,335</b>
<b>EQUITY AND LIABILITIES</b>	<b>77,992</b>	<b>77,737</b>

## Consolidated statement of comprehensive income for the period 1 October 2021 – 30 September 2022

€ thousand	12M 21/22 01.10.2021 – 30.09.2022	12M 20/21 01.10.2020 – 30.09.2021
Revenue	49,509	38,389
Research and development grant revenue	786	833
Change in inventories of unfinished and finished goods and work in progress	932	23
Other income*	1,845	1,486
<b>Total operating performance</b>	<b>53,072</b>	<b>40,731</b>
<b>Cost of materials</b>		
Cost of raw materials, consumables and supplies, and purchased merchandise	-21,671	-15,274
Cost of purchased services	-1,323	-1,568
	<b>-22,994</b>	<b>-16,842</b>
<b>Personnel expenses</b>		
Wages and salaries	-17,301	-15,618
Share-based employee compensation	-1,384	-989
Social security and post-employment benefit costs	-2,995	-2,903
	<b>-21,681</b>	<b>-19,510</b>
Other expenses	-9,706	-6,912
<b>EBITDA</b>	<b>-1,309</b>	<b>-2,533</b>
Depreciation, amortization and impairment	-4,340	-4,014
<b>Operating result (EBIT)</b>	<b>-5,648</b>	<b>-6,548</b>

€ thousand	12M 21/22 01.10.2021 – 30.09.2022	12M 20/21 01.10.2020 – 30.09.2021
Share of profit or loss from equity-accounted investments	-2,426	-1,723
Finance income	3,606	4,722
Finance costs	-1,696	-727
<b>Net financial result</b>	<b>-516</b>	<b>2,271</b>
<b>Pretax loss for the reporting period</b>	<b>-6,165</b>	<b>-4,276</b>
<b>Income tax expense/income</b>		
a) Current tax expense/income	-226	-169
b) Deferred tax expense/income	50	-234
	<b>-176</b>	<b>-404</b>
<b>Net loss for the reporting period</b>	<b>-6,341</b>	<b>-4,680</b>
of which attributable to non-controlling interests	249	292
of which attributable to the shareholders of BRAIN Biotech AG	-6,590	-4,972
<b>Earnings per share</b>		
Earnings per share, basic undiluted (in €)	-0.30	-0.25
Number of shares taken as basis	21,847,495	19,942,982
Earnings per share, diluted (in €)	-0.30	-0.25
Number of shares taken as basis	21,847,495	19,942,982

€ thousand	12M 21/22 01.10.2021 – 30.09.2022	12M 20/21 01.10.2020 – 30.09.2021
<b>Net loss for the reporting period</b>	<b>-6,341</b>	<b>-4,680</b>
of which attributable to non-controlling interests	249	292
of which attributable to the shareholders of BRAIN Biotech AG	-6,590	-4,972
<b>Other comprehensive income</b>		
Net gain or loss from revaluing obligations from post-employment employee benefits*	901	306
Currency translation	-245	568
Other comprehensive income, net	656	874
<b>Consolidated total comprehensive income (loss)</b>	<b>-5,685</b>	<b>-3,805</b>
of which attributable to non-controlling interests	231	340
of which attributable to the shareholders of BRAIN Biotech AG	-5,916	-4,145

\* Items that will not be subsequently reclassified to profit or loss.

## Consolidated statement of changes in equity for the period 01.10.2021 – 30.09.2022

€ thousand	Interests of shareholders of BRAIN Biotech AG				Non-controlling interests		
	Subscribed capital	Capital reserves	Retained earnings	Other reserves Currency translation	Total	Total	Total
<b>Balance at 30 September 2020 / 1 October 2020</b>	<b>19,861</b>	<b>78,386</b>	<b>-77,497</b>	<b>35</b>	<b>20,785</b>	<b>5,358</b>	<b>26,143</b>
Cash capital increase from authorized capital, less capital raising costs	1,986	16,992	0	0	18,978	0	18,978
<i>Net loss for the reporting period</i>	0	0	-4,972	0	-4,972	292	-4,680
<i>Other comprehensive income</i>	0	0	306	521	827	48	874
Total comprehensive income (loss)	0	0	-4,666	521	-4,145	340	-3,805
Acquisition of shares of non-controlling shareholders	0	0	2,654	0	2,654	-2,654	0
Transfers due to employee share scheme	0	512	0	0	512	0	512
<b>Balance at 30 September 2021 / 1 October 2021</b>	<b>21,847</b>	<b>95,890</b>	<b>-79,509</b>	<b>555</b>	<b>38,783</b>	<b>3,044</b>	<b>41,828</b>
<i>Net loss for the reporting period</i>	0	0	-6,590	0	-6,590	249	-6,341
<i>Other comprehensive income</i>	0	0	901	-227	674	-17	656
Total comprehensive income (loss)	0	0	-5,689	-227	-5,916	231	-5,685
<i>Acquisition of shares of non-controlling shareholders</i>	0	0	0	0	0	1,335	1,335
Addition of liability from put/call agreement relating to the acquisition of non-controlling interests in fully consolidated Group companies	0	-3,978	0	0	-3,978	0	-3,978
Transfers due to employee share scheme	0	748	0	0	748	0	748
<b>Balance at 30 September 2022</b>	<b>21,847</b>	<b>92,660</b>	<b>-85,198</b>	<b>328</b>	<b>29,638</b>	<b>4,610</b>	<b>34,248</b>

## Consolidated statement of cash flows for the period 1 October 2021 – 30 September 2022

€ thousand	12M 21/22 01.10.2021 – 30.09.2022	12M 20/21 01.10.2020 – 30.09.2021	€ thousand	12M 21/22 01.10.2021 – 30.09.2022	12M 20/21 01.10.2020 – 30.09.2021	€ thousand	12M 21/22 01.10.2021 – 30.09.2022	12M 20/21 01.10.2020 – 30.09.2021
Net profit (/loss) for the period, after tax	-6,341	-4,680	Change in trade payables	2,529	313	Contributions to equity, less related capital raising costs	0	18,978
Depreciation, amortization and impairment	4,340	4,014	Change in prepayments	3	9	<b>Cash flows from financing activities</b>	<b>-1,966</b>	<b>11,572</b>
Deferred tax expense/income	-50	234	Change in provisions and other liabilities	1,587	-537	<b>Net change in cash and cash equivalents</b>	<b>-16,137</b>	<b>5,485</b>
Conversion of deferred income into revenue	-2,792	-1,373	Additions from deferred income	2,505	1,715	Cash and cash equivalents at start of financial year	24,545	18,943
Income from the acquisition of fully consolidated companies (Bargain Purchase)	0	-798	<b>Cash flows from operating activities</b>	<b>-1,485</b>	<b>-3,906</b>	Exchange-rate-related change in cash	35	116
Income from release of provisions and liabilities	-231	-343	Net cash inflows from disposals of companies (less cash and cash equivalents divested)	-3,096	-436	<b>Cash and cash equivalents at end of financial year</b>	<b>8,443</b>	<b>24,545</b>
Share of profit or loss from equity-accounted investments	2,426	1,723	Net payments from disposals of companies (less cash and cash equivalents disposed of)	-1,071	0	<b>Cash flows from operating activities include:</b>		
Change in net pension provisions recognized in profit or loss	-217	-225	Payments to acquire intangible assets	-282	-11	Interest paid	-503	-431
Other non-cash expenses and income	-61	-3,810	Payments to acquire property, plant and equipment	-5,800	-1,251	Interest received	16	26
Income from the sale of consolidated entities	-2,167	0	Net cash flows relating to other non-current assets	-1,401	81	Income taxes paid	-259	-387
Losses on disposals of intangible assets and property, plant and equipment	-28	7	Investments in equity-accounted investments	-1,173	-564	Income taxes received	0	55
<b>Gross cash flow</b>	<b>-5,120</b>	<b>-5,250</b>	Proceeds from disposal of property, plant and equipment	137	1			
Change in trade receivables	-231	-143	<b>Cash flows from investing activities</b>	<b>-12,686</b>	<b>-2,180</b>			
Change in inventories	-2,412	-17	Proceeds from borrowings	352	55			
Change in tax assets and liabilities	6	-121	Repayments of borrowings	-2,318	-2,875			
Change in other assets and financial assets	-352	126	Payments of the Put-Option liabilities for Biocatalysts Ltd.	0	-4,586			

# Environmental: Minimizing the Environmental Impact from Our Operations

## CO<sub>2</sub> and Scope 1 / 2 Emission Calculation, 2021/2022

Category	Energy Source	CO2 emission	Unit	Amount	Emission factor*	Direct CO <sub>2</sub> equivalent emissions in kg	Indirect CO <sub>2</sub> equivalent emissions in kg	Total CO <sub>2</sub> equivalents in kg
Mobility	Electricity	direct	KWh	13,911.46	0.000485	6.75		
	Gasoline (Benzin)	direct	Liter	2,779.13	0.00303	8.42		
	Diesel	direct	Liter	1,689.70	0.00341	5.76		<b>20.93</b>
Heating	Natural gas (Erdgas)	direct	KWh	2,145,854.00	0.000244	523.59		611.09
	Heating Oil	direct	Liter	28,766.00	0.003042	87.51		
Power/Electricity	Electricity	indirect	kWh	2,845,126.00	0.000485	1,379.89	1,379.89	<b>1,379.89</b>
							<b>Scope 1</b>	<b>632.02</b>
							<b>Scope 2</b>	<b>1,379.89</b>
<b>Total amount of CO2 emissions in kg:</b>								<b>2,011.91</b>



Explanation see next page

\* Emissionsfaktoren aus:

[https://www.umweltpakt.bayern.de/energie\\_klima/fachwissen/217/berechnen-sie-ihre-treibhausgasemissionen-mit-co2-rechner#](https://www.umweltpakt.bayern.de/energie_klima/fachwissen/217/berechnen-sie-ihre-treibhausgasemissionen-mit-co2-rechner#)

Excel Sheet: IZU: CO2 Rechner für Scope 1 und Scope 2 (Stand September 2023)

UBA 2022: Emissionsbilanz erneuerbarer Energieträger

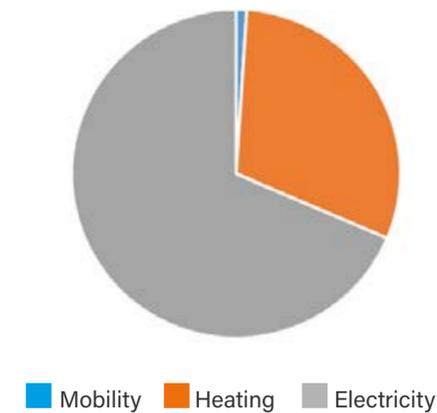
For the calculation of Scope 1 and Scope 2 emissions we multiplied the relevant data for heating, cooling, vehicle fleet and electricity consumption with the standardized CO<sub>2</sub> equivalents of the Federal Environment Agency of Germany. More detailed information and the exact calculation table employed can be found in the section below "Sources: Scope Emissions":

CO<sub>2</sub> is the main gas in scope for our calculation resulting from the use of heating oil, natural gas and vehicle fuel. We have no direct methane emissions in measurable quantities.

We have employed the same consolidation scope as for our financial reporting.

All group companies of FY 2021/22 are part of our emission reporting with the exception of financial participations below 50 % of equity holding. Our financial participations consist only of science services or clinical development firms with very limited own emissions.

Scope 1 and 2 Emissions



The Scope 1 emissions resulting from our vehicle fleet are marginal and therefore classified as not material. Our main focus in terms of GHG emissions is therefore on indirect emissions (Scope 2) due to our high electricity consumption.

To reduce GHG emissions, initial measures have already been implemented in recent months, such as (A) replacing all light bulbs with LEDs and (B) reorganizing and thus also reducing our refrigerators, freezers and cold rooms. In Zwingenberg, where the Headquarter is based, work is currently underway to install a photovoltaic system in order to cover electricity needs as much as possible from renewable energy sources.

In Cardiff, the site with the highest electricity consumption, a solar PV system currently is under construction planning. This system is expected to provide up to 22 % of Biocatalysts Ltd's current total energy consumption.

We are also investigating whether it would be economically to switch our conventional electricity mix to one with a higher proportion of renewable energy. The sum of these measures will significantly reduce the emission factor for electricity of 485 grams per kWh (standard value from the German energy mix) from this year in the coming years, which is expected to lead to a considerable reduction in our greenhouse gas emissions on the comparable revenue base. Since we are growing, we will absolutely use more energy.

### **Total water withdrawal and consumption** **2021/2022**

Water	Amount in mega liters
<b>Total water withdrawal</b>	<b>14,22</b>
Surface water	13,73
Groundwater	0,50
Seawater	0,00
Produced water	0,00
Third-party water	0,00
<b>Total water consumption</b>	<b>1,62</b>
Surface water	0,74
Groundwater	0,40
Seawater	0,00
Produced water	0,00
Third-party water	0,00

Average value of dissolved solids...	mg/L
... nitrate	3.58
... sulfate	66.85
... calcium	92.75
... magnesium	9.18
... potassium	30.01
... chlorid	37.58
... sodium	22.73

The calculation of the water consumption results from the monthly statements of the respective waterworks utility. We have no subsidiaries based in areas with water stress and we have no outsourced production sites from companies in areas with water stress. We only consume surface and groundwater in drinking water quality.

The difference between water withdrawal and water consumption results from the fact that water is partly used for the manufacturing of our products (e.g. enzyme products), but also partly treated and recirculated in the water systems.

The BRAIN Biotech Group companies are located in different regions/countries. No manufacturing location is located in an area of water stress. The dissolved solids analysis results from the information provided by the respective local water utilities.

The total dissolved solids (TDS) of our drinking water amounts to 260 mg/L which responds to a high-quality drinking water defined by TDS of 300 mg/L or less. For more details please view "Water sources" on the next page.

**Total amount of waste, 2021/22**

Type of waste	t
Non-hazardous waste	107.39
Hazardous waste	25.22
<b>Total weight of waste</b>	<b>132.61</b>

The data collection was conducted via queries to the respective subsidiaries and invoices from the respective waste management companies.

As a B2B supplier and service provider for industrial partners primary packaging doesn't build a material factor in our environmental footprint. We use recycled cardboard and re-use used packaging wherever possible. In our products business specially designed transport containers are cleaned and reused in a circular system wherever possible and legally allowed. Hazardous and non-hazardous waste is sorted and professionally treated according to the applicable local regulations. Our largest subsidiary Biocatalysts Ltd. is a certified no-waste-to-landfill operation.

**Sources: Scope emissions**

BRAIN Biotech reports Scope 1 and Scope 2 emissions for the Group. We intend to incorporate Scope 3 emissions at a later point in time. We have utilized the following sources for the calculation of our Scope 1 & 2 emissions:

**Scope emissions calculation table:**

→ [www.umweltpakt.bayern.de/...](http://www.umweltpakt.bayern.de/...)

**Other websites being used for information:**

→ [allianz-entwicklung-klima.de/toolbox/...](http://allianz-entwicklung-klima.de/toolbox/...)

→ [www.umweltbundesamt.at/...](http://www.umweltbundesamt.at/...)

→ [lfu.co2-rechner.de/...](http://lfu.co2-rechner.de/...)

**Water sources****Water quality sheet for BRAIN Biotech AG:**

→ [www.ggew.de/...](http://www.ggew.de/...)

**Water quality sheet for AnalytiCon Discovery GmbH:**

→ [www.swp-potsdam.de/...](http://www.swp-potsdam.de/...)

**Water quality sheet for WeissBioTech GmbH:**

→ [www.wasserwerk-gerauer-land.de/...](http://www.wasserwerk-gerauer-land.de/...)

**Water quality sheet for Biocatalysts Ltd:**

→ [corporate.dwrcymru.com/...](http://corporate.dwrcymru.com/...)

**Environmental breaches**

We had no severe environmental breaches of regulatory limits in the base year.

# Social: Livable & Satisfying Employment

## Detailed employee breakdown, end of FY 2021/22

Group	Sep 22
Executive Board and Managing Directors	9
<b>Total employees (excluding Executive Board and management)</b>	<b>339</b>
thereof salaried employees	292
thereof industrial employees	24
Scholarship holders	3
Temporary employees	14
Trainees	6
Volunteers	0
Interns	0
Commercial	62
R&D	199

The collection of our employee data takes place every three months with our quarterly reporting. The employee data shown here is status end of fiscal year 21/22. We have included data from all Group companies: Analyticon Discovery GmbH, Biocatalysts Ltd., Biosun Biochemicals Inc., Breatec B.V., BRAIN Biotech AG Headquarter Zwingenberg, WeissBioTech GmbH.

## Employees: Hires and exits by age group, end of FY 2021/22

We have also used our financial year reporting period for a better comparability of the employee statistics. The average age for all employees in FY 2021/22 was 41.12 years.

### Hires

Age Group	Number
< 30	30
30 – 50	32
> 50	10

### Exits

Age Group	Number
< 30	28
30 – 50	18
> 50	9

### **Educational levels (employees\*) at BRAIN Biotech AG Zwingenberg, FY 2021/22**

Educational level	Description	Number of employees
0	Early childhood education	0
1	Primary education	0
2	Lower secondary education	0
3	Upper secondary education	0
4	Post-secondary non-tertiary education	33%
5	Short-cycle tertiary education	3%
6	Bachelors or equivalent	11%
7	Masters or equivalent	30%
8	Doctorates or equivalent	21%

As we did not record this data at the subsidiary level in the past, this information only relates to the head office in Zwingenberg. The workforce in Zwingenberg represents around 37% of the total workforce of the BRAIN Biotech Group.

All BRAIN Biotech Group companies are highly science-oriented. The high educational level is indicated by the numbers for the headquarter in Zwingenberg, showing that 50% of all employees hold a PhD or Masters degree.

\* excluding Executive Board, temporary employees, scholarship recipients and trainees

### **Lost Time Injury Frequency Rate (LTIFR), FY 2021/22**

In our base year 2020, there were seven injuries within the BRAIN Biotech Group that resulted in a minimum absence of one working day.

We had no fatal or severe accidents in the reporting year.

LTIFR is calculated per 1 million hours worked.

We constantly improve our safety measures and train our personnel in extra safety instructions.

Group	2021/22
Employee total hours worked	497,373.00
Number of injuries without lost time	14
Number of lost time injuries (with at least one day of absence)	1
<b>LTIFR</b>	<b>2.01</b>

**A - Ratio of the total annual compensation of the Executive Board to the median of the total annual compensation of all employees (excluding the highest paid individual) in the same organization**

	FY 20/21*	FY 21/22
Average annual fixed compensation of the Executive Board	353,000.00	365,500.00
Average annual compensation of all employees	57,257.40	55,993.00
<b>Factor</b>	<b>6.17</b>	<b>6.53</b>

**B - Ratio of the total annual compensation (incl. short term bonus) of the Executive Board to the median of the total annual compensation of all employees (excluding the highest paid individual) in the same organization**

	FY 20/21*	FY 21/22
Average annual compensation (incl. Short-term bonus) Executive Board	419,500.00	415,000.00
Average annual compensation of all employees	57,257.40	55,993.00
<b>Factor</b>	<b>7.33</b>	<b>8.90</b>

**C - Ratio of the total annual compensation (incl. all boni + stock options) of the Executive Board to the median of the total annual compensation of all employees (excluding the highest paid individual) in the same organization**

	FY 20/21*	FY 21/22
Average annual compensation (inclusive all boni + stock options) of the Executive Board	739,500.00	714,500.00
Average annual compensation of all employees	57,257.40	55,993.00
<b>Factor</b>	<b>12.92</b>	<b>12.76</b>

<b>Additional explanatory data</b>	FY 20/21*	FY 21/22
Average monthly fixed compensation Executive Board	29,416.67	30,458.33
Average short-term boni per FY (Executive Board)	66,500.00	133,000.00
Average long-term boni (including stock options) per FY (Executive Board)	386,500.00	349,000.00
Average monthly compensation employees	4,771.45	4,666.08

\* Due to a change in our calculation basis and the adoption of GRI 102-38, prior year figures may differ slightly from the prior year factsheet or data may not have been collected to the same extent in the prior year.

### **Diversity and inclusion in the BRAIN Biotech Group, FY 2021/22**

	Female	Male	Total
<b>Number of employees (head count)*</b>	<b>153</b>	<b>189</b>	<b>342</b>
Number of permanent employees (head count)	148	183	331
Number of temporary employees (head count)	5	6	11
Number of full-time employees (head count)	94	165	259
Number of part-time employees (head count)	59	24	83

In order to established inclusive policies the amount of diverse people was counted for the first time and amounted to 5,5%.

We had a share of 45% female employees within the BRAIN Biotech Group in FY 2021/22.

We provide adapted individual work models for all of our employees in order to balance private and work related matters.

\* Without trainees

### **Women in management positions in the BRAIN Biotech Group, FY 2021/22\***

	Female	Male	Total
Number of employees in project management positions (head count)	30	37	67
<b>Share of women in leadership positions</b>	<b>45%</b>	<b>55%</b>	<b>100%</b>
Number of employees in senior management position (head count)	8	31	39
<b>Share of women in senior leadership positions</b>	<b>21%</b>	<b>79%</b>	<b>100%</b>

\*Data collected according to GRI 405-1

As a science company, our project management positions are almost evenly balanced. At 21% the proportion of women in senior management positions is currently below our own target of at least 30% until 2032. Therefore we actively promote female career development to senior management positions.

### **Equal opportunity & equal pay employer**

BRAIN Biotech is a committed equal opportunity and equal pay employer. In addition, we actively target to promote female career development into management positions.

### **Gender pay-gap in the BRAIN Biotech Group, FY 2021/22**

	Unadjusted** difference hourly earnings in %
Gender pay gap	12.64

For comparison: In 2021, the unadjusted gender pay gap in Germany was 18%. (Source: → [www.destatis.de...](http://www.destatis.de...))

### **Figures explained**

Our employees are our most valuable resource. As a knowledge-driven enterprise our employees have a high level of education, and ongoing on-the-job-training as well as lifelong learning are key elements to stay competitive. We also educate students and trainees to give youth a head start to their careers and to increase our available labor pool for entry job positions. Therefore, the Group supports science master students, doctoral degrees and selectively MBAs.

\*\* Gender pay gap was calculated as:  

$$\left( \frac{\text{Average gross hourly earnings of men} - \text{average gross hourly earnings of women}}{\text{average gross hourly earnings of men}} \right) * 100$$

# Governance: Responsible Business Operation

## Business ethics

Good Corporate Governance involves responsible, value-based and sustainable corporate management and control. This includes the efficient cooperation between the management board and the supervisory board, respect for the interests of employees and shareholders, open and transparent communication as well as an appropriate approach to risk. This directly contributes to the SDGs.

BRAIN Biotech is targeting full operational alliance with all legal requirements and its own values. Our internal guidelines are summarized within the BRAIN Financial Control Framework ("FCF") and the BRAIN Red Book which are dynamic best practice guidelines for the entire Group. Compliance with the FCF Red Book is checked regularly within our internal process. In the future we will also incorporate non-financial metrics such as tracking ESG target progress into our FCF.



For detailed information view our [→ Sustainability Report 2022 \(page 62\)](#)

## Tax

BRAIN Biotech believes its obligation as a responsible taxpayer is to comply with the tax legislation of the countries in which it operates and pays the right amount of tax at the right time. BRAIN Biotech does not only aim to comply with the letter of the law, but also with its spirit. BRAIN Biotech pays tax on profits according to where value is created within the normal course of its business activities.



For detailed information view our [→ Sustainability Report 2022 \(page 64\)](#)

## Innovation

In total, we currently hold around 40 patent families with a larger number of individual patents. In addition, trade secrets on process knowhow build a large part of our intellectual property.

Our IP strategy and BRAIN Biotech's commercial goals are aligned. While monetization of core patents is critical, we consider all IP assets, the entire IP strategy, and the big picture to achieve the best outcome for our company.



For detailed information view our [→ Sustainability Report 2022 \(page 27\)](#)

# GRI Content Index Reference Table

## GRI content index

AR: Annual Report 2021/22

SR: Sustainability Report 2022

CR: Compensation Report 2021/22

**Statement of use** BRAIN Biotech AG, Germany, has reported the information cited in this GRI content index for the period 01.10.2021 – 31.09.2022 with reference to the GRI Standards.

**GRI 1 used** GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	SR: Page 11 – 16
	2-2 Entities included in the organization's sustainability reporting	SR: Page 13
	2-3 Reporting period, frequency and contact point	SR: Page 62, 72
	2-4 Restatements of information	None
	2-5 External assurance	None, planned in the future
	2-6 Activities, value chain and other business relationships	AR: Page 31 – 45
	2-7 Employees	Sustainability data sheet
	2-8 Workers who are not employees	Sustainability data sheet
	2-9 Governance structure and composition	SR: Page 62; AR: Page 21
	2-10 Nomination and selection of the highest governance body	SR: Page 62
	2-11 Chair of the highest governance body	SR: Page 62
	2-12 Role of the highest governance body in overseeing the management of impacts	SR: Page 62

GRI STANDARD	DISCLOSURE	LOCATION
	2-13 Delegation of responsibility for managing impacts	SR: Page 25
	2-14 Role of the highest governance body in sustainability reporting	SR: Page 25
	2-15 Conflicts of interest	No conflicts of interest largest shareholders: <a href="https://www.brain-biotech.com/investors/shares">https://www.brain-biotech.com/investors/shares</a>
	2-16 Communication of critical concerns	SR: Page 64
	2-17 Collective knowledge of the highest governance body	SR: Page 25
	2-18 Evaluation of the performance of the highest governance body	AR: Page 16 – 20
	2-19 Remuneration policies	AR: Page 91 – 95
	2-20 Process to determine remuneration	AR: Page 91 – 95
	2-21 Annual total compensation ratio	Sustainability data sheet
	2-22 Statement on sustainable development strategy	SR: Page 18 – 22
	2-23 Policy commitments	SR: Page 22
	2-24 Embedding policy commitments	N/A
	2-25 Processes to remediate negative impacts	N/A
	2-26 Mechanisms for seeking advice and raising concerns	SR: Page 64
	2-27 Compliance with laws and regulations	No material incidents
	2-28 Membership associations	SR: Page 61
	2-29 Approach to stakeholder engagement	SR: Page 24
	2-30 Collective bargaining agreements	None

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	SR: Page 24-29
	3-2 List of material topics	SR: Page 26
	3-3 Management of material topics	SR: Page 26-29
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	Sustainability data sheet AR
	201-2 Financial implications and other risks and opportunities due to climate change	N/A
	201-3 Defined benefit plan obligations and other retirement plans	AR: Page 152 – 154
	201-4 Financial assistance received from government	AR: Page 151
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	AR: Page 160 – 161
	203-2 Significant indirect economic impacts	N/A
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	N/A
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	All: internal audit No material risks
	205-2 Communication and training about anti-corruption policies and procedures	SR: Page 28, 64
	205-3 Confirmed incidents of corruption and actions taken	None
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 207: Tax 2019</b>	207-1 Approach to tax	SR: Page 64
	207-2 Tax governance, control, and risk management	SR: Page 28, 64
	207-3 Stakeholder engagement and management of concerns related to tax	N/A
	207-4 Country-by-country reporting	N/A
<b>GRI 301: Materials 2016</b>	301-1 Materials used by weight or volume	N/A
	301-2 Recycled input materials used	SR: Page 32, 39, 43
	301-3 Reclaimed products and their packaging materials	SR: Page 54 following
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	SR: Page 54 Sustainability data sheet
	302-2 Energy consumption outside of the organization	N/A
	302-3 Energy intensity	Sustainability data sheet
	302-4 Reduction of energy consumption	Inaugural report
	302-5 Reductions in energy requirements of products and services	Inaugural report
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	SR: Page 39
	303-2 Management of water discharge-related impacts	Inaugural report
	303-3 Water withdrawal	Sustainability data sheet
	303-4 Water discharge	Sustainability data sheet
	303-5 Water consumption	Sustainability data sheet

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 304: Biodiversity 2016</b>	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	SR: Page 54, 61
	304-2 Significant impacts of activities, products and services on biodiversity	SR: Page 55
	304-3 Habitats protected or restored	N/A
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	SR: Page 54 Sustainability data sheet
	305-2 Energy indirect (Scope 2) GHG emissions	SR: Page 54 Sustainability data sheet
	305-3 Other indirect (Scope 3) GHG emissions	SR: Page 19
	305-4 GHG emissions intensity	SR: Page 54 Sustainability data sheet
	305-5 Reduction of GHG emissions	inaugural report
	305-6 Emissions of ozone-depleting substances (ODS)	N/A
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	N/A
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	Sustainability data sheet
	306-2 Management of significant waste-related impacts	SR: Page 31 following
	306-3 Waste generated	Sustainability data sheet
	306-4 Waste diverted from disposal	Sustainability data sheet
	306-5 Waste directed to disposal	Sustainability data sheet

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	N/A
	308-2 Negative environmental impacts in the supply chain and actions taken	N/A
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Sustainability data sheet
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	None
	401-3 Parental leave	SR: Page 58
<b>GRI 402: Labor/ Management Relations 2016</b>	402-1 Minimum notice periods regarding operational changes	N/A
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	SR: Page 58 following
	403-2 Hazard identification, risk assessment, and incident investigation	SR: Page 58 following
	403-3 Occupational health services	SR: Page 58 following
	403-4 Worker participation, consultation, and communication on occupational health and safety	SR: Page 58 following
	403-5 Worker training on occupational health and safety	SR: Page 58 following
	403-6 Promotion of worker health	SR: Page 58 following
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR: Page 58 following
	403-8 Workers covered by an occupational health and safety management system	SR: Page 58 following
	403-9 Work-related injuries	SR: Page 58 Sustainability data sheet
	403-10 Work-related ill health	Sustainability data sheet

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 404: Training and Education 2016</b>	404-3 Percentage of employees receiving regular performance and career development reviews	All
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Sustainability data sheet
	405-2 Ratio of basic salary and remuneration of women to men	Sustainability data sheet
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	None
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None identified
<b>GRI 408: Child Labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	None identified
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	None identified
<b>GRI 410: Security Practices 2016</b>	410-1 Security personnel trained in human rights policies or procedures	N/A
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	411-1 Incidents of violations involving rights of indigenous peoples	N/A
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	SR: Page 61
	413-2 Operations with significant actual and potential negative impacts on local communities	None
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	Data not available
	414-2 Negative social impacts in the supply chain and actions taken	None identified

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	SR: Page 61
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	SR: Page 27 following
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	None

# Imprint

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