



# ESG and Sustainability Data Sheet

B·R·A·I·N

BRAIN Biotech AG

2024

# 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](#) or see our annual updated DNK report under: <https://www.deutscher-nachhaltigkeitskodex.de/bericht/berichte-einsehen>



## **Accounting principles**

We have applied our standard accounting principles for the financial data which can be reviewed in our [→ Annual Report FY 22/23](#).

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 2023

€ thousand	30.09.2023	30.09.2022
<b>Non-current assets</b>		
Intangible assets and goodwill	15,215	16,764
Property, plant and equipment	28,720	28,737
Equity-accounted investments	1,456	1,938
Other non-current assets	70	168
	<b>45,462</b>	<b>47,608</b>
<b>Current assets</b>		
Inventories	9,756	9,661
Trade receivables	9,442	8,036
Other current assets	691	3,811
Current tax assets	56	0
Other financial assets	178	435
Cash and cash equivalents	5,352	8,443
	<b>25,476</b>	<b>30,384</b>
<b>ASSETS</b>	<b>70,937</b>	<b>77,992</b>

€ thousand	30.09.2023	30.09.2022
<b>Equity</b>		
Subscribed capital	21,847	21,847
Capital reserves	93,457	92,660
Retained earnings	-94,161	-85,197
Other reserves	627	328
	<b>21,771</b>	<b>29,638</b>
Non-controlling interests	1,243	4,610
<b>Total equity</b>	<b>23,013</b>	<b>34,248</b>
<b>Non-current liabilities</b>		
Deferred tax	3,768	3,292
Provisions for post-employment benefits for employees	928	1,153
Financial liabilities	24,265	15,435
Other liabilities	966	1,709
Deferred income	518	766
	<b>30,445</b>	<b>22,356</b>

€ thousand	30.09.2023	30.09.2022
<b>Current liabilities</b>		
Provisions	895	654
Tax liabilities	44	190
Financial liabilities	4,741	8,437
Prepayments received	0	13
Trade payables	5,617	6,754
Other liabilities	3,251	3,350
Deferred income	2,932	1,990
	<b>17,479</b>	<b>21,388</b>
<b>EQUITY AND LIABILITIES</b>	<b>70,937</b>	<b>77,992</b>

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

€ thousand	12M 22/23 01.10.2022 – 30.09.2023	12M 21/22 01.10.2021 – 30.09.2022
Revenue	55,335	49,509
Research and development grant revenue	890	786
Change in inventories of unfinished and finished goods and work in progress	144	932
Other income*	771	1,845
<b>Total operating performance</b>	<b>57,140</b>	<b>53,072</b>
<b>Cost of materials</b>		
Cost of raw materials, consumables and supplies, and purchased merchandise	-24,380	-21,671
Cost of purchased services	-977	-1,323
	<b>-25,357</b>	<b>-22,994</b>
<b>Personnel expenses</b>		
Wages and salaries	-18,010	-17,301
Share-based employee compensation	-714	-1,384
Social security and post-employment benefit costs	-3,276	-2,995
	<b>-22,000</b>	<b>-21,681</b>
Other expenses	-10,609	-9,706
<b>EBITDA</b>	<b>-826</b>	<b>-1,309</b>
Depreciation, amortization and impairment	-4,654	-4,340
<b>Operating result (EBIT)</b>	<b>-5,480</b>	<b>-5,648</b>

€ thousand	12M 22/23 01.10.2022 – 30.09.2023	12M 21/22 01.10.2021 – 30.09.2022
Share of profit or loss from equity-accounted investments	-1,492	-2,426
Finance income	789	3,606
Finance costs	-1,307	-1,696
<b>Net financial result</b>	<b>-2,010</b>	<b>-516</b>
<b>Pretax loss for the reporting period</b>	<b>-7,489</b>	<b>-6,165</b>
<b>Income tax expense/income</b>		
a) Current tax expense/income	-168	-226
b) Deferred tax expense/income	-457	50
	<b>-625</b>	<b>-176</b>
<b>Net loss for the reporting period</b>	<b>-8,114</b>	<b>-6,341</b>
of which attributable to non-controlling interests	165	249
of which attributable to the shareholders of BRAIN Biotech AG	-8,279	-6,590
<b>Earnings per share</b>		
Earnings per share, basic undiluted (in €)	-0.38	-0.30
Number of shares taken as basis	21,847,495	21,847,495
Earnings per share, diluted (in €)	-0.38	-0.30
Number of shares taken as basis	21,847,495	21,847,495

€ thousand	12M 22/23 01.10.2022 – 30.09.2023	12M 21/22 01.10.2021 – 30.09.2022
<b>Other comprehensive income</b>		
Net gain or loss from revaluing obligations from post-employment employee benefits*	25	901
Currency translation	290	-245
Other comprehensive income, net	315	656
<b>Consolidated total comprehensive income (loss)</b>	<b>-7,799</b>	<b>-5,685</b>
of which attributable to non-controlling interests	156	231
of which attributable to the shareholders of BRAIN Biotech AG	-7,956	-5,916

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

### Consolidated statement of changes in equity for the period 01.10.2022 – 30.09.2023

€ 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 as 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
Acquisition of shares of non-controlling shareholders	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 / 1 October 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>
<i>Net loss for the reporting period</i>	0	0	-8,279	0	-8,279	165	-8,114
<i>Other comprehensive income</i>	0	0	25	299	324	-9	315
Total comprehensive income (loss)	0	0	-8,255	299	-7,956	156	-7,799
Exercise of put/call agreements for the acquisition of non-controlling interests in fully consolidated Group companies	0	0	1,795	0	1,795	-1,795	0
Acquisition of shares of non-controlling shareholders	0	0	-2,504	0	-2,504	-1,728	-4,232
Transfers due to employee share scheme	0	797	0	0	797	0	797
<b>Balance as at 30 September 2023</b>	<b>21,847</b>	<b>93,457</b>	<b>-94,161</b>	<b>627</b>	<b>21,770</b>	<b>1,243</b>	<b>23,013</b>

## Consolidated statement of cash flows for the period 1 October 2022 – 30 September 2023

€ thousand	12M 22/23 01.10.2022 – 30.09.2023	12M 21/22 01.10.2021 – 30.09.2022
Net profit (/loss) for the period, after tax	-8,114	-6,341
Depreciation, amortization and impairment	4,654	4,340
Deferred tax expense/income	457	-50
Conversion of deferred income into revenue	-3,125	-2,792
Income from release of provisions and liabilities	-135	-231
Share of profit or loss from equity-accounted investments	1,492	2,426
Change in net pension provisions recognized in profit or loss	42	-217
Other non-cash expenses and income	376	-61
Income from the sale of consolidated entities	0	-2,167
Losses on disposals of intangible assets and property, plant and equipment	-4	-28
<b>Gross cash flow</b>	<b>-4,356</b>	<b>-5,120</b>
Change in trade receivables	-1,325	-231
Change in inventories	-41	-2,412
Change in tax assets and liabilities	-201	6
Change in other assets and financial assets	95	-352
Change in trade payables	-1,166	2,529
Change in prepayments	-12	3

€ thousand	12M 22/23 01.10.2022 – 30.09.2023	12M 21/22 01.10.2021 – 30.09.2022
Change in provisions and other liabilities	-703	1,587
Additions from deferred income	3,492	2,505
<b>Cash flows from operating activities</b>	<b>-4,218</b>	<b>-1,485</b>
Net cash inflows from disposals of companies (less cash and cash equivalents divested)	0	-3,096
Net payments from disposals of companies (less cash and cash equivalents disposed of)	3,040	-1,071
Payments to acquire intangible assets	-19	-282
Payments to acquire property, plant and equipment	-2,619	-5,800
Net cash flows relating to other non-current assets	85	-1,401
Investments in equity-accounted investments	-114	-1,173
Proceeds from disposal of current financial assets	6	0
Proceeds from disposal of property, plant and equipment	182	137
<b>Cash flows from investing activities</b>	<b>562</b>	<b>-12,686</b>
Proceeds from borrowings	13,004	352
Repayments of borrowings	-2,958	-2,318
Payments of the Put-Option liabilities for Biocatalysts Ltd	-9,587	0

€ thousand	12M 22/23 01.10.2022 – 30.09.2023	12M 21/22 01.10.2021 – 30.09.2022
<b>Cash flows from financing activities</b>	<b>459</b>	<b>-1,966</b>
<b>Net change in cash and cash equivalents</b>	<b>-3,196</b>	<b>-16,137</b>
Cash and cash equivalents at start of financial year	8,443	24,545
Exchange-rate-related change in cash	106	35
<b>Cash and cash equivalents at end of financial year</b>	<b>5,352</b>	<b>8,443</b>
<b>Cash flows from operating activities include:</b>		
Interest paid	-784	-503
Interest received	15	16
Income taxes paid	-235	-259
Income taxes received	31	0

# Environmental: Minimizing the Environmental Impact from Our Operations

## CO<sub>2</sub> and Scope 1 / 2 Emission Calculation, 2022/2023

Category	Energy Source	CO <sub>2</sub> emission	Unit	Amount	Emission factor*	CO <sub>2</sub> equivalent emissions in kg	Total CO <sub>2</sub> equivalents in metric tons	
Mobility	Electricity	indirect	KWh	15,602.17	0,000485	7.57		
	Gasoline (Benzin)	direct	Liter	5,342.00	0,00303	16.19		
	Diesel	direct	Liter	3,552.00	0,00341	12.11	28.30	Mobility
Heating	Natural gas (Erdgas)	direct	KWh	2,044,262.43	0,000244	498.80	557.01	Heating
	Heating Oil	direct	Liter	19,135.00	0,003042	58.21		
Power/Electricity	Electricity	indirect/total	kWh	2,741,636.78	0,000485	1,329.69	1,337.26	Electricity
Power/Electricity	Electricity	indirect/renewable	kWh	44,349.70	0	0.00	0.00	
							<b>Scope 1 (direct emissions)</b>	<b>585.31</b>
							<b>Scope 2 (indirect emissions)</b>	<b>1,337.26</b>

**Total amount of CO<sub>2</sub> emissions in metric tons: 1,922.57**



Explanation see next page

\* Emission factors from:

[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: CO<sub>2</sub> Rechner für Scope 1 und Scope 2 (as of September 2023)

UBA 2022: "Emissionsbilanz erneuerbarer Energieträger":

<https://www.umweltbundesamt.de/publikationen/emissionsbilanz-erneuerbarer-energietraeger-2022>

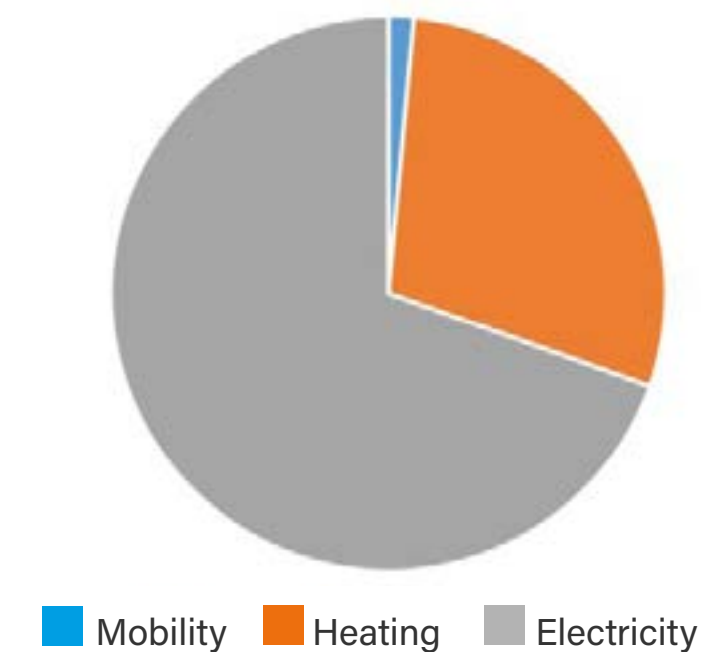
**Emissions are calculated according to the following scheme:**

Consumption value (e.g. natural gas in kWh) x emission factor (emissions per unit, e.g. t CO<sub>2e</sub> per kWh) = emission load in t CO<sub>2e</sub>

CO<sub>2e</sub> stands for CO<sub>2</sub> equivalents, as other greenhouse gases with climate-impacting effects are also emitted. However, CO<sub>2</sub> is the main gas in the scope for our calculation resulting from the use of heating oil, natural gas, cooling, vehicle fuel and electrical energy. We have no direct methane emissions in measurable quantities. Emission factors were taken from the "Bayrische Landesamt für Umwelt" and the given CO<sub>2</sub> calculator from the IZU (Infozentrum Umwelt Wirtschaft). More detailed information and the exact calculation table employed can be found in the section below "Sources: Scope Emissions".

We have employed the same consolidation scope as for our financial reporting. All group companies of FY 2022/23 are part of our emission reporting with the exception of financial participations below 50 % of equity holding. Our financial participations consist

Scope 1 and 2 Emissions of BRAIN Biotech Group



only of science services or clinical development firms with very limited own emissions.

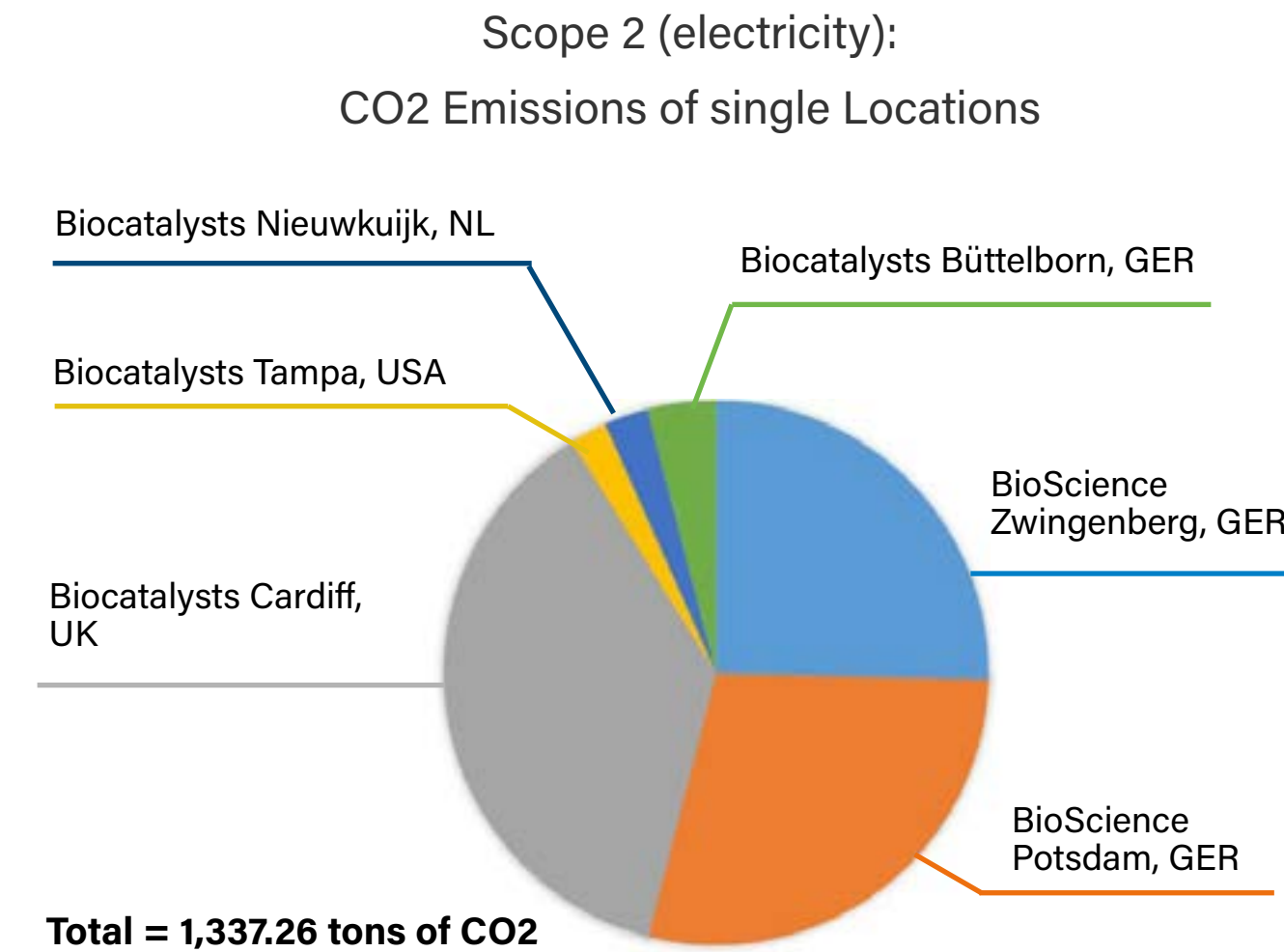
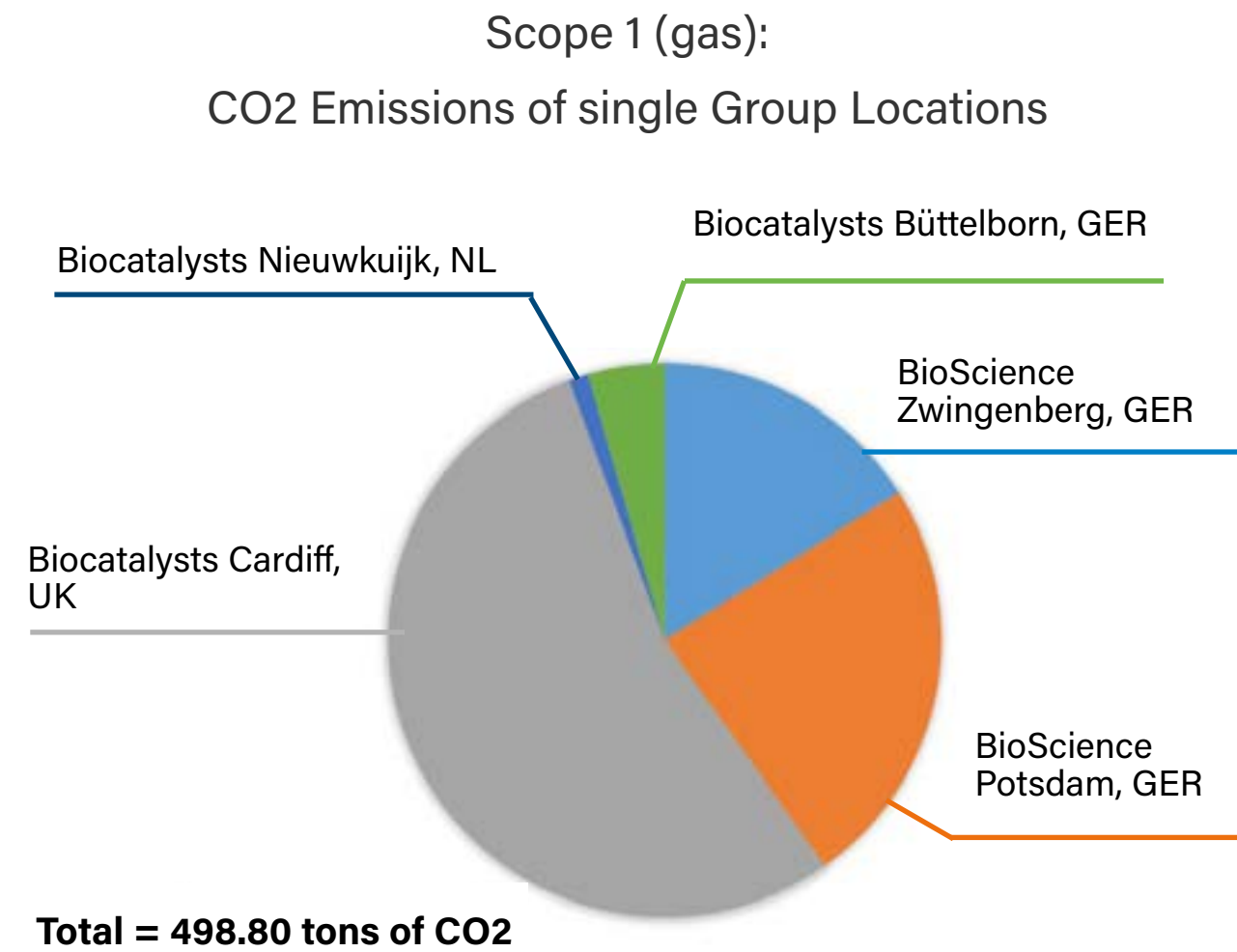
The major parts of our CO<sub>2</sub> emissions with a total of 1,922 tons result from the usage of electricity (70 %) and gas for heating and steam generation (29 %). The emissions for our vehicle fleet are negligible.

With respect to save CO<sub>2</sub> emissions arising from the consumption of electrical energy from carbon resources, in May 2024 a solar power system was

connected to the grid and produces its own electricity at our site #BioScience, Zwingenberg. It is assumed that 15 % less energy from the standard mix will be needed at this site. Since Zwingenberg currently is responsible for 25 % of the total electrical energy used, this will be equate to 5 % of the total electrical energy of the group. Furthermore, a solar power system is currently built up at our site #Biocatalysts UK and will be connected to the grid this summer. Even more, our site in UK will only use green electricity beginning from this summer. Since #Biocatalysts UK is the main consumer of electrical energy with 37 %, we target to reduce our Scope 2 emissions already by around 42 % (37 % + 5 %) for the fiscal year 24/25.

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.





**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:

[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) Applied emission factors: UBA 2022: Emissionsbilanz erneuerbarer Energien

**Scope 1:** In the reporting year the direct (Scope 1) GHG emissions count 585.31 tons of CO<sub>2</sub> equivalent. 498.5 tons are due to gas consumptions, mainly natural gas, – the remaining 87 tons come from fuels for mobility and heating oil in one subsidiary (heritage building).

There are no significant changes to name. The scope 1 emissions increased by 7.6% compared to the base year (2020/21), which is due to our company growth. The BRAIN Biotech Group showed an increase in their total operating performance from 53.07 million euros to 57.14 million euros in the last year, which is an exact growth rate of also 7.6 %. The largest gas consumers within the Group are our sites Biocatalysts UK with two large scale

fermenters as well as BRAIN Biotech Zwingenberg and BRAIN Biotech Potsdam.

**Scope 2:** In the reporting year the direct (Scope 2) GHG emissions count 1,337 tons of CO<sub>2</sub> equivalents. Scope 2 was calculated from the energy we use for our production sites, R&D locations and within our vehicle fleet. For the CO<sub>2</sub> equivalent GHG emissions we assumed the standard German energy mix. We do not have detailed information on the energy mix of the different subsidiaries and therefore do not know which energy sources are used in the respective production sites.

The emissions in the base year (2020/21) amounted to 971.79 tons of CO<sub>2</sub> equivalent. Scope 2 emissions increased by 37% compared to the base year, which is on the one hand due to our company growth of 7.6 % (see explanation on scope 1). However, the major factor was that we used a smaller emission factor before. From FY2021/22 to FY2022/23, where we used the same emission factors, our Scope 2 emissions decreased by 3% even if we grew by 7.6%. This shows that our energy reduction approaches from the last two years already count in.

**Total water withdrawal and consumption  
2022/2023**

Water	Amount in mega liters
<b>Total water withdrawal</b>	<b>14.55</b>
Surface water	0.88
Groundwater	0.00
Seawater	0.00
Produced water	0.00
Third-party water	13.67
<b>Total water consumption</b>	<b>1.82</b>
Surface water	0.68
Groundwater	0.00
Seawater	0.00
Produced water	0.00
Third-party water	1.14

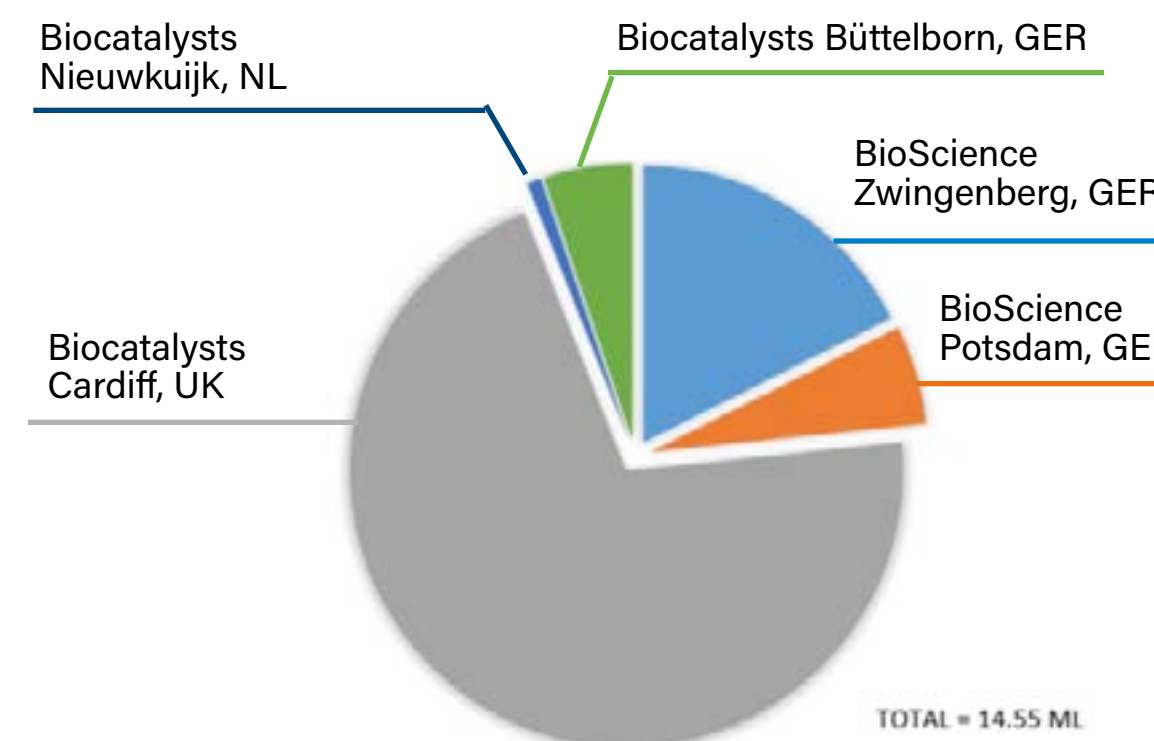


**Environmental  
breaches**

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

The calculation of the water consumption results from the monthly statements of the respective waterworks utility. The BRAIN Biotech Group companies are located in different regions/countries. No manufacturing or R&D location is located in an area of water stress and we have no out-sourced production sites from companies in areas with water stress. The total water withdrawal in the fiscal year 2022/23

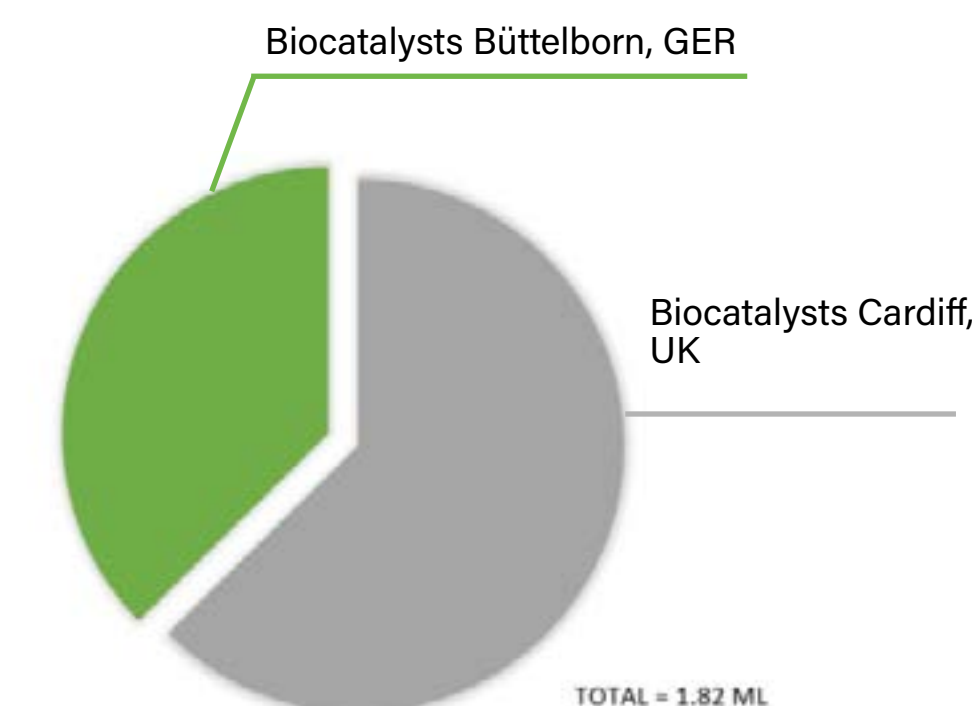
Water Withdrawal\*



\* Data not available for location in the USA

amounted to 14.55 mL and the total water consumption to 1.82 mL. 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) (#consumption), but is mainly treated and recirculated in the water systems (#withdrawal). We only use surface water in drinking water quality or water, which is provided by municipal water suppliers (third party water). The water withdrawal and consumption rates are comparable to the fiscal year 2021/22. Highest amounts of water (70 %) are used at #Biocatalysts UK, where we produce enzymes in several fermenters up to two 10 m<sup>3</sup>.

Water Consumption\*



\* Data not available for location in the USA

**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/...)

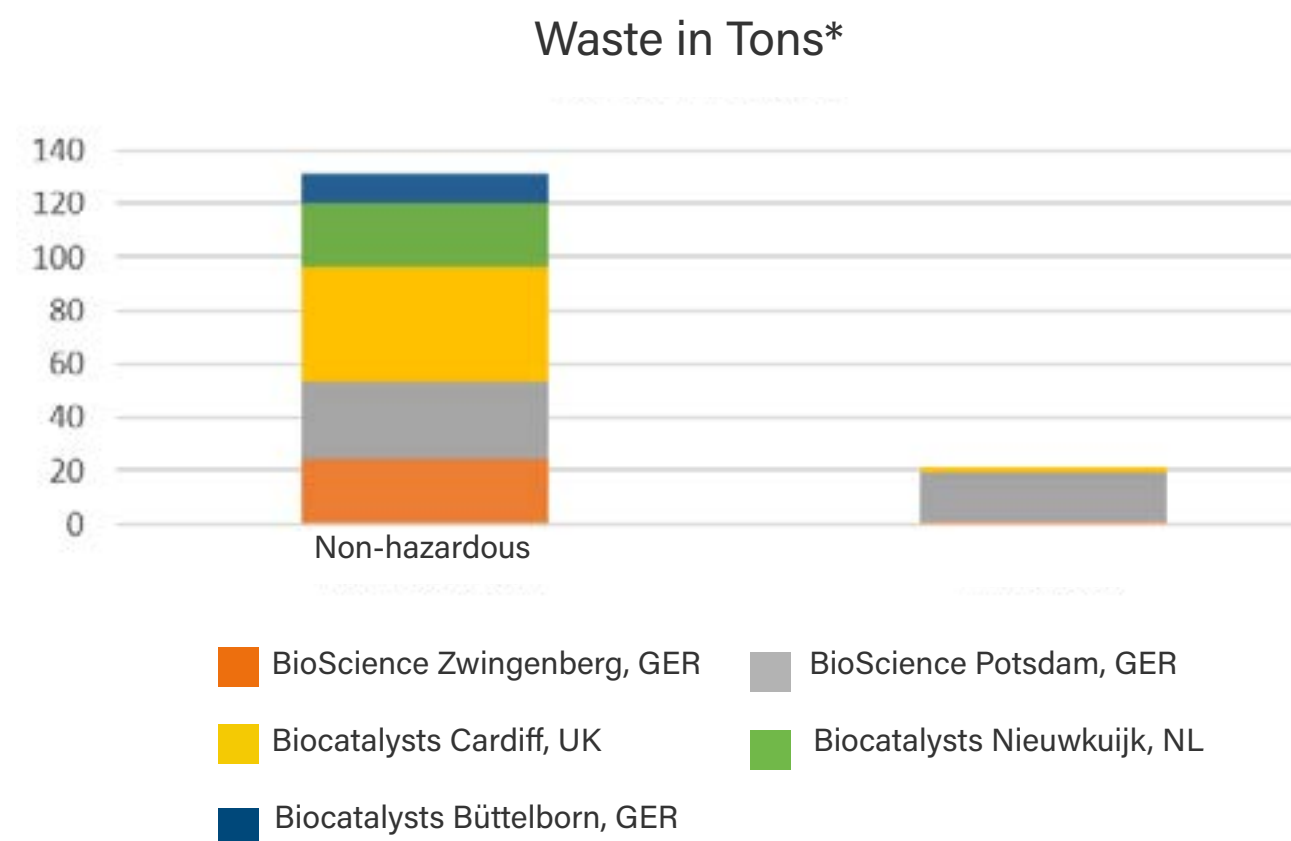
Water quality sheet for WeissBioTech GmbH: → [www.wasserwerk-gerauer-land.de/...](http://www.wasserwerk-gerauer-land.de/...)

Water quality sheet for Biocatalysts Ltd: → [corporate.dwrcymru.com/...](http://corporate.dwrcymru.com/...)

**Total amount of waste, 2022/23**

Type of waste	t
Non-hazardous waste	131.05
Hazardous waste	21.19
<b>Total weight of waste</b>	<b>152.24</b>

The total amount of waste generated for the reporting period is 152.24 tons. This figure is based on the following waste types and subsidiaries:



\* Data not available for location in the USA

circular system wherever possible and legally allowed. Hazardous and non-hazardous waste is sorted and professionally treated according to the applicable local regulations.

The data collection was carried out via queries to the subsidiaries and invoices from the respective waste management companies. In addition, our biggest production site #Biocatalysts UK is certified as a zero waste to landfill site, where all non-hazardous waste is recycled.

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

# Social: Livable & Satisfying Employment

## Detailed employee breakdown, end of FY 2022/23

Group	Sep 22
Executive Board and Managing Directors	9
<b>Total employees</b>	<b>332</b>
thereof salaried employees	313
thereof industrial employees	24
Temporary employees	12
Trainees	7
Students	8

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 22/23. We have included data from the following 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 2022/23

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 2022/23 was 39.5 years.

### Hires

Number	61
Average age	34.58

### Exits

Number	60
Average age	38.88

### **Educational levels (employees\*) at BRAIN Biotech AG Zwingenberg, FY 2022/23**

Educational level	Description	Number of employees	%
0	Early childhood education	0	0
1	Primary education	0	0
2	Lower secondary education	0	0
3	Upper secondary education	0	0
4	Post-secondary non-tertiary education	41	33
5	Short-cycle tertiary education	4%	3
6	Bachelors or equivalent	14%	11
7	Masters or equivalent	37%	30
8	Doctorates or equivalent	26%	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 more than 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 2022/23**

**GRI SRS 403-9: Work related injuries:** There have been no fatalities (0) as a result of work-related injuries. There have been no high-consequence work-related injuries. There has been 1 recordable work-related injury and 16 smaller (recorded) injuries, which did not need to be diagnosed by a physician and which did not result in days away from work. The 1 recordable injury was a twisted ankle and the smaller injuries were cuts, skin irritations. The total number of hours worked in the fiscal year 2022/23 amounted to 523,932.66 hours giving a LTIF rate of 1.91.

LTIFR is calculated per 1 million hours worked.

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

Group	2022/23
Employee total hours worked	523,932.66
Number of injuries without lost time	16
Number of lost time injuries (with at least one day of absence)	1
<b>LTIFR</b>	<b>1.91</b>

**GRI SRS 403-10: Work related ill health:** There have been no fatalities as a result of work-related ill-health. There was 1 case of recordable work-related ill-health, which was a suspected sensitization.

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

Work related ill health (GRI SRS-403-10)

For all employees, the number of...	
... fatalities as a result of work-related ill health	0
... cases of recordable ill health	1

Work related injuries (GRI SRS-403-09)

... fatalities as a result of work-related injury	0
... high-consequence work-related injuries	0
... recorded work-related injuries	16
Recordable work-related injuries	1

**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 21/22*	FY 22/23
Average annual fixed compensation of the Executive Board	365,500.00	368,500.00
Average annual compensation of all employees	55,993.00	60,175.22
<b>Factor</b>	<b>6.53</b>	<b>6.12</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 21/22*	FY 22/23
Average annual compensation (incl. Short-term bonus) Executive Board	498,500.00	700,500
Average annual compensation of all employees	55,993.00	60,175.22
<b>Factor</b>	<b>8.90</b>	<b>11.64</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 21/22*	FY 22/23
Average annual compensation (inclusive all boni + stock options) of the Executive Board	714,500.00	864,500.00
Average annual compensation of all employees	55,993.00	60,175.22
<b>Factor</b>	<b>12.76</b>	<b>14,37</b>

<b>Additional explanatory data</b>	FY 21/22*	FY 22/23
Average monthly fixed compensation Executive Board	30,458.33	30,708.33
Average short-term boni per FY (Executive Board)	133,000.00	332,000.00
Average long-term boni (including stock options) per FY (Executive Board)	349,000.00	496,000.00
Average monthly compensation employees	4,666.08	5,014.60

\* according to GRI 102-38

### **Diversity and inclusion in the BRAIN Biotech Group, FY 2022/23**

Total number of employees	332
Total number of unlimited employees	313
Total number of temporary employees	12
Total number of trainees	7
Total number of students	8
<hr/>	
Total number of woman	166
Total number of men	166
<hr/>	
Total number of male full-time employees	153
Total number of female full-time employees	105
<hr/>	
Total number of male part-time employees	13
Total number of female part-time employees	61

We established novel definitions for leadership positions within the BRAIN group in order to distinguish between leadership levels and with respect to calculate an adjusted gender pay gap.

In FY22/23, we had a share of 45% female employees within our general management. In more, senior levels we had a share of 34% (middle management) and 31% (senior management). In the coming years, the parity-based composition of our General Management will be a strong basis for filling senior positions in order to further increase the proportion of women on this level.

1. Senior Management = participation in corporate strategies, professional and disciplinary management (e.g. Managing Directors, Head Of Finance or Head of R&D...)

2. Middle Management = professional and disciplinary management (e.g. Unit Heads, Team Leads, Platform Leads, Head of Quality...)

3. General Management = professional management either in science, e.g. project leaders or project managers or in organizational topics, e.g. staff positions like QM, Manager IP, Manager ESG..)

### **Women in management positions in the BRAIN Biotech Group, FY 2022/23**

	Male	Female	Total
<i>Total numbers</i>			
Senior Management*	15	7	22
Middle Management**	19	10	29
General Management***	37	31	68
<hr/>			
<i>Percent [%]</i>			
Senior Management*	68,2	31,8	100
Middle Management**	65,5	34,5	100
General Management***	54,4	45,6	100

\* Participation in corporate strategies, professional and disciplinary management, e.g. MD, Head Of Finance, Head of R&D...

\*\* Professional and disciplinary management, e.g. Unit Heads, Team Leads, Platform Leads, Head of Quality...

\*\*\* Professional management either in science, e.g. project leaders or project managers or in organizational topics, e.g. staff positions like Quality Manager, Manager IP

### 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 position.

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

\*\* Gender pay gap was calculated as:  

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

### Adjusted gender pay-gap in the BRAIN Biotech Group, FY 2022/23\*

Average salaries	GPG [%]
Senior Management position <sup>1</sup>	17.95
Middle Management position <sup>2</sup>	19.10
General management or leadership position <sup>3</sup>	8.49
Engineering or administrative positions <sup>4</sup>	5.68
(Technical) Assistant positions <sup>5</sup>	-2.52

\* Due to small number of employees within certain brackets limited statistical relevance

<sup>1</sup> Participation in corporate strategies, professional and disciplinary management, e.g MD, Head Of Finance, Head of R&D...

<sup>2</sup> Professional and disciplinary management, e.g Unit Heads, Team Leads, Platform Leads, Head of Quality...

<sup>3</sup> Professional management either in science, e.g. project leaders or project managers or in organizational topics, e.g. staff positions like Quality Manager, Manager IP...

<sup>4</sup> e.g. engineers in science or production or administrative employees with Master degree or experienced employees with lower degrees...

<sup>5</sup> e.g. employees in production, science or administrative positions with assistant tasks, probably holding bachelor degrees or lower

For comparison: In 2022, the unadjusted gender pay gap in Germany was 18 %. (Source: → [www.destatis.de](http://www.destatis.de).)

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.



# 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 2022/23  
SR: Sustainability Report 2022  
CR: Compensation Report 2022/23

**Statement of use** BRAIN Biotech AG, Germany, has reported the information cited in this GRI content index for the period 01.10.2021- 31.09.2023 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 and other business relationships	AR: Page 37 – 42
	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 9 – 20
	2-19 Remuneration policies	AR: Page 27
	2-20 Process to determine remuneration	CR: Page 1 – 5
	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 117 - 127
	201-4 Financial assistance received from government	AR: Page 117 - 118
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	AR: Page 105 - 106
	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

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