

WE ARE ACHÉ

2023 ANNUAL REPORT

achē
better living for you

OUR STRENGTH

Our history has been formed by many cycles.
We live our discoveries and achievements intensely.
With them, we grow, learn and mature.

We have reached the age of 57 and have begun a new phase in Aché's history, inspired by the life that is renewed every day. We are revitalizing the way we operate, aware of our responsibility to millions of people throughout Brazil. We are moving forward, motivated by everything we have achieved so far and, above all, by the potential of the future we are already building. We are certain of the STRENGTH that we are.

Here, we reiterate our commitment to being tireless in pursuit of better quality of life. We serve one patient at a time until we reach hundreds of millions of people. We are all protagonists of this time that is beginning.

We are Aché.



In this report, you will find information on our performance in the 2023 year with regard to GRI and SASB criteria. The aim is to offer transparency, highlighting where we are progressing as well as our main challenges. The sole purpose of this document is to disclose institutional information and the company's annual results, without any advertising slant.

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INTRODUCTION

2023 marks the beginning of Aché's revitalization. We got reorganized in order to build the foundations of a new cycle. We evolved. We revisited our history objectively to understand what we should keep and what we can do differently. We looked outward and charted the course to get where we want to go. We are moving forward, certain of the **STRENGTH** of our purpose and the difference we can make in the lives of millions of people.

OUR INTERPRETATION OF THE WORLD

During our more than 50 years of operation, we have witnessed and participated in countless socio-economic changes in Brazil and around the world. Addressing challenges, identifying opportunities and creating innovative solutions through products and services, with ethical relationships, is part of our commitment to society. Below we highlight the main global demands and trends that are catalysts for many of our initiatives today.

Brazil as a bio-economy power

Global demands to protect endangered biomes, coupled with the relevance of Brazil's biological diversity, can be transformed into many opportunities to develop sustainable businesses based on the so-called green economy. We believe that the pharmaceutical industry can – and should – connect to this movement, pursuing possibilities for biodiversity-based innovation, such as Bioprospira, a platform based on ethnopharmacology and bioprospecting approaches to discover new molecules with therapeutic potential.

Climate change

The transition to a low-carbon economy is essential if we want to reduce the effects of climate change on the planet. There is no shortage of scientific evidence on the environmental, social and economic impacts of events generated by global warming. That is why we have invested in initiatives focused on reducing our climate footprint, using our yearly greenhouse gas emissions inventory as the starting point. Some examples include: buying energy from renewable sources and switching the fuel in our vehicle fleet, which is now at least 90% supplied by ethanol.

Digitization and Artificial Intelligence

The digitization of products and services and the popularization of Artificial Intelligence have transformed the world in recent years, representing catalysts for changes that are revolutionizing the economy and society at a speed that has never been seen. There is no way to think about the

future without considering the possibilities that technological advances bring us. Our factory in Cabo de Santo Agostinho (PE), designed with the best Industry 4.0 technology, is an example of our efforts to revitalize our business, improve our products and strengthen relationships with doctors, patients and business partners.

Mental health demands and impacts

Mental health has become prominent in public debate, and its relevance has been increasingly recognized, especially after the pandemic. Whether due to its biological, social, cultural or economic aspects, this is a complex issue that requires different perspectives and approaches. In Brazil, recent estimates have shown that depression and anxiety disorders account, respectively, for the fifth and sixth leading causes of years lived with disability. To us, developing pharmacological and non-pharmacological solutions to help doctors and patients promote mental health is a responsibility in our industry.

New world, new audiences

Today, we are seeing an evolution of two of our main audiences: doctors, who are becoming younger and more digital, prioritizing virtual content and relationships; and patients, who search the internet for information about their own health and seek care online. Promoting and strengthening relationships in this new context is essential. At Aché, we have created initiatives for the company to become a reference in continuing medical education; we have consolidated the use of WhatsApp and Chatbots for interaction with healthcare professionals; and we have created a digital solutions area focused especially on relationships with patients.

SHAREHOLDERS



“We preserve our essence based on ethics, credibility and a consistent relationship with doctors, while constantly seeking innovation to bring more and more life to people.”

Adalberto Baptista



“Innovation, pioneering spirit, ethics and trust are the pillars of our essence. We are at a time of transformation and we want to innovate to bring more life to people while honoring the solid bond of trust built with doctors throughout our history.”

Jonas Siauly



“Revitalizing the company is a chance to solidify what we have learned and prepare for the future, but it takes time and dedication. The level of complexity in our industry is high, and the market is increasingly competitive. It is essential for us to continue standing out with innovation, reaffirming our commitment to excellence in healthcare and our mission of improving people’s quality of life.”

José Luiz Depieri

“We want to remain one of the country’s leading pharmaceutical laboratories, maintaining solid relationships and credibility with doctors. At the same time, we pursue innovation and remain attentive to our patients’ needs.”

Ricardo Baptista



ADVISERS



Raul Calfat
Board Chairman



José Rogério Luiz



Alexandre Lindenbojm



Mauro Figueiredo



Geraldo Carbone



Luiz Pretti

“2023 marks the beginning of a revitalization cycle for Aché. We know where we want to go, what we need to do and why we need to do it along this journey.”

—
José Vicente Marino
CEO



MESSAGE FROM THE PRESIDENT

GRI 2-22

Our first steps

I've learned from life that work, discipline and dedication, when driven by a strong sense of purpose, empathy and caring for people, can produce the extraordinary. My personal desire to make a difference in everything I do is what brought me to Aché. Not only because of its inspiring story, but also for all the potential we can achieve.

After a year of significant growth after the pandemic in 2022, we focused on building and leading a strategy in 2023 to drive a revitalization cycle for the company. We reconnected with our history, to recognize not only what has brought us this far, but everything we can do better, with the clear conviction that our greatest STRENGTH lies in the Aché way of being and doing. We are more than five thousand employees driving a competitive and responsible business model, serving doctors and patients in a tireless search for the best treatment.

This is how we improve the world: by bringing more life to people, one patient at a time.

Over the past year, we have reviewed our performance by directing efforts and investments toward key processes, such as innovation, to support a new leap in growth. We invest 5% of net revenue in the development of products, technologies and prospecting for partnerships. We also released 50 products in the market; we reorganized our demand team, starting to expand the medical visitation base; and we revisited our focus and the way we operate in order to better serve our commercial partners.

Recognizing the need for new perspectives and other skills, we renewed the company's leadership: experienced professionals from the pharmaceutical industry and other segments and industries joined executives who had helped build our history to date.

Together, we form a diverse team that envisions opportunities and designs a future in which we reach our full potential.

The digital transformation has gained strength. Understanding the current and future impact on society of digitization, Artificial Intelligence and Industry 4.0, as well as everything that we can and will build, we are increasingly investing on this front to accelerate our revitalization.

2023 was a year of reorganization. A year of laying the foundations for a new cycle of growth sustained by the STRENGTH that has brought us this far. Of projecting what is new and mapping out where we want to go. We know what needs to be done and what we will do to get there.

I invite our employees, doctors, customers, suppliers and all our business partners to join us in living up to our purpose of bringing more life to people. We will write another

chapter in Aché's 57-year history, combining innovation, technology and the strength of our relationships, renewing our commitment to promote health care on a daily basis.

We will continue impacting one patient at a time, until we reach hundreds of millions of people.


José Vicente Marino
CEO

ACHÉ. OUR STRENGTH IN MOVEMENT

The 2023 financial year was marked by the start of a new evolution cycle for Aché. The path we have mapped is clear: we will grow sustainably, aware of our responsibility and impact, seeking to be a reference on every front in which we operate, with increasingly profitable operations.

With this ambition in mind, we have reflected on the past, present and future and concluded that we need to chart new paths, to change. Transforming to be able to grow. For this reason, among other actions, we have renewed our leadership, restructured business units and created a Transformation Office to accelerate the revitalization of Aché.

We will move forward with short-, medium- and long-term strategies based on three main objectives:

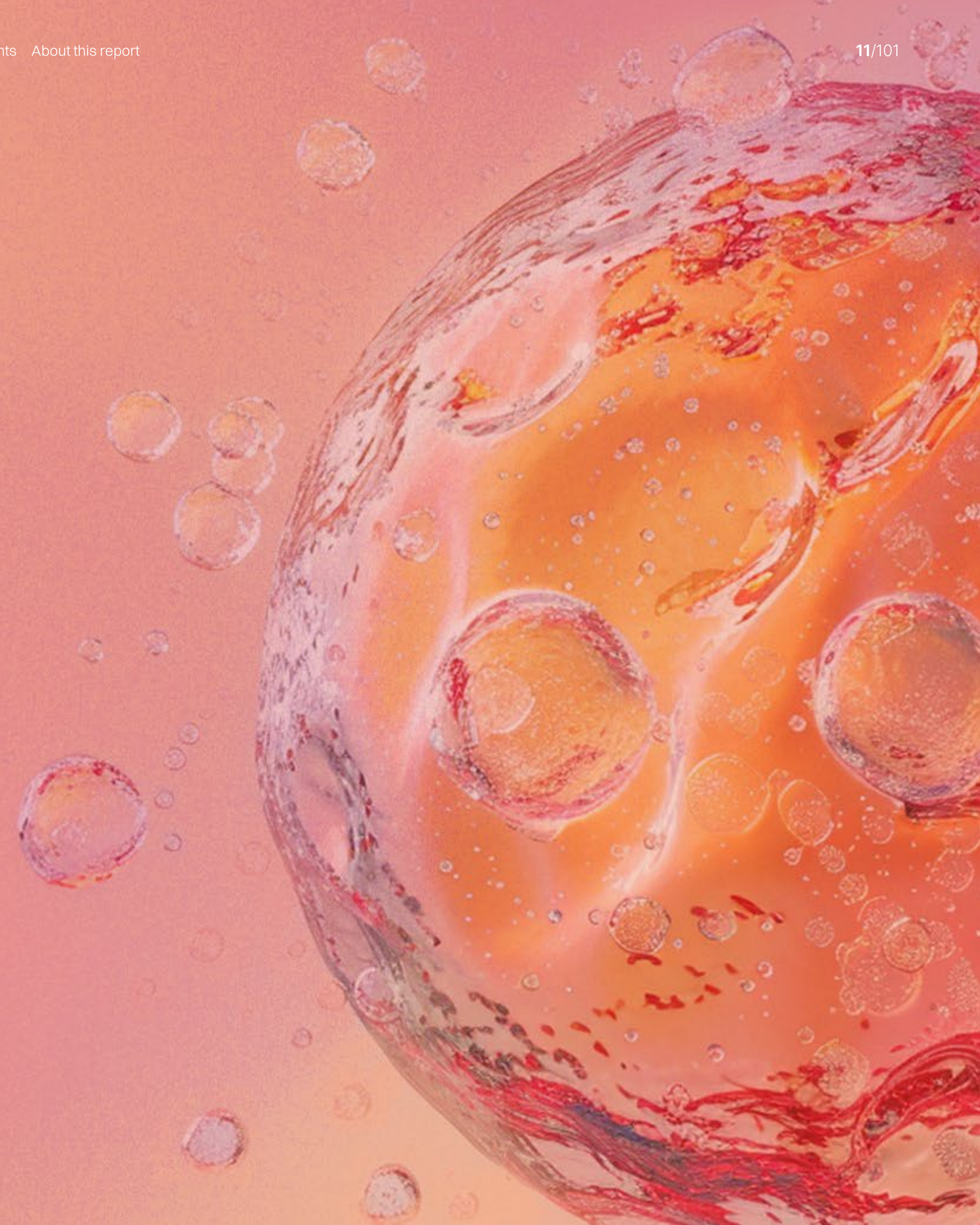
- 1. Restoring the essence and historic strengths of Aché.**
- 2. Promoting evolution of the business model.**
- 3. Operating in an agile and profitable manner.**

LiderAché

LiderAché was created in 2023 to drive this new cycle of transformation, a movement that operates on three pillars: resource optimization, revenue generation and people engagement.

The process of cultural evolution, which began in 2022, is taking shape and traction and is being strengthened by the LiderAché initiatives.

The two movements now go hand in hand in an interdependent way, aiming to disseminate a high-performance mindset, focused on delivering results, strategic thinking and the agility needed to overcome obstacles and ensure that all results are achieved.



2023 HIGHLIGHTS



BUSINESS

Net revenue of

BRL 4,959 billion.



288,500,000

units produced in the 5 plants,
8.3% higher than 2022.

EBITDA of BRL
861,500,000 with a

17,4% margin.



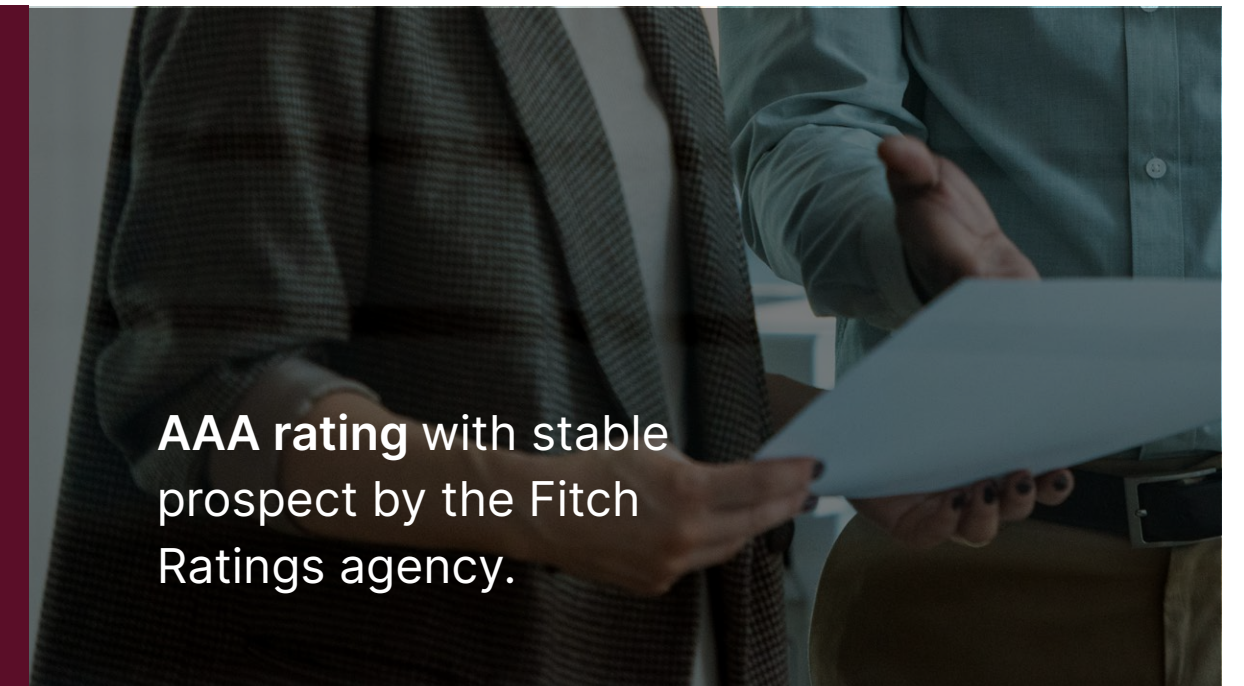
New
management
composition.



Creation of the
Transformation
Office.



Revision of the
strategic risk
matrix to include
ESG criteria.



AAA rating with stable
prospect by the Fitch
Ratings agency.

Redesign of business units, which
are now independent and focused
on their specific areas.

Approval of the
Sustainability Policy and
implementation of the
Sustainability Governance
structure, with the creation
and implementation of three
Committees: **Sustainability,
Social Responsibility
and Diversity, Equity
& Inclusion.**



Net profit of

BRL 612,400,000.



2023 HIGHLIGHTS




**INNOVATION
AND
TECHNOLOGY**



**BRL
29,000,000**
invested in Digital Transformation.



Revitalization of the **Caring
for Life** program as a complete
relationship platform.



2023 Valor Innovation Award
1st place in the
Pharmaceuticals and Life
Sciences category.



5%
of net revenue
invested in income.



50
products launched.



**OVER
200**
products in the pipeline, in the
research and development process.


2023 HIGHLIGHTS



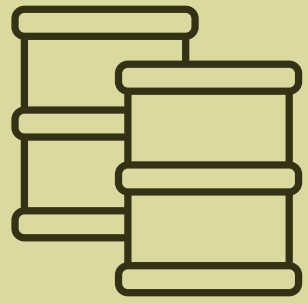
ENVIRONMENT



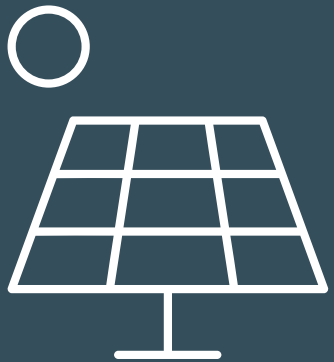
Change in the guidelines on fuel use so that up to **90% of our fleet** of more than three thousand vehicles is fueled exclusively with ethanol.



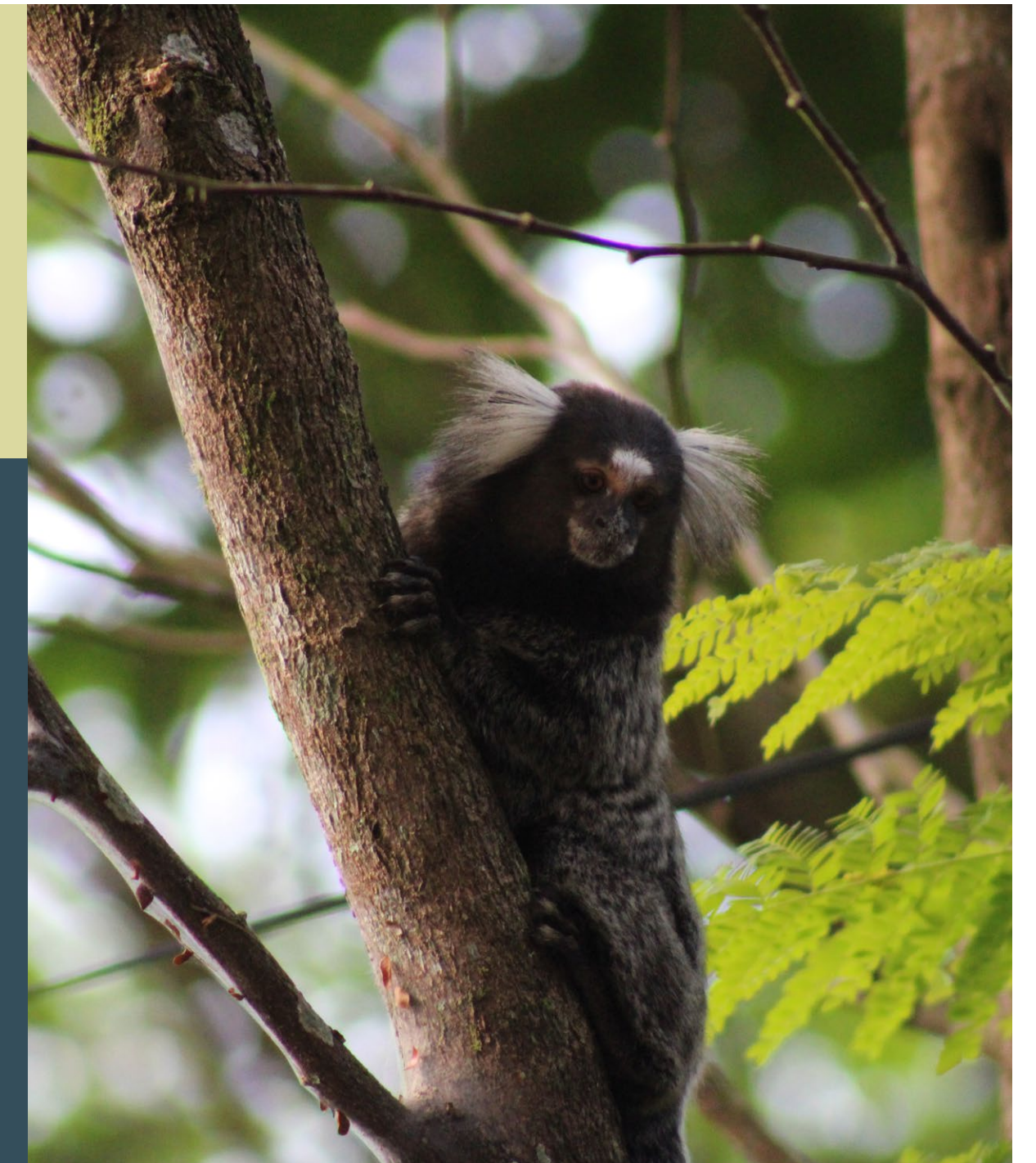
Hiring a consulting firm to refine the greenhouse **gas emissions inventory** and support the creation of a strategic decarbonization plan.

End of sending **industrial waste** to landfills.



100%
of energy purchased from renewable sources and formalization of a partnership with Atiaia Renováveis for the self-production of electricity from photovoltaic sources, which will supply the Aché units in Guarulhos, Nações Unidas, Pernambuco and Anápolis starting in January 2025.



A socio-environmental diagnosis conducted in Pernambuco, identifying **69 species of fauna and 30 species of flora** in the areas directly impacted by Aché's activities.

2023 HIGHLIGHTS



SOCIETY

Donation of more than
85,000

medication units to people affected by the rains in Rio Grande do Sul and on the coast of São Paulo state.



BRL 4,000,000

invested through incentive laws and our own resources to implement social projects.



Definition of social investment drivers: **healthcare and health education.**



3,100,000

new consumers signed up on the Caring for Life Relationship Platform, promoting benefits and information on medications to support patients.



ACKNOWLEDGMENTS

1ST place in the ranking of the most innovative companies in the Pharmaceutical and Life Sciences sector, for the 9th consecutive year, in the **Valor Brazil Innovation** yearbook.

1ST place in four categories at **Lupa de Ouro**, including the Adalmiro Baptista Marketing Excellence Award.

1ST place in the Pharmaceutical Industry category, **Modern Consumer Award**.



2ND place in the Pharmaceutical category and 9th place in the Beauty, Aesthetics and Cosmetics sector – Manufacturers by the **Reclame AQUÍ Award**.

3RD place in the Pharmaceuticals and Cosmetics category in the 23rd edition of the **Valor 1000 Award**.

4TH place in the Pharmaceutical and Beauty sector in the **Exame Melhores & Maiores** yearbook.

ABOUT THIS REPORT

GRI 2-1; 2-2; 2-3; 3-1; 3-2

For 57 years, we have dedicated ourselves to creating innovative solutions for the pharmaceutical market, with the aim of bringing more life to people, wherever they are. We are one of the five leading pharmaceutical companies in Brazil, according to the Pharmacy Purchase Price (PPP) ranking. This report presents the results of our five plants: **São Paulo (capital), Guarulhos (SP), Anápolis (GO), Londrina (PR), Cabo de Santo Agostinho (PE) and Neolog (distribution center in Guarulhos)**. The data covers the period from January to December 2023.

We have adopted the best reporting practices and recommendations for an Integrated Report, based on the guidelines of the International Integrated Reporting Council (IIRC), to clearly and transparently

report financial and non-financial factors and their relevance to the generation of value for the business, as well as for our stakeholders.

We drafted the report based on the guidelines of the Global Reporting Initiative (GRI), the best voluntary global practice for reporting on sustainability and ESG – Environment, Social & Governance. We have also followed the guidelines of the Sustainability Accounting Standards Board (SASB), a voluntary standard for sectoral sustainability reporting.

If you have any questions, suggestions or would like to know more about the topics and information presented in this report, please contact us: relatorioanual@ache.com.br



RETRIEVING THE ESSENCE: THE STRENGTH OF BEING ACHÉ

José Nildo de Oliveira, production
operator in the solids area
at the Guarulhos plant.

In this chapter, we present our
history, deliveries and cultural
evolution, highlighting where we
are, where we want to go and the
STRENGTH that will take us farther.



OUR ACHIEVEMENTS

- We are one of five major pharmaceutical laboratories in Brazil, recognized for our innovation, resilience and relations with our stakeholders.
- We materialize our culture in our way of being and doing, which connects our behaviors to our purpose.
- We implement solid and robust governance, reinforcing our commitment to transparency and administrative responsibility.

OUR CHALLENGES AHEAD

- To continue with the structural changes begun in 2023, pursuing the goal of preparing the company and engaging all our employees for a cycle of resumed growth to begin.

WHERE WE WANT TO GO

- To become a more agile and profitable business, more competitive and with sustainable growth.
- To establish a portfolio with performance that is less dependent on medications for seasonal pathologies.
- To disseminate and integrate our purpose, culture and strategy, in order to generate value for all our stakeholders.

WHERE WE CAME FROM

Founded by Adalmiro Dellape Baptista, Antônio Gilberto Depieri and Victor Sialuys, Aché has gone through different evolution cycles over these 57 years of operation. It has weathered historical events, economic crises of different intensities, exponential technological leaps and profound social changes in Brazil and around the world.

A trajectory of overcoming, innovation and resilience that makes Aché one of the most recognized laboratories in the country. A company that is at the service of care and the lives of millions of people.

2023 marks the beginning of a new transformation cycle. It was a time to reclaim our essence and recognize the STRENGTH we have to make our business even more agile, profitable and capable of responding to the world's challenges.

Aché building in Ribeirão Preto (SP).



WHAT WE DO

We are a Brazilian pharmaceutical laboratory with a history of innovation, safety and quality, earning the trust of doctors and millions of people.



O ACHÉ

We are one of **5 major** Brazilian pharmaceutical corporations.

More than 6,000 employees.

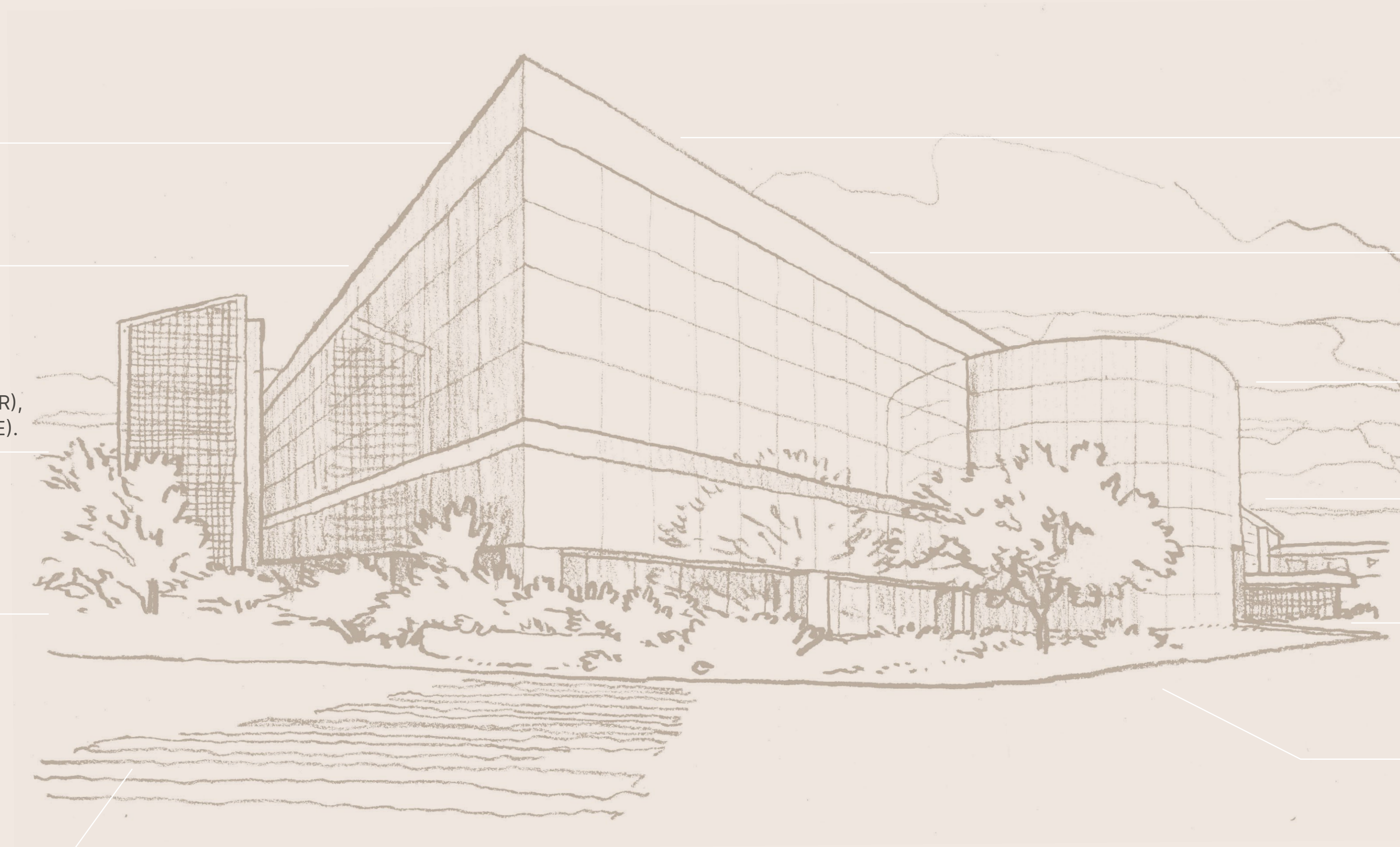
5 industrial plants, located in

São Paulo (capital), Guarulhos (SP), Londrina (PR), Anápolis (GO) and Cabo de Santo Agostinho (PE).

General warehouse and distribution center, **Neolog**, located in Guarulhos (SP).

18 countries covered by the out-licensing agreement:

Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Venezuela, Philippines, Japan, Mozambique, Ukraine, Vietnam.



351 brands with 906 different uses.

152 therapeutic classes.

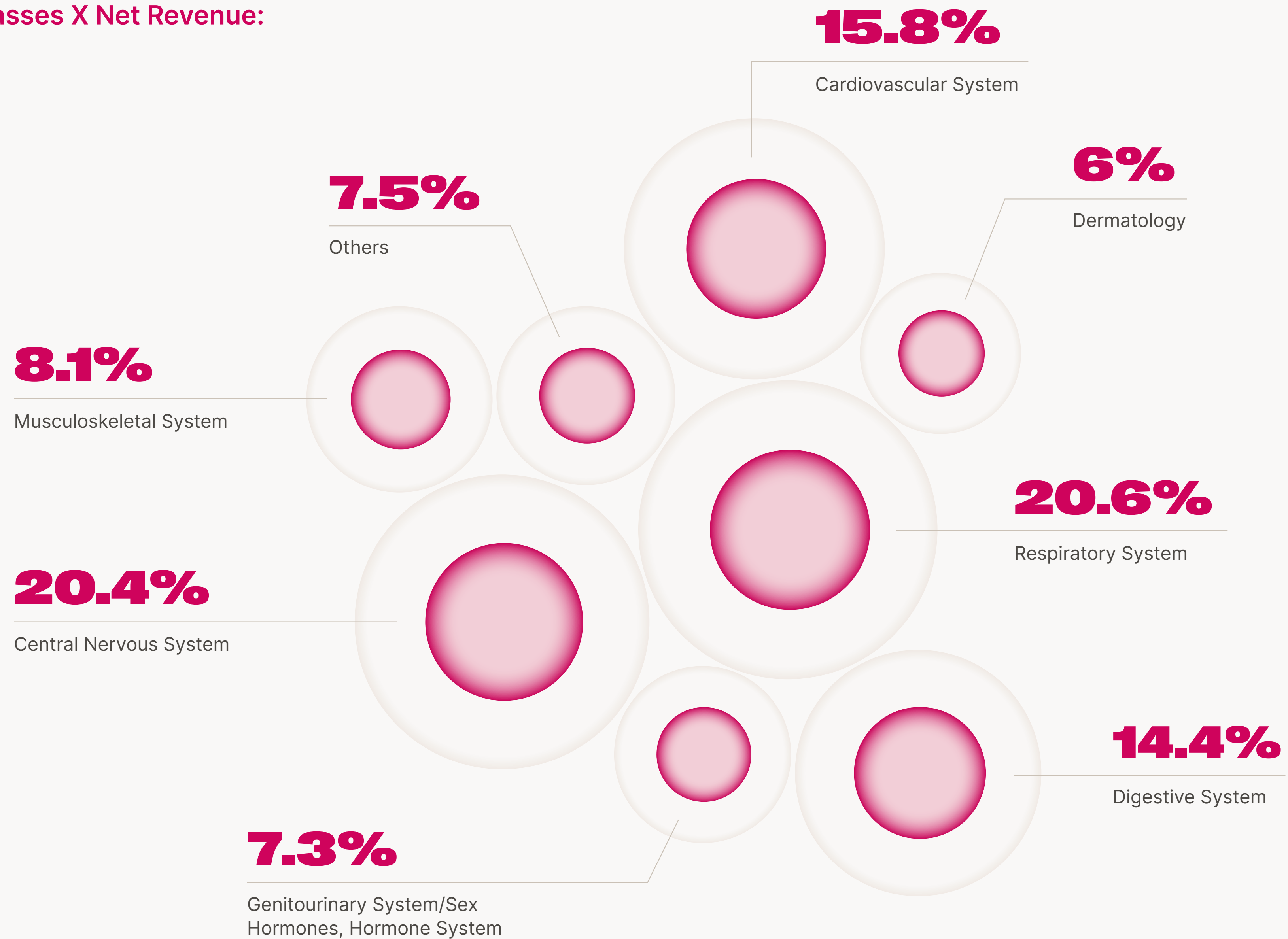
21 medical specialties served.

50 products launched in 2023.

288,500,000 units produced in 2023.

292,500,000 units distributed in 2023.

Main Therapeutic Classes X Net Revenue:



Business units

Prescription Division

Covers the following therapeutic lines

Covers the following therapeutic lines: Women's and Men's Health, Cardiovascular System, Musculoskeletal System, Central Nervous System, Osteomuscular System, Respiratory System, Dermatology and Ophthalmology.

Institutional and Specialty Care Business Unit

Serves public and private institutional organizations, such as clinics and hospitals, through highly complex therapies in the Oncology, Hematology and Critical Care areas.

MIP (OTC) Business Unit

Over-the-Counter Medicines | Responsible for medicines that do not require a doctor's prescription to be purchased.

Dermocosmetics Unit

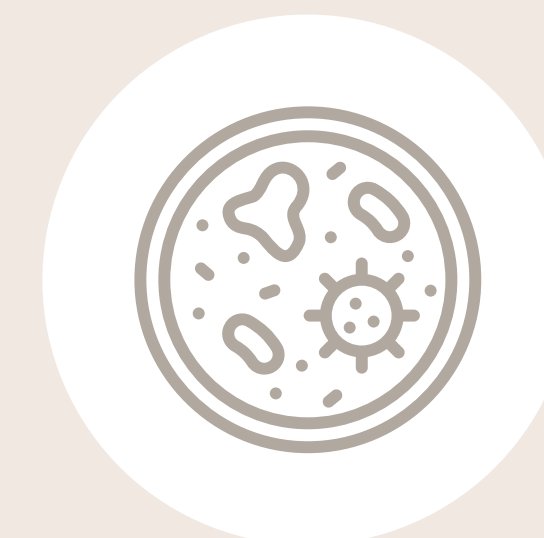
Business front dedicated to cosmetic products developed in partnership with dermatologists.

Generic Product Unit

Serves as many patients as possible with quality generic medicines at affordable costs.

Biosintética Prescription

An interdependent Business Unit, it plays a strategic role in this new cycle of revitalizing Aché. Its focus is on developing prescription products in order to expand the population's access to quality medications at a fair price. It began operating with customers in December 2022 and was officially launched to doctors on January 31, 2023.



Bionovis: development of biopharmaceuticals

Together with three other national laboratories, we have been part of the Bionovis joint venture since 2012, a biotechnology company focused on the production of biopharmaceuticals. Through a partnership with the Oswaldo Cruz Foundation (FIOCRUZ) and Bio-Manguinhos, it develops highly complex and high-cost biological medicines that treat diseases of the immune system, such as rheumatoid arthritis, psoriasis, multiple sclerosis and various forms of cancer. Many of these products are supplied to all Brazilian states through the Ministry of Health and the State Health Departments. Bionovis medications are produced at its plant in Valinhos, São Paulo.

WHY WE DO IT

2023 was a year marked by a significant investment in structural changes, pursuing the goal of preparing the company and engaging employees for a new cycle of resumed growth to begin.

2023 was also the year for solidifying an intense process of revisiting the organization's culture, which began in 2022 by acculturating all employees to Aché's Way of Being and Doing. This process has taken root and proven to be strengthful over the last year, reflected and experienced in behaviors, protocols and rituals.

Noteworthy are the Magenta Connection meetings, which bring together nearly six thousand professionals, serving as a moment to strengthen the organization's purpose and culture. These meetings represent a space for recognizing efforts, celebrating results and reinforcing the strategy.

Other initiatives also showcased this materialization of the culture in practices and tactics in 2023: review of internal communication channels and rituals; succession mapping for directors and their direct staff; review of policies and processes; disclosure and transparency for information and figures; formation of a balanced management team; review of remuneration policies for senior management and other employees.

Aché's strength is reflected in those who make Aché happen – starting with its employees. It is they who will take us farther.



“We are in the process of revitalizing the company, and this requires everyone to play a leading role and work together, contributing to the goal of retaking leadership in the market without forsaking our essence of caring for people and our Way of Being and Doing, engaging them in the purpose of bringing more life to people.”

Andreia Vitoriano
People and Culture Director.

Our purpose

We bring relief for your pain,
Tranquility for your mind,
And beauty for your skin.
To the pharmaceutical market
We offer innovation,
To health professionals, information,
To our customers, solutions,
To the forest, trees,
To the community, inclusion,
To our employees, opportunities.
We offer society more culture,
education, and sport,
More treatment possibilities
for people,
And enhanced efficiency
for caregivers.
We have respect for the environment,
Offer a better future for the
generations to come,
And more well-being for the
entire family.
Our vocation is improving people's
health and longevity,
And our mission is to offer
you a better life.

Our Way of Being

We are passionate about life

We work to promote health, healing and wellbeing. We take care of social issues, of nature and of our business in order to bring a better life to people.

We innovate to be ahead always

Our vision is to build a future that places us at the forefront of the pharmaceutical market. We work every day to discover what's new and to offer effective and safe therapeutic solutions to benefit people's health and well-being.

We take care of our customers

We establish lasting relationships that are guided by mutual learning and growth. We want to impact lives with our presence.

We are inspired by talent and diversity

Diversity is an important force that enables us to leverage talents and broaden worldviews. We believe in plurality to ensure business success.

We care about our reputation.

It is non-negotiable.

We are committed to acting with integrity and transparency in conducting our business, thus strengthening our reputation and ensuring the Company's sustainability.



Andressa Schneid, research analyst, innovation and new technologies, in Innovatech Lab, at the Guarulhos plant.

Communication in favor of culture and revitalization

Because it was a year of structuring for a new cycle of evolution at Aché, we focused our efforts on internal communication to align and reinforce the strategy and leverage the initiatives underway in the organization.

On social media, Aché revisited and reorganized its activities in order to prepare for bigger actions in 2024.

In-house, we rolled out new strategies, optimizing, integrating and segmenting means to communicate more assertively with employees. Communication is focused on disseminating and integrating the organization's purpose, culture and strategy, to ensure that where we are and where we want to go is clearly understood by the entire Aché Generation.

Mental health programs, partnerships with Business Units for product launches and health campaigns are examples of initiatives aimed at employees that have been bolstered by communication.



New rituals to define roles and strengthen connections

The creation of new practices and rituals that help define roles and disseminate our culture was a highlight in 2023. Some examples are:

→ **Weekly meetings of the Executive Committee:** to monitor implementation of the strategy.

→ **Extended Board Meetings:** made up of directors who do not report directly to the President, it aims to ensure integration and alignment between the initiatives underway in the organization.

→ **LiderAché Movement:** aimed at managers who report directly to the company's directors, its goal is to strengthen and

sustain engagement in the mission to win back the market through various work fronts.

→ **Management team meetings:** made up of around 600 employees, including coordinators and other leaders responsible for engaging and disseminating information to their teams.

→ **Magenta Connection:** periodic meetings to align and engage Aché's nearly six thousand employees.

→ **Magenta Plant Connection:** the same approach as Magenta Connection, with a focus and content aimed at employees of our manufacturing plants.

→ **TM, the Portuguese acronym for Culture Multiplier Teams:** groups responsible for disseminating the organization's cultural evolution, with the role of meeting with peers and holding discussions for contributions to building the culture we want, by reporting experiences and practices that can be expanded.

EVOLUTION OF THE BUSINESS MODEL: THE STRENGTH OF INNOVATION

More than a strategic direction, innovation has always underpinned the growth and sustainability of our organization. In this chapter, we present our main and most recent innovations in terms of product development, digital relationship platforms and operational technologies.



OUR ACHIEVEMENTS

- Investment of 5% of net revenue in the development of products and technologies.
- Launch of 50 products.
- Valor Innovation Award 2023.
- Launch of Vivencia Patch, a transdermal patch for treating Alzheimer's disease.
- Partnership with Celmatix to explore an active ingredient focused on treating polycystic ovaries.

OUR CHALLENGES AHEAD

- Increasing complexity of projects, with higher levels of investment and risks involved.
- Difficulty in hiring skilled labor from the Brazilian market.
- Supply chain with active pharmaceutical ingredient manufacturers concentrated in China and India.

WHERE WE WANT TO GO

- Achieving the STRENGTH of Aché in terms of innovation, not only in products, but in processes, services and relationships with all our stakeholders.

THE STRENGTH OF INNOVATION

GRI 416-1; 416-2; 417-1; HC-BP-210a.1; HC-BP-210a.2; HC-BP-210a.3

In 2023, 5% of net revenue was invested in product and technology development, resulting in 50 products launched in the market. For 2024, these investments are expected to rise to 6% of net revenue.

In addition to a technical team dedicated exclusively to innovation, we have a structure that spans six laboratories, three for research, two for development and one for industrial scale-up.

Over the next few years, we plan to put all our innovation strength, which has been known and recognized for years, into products, processes and services, as well as into better ways of broadening and strengthening our relationship with all our stakeholders.

Collaborator in the area of manipulation at the Guarulhos plant.





“Achē believes and invests in innovation with quality and safety as one of the main strategic pillars for business growth and sustainability.”



Edson Bernes
Director of Innovation

THE DIVERSITY OF OUR PRODUCTS

There are more than 200 projects in the company's pipeline, with 45% of them involving the application of pharmaceutical technologies to resolve the unmet needs of doctors and patients. Our goal is to increase this percentage of distinction, prioritizing innovations that offer patients more convenient dosages, favoring adherence to treatments.

In addition to our internal efforts to develop new medications, we invest in other innovation models. We also prospect for new products through partnerships and licensing agreements with international pharmaceutical companies. These include around 50 products from more than 30 partners, most of them foreign. These agreements are subject to constant reassessment and renegotiation, aiming to increase the competitiveness of products and access to the market.

Last year, ten products were launched as a result of partnerships and another ten agreements were signed involving newly licensed products. The most important launch of the year was Vivencia Patch, a transdermal

patch for treating Alzheimer's Disease, the result of a partnership with a Korean company.

The reverse path was also important: three Aché products were launched on the Latin American market and eight new licensing and export agreements were signed for Latin American countries and in places where the company was not yet active, such as South Africa, the Philippines and Vietnam.

Another product innovation model we use is that of co-discovery. This model is based on the discovery of new drugs and technologies in conjunction with laboratories and universities, such as the collaboration with LNBio (National Bioscience Laboratory), located in Campinas, and a partnership with Unicamp (Campinas State University).

The intensification of efforts and investments in innovation in 2023 has allowed us to envision an increase in the number of registrations submitted to Anvisa, with a consequent increase in the number of launches over the coming years.



“Innovation in the pharmaceutical industry is developing in an increasingly collaborative way and strategic partnerships are a key element in ensuring Aché’s competitiveness and building a consistent future.”

João Vissoci
Director of New Business and Strategic Partnerships

Drug quality and safety

GRI 416-1; 416-2; 417-1

In order to deliver products with quality, efficacy and safety, we conduct quality tests on 100% of our portfolio. Our Quality System follows strict international criteria and standards, and evaluations are conducted in accordance with national and international standards.

In recent years, aiming to increase productivity, we overhauled our quality structure, which has had an impact on operational excellence. The five plants remained cohesive in terms of management and processes, aligned with good manufacturing and laboratory practices. As a result, no situations of non-compliance with laws or voluntary codes were identified as a result of impacts on the health or safety of our patients and consumers caused by our products.

Safety in clinical trials

HC-BP-210a.1; HC-BP-210a.2

For the clinical development of medications, we also abide by national and international ethical and regulatory requirements, ensuring data quality and the safety of participants in our clinical trials. Participant safety management

aims to ensure compliance with the clinical protocol, Standard Operating Procedures (SOPs), Good Clinical Practices (GCP) and applicable regulatory requirements.

This process consists of qualifying suppliers to participate in clinical studies, as well as initiation visits to train research center teams on study procedures; monitoring to ensure the well-being of participants, the integrity of clinical data and compliance with protocols and GCP; and internal auditing, which reinforces the commitment to the quality of clinical trials and is carried out independently from monitoring, entailing document analysis for the study and evaluation of procedures to identify improvements and correct possible flaws. Suppliers include research centers, clinical analysis laboratories, computer system suppliers, logistics companies and participant recruitment.

In 2023, we were part of an ANVISA inspection focused on compliance with Good Clinical Practices, which was carried out at one of the research centers participating in one of the clinical trials we sponsor.



“The pursuit of ethical proof of efficacy and safety in compliance with all regulatory and quality requirements permeates all stages of our product innovation, research and development processes.”

Stevin Zung
Medical-Scientific Director

Recalls issued

HC-BP-250a.3

The products listed below were recalled in 2023. The causes of all these occurrences were addressed and dealt with by the company's Quality System.

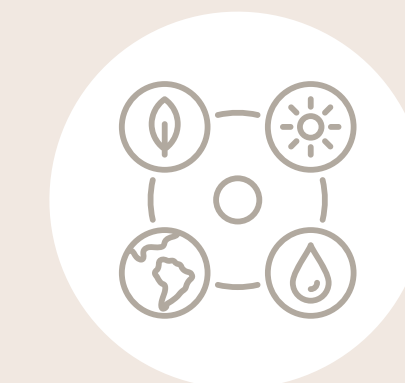
| Product | Anvisa Resolution | Presentation | Lots involved | Motivation | Was the public notified (website/other means)? | Was the recall revoked? | Amount recalled |
|---|--|---|---|---|---|-------------------------|-----------------|
| Nebivolol hydrochloride 5 mg and betahistine dihydrochloride 24 mg | RESOLUTION – RE No. 1.521, DATED MAY 2, 2023 | Nebivolol hydrochloride – 5 MG COM CT BL AL PLAS TRANS X 60 (3 blister packs with 20 pills each) Betahistine dihydrochloride – 24 MG COM CT BL AL PLAS TRANS X 30 (2 blister packs with 15 pills each) | 2210654 (lot referring to the nebivolol hydrochloride 5 mg and betahistine dihydrochloride 24 mg products, identified with the aforementioned lot number) | Voluntary A single deviation in the secondary packaging (cartridge) of the drug nebivolol hydrochloride 5 mg, referring to a possible switch with the cartridge of the product betahistine dihydrochloride 24 mg in some units of the product. | Message on Aché's website, Instagram and Facebook as recommended by the health authorities. | No | 14 units |
| Injectable decadron 2mg/mL (dexamethasone phosphate disodium) | N/A Communication of the recall to distributors and customers by sending a letter to recall the lot and all monitoring actions, as recommended for this type of recall. | 2 MG/ML SOL INJ CT 2 AMP VD TRANS X 1 ML | 2206418 | Internal Voluntary Confirmation of a deviation identified by the presence of only 1 ampoule inside some cartridge units, of the drug Injectable Decadron 2mg/ml, commercial presentation with 2 ampoules containing 1 ml each | Communication on the Aché website and to distributors and customers. | No | 9,097 units |
| Timolol maleate – 5 mg/mL (0.5%) | RESOLUTION – RE No. 1.735, DATED MAY 17, 2023 | 5.0 MG/ML SOL OF CT FR GOT PLAS OPC X 5 ML | 2211686 | Voluntary Confirmation of deviation due to the detection of a change in the pH range of the drug timolol maleate 5 mg/mL, ophthalmic solution. | Communication on the Aché website. | No | 20 units |

Innovation highlights

Based on prospecting work in the Amazon Biome, we selected two projects that made progress and were approved in 2023, one for the treatment of psoriasis and the other for metabolic diseases.

In 2023, the highlight was the partnership with Celmatix, a U.S. company working in women's health. We developed a drug focused on the treatment of polycystic ovaries and entered into a partnership with Celmatix to investigate its efficacy.

Today, we have 13 projects in the pipeline for developing radical innovation related to biodiversity and the design and synthesis of new molecules. We also have two initiatives aimed at developing new drugs with the potential to revolutionize treatments. These are: Innovachem Lab, a molecular design and synthesis laboratory dedicated to developing therapeutic solutions by researching new molecules, and Bioprospéra (see more in the box).



Bioprospéra: innovation from Brazilian biodiversity

Recognizing that Brazil is the most biodiverse country in the world, and that nature can be a rich source of compounds for medical discovery, Aché created the Bioprospéra platform. The platform is based on ethnopharmacology and bioprospecting approaches to discover new molecules of pharmacological interest. It already has projects under development in areas such as dermatology and metabolic diseases. In order to access these resources, we comply with Brazilian legislation on access and benefit sharing whenever required, formalizing registrations, notifications and benefit sharing.



Research laboratories

Innovatech Lab

Opened in 2022, it is dedicated to the research and development of technological platforms used to meet the unmet needs of doctors and patients. Two new platforms were approved in 2023, and three others are under development.

InSpire

Data science laboratory in operation since 2020, which operates based on the innovation value chain. It currently has eight projects with applied Artificial Intelligence and multivariate data analysis supporting innovation teams. In 2023, four projects were completed related to predictive tools to increase the assertiveness of innovation processes.

Innovation manifesto: doctor-centered and patient-focused

Maintaining the doctor-centered and patient-focused approach is one of the most important concepts for our renewal cycles.

This concept materializes in products developed to improve patient comfort, increase treatment adherence, reduce adverse effects and increase efficacy, providing doctors with an excellent therapeutic framework.

Trends

Our professionals regularly take part in national and international conventions and forums, keeping a close eye on trends, such as the increasing launches of products for metabolic diseases and the central nervous system.

Regulatory issues that impact innovation are also closely monitored, such as PL 7082/17 (currently PL 6007), which should accelerate clinical research processes in Brazil, bringing challenges and opportunities for the entire clinical research ecosystem in Brazil, as well as all ANVISA regulations and international standards that could impact existing or future projects.

In general, the level of innovation has been growing and scientific criteria are becoming stricter as products become more sophisticated. As such, evidence of efficacy, safety and quality needs to be followed to the letter in order to prove, first and foremost, that a product is safe to use. Investing is essential not only to innovate and meet needs that have not yet been met, but also for completing all the necessary scientific tests and trials.

THE STRENGTH OF OUR OPERATION

Aché unit in Cabo de Santo Agostinho (PE): one step closer to Industry 4.0

Located in the Suape Industrial and Port Complex in Cabo de Santo Agostinho (PE), the Pernambuco plant is a benchmark for the pharmaceutical industry in terms of innovation, process automation and Industry 4.0 solutions.

The plant was also planned with sustainability concepts and based on the lessons learned by Aché's senior engineers and leaders at the company's other facilities over the decades. Technology, production flows, people and utilities were thus planned based on the best and most modern trends in the pharmaceutical industry.

X-Ray View of the Unit

Start of operations in **2019**.

BRL 800 million invested in its construction.

Installed capacity to manufacture **295,000,000 units** of products using various technologies.

Dedicated to pill packaging between **2020 and 2022**.

Responsible for packaging **58%** of Aché's finished products.

It has **260** direct employees and **200** indirect employees.

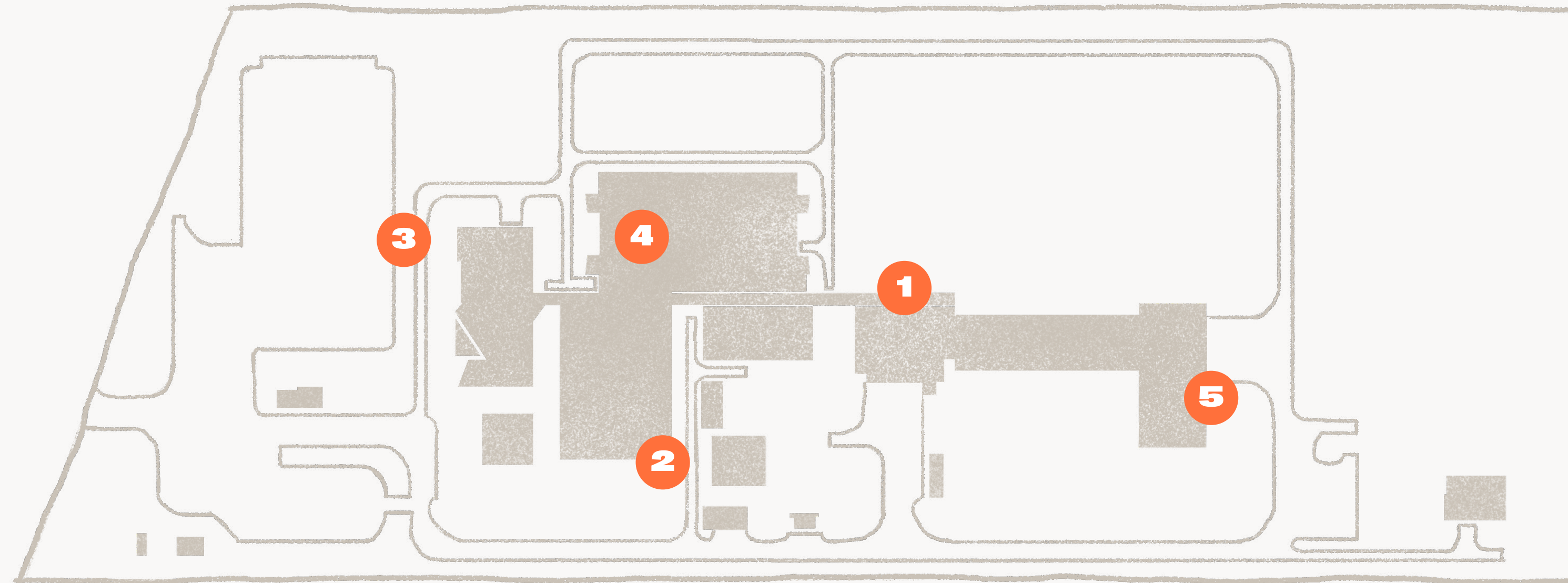
Manufacturing process validated by **ANVISA** in January 2023.

The first unit to make products with orodispersible technology. Unprecedented in the market, these drugs will be sold in the form of sachets with granulated content to be used sublingually and therefore directly absorbed into the bloodstream.



THE PATH TO INDUSTRY 4.0

Floor plan of Aché Unit
Cabo de Santo Agostinho/PE



1

Expansion

- **A central corridor** connects the entire plant, allowing for 100% expansion of the current plant.
- **Main building** with openings to receive large equipment.

2

Efficiency

- **Energy:** exposed cabling in open conduits, generating savings and easier monitoring and maintenance.
- **Split water tanks:** only one of the cells needs to be emptied for cleaning.
- **Lift platforms:** docks automatically leveled with vehicles to facilitate material receiving.
- **Pallet rental:** used to transport finished products, pallets have specific treatments, appropriate reports and precise controls for this purpose

3

Quality

- Italian encapsulation machine:** with a unit weighing system, it detects deviations and has a self-adjusting system, guaranteeing 100% production quality.
- Quality control:** analysis of samples of all inputs and materials entering the unit, including a scanner to read and review package inserts automatically.
- Operational redundancy** in critical areas where temperature, humidity and pressure are essential to guarantee product quality.

4

Technology

- Connection:** manufacturing lines, packaging, logistics and AGVs have their software and technologies connected through MES (Manufacturing Execution System).
- Traceability:** Data Matrix system in all equipment for drug traceability.
- Safety:** Analytical Security System monitors the entire perimeter of the factory and even detects vegetation movements due to rain and wind.

5

Sustainability

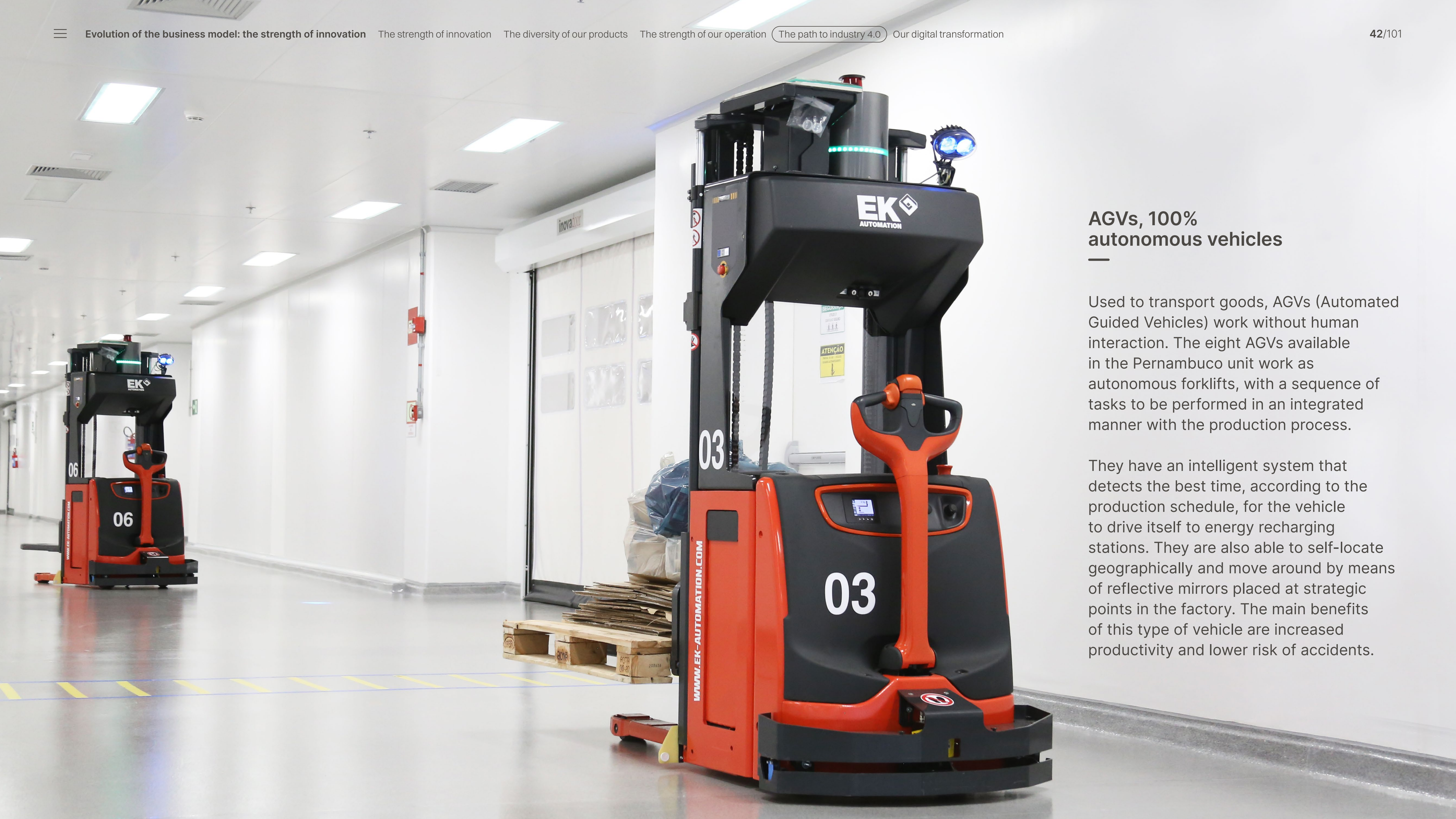
- Water:** a drinking water reservoir, supplied by the utility company, responsible for 50% of the water used in the factory; another for collecting rainwater, responsible for the remaining 50% used via reclaimed water.
- Effluents:** there is a sanitary effluent treatment plant, and industrial effluents are collected and treated externally by an outsourced company. In the future, there will be one plant to treat both types of wastewater internally.
- Solid waste:** waste from finished products is sent for destruction through specific processes; recyclable items are sent for recycling; and food scraps (organic waste from the cafeteria) are sent for composting.
- Energy:** use of the Free Energy Market, with 100% renewable sources.
- Reforestation:** maintenance of 4.47 hectares of reforestation area for environmental offsetting through the cultivation of Atlantic Forest species.

MES (Manufacturing Execution System), software that will connect the entire production process

By connecting equipment to processes and managing production data, MES will make it possible to implement the Industry 4.0 concept at the Pernambuco plant. This system ensures the integrity of data generated during the production process, as well as the traceability of processes and products.

Data related to production processes will be accessible electronically, eliminating the use of paper and human interference in communication between machines. As a result, there will be more precision, assertiveness, traceability, support for engineering and decision-making and speed in approving products, as it will be possible to immediately identify and correct flaws in medication lots.





AGVs, 100% autonomous vehicles

Used to transport goods, AGVs (Automated Guided Vehicles) work without human interaction. The eight AGVs available in the Pernambuco unit work as autonomous forklifts, with a sequence of tasks to be performed in an integrated manner with the production process.

They have an intelligent system that detects the best time, according to the production schedule, for the vehicle to drive itself to energy recharging stations. They are also able to self-locate geographically and move around by means of reflective mirrors placed at strategic points in the factory. The main benefits of this type of vehicle are increased productivity and lower risk of accidents.

Automated vertical warehouse: Artificial Intelligence system that learns from the unit's movements and operations

The Pernambuco plant is 100% automated. Packaged items are moved and organized by stacker cranes without any human intervention, and there are sensors that automatically regulate temperature and humidity. Movements can take place 24 hours a day, without the need to stop for recharging or maintenance.

The same lot of products is automatically stored in different locations so that it can be accessed if one of the locations is under maintenance. What's more, after around one to two hours without any items

being moved, the warehouse automatically reorganizes itself to meet the factory's schedule with maximum efficiency.

The warehouse is managed by WCS (Warehouse Control System), a real-time integrated control solution that manages the flow of items in a manner integrated with SAP.

The space is 30 m high x 100 m long x 30 m wide, can be expanded up to three times its current size and has 16,500 storage positions for materials.



Operational efficiency

We have invested BRL 127,000,000 in plants and strategic manufacturing projects. Part of these investments was made in electricity and water eco-efficiency initiatives.

2023 was a very strategic year for the Operational Excellence Program (PEO), with progress in the Quality, Logistics and Analytical Development areas at all plants through a pilot project aimed at implementing performance indicators and adopting agile methodologies.

The first training was held on Green Belt, a Lean methodology that allows for carrying out complex projects, engaging people with a focus on lowering costs. In addition, 14 Yellow Belt projects were completed after training in 2022.

In 2023, some important milestones were reached for the PEO, such as the start of autonomous maintenance activities in the logistics areas and in the quality and utilities laboratories. In total, 72 areas within the autonomous maintenance routines and 196 areas were covered by the 5S Program.

The installation of manufacturing equipment at the Pernambuco unit was also completed, with certification from Anvisa. Maintenance processes were also integrated into SAP-PM for the Guarulhos (São Paulo), Anápolis (Goiás), Londrina (Paraná) and Cabo de Santo Agostinho (Pernambuco) plants, with the aim of lowering costs and increasing efficiency.

All manufacturing units have maintenance strategies in place, as well as constant modernization of older equipment. Predictive maintenance featured prominently in 2023: using sensors and data analysis to predict failures, prior maintenance and online monitoring pilots are implemented for equipment.

Plant routines are guided by Daily Production Management System (SGDP) meetings, which monitor performance, safety and quality indicators and strive to solve daily problems in an agile manner.



“With regard to operational excellence, we consider it essential to continually strive for high productivity and technological advances, but without sacrificing eco-efficiency in every stage of the process.”

Paulo Quirino
Executive Director of Operations

Disruption in order fulfillment

In 2023, we faced structural problems that resulted in a disruption in order fulfillment – or back order, in manufacturing jargon – which had a significant impact on our financial performance.

This scenario was caused by a combination of factors. In the post-pandemic context, there was an imbalance in input supplying with delays in delivery times from suppliers, causing impacts on stocks of finished products and raw materials used by Aché. There was also a change in market demand, with increased demand for antibiotics and a slowdown in the consumption of respiratory products, which led to less assertive sales in the first half of the year.

To address the issue, we created a task force involving various areas, such as Operations, Quality, Regulatory and Research & Development. As a result, the disruption rate closed December at 2.6%.

At the same time, S&OP (Sales and Operations Planning) was revised to ensure better integration and synergy between the company's areas, ensuring more assertiveness in sales forecasting for a 15-month horizon and making it possible to visualize the risks and opportunities for the business in a more structured way.

Logistics

The goal in 2023 was to balance costs and improve the level of service to customers by increasing the share of FOB (free on board) freight, whereby the buyer bears all costs, including transportation and insurance, and pays them at the origin. The target was to boost the FOB share from 35% to 42%. In December, the 44% figure was reached.

The free sample operation was brought in-house, with a 45% reduction in costs and an increase in productivity.

Training

Throughout 2023, a total of 3,997 hours of training were completed as part of the Operational Excellence Program. A digital transformation project was started to deploy an online platform with the aim of improving training and knowledge management among production operators.



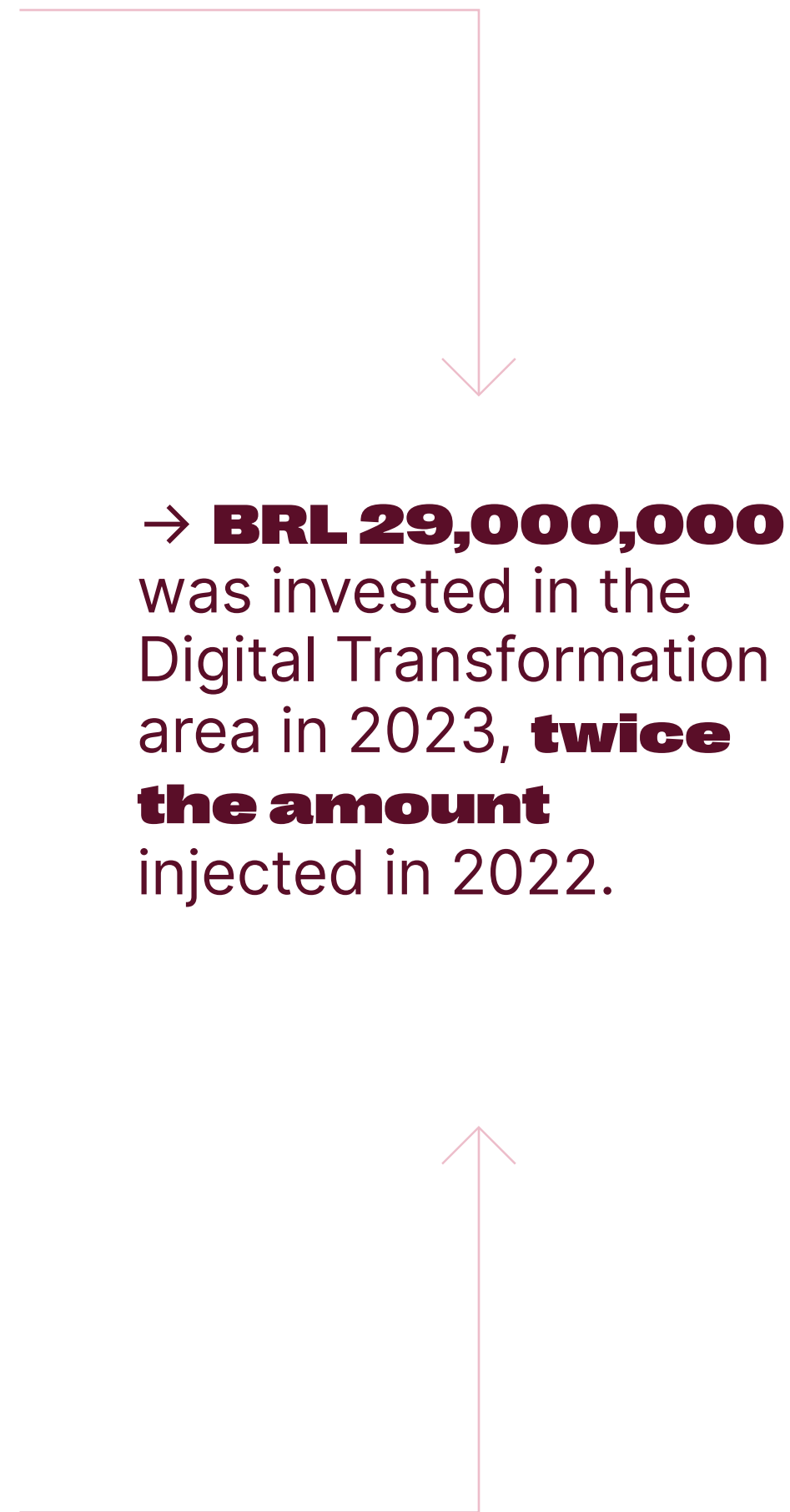
Intralogistics, Guarulhos plant.

OUR DIGITAL TRANSFORMATION

We understand that technologies such as Artificial Intelligence and Industry 4.0 can have broad, profound impacts on society. We see enormous potential in this reality and we invest to pave these paths within the company, especially through products, services and digital channels.

The Digital Transformation area was created to support Aché's revitalization in terms of the skills required in an increasingly technological market, social and economic context.

There are many and diverse points of contact between the area and the business, with a focus on developing digital skills that will provide support for the company to improve relations with its stakeholders, bringing convenience and improving dialogue with people, as well as seeking solutions and technologies that support increased sales and the assertiveness of production processes.



Caring for Life

The revitalization of the Caring for Life platform (Cuidados Pela Vida – CPV), which went from a benefits program to a complete relationship platform, is a great example of a digital product created by Aché. CPV is now a digital platform on which patients, doctors and points of sale can engage with the company, consuming content, offers and services.

In 2023, the CPV was completely recreated, with platform development and management overhauled and internalized to meet its full potential. I

n addition to the CPV, 2023 was marked by the launch of structuring digital transformation projects, such as:

→ Super CRM

This initiative aimed to revise the architecture, integrations and features of the CRM platform, with a focus on boosting Aché's digital channels, including the CPV.

→ **First Open Innovation Program cycle**
Initiative to expand relations with startups, with the aim of accelerating the adoption of technology in the company. The first cycle of the program was based on four major themes broken down into 33 business challenges. Around 500 startups initially enrolled, of which seven were selected for the pilot project phase.

→ Aché Info

Project linked to the IT area to structure and govern the company's data.

→ Analytics.



“Technological advances and digital transformation will support Aché’s revitalization. We are building new skills, capabilities and solutions that will be very important in an increasingly digital market, social and economic context.”

Rafael Ribeiro
Digital Transformation Director

Caring for Life – results in 2023

The flagship of Aché’s digital transformation, the program offers benefits to patients, such as the possibility of discounts, product subscriptions, information about medications and a patient support program.



→ Program figures since its creation:

15 million consumers by 2023.

23 million registrations by 2023.

→ Figures achieved in 2023:

3,100,000 new consumers in 2023.

12,000,000 units sold in 2023.

BRL 994,000,000 in product sales went through the CPV in 2023.

34,000 accredited drug stores with sales in 2023.

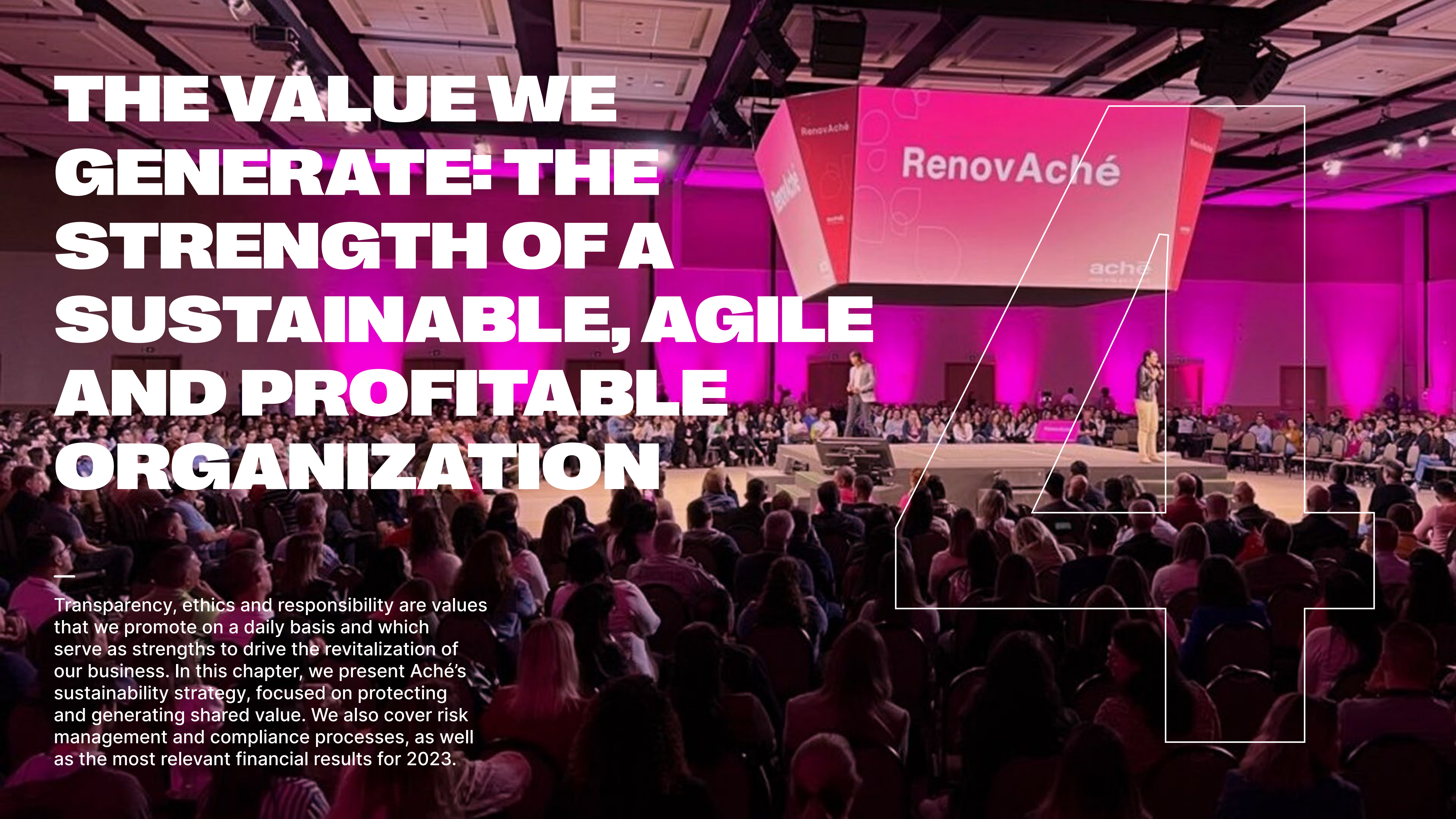
352 participating SKUs with sales in 2023.



Renata Morais, Digital Marketing Manager, and Priscila Harumi Shibata, Digital Product Manager.

THE VALUE WE GENERATE: THE STRENGTH OF A SUSTAINABLE, AGILE AND PROFITABLE ORGANIZATION

Transparency, ethics and responsibility are values that we promote on a daily basis and which serve as strengths to drive the revitalization of our business. In this chapter, we present Aché's sustainability strategy, focused on protecting and generating shared value. We also cover risk management and compliance processes, as well as the most relevant financial results for 2023.



OUR ACHIEVEMENTS

- Update to the Operational and Strategic Risk Map to include sustainability perspectives.
- Update to the Code of Conduct, which now includes a specific chapter on relations with suppliers, doctors and the communities surrounding the factories.
- In 2023, the company was one of the organizations that best dialogued with Anvisa, acting agilely for the post-registration of products.
- Advance on including QR Codes on packaging.
- Significant growth in the Institutional and Specialty Care Business Unit.

OUR CHALLENGES AHEAD

- Monitoring of risks related to relationships with various public agents.
- Review of the medication portfolio and strategies for product promotion.

WHERE WE WANT TO GO

- To transform Aché into a more agile organization, with sustainable growth and profitability.

SUSTAINABILITY: THE BEGINNING OF A JOURNEY

We created our Sustainability area in 2022, when we began structuring a long-term strategy for Aché. We revisited our materiality matrix and defined the priority SDGs to be pursued by the organization, which were the guidelines for what was internally called Agenda 2030: a plan that listed priority fronts for establishing social and environmental commitments.

In 2023, the strategy was reinforced by implementing sustainability governance based on the creation and establishment

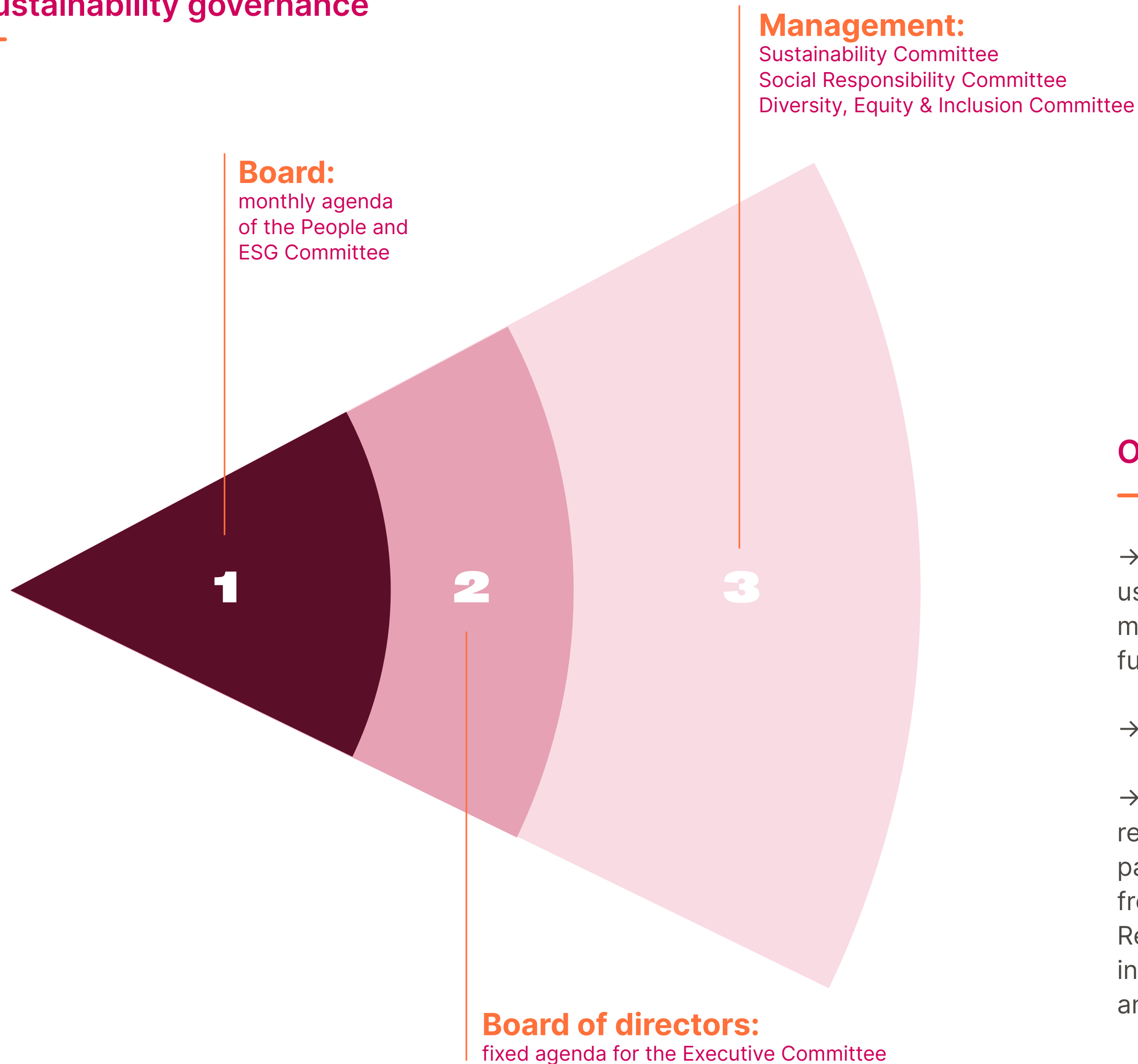
of specific committees, such as the Sustainability Committee, the Social Responsibility Committee and the Diversity, Equity & Inclusion Committee, in addition to the previously existing Ethics and Compliance Committee. In addition, sustainability was also included as a fixed agenda for the Executive Committee of the Board of Directors and as part of the monthly agenda for the People and ESG Committee linked to the Administrative Board.

We also defined three topics as priorities to be included in the company's strategic objectives: Sustainable Supplier Management, Climate Change and Operational Eco-efficiency, broadening the perspective on sustainability across all of the organization's processes and initiatives.

In the same year, we approved and published our Sustainability Policy, which guides and outlines our actions in line with our interests and ambitions related to this topic, and we began developing

a platform with more than 30 strategic sustainability indicators, enabling visual and cross-cutting management for faster and more assertive decision-making.

Sustainability governance



Other advances in 2023

→ Change in the guidelines for fuel use so that up to 90% of our fleet of more than three thousand vehicles is fueled exclusively with ethanol.

→ End of sending industrial waste to landfills.

→ 100% of energy purchased from renewable sources and formalization of a partnership for self-production of electricity from photovoltaic sources with Atiaia Renováveis, to supply Aché's laboratories in Guarulhos, Nações Unidas, Pernambuco and Anápolis starting in January 2025.

→ Social and environmental diagnosis in Pernambuco in order to establish bases and criteria for impact initiatives. A total of 69 species of fauna and 30 species of flora were identified in the areas directly impacted by Aché's activities in Pernambuco.

→ Start of atmospheric emissions inventory refining and construction of the strategic decarbonization plan.

→ The vans that transport employees around our Guarulhos and Pernambuco plants were replaced with electric vehicles.

Materiality matrix

GRI 3-1; GRI 3-2

In 2021, we conducted the materiality study to understand our organizational context, identify actual and potential impacts and assess the significance of these impacts. To this end, we involved all of our critical stakeholders, such as our shareholders, the Administrative Board and internal and external relationship audiences. More than two thousand impressions were collected from employees, doctors, points of sale, suppliers, consumers, third parties, clinics and hospitals, distributors, journalists, public sector organizations, trade associations and other audiences.

The material topics were consolidated based on prioritization of the organization's most significant impacts and we arrived at 14 material topics for Aché, which have served as the foundation for building our sustainability journey.

In 2023, the list of material topics was updated to promote better targeting and management of material topics.



“Our sustainability journey is just beginning. We are facing challenges, but also many opportunities ahead. Ethical relations with all our stakeholders, our climate strategy, management of our supply chain and ongoing pursuit of increasingly eco-efficient operations and processes are the fundamental pillars for the company to be able to grow in a sustainable way.”

Fernanda Bardi
Director of Legal, Compliance and Sustainability.

Environmental

Biodiversity

Protection, conservation, restoration and regeneration of biodiversity and ecosystems, further exploring the positive impact of our operations on the use of biodiversity.

Operational ecoefficiency

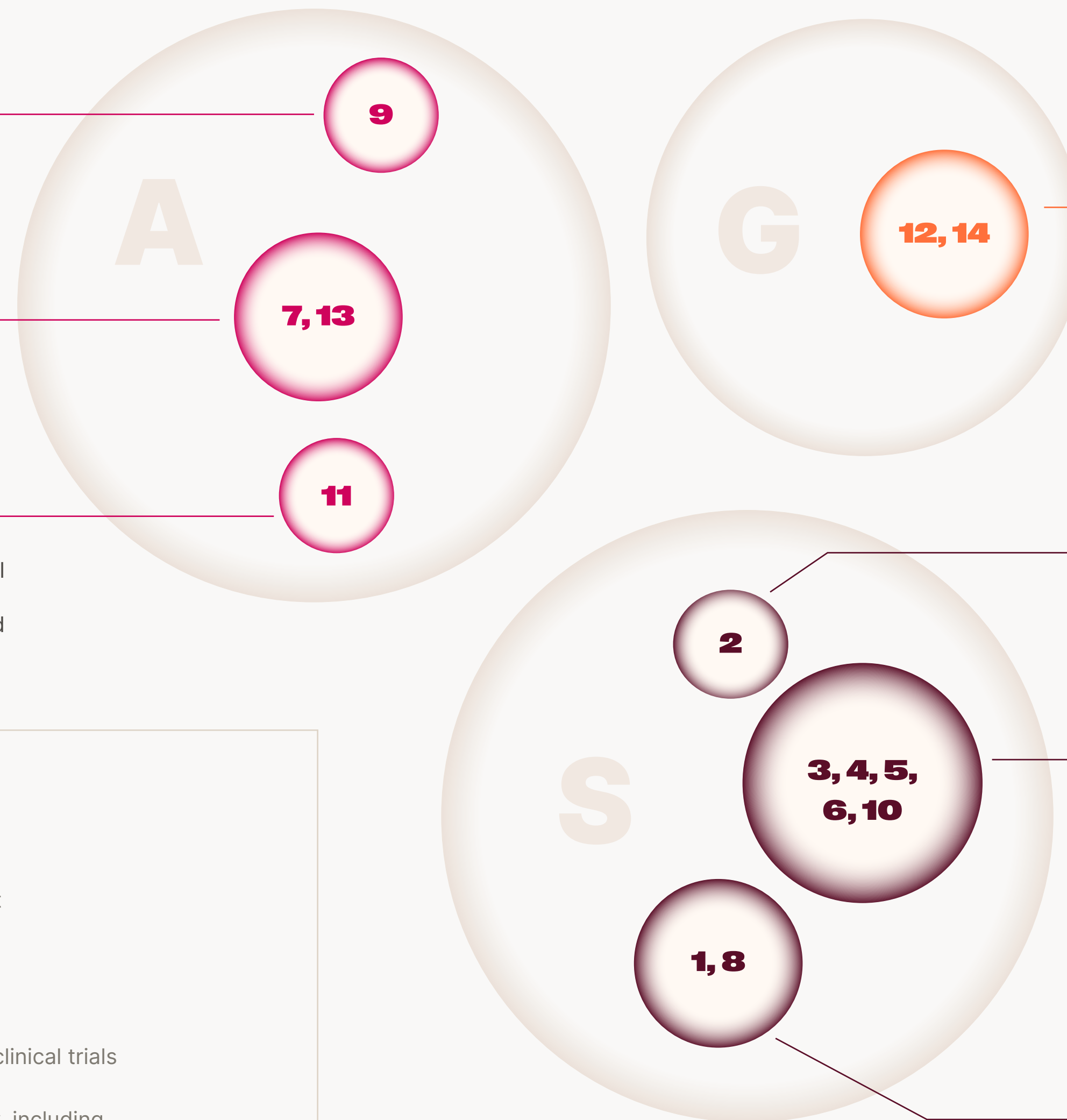
Monitoring the use of natural resources and the use of energy, water, waste generation and effluents generated in Aché's operations and in the value chain.

Climate change

Management of Greenhouse Gases originating from business, especially those related to industrial activities and logistics; Mitigation and adaptation to Climate Change; Risk management (physical and transition-related) and opportunities associated with the materialization of Climate Change.

Material topics

- 1. Product quality and safety
- 2. Privacy of patients and other stakeholders
- 3. Occupational health and safety management
- 4. Talent attraction, retention and development
- 5. Employee diversity and inclusion
- 6. Human rights and community relations
- 7. Waste management
- 8. Ethical behavior and safety in research and clinical trials
- 9. Biodiversity
- 10. Access to healthcare at all layers of society, including fair pricing policies for our medications
- 11. Climate Change
- 12. Supply chain management
- 13. Operational ecoefficiency
- 14. Risk and crisis management



MATERIALITY MATRIX

Governance

Risk and crisis management

Implementation of structured risk analysis processes for Aché's operations and activities, including emergency response and crisis management programs. Control and monitoring of supplier quality standards, including policies and procedures that consider socio-environmental criteria in service contracting and input purchasing.

Social

Privacy and data security

Secure management of sensitive and confidential data collection, retention and use, ensuring privacy in the use of patient information and other links in the value chain, in compliance with the Brazilian General Data Protection Law (LGPD).

Caring for people

The company's culture and performance regarding care and respect for individuals and human rights. Internally, getting established as an employer brand with career plans, engagement and employee training strategies, considering diversity and inclusion policies that promote the hiring and development of minority groups in addition to training and qualification to ensure occupational health and safety for employees. Assurance of internal processes for supplier screening and selection that considers social and environmental criteria. Respect, dialogue and observation of human rights in all relationships with external stakeholders (communities, patients, suppliers, among others).

Product quality and safety

Providing quality and safe products and services for patients, capable of promoting access to healthcare in all layers of society, including fair pricing policies for our medicines. Ensuring processes and controls that guarantee ethics and responsibility in all clinical research.

Sustainable Development Goals

Like Aché's purpose and materiality matrix, the Sustainable Development Goals (SDGs) are guidelines for the organization's sustainability strategy.

The priority SDGs for Aché are:



The Sustainable Development Goals (SDGs) are a global agenda adopted by the 193 Member States of the UN, including Brazil, comprising 17 goals and 169 targets to be met by 2030. Based on the elaborated materiality study, we listed 7 priority SDGs to be addressed in our Sustainability strategy.

→ **Goal 3:**

Good health and well-being

To ensure healthy lives and promote well-being for all at all ages.

→ **Goal 5:**

Gender equality

Achieve gender equality and empower all women and girls.

→ **Goal 8:**

Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

→ **Goal 10:**

Reduced inequalities

Reduce inequalities within and among countries.

→ **Goal 12:**

Responsible consumption and production

Ensure sustainable consumption and production patterns.

→ **Goal 13:**

Climate action

Take urgent action to fight climate change and its impacts.

→ **Goal 15:**

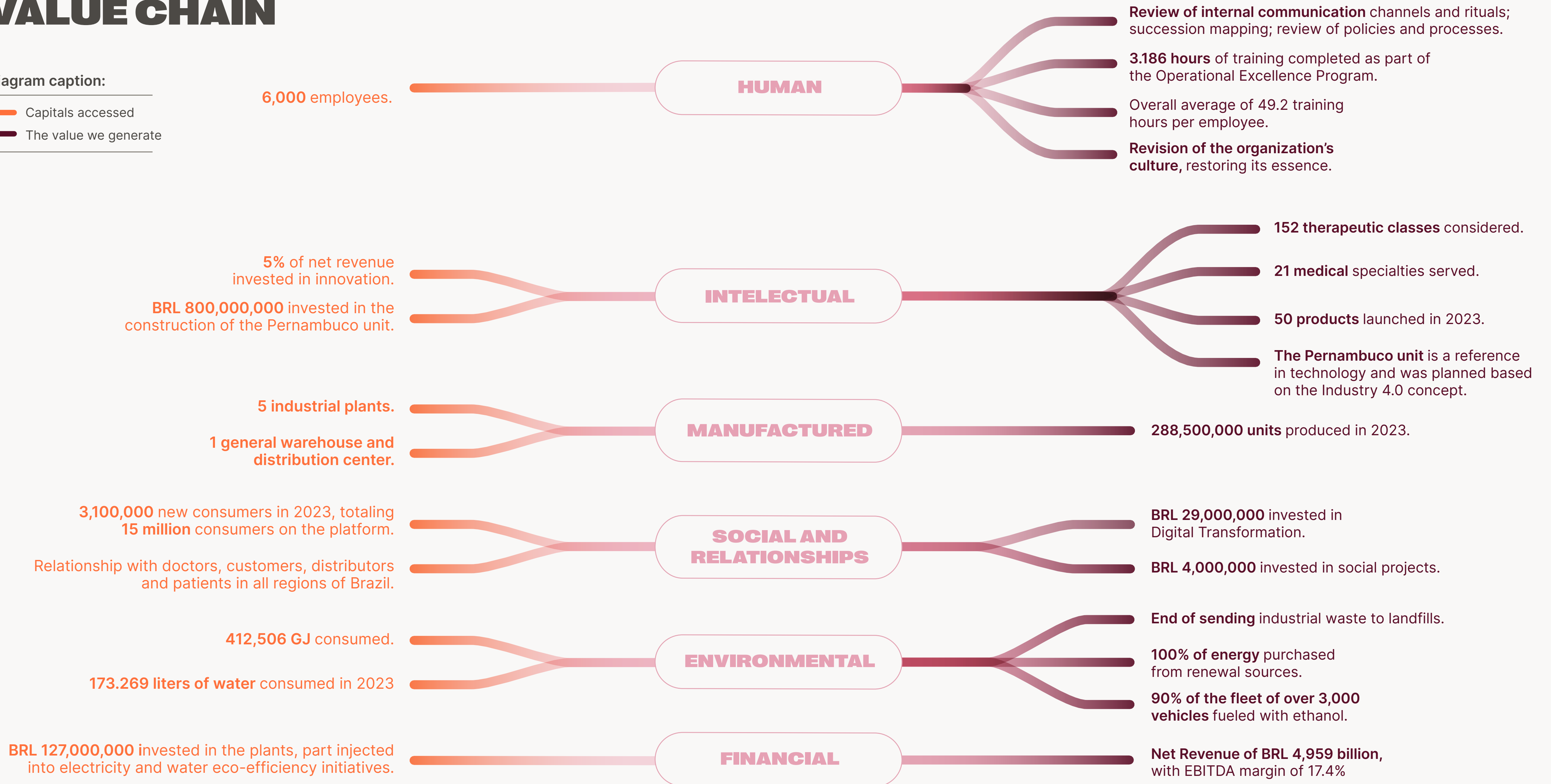
Life on land

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss.

VALUE CHAIN

Diagram caption:

- Capitals accessed
- The value we generate



Operational excellence and the pursuit of more sustainable processes

We have a goal of being an ecoefficiency reference in our production processes. To achieve this, it is paramount for us to diminish the environmental impact of our operations through maintenance, engineering projects, use of more sustainable materials and products, in addition to implementing manufacturing practices that lead to energy efficiency and waste reduction.

In 2023, by opting for the Free Energy Market, it became possible for 100% of the electricity purchased at our manufacturing facilities to come from renewable sources.

Another highlight was the end of sending waste to landfills. This achievement is enabled, for example, by the development of partners for using waste as organic compost and the adoption of bioconverter equipment to decompose solid waste from restaurants into liquids rich in nutrients for use in green areas.

A circular economy project developed in partnership with a waste management company is also underway. Through large-scale larva multiplication biotechnology, gel capsules that are inputs for pharmaceutical products are consumed and transformed into proteins and fertilizers, keeping them from being discarded in landfills and dumps.

In 2023, with regard to water and effluent management, more efficient equipment and systems for harvesting and reusing rainwater were installed and conservation practices were implemented, such as maintenance against leaks and the responsible use of water.

At the Pernambuco plant, rainwater harvesting and reuse was implemented. In 2023, the unit's operations used 60% supplied potable water and 40% reclaimed water. Across the Aché group, 25% of all water currently consumed is reclaimed.



Waste management

GRI 306-1 306-2; HC-BP-250a.4

Waste management at Aché complies with the requirements of NBR 10004. In 2023, the highlight was the company-wide implementation of the Zero Landfill project. Organic waste previously sent to landfills now goes to biodigesters, common waste is sent for co-processing, tree pruning debris is sent for composting, and construction waste is sent for crushing.

In addition, we conducted a survey of all waste that could be sent for circularity, such as cardboard boxes, plastic and glass packaging bottles, drums and canisters, and empty medicine capsules. All units use the services of outsourced companies to manage their waste. These suppliers are subject to periodic audits. Monthly SLAs are also established for contractual verifications. The following respective quantities of raw material and finished product were allocated for destruction: 39.70 tons to incineration and 80.93 tons to coprocessing.

Waste generation and disposal

GRI 306-3

| Diverted from disposal 306-4 | 2021 | 2022 | 2023 |
|--|---------|--------|----------|
| Weight of non-hazardous waste (tons) | | | |
| Composting (cafeteria food scraps) | - | - | 179,31 |
| Recycling (paper, plastic, wood, metal) | 1,761.4 | 2,170 | 3,055,79 |
| Biodigester | - | - | 126.27 |
| Total | 1,761.4 | 2,170 | 3,361.37 |
| Weight of hazardous waste (tons) | | | |
| Recycling | 1.6 | 0 | - |
| Directed to disposal 306-5 | | | |
| Weight of non-hazardous waste (tons) | | | |
| Landfill ¹ | 320.2 | 269.7 | 88.75 |
| Weight of hazardous waste (tons) | | | |
| Energy recovery (co-processing) ² | 260.1 | 438.76 | 799.63 |
| Incineration (material not used in co-processing) ³ | 339.4 | 132.32 | 252.74 |
| On-site storage ⁴ | 240 | 469 | - |
| Others ⁵ | 2,922.7 | 2,326 | 2,083.7 |

¹ Waste from garden pruning and from toilets. ² Waste directed to coprocessing comprises class I waste and drugs. ³ Medication waste and raw material – controlled substances, antibiotics and oncology drugs. ⁴ Discarded finished product or raw material waiting for clearance from the Federal Revenue Service for destruction and tax refund – Environmental RCR (pallet). ⁵ Directed to the bioconverter and composting + depressurization + effluent treatment.

Energy management

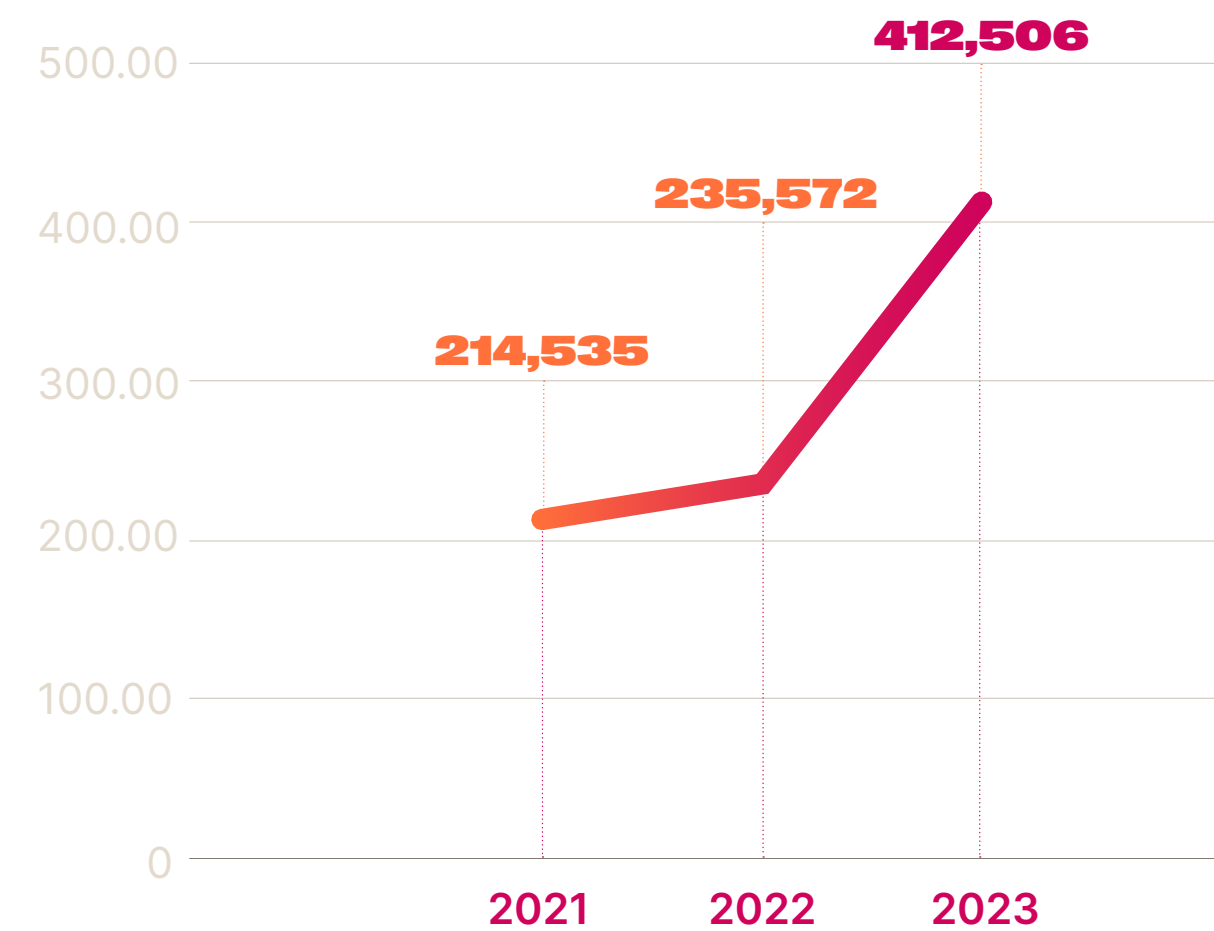
302-1, 302-3, 302-4

We manage our energy efficiency through ISO 5001 certification. By opting for the Free Energy Market in 2023, 100% of the electricity purchased at our manufacturing facilities now comes from renewable sources.

In the same year, however, even with efforts to increasingly improve the energy efficiency of production processes, there was no reduction in total electrical energy consumption compared to 2022. This scenario was due to expansion of the production process at the Cabo de Santo Agostinho (PE) unit and the pharmaceutical development area at the Guarulhos (SP) unit.

Total energy consumption (GJ)

GRI 302-1



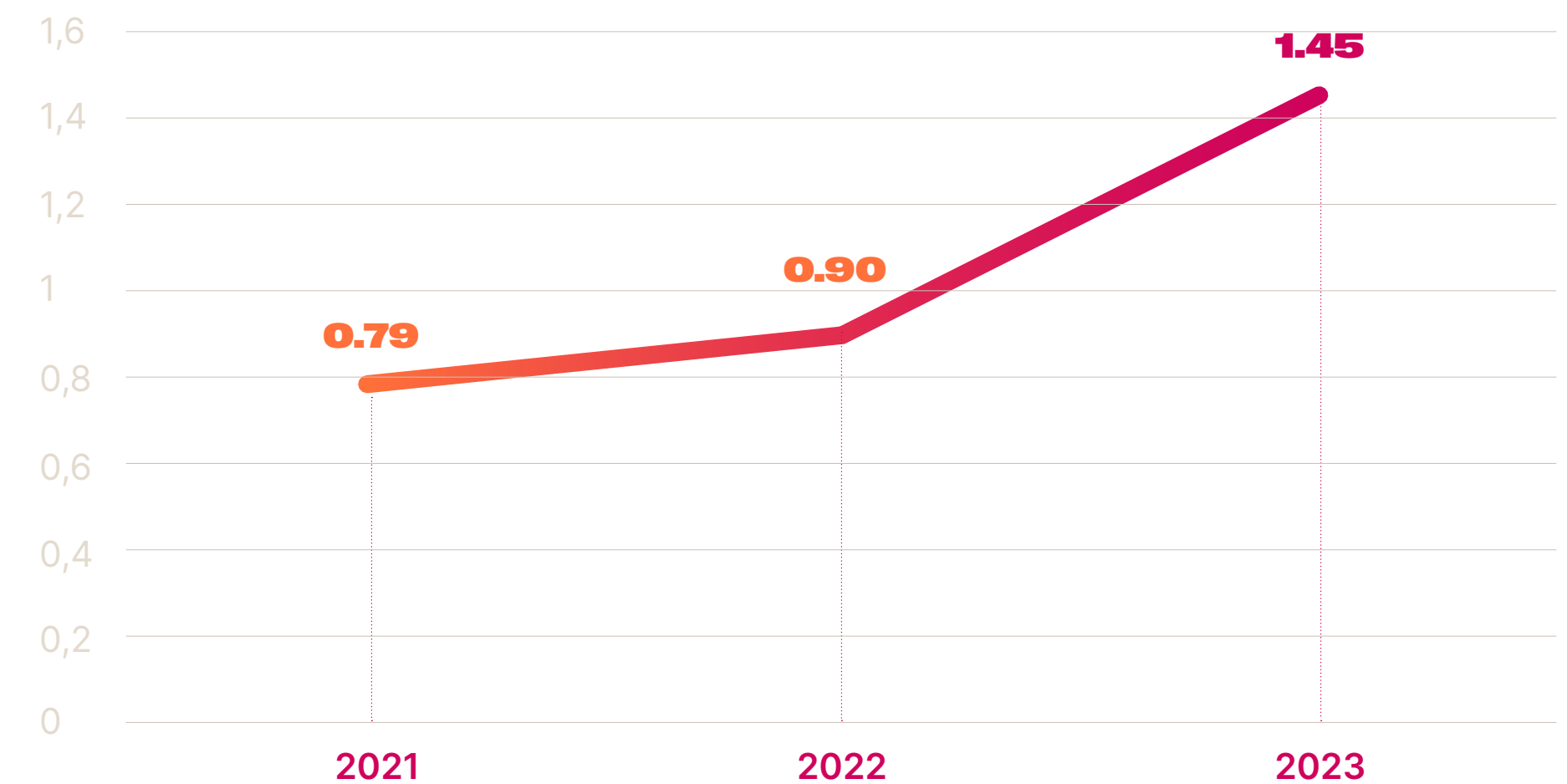
The increase in energy consumption in 2023 is linked to the expansion of the manufacturing production process – PE and expansion of the pharmaceutical development area (pilot plant) – GRU.

Energy consumption (GJ) by source | 2023

GRI 302-1



Energy intensity (MJ/unit produced)^{1,2} 302-3



¹ In 2022, we considered the total amount of energy consumed (MJ) – 235,572,080 / (unit produced - 262,750,026.00). All Aché plants were considered for calculating the indicators.

² In 2023, the same reasoning was considered. Total energy consumed in MJ 412,506,000.00 / (unit produced) 282,714,188.00.

Climate change

GRI 305-1, 305-2, 305-3

With the aim of evolving the conduct of the topic, in 2023 we started an in-depth study in order to establish a climate strategy for the organization. This work comprises a broad assessment of our emissions history and profile, screening and recalculation of scope 3 emissions and categories, design of decarbonization scenarios and proposals to address issues in the short, medium and long term, observing best market practices and the main indicators and sectoral frameworks.

The goal is for the study to result in a refinement of our inventory, improving data collection, calculations and reporting on our emissions.

¹ Gases included in the calculations: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and/or NF₃.

² For the calculations, Specifications of the Brazilian GHG Protocol Program – Accounting, Quantification and Publication of Corporate Greenhouse Gas Emission Inventories were used. Calculation tool of the Brazilian GHG Protocol Program Version 2023 0.3.

³ Data for the transport of materials, products, waste, employees and passengers category for all reported years were adjusted, according to the company’s inventory description: Mobile Combustion. There was a leap in emissions in this category due to the greater granularity with which the data began to be recorded.

Emissions in category 4, Downstream transport, registered an increase in volume due to intensification of the packaging process at the Cabo de Santo Agostinho unit, which resulted in a higher road freight figure.

Greenhouse Gas (GHG) emissions (tCO₂ equivalent)

| Inventory year / Reference year | 2021 / 2020 | 2022 / 2021 | 2023 / 2022 |
|---|------------------|------------------|------------------|
| Direct emissions (Scope 1) | | | |
| Electricity, heat or steam generation | 2,398.21 | 2,331.68 | 1,863.02 |
| Transport of materials, products, waste, employees and passengers | 2,779.27 | 4,284.34 | 6,608.75 |
| Fugitive emissions | 871.54 | 711.73 | 1,166.14 |
| Total | 6,049.02 | 7,327.75 | 9,637.91 |
| Direct emissions (Scope 2) | | | |
| From energy purchase (location) | 3,064.89 | 6,468.15 | 2,401.32 |
| From energy purchase (purchase choice) | - | - | 2,269.84 |
| Other emissions (Scope 3) | | | |
| Upstream transportation and distribution | 4,330.58 | 3,725.81 | 8,301.18 |
| Business trips | 625.28 | 291.33 | 1,123.01 |
| Scope 3 total | 4,955.86 | 4,017.14 | 9,424.19 |
| Biogenic CO ₂ emissions | 4,266.60 | 5,556.64 | 5,970.82 |
| Total emissions (Scope 1, 2 and 3) | 14,069.77 | 17,813.04 | 21,463.42 |



Management of water and effluents

GRI 303-1; 303-2; 303-3; 303-4; 303-5

The water used in our production processes, administrative areas and units is captured from utility companies, groundwater and surface water. After use and before discharge, in the Guarulhos (SP) and Cabo de Santo Agostinho (PE) units, the water is treated in wastewater treatment plants. At other units, effluents are treated by the local utility company.

To mitigate direct and indirect environmental impacts caused by the extraction of natural resources, we work by controlling and monitoring performance indicators associated with their use and the disposal of effluents.

Rational use of water in megaliters

GRI 303-3, 303-4, 303-5

| Total volume of water withdrawal in all areas ¹ | 2021 | 2022 | 2023 |
|--|----------------|----------------|----------------|
| Surface water | 0 | 1,449 | 4,948 |
| Groundwater | 375 | 2,831 | 6,839 |
| Sea water | - | - | - |
| ÁProduced waters | 5,737 | 0 | 0 |
| Water from third parties | - | 219,989 | 217,785 |
| Total withdrawal (GRI 303-3) | 183,461 | 224,269 | 229,572 |
| Total water discharge (GRI 303-4) | 50,33 | 54,027 | 56,303 |
| Water consumption(GRI 303-5) | 133,128 | 170,242 | 173,269 |

¹The Guarulhos plant is the only one with a permit to withdraw groundwater and surface water from a lake at the unit. Note: 1. In 2021, reporting was not in ML, and there was no breakdown of the total water obtained from third parties. In 2022, reporting was in ML and water obtained from third parties was considered.



MANAGEMENT AND GOVERNANCE

GRI 2-9; 2-10; 2-11; 2-12; 2-13; 2-14; 2-15; 2-16; 2-17; 2-18; 2-19; 2-20; 2-21

The bases of our strength

GRI 2-10; GRI 2-11; GRI 2-12; GRI 2-13; GRI 2-14

We are a privately held company committed to the best corporate governance practices. Our Administrative Board is formed by four shareholders and six independent advisers. The advisers are elected by the shareholders for a two-year term of office with possibility of reelection, and they are evaluated annually.

The Board is responsible for leading the company's governance and business governance, considering the positive and negative impacts generated for society and the environment. This body meets periodically and is advised by the executive committees for Innovation, Digital Transformation, People & ESG,

Finance & Risk Management, which include members of the Board itself and invited external members, experts in their fields.

Below the committees that advise the Board, there is a Department Committee and a Sustainability Committee, with participation by the president. This group meets monthly to discuss strategies, risks and opportunities.

The organization's executive board is in turn responsible for implementing the strategic plan approved by the Administrative Board, ensuring the practice of corporate culture, creating conditions for sustainable business growth and complying with the established governance model. To support it with these duties, the executive board has eight committees: Internal Audit and Risk Management; Innovation; Market;

People & ESG; Strategic Planning; Portfolio and Quality; Financial Results; and Digital Transformation and Technology.

In 2023, management began under a new CEO, José Vicente Marino, as well as the integration of new leaders into some of the main departments. The Transformation Office was also created, which governs Aché's revitalization process, organizing and monitoring priority initiatives that permeate the company's various areas.



Executive Board Remuneration

GRI 2-19, 2-20

Our total remuneration policies are approved at a general meeting, after being discussed by the People & ESG Executive Committee of the Administrative Board. Market research studies are evaluated every year, in order to ensure competitiveness for attracting and retaining talents.

The remuneration of the Administrative Board consists of fixed remuneration and reflects market practices, especially for the same roles performed by advisers in the pharmaceutical industry. Executive remuneration is in accordance with the Remuneration Policy and includes benefits, as well as fixed and variable short- and long-term installments. Variable compensation is made up of a salary multiple and profit sharing for achieving targets, both with targets based on individual and organizational results.

Relations with doctors and other healthcare professionals

HC-BP-510a.2

Our relations with doctors and other healthcare professionals are based on trust and respect for medical-scientific knowledge.

Committed to promoting our products ethically and in accordance with applicable laws and regulations, we provide complete and accurate information about products to healthcare professionals that supports the development of medical and pharmaceutical assistance, always limiting ourselves to product information and characteristics with scientific and clinical backing.

In this context, Aché representatives are prohibited from offering financial incentives or gifts of any nature to healthcare professionals in return for prescribing, indicating, influencing the purchasing decision or administering products, including the offering of any items intended to facilitate prescribing.

Regulatory and quality environment

Topics of great relevance, according to external stakeholders and company employees, the quality and safety of our products are some of our historical strengths and are at the center of the business evolution guidelines.

We always act in compliance with legislation and regulatory bodies in the sector, maintaining constant and collaborative dialogue with public authorities and professional associations to uphold standards of excellence in quality, safety and compliance.

Compliance and regulatory affairs, in fact, are strategic topics, and we propose to go beyond complying with legislation, using available mechanisms to guarantee the quality and safety of our products and services. We operate in a simple, agile way and pursue innovations and advances in the sector, such as QR Code implementation to access the digital package insert.

We were leading players in this sense, as one of the organizations that best dialogued

with Anvisa in 2023, acting agilely for the post-registration of products. One of the topics discussed was the legislation that deals with RDC 832/23, related to the optimized analysis of drug registrations and post-registrations, based on criteria common to national and international agencies.

Risk management

GRI 2-15; GRI 205-1; 2-16

Our risk management is based on the COSO methodology, internationally recognized and aligned with ISO 31001, and is managed by the Risk and Compliance area.

We have an Operational and Strategic Risk Map that considers the impacts and probabilities of materialization. There are action plans for all risks, with constant updates according to changes in internal and external scenarios, with reporting and monthly discussions on higher-level committees. In 2023, the Map was updated to include sustainability perspectives among monitored risks.

To prevent and mitigate conflicts of interest, governance is ruled by

a Shareholders' Agreement, which guides the actions of related parties, together with the Code of Conduct and policy on related parties, establishing guidelines to prevent such conflicts.

Our operation has interfaces with several public agents, such as regulatory bodies like Anvisa, municipal Health Departments and the Environment Department. Due to these characteristics, corruption risks involving the five manufacturing units and Neolog are monitored through the Strategic Operational Risk Map. All employees are trained to comply with current applicable legislation, and suppliers and service providers who are authorized to represent Aché are bound by anti-corruption clauses in the signed contracts.

Regulatory bodies External audit

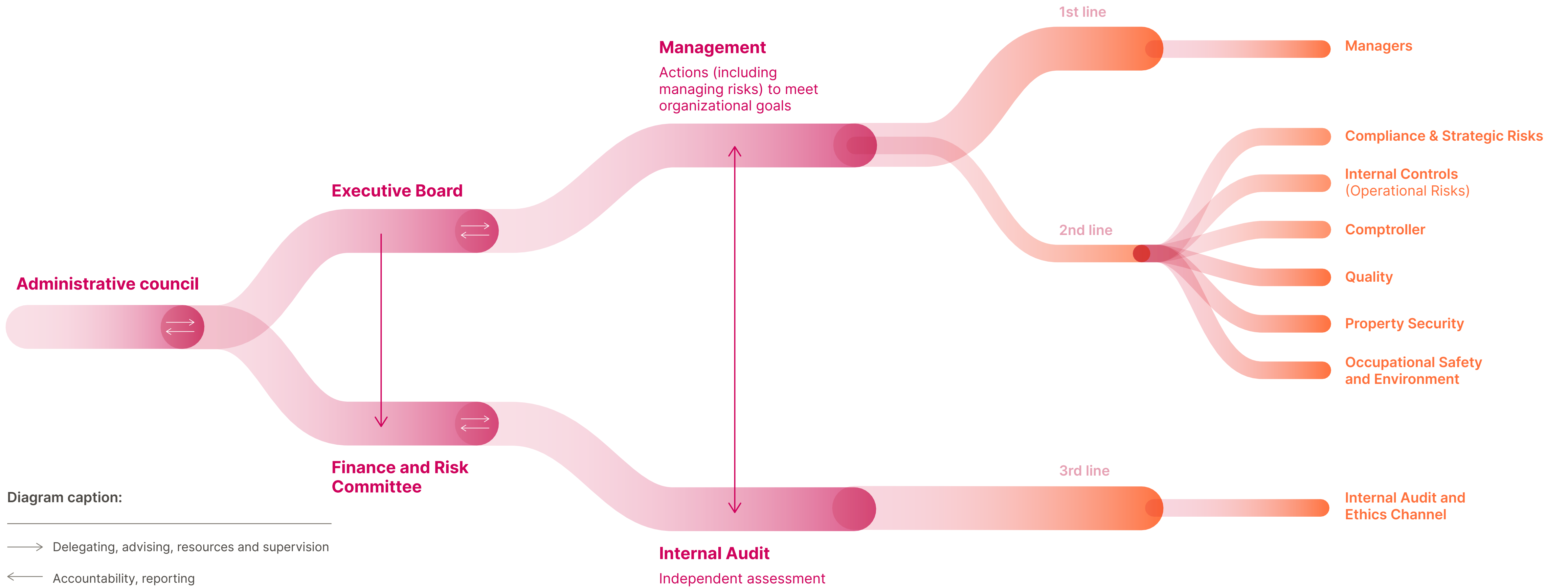


Diagram caption:

- Delegating, advising, resources and supervision
- ← Accountability, reporting
- ↔ Alignment, Communication, Coordination and Collaboration.

Adapted for Aché, 3 Line model – IIA (Institute of Internal Auditors of Brazil)



Ombudsman channel

GRI 2-23; GRI 2-24; GRI 2-25; GRI 2-26

We are committed to integrity and to promoting an ethical, transparent culture of respect for Human Rights. Our operations have controls that undergo internal and external audits, with their efficacy and safety tested by specialized teams. Our policy is zero tolerance for corruption, bribery or any practice that could constitute unlawful business.

Internal or external reports about any suspicion of illegal practices, including corruption, can be made through the Ombudsman Channel, which operates under outsourced management, ensuring confidentiality and impartiality.

In 2023, to streamline the handling of anonymous reports about irregularities and attitudes not in line with Code of Corporate Conduct guidelines, the received reports began to be investigated internally by a specialized team. Cases with merit are presented to the Ethics Committee for analysis of applicable sanctions. The generated indicators feed back into the training system, which seeks to provide guidance and prevent recurrences.

Compliance and Legal

One of our objectives is to influence our supply chain and partners toward good Governance, Human Rights and Sustainability practices. In 2023, one of our main actions in this regard was an update to the Code of Conduct, a document that guides all of the company's relationships and is publicly available on our website. The Code of Conduct now includes a specific chapter on relations with suppliers, doctors and the communities surrounding the factories.

To disseminate the new guidelines and information, we launched a training program with accessible language and practical examples, in which the company's main leaders participated, including shareholders. Other employees are still in training.

Issues pertinent to the new chapter of the Code of Conduct were also covered in training sessions provided for around 700 partners and suppliers, which were also included in contractual clauses. Supplier selection, approval and monitoring processes should continue to be improved in 2024.

In the legal area, an important highlight was a 36% reduction in contract return time. By applying technology and pre-approved drafts, the time was reduced to an average of 2.4 days, improving dynamism in the area.

With regard to patent development, there were several training sessions to develop the culture on the topic within the company. In 2023, important patents were granted in Europe and Asia.

Membership associations

GRI 2-28

Seeking to contribute to important pharmaceutical agendas, we are members of the following associations:

→ ABIHPEC

Associação Brasileira da Indústria de Higiene Pessoal, Perfumaria e Cosméticos (Brazilian Association of the Cosmetic, Toiletry and Fragrance Industry)

→ ACESSA

Associação Brasileira da Indústria de Produtos para o Autocuidado em Saúde (Brazilian Association of Products for Health Self-Care)

→ FARMABRASIL

Associação dos Laboratórios Nacionais (Association of National Laboratories), focused on innovation

→ IEDI

Instituto de Estudos para o Desenvolvimento Industrial (Institute of Studies for Industrial Development)

→ ETHOS

Instituto de Empresas e Responsabilidade Social (Institute of Enterprises and Social Responsibility)

→ PROGENÉRICOS

Associação Brasileira das Indústrias de Medicamentos Genéricos (Brazilian Association of Generic Drug Industries)

→ SINDUSFARMA

Sindicato da Indústria de Produtos Farmacêuticos do Estado de São Paulo (São Paulo State Union of the Pharmaceutical Industry)

→ CIESP

Centro das Indústrias do Estado de São Paulo (São Paulo State Center for Industries)

→ SBMF

Associação Brasileira de Medicina Farmacêutica

→ **SINFACOPE - (Pernambuco)** Sindicato das Indústrias de Produtos Farmacêuticos, Medicamentos, Cosméticos, Perfumaria e Artigos de Toucador do Estado de Pernambuco (Pernambuco State Union of Pharmaceutical Products, Medicines, Cosmetics, Perfumery and Toiletry Industries)



Digital package inserts

We advanced on including QR Codes on packaging. In 2023, 37% of our portfolio now has this feature, which provides access to the digital package insert and allows the content to be read in Brazilian Sign Language (Libras), or reproduced in audio. There is also a tool for adjust font size, making it easier to read the content.

The topic of digital package inserts, so relevant to the industry as a whole, was addressed in the launch of a public consultation at the end of 2023 to allow for removing paper package inserts for hospital oncology medications and free samples. We consider the issue to be promising for the entire industry in environmental and manufacturing terms, as the elimination of paper inserts lets us reduce impacts on the environment and the complexity of production processes.



Highlights

We had 23 product registrations approved in 2023, and 35 submissions. We also had 132 post-registrations, which are changes made after a product is already on the market, such as changes in formula, active ingredient suppliers, production location or manufacturing process.

The significant number of post-registrations was due to the update to Aché's portfolio, which was partially transferred to the plant in Pernambuco; the adoption of new technologies; improvement in manufacturing processes; and the inclusion of new suppliers, aiming to increase quality and reduce possible disruptions.

There were also many inspections by health authorities, with four plants audited and 100% recertified. The Pernambuco plant underwent phase 2 and was cleared to manufacture products. It was also a record year for product releases, with 13,396 lots released.

Topics that progressed in 2023 due to the work carried out with professional associations were: Anvisa approval of a framework for registering new and innovative medicines through RDC 753/2022 and Normative Instruction 184/2022; and the approval of RDC 831, which represents an advance for the industry as a whole, as it allows for launching generic products even if there is still some indication under patent protection for secondary use, enabling wider access to medicines

ECONOMIC/FINANCIAL PERFORMANCE

Challenges in 2023

2023 saw a drop in demand for respiratory products, one of the most important items in terms of revenue for Aché. This scenario was quite different from 2022, a period marked by the return to social life after the confinement of the Covid-19 pandemic, by outbreaks of viral diseases such as the flu and colds, and a harsh winter, factors that boosted demand for medicines for these pathologies.

Challenges faced in-house have also impacted the results. In early 2023, structural issues caused an increased disruption in order fulfillment. The Prescription and MIP (OTC – Over-the-Counter Drugs) units were impacted the most by this scenario. Throughout the year, the organization promoted a series of initiatives that addressed the issue and resulted in the rate of unfulfilled orders being largely reduced, but there is a perceived impact over the 12 months.

Prescription and specialty care division

Prescription Business Unit

The Prescription Division is Aché's largest business unit. Due to its relevance, its results reflect the moment of structuring of the organization, registering 4% PPP demand growth in 2023, compared to 11% market growth.

The unit earned BRL 3.44 billion in 2023, with BRL 25 million from new products. Investments reached around BRL 1 billion in its sales forces and more than BRL 150,000,000 in the development of new prescription and specialty care products.

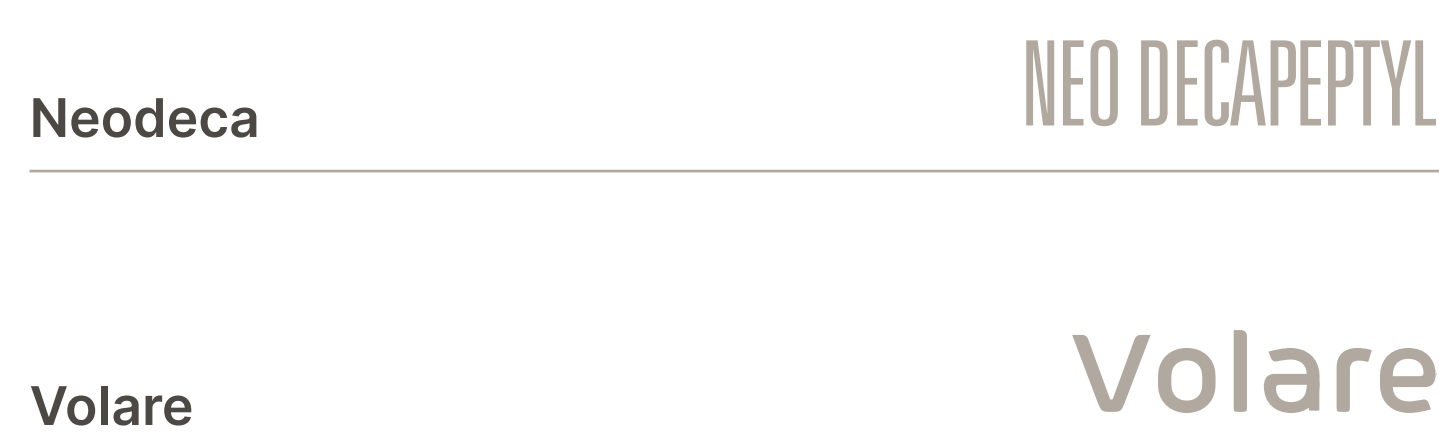
Institutional and Specialty Care Business Unit

Dedicated to highly complex therapies in the Oncology, Hematology and Critical Care areas, the Institutional and Specialty Care Business Unit caters to public and private institutional entities, such as clinics and hospitals.



Performance above the market

The Institutional and Specialty Care Business Unit grew 15% in net revenue compared to market growth of 6.2%. Products with outstanding performance:



Products with outstanding performance:

Outstanding performance products:

Trezete

Market leader in the Cardiovascular line.



Alenia

One of the company's flagships, started to grow again and gained 0.74% market share in 2023.



MIP business unit – over-the-counter medicines

2023 was a challenging year for the MIP (OTC) Unit, with lower than market growth compared to the previous year. This result was mainly influenced by performance of the Colds and Flu Category, which is a big part of the portfolio and had low growth in 2023, a result of the post-peak consumption movement in 2022 (outbreaks) and the mild winter, marked by the high temperatures, one of the warmest winters since 1961*. In 2023, MIP (OTC) also received 16 brands from the Prescription Unit, expanding its portfolio and opening up the possibility of operating in other categories, such as Vitamins and Minerals, with Collagen, and Gastro, with Probiotics.

For 2024, the MIP (OTC) unit will keep its focus on building and developing major brands, also seeking balanced performance in its promotional mix, through optimized

and synergistic resource management with category prioritization and vision in the trade, media and medical pillars. The Unit will also strengthen brands in different categories for a more balanced performance, seeking a gradual reduction in dependence on medications for seasonal pathologies.

*Source: Instituto Nacional de Meteorologia (National Meteorology Institute). 9/22/2023. Available at <The winter of 2023 was one of the hottest since 1961 (inmet.gov.br)>



Products with outstanding performance:

| | |
|----------|-----------------|
| Flogoral | FLOGORAL |
| Biofenac | Biofenac |
| Decongex | DECONGEX |

Launches in 2023:

Protena Plus D

Protena Pro

In 2023, MIP (OTC) also received 16 brands from the Prescription Unit, expanding its portfolio.

Dermocosmetics

The Dermocosmetics market is on the rise, having recorded 15% growth in 2023, with contributions by launches and the sunscreen segment. For Aché, portfolio gaps caused the Unit's performance to fall short of market performance, with the Profuse brand growing 2% in the same period. In 2023, the Unit began to engage in a review of its portfolio, seeking simplification to bring greater focus to products with consumer potential.

As part of this renewal process, some products were discontinued, while five products were launched in potential markets, the results of which should be consolidated in 2024. The Nutrel brand was the highlight of the last year, registering over 20% growth in the period. For 2024, the Unit intends to rebuild its strategies, continue with the portfolio review and define the positioning of the Profuse brand, all while focusing on products and brands with greater potential, mainly Nutrel.

*All data in BRL PPP. Source: IQVIA PMB BRL PPP – 2023 year end

Notable launches:

Ensolei

Product line with sunscreen and active ingredients for treating various skin types.

ENSOLEI

Semblé

Nutricosmetics line.

SEMBLÉ

8D Hyalu+

Skin barrier strengthening serum.

HYALU+

Essencele Filler Complex C20

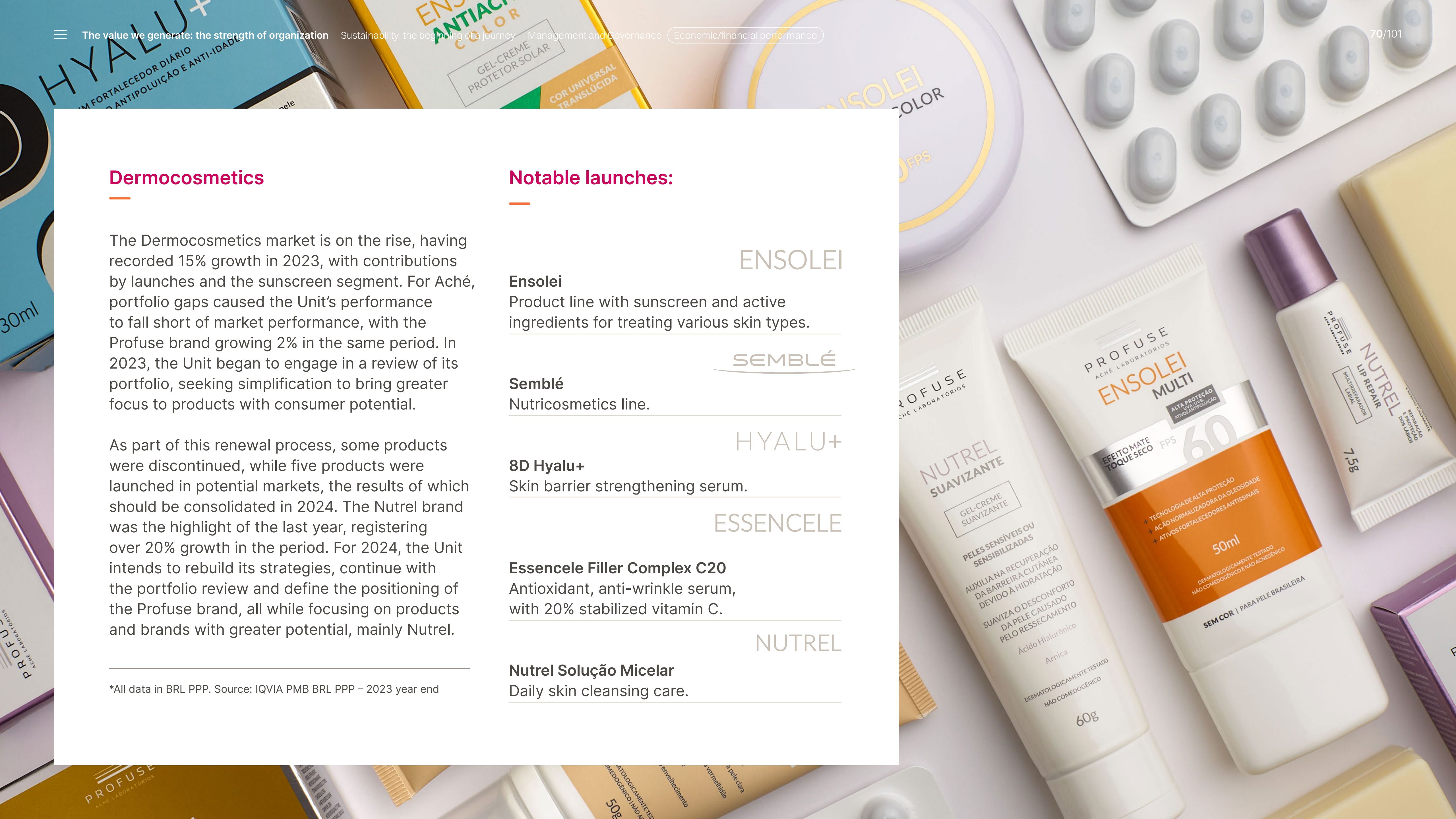
Antioxidant, anti-wrinkle serum, with 20% stabilized vitamin C.

ESSENCELE

Nutrel Solução Micelar

Daily skin cleansing care.

NUTREL



Generic unit

Dedicated to serving as many patients as possible with quality generic medicines at affordable costs, the Generic Product Unit did not see significant growth in 2023. Like other business fronts, it suffered the effects of a post-pandemic period and the company's manufacturing restrictions. Due to strategic choices made by the organization, the decision was made not to produce certain products in this line.

In 2023, there were three prominent semi-exclusive launches:

| | |
|---------------------|---------------------------------|
| Dropropizina | dropropizina |
| Sertralina | cloridrato de sertralina |
| Cetrolac | trometamol cetorolaco |

For the unit, 2023 was also marked by a change in its board and the creation of an independent business strategy. For 2024, the business model should be rethought, with a more frequent schedule of launches and line extensions.



Biosintética Prescription

An interdependent Business Unit, it plays a strategic role in this new transformation cycle. Its focus is on developing prescription products in order to expand the population's access to quality medications at a fair price. It began operating with customers in December 2022 and was officially launched to doctors on January 31, 2023.

In 2023, the products Antux, Formocaps, Somalium and Betalor were transferred from Aché to Biosintética as the unit's initial portfolio. Then, throughout the year, 21 brands were launched with Biosintética's visual identity.

The unit's prominent products in 2023 were:

| | |
|-----------------|-----------------|
| Totti | TOTTI |
| Runner | Runner |
| Venoxide | VENOXIDE |
| Fusor | FUSOR |

The ambition of the Business Unit for 2024 is accelerated growth with the brands launched over the course of the first year and bring in new products strategically, benefiting more doctors and patients.



X-Ray View of the Biosintética Prescription Unit

An interdependent Aché business unit, with physical base of operations in the Biosintética plant and part of its internal team dedicated to the unit. Its main objective is to gain prescriptions and demand. It has more than 260 exclusive professionals on its field team. It received investment of BRL 100,000,000 in 2023, its 1st year in operation. The period was also marked by many launches for different medical specialties.

Main financial indicators

Our financial performance in 2023 was impacted by different factors. El Niño and climate change influenced the consumer demand forecast, resulting in distribution inefficiency and hindering the supply chain due to dependence on imported suppliers.

Above-normal temperatures during the Brazilian 2023 winter diminished, or postponed, the wave of flu and colds in some regions of Brazil, impacting the pharmaceutical sector in general.

After a beginning of the year with supply disruptions in some product lines, the company resumed and sustained productivity in all of its plants, reducing the percentage of non-fulfillment to just 2% in December.

In order to strengthen and maintain continuous business growth, we have invested in renewing our leadership, reviewing policies and processes, as well as structuring new business fronts and projects, detailed throughout this report, to build the foundations for the new development cycle projected for the coming years.

Main financial indicators

Consolidated (BRL million)

GRI 201-1

| | 2021 | 2022 | 2023 |
|-----------------------------|---------|---------|----------------|
| Net revenue | 4,028.3 | 4,977.6 | 4,959.8 |
| Gross profit | 2,565.5 | 3,287.3 | 3,173.9 |
| <i>% net revenue</i> | 63.7% | 66.0% | 64.0% |
| EBITDA | 1,048.4 | 1,418.1 | 861.5 |
| <i>% net revenue</i> | 26.0% | 28.5% | 17.4% |
| Gross profit | 651.6 | 1,058.4 | 612.4 |
| <i>% net revenue</i> | 16.2% | 21.3% | 12.3% |
| Net profit per share | 10.2 | 16.6 | 9.6 |

Sales, overhead and administrative expenses

Consolidated (BRL million)

GRI 201-1

| | 2021 | 2022 | 2023 |
|--|---------|---------|----------------|
| Sales expenses | 1,259.4 | 1,474.3 | 1,719.0 |
| Provision for doubtful debts | 1.3 | 5.6 | (3.9) |
| Freight expenses | 87.8 | 119.6 | 133.2 |
| General and administrative expenses | 263.0 | 310.8 | 454.0 |
| Provisions (reversals) for contingencies | (7.4) | - | 5.3 |
| Sales and administrative expenses | 1,604.1 | 1,910.3 | 2,307.6 |
| Other operating expenses | 54.0 | 96.5 | 140.0 |

THE VALUE WE SHARE: THE STRENGTH OF OUR RELATIONSHIPS

—
We are known for the credibility and trust we establish in relationships with various audiences: employees, customers, suppliers, distributors, regulatory bodies, business partners, doctors and others. In this chapter, we will talk about how Aché has generated value in the face of scenario changes and challenges for each of these groups.

Edsan Ferro, patient using the Inelatte supplement, and Éder do Amaral, a pharmacist from Farma 22 in Guarulhos/SP.



OUR ACHIEVEMENTS

- Consolidation of the use of WhatsApp and Chatbots to interact with healthcare professionals.
- Creation of RenovAché, a program to offer the most appropriate medicines to each doctor, more assertively addressing the needs of their patients.
- Creation of the Patient Relations Management area.
- Redesign of the Commercial Department.
- End of sending industrial waste to landfills.

OUR CHALLENGES AHEAD

- Improving communication with a new profile of doctors and patients.
- Bringing Aché closer to customers through actions such as increased participation in trade fairs.
- Final implementation phase of the Coupa tool in the Supplies area.
- Revision of the organization's structure and design, aiming for fluidity of area processes.

WHERE WE WANT TO GO

- Contribute to consolidating the training of new doctors and becoming a reference in ongoing medical education.
- Implement a decentralized study system that allows patients to answer questionnaires online.
- Making our production processes more sustainable, acting on priority fronts, such as operational eco-efficiency, achieving the climate strategy and promoting diversity, equity & inclusion.

FOR SOCIETY

Raising awareness about health

During 2023, we launched an initiative to raise awareness among the population about causes related to health and certain pathologies. This is a task that seeks to bring information to society in general, materializing Aché's purpose in specific actions.

One of the causes covered in 2023 was awareness about cholesterol. More than 500,000 people were impacted through media outreach in subways; street clocks; profiles of Aché and Caring for Life (CPV) on Instagram; a story on Jornal da Record and dissemination on websites through Aché's press office.

There was also a stand at the Hospital São Paulo Metro Station and at Hospital Incor, with the support of the Brazilian Association of Familial Hypercholesterolemia, free cholesterol measurement and lipid profile testing. Among the more than 500 people who took the exams, about

30% presented altered results. Of these, over 50% reported, at the time, not undergoing treatment for the pathology.

Mental health was another cause addressed by Aché, widely publicized through various actions, such as the Mente Aberta videocast, an audiovisual production for the general public with episodes that were shared on the Caring for Life (CPV) website, YouTube channel and social networks, in addition to actions dedicated to pathologies such as Bipolar Disorder, Epilepsy, Parkinson's disease, Autism Spectrum Disorder (ASD), Schizophrenia, Fibromyalgia, suicide prevention and Alzheimer's Disease.

The awareness actions included dissemination of content on the Aché and CPV websites, posts on social media, distribution of symbolic items and actions for doctors, in addition to internal dissemination for employees.

Social investment: support for those who need it most

GRI 203-1

In 2023, we created the Social Responsibility Committee to define social investment drivers, validate projects and approve the allocation of resources. For 2023, the drivers were: projects related to health, medical education or healthcare agents, caring for people in socially vulnerable situations and prioritizing projects in the locations of our plants.

In 2023, we invested BRL 4,000,000 between its own and incentivized resources for executing social projects.

Projects supported in 2023:

→ **Acolhimento que Cura (Nurturing that Heals):** Through a partnership with Santa Casa de Anápolis (GO), the company supports a humanized and individualized care program for more than 7,800 pregnant women and newborns, offering prenatal

care in a specialized center for high-risk pregnancies and obstetric urgency and emergency services, 24 hours a day.

→ **Technical training for workers in long-term care institutions in Pernambuco** Physical and therapeutic activities are provided for elderly residents and state seminars to exchange experiences between the institutions served.

→ **Support for two sports centers** that benefit 500 children in the Charneca and Pontezinha districts of Cabo de Santo Agostinho (PE).

→ **Art of Storytelling:** A project promoted to encourage the practice of reading among children hospitalized in São Paulo (SP) and Recife (PE), contributing to cognitive development and the expansion of cultural awareness.

→ **Sponsorship for the Tomie Ohtake**

Institute: Located in São Paulo (SP), the institute promotes free national and international exhibitions, educational publications and education aimed at public schools.

In addition to supporting these projects, we regularly donate medicines to the Amigos do Bem and Instituto Floravida institutions, providing access to treatments. On an emergency basis, more than 85 thousand units of medicine were also donated to Litoral Paulista and Rio Grande do Sul in 2023, to support the population affected by natural disasters.

In 2023, we also launched a volunteering campaign, inviting employees to register initiatives to receive financial support from Aché. In total, four initiatives were approved to receive BRL 10,000 in 2024, to invest in their structures and improve the quality of their services.



complexo **aché** cultural

FOR OUR STAKEHOLDERS

GRI 2-6; GRI 204-1; GRI 308-1; 308-2; GRI 414-1; 414-2; 2-28; 2-29



Alessandra da Rocha, José Nildo de Oliveira and Daniel Moreira, operators in the solids area at the Guarulhos plant.



Hildo Fernando de Souza,
sales representative on a
visit to the gynecologist
Tatiana Tiemi Aoki.

Doctors: see potential where there are challenges

An important part of our essence is partnering with doctors along the journey of treating and caring for patients. This partnership goes beyond delivering solutions in the form of products, extending to building support strategies so that doctors can reach their full potential as health professionals, always focused on the well-being of their patients.

Due to the proximity, respect and importance it attributes to medical professionals, the company recognizes the profound demographic change that this public is going through as an opportunity, especially in Brazil. Today, in addition to being more numerous and younger, doctors in Brazil specialize less, attend fewer conferences, seek more information on social media and consume shorter content, demanding more innovative forms of education and communication.

More women, more young people: the new profile of doctors in Brazil

The number of doctors in the country more than doubled in the past 20 years, while the population grew roughly 27% in the same period. As a result of courses opening up and expansion of the offering of undergraduate medical courses, the milestone of one million doctors is expected to be surpassed by 2035.

In addition to being numerous, the population of doctors will be more female, younger and, probably, less geographically distributed across the country. Smaller cities and the North and Northeast regions are those that least attract these professionals, a trend that generates inequalities and is expected to worsen.

Source: Medical Demography in Brazil, 2023 – FMUSP (Faculdade de Medicina da USP), FFM (Fundação Faculdade de Medicina) and Brazilian Medical Association.

Ongoing health education

This new scenario presents the opportunity we see to contribute to consolidating the training of new doctors, becoming a reference in continuing medical education in the therapeutic areas in which we operate. This plan should materialize in scientific events with innovative formats, clinically relevant materials shared by our propagandists and the creation of scientific and professional knowledge trails through digital platforms. The objective is to disseminate highly relevant content for doctors' scientific recycling, career development, as well as knowledge about pharmaceutical processes important for the treatments in question.

In 2023, we launched a scientific communication department dedicated to developing content supported by Artificial Intelligence tools and renowned doctors in their therapeutic areas, in addition to the company's team of medical managers, responsible for validating the materials. We have consolidated the use of WhatsApp and Chatbots to interact with healthcare professionals in a simpler, more streamlined way. Today, doctors can ask their main questions about products in less than a minute via the platform.



“Aché’s partnership with doctors goes beyond delivering solutions in the form of products to also serving as support for doctors to become the best possible healthcare professionals for their patients.”

Wilson Jr
Executive Director of the Prescription Unit



RenovAché, a new way of reaching doctors

In 2023, Renova Aché was created: a program to revise the Prescription Division's strategy, as well as the team that goes into the field to visit doctors and the range of products offered to healthcare professionals. The goal is to bring the most appropriate medicines to each doctor, more assertively addressing the needs of their patients. A pilot program was rolled out in the South region. In just the first month of RenovAché, the region achieved the best results in the country.



Patients in turn are the focus of the Patient Relationship Management area. Created in 2023, the area began to focus its efforts on points of contact and initiatives aimed at this audience, such as the pharmacovigilance team, which monitors signs or risks involving the safety and well-being of patients who use Aché products, in addition to fundamental regulatory action; the CAC (Consumer Service Center); and the PSP (Patient Support Program) area. The goal is to raise the bar in meeting patient needs, implementing targeted and individualized actions while improving our centralized listening approach and strengthening our relationship strategies. We want to make sure the patient's voice is consistently incorporated into all phase of the product lifecycle

Responsible for giving doctors and patients a voice, representing the interests of these audiences within the company, the Medical-Scientific Board operates in a cross-cutting way throughout the organization, and is also responsible for planning and conducting

clinical trials to prove the efficacy and safety of products. In 2023, 101 clinical trials were conducted, encompassing 1,903 participants and 23 research centers.

In 2023, we will also begin to use Artificial Intelligence and digital strategies significantly to identify participants who can be included in our clinical trials. To reach more assertive conclusions more quickly, we have also run simulations using digital tools to predict the results of research on humans.

We are also preparing to implement a decentralized study system, starting in 2024, which lets patients answer questionnaires online and have remote consultations without the need to travel to research centers.



Events for doctors in 2023

595
events were held.

13,269
doctors were engaged.

5,127
class hours provided.

Indicators about satisfaction levels of doctors and patients

Level of doctor satisfaction regarding interaction with the Medical Information area: 95 (0-100)

Level of patient satisfaction regarding interaction with the CAC area: 70 (0-100)

Customers: making Aché a good business partner

Being a reference in customer relationships is essential for us to reach our full potential in this new cycle. To this end, business activities and the way we engage with our sales partners underwent a profound transformation in 2023.

The most important change took place in the Commercial Department, an area specifically focused on relationships with one of the company's most important audiences: customers, including distributors, hospitals, clinics, pharmacy chains, points of sale and retailers across the country.

The area was redesigned to provide sales services individually for each business unit, taking into account the characteristics and specificities of the markets served, and now it concentrates the entire sales process, previously fragmented, under its management. During 2023, areas and activities such as Sales, Trade Marketing,

Supply Management, Merchandising, Customer Service, Management of Sales Indicators and Systems, Market Intelligence, Productivity, Commercial Target Setting and the sales team itself began working under the same leadership.

With this new action, we have also promoted bringing Aché closer to our customers again through a significant increase in participation in trade fairs, as well as a more targeted and structured management of indicators.



“Customer relations are fundamental to Aché’s revitalization, and we are focused on getting ever closer to this audience.”

Marco Antonio
Commercial Director

Supply Chain

GRI 204-1

Our supply chain is a vital component for Aché, made up of approximately 2,500 suppliers, both national and international. In 2023, we reached a purchasing volume of BRL 2.88 billion, reflecting not only our global operations, but also the strategic relevance of our partnerships.

Transformation in the Supplies Area:

To strengthen our operation, simplifying and streamline the purchasing process, the Supplies area underwent a transformation based on three essential pillars: processes, systems and people. We strive not only for efficiency, but also adherence to good market practices, based on solutions and partnerships that add value to our business.

To improve operational efficiency and ensure resilience through a risk mitigation

approach, we have designed a process for identifying opportunities for Quick Wins and long-term planning for Big Wins.

A process was also created to speed up the process of approving and including new sources of supply, seeking to keep our plants and businesses operating continuously.

With continuous investment in systemic tools & technology, we continue to implement the Coupa tool, used to manage contracts and non-automatic purchases. It is estimated that by February 2024 / Since February 2024 we have new / we will have new processes added to the tool: automatic purchases integrated with the ERP (Enterprise Resource Planning, or Integrated Business Management System), supplier management (approval, risk management and controls of ESG initiatives) and services.

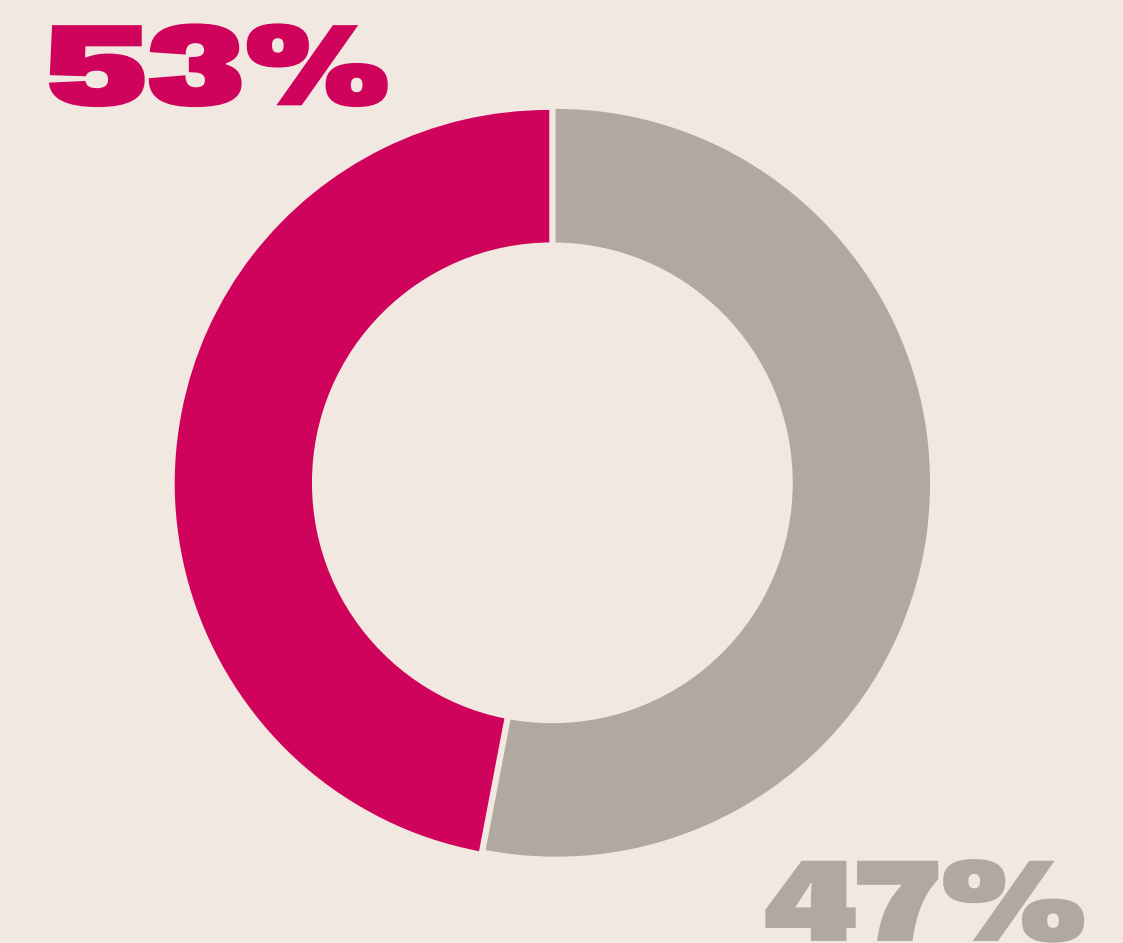


Collaborator in the area of handling at the Londrina plant.

Distribution of expenditures with suppliers

GRI 204-1

- national suppliers
- international suppliers



FOR ACHÉ EMPLOYEES

GRI 2-7; 2-8; GRI 401-1; 401-3

The strength of the aché generation: employees

We value people, encouraging the development of each person's full potential. We want to create an increasingly inclusive and collaborative environment, where everyone feels respected and valued, with diversity of thoughts, experiences and skills. We consider issues related to Gender Equity, People with Disabilities, Race, LGBTQIA+ and Generations in our choices.

We offer continuous education programs, such as Aché Academy, and we support physical exercise and healthy diet to promote quality of life for our employees. We believe that they are the force behind Aché's success and together we continue to pursue the purpose of caring for people's health and well-being.

Worker health

403-6, 403-10

We work in an integrated manner within the organization to drive campaigns and programs that improve the health and well-being of our employees and their families. In addition to the Health Plan, which covers 100% of our population, we provide our own occupational medical care team, a family doctor at the Guarulhos plant, sample collection for laboratory tests at the Guarulhos and Nações Unidas plants; we run vaccination campaigns, educational prevention actions, donations of medicines to employees and their families, partnerships with gyms throughout Brazil, balanced meals supervised by nutritionists in the restaurants at our plants and the LeveMente program, focused on the mental health of employees.

We always strive to bring new solutions to promote well-being and quality of life for our employees, as we believe that a healthy and motivated team is essential to the company's success. Among other initiatives, we changed out the fleet of sales representatives' vehicles in 2023, which now have automatic transmission, bringing ergonomics and increasing the possibility of hiring People with Disabilities.

Total employees by type of contract (GRI 2-7)

| | Men | Women | Total |
|--------------|--------------|--------------|--------------|
| Permanent | 2859 | 3009 | 5.868 |
| Temporary | 37 | 59 | 96 |
| Total | 2,896 | 3,068 | 5,964 |

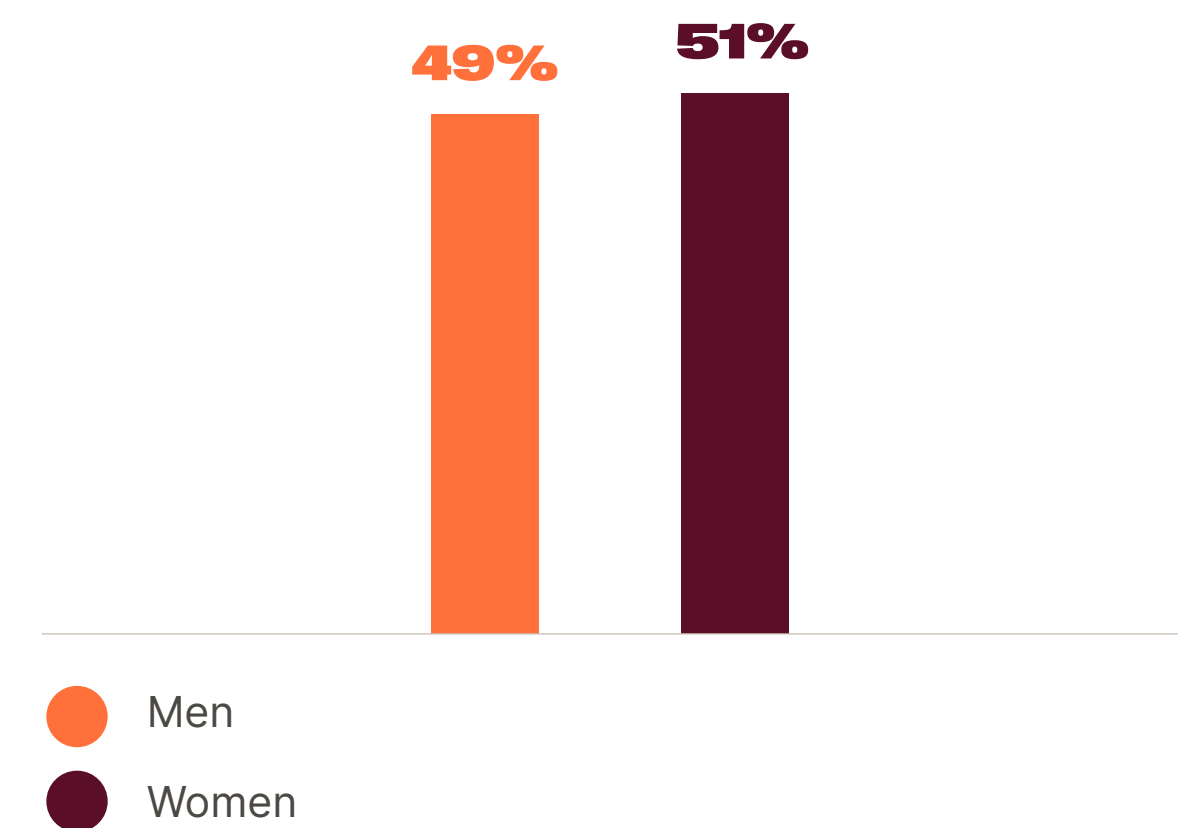
Total employees by type of contract and region (GRI 2-7)

| | Permanent | Temporary | Total |
|--------------|--------------|-----------|--------------|
| Midwest | 86 | 0 | 86 |
| Northeast | 217 | 0 | 217 |
| Southeast | 5552 | 96 | 5,648 |
| South | 13 | 0 | 13 |
| Total | 5,868 | 96 | 5,964 |

1. All employees are full-time.

Percentage of employees by gender (GRI 405-1)

2023

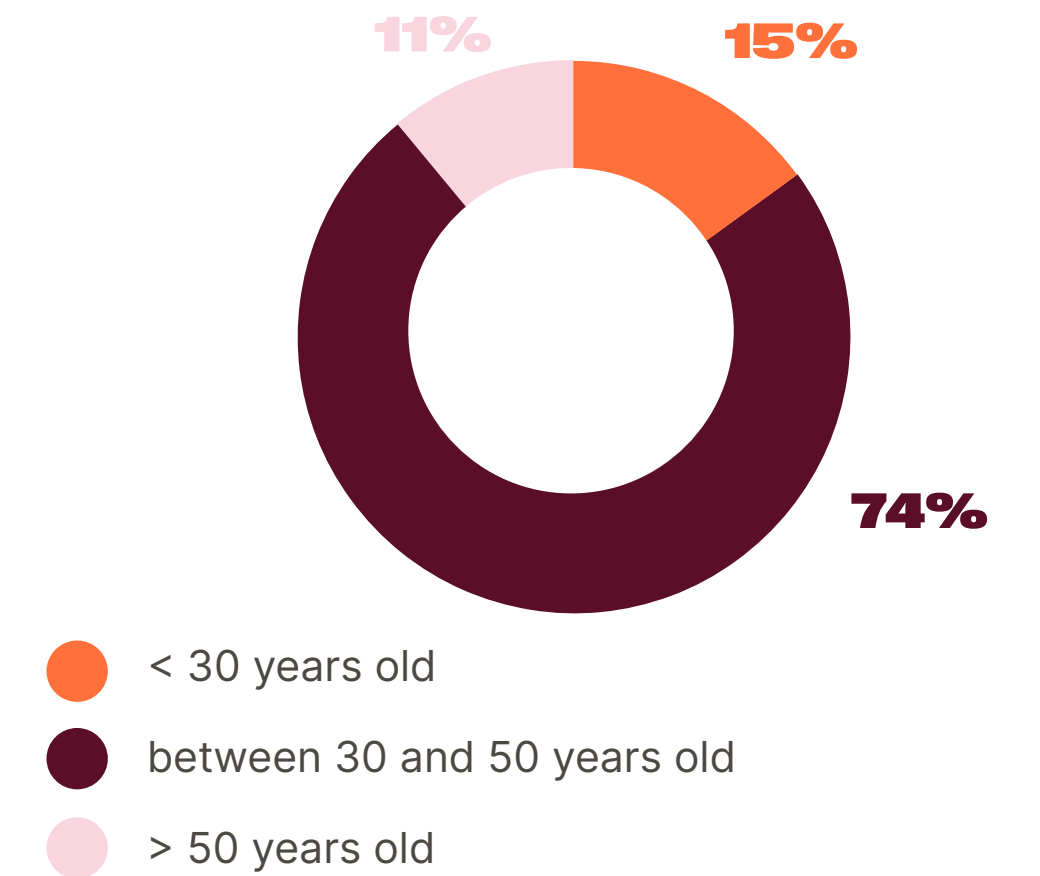




Guilherme Dias, communication coordinator; **Denise Alves**, administrative assistant; **Mariana Gualberto**, intellectual property analyst; **Leticia Kazumi Sakai**, marketing analyst; **Juciara Oliveira**, buyer; **José Mangolin**, product manager; **Andressa Silva**, new business analyst; **Orjana Santos**, packaging development coordinator; and **Leandro Cabral**, event coordinator.

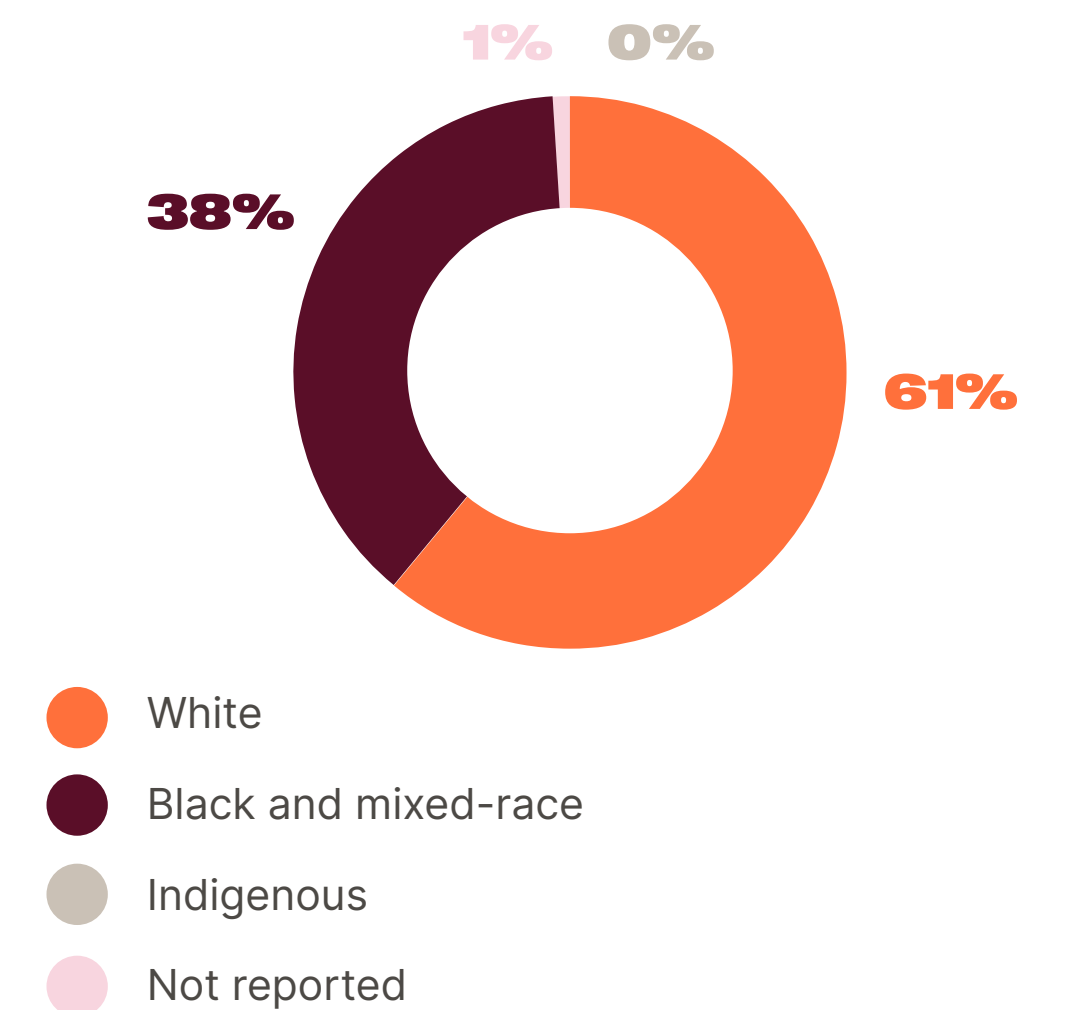
Percentage of employees by age (GRI 405-1)

2023



Percentage of employees by ethnicity (GRI 405-1)

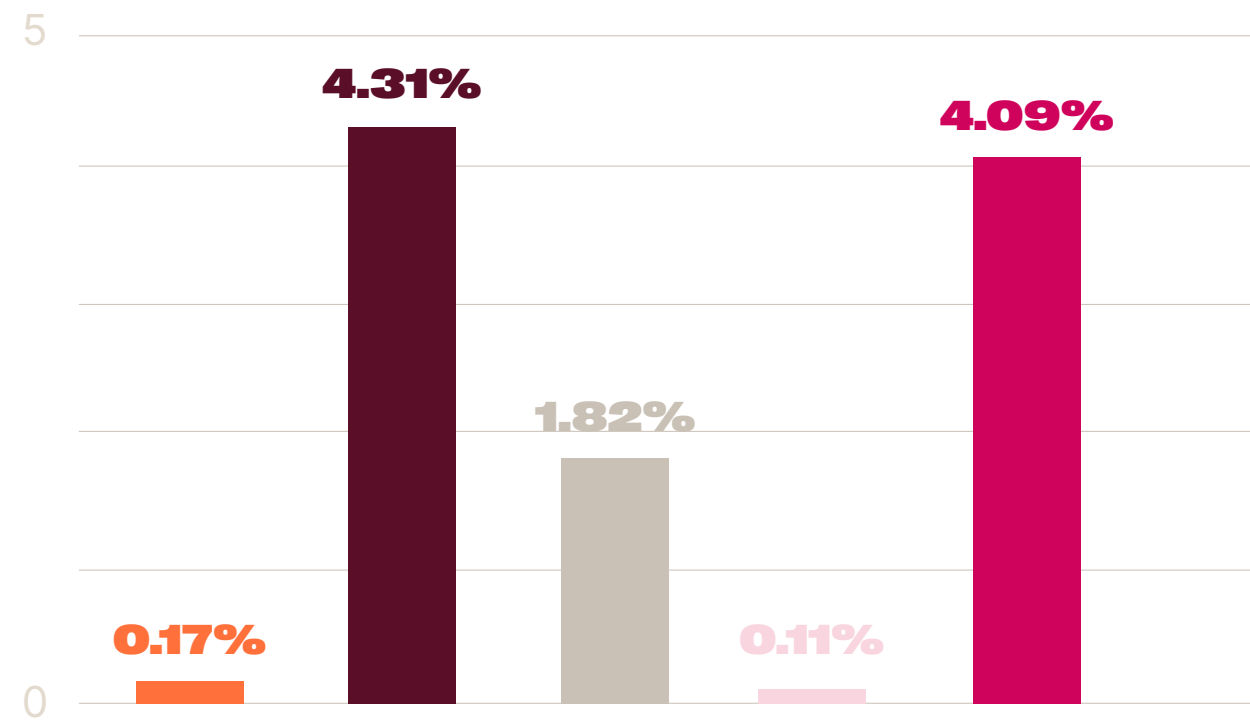
2023



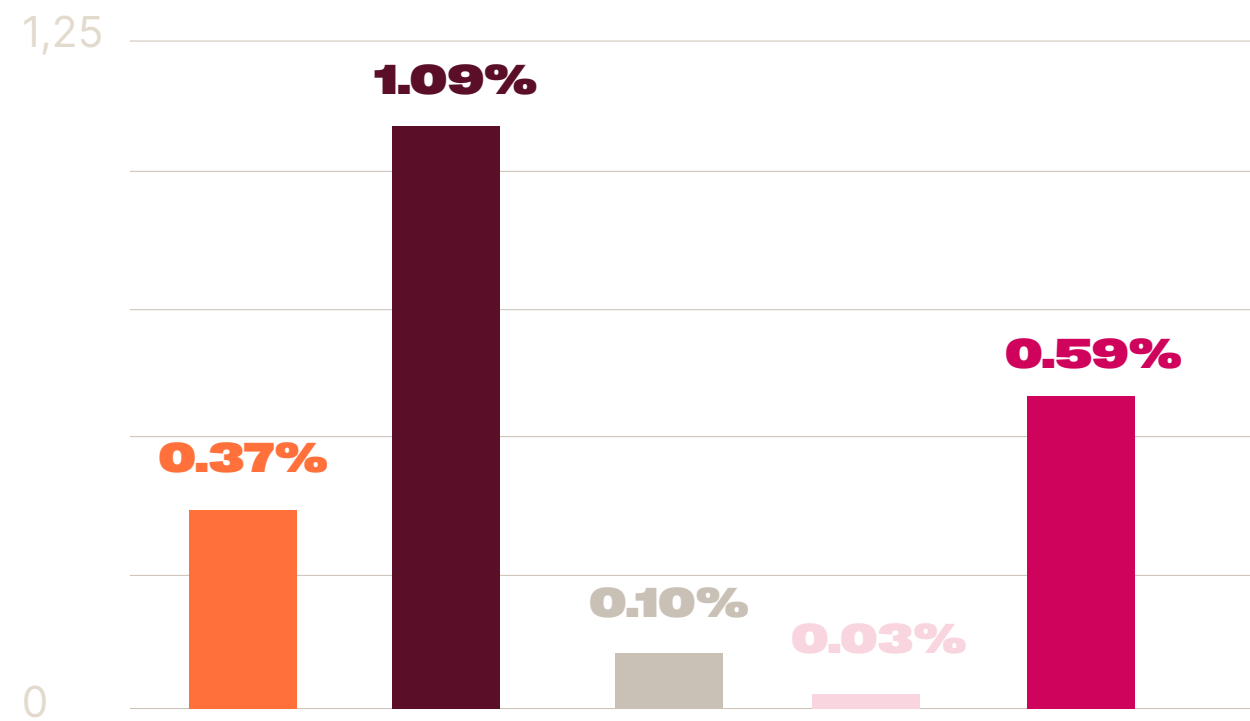
Percentage of employees with disabilities (GRI 405-1)

2023

No. of men | Total: 11.46%



No. of women | Total: 2,18%



- Hearing impaired
- Physically impaired
- Mentally impaired
- Rehabilitated
- Visual



Enabling opportunities

To make this Aché revitalization cycle viable, we made changes in the People and Culture area, which included the structuring of a Business Partner operating model, a redesign of the Internal Communication model, construction of a new strategy for Managing People Development and a review of processes in the Human Resources and Facilities Administration areas. In Health Management, a new operating model will be improved to come closer to the desires and expectations of employees and business needs.

We are going through two important transitions: revision of the organization's structure and design to make processes more efficient, and an overhaul of positions and salaries. We started new cycle of people development in 2023, with an emphasis on high performance and meritocracy. The Talent Review process was implemented to identify high-potential and high-performance professionals, starting with managers and leaders. For the next year, all employees will be evaluated based on individual goals. The changes also include the hiring of experts, a review of variable remuneration forms and simplification of structures to accelerate careers and create opportunities.

Turnover Rate (GRI 401-1)

| | 2022 | | | 2023 | | |
|------------------------------------|-------------|--------------------|-------|-------------|--------------------|--------|
| | Total hires | Total terminations | Rate | Total hires | Total terminations | Rate |
| Men | 487 | 376 | 0.077 | 693 | 426 | 0.09 |
| Women | 497 | 486 | 0.088 | 866 | 558 | 0.11 |
| Under 30 years old | 291 | 172 | 0.041 | 625 | 307 | 0.07 |
| Between 30 and 50 years old | 683 | 657 | 0.120 | 900 | 596 | 0.12 |
| Over 50 years old | 10 | 33 | 0.003 | 34 | 81 | 0.009 |
| North | 39 | 34 | 0.006 | 0 | 0 | 0 |
| Northeast | 147 | 102 | 0.022 | 79 | 38 | 0.009 |
| Midwest | 81 | 77 | 0.014 | 18 | 26 | 0.003 |
| Southeast | 623 | 564 | 0.106 | 1,458 | 919 | 0.19 |
| South | 94 | 85 | 0.016 | 4 | 1 | 0.0004 |

Note: ¹ Calculation methodology: [(hired + terminated)/2]/total headcount

Hiring scientists

HC-BP-330a.1

The recruitment and retention of scientists and research and development talent demands special attention as it is one of the greatest challenges for the Brazilian pharmaceutical industry. The recruitment process entails several steps to find the appropriate profile for the organization's innovation challenges.

Diversity, the force that drives and broadens

In 2023, the **Diversity, Equity and Inclusion** Committee was created as a first step toward acting in a structured way on the topic. At this time, indicators are being developed that should guide actions to be put into practice in the next cycle.

Some initiatives, however, have already begun, such as adherence to the **Social Compact**, an initiative created to bring the racial issue into organizations' strategic decision-making, with monthly meetings on the topic and the suggestion of affirmative actions; participation in events such as **The Future is Black**; and sponsorship of initiatives black people's initiatives, with the aim of identifying partnerships and opportunities for engagement and hiring.



Tatiana Apolinário, human resources consultant; and Caio Cesar da Silva, access consultant.



Nilo José Neto, risk and compliance analyst; Mariana Cristine Bueno, financial operations coordinator; Amanda Francielli Pereira, partnership analyst; Nathalia Medeiros, marketing analyst; Natália Salomão, regulatory affairs coordinator; Cristiane da Silva, financial analyst; Caio Funck, transformation manager; and Felipe Campos, marketing assistant.



Training to leverage talents

Helping the Aché Generation to continuously develop and adapt to the company's new direction was one of our focuses in 2023. We offer various training programs, such as the Leaders Academy and specific training for factory and sales teams. We have learned how to better manage performance and people and reinforced the behaviors and practices of our Way of Being and Doing.

The overall average training hours in 2023 was 49.2 hours per employee, a number calculated based on the total training hours divided by the number of employees.

People: the foundation for every change

At Aché, we are going through an intense period of transformation, which requires, in addition to great effort, the attentive and careful look we have always had with people. One of the main levers in this process is the LiderAché movement, which aims to strengthen the mission of regaining the market and has revenue optimization, efficiency and employee engagement as its guidelines.

More than 200 initiatives are currently underway in the company. To help us during this time of evolution, we have developed a Change Management methodology, which included training for the entire Human Resources and People team and the construction of a matrix to address the topic. The methodology aims to support the internalization of changes into organizational processes, allow impacts on structures and people to be visualized and better managed, and support

employees to engage during transitions.

One of our main challenges today is to revitalize the organization, sustaining our essence while continuing to operate with high performance and achieving good results.

In this sense, caring for people is imperative. Care that translates into recognition and appreciation of efforts, investments in training and development, celebration of achievements and rituals that are part of our culture, such as Thanksgiving, an event that takes place annually, and Celebra Aché, a party to celebrate the end of the year.

Collaboration and joint construction are Aché's historical strengths that keep the passion for the company alive. This engages and mobilizes the transformation and revitalization we seek, achieving the best results for the business and for all of us.



Mariana dos Santos, cost analyst;
Luana Ribeiro, product manager; and
Reynaldo Issao Endo, product manager.



Ratio of basic salary and remuneration of women to men GRI 405-2

| | 2022 | | 2023 | |
|------------------------------------|-----------|--------------|-----------|--------------|
| | Base wage | Remuneration | Base wage | Remuneration |
| Administrative / Operational | 1.06 | 1.06 | 1.09 | 1.09 |
| Sales Supervisor / Sales Associate | 0.93 | 0.93 | 0.93 | 0.93 |
| Coordinator | 0.97 | 0.97 | 0.98 | 1 |
| Managers | 0.99 | 0.99 | 0.99 | 1 |
| Directors | 1.17 | 1.17 | 0.77 | 0.70 |
| Interns | 1 | 1 | 1 | 1 |

¹ Notes: 1. Base salary = average of job holders' salaries. 2. "Remuneration" – considering Profit Sharing, 13th month salary, vacation and commissions (monthly equivalent); the remuneration elements (target) are the same, but the payment distinguishes the area of activity/specific goals of the business unit. 3. "Board of Directors" does not include the position of President. 4. There is no different between genders in terms of benefits.

Parental Leave GRI 401-3

| | 2021 | | 2022 | | 2023 | |
|---|-------|-------|-------|-------|-------|-------|
| | Men | Women | Men | Women | Men | Women |
| Total number of employees entitled to take maternity/paternity leave | 2,474 | 2,640 | 2,682 | 2,869 | 2,896 | 3,068 |
| Total number of employees who took maternity/paternity leave | 87 | 133 | 99 | 129 | 103 | 316 |
| Employees who returned to work after maternity/paternity leave | 93 | 123 | 99 | 135 | 103 | 244 |
| Employees who returned to work and remained for 12 months or longer after maternity/paternity leave | 113 | 106 | 89 | 121 | 8 | 247 |
| Rate of return | 1 | 0.97 | 1 | 1.04 | 1 | 0.77 |
| Retention rate | 0.98 | 0.94 | 0.89 | 0.89 | 1 | 1.01 |

Occupational health and safety

GRI 403-1; 403-2; 403-3; 403-7

We have ISO 14001, 45001 and 50001 certifications at the Guarulhos plant, and we use risk recognition and assessment mechanisms based on the requirements of current standards, such as NR-01, which establishes the risk management program and Fundacentro Occupational Hygiene standards. We also follow internal procedures, which are reviewed in the event of changes in the production process, when the document reaches three years since its last review, or at the discretion of Safety Engineering.

In addition, we have occupational health services that help identify, minimize and eliminate risks for people who work in our operations. Among them is the Occupational Health Medical Control Program (PCMSO – Programa de Controle Médico de Saúde Ocupacional), which conducts medical examinations according to the risks identified in the Risk Management Program

(PGR); the Ergonomic Work Analysis (AET), which ergonomically evaluates workstations; and Labor Gymnastics, which promotes well-being when carrying out activities.

The risk management results are used to generate continuous improvements in the occupational health and safety management system. In addition, we maintain an ethics channel for reporting any abusive situation or situation that puts employees at risk, ensuring the confidentiality of the information provided. Reported incidents are investigated, addressed by means of action plans, and timeframes are stipulated for corrections.

With regard to machinery and equipment used in the production processes, there is an inspection and testing routine. There are also controls over the inventory of chemicals kept in our facilities. Emergency systems are periodically inspected and practical exercises are carried out using tools such as the LPD – Hazard and Damage Survey.



Worker participation and consultation

GRI 403-4; 403-5

We offer some participatory and consultation processes for our employees and service providers with regard to health and safety:

→ **Internal Accident Prevention Committee (CIPA – Comissão Interna de Prevenção de Acidentes)**, with monthly meetings to identify risks in the work process and address them through preventive plans and actions, as well as reinforcing the right to refuse in situations of imminent risk.

→ **Compliance with ISO 45001**, with active employee and service provider participation in its management.

→ **Behavioral Safety Program**, a channel through which employees and their managers can point out inappropriate or unsafe behaviors, situations or conditions.

→ **Internal Work Accident Prevention Week (SIPAT – Semana Interna de Prevenção de Acidentes do Trabalho)**, an annual event focused on preventing accidents and promoting occupational health.

→ **Safety dialogues**, meetings to promote the exchange of reports and guidelines about occupational health and safety.

→ **Communication** via panels, email, health newsletters and health and safety campaigns.

The following training programs are mandatory, according to the activities of each employee: NR 35 – Work at heights; NR 33 – Work in confined spaces; NR 11 – Operation of forklifts; NR 20 – Safety and health at work with flammable and chemical substances; Emergency Brigade; Initial onboarding training.

Work-related Injuries | GRI 403-9

| | 2021 | 2022 | 2023 |
|---|------------|------------|------------|
| Number of hours worked | 12.010.040 | 12.681.060 | 15.610.030 |
| Number of work-related serious injuries (excluding deaths) | 8 | 8 | 16 |
| Rate of work-related serious injuries (excluding deaths) | 0.67 | 0.63 | 1.02 |
| Number of recorded work-related injuries (including deaths) | 13 | 15 | 16 |
| Rate of recorded work-related injuries | 1.08 | 1.18 | 1.02 |

Note: there were no deaths in the aforementioned periods.

THE STRENGTH OF OUR FUTURE

Alessandra da Rocha, José Nildo de Oliveira e Daniel Moreira, operators in the solids area at the Guarulhos plant.



Throughout this report, we present Aché's achievements, challenges and, above all, its driving vision.

2023 was an intense year. We did a lot. We have learned from our mistakes, adjusted our routes and reinvented ourselves on our quest to be a more agile, profitable and sustainable organization, capable of taking the new leap in growth that we desire.

Without leaving behind our essence, which was and always will be the guiding thread of this journey, the arrival of a new leader brought reinvigorated views to the social, environmental and marketing changes that we are going through as an agent of the Brazilian pharmaceutical industry and as part of society.

We are clear about where we want to go and the path to follow. We will put all our STRENGTH into practice to ensure that Aché continues to live up to its purpose of impacting millions of people with better life.

Disclosure summary

Declared use Aché reported in compliance with the 2021 GRI Standards for the period from January 1, 2023 to December 31, 2023.

| GRI STANDARD | Disclosure | Location in this report |
|--|--|---|
| GRI 2: Disclosures General 2021 | GRI 2-1 Organizational details | 17 |
| | GRI 2-2 Entities included in the organization’s sustainability reporting | 17 |
| | GRI 2-3 Reporting period, frequency and contact point | 17 |
| | GRI 2-4 Restatements of information | There were no restatements of previous information. |
| | GRI 2-5 External assurance | There was no external assurance. |
| Activities and workers | GRI 2-6 Activities, value chain and other business relationships | 77 |
| Activities and workers | GRI 2-7 Employees | 83 |
| Activities and workers | GRI 2-8 Workers who are not employees | 83 |
| Governance | GRI 2-9 Governance structure and composition | 61 |
| Governance | GRI 2-10 Nomination and selection of the highest governance body | 61 |
| Governance | GRI 2-11 Chair of the highest governance body | 61 |
| Governance | GRI 2-12 Role of the highest governance body in overseeing the management of impacts | 61 |

| GRI STANDARD | Disclosure | Location in this report |
|---|--|-------------------------|
| Governance | GRI 2-13 Delegating responsibility for managing impacts | 61 |
| Governance | GRI 2-14 Role of the highest governance body in sustainability reporting | 61 |
| Governance | GRI 2-15 Conflicts of interest | 61 |
| Governance | GRI 2-16 Communication on critical issues | 61 |
| Governance | GRI 2-17 Collective knowledge of the highest governance body | 61 |
| Governance | GRI 2-18 Evaluation of the performance of the highest governance body | 61 |
| Governance | GRI 2-19 Remuneration policies | 61 |
| Governance | GRI 2-20 Process for determining remuneration | 61 |
| Governance | GRI 2-21 Total annual remuneration rate | 61 |
| Strategy, policies and practices | GRI 2-22 Statement on sustainable development strategy | 10 |
| Strategy, policies and practices | GRI 2-23 Policy commitments | 64 |
| Strategy, policies and practices | GRI 2-24 Embedding policy commitments | 64 |

| GRI STANDARD | Disclosure | Location in this report |
|---|---|---|
| Strategy, policies and practices | GRI 2-25 Processes to remediate negative impacts | 64 |
| Strategy, policies and practices | GRI 2-26 Mechanisms for seeking advice and raising concerns | 64 |
| Strategy, policies and practices | GRI 2-27 Compliance with laws and regulations | In 2023, no fines were paid for non-compliance with laws and regulations. |
| Strategy, policies and practices | GRI 2-28 Membership associations | 65 |
| Stakeholder engagement | GRI 2-29 Approach to stakeholder engagement | 77 |
| Stakeholder engagement | GRI 2-30 Collective bargaining agreements | 100% of the workforce is covered by collective bargaining agreements. |
| Material Topics | | |
| GRI 3: Material Topics 2021 | GRI 3-1 Process to determine material topics | 52 |
| | GRI 3-2 List of material topics | 52 |
| Topic-Specific Standards | | |
| Indirect economic impacts 2016 | GRI 203-1 Investments in infrastructure and service support | 75 |
| Purchasing practices 2016 | GRI 204-1 Share of expenditures on local suppliers | 82 |
| Anti-corruption 2016 | GRI 205-1 Operations assessed for risks related to corruption | 62 |

| GRI STANDARD | Disclosure | Location in this report |
|---------------------------------|---|---|
| Anti-corruption 2016 | GRI 205-2 Communication and training about anti-corruption policies and procedures | 100% of employees were informed and trained about anti-corruption policies and procedures. |
| Anti-corruption 2016 | GRI 205-3 Confirmed incidents of corruption and actions taken | No incidents registered in the period. |
| Energy 2016 | GRI 302-1 Energy consumption within the organization | 58 |
| Energy 2016 | GRI 302-3 Energy intensity | 58 |
| Energy 2016 | GRI 302-4 Reduction of energy consumption | 58 |
| Water and effluents 2018 | GRI 303-1 Interactions with water as a shared resource | 60 |
| Water and effluents 2018 | GRI 303-2 Management of water discharge-related impacts | 60 |
| Water and effluents 2018 | GRI 303-3 Water withdrawal | 60 |
| Water and effluents 2018 | GRI 303-4 Water discharge | 60 |
| Water and effluents 2018 | GRI 303-5 Water consumption | 60 |
| Biodiversity 2016 | GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | No operational site owned, leased, managed is in or adjacent to environmentally protected areas and none of the units has areas of high biodiversity value outside protected areas. |
| Emissions 2016 | GRI 305-1 Direct (Scope 1) greenhouse gas (GHG) emissions | 59 |

| GRI STANDARD | Disclosure | Location in this report |
|--|--|-------------------------|
| Emissions 2016 | GRI 305-2 Energy indirect (Scope 2) greenhouse gas (GHG) emissions | 59 |
| Emissions 2016 | GRI 305-3 Other indirect (Scope 3) greenhouse gas (GHG) emissions | 59 |
| Effluents and Waste 2020 | GRI 306-1 Waste generation and significant waste-related impacts | 57 |
| Effluents and Waste 2020 | GRI 306-2 Management of significant waste-related impacts | 57 |
| Effluents and Waste 2020 | GRI 306-3 Waste generated | 57 |
| Effluents and Waste 2020 | GRI 306-4 Waste diverted from disposal | 57 |
| Effluents and Waste 2020 | GRI 306-5 Waste directed to disposal | 57 |
| Employment 2016 | GRI 401-1 New employee hires and employee turnover | 83,86 |
| Employment 2016 | GRI 401-3 Maternity/paternity leave | 90 |
| Occupational health and safety 2018 | GRI 403-1 Occupational health and safety management system | 91 |
| Occupational health and safety 2018 | GRI 403-2 Hazard identification, risk assessment and incident investigation | 91 |
| Occupational health and safety 2018 | GRI 403-3 Occupational health services | 91 |
| Occupational health and safety 2018 | GRI 403-4 Worker participation, consultation and communication on occupational health and safety | 92 |
| Occupational health and safety 2018 | GRI 403-5 Worker training on occupational health and safety | 92 |
| Occupational health and safety 2018 | GRI 403-6 Promotion of worker health | 83 |

| GRI STANDARD | Disclosure | Location in this report |
|---|---|--|
| Occupational health and safety 2018 | GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 91 |
| Occupational health and safety 2018 | GRI 403-9 Work-related injuries | 92 |
| Occupational health and safety 2018 | GRI 403-10 Occupational diseases | 83 |
| Training and education 2016 | GRI 404-1 Average hours of training per year per employee | 55 |
| Training and education 2016 | GRI 404-2 Programs for upgrading employee skills and transition assistance programs | The Leadership Academy was a program launched in 2023 with the aim of developing our leaders via people and change management tools, to support the cultural evolution, in partnership with BTA. |
| Training and education 2016 | GRI 404-3 Percentage of employees receiving regular performance and career development reviews | 86 |
| Diversity and equal opportunity 2016 | GRI 405-1 Diversity in governance bodies and employees | 83,84,85,90 |
| Diversity and equal opportunity 2016 | GRI 405-2 Ratio of basic salary and remuneration of women to men | 90 |
| Non-discrimination 2016 | GRI 406-1 Incidents of discrimination and corrective actions taken | No discrimination incidents were registered in the period. |

| GRI STANDARD | Disclosure | Location in this report |
|--|--|--|
| Child labor 2016 | GRI 408-1 Operations and suppliers at significant risk for incidents of child labor | We do not have this information at this time. The Code of Conduct lays out principles and rules for suppliers and service providers, explaining that Aché does not tolerate the use of child labor by its partners, in addition to reinforcing the obligation to comply with the Statute on Children and Adolescents. Additionally, supplier contracts include an obligation to formally accept our Code of Conduct. |
| Forced or Compulsory Labor 2016 | GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | We do not have this information at this time. The Code of Conduct lays out principles and rules for suppliers and service providers, explaining that Aché does not tolerate the use of child labor by its partners, in addition to reinforcing the obligation to comply with the Statute on Children and Adolescents. Additionally, supplier contracts include an obligation to formally accept our Code of Conduct. |
| Local communities 2016 | GRI 413-1 Operations with local community engagement, impact assessments and development programs | 100% of operations with local community engagement, impact assessments and/or development programs aimed at the local community. |

| GRI STANDARD | Disclosure | Location in this report |
|--|---|---|
| Supplier social assessment 2016 | GRI 414-1 New suppliers that were screened based on social criteria | 77 |
| Supplier social assessment 2016 | GRI 414-2 Negative social impacts in the supply chain and measures taken | 77 |
| Customer Health and Safety 2016 | GRI 416-1 Assessment of the health and safety impacts of product and service categories | 31,34 |
| Customer Health and Safety 2016 | GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | 31,34 |
| Marketing and Labeling 2016 | GRI 417-1 Information and labeling requirements for products and services | 31,34 |
| Marketing and Labeling 2016 | GRI 417-2 Incidents of non-compliance concerning information and labelling for products and services | For the 2023 period, there were no incidents of non-compliance concerning information and labelling for products and services. |
| Marketing and Labeling 2016 | GRI 417-3 Incidents of non-compliance concerning marketing communication | In 2023, there was a total of six incidents of non-compliance concerning marketing communication that resulted in fine or penalty application. Two incidents of non-compliance resulted in a warning, and there were no incidents of non-compliance with voluntary codes. |
| Customer privacy | GRI 418-1 Proven complaints related to breach of customer privacy and data loss | In 2023, there were no complaints related to breach of customer privacy and data loss. |

| Topic | Indicator | Metric | Answer | Location |
|--|--------------|---|--|----------|
| Safety of Clinical Trial Participants | HC-BP-210a.1 | Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials | | 31,34 |
| Safety of Clinical Trial Participants | HC-BP-210a.2 | Number of FDA sponsor inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary action indicated (VAI) and (2) Official action indicated (OAI) | | 31,34 |
| Safety of Clinical Trial Participants | HC-BP-210a.3 | Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries | There was no monetary loss resulting from legal proceedings or adverse events associated with clinical trials conducted or being conducted by the company. | |
| Drug Safety | HC-BP-250a.1 | List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database | As we follow ANVISA's rules, FDA determinations are not applicable to the company. | |
| Drug Safety | HC-BP-250a.3 | Number of recalls issued, total units recalled | | 35 |
| Drug Safety | HC-BP-250a.4 | Total amount of product accepted for take-back, reuse or disposal | | 57 |
| Drug Safety | HC-BP-250a.5 | Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type | In 2023, the number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), of type 2, was zero. | |

| | | | |
|--|--------------|--|---|
| Ethical Marketing | HC-BP-270a.1 | Total amount of monetary losses as a result of legal proceedings associated with false marketing claims | In 2023, there were no lawsuits involve false marketing claims naming Aché as the offender. |
| Employee Recruitment, Development & Retention | HC-BP-330a.1 | Discussion of talent recruitment and retention efforts for scientists and research and development personnel | 87 |
| Employee Recruitment, Development & Retention | HC-BP-330a.2 | (1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others | Voluntary rate: 5.8%; Involuntary rate: 8.1%; Rate by position (Directors: 45.8%, Managers: 16.3%, Coordinators: 12%, Oper/Adm: 15%, PV/Sales: 12.8%) |
| Business Ethics | HC-BP-510a.1 | Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery | In 2023, there were no lawsuits involving Aché in corruption and/or bribery actions. |
| Business Ethics | HC-BP-510a.2 | Description of Code of Ethics or other Internal Policy governing interactions with health care professionals | |

Credits

Editorial Supervision

Fernanda Bardi

Legal, Compliance and Sustainability Department

General Coordination

Leonardo Martins and Igor Antunes Penteado

Sustainability Management

Writing and Editing

Aché and CAUSE

Sustainability Consulting

CAUSE

Design and Layout

Maíra Martines

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The image features two oranges on a soft pink background. The orange on the left is cut in half, revealing its internal segments and seeds. The orange on the right is whole and shows its characteristic dimpled skin. The overall aesthetic is clean and fresh.

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