



DISCLOSURE MATERIALS

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire and B Lab deems them to be material, the company must:

- 1) Be transparent about the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue.
- 3) Demonstrate that management systems are in place to avoid similar issues from arising in the future.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to background checks by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.

DISCLOSURE QUESTIONNAIRE

Company Name: FERRER
 Date Submitted: December 16, 2021

Industries & Products	Yes	No
Please indicate if the company is involved in production of or trade in any the following. Select Yes for all options that apply.		
Animal Products or Services		✓
Biodiversity Impacts		✓
Chemicals	✓	
Company Explanation Of Disclosure Item Flags		✓
Disclosure Alcohol		✓
Disclosure Firearms Weapons		✓
Disclosure Mining		✓
Disclosure Pornography		✓
Disclosure Tobacco		✓
Energy and Emissions Intensive Industries		✓
Fossil fuels		✓
Gambling		✓
Genetically Modified Organisms		✓
Illegal Products or Subject to Phase Out		✓
Industries at Risk of Human Rights Violations		✓
Monoculture Agriculture		✓
Nuclear Power or Hazardous Materials		✓
Payday, Short Term, or High Interest Lending		✓
Water Intensive Industries		✓
Tax Advisory Services		✓

Supply Chain Disclosures	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones		✓
Child or Forced Labor		✓
Negative Environmental Impact		✓
Negative Social Impact		✓
Other		✓

Outcomes & Penalties	True	False
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior		✓
Breaches of Confidential Information		✓
Bribery, Fraud, or Corruption		✓
Company Explanation Of Disclosure Item Flags		✓
Company has filed for bankruptcy		✓
Consumer Protection		✓
Financial Reporting, Taxes, Investments, or Loans		✓
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		✓
Labor Issues		✓
Large Scale Land Conversion, Acquisition, or Relocation		✓
Litigation or Arbitration		✓
On-Site Fatality		✓
Penalties Assessed For Environmental Issues		✓
Political Contributions or International Affairs		✓
Recalls	✓	
Significant Layoffs		✓
Violation of Indigenous Peoples Rights		✓
Other		✓

Practices	True	False
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing	✓	
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		✓
Company Explanation Of Disclosure Item Flags		✓
Company prohibits freedom of association/collective bargaining		✓
Company workers are prisoners		✓
Conduct Business in Conflict Zones		✓
Confirmation of Right to Work		✓
Does not transparently report corporate financials to government		✓
Employs Individuals on Zero-Hour Contracts		✓
Facilities located in sensitive ecosystems		✓
ID Cards Withheld or Penalties for Resignation		✓
No formal Registration Under Domestic Regulations		✓
No signed employment contracts for all workers		✓
Overtime For Hourly Workers Is Compulsory		✓
Payslips not provided to show wage calculation and deductions		✓
Sale of Data		✓
Tax Reduction Through Corporate Shells		✓
Workers cannot leave site during non-working hours		✓
Workers not Provided Clean Drinking Water or Toilets		✓
Workers paid below minimum wage		✓
Workers Under Bond		✓
Other		✓

B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

FERRER

UPDATED AS OF:

December 16, 2021

DISCLOSURE QUESTIONNAIRE CATEGORY	Animal Testing
TOPIC	Animal testing required by law
SUMMARY OF ISSUE	As required by law, 100% of Ferrer's drug products are experimented with animals. The regulations of the different regulatory pharmaceutical agencies explicitly and in detail require the carrying out of studies in experimental animals. Additionally, some chemical substances manufactured by Ferrer also need to be tested on animals according to the law when no alternative or no bibliographic data is available.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	Approximately 100% of Ferrer's drug products revenue and 50% of its chemical products revenue are derived from products tested with animals.
IMPACT ON STAKEHOLDERS	Animal testing is a material issue in the pharmaceutical industry due to the potential for adverse health reactions caused to animals involved in the process.
IMPLEMENTED MGT PRACTICES	<p>"In order to carry out experiments that require animal testing, Ferrer partners with public universities, public hospital research institutes, and contract research companies (CRO). All the centers that Ferrer hires comply with the European directives (Directive 2010/63 / EU as amended by Regulation (EU) 2019/1010) as well as the regulations of the Member States and the regions on the subject, including mechanisms for approving protocols and Ethical Committees for Animal Welfare.</p> <p>Ferrer uses the 3R criteria (Replacement, Refinement, Reduction), which seeks to reduce the use of experimental animals by applying replacement criteria for in vitro experiments or for inferior species (e.g. using invertebrates instead of vertebrates), optimization of protocols to increase animal welfare, and reduction of number of animals used.</p> <p>For example, for Drug Drug Interactions (DDI) Studies, the company routinely approaches this topic using in vitro metabolic studies with human enzymes and routinely avoid specific in vivo pharmacokinetics studies using live animals treated with a pair of drugs. For genotoxicity studies, Ferrer routinely avoids in vivo testing when possible — for example, if a compound is determined to be genotoxic in any of the in vitro tests the company relies on this result and skips the in vivo test. In addition, in cases where a modification of the route of administration does not provide sufficient target tissue exposure, Ferrer negotiates with the Authorities to base the evaluation only on in vitro testing."</p>
REPORT	For more information on the 3Rs initiative, visit: www.understandinganimalresearch.org.uk/animals/three-rs/

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DISCLOSURE QUESTIONNAIRE CATEGORY	Industries reliant on chemicals
TOPIC	Ferrer manufactures and sells pharmaceutical products based on chemical inputs
SUMMARY OF ISSUE	As a company that manufactures and sells pharmaceutical products, Ferrer operates in an industry where chemical inputs are a material issue. Ferrer's products are based on chemical inputs, but Ferrer doesn't utilize any Substances of Very High Concern (SVHCs) as listed by REACH regulations.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	100% of Ferrer's products contain chemical inputs
IMPACT ON STAKEHOLDERS	The primary potential impacts of chemical use in pharmaceutical products are potential negative effects to the environment and potential negative health impacts to workers exposed to chemical ingredients. In the last five years, Ferrer has not experienced any incidents and/or fines related to environmental or worker impacts of its chemical use.
IMPLEMENTED MGT PRACTICES	<p>"Ferrer has a product safety unit that is responsible for detecting, evaluating, and improving the management of hazards for all chemical products during all aspects of the lifecycle (transportation, manufacturing, and disposal). The level of hazard is analysed in terms of human exposure, physical danger (e.g. risk of explosion), and negative environmental effects through an integrated management system across all factories. Identified risks are mitigated by improving protocols, adapting facilities, and designing protective gear for factory workers, among other practices.</p> <p>All of Ferrer's products have been tested and approved as safe and effective by the relevant health authorities and the company has a dedicated pharmacovigilance unit that is responsible for detecting, evaluating, and improving adverse reaction to drugs. For more information, see Ferrer's Pharmaceutical Industry Disclosure Statement."</p>

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DISCLOSURE QUESTIONNAIRE CATEGORY	Recalls
ISSUE DATE	2016 - present
TOPIC	Recalls due to quality control issues
SUMMARY OF ISSUE	In the last 5 years, there have been 7 instances where Ferrer and/or its manufacturing partners have issued a recall of a particular product due to quality issues. The types of quality issues that have prompted recalls include deviations from manufacturing standards, product testing results that fall outside quality specifications, allergy risks, and labelling issues.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	The value of recalled products in the last 5 years amounts to less than 0.07% of the company's annual revenue
IMPACT ON STAKEHOLDERS	Some recalls may have posed a health risk to consumers, specifically those prompted by potential allergy risks or the detection of potentially harmful substances during product testing. Importantly, there have been no reports of adverse drug reactions nor safety related complaints from consumers related to these recall events.
RESOLUTION	In all instances, Ferrer recalled all affected units from the relevant channels and its own stock.
IMPLEMENTED MGT PRACTICES	<p>"In instances where a supplier or subcontractor was responsible for a product quality issue, Ferrer took steps to either downgrade its internal supplier qualification status and implement corrective and preventative actions, perform additional risk evaluations as outlined in ICH Q9 and ICH M7 guidelines, or cease working with the manufacturer.</p> <p>For the recalls related to labelling, the company formed an internal working group made up of Marketing, Regulatory, Technical Director, Compliance, R+D and Medical departments, which worked to review claims compliance according to the current European guidelines on that issue."</p>
RELATED INCIDENTS (YES/NO)	All related incidents described above.