

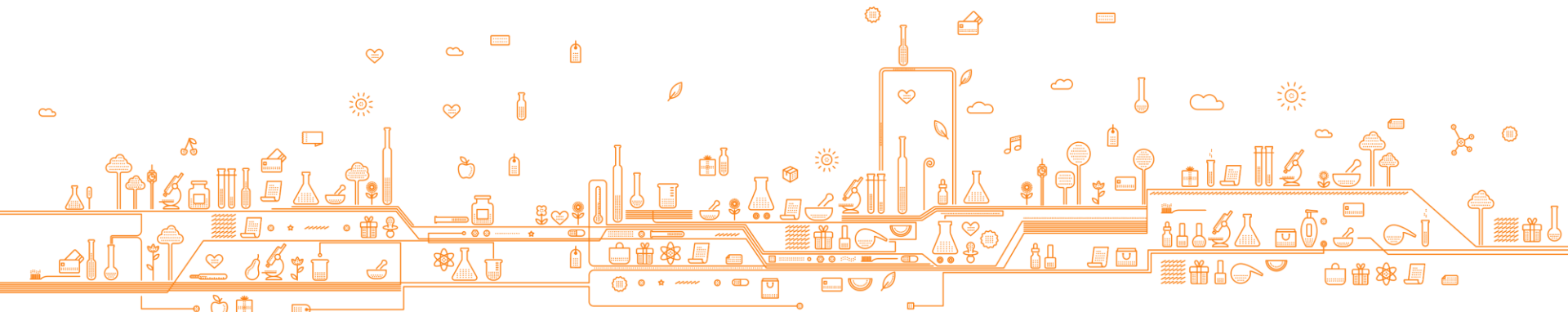
The background of the cover features a composite image. At the top, there are white clouds against a blue sky. Below that is a dark blue field with bokeh light effects. On the right side, a large, circular view of the Earth from space is shown, with a thick orange border. The Earth shows the Americas and surrounding oceans. At the bottom, there are green leaves with water droplets.

Sustainability Report

January 1st, 2021 – December 31st, 2021

Agenda

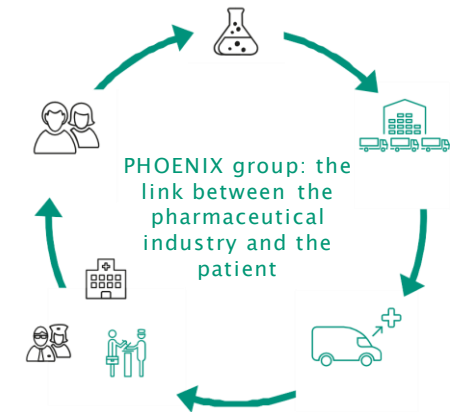
- FOREWORD
- MESSAGE OF THE MANAGING DIRECTOR
- ABOUT THE COMPANY
- RESOURCES MATERIALITY MATRIX
- ETHICS AND COMPLIANCE RISK MANAGEMENT – GDPR
- COMMITMENT TO SOCIETY
- GOALS 2022



Foreword

- Our business development, as an integral part of the PHOENIX group, is represented by the increased attention and care in the daily activities in terms of the impact on the community, employees, but also on the environment.
- In addition to these directions, we also focus on the sustainable development of our business, by integrating ethics and transparency, economic, social and environmental impact in the company's Internal Regulations.
- Every year, PHOENIX group presents its sustainability report, which also includes Help Net data.
- The United Nations Sustainable Development Goals (UN SDGs) have been used as a secondary process to identify relevant areas and targets that our company is aiming for.
- The data in this report were collected at European level, consolidated and prepared by a CSR PHOENIX group management software.

PHOENIX group is one of the leading providers of medical services in Europe and is active in 26 countries. The company wants to contribute to building a healthy future with a good quality of life – and is working to integrate sustainability more deeply into its processes.



The reporting period includes information for the financial year 2021 (February 1st – January 31st, 2022).

This report has been prepared in accordance with the legislative requirements, as they are presented in Order 3456/2018.

For Help Net, sustainability is a priority for the future and is a key component in every business direction.

Message of the Managing Director



Nikolay Kolev
Managing Director

Doing what is right for the environment, for the planet, is a belief, it means millions of decisions, and the success of a real change begins with each of us and the choices we make every day.

With our common values as a compass guiding our decisions and actions, our organization has taken significant steps to address social and environmental responsibility issues. In this report, you will read about the reasons we give priority to sustainability, where we are now with our ambitions and where we want to be in the future.

Help Net journey began 24 years ago, when we set goals, strategies, and ways to significantly improve community life and health and increase our environmental impact. With these key points in mind, we have turned our habits and behaviors to make a significant leap toward excellence.

In all the steps we have taken, ethical and honest action, while respecting people and caring for the planet, has been at the heart of our decisions. The health and safety of our employees, as well as of all stakeholders, are fundamental to our business. Our code of ethics, group-agreed behaviors provide practical guidance on how we should behave in our day-to-day work.

I am proud of how far we have come in reaching our ambitious goals, and we still have a long way to go to achieve our goals for the coming years. We will continue to include the principles of sustainability, working safely and ethically and making a positive contribution to the environment.

Thank you all and I invite you to read our sustainability report.

About the Company

- Founded in 1998, Help Net is today the third largest pharmacy chain in Romania, with over 420 units open nationwide and over 2000 employees, providing high quality products and services for patients. In 2021, Help Net recorded a turnover of €261.4 million.
- Since 2018, Help Net Farma, together with the Farmexim distributor, is part of the German concern PHOENIX group, a leading provider of integrated health services in Europe. With an active presence in 26 European countries, the PHOENIX group offers unique geographical coverage through 161 distribution centers, 2,800 own pharmacies in 14 countries and 39,000 employees.
- The company remains dedicated to the goal it undertook 24 years ago: to help people have a healthier life, providing them with the best solutions and human and professional skills. We take care to integrate sustainability into our daily processes. Help Net is constantly dedicated to patients and their needs to have access to quality medicines and medical services.
- With the slogan "Come to good", Help Net identifies itself with a "safe space", where patients can always come for advice and recommendations. At Help Net, patients always find the fastest and most effective remedies for maintaining health and well-being.

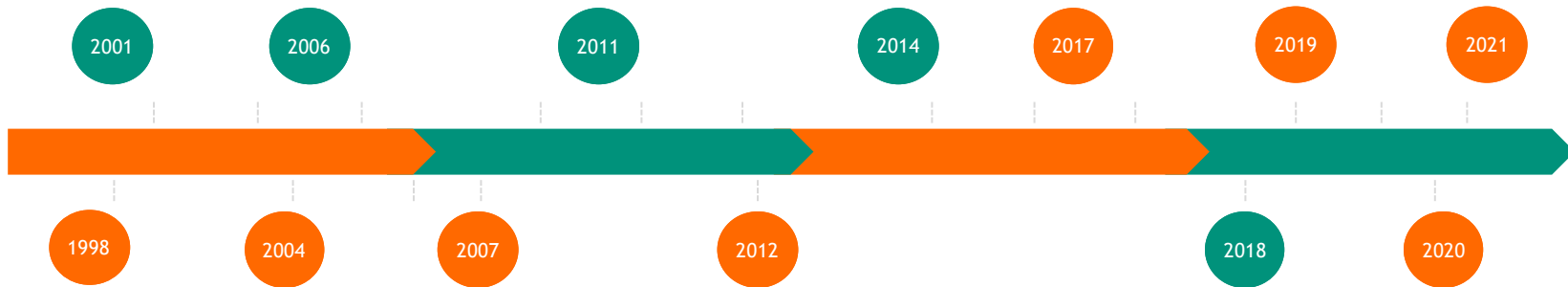


Binele are multe forme.
Descoperă care ți se potrivește la Help Net.

vezi aici

About the Company

Short History



- **1998** – The first Help Net pharmacy is established;
- **2001** – "Cosmetica Activa" Magazine, the first pharmacy magazine with advice on beauty and health;
- **2004** – The Help Net network quickly doubled its number of pharmacies, from 25 to 50 units;
- **2006** – 29th place in the "Top 50 most valuable Romanian brands";
- **2007** – 1st place in the "Top 100 best companies to work for", the number 100 pharmacy opens, in Timișoara
- **2011** – The Mothers' Club is launched, specially created for mothers and future mothers;
- **2012** – Help Net is the first pharmacy to receive the title of Supplier of the Royal House of Romania;
- **2014** – Two Help Net pharmacies of the Concept Store type are opened;
- **2017** – "The largest company in Romania" in 2017 for "Retail sale of pharmaceutical products in specialized stores";
- **2018** – Help Net becomes part of the German concern PHOENIX group, provider of integrated health services, leader in Europe;
- **2019** – The first flagship pharmacy opens, for the first time on the local pharmaceutical retail market;
- **2020** – The online pharmacy is launched, an extremely useful service, with home delivery; development of the mobile application HelpLine begins, intended for patients infected with Covid-19;
- **2021** – A new concept of BENU style furniture is adopted; the Digital Advertising system has been implemented in 100 new pharmacies; the HelpLine application was successfully introduced.

About the Company

Company's Values

- **Our philosophy**

We are dedicated to the sustainability of the company and the long-term growth of its value for the benefit of our stakeholders and employees. Our employees are the main promoters of the company's success. By supporting their development, we not only support individual progress, but we guarantee continuous and successful progress at group level. Thus we manage to achieve what we aimed, now and in the future.

- **Our vision**

We aim at being the best integrated provider of health services and want to provide each client with the best products and services in Romania. We manage to do this due to the close collaboration between distribution and retail, acting together as a link between medicines manufacturers and patients.

- **Our mission**

We have dedicated all our efforts to completing a mission that, as simple as it is complex, namely to help people have a better life. In retail and distribution, we equally provide our patients and customers with the best human and professional solutions and skills.

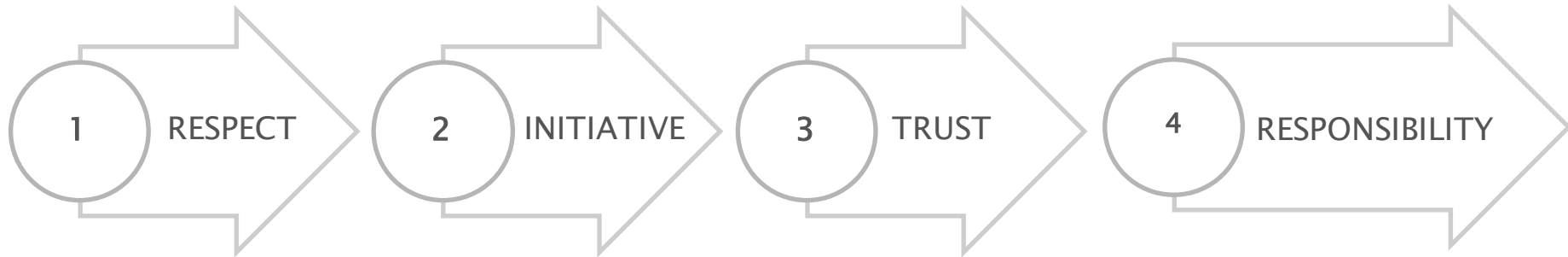
- **Our strategy**

We provide high quality services to our customers. Professional knowledge is absolutely necessary, but it is not enough. We are always ready to help, and the respect and attention that each client receives define how we run and grow our business. We have also undertaken social responsibility by being involved in activities that aim at providing help, education and protect the environment.

About the Company

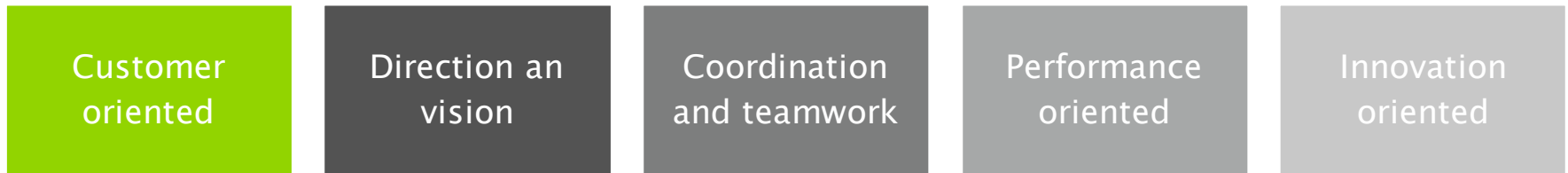
Values and Principles of the Company

Our values:



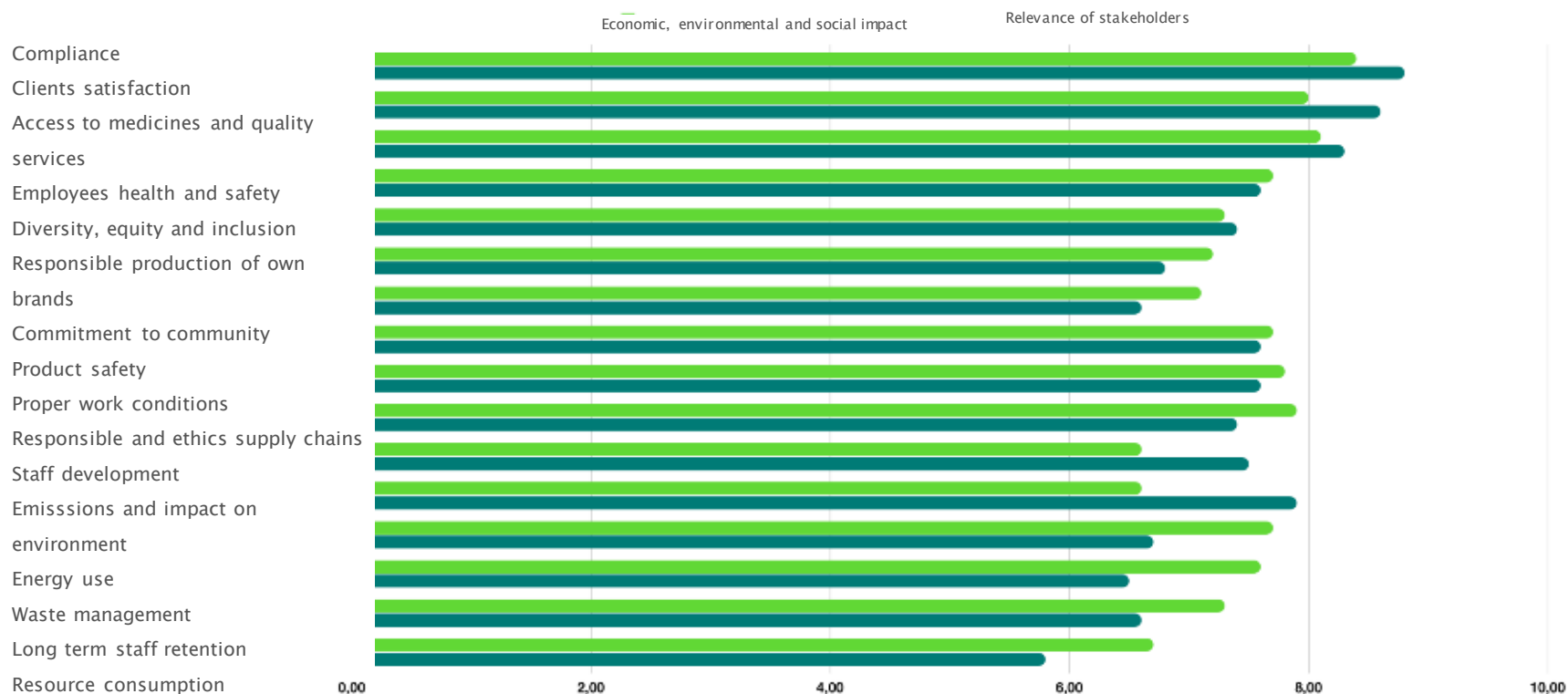
With national coverage, we are present in most geographical areas, with different cultural backgrounds and life experiences. However, we are united by a common set of values and behaviours guiding us in how we meet our strategic goals and ultimately achieve our main goal.

PHOENIX group behavioral tree:



Resources

Materiality Matrix



The extended materiality analysis, which involves important internal and external stakeholders, is conducted every three years or specifically, whenever significant changes occur in the business or market environment. The results of the prioritization of the topics were assessed and consolidated in a materiality matrix.

Resources

Materiality Matrix

- **Creating value for customers and company**

The key to creating our value is compliance with laws and standards, responsible production of our category brands, responsible and ethical supply chains, the safety of our products, access to quality medicines and healthcare, and customer satisfaction.

- **Environment protection**

We make a significant contribution to environmental protection by ensuring that our locations are energy efficient and that our transportation logistics are as clean as possible. We are trying to accurately record the greenhouse gas (GHG) emissions we produce and decrease them by optimizing route planning and using alternative management systems. We also consider optimizing resource use and minimizing pharmaceutical waste as part of our environmental responsibilities.

- **Employees support**

Our goal is to create an attractive and safe work environment for all our employees. This is the only way we can keep talented people in our company in the long run. To this end, we invest in their further training and development. In addition, our actions focus on promoting diversity, equality and inclusion, ensuring a fair work environment in the company and ensuring the health, safety and well-being of our employees.

PHOENIX group, in everything it does, it acts sustainably, caring for employees, the community and the environment.

Resources

Help Net Sustainability Agenda

- **The sustainability agenda focuses on five pillars:**
 1. Emissions and climate impact, as well as energy use;
 2. Waste management and resource consumption;
 3. Diversity, equity and inclusion;
 4. Engagement to the community;
 5. Responsible and ethical supply chains.

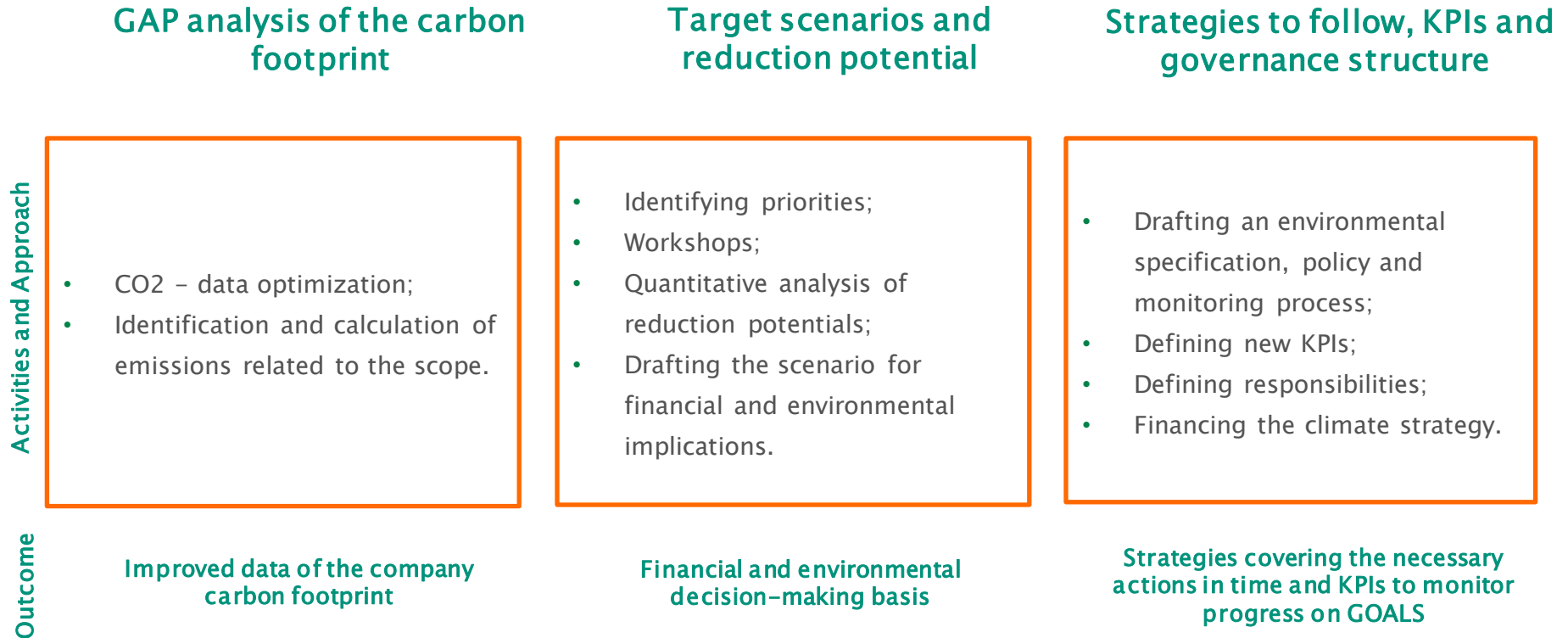
- **Farmexim will align with the directions of PHOENIX group:**
 - ✓ Reducing CO₂ emissions;
 - ✓ Environmental protection through better waste management;
 - ✓ Employee satisfaction and improved working environment;
 - ✓ Together for the future of our children.



The Operations and Logistics Competence Center within the company has the task of coordinating a process at group level, which will lead to drafting the tangible goals for each of the pillars in the agenda.

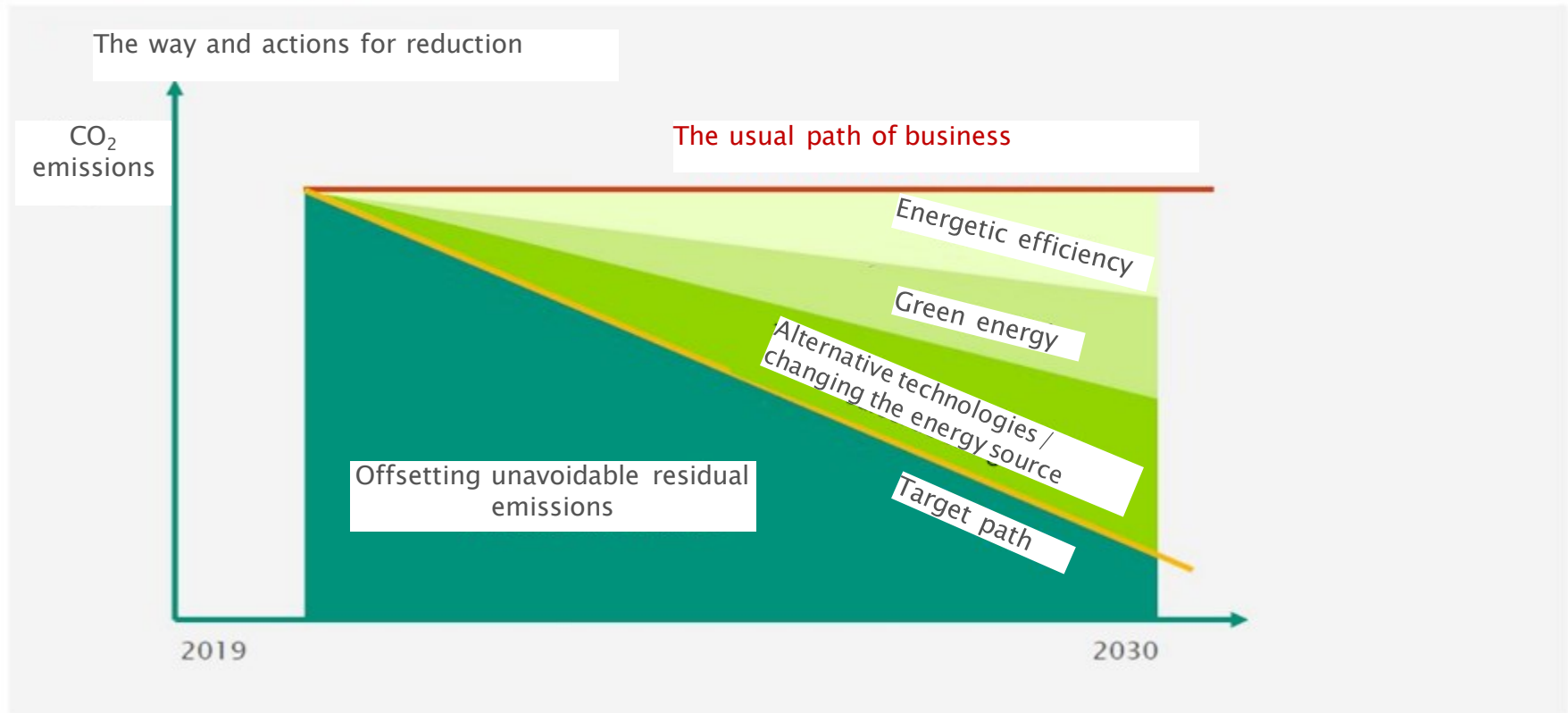
Resources

Reducing CO₂ Emissions Strategy



Resources

Reducing CO₂ Emissions Strategy



In order to prevent dangerous climate change, the European Parliament, together with the Council of Europe, aims at achieving climate neutrality by 2050. This goal and an updated intermediate target for reducing emissions by 2030 will become legally binding if the European Parliament and the Council reach an agreement on the European Climate Law.

PHOENIX group aims at being a partner in achieving these goals.

We are in the midst of a sustainability revolution. In terms of European policy, the EU Taxonomy is one of the initiatives that serve as a cornerstone of this revolution. In short, the EU Taxonomy is a classification system that defines what activities are sustainable ('green') and provides a methodology to calculate how green the turnover, i.e. CAPEX and OPEX is for a company. Moreover, compliance with Regulation (EU) 2020/852 is embedded in the Phoenix group's business strategy and sustainability strategy through implementation initiatives targeting product design processes, working with customers and counterparties to ensure the highest degree of eligibility and subsequent alignment against the EU Taxonomy requirements..

For the fiscal year 2021, Farmexim has assessed the extent to which its activities have contributed to climate change mitigation and adaptation objectives, in accordance with the EU Taxonomy (Regulation (EU) 2020/852). As a result of this analysis we identified that in 2021 we carried out the following activity considered eligible:

6.6. Freight transport services by road. The capital expenditure associated with this activity was 1,885,666 lei representing the fleet of EURO Vi type vehicles acquired under financial leasing, the capital expenditure associated with the road transport activity – 6,607,000 lei includes the operational leasing costs related to the fleet of EURO VI vehicles, the costs of vehicle parts, fuel and repairs as well as insurance costs. For determining the denominator of the 3 indicators below, the Company's turnover, opex and capex were taken into account according to the OMF 1802/2014 financial statements as of 31 December 2021 .

Therefore:

- 0% of the company's turnover (2,888,829,002 lei) can be classified as eligible for the taxonomy
- 1% of the company's Capex (188.557.674 lei) can be associated with activities considered eligible for taxonomy
- 0.01% of the Company's Opex (2,895,437,174) can be associated with activities considered eligible for the taxonomy

Resources

Organisational Chart and Staff

- The company is functionally structured in departments, under the subordination of a Managing Director, respectively of a local board;
- We can also consider the regional aspect of the Help Net team, given the layout of the retail network. Within the organization, intra and interdepartmental relations are of a professional collaborative nature
- The success of our company is based on dedicated employees. At the same time, we face challenges, such as skills shortages and demographic changes, to which we must respond with a coherent people strategy.
- In the code of conduct that applies to all employees of the group, we undertake to observe the principles of equal opportunities and mutual respect. As a result, each staff member receives the same treatment and opportunities in every aspect of the employment relationship.

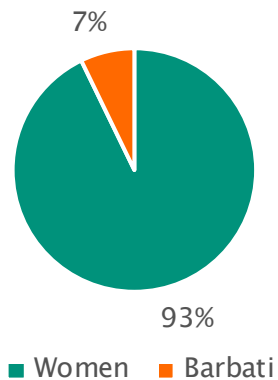


Resources

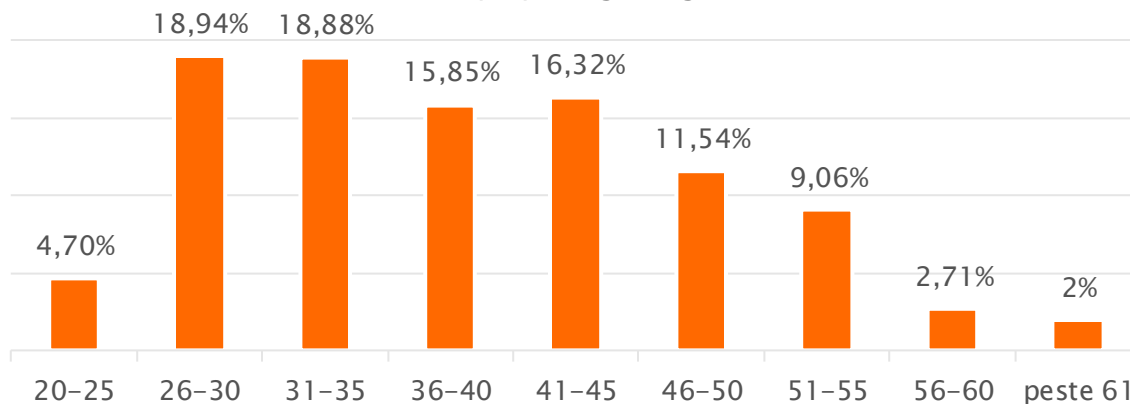
Organisational Chart and Staff



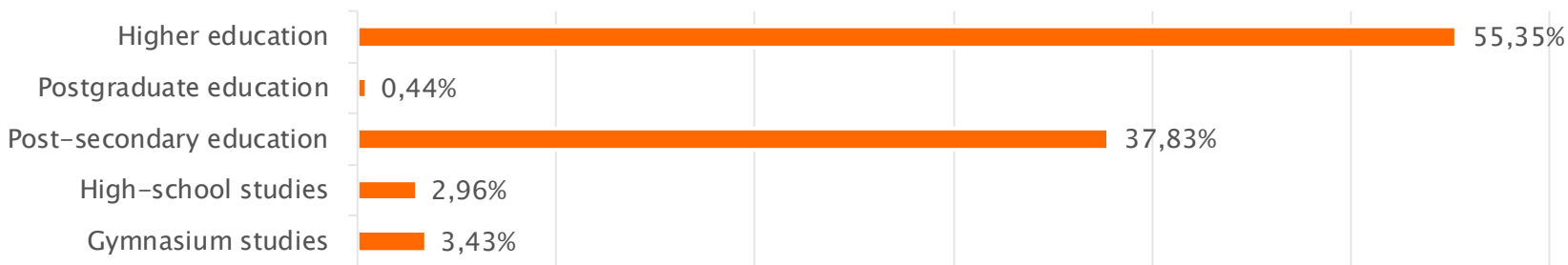
Report of employees by gender



Employees age range



Employee education level



During 2021, 556 new employees were recruited, their total number exceeding 2 000. 93% of employees are female, while 7% are male. This difference comes from among pharmacy employees, where women outnumber men due to the specific work.

Resources

Organisational Chart and Staff

○ Training courses and access to information

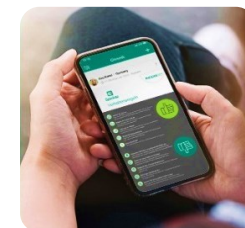
With an organizational culture where the way the team works and interacts are as important as the business results, Help Net constantly invests in employee development, by courses and trainings that contribute to improving staff skills and development.

To improve online skills and personal development, all employees were offered free access to workshops and webinars on topics of professional interest and English language courses.

Within Help Net, communication is transparent and employees' access to information is valuable. Thus, starting in 2021, Help Net employees use the Speakap application, an internal communication tool, implemented at group level.

We can only succeed as a company solely if we have motivated employees with the right qualifications. Open dialogue and good relations between managers and their employees are key elements of our corporate culture.

A safe and healthy work environment also has a major impact on our job satisfaction.



In 2021, 195 Help Net employees benefited from 3 841 hours of training.

Resources

Products and Services

- The expectations of our customers are at the heart of everything we do. We see the problems from the customer's perspective, we create integrated processes focusing on customer's interests. We build trust and mutual respect in the relationship with the customer. We pursue the interest and benefit of customers, we anticipate their needs, we quickly react to their needs, we give priority, we find solutions.
- We understand the business, we improve every day, we correct inefficient processes, we want operational excellence, we persevere. We encourage performance, see the issue from a broader perspective, analyze risks and take proactive action. We prove flexibility, anticipate obstacles, improve the way we work to develop alternatives and deliver the best solutions.
- On November 19, 2022, we celebrate 24 years since the founding of Help Net, and this anniversary is not only a chance to look at everything we have accomplished, but also to re-engage with our mission to be helpful and to do GOOD to the community and look for opportunities to make sure we do everything we can to contribute to a safe pharmaceutical environment.
- In 2019, Help Net introduces the LIVSANE brand on the local market, its own "white label" range. The LIVSANE range includes 120 high quality products, with extended addressability and a high quality-price ratio.



LIVSANE's own brand is a benchmark at the assortment level,

being attractive to patients both from the perspective of efficiency and in terms of value for money.

Resources

Products and Services – loyalty card

- **What color is fidelity?**

At Help Net, fidelity is orange, and with us, fidelity is rewarded every time.

Patients benefit from a minimum 5% DISCOUNT on any purchase made in one of the physical pharmacies, except for medicinal products where the trade conditions are imposed by the legislation in force.

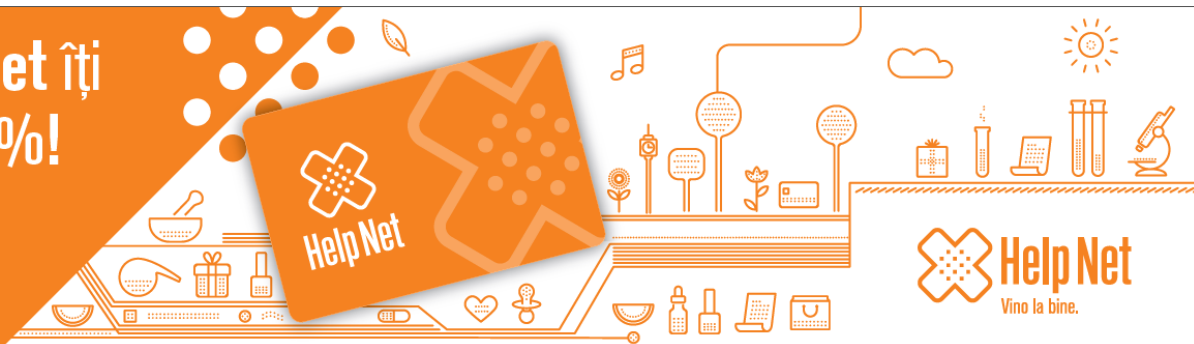
They have the opportunity to benefit from special promotions and to participate in contests, exclusively addressed to loyal customers;

The Help Net Loyalty Card is obtained according to the conditions provided in the regulation.

Cardul tău de loialitate Help Net îți aduce reduceri de până la 20%!

la-ți cardul de fidelitate și bucură-te de oferte și promoții speciale lună de lună!

*Pentru mai multe detalii, consultați Regulamentul programului de fidelitate, disponibil în farmacia sau pe helpnet.ro.



Resources

Products and Services – online pharmacy & HelpLine

- **Why helpnet.ro?**

We have an extensive network of pharmacies throughout Romania.

Patients can pick up their order from any Help Net pharmacy they have at hand, and we transport orders to pharmacies. We pay attention to the observance of all temperature limits, we have air-conditioned cars equipped with systems to ensure an optimal temperature, and the products are transported in conditions of maximum safety.

- **Isolated with Covid-19??**

We have been helping our patients through the HelpLine application, which is intended to treat patients infected with Sars-Cov2. Physicians which are specialized in treating this disease provide support and medical care appropriate to your health.

- **Covid-19 testing in Help Net pharmacies**

Patients can benefit from testing at designated Help Net pharmacies, and the service will be expanded as authorization procedures are completed.

The testing for diagnosing SARS-CoV-2 infection was performed both with tests provided free of charge by the Ministry of Health, for which the patient paid only for the testing service, and with tests purchased from Help Net pharmacies.

- **Care for employees during pandemic:**

Employees benefited from priority vaccination schedules, psychological support, free health care materials and treatment settlement for those who were tested positive.



Resources

Communication channels with patients

In order to collect feedback from our patients, there is a register for complaints in Help Net pharmacies, but also the following alternative communication channels;

- Email address office@helpnet.ro of Help Net physical pharmacies;
- The email addresses contact@helpnet.ro, sesizări@helpnet.ro and retur@helpnet.ro for the clients of the Help Net online pharmacy;
- Social media channels (Facebook, Instagram, LinkedIn);
- Each patient receives a response to the complaints they submit;
- Mass market communication;
- ATL campaigns: radio, TV, local and national publications, discounts of seasonal products;
- Radio spots: in shopping malls and specific locations;
- Digital and social media campaigns: website, Facebook, Instagram;
- Instore communication: monthly supplement of offers, posters in showcases, flyers, wobblers on the shelf, cash desks;
- Special offers for new openings and targeted campaigns;
- Responsible marketing campaigns / Digital Advertising;
- Direct communication.



Primăvara asta fă-ți un bine și ia vitamine.

bine

Help Net
Vino la bine.

<p>Detrical 2000</p> <p>-30% de la 13,49^{lei} 9,44^{lei}</p> <p>DETICAL Sustine funcționarea normală a organismului *Prezent doar pentru 07-08/2022, în cantitate limitată</p>	<p>Secom Guard-Your-Liver</p> <p>-30% 52,49^{lei} 36,49^{lei}</p> <p>SECOM GUARD-YOUR-LIVER Sustine funcționarea normală a organismului, detoxifiere și protecție hepatică, 30 capsule</p>	<p>VitaMax Q10</p> <p>-30% 59,99^{lei} 41,99^{lei}</p> <p>VITAMAX Q10 Contribuie la metabolismul energiei normale, funcționarea normală a sistemului imunitar, 30 capsule</p>
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Oferta valabilă în perioada 07-08 - 31-08-2022, în Farmaciile Help Net în întreaga țară. Disponibil pentru posesorii de card de 56Gpay. Suplimentarea stocurilor în întreprinderi și distribuitori înregistrați și achiziționați. A se acorda după obiceiul comercial și a se ține la dispoziția clienților. Prezența în se comercializează este garantată. Help Net este în derulare sau va beneficia de beneficiile cantitatelor de fabricație Help Net. Reglementarea controlului de fabricație este disponibilă pe www.helpnet.ro sau în Farmacie.

Resources

Environment Protection Issues

- **Policy for the destruction of expired medicines**

Help Net disposes expired medicines in accordance with local regulations, preventing them from reaching the environment, significantly reducing pollution in the pharmaceutical industry.

In Help Net pharmacies, expired medicines are collected from the population. These are subsequently picked up from pharmacies by our collaborators, who ensure the collection and destruction by incinerating the products, according to standard, regulated procedures, by companies authorized in the field. We are constantly making efforts to raise public awareness and reduce the amount of disposed medicines.



Collection and
transport



Destruction
by
incineration



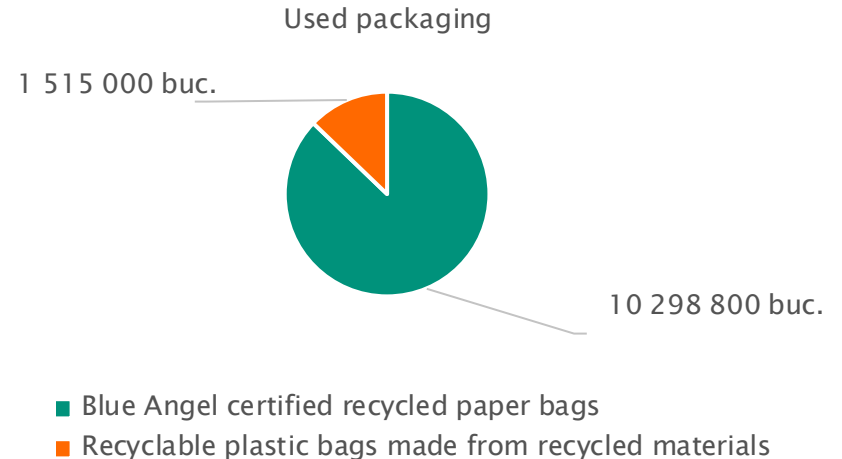
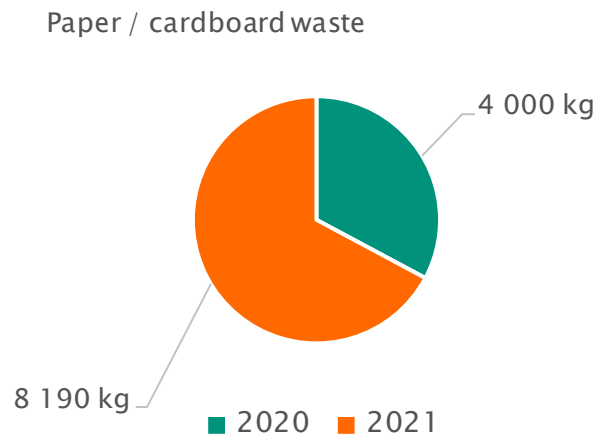
Environmental
rules and
regulations

In 2021, Help Net destroyed 4,403 kg of expired medicines collected from the population and pharmacies, compared to 605 kg destroyed in 2020. This increase was partly caused by the Coronavirus pandemic, therefore the medicines intended for other diseases have come to expire in stocks.

Resources

Environment Protection Issues

- We use recycled paper in administrative offices and pharmacies;
- Help Net has minimized plastic consumption by replacing traditional plastic bags used for distribution with those resulting from compost.
- Compared to the previous year, the company gave up the use of plastic bags made of non-recycled materials. Thus, we observe the commitment to society and at the same time promote selective recycling;
- Deliveries from warehouses to our pharmacies are made in reusable plastic boxes, with a long service life, minimizing waste.

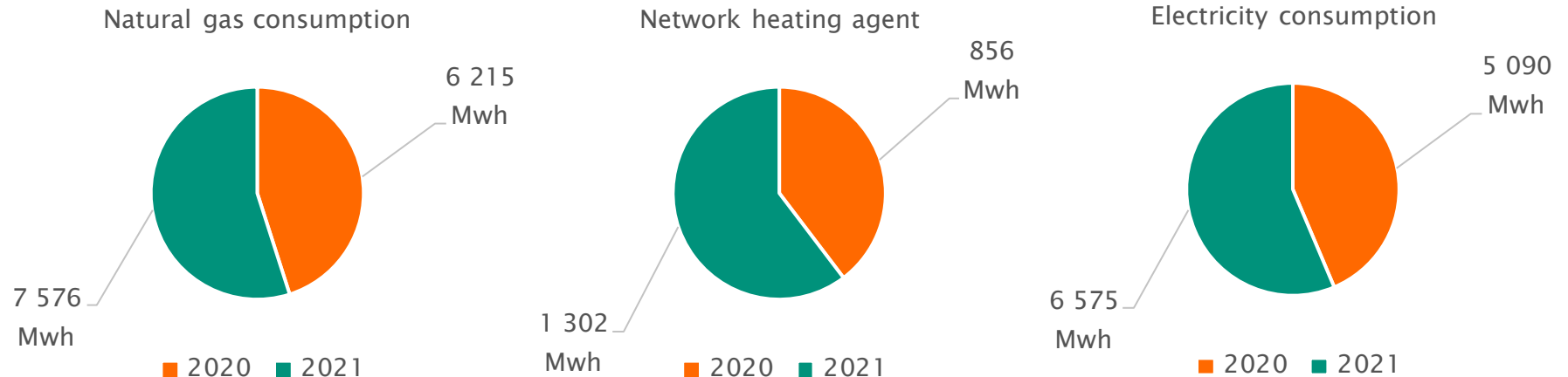


In 2021, Help Net used 119 % more paper / cardboard compared to the previous year.
 This increase is due to the circulation of the newly established online pharmacy.

Resources

Environment Protection Issues

- In all newly opened pharmacies, we have chosen LED lighting, thus continuing the mission of reducing our carbon footprint on the environment.
- In the administrative offices and pharmacies we act according to the motto “The last one turns off the light!”, we act according to the motto “Last one in the office turns off the light!”, which all the employees joined.
- Electricity consumption has increased as a result of the expansion process.
- Climate change and increasing consumption of natural resources are among the biggest global challenges. PHOENIX group recognizes its environmental responsibilities and wants to minimize the impact of its corporate processes. At the same time, we focus on the areas of activity where we can make the biggest difference, including reducing pharmaceutical waste and saving energy.

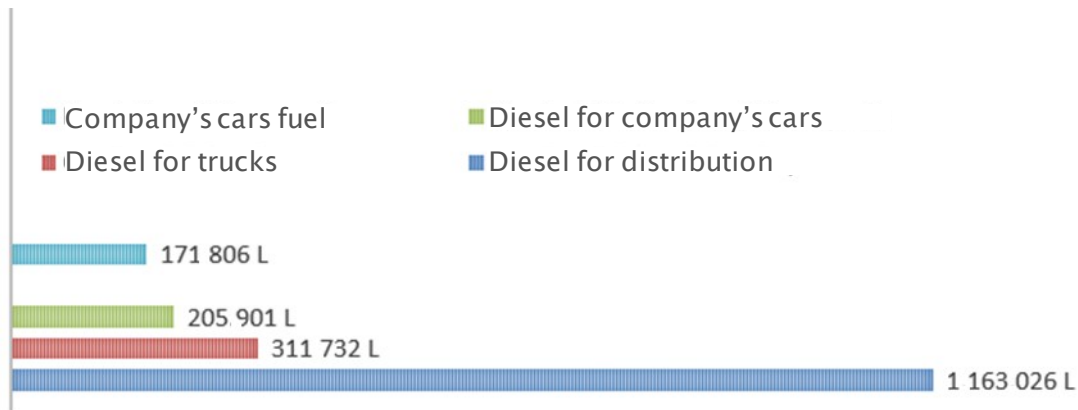


Compared to the previous year, in 2021 Help Net exceeded the amount of natural gas used by 22%, of heat from the public network by 50% and of electricity by 29%. This is explained by the increase in the number of work points.

Resources

Environmental Protection Issues

- The company maintains a detailed overview of his vehicles characteristics.
- This means it can analyze annual mileage, information on vehicle categories, models and fuel types used. When purchasing new vehicles, we make sure they comply with current pollution standards.
- The company continues the process of replacing the car fleet, choosing petrol engine, thus joining the new European standards.
- Optimizing the existing routes helps reducing mileage and the amount of consumed fuel, resulting in decreased emissions and transportation costs.



From 2020, fuel reporting is done at group level, joint reporting, Farmexim/ Help Net.

Risk Management

Ethics and Compliance– GDPR

- The policy is based on the provisions of Regulation no. 2016/679 regarding the protection of individuals with respect to the processing of personal data and on the free movement of such data and repealing Directive 95/46 / EC ("General Data Protection Regulation" or "GDPR") and applicable national legislation;
- Help Net is committed to implementing the highest standards of confidentiality and transparency regarding the personal data it processes in its current business. The protection and total transparency regarding the processing of your personal data in our activity are our most important goals.
- Help Net does not collect, use, process or store personal data without a legitimate purpose. Any type of personal data (name, home address, etc.) is collected for a precisely defined purpose, and it is protected. In this respect, all local laws and regulations regarding the protection of personal data are observed.



Risk Management

Ethics and Compliance– Compliance

- All Help Net employees identified in risk areas have been trained in anti–corruption policies and procedures and in anti–bribery policy.
- We want to be a model of ethical behavior both by the way we conduct our business and by the integrity of our employees.

The way we select the service suppliers

- There are many complex criteria applying to the suppliers selection, depending on the specifics of the procurement and which include, in addition to commercial aspects, the consumption of resources arising in the operational stage.
- The bidding process consists of soliciting 3–5 bids, which are subject to an internal analysis that follows these criteria.
- Governed by deep–rooted ethical principles, we strive to build lasting partnerships with value–sharing suppliers and take steps to ensure that our partners at least comply with applicable laws.

CODE OF
CONDUCT

PROCUREMENT
GENERAL
DEPARTMENT

In 2021, there were ZERO legal actions or lawsuits filed for corruption against Farmexim or its employees.

Risk Management

Ethics and Compliance– Compliance

Fair competition, fight against corruption and bribery

- PHOENIX group and its entities strive to fully comply with EU competition laws and regulations. We prohibit our employees from trying to gain personal benefits through Help Net's business operations.

Rules of conduct

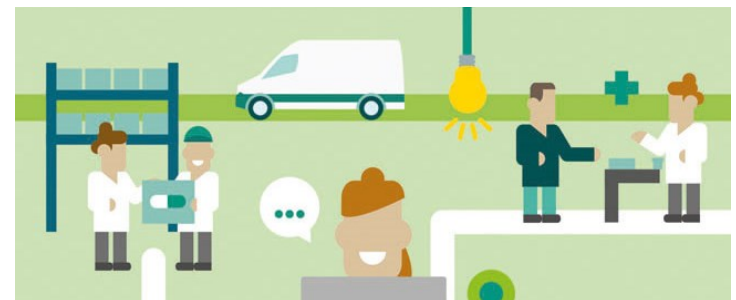
- Our employees benefit from a positive and ethical work environment, so that any employee, regardless of his position in the company, complies with the Internal Code of Conduct. This code is constantly updated.

Good distribution practices

- The company is involved in ensuring high quality standards in the supply of pharmaceuticals. All entities must join the principles and guidelines of Good Distribution Practice (GDP), as adopted by the European Parliament and all other relevant local laws implementing the provisions of GDP.

Four eyes principle

- Mandatory legal commitments such as important agreements with third parties and employment contracts that are made on behalf of the company are always concluded in writing and signed by two authorized persons.



Risk Management

Ethics and Compliance

Cooperation with representatives

- The company is involved in developing cooperation with employee and union representatives and is proactive in collaborating for a fair balance of interests.

Equal opportunities

- Every employee receives the same treatment and the same opportunities at all stages of an employment relationship, regardless of gender, age, religion, race, color, sexual orientation, ethnic or national origin, disability.

Health and safety

- We have a special responsibility for the health of our employees and, therefore, we take care to ensure safe working practices. As part of our quality management system, we guarantee strict compliance with the relevant laws and regulations of the European Union.
- Systematic risk assessments for each job are mandatory, as is the implementation of appropriate preventive actions, especially during the coronavirus pandemic period.

Zero tolerance for harassment or violence

- Help Net employees are instructed to treat each other with respect, any breach being severely sanctioned by Internal Regulation .

During 2021, the following were reported:

ZERO cases of harassment, discrimination or corruption within the company and

ZERO fatal occupational accidents

Risk Management



Financial risks

Increased demand from asset managers to disclose a transparent ESG strategy.
Loans are increasingly linked to achieving ESG targets.



Regulatory risks

Future regulations are expected, which may lead to increased costs / fees.



Reputational risks

Increasing the clients awareness of the impact on the environment



Market – related risks

Sustainability standards required by industry partners in tenders
Increasing demand for cooperation projects: reducing CO₂ emissions / recycling resources
Broken supply chain.



Competition –related risk

Competitors are increasingly integrating sustainability issues into their corporate strategy and publicly promoting their commitment.

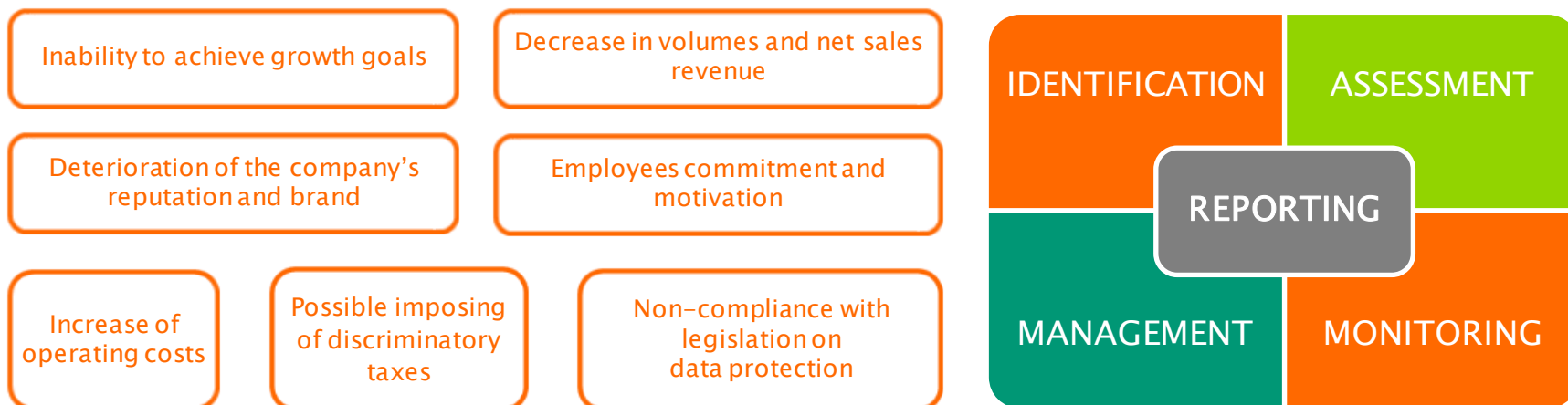


Employees retention

Increasing priority for attracting and retaining employees.
Increasing the motivation and facilities offered in the recruitment processes.

Risk Management

- In the context of the fast changes we face, understanding and good management of the risks related to the activities we conduct are extremely important for the continuity and sustainable development of our business pattern.

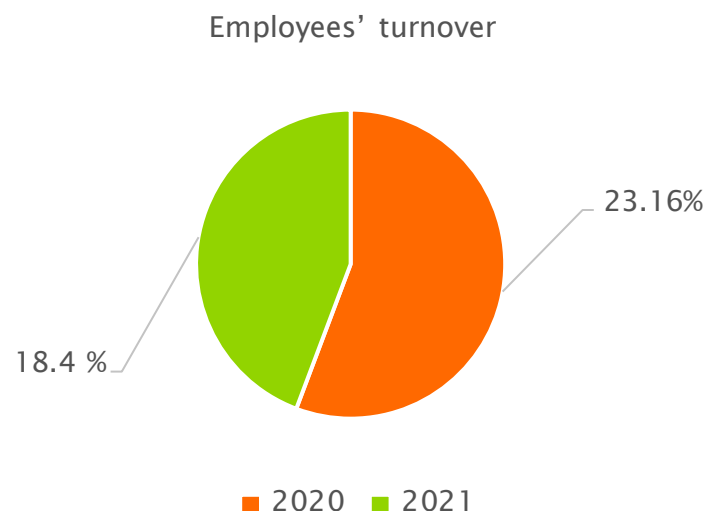


- The goals of the PHOENIX group, and implicitly of the Help Net company regarding the risk management are:
 - Understanding the risks to which society is exposed, the causes, as well as the general and specific goals;
 - Improving the company's risk profile by managing the process of identifying, assessing and managing risks and implementing the necessary control actions to maintain risk exposure within the tolerable area.

Risk Management

Risks related to the employees

- As the market where we operate is extremely competitive, the highest challenge is to attract, retain and involve enough qualified and experienced employees.
- 18.4 % was the staff turnover rate in 2021 . This rate was higher than in 2020, when it was 23.16%. For 2022, we intend to significantly reduce it in order to continue our long-term employee retention program.
- In this respect, starting with 2022, the company aims at building an internal community of trainers with solid skills and competencies, willing to share their expertise with colleagues in the organization.



During 2021 Farmexim improved its image as an employer, emphasising on the internal development of leaders and employees, continuously engaged in dialogue with employees to develop new talents and promoted an inclusive work environment that allows for greater potential to all employees.

Commitment to Society

Reference CSR activities:

- The company donated general purpose medicines, devices and medical equipment to PRO VITA, being directly involved in this process. Following this donation, the company's employees united and donated clothes and toys by their own efforts.
- Sponsorships to support sports, education, proving once again that we are a reliable partner.



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Camera de Comerț și Industrie
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In 2021, Help Net donated 78,400 EURO for CSR activities.

Commitment to Society

CONIL action

- The company financially supported the CONIL association to support the children in the centers.
- Following this donation, the company's employees joined forces and created a medical office, equipped with everything necessary to support the activity of this day center for children with special needs;
- At the same time, the employees took part in the action organized by, "Virtual Cross Country CONIL".



Commitment to Society

Village Inelet, Cerna Mountains Action

In the core and tranquility of the Cerna Mountains, in the scenic small villages, everything remained unchanged. If in our cities, everything changes from day to day, there people live the same way, as they know best and as they learned from their grandparents and great-grandparents. Through internal volunteer actions, the necessary funds have been raised for the purchase of medicines and first aid kits.



Ateliere fără frontiere

The company donated obsolete IT equipment to the Ateliere fără frontiere (Workshops without Borders) Association (AFF) to support its mission:

- Fight against exclusion, poverty and discrimination;
- Fight against waste and pollution;
- Supporting education and local development.



2022 Goals

- To increase our image as an employer, increase dialogue to effectively maintain culture and commitment, develop employees for key positions, continue to improve work conditions. The main goal is to significantly decrease the staff turnover rate;
- To continue the process of long-term employee retention;
- To be trustworthy, proactive and focus on respect;
- To be a good provider of integrated health services;
- As a healthcare provider, we will focus on product quality assurance throughout the supply chain;
- To reduce the amount of medicines incinerated by improved inventory management;
- To reduce the amount of fuel used for both distribution and company cars by optimizing routes. At the same time, we will continue to replace the fleet.
- To optimize our costs and resource consumption;
- We will continue to support the community and significantly reduce the pharmaceutical industry's environmental footprint by raising awareness among employees and partners.

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