



 GEDEON RICHTER

# SUSTAINABILITY REPORT

2022



## MESSAGE FROM THE CEO 2-22

Everyday life at Gedeon Richter Plc. is shaped by more than 120 years of corporate culture. Long-term thinking, serving patients and representing social value through innovation are at the heart of everything we do. These are the values that underpin our responsible corporate practices.

I am pleased to share our approach to environmental, social, and corporate governance as well as our 2022 results through our Sustainability Report.

2022 proved to be an eventful year, full of both successes and challenges. The military conflict between Russia and Ukraine affected our company both directly and indirectly, in many areas. As a socially responsible company, our main objective in the past year was to guarantee a secure and continuous supply of products. During the early days of the conflict, our business in Russia was temporarily delayed and our trading activities in Ukraine were halted until April 2022. Since then, the disruption in the supply chain has been successfully resolved and we have been able to supply patients and healthcare professionals worldwide.

We believe that access to healthcare is a right for all, which is why our company has provided assistance in the conflict-affected areas in a number of ways. We have supported our colleagues who have been displaced with housing and employment in Hungary and donated our entire stock of locally available medicines to humanitarian causes.

Despite the challenges, 2022 was another year of significant results and execution of our long-term growth strategy. In all our professional areas, we have made progress on the path we set for ourselves. As in previous years, we have made many scientific advances in the preclinical drug discovery phases and published several elements of our basic research in prestigious international journals. The share of high value-added specialty products in our revenue continued to grow, and our women's healthcare portfolio remains the most important business in the pharmaceutical segment. Our company has set itself the goal of becoming number one in the European women's healthcare market in the coming years.

Reducing our environmental footprint and operating in an environmentally responsible way has been a focus area for Richter for many years. In line with our sustainability ambitions and the European Union's "Fit for 55" climate protection package, we developed our energy strategy in 2022, which aims to reduce our company's primary energy use and increase the share of green energy in the energy mix, thereby reducing our carbon footprint. The carbon footprint projects, which were launched in 2021, were continued in 2022 with the involvement of our subsidiaries. An important milestone for monitoring our environmental performance was the successful ISO 50001 audit in 2022.

To achieve our goals, our organisational culture must keep pace with the complexity of our tasks and the challenges we face. To this end, a little over a year ago we launched a new corporate

culture programme based on collaboration, transparency, and openness. The primary goal for 2022 was to make these values as widely known as possible to our employees. In addition to a communication campaign on these values, action plans were developed at company and board level. We have also aligned our skills matrix, our leadership training courses and our performance evaluation system with these recently developed values.

We are proud that our employees share our corporate values and uphold them outside the company. In 2022, we presented the Richter for Society Awards for the first time, recognising the social work of our employees. The initiative allowed our employees to nominate each other for awards for exemplary behaviour outside the workplace. This is not only a shining example of individual responsibility and community service, but also a community bonding and sustaining force to be proud of. With the Richter for Society Award, we express our gratitude and appreciation for the efforts made for society and local communities, while encouraging and inspiring our employees to continue their efforts, which are much needed in today's world.

I believe that in line with our business strategy, the Richter Group creates significant social value through its healthcare services and products. Our company is undergoing a continuous process of transformation, which we are shaping together with our stakeholders, as we can only create real change together.



The greening of our company has started in recent years which we are determined to continue in the coming period. Our aim is to continue the work we have started and to work together for a more sustainable future.

I am confident that this year's Sustainability Report will provide a comprehensive picture of the Richter Group's sustainability efforts and achievements.

**Gábor Orbán**  
CEO



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ABOUT THE REPORT

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Reporting period	Financial year 2022 (1 January 2022 - 31 December 2022)
Reporting cycle	Annual
Content of the report	The report presents the material ESG issues related to the Richter Group’s operations. The scope of the report covers Gedeon Richter Plc. as the parent company and Richter Group’s subsidiaries. Information on the restatement of historical data is provided in the relevant sections of the GRI table.
Reporting standard used	The report was prepared according to GRI Standards (2021) ‘with reference to’ compliance level.
Independent external assurance	The content of the report has not been verified by a third party.

We welcome your questions and feedback regarding our report at [posta@richter.hu](mailto:posta@richter.hu).





# 1. THE RICHTER GROUP 2-1, 2-2, 2-6

## 1.1. Introduction of the Richter Group

Gedeon Richter Plc. is a publicly listed pharmaceutical company with a global market presence. The Richter Group is vertically integrated and headquartered in Budapest. The company's core business is the manufacture and sale of innovation-driven pharmaceutical products, supported by several manufacturing and trading subsidiaries, representative offices and joint management entities. The vertically integrated operation consists of the coordination of research and development, pharmaceutical manufacturing, wholesale and retail, and marketing activities. The Richter Group supplies products to 100 countries worldwide and has affiliates in more than 50 countries. In total, the Group consists of 66 entities, 46 of which fit the pharmaceutical manufacturing and sales profile, the dominant "core" business segment, accounting for almost 80% of the Group's turnover. In total, the Group employs more than 12 000 people worldwide.

**We are proud of our company's history dating back to 1901. You can read more about this on our [website](#) and in our [Sustainability Report 2021](#).**

The Richter Group member companies can be broadly grouped into the following six types of companies:

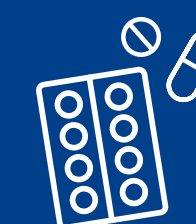
- 1 RICHTER HEADQUARTER IN HUNGARY**  
The parent company of the Richter Group (including the Budapest, Dorog and Debrecen sites), where research and development, manufacturing, procurement, logistics and sales coordination of the Richter Group are carried out.
- 2 PRODUCTION SUBSIDIARIES AND JOINT VENTURES**  
The Richter Group has production units in Poland, Romania, Russia, India and Germany. The medicine produced in these plants are sold worldwide. R&D activities are also carried out at the sites in Poland and Romania.
- 3 COMMERCIAL SUBSIDIARIES AND OFFICES**  
Sales and marketing functions and support in local markets on behalf of the parent company and other Richter Group members.
- 4 WHOLESALE AND RETAIL COMPANIES**  
Companies with wholesale and retail activities that receive marketing support from the Richter parent company and commercial subsidiaries.
- 5 SERVICE COMPANIES**  
Companies established to support research and development, manufacturing, logistics, administration and other business processes.
- 6 OTHER ENTITIES**  
Dormant companies and companies not related to the Richter Group's core business.

Our company's mission is to preserve health and improve quality of life, including by bringing to market original and biosimilar products with high added value, which we have specific expertise in developing and manufacturing.



### RESEARCH AND DEVELOPMENT

The Richter Group is one of the largest research and development centres in Central and Eastern Europe, with 1 200 professionals. Our aim is to provide the public with state-of-the-art products. We work tirelessly to ensure that the results of our research contribute to improving the quality of human life.



### PRODUCT MANUFACTURING

Our goal is to make sustainability a priority at every stage of the manufacturing and development process of our medicines, through the use of innovative technologies and cost-effective manufacturing processes. Richter has production capacity in Poland, Romania, Germany, Russia and India in addition to its Hungarian sites.



### SALES AND MARKETING

Richter's products are distributed to six continents around the world, thanks to the company's extensive distribution network with a direct presence in 50 countries, as well as partnership agreements. The Group's most important markets in terms of turnover are the European countries, the CIS region and the US.



1.2. Our product portfolio

Richter produces more than 200 types of medicine. Our products include original, generic, and licensed products in almost all therapeutic areas. We pay particular attention to the development and manufacture of products targeting the central nervous system, cardiovascular system, and women’s healthcare. In 2022, 5 priority areas have defined the main directions of our product development portfolio and strategy, supporting the Richter Group’s steady growth.

**CARIPRAZINE**

The success story of the antipsychotic developed by Richter researchers continued in 2022. The year also saw several important milestones: the FDA<sup>1</sup> approved cariprazine for use as an adjunctive treatment for major depressive disorder patients, and the drug received marketing approval in 4 additional countries. The drug is now available in 51 countries.

**ORIGINAL RESEARCH**

Research into new compounds is a cornerstone of the Richter Group’s strategy. Obesity, cognitive disorders, and autism have remained the focus of our research. At the end of 2022, the Richter Group had 10 ongoing original research projects in various stages of clinical trials and development, and 4 new Hungarian patent registrations.

**WOMEN’S HEALTHCARE**

The development of women’s healthcare products is the engine of our company’s medium-term growth. Our Group has set the goal of becoming the number one in the European women’s healthcare market in the next few years. Accordingly, in 2022, we have invested significant resources in developing the synthesis of oral contraceptive active ingredients and thus reduce our costs. In addition to contraception, our portfolio also focuses on other gynaecological problems such as endometriosis, uterine fibroids, and fertility.

**BIOTECHNOLOGY**

Our aim is to improve access to state-of-the-art therapies with more cost-effective biosimilar products. In addition to our popular osteoporosis product already on the market, we have taken further steps to launch two new biosimilar products used in rheumatology and osteoporosis treatment in 2022.

**BRANDED GENERIC AND TRADITIONAL PRODUCTS**

Around 34% of the pharmaceutical segment’s revenue comes from this product area, therefore the stability of this strategic pillar is particularly important. In 2022, we strengthened our portfolio with the launch of nine generic products and continued to develop additional products.



<sup>1</sup> United States Food and Drug Administration.



### 1.3. Innovation, product development

Pharmaceutical research and development cover four strategic directions: recombinant biotechnology activities, research and development of new chemical entities (NCEs), late-stage women’s healthcare projects, and generic drug development.

In 2022, our NCE research and development areas were merged, thus we now have unified leadership for R&D in these areas. The new Research and Development Directorate will be responsible for all original, generic and women’s R&D projects, helping to exploit synergies between areas.

In 2022, we made several scientific advances in the preclinical phase, and many of our basic research activities were published in prestigious international journals. Our research topics have included new potential drug targets that are challenging but also have significant innovation value and can meet the needs of future multinational partners.

The Richter Group carries out research and development activities not only on its own, but also in cooperation with other national and foreign professional partners. This is not only to increase the knowledge base, but also to share the high risks typical to drug discovery projects.



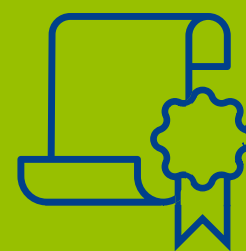
Our energy management system has **successfully undergone an ISO 50001 audit.**



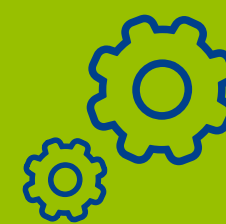
**Sales in our women’s healthcare business grew by almost 39%,** mainly due to our contraceptive patch.



Despite difficulties in the market, Richter recorded a **27% increase in turnover and a 13% increase in operating profit.**



The **first group-level compliance monitoring project** was launched.



We started to **involve production subsidiaries in our carbon footprint project** (Russian, Romanian and Polish subsidiaries).



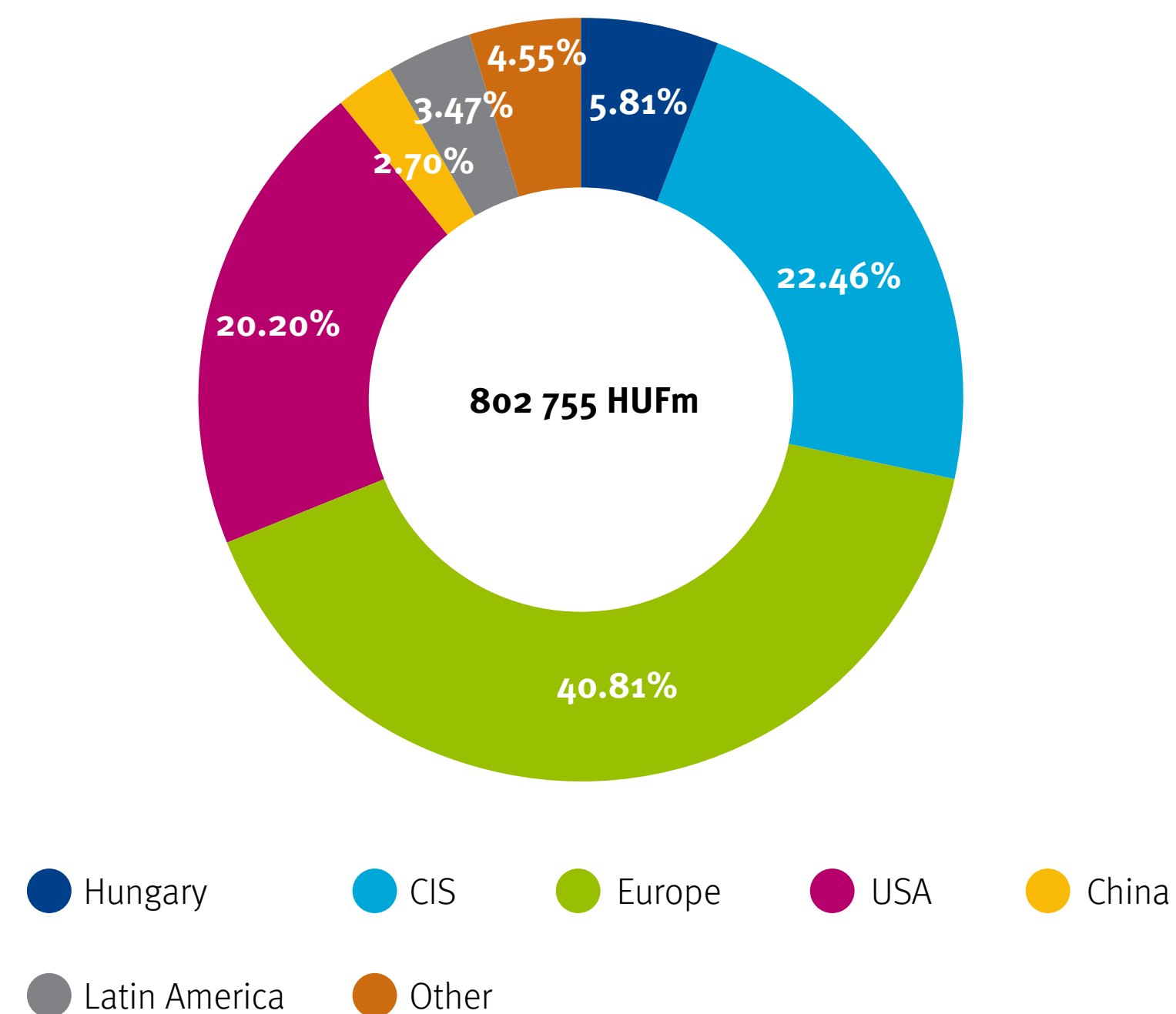
**Our active substance, cariprazine was approved in the United States as an adjuvant treatment for major depressive disorder.** Total sales of this product exceeded 22% of our pharmaceuticals segment.



Richter Group subsidiaries in **32 countries completed our Compliance & Data Privacy Dotted Line Reporting questionnaire,** which was designed to increase compliance and data privacy and support control processes.

## OUR MAIN ACHIEVEMENTS IN 2022

## Consolidated turnover of Richter by region, 2022 2-28



The Richter Group is involved with both Hungarian and international industry organisations. The associations deal with regulatory and scientific issues, and harmonisation of industrial and corporate policies. The parent company and the subsidiaries play an active role in various local and regional professional organisations, both at member and board level. In Hungary, the most important such organisation is the National Association of Hungarian Pharmaceutical Manufacturers (MAGYOSZ), of which our company is a member, and at international level, Medicines for Europe.

## Awards and recognition in Hungary:



OPTEN Stability Award - “one of the most stable and crisis-proof large domestic companies”

PwC - “the most attractive pharmaceutical employer”

Zynternship Awards: One of the most attractive employers

Zynternship Awards: Natural Sciences category I.

Zynternship Awards: Engineering category, 3rd place

Zynternship Awards: Medical and Health Sciences category, 3rd place

HRKOMM Award: Silver (Balance Programme)

Lovable Workplaces Award

## Pharmaceutical and other professional organisations of which Richter is a member in Hungary



- Budapest Chamber of Commerce and Industry
- H.B.M. Chamber of Commerce and Industry
- KÖVET Association for a Sustainable Economy
- Hungarian Hydrological Society
- Hungarian Association for Innovation
- Hungarian Chemical Society
- Hungarian Advertising Association
- Hungarian Association for Competition Law
- Business Council for Sustainable Development in Hungary (BCSDH)
- National Association of Hungarian Pharmaceutical Manufacturers (MAGYOSZ)
- National Chamber of Agriculture
- Hungarian Association of International Companies
- Pharmapolis Cluster



## 2. ESG APPROACH

Our aim is to improve the quality of human life and create a healthier world, considering the environmental and social impacts of our operations and integrating these aspects into our corporate governance. We constantly draw on our company’s capacity for innovation to achieve a lasting, socially beneficial impact in the long term.

<sup>2</sup> SDG Target 3.4: Noncommunicable diseases and mental health: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

<sup>3</sup> SDG Target 3.7: By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes.

<sup>4</sup> SDG Target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

### 2.1. ESG focus areas at Richter

#### ESG targets of Richter and their SDG relevance

The Richter Group is committed to the UN Sustainable Development Goals (SDGs). We believe that the Group is making a fundamental contribution to the global SDGs through its core business of manufacturing pharmaceuticals that cure diseases and improve quality of life. The most important of the UN’s sustainability goals for Richter is therefore “health and well-being”, which is the focus of our report.



#### The Richter Group’s priority sustainability impact: SDG 3: Health and well-being

In line with our corporate mission “Health is our mission”, we aim to continue to position ourselves in the global pharmaceutical market and to help patients around the world to recover with innovative medicine.

One of the most notable achievements in recent years has been the significant and growing share of the company’s sales from a product that helps treat mental illness. Richter’s original antipsychotic, cariprazine, which improves the quality of life for people with schizophrenia and bipolar disorder, is now available in many countries around the world, with reimbursement in 29 of them. In addition, the company is conducting awareness-raising campaigns in several countries on social acceptance and treatment of schizophrenia, which contributes to SDG target 3.4.<sup>2</sup>

In addition to therapeutic solutions for the treatment of mental illnesses, a significant part of Richter’s turnover comes from the sale of women’s healthcare products. The company also conducts significant educational activities among women, thus supporting SDG 3.7.<sup>3</sup>

In addition, the company is able to increase access to treatment through its affordable generic and biosimilar products, supporting SDG 3.8.<sup>4</sup>





## ESG focus areas in 2022

Three main ESG focus areas within the Richter Group were prioritised in 2022. These covered the following environmental, social and governance areas:



### RESPONSIBLE ENERGY USE

Energy use is a priority area for us, as production technologies in the pharmaceutical industry are energy intensive. The changing energy market in 2022 has also brought into focus the issue of security of supply, which has encouraged the increasing use of renewable energy at our sites. In 2022, we developed our energy strategy, which is built around 3 focus areas:

- Reducing primary energy use
- Increasing the share of green energy in the energy mix
- Reducing CO2 emissions



### WELL-BEING OF OUR EMPLOYEES

The Richter Group believes in delivering world-class solutions to improve people's quality of life, and this mission extends to our relationship with our employees. In 2022, we continued to work for the well-being of our employees:

- Our Balance programme continued, with a range of recreational and workplace programmes for our employees. These included company yoga classes, employee dietary advice and the organisation of our second Mental Health Day.
- In response to the high inflation environment, we have introduced new compensation elements to ensure that our employees continue to be recognised and properly remunerated in 2022.
- In 2022, for the first time, we presented the Richter for Society Award, recognising the community work of our employees.



### BUSINESS ETHICS AND COMPLIANCE

Our responsible corporate governance model is built on sound business conduct and regulatory compliance. As a pharmaceutical company, our reliability defines our credibility in the marketplace and builds trust with our partners. This year we have achieved several successes in this area:

- As a result of organisational changes, our compliance function is increasingly operating independently from the legal department, with the aim of supporting transparent operations.
- In 2022, a group-wide risk assessment project was launched along the entire compliance manual, involving 32 subsidiaries.
- Monitoring and preparing for ESG legislation are becoming an increasing focus of our operations. All relevant organisational units are working together under the coordination of our ESG officer to maintain compliance of the Richter Group.



## 2.2. Management of stakeholder groups <sup>2-29</sup>

We believe that by involving our stakeholders, we can operate as a responsible company. We consider stakeholders to be those groups that are directly or indirectly affected by the Richter Group or who have an impact on our company. These are the groups most affected by our activities and operations.

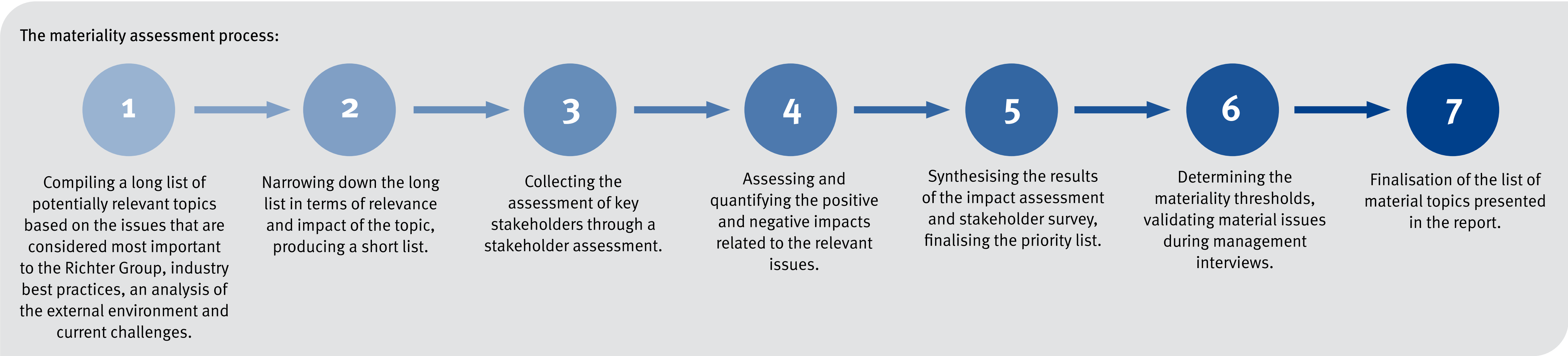
Richter Group provides opportunities for dialogue between the company and its stakeholders through a number of communication channels. Based on the classification of stakeholders, we use a variety of engagement formats, such as financial reports, publications, meetings, and presentations. Two-way communication provides an opportunity to understand the needs and expectations of stakeholder groups.

## 2.3. Materiality assessment and our material topics <sup>3-1</sup>

We have also included our key stakeholders in our 2022 materiality assessment. The purpose of the materiality assessment was to identify the most important and relevant topics for our organisation, which would inform the content of our 2022 Sustainability Report. The survey was conducted in accordance with the Global Reporting Initiative (GRI Universal Standards 2021).

The long and then short topic lists, which formed the basis of the materiality assessment, were compiled according to the topics considered most important for the Richter Group, an analysis of the external environment, industry best practices, market recommendations and trends, and current challenges.

The short list of topics was scored according to the GRI 2021 definition of materiality, the results of the stakeholder survey and industry benchmarks of external organisations<sup>5</sup>. The assessment also evaluated the impact not only on the Richter Group but also on its value chain. Positive and negative impacts related to material issues were assessed according to three criteria: actual or potential, direct or indirect, and severity of impact.



<sup>5</sup> According to the recommendations of Morgan Stanley Capital International (MSCI) and The Sustainability Accounting Standards (SASB) for the biotechnology and pharmaceutical industries.



External and internal stakeholder assessment

One of the most important parts of the materiality assessment was the stakeholder assessment. This involved interviewing key internal and external stakeholders whose views are crucial to our operations in a number of cases. The survey was conducted using an online questionnaire.

In the 2022 report, the views of the following stakeholder groups were taken into account through a questionnaire survey:



In the questionnaire, we provided stakeholders with the opportunity to score the pre-identified material issues on a scale of one to five. In addition to external stakeholders, internal stakeholders were surveyed, broken down into management members and employees. The management group includes board members, heads of departments and divisions. The breakdown was based on the perspective of the stakeholders, as these groups have different views on the functioning of the Richter Group.

Based purely on the views of stakeholders, the three most significant themes for stakeholders were Product liability and consumer safety, Employee well-being and talent management, and Business ethics and compliance, which are also treated as priority areas in the report.

Our material topics in 2022 3-2

Based on our assessment including both the views of key stakeholders and industry best practices, we have identified 9 material topics as priorities for our operations in 2022. Compared to last year’s report, two new topics have been added to the material topic list: Responsible energy use and Data security and privacy. At the same time, Responsible Supply Chain and Corporate Social Responsibility are not included in this year’s material topics but remain part of the report.

Material topics

- Product liability and consumer safety
- Business ethics and compliance
- Access to healthcare
- Environmental footprint, pollution and waste management
- Employee well-being, talent management
- Employee rights
- Responsible energy use
- Responsible marketing and communication
- Data security and protection



# 3. SAFETY AND WELL-BEING OF PATIENTS

The aim of Richter is to provide the public with state-of-the-art medicine and to contribute to improving the quality of human life. Research into original molecules and innovation have been key elements of Richter’s strategy since the company’s foundation.

Achievement of 2022 targets, 2023 targets

2022

The module-by-module roll-out of the quality assurance information system continued in 2022, with all planned modules expected to be in place by the end of 2024. The first phase of the laboratory information management system will be rolled out in 2023 for the highest volume products.

We further developed our drug safety monitoring system and updated the corresponding internal policies.

2023

Continuous extension of the quality assurance support and laboratory information management system to the quality management processes.

To further strengthen the automation of our patient safety processes with the introduction of a new registration information management system.

## 3.1. Product liability and consumer safety

Drug safety permeates the entire operations of our Group; there is no area that is not directly or indirectly linked to the safe use of medicine approach. The primary focus of our product development and manufacturing processes is on the safe use of medicine, from animal testing, clinical trials and product manufacturing to responsible marketing.

### Animal testing

Animal testing is a necessary part of the pharmaceutical industry. Regulatory requirements for the authorisation of medicines oblige pharmaceutical companies to demonstrate the safety and efficacy of active substances in animal studies.

The Richter Group undertakes all animal testing as it is an essential part of the process of developing a new drug. At the same time, the company is committed to keeping the number of animal tests carried out to the minimum necessary and, where possible, to reducing them further. It is our internal policy and practice to conduct animal testing only in the context of projects where there is no other substitute for the use of animals.

As a result of decades of applying these principles, the company has successfully reduced the number of animals used in tests: the annual animal population in 2022 was 72% lower than in 2010.

The person responsible for legal compliance regarding the conduct of animal experiments is the Director of Research and Development. The Head of Pharmacology is responsible for the validation of the project authorisation of the National Food Chain Safety Office (NÉBIH). Project authorisation applications submitted to the NÉBIH are assessed by the Scientific Ethics Council for Animal Experimentation, after which work requiring animal experimentation may be started at the company.

The keeping and use of laboratory animals in compliance with regulatory and social requirements is safeguarded by the Animal Experimentation Code of Gedeon Richter Plc. which ensures compliance with legislation on animal experimentation. The welfare and care of animals in the company is the responsibility of the Animal Welfare Officer. The Workplace Animal Welfare Committee is responsible for the preparation and monitoring of the Animal Experimentation Code.



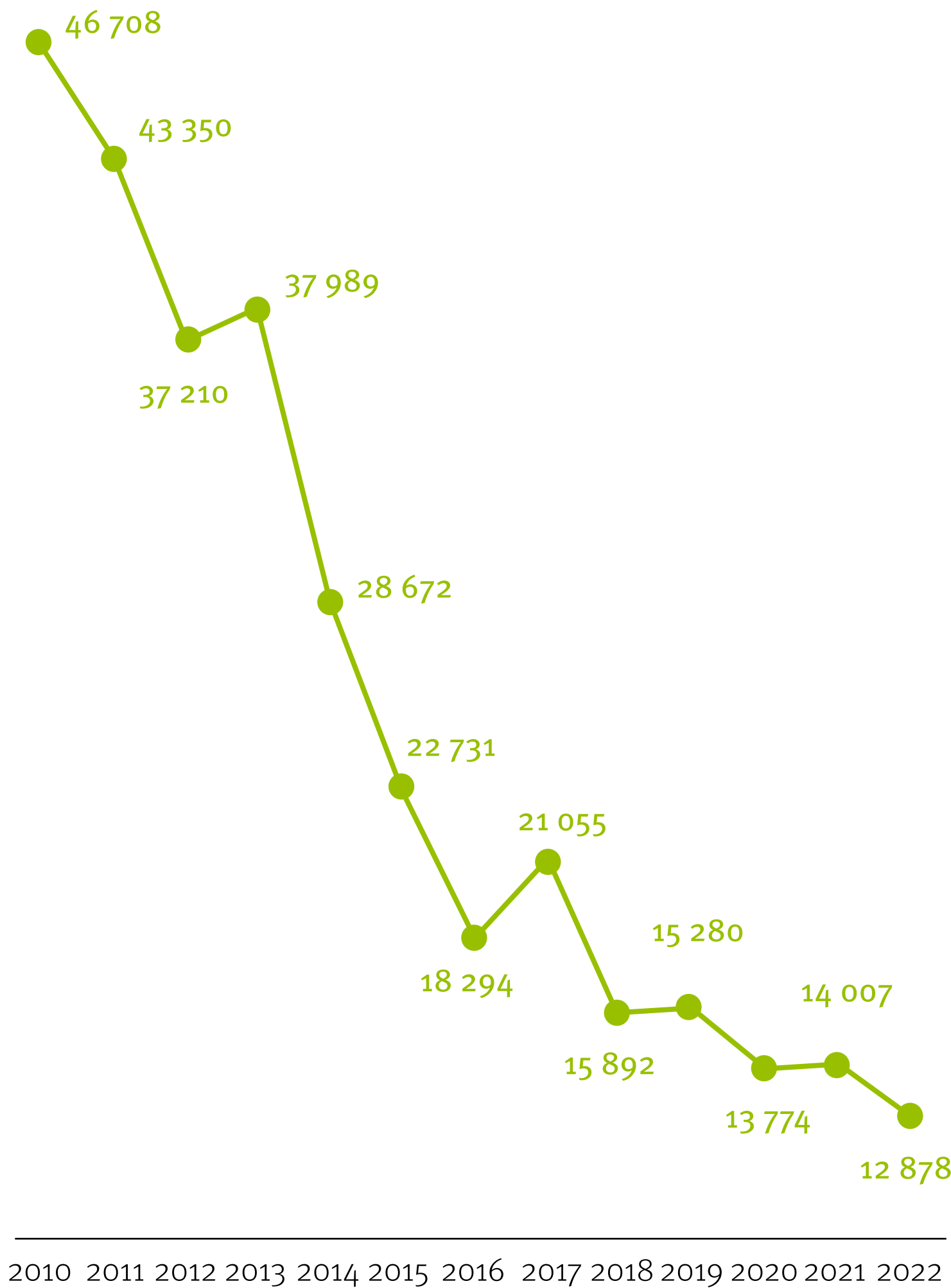
The Committee has the power to stop any animal testing if the welfare of the animals justifies it, and to inform the animal health authority at the same time. The Committee is assisted by a designated veterinarian. Staff working with animals are specifically qualified to work with live animals, as required by law.

The conditions under which animals are kept and the legal requirements for animal experimentation are checked every three years by the Hungarian authorities (NÉBIH). Richter only purchases live animals from ISO-certified suppliers. The Richter Group believes that these suppliers can effectively ensure that the strictest animal welfare regulations are enforced and extends this expectation to its contractual partners.

We believe we can further reduce the number of animals used in the future through the increasing use of modern technology. We are committed to creating a scientific and theoretical background that will enable us to translate animal testing results into better human efficacy. To this end, we are also exploring the potential of 3D brain models and touchscreen behavioural techniques as new avenues for testing potential new drug molecules.



Change in animal use of the Richter Group 2010-2022 (number of animals)



### Clinical trials

Clinical trials are an essential part of drug development. Every year, hundreds of people participate in clinical trials of Richter Group products.

In conducting clinical trials, our company pays great attention to ethical conduct and quality. As a minimum, all trial staff and contractual partners are expected to participate in the trial in accordance with the ethical guidelines of the Declaration of Helsinki, Good Clinical Practice (GCP) and local legislation. Clinical trials can only be initiated after approval by local/central ethics committees of the documents required to run the clinical trial and the trial protocol, which must be signed by the site head of the testing facility. In accordance with local rules, the approving ethics committee will receive information on the progress and status of the trial and all relevant events. The precise powers of ethics committees may vary from country to country, but the committee may also take the initiative to discontinue a trial.

Throughout the clinical development process (planning and conduct), risks associated with the development and trial are assessed and an action plan is drawn up to address these risks. Guidelines and training for clinical trial participants (both sponsor and contracted partner) will be prescribed for their job role and for the regulated workflows. Understanding and completing these is mandatory and their completion is documented. Richter employees involved in clinical trials have relevant qualifications and professional knowledge. All clinical trial staff undergo a detailed induction programme, including documented training of company standard operating procedures and basic GCP knowledge.

When designing clinical trials, it is important to ensure representativeness of the patient population receiving the product. Our clinical trials are typically conducted in Europe, Canada, Mexico, Russia, and China, meaning that clinical trials overlap significantly with the company’s key markets. This ensures diversity of clinical trial participants.



Monitoring and continuous quality assurance are essential for clinical development. The Richter Group ensures clinical site monitoring for all clinical trials and conducts regular audits of the sites and other contracted partners involved in the conduct of clinical trials.

We pay great attention to ethical conduct in the design and conduct of clinical trials. An essential element of this is to ensure that only the minimum number of participants and the minimum level of exposure to any intervention is maintained. In addition, trial participants are given detailed and clear information about their rights and the aims, benefits, and potential risks of the trial before any trial-related intervention. Once all their questions have been answered, they will provide voluntary written informed consent, which they can withdraw at any time without having to provide a reason.

The Richter Group publishes clinical trial data on the relevant regulatory platforms on an ongoing basis, in accordance with the legislation. It also regularly publishes clinical results in international journals.

Product manufacturing and product quality

During production, we pay special attention to compliance with the applicable technological and quality regulations, national, European, and other international laws and regulations. Our manufacturing processes and quality system are regularly monitored by our contractual partners and authorities at Group level.

In addition to the local authorities, in 2022 the Medical Devices Certification Body carried out an audit to check our compliance with the new, strict European rules. Our quality assurance system is recognised by both the European authorities and the FDA. We are proud that these audits have been completed for years without critical observations and that we were among the first to be recognised for the readiness of our quality system to comply with the new EU regulation on medical devices. In 2022, 100% of regulatory inspections ended without identifying a critical problem.

Number of pharmaceutical manufacturing practice audits at Group level

	2020	2021	2022
Number of GxP (Good Practice) audits	10	19	20
Number of authority inspections	2	3	4
Number of critical observations during authority inspections	0	0	0

We operate a comprehensive quality management system, based on current Good Manufacturing Practice (GMP) requirements, which includes risk management in the design, development and control of all products, devices, processes and procedures that may pose a risk to patients or Richter.

At Group level, we are continuously improving and harmonising the efficiency of our quality system and strive to develop a more consistent approach and procedures, which continued in 2022. It is expected that all planned modules of this will be in place by the end of 2024. The first phase of the laboratory information management system, focusing on the highest volume products, will start in 2023, and we plan to roll out the application gradually to all our products.

The quality of our products is monitored daily and evaluated annually, so we can take immediate action even in the case of very small deviations.

We also involve our employees in quality activities, design, and the application and monitoring of GMP guidelines, which contributes to the high quality of our products. To maintain a quality approach, our employees attend regular training courses.

Quality assurance system at our partners

In line with Richter’s values, we expect similar care from our commercial partners. Our quality-assured drug safety system, which covers all Richter Group companies, monitors all changes in the benefit-risk balance of medicines throughout their life cycle and informs authorities, healthcare professionals and patients.



An important part of our quality assurance system is the assessment of the manufacturers of the materials used and purchased in our production. In addition to high quality production, a well-functioning quality assurance system is a key factor in the selection of our partners. During the audits, we assess whether our partners comply with the requirements and processes required by the regulations and our contracts.

Number of supplier audits at Group level

	2020	2021	2022
On-site audit	9	12	29
Document based audit	5	15	1
Remote audit	2	5	4
Third party audit	3	5	24
Total number of supplier audits	19	37	58

We only sell our products through partners with a valid manufacturing or wholesale licence. It is a priority for Richter and our partners to prevent counterfeit products from being commercialised, which could even endanger the lives and health of patients. To this end, we use a special packaging technique with an antitampering device (seal) and a unique identifier for our products.

We have safety regulations to control the disposal of rejected products and packaging materials. We closely monitor and investigate quality notifications where counterfeiting may occur.

We operate a separate quality management system to handle complaints about products. In 2022, product recalls involved four countries.

Number of product complaints and product recalls at Group level

	2020	2021	2022
Number of complaints about products			
Legitimate complaints	547	688	794
Unjustified complaints	977	983	1 756
Complaints under investigation	0	108	0
Number of product recalls			
Number of product recalls	4	5	6
Batches affected by product recalls	11	17	8

The health and safety of our consumers is a key corporate objective, not only for pharmaceuticals, but also for medical devices and medical device combinations. We apply our quality assurance system to the research, development, manufacturing, distribution and post-marketing monitoring of medical devices in order to comply with both the regulatory environment and relevant standards. Our quality assurance system is also tested in this respect every year in the quality management audit of supervisory bodies.

The health and safety of our customers 3-3, 416-1

The Richter Group views product safety as a medical service, which is also set out in its Pharmacovigilance Policy. We conduct our activities in accordance with the international principles of Good Pharmacovigilance Practice and through the acquisition of quality assurance certificates. In accordance with the legal requirements, our company employs a Qualified Person for Pharmacovigilance who oversees the operation of the pharmacovigilance system and has personal responsibility for the compliance of the system.

At every stage of the manufacturing and development process and throughout the product lifecycle, our primary, strategic objective is the health and safety of our consumers. Under pharmacovigilance<sup>6</sup>, we aim to market products that offer significant benefits to individuals and society, while minimising the risks associated with their use. While there is no medicine that is free of adverse effects, we believe that knowing the benefit/risk ratio of our activities and medicine as accurately as possible protects patients and results in safe product use.

<sup>6</sup>Activities to ensure the safe use of medicines - known collectively as pharmacovigilance - involve the continuous monitoring and evaluation of the risk-benefit ratio of medicines and ensuring their safe use.



Compliance with the domestic and international pharmaceutical regulatory environment is essential for us. We also consider ourselves bound by decisions and guidelines issued by public institutions and authorities, such as the European Commission, the European Medicines Agency (EMA) or the US Food and Drug Administration (FDA).

Number of drug safety reports per year at Group level

	2020	2021	2022
Number of reports received	14 500	14 500	15 200

Raising awareness among our consumers is in our common interest and contributes to the safe use of our products. Richter continuously conducts patient support programmes and market research, from which we collect adverse effect reports. As a result of these efforts and the growing sales of our products, the number of drug safety reports increased slightly in 2022.

Our pharmacovigilance IT system

Information on the safety of our products is collected through a global information system. The aim of data collection and analysis is to accurately map the safety of medicine. The system is also designed to alert and intervene when product safety changes or circumstances arise that could expose users to unforeseen risks.

Our drug safety system is under constant review. Over the past three years, we have participated in more than 60 internal and external (partner) audits and 8 regulatory audits, while our company has audited the pharmaceutical safety practices of 18 trading partners. During the Covid epidemic, we postponed certain audits, which were completed in 2022.

Number of external and internal pharmacovigilance audits carried out at the Group

	2020	2021	2022
Pharmacovigilance audits carried out by external partners <sup>7</sup>	3	9	13
Internal pharmacovigilance audits conducted by Richter <sup>8</sup>	13	11	14

3.2. Responsible marketing and communication

3-3, 417-3

Responsible marketing

The Richter Group always strives to provide appropriate information to both patients and healthcare professionals when selling its products. This includes the content of marketing materials and regulating and managing communications with stakeholders to high ethical standards. Appropriate communication of information contributes to the safe use of our products and forms the basis of our ethical compliance.

We ensure responsible marketing and information practices through internal procedures and rules. At all times, Richter employees are strictly bound to comply with the laws governing pharmaceutical marketing communications, applicable international, local and Group Codes of

Ethics, and any regulations that may apply to their activities.<sup>9</sup> In addition to legislation, the Medicines for Europe Code of Conduct on Interaction with the Healthcare Community and the Pharmaceutical Communication Code of Ethics prepared by the pharmaceutical industry associations in Hungary are also relevant to our operation. The Richter Compliance Manual also includes the Code of Business Conduct and Transparency, which compiles and systematises the rules on interactions with healthcare professionals and patient organisations, pharmaceutical law and transparency.

Medical representatives and area managers play a key role in our marketing activities. Colleagues in these roles receive regular, complex medical and skills training. Communication with health professionals should be limited to information and promotional activities, which are covered by the six principles listed on the next page. In addition, Richter’s Code of Business Conduct and Transparency covers communication with Healthcare Professionals, with particular emphasis on gifts, sponsorship of events and training, sponsorships and donations.

During the reporting period, the Richter Group did not receive any fines related to marketing communications.

<sup>7</sup> From 2022 onwards, regulatory inspections will also be included in the number of pharmacovigilance audits carried out by external partners, therefore the data for 2020 and 2021 have been updated retrospectively.

<sup>8</sup> From 2023 onwards, audits of pharmacovigilance service providers who work under the processes of Richter will be included in the number of internal pharmacovigilance audits, therefore the data for 2020 and 2021 have been updated retrospectively.

<sup>9</sup> Most importantly EU Directives 2001/83/EC (6 November 2001), 2005/29/EC (11 May 2005) and 2006/114/EC (12 December 2006).



Richter has identified six principles that should be applied to all promotional communications aimed at healthcare professionals or consumers:

- 1

It is prohibited to describe or advertise drugs for which a marketing authorisation has not been issued for the given territory.
- 2

All information in the promotional and advertising materials must be consistent with the information in the relevant medicine’s SmPC. Advertising outside the approved indication is prohibited.
- 3

Information or statements contained in the advertising material must not be false or misleading in any respect, through distortion of reality, inappropriate emphasis or omission.
- 4

Promotional materials must be clear, scientifically up to date, balanced, and sufficiently comprehensive to allow the reader to form their own opinion. Promotional materials should promote the rational use of the drug.
- 5

All advertising claims must be supported by substantial evidence, i.e., by reference to an approved SmPC or additional clinically relevant scientific evidence. The source of the reference must also be indicated.
- 6

Before publication or distribution, all advertising materials must be approved in advance by Richter’s Medical service and other responsible organisational units. The prerequisite for this is that all affiliates are required to operate a medical service function that deals with information about the medicines they distribute.

In 2022, our donation activities were consolidated. Donations of money, goods and products, which were previously governed by different rules, have been assigned a common set of rules. In the case of medicine donations, we also took into account national regulations and recent jurisprudence, based on decisions of the National Institute of Pharmacy and Nutrition (OGYÉI).

In its relationships with healthcare professionals, the company strives to maintain integrity and the highest level of compliance with applicable laws and regulations. Promotional materials and communications must not be misleading and must always be accurate, verifiable and scientifically sound in accordance with applicable health and legal requirements.

The Richter Group works with healthcare professionals in several areas. One of these is the training of doctors and healthcare workers at events organised by us or by third parties. In accordance with our Code of Business Conduct and Transparency, Richter supports training in therapeutic areas in which healthcare professionals practice in and which are directly related to Richter’s therapeutic areas. Another area is collaboration in clinical trials, which is described in more detail in the Clinical trials section. Richter’s Global Compliance Program ensures that these collaborations remain within the bounds of legality and ethics under all circumstances. Any participant can request answers to any questions or concerns that may arise through our reporting system.

In 2022, Richter organised 94 international training courses for the employees of the Richter Group, with a total of 3 029 participants<sup>10</sup>. In addition, each subsidiary organised its own internal training courses for the country in question. In 2022, 26 training courses were held in Hungary, with a total of 239 participants.

<sup>10</sup> Employees participating in more than one training course are counted more than once in this figure.



3.3. Access to health 3-3, 413-1

Ensuring access to products for patient groups who otherwise have difficulty in accessing medicine due to geographical, economic or any other factor is an elementary part of the pharmaceutical industry’s social responsibility. Lower-income countries are an important target for access programmes, but higher-income countries can also be targeted if local regulations make products difficult or expensive to access in their markets. As the product range and geographical coverage of pharmaceutical companies varies, access programmes will always depend on the capabilities of the company concerned.

In general, the Richter Group has a number of generic and biosimilar products in addition to the original products, which it offers at a lower price, thus increasing the availability of the active substance for several priority groups. The extent of the price difference depends on several factors, such as the regulation in the country concerned, the reimbursement landscape, the therapeutic area and the number of competitors. In Richter’s markets, we typically support disadvantaged groups through country-level decisions.

At the heart of the company’s targeted product launch programmes is the women’s healthcare portfolio, which is also central to the company’s strategy. These are typically products that are necessary in specific life situations and are often difficult to access for the target groups.

There are three main types of Richter’s access to healthcare efforts.

One of these is donating medicines to hospitals/social institutions, providing discounted medicines, and in some countries supporting family planning programmes/centres. In Moldova, for example, a national programme on sexual and reproductive health and rights has been approved for the first time for the period 2018-2022. This programme aims at centralised procurement of contraceptive drugs by the Public Health Procurement Centre and their distribution to family planning centres and the so-called youth-friendly centres. There are 40 such centres in Moldova, providing contraceptives to socially vulnerable groups of reproductive age. Richter contributes to the programme with oral contraceptives.

The other large group of subsidies are products given to aid organisations at a reduced price. We work with numerous NGOs to whom we provide our emergency contraception products at very low prices, for distribution to people in need in developing countries. In addition, there are developing countries (Yemen, Kenya, India) where we supply products to commercial companies, also at a significant discount. The quantities of products distributed and the percentage of total emergency contraceptives sold are shown in the table on the right. It is important to note that since one pill represents one treatment, the data also shows the number of people in need reached by the product.

Volume of emergency contraceptive products sold under access programmes

	2020	2021	2022
Quantity supplied to charity organisations at reduced prices (million pieces)	2.96	2.13	3.67
Quantity sold at reduced prices in developing countries (million pieces)	2.64	3.69	3.99
Quantities sold under product access programmes as a percentage of total quantities sold (%)	28	27	42

The third area of product access efforts is to help patients get the right therapy at the right time and use it for the necessary duration. To this end, patient support programmes are in place in some therapeutic areas to ensure that important information is delivered to patients. In many cases, for example, we provide unique dose packaging to ensure that patients receive the right type and amount of medicine safely. In other cases, we use pictograms on the packaging that also help to ensure the right product access (which day or time of day to take the medication). The final and most involved help is when there is difficulty in using the equipment needed to administer the medicine. Patients are taught how to use our osteoporosis treatment product by health professionals (nurses, assistants) as part of our patient support programme.



## 4. RESPONSIBLE AND TRANSPARENT OPERATION <sup>3-3</sup>

The Richter Group considers a corporate governance system in line with international and domestic requirements a priority. Our company's commitment is demonstrated by the fact that we strive for the highest possible degree of transparency in our corporate governance structure and business activities.

As a pharmaceutical company, the trust of our customers and partners is essential to us and can only be guaranteed through ethical and reliable operation. We regularly inform our stakeholders about the cornerstones of our responsible corporate governance through our publicly available stock exchange disclosures and reports. Data protection is vital in our activities, we process personal data from research to product sales and marketing communications. As an employer, we do our utmost to ensure legal and ethical employment. In line with international and national requirements, our internal policies ensure the freedom of our employees. Employee representation is supported by various trade union memberships.

### KEY ACHIEVEMENTS



We have developed our group-wide compliance risk assessment methodology and communicated it to our subsidiaries.



By the end of 2022, all our subsidiaries were actively reporting data based on a risk assessment questionnaire, giving us a clear picture of the compliance maturity of our international network.

### Achievement of 2022 targets, 2023 targets

**2022**

A draft Corporate Governance Code has been prepared but not adopted by the Board of Directors in 2022.

As an alternative to compiling the agenda for the ESG Subcommittee formerly set as a target, the Board of Directors adopted a general subcommittee agenda that is fully applicable to all subcommittees of the Board of Directors (Corporate Governance and Nominating Subcommittee, Remuneration Subcommittee, ESG Subcommittee).

**2023**

Based on the results of the risk assessment, one of the objectives for 2023 is to develop and implement concrete action plans by the subsidiaries. This will result in the implementation of measures to strengthen ESG expectations, such as an international approval platform and harmonised process rules for promotional materials; the setting of international fair market values and the harmonisation of internal process rules at international level.

Developing a 3-year compliance monitoring plan, which will allow systematic group-level compliance monitoring procedures to be launched in 2024.

Responsible Corporate Governance Code adopted by the Board of Directors.

In the context of the Corporate Governance Code, the Board of Directors aims to develop and adopt guidelines on the independence of the members of the Board and its composition.

Review and update of the rules of procedure of the Board of Directors, Supervisory Board and Audit Committee.



## 4.1. Responsible corporate governance

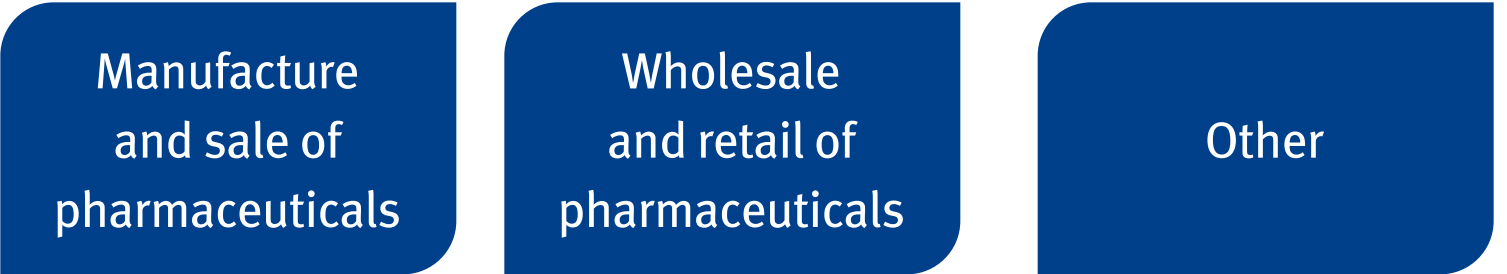
2-9, 2-10, 2-11, 2-13, 2-17

Subject to the corporate law provisions and requirements related to Hungarian law, Gedeon Richter Plc. is entitled and obliged to establish a corporate governance system that is primarily and obligatorily applicable only to Gedeon Richter Plc. (the Hungary-based parent company). A detailed description of this system (rules of the Annual General Meeting, shareholders’ rights, Executive Board, Board of Directors, Supervisory Board, responsibilities and division of tasks of subcommittees, conflict of interest, remuneration and diversity policy, internal control and risk management system, etc.) is available on the Richter corporate website in the document “Report on Corporate Governance” under the submenu Investors/Annual General Meeting. The remainder of this chapter focuses accordingly on corporate governance at Group level.

### Composition of the Richter Group

Gedeon Richter Plc. is a pharmaceutical manufacturing and sales company, which also performs group management functions as the parent company of the Richter Group. Pharmaceuticals manufacturing and sales is the core business of the Richter Group, and therefore the management of the member companies performing the same function is centralised. Capital allocation, development policy, production coordination and marketing are also coordinated in this business. As a result of the harmonised business strategy, transactions with the parent company play a decisive role in the economic activities of the member companies involved in the production and sale of pharmaceuticals.

The parent company classifies the companies and business interests belonging to the Richter Group into three basic business segments:



### Governance model of the Richter Group

The Richter Group is a group of companies, where the parent company performs two functions in parallel. On the one hand, it performs ownership management functions, ensuring the strategic and financial management of the legally independent subsidiaries, and on the other hand, it is the largest R&D, manufacturing and marketing unit of the Group. In addition to the unified management, the parent company’s economic role is also dominant within the Group, as it accounts for almost half of its turnover and some pharmaceutical functions (original research, production of steroid products, etc.) are performed exclusively by the parent company.

### The role of ownership control and corporate legal support in the governance of affiliated companies

The parent company also acts as an intermediary for affiliated companies in its management role. It uses its ownership resources to provide support in areas such as company law, labour law and compliance.

The basic decisions related to ownership are:

- Adoption, amendment of the articles of association of affiliated companies
- Deciding on the composition of the management bodies of affiliated companies, the appointment of managing directors
- Adoption of annual report, decisions on payment of dividends
- Any other matter which is left to the discretion of the owner in the local company law context

There are three levels of corporate governance of affiliated companies through ownership instruments. The exclusive powers of the supreme body (General Assembly/General Meeting) are always determined by local company law. The adoption and amendment of the statutes (Articles of Association/Partnership Agreement), the decision on the approval of the profit and the payment of dividends are the responsibility of the supreme body in all companies.

In each subsidiary, the Board of Directors is made up of finance, legal, commercial and, in many cases, HR colleagues delegated by the parent company. The main tasks of the Board of Directors include supervising and supporting the activities of the Managing Director, taking a position on strategic decisions, preparing and recommending the annual report for approval, taking decisions on remuneration issues at managerial level, and providing day-to-day decision support.

The Board of Directors or, based on a proposal from the Board of Directors, the supreme body appoints the Managing Directors of affiliated companies and decides on their remuneration, in accordance with the locally applicable company law. The Managing Director has broad powers in the day-to-day operational activities and may act within the limits of the law on any matter necessary to ensure the smooth operation of the business, except that in most cases his/her signatory powers are limited to a certain amount.

The legal compliance of foreign subsidiaries is ensured by the parent company through a two-way representation. A senior lawyer is delegated to the Board of Directors of each subsidiary to monitor the proper functioning of the supreme body meetings. In addition, within the Legal and Intellectual Property Department at parent company level, each foreign subsidiary has a person in charge who supports the legal compliance of the subsidiary.



Heads of Representation who manage foreign commercial representative offices have a primary reporting obligation to the Directorate for Commerce.

Control of the management of subsidiaries and representative offices

Main components of the control system within the Richter Group:

- In-process financial control (checking cost accounts)
- On-site internal audits carried out by the parent company’s functional units at the subsidiary or representative office
- The operation of a group-wide compliance system, with half-yearly reporting of subsidiaries



Managing sustainability performance 2-12, 2-13, 2-18, 2-25

In view of the strengthening of ESG requirements in the domestic and international capital markets over the last few years, the Board of Directors established an ESG Subcommittee in December 2021. The ESG Subcommittee’s task is to continuously monitor the ESG requirements set by the domestic and international capital markets and their changes, and to make recommendations to the Board of Directors to ensure the company’s compliance with ESG requirements, considering Richter’s industry and organisational specificities.

The ESG Subcommittee consists of two independent and one non-independent member of the Board of Directors. Its chairman is also a member of the Corporate Governance and Nominating Committee, which ensures representation of ESG issues in corporate governance. The ESG Subcommittee regularly informs the Board of Directors on new ESG expectations and trends and promotes the discussion of ESG-related issues by the Board of Directors.

In 2022, the analysis and comparison of ESG rating companies was a key focus. Several corporate initiatives have been launched to improve the ESG assessment of the Richter Group. The ESG Subcommittee has proposed a review of the composition and functioning of the parent company’s Ethics Committee. The Richter Group is also seeking to integrate ESG considerations into its incentive scheme for managers.

When determining the content of the performance-related remuneration elements (bonus and Employee Participation Program (EPP<sup>11</sup>) benefits) of the members responsible for day-to-day operational management, primarily the CEO, the Deputy CEO and the Executive Director, sustainability objectives are also considered. In 2022, the ESG Subcommittee proposed non-financial (ESG) performance targets for the

<sup>11</sup>Share ownership programme for managerial levels.

CEO’s 2023 bonus and EPP allocation. In their capacity, the members of the Board of Directors receive a fixed monthly compensation, the amount of which is determined by the Annual General Meeting. Board members do not receive variable components or performance-related remuneration in connection with their function and therefore there is no direct possibility to link their remuneration to sustainability objectives.

Sustainability has also been given a greater role in the company’s internal control and risk management system in 2022. The following risks have been newly identified:

-  Russian-Ukrainian war
-  Changing global world order, geopolitical risks
-  Risks arising in connection with access and data management
-  Risk of corporate acquisition pressure





4.2. Code of ethics and anti-corruption 2-16, 2-23, 2-27, 206-1


The Richter Group takes great care to ensure that its employees act ethically in all areas of our business. In general, our ethical conduct is governed by the guidelines of our Global Compliance Program, our Compliance Manual and our Code of Ethics.


The purpose of the Compliance Manual is to express the commitment of the Richter Group to operate in a lawful and responsible manner daily. To keep our business operations up to date with legislation, in particular pharmaceutical regulations, the Compliance Manual is regularly reviewed to keep it in line with internal regulatory and organisational changes, as well as with the requirements of ongoing legal compliance at national and international level.

In 2022, our Group Compliance Manual included the following:

- 

**Code of Ethics**  
The Code of Ethics sets out the basic standards of conduct, corporate principles and objectives that are binding and expected of all employees of the Richter Group. The Code sets out the higher-level requirements for senior employees and the guidelines to be followed in communication and relations with the Group and its business partners.
- 

**Code of Business Conduct and Transparency**  
The Code is a key element of the compliance system, covering anti-corruption standards and rules on interactions with healthcare professionals, pharmaceutical law and transparency.
- 

**Handbook for Compliance with Competition Law and On-site Inspection without Prior Notice**  
It provides a brief overview of the most important EU competition law.
- 

**Corporate Communications Handbook**  
Rules on the content and order of statements to the press.

- 

**Pharmacovigilance Manual**  
The Handbook covers the process of safe use of pharmaceutical products and side-effects, the most important legislation and regulations on pharmaceutical safety, as well as the organisational structure of the function and details the responsibilities of employees.
- 

**Capital Markets and Company Law Handbook**  
Describes the Hungarian capital market regulatory regime that is mandatory for the parent company, as well as the rules relating to insider trading, the operation of the Budapest Stock Exchange and public disclosure requirements.
- 

**Website Content Requirements Manual**  
This Handbook contains general corporate standards, principles, legal frameworks and sample documents (e.g., terms of use, privacy statement) for the content and operation of websites and social media sites and the management of the data collected.
- 

**Global Data Protection Policy**  
This Policy provides the foundation for the Richter Group’s data protection framework and sets out the principles and safeguards for the processing of employee, contractual and business partner, consumer and customer data that our Group manages in the course of its day-to-day operations.
- 

**Conflict of Interest Policy**  
The purpose of the Code is to make employees aware of potential conflicts of interest, to prevent conflicts of interest from occurring, and to manage existing conflicts of interest.
- 

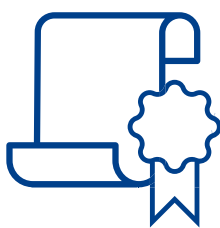
**Trade Secrets Policy**  
The Policy contains a definition of the scope of trade secrets relating to the activities of our Group and other relevant data, facts and information.



The Richter Group expects all its employees, consultants, representatives, suppliers and other business partners to observe, comply with and enforce the provisions of the Compliance Manual and the Code of Ethics in all their dealings with all market participants. To this end, the Anti-Corruption Manual is part of the agreement with all external partners.

Oversight of our ethical conduct is the responsibility of the Legal and Intellectual Property Department, where the compliance team handles reports of conduct that violates the Code of Ethics and the Global Compliance Programme. The compliance team investigates all allegations, involving the human resources and labour law teams and, if necessary, the head of the department or the subsidiary concerned. Subsidiary-related whistle blower reports received through the Compliance Hotline are investigated by the Group Compliance Manager with the assistance of the relevant Subsidiary or Representative Office Manager. Cases of non-compliance with ethical conduct are reported to the Chairman of the Board and the CEO in the form of an annual report.

At subsidiary level, we translate the Compliance Manual into several languages and ensure that it is adapted to local conditions, so that its application can be followed internationally, harmonised with local practices and regulations. Practice shows that subsidiaries have successfully adapted the manuals and regularly provide training on them. In 2022, there were no cases of legal non-compliance and no cases of non-compliance related to anticompetitive behaviour, antitrust or anti-monopoly legislation.



Group-level control is implemented through the Global Compliance Programme as follows:

- It is mandatory to adapt the Compliance Manual to local conditions and to integrate it into the operations at subsidiary level.
- A Group Compliance Manager is appointed at the parent company.
- The Group Compliance Manager shall be subject to periodic reporting obligations and in the event of incidents, compliance managers of subsidiaries shall be subject to ad hoc reporting obligations.
- The compliance team prepares training material on compliance policies, which is mandatory for all new hires, and a mandatory report on the completion of the training is made to the Group Compliance Manager.
- The Global Compliance Handbook must be reviewed annually by all subsidiaries and applied on an ongoing basis.
- A Global Compliance Hotline is available on an ongoing basis for reporting possible ethical breaches and violations of the law. Investigations into these reports are mandatory.
- A Global Monitoring (control) System is in place to ensure compliance.





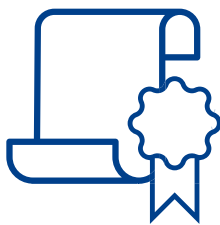
**Anti-corruption conduct** 205-1

The principles to be observed at the Richter Group in the fight against corruption and bribery are set out in the Code of Business Conduct and Transparency in the Compliance Manual. Under the Code, Richter expects integrity and transparency. We have a zero-tolerance policy towards fraud and all other corrupt activities. Regardless of local customs, business culture, or the nature of the solicitation of bribes or other improper advantage, our employees and third parties are strictly prohibited from actively participating in or passively tolerating corruption in connection with the company’s business.

Employees and persons acting for or on behalf of Richter shall never offer or give any sum of money or grant any benefit for the purpose to exert undue influence on, secure a business advantage for, or create the appearance of a business advantage for a government official.

The Richter Group does not support political parties, does not engage in lobbying activities and does not influence the financial decisions of national governments. Our Group has strict rules on relations and cooperation with public sector employees and government officials.

We also expect our partners to comply with anti-corruption rules, which is why all our contracts include anti-corruption clauses. This means that we are jointly committed with our partners to comply with the applicable anti-corruption laws and the provisions of the “Anti-Bribery and Corruption Manual of Gedeon Richter Plc and its Affiliates” in the course of their business activities and in connection with the contract.



We are building a group-wide compliance risk assessment and monitoring framework to assess corruption and bribery risks and support industry compliance. The dual purpose of the system is to assess the progress of the local implementation of the Global Compliance Programme at subsidiary level and to develop a three-year monitoring programme based on the results. Following the methodological preparation of the project in 2021, a group-wide corruption risk assessment was launched in 2022, involving 32 of our subsidiaries (48% of the total). The results were used to draw general and affiliate-specific conclusions. We also got a broad picture of which of our subsidiaries need more support in a compliance area. A detailed evaluation of the questionnaires and implementation of the action plans will be carried out in 2023, with the implementation of the monitoring system in 2024.

**Trainings on ethics and anti-corruption** 205-2

Within the Legal and Intellectual Property Department, the Compliance team regularly provides in-person and online training to employees in relation to the Richter Group Compliance Manual. The trainings can be mandatory online trainings for all employees (Code of Ethics, Anti-Corruption and Anti-Bribery) or specific to a particular field (e.g., competition law, transparency). In 2022, training was provided to 2 878 employees at Group level on topics related to ethical conduct.

**Compliance Hotline** 2-26, 205-3

At the Richter Group, we pay particular attention to communicating incidents that go against ethical business principles and protecting those affected. A company-wide Compliance Hotline is in place to handle reports of potential violations of the manuals and policies used in the Global Compliance Program. Under the provisions of the Code of Ethics, all Richter employees, business partners, employee candidates, former employees, or persons exercising ownership or control over Richter are required to report any incident where they have reasonable grounds to believe that there has been a violation of applicable laws, industry codes of ethics, Global Compliance Program manuals, or other internal Richter policies.

Affected parties can report perceived misconduct and ethical violations anonymously via an online interface (Richter Virtual Compliance Officer), accessible in 20 languages, by email, phone and voice message. Cases are investigated under the coordination of the Group Compliance Manager.

At our company, whistle blowers are adequately protected from negative consequences. Annexes I and II of the Code of Ethics provide for the protection of whistle blowers, who must not be subject to any form of retaliation, discrimination or unfair treatment. Nor should a whistle blower suffer prejudice if a report made in good faith is found to be unfounded or incomplete during the investigation.



In recent years, the Compliance Hotline has been used by a growing number of stakeholders, and our staff are also increasingly asking questions about the Compliance Manual and the Global Compliance Programme. In FY 2022, a total of 22 notifications were received globally through the Compliance Hotline, none of which were substantiated.

The Richter Virtual Compliance Officer is available on the [Richter website](#).

Anyone can make a report concerning the operation of the company, even without providing personal data.

**Protection of human and labour rights** 2-23, 2-24, 406-1

Our employees are bound by the Code of Ethics to respect human rights as defined in relevant international conventions, local laws and regulations. Our Group strongly condemns human trafficking, exploitation and forced labour and strictly prohibits the harsh and cruel treatment of employees. In our international relations, we attach the utmost importance to and expect our subsidiaries and partners to act in accordance with good practice.

In every country where we operate, we are committed to the following international principles:

- International Bill of Human Rights
- UN Guiding Principles on Business and Human Rights
- Guidelines for Multinational Enterprises and the OECD Due Diligence Guidance
- ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up
- Ten Principles of the UN Global Compact

We are committed to protecting fundamental rights, including the prohibition of any discrimination based on race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status. We promote a working environment free from verbal and physical harassment. The managers of our business units are responsible for ensuring that harassment and discrimination do not occur in their units. We also aim to create an environment free from retaliation. Retaliation against employees for seeking advice, raising concerns, reporting abuse or providing information in an investigation in good faith is strictly prohibited. Special care will be taken to ensure the protection of personal data in such procedures. In 2022, Richter did not receive any reports of discrimination.





### 4.3. Regulatory compliance and compliance management

#### Representation of interests

Employees of Gedeon Richter Plc. in Hungary have been represented by the local unit of the independent Hungarian Chemical, Energy and Allied Workers’ Union (VDSZ) since 1992. The trade union exercises all trade union rights, including collective bargaining, which applies to all Hungarian workers except those in managerial positions. In addition to the VDSZ, since 2019 the local unit of the Trade Union of Employees of Multinational Companies (MCDSZ) has been representing the interests of our employees.

In accordance with the provisions of the Hungarian Labour Code, the parent company has a Works Council, which exercises its co-decision powers within the framework of the legal provisions. It is also responsible for approving the allocation of the welfare benefits and ensuring the communication of the information within its competence between the employer and the employees.

In the field of occupational safety and health, the Occupational Safety and Health Committee is responsible for representing the rights and interests of employees in relation to safe and healthy working conditions, while the Joint Occupational Health and Safety Board regularly assesses the development of the situation and activities in the field of occupational safety and health and possible measures in this context; discusses the occupational safety and health programme, monitors its implementation; and takes a position on draft internal rules on occupational safety and health.

At the subsidiary level, we ensure that in each country we have local representative organisations that comply with local legislation. As these may take different forms from country to country, the parent company sets as a matter of principle and expects local management to ensure that the collective labour rights (right to organise, to form or join a labour

organisation) under the laws of the country concerned are available to employees, should they wish to exercise them.

#### Conflict of interest and independence 2-15

The purpose of the Conflict-of-Interest Policy is to ensure that business decisions of all subsidiaries and representative offices within the Richter Group are made free from undue influence by personal interests. The Code draws employees’ attention to potential conflicts of interest to prevent the emergence of those and to manage existing situations. The policy sets out the generally expected standards of conduct that all employees must follow and the steps to be taken in the event of a problem.

#### Data protection 418-1

The Richter Group considers it of utmost importance to act in accordance with data protection rules, official guidelines and best market practices when handling the data of persons who encounter it, and to handle them in a lawful and transparent manner. Richter processes a large amount of personal data, whether in connection with the organisation of events, adverse reaction reports, clinical research, or the monitoring of security on the factory grounds. In carrying out these activities, the protection and respect of the rights and freedoms of the individuals concerned is a key concern.

To develop our data protection framework, we launched the Richter Group’s data protection programme several years ago and have established a number of specific data protection policies, procedures and sample documentation for the parent company and subsidiaries, which are continuously maintained and reviewed. We also seek to increase the data protection knowledge, awareness and compliance of employees and other partners through training.

The Richter Group strives to eliminate potentially irregular practices by continuously monitoring its data management practices and partnerships. In 2022, the company was affected by two minor data breaches which, based on the results of an appropriate risk assessment, did not reach a level of significant detriment that would have required a notification to the data protection authority. Richter contacted the small number of affected parties, reviewed the situation and took the necessary corrective measures. No complaints of data leakage, theft or loss involving consumers were received during 2022.





4.4. Supply chain 308-1, 414-1

In the pharmaceutical industry, ensuring the expected quality of products is only possible with close control of the entire value chain, which is why the selection of suppliers is of paramount importance. In our procurement processes, we have the same high expectations of our suppliers as we do of our own performance.

In 2022, the total value of items acquired by the Richter Group exceeded HUF 330 billion. Purchases were made in 26 categories, through 3 440 partners. Within the total, 38% of the total value was accounted for by the purchase of materials and services related to the core activity (direct category), which were typically purchased through direct links with manufacturers and service providers. We also strive to keep our processes under close control in our indirect procurement, but category specialities and demand volumes often increase the number of partners involved in the process.

Our company sets out the purchasing principles of the Richter Group in its Procurement Policy. Among the most important of these are the principles that are in the economic interests of our company, such as cost-effectiveness, quality and compliance with legal requirements. Many principles are also linked to aspects of our corporate governance system, such as compliance with competition law, integrity, anti-corruption, confidentiality and protection of personal data. The principles also include sustainability aspects (environment, protection of human rights, combating human trafficking, child and forced labour).

We require all our employees and partners to comply with and enforce these principles, and our Code of Conduct on Procurement provides for their practical implementation.

We ensure our partners’ compliance with these principles through our Supplier Rating System pre-qualification process and our contracts. The system includes general sustainability criteria, with a particular focus on the environment. Among the prequalification questions, several ask about the environmental and social performance of our potential suppliers.

In 2022, we had 2 417 active suppliers, 91.1% of which were pre-qualified. In the case of non-compliance with our procurement, the Legal and Intellectual Property Department is the competent body.

We also carry out supplier audits, but these currently cover materials and aspects related to pharmaceutical manufacturing activities. Details of our supplier audits are included in the ‘Product liability and consumer safety’ section.





# 5. ENVIRONMENTAL IMPACT OF OUR OWN OPERATIONS 3-3

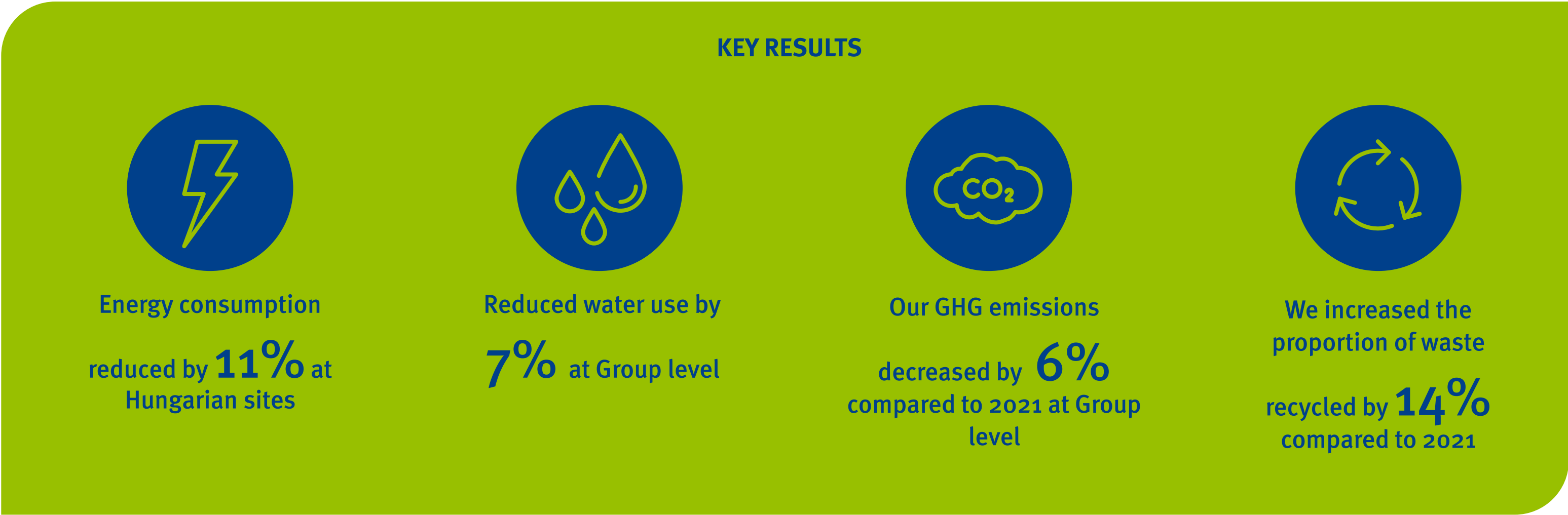
Richter’s mission is to help patients around the world heal with high added-value products. In addition to making a significant positive social impact, we minimise our negative impact on the environment as much as possible.

Climate change management is a priority area for sustainability. A significant part of the company’s environmental footprint comes from the use of electricity associated with the energy-intensive production of pharmaceuticals. For this reason, the Richter Group has joined the European Union’s “Fit for 55%!” programme, which aims to reduce the EU’s carbon footprint by 55% by 2030 compared to 1990 levels. The remaining energy use after this reduction should be brought closer to net zero emissions, i.e., climate neutrality, by increasing the share of renewables and other indirect measures. Naturally, it is not only energy consumption that contributes to climate change, but many other activities in which Richter is involved, such as indirect emissions from materials, equipment and services for manufacturing processes, or the delivery of raw materials and products.

Hungarian facilities account for 72% of total energy use within the group. As energy use represents a significant share of the Richter Group’s carbon footprint, we have put in place an energy strategy for energy use in Hungary as a first step.

The key elements of the strategy to achieve our objectives are increasing the share of electricity (electrification), reducing the role of steam as a heat transfer medium in non-technological use, reducing the use of fossil fuels to meet technological needs, and improving building energy efficiency.

Richter is committed to minimising the environmental impact of wastewater, air pollutants and waste from pharmaceutical manufacturing processes. Recognising our responsibility, we strive to reduce these beyond the legal limits.





Achievement of 2022 targets, 2023 targets

2022

Our ambition is to reduce our GHG emissions by 55% by 2030, and we have met the 2022 targets related to this objective.

In Hungary, we have successfully kept Volatile Organic Compounds (VOCs) emissions below 5%, reaching 1.4% in 2022.

We constantly strive to increase the recycling rate of waste generated. In 2022 80% of hazardous and non-hazardous waste was recycled at our Hungarian site, which is a 14% increase compared to the previous year.<sup>12</sup>

2023

Achieve a further 2% GHG emission reduction in 2023 as set out in the energy strategy.

Continuous maintenance of Volatile Organic Compounds (VOC) emission levels below 5% in the proportion of solvents used in Hungary.

Maintain a recycling rate of at least 60% for waste generated at our Hungarian sites.



<sup>12</sup> Richter considers heat recovery by incineration as a mean to recover waste, in line with the Hungarian legislations, however the GRI standard does not consider this activity as recycling



## 5.1. Our environmental footprint

### GHG emissions 305-1, 305-2, 305-3

The Richter Group strives to identify and monitor both its direct and indirect greenhouse gas emissions in accordance with legislation and to publish the results to its stakeholders. Our carbon footprint includes direct emissions from our operations (Scope 1), indirect emissions associated with the energy (including heating) purchased by us (Scope 2) and indirect emissions from our operations (Scope 3).

In addition to our Hungarian site, carbon footprint calculations for 2022 were also carried out for our Polish, Romanian and Russian sites using the Bilan Carbone® method.

In 2023, we aim to extend the calculation to our sites in India and Germany, bringing all our manufacturing subsidiaries into our “Fit for 55” carbon reduction initiative. Each year, we review the carbon footprint calculation and compliance with the target and use the results to set group-wide reduction targets.

Scope 1, 2, 3 emissions of Richter Group in 2022 by site (t CO2eq)

	Budapest <sup>13</sup>	Debrecen	Dorog	GR Polska	GR Romania	GR RUS	Total <sup>14</sup>
Scope 1 <sup>15</sup>	24 072	5 812	1 223	5 041	3 208	6 496	45 852
Scope 2 <sup>16</sup>	44 109	4 747	14 188	5 667	2 930	4 741	76 382
Scope 3 <sup>17</sup>	55 192	8 724	22 342	4 923	3 011	5 020	99 212
Total emissions	123 373	19 283	37 753	15 631	9 149	16 257	221 447

<sup>13</sup> For the Hungarian sites, some Scope 3 data are not available broken down by site, these are shown at the Budapest site.

<sup>14</sup> In Chapter 5, Richter Group means the production sites of the company. The table is not exhaustive, Richter Themis Medicare (India) Private Limited (RTLMI) and Richter-Helm BioLogics GmbH & Co. KG are missing. Data for these affiliates will be added in our next report.

<sup>15</sup> Direct emissions from operation of installations and use of vehicles.

<sup>16</sup> Indirect emissions from energy use.

<sup>17</sup> Indirect emissions from incoming and outgoing services.





**Responsible energy use** 302-1, 302-4

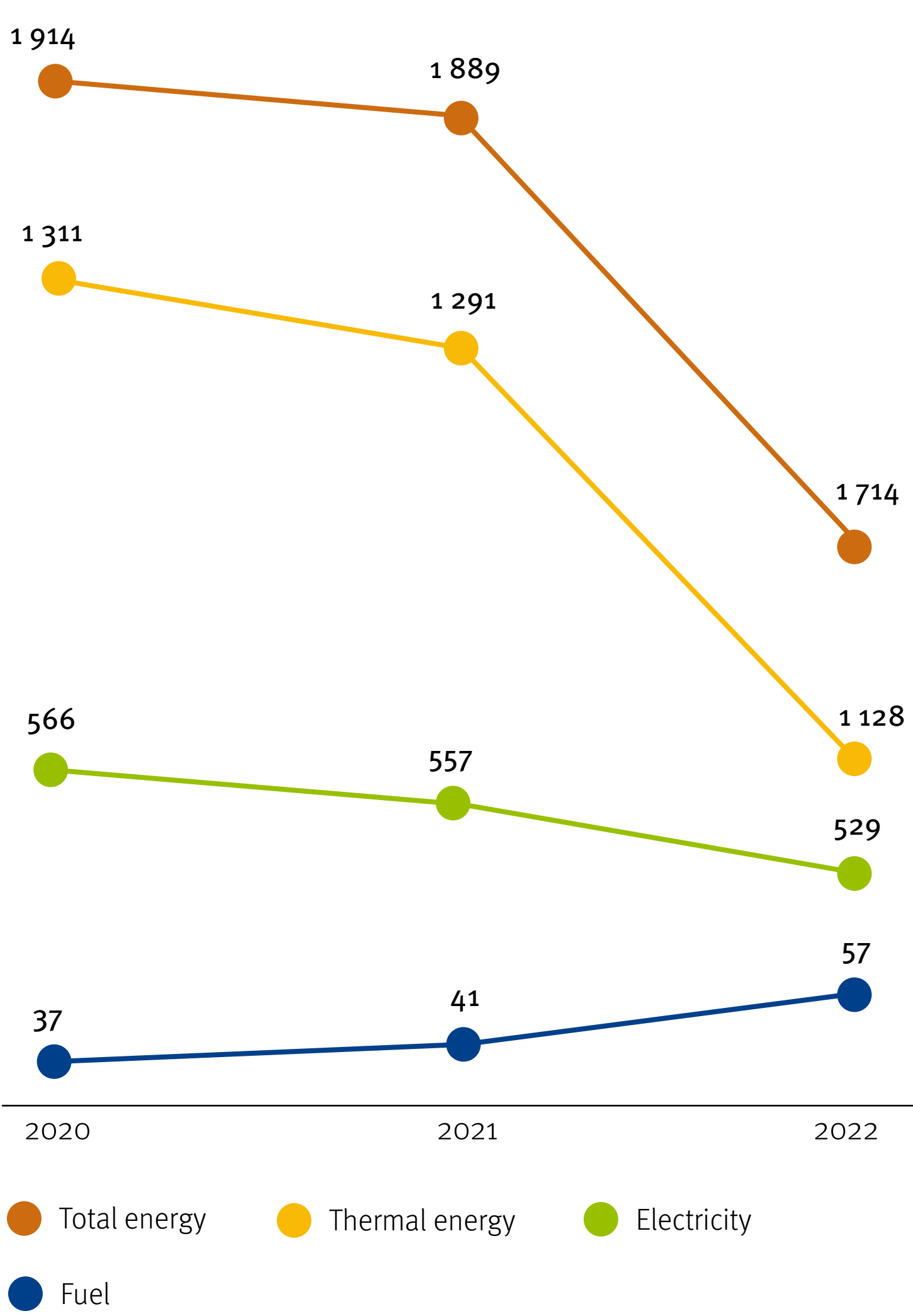
Our company is committed to sustainable and responsible energy use by putting the principles of its Energy Policy into practice, by operating an ISO 50001-compliant Energy Management System and by developing a medium and long-term strategy. Electrification is an essential element of our energy strategy, which gives us the opportunity to make direct use of renewable energy sources.

We are increasingly striving to use renewable energy sources. Our efforts to limit the role of fossil fuels and steam as a heat carrier for technological reasons are reinforced by the continued installation of solar panels and the widespread use of heat pumps for thermal energy. In the longer term, our aim is to use fossil fuels only to meet technological needs that cannot be met economically by other means.

We are also continuously developing and implementing comprehensive modernisation programmes to reduce energy use. As part of this, in 2022 we installed more energy-efficient equipment and used advanced heat pump technology for heating/cooling in new buildings. We also consider the development of energy awareness among our employees to be an important contributor to success, so we organise trainings and launch communication campaigns to encourage a more user-aware approach.

Our energy efficiency measures and improvements implemented in 2022 resulted in energy savings of 254 667 GJ, 11% compared to the previous year.

Energy consumption of the Richter Group (2020-2022) (TJ):



In 2022, Richter’s energy consumption at Group level was 1 714 Terajoules, 9% less than in 2021. The operation of production sites involves significant heat and electricity consumption. For the time being, most of this energy comes from non-renewable sources. The electricity used at our production sites comes from a variety of renewable and non-renewable sources, depending on the energy mix of the country. The Hungarian sites also generate their own electricity from renewable energy sources. The thermal energy required for the operation of the production units is generated using natural gas and in our Indian subsidiary mainly coal.

The electricity consumed by Hungarian sites in 2022 was 145 048 MWh, 7.8% of which came from renewable energy sources. The production of own-generated renewable energy started in 2021 at the Debrecen site, and in the same year solar power plants were installed in Dorog and in the Budapest recreation park, which started production in 2022.

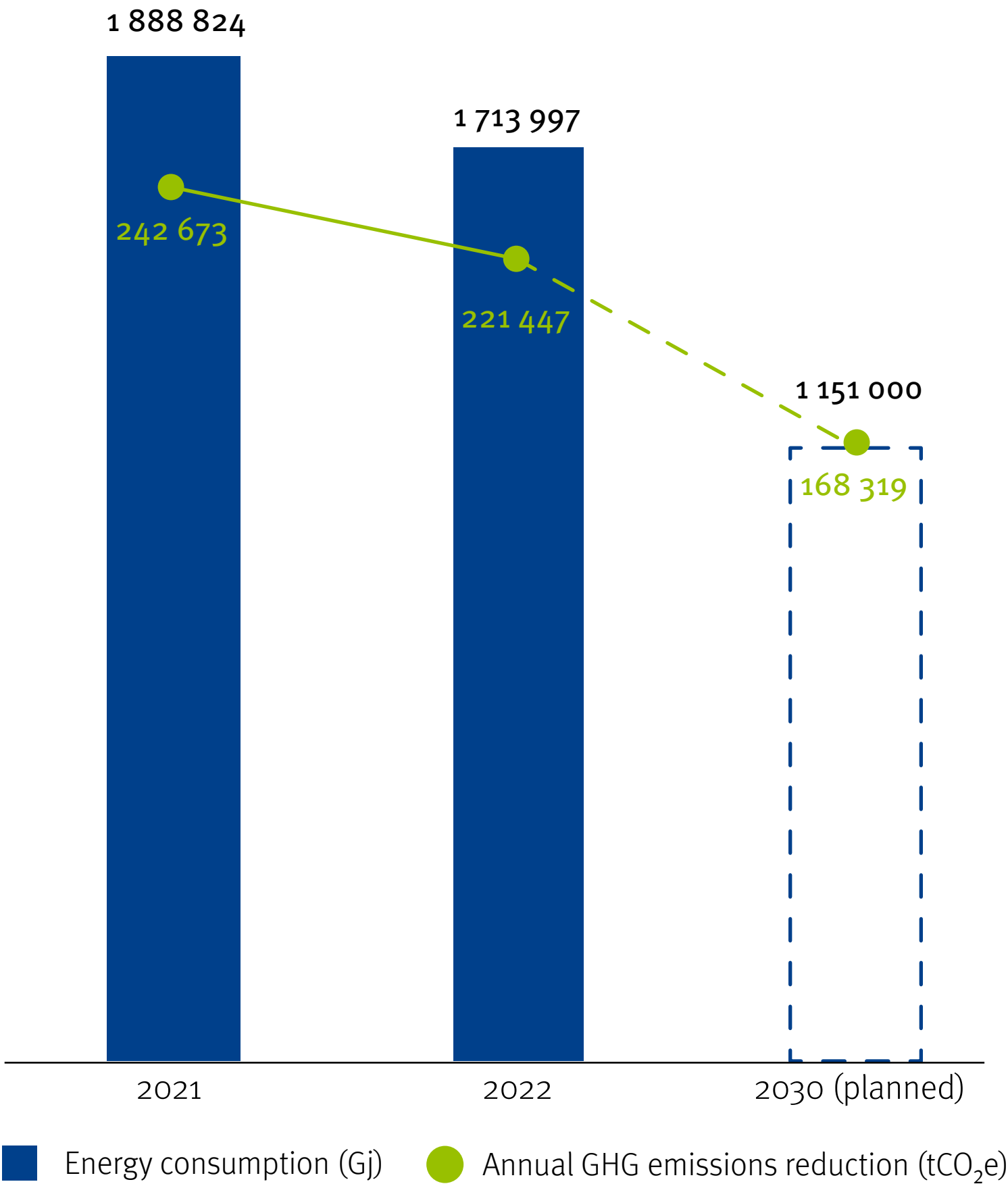
The production of own-generated renewable energy is planned to be further expanded with the second phase of the solar power plants of the Dorog and Debrecen sites, which are expected to be launched in 2024.

**In 2022, the Richter Group produced 2 762 MWh of electricity from solar energy.**



Progress towards “Fit for 55!” targets 2-23

Trends in energy consumption and GHG emissions at Group level (Hungarian, Polish, Romanian and Russian sites) in line with the “Fit for 55!” initiative (2021-2030)



5.2. Environmental pollution from operations

From an environmental point of view, our use of chemicals and solvents is an important area. The quality and extent of this is determined primarily by the physico-chemical principles of the processes used. A significant proportion of the substances used in the production of pharmaceutical active substances are solvents, so-called volatile organic compounds (VOCs), of which almost half are reused, i.e., recycled back into the production process without treatment or after purification. The Hungarian sites have kept their VOC emissions (solvent emissions to air and water) below 5% of total emissions, in line with the environmental target. This was 1.4% in 2022 for the Hungarian sites combined.

Noise monitoring was carried out at our Budapest, Dorog and Romanian sites in 2022, and our emissions are in line with the limits. In the case of new investments, we take care to ensure that newly purchased equipment has lower noise emissions (e.g., air handling units). We monitor and measure emissions after implementation. We also carried out such an investment at our Polish site in 2022.

Waste management 306-1, 306-2, 306-3, 306-4, 306-5

The Richter Group considers it an important task to reduce the amount of waste generated during the production of pharmaceuticals and to recycle as much as possible. To achieve this, we have improved the recyclable waste collection system at our Budapest site, reorganised municipal waste collection and started to set up a centralised waste management system. With the implementation of the new waste yard, waste management will be coordinated by a single department and non-hazardous waste will be collected, sorted, stored, treated and transported in an optimised way in a central collection unit. The handover of this site and overhaul of workflows will take place in 2024.

Waste generated during the production of pharmaceutical products, much of which is classified as hazardous waste, is treated in the way required by law. The waste is disposed of by legally authorised waste treatment operators who recover or dispose of it. We constantly strive to recover as much as possible (at least 60%) of both hazardous and non-hazardous waste.

Recovery may include:

- In the case of solvent wastes, regeneration by an external partner who reprocesses the waste into a new product
- Incineration with energy recovery (for waste that burns well)
- Co-firing as fuel, e.g., in a cement plant (RTML)<sup>18</sup>
- Composting e.g., sewage sludge and other degradable wastes

Disposal may include:

- Incineration without thermal recovery
- Landfilling: only hazardous waste that cannot be disposed of by other means is disposed of by this method

<sup>18</sup> Richter Themis Medicare (India) Private Limited



Only **5%** of our waste for disposal is landfilled.

In 2022, there was a significant increase of **42%** in the amount of solvent waste handed over to an external partner for recovery at the Budapest and Dorog sites: in 2022, this amount was 1 215 t.

In Dorog, our new sewage sludge drainage technology has reduced the amount of sewage sludge by more than **80%** compared to 2020.

The Richter Group strives to develop its processes according to the circular economy approach. In accordance with the life cycle approach, a system has been set up in Hungary for the collection of waste generated by end users and the public (e.g., expired pharmaceutical waste), which is operated by Recyclomed Kft. in compliance with the Hungarian legislation. Our Indian plant sells certain by-products and residues from its production to other companies (typically cement manufacturers) who use them as input materials in their own production.

Successful implementation of the sustainability strategy will result in an 11.4% reduction in hazardous waste generated at Group level in 2022. Our most successful plant in this respect is Budapest, where we have reduced hazardous waste by 45%. This success is due to several investments and management measures.

The amount of waste generated by the Richter Group in 2022 (t)

	Budapest	Dorog	Debrecen	GR Romania	GR RUS	GR Polska	RTML <sup>19</sup>	RHB <sup>20</sup>	Total
Total waste produced	9 017	9 404	240	310	524	279	1370	62	21 207
Of which hazardous waste	3 339	8 770	127	16	373	21	1 308	25	13 980
Of which non-hazardous waste	5 678	634	113	293	151	259	62	37	7 227

Amount of waste recycled by the Richter Group in 2022 (t)

	Budapest	Dorog	Debrecen	GR Romania	GR RUS	GR Polska	RTML	RHB	Total
Total recovered waste	6 067	5 655	90	69	0	0	0	0	11 880
Of which hazardous waste	712	5 078	23	0	0	0	0	0	5 813
Of which non-hazardous waste	5 355	577	67	69	0	0	0	0	6 067

Amount of waste disposed of by the Richter Group in 2022 (t)

	Budapest	Dorog	Debrecen	GR Romania	GR RUS	GR Polska	RTML	RHB	Total
Total waste sent for disposal	2 759	3 692	122	196	473	279	1 267	3 996	12 784
Of which hazardous waste	2 626	3 692	104	16	473	21	1 267	3 996	12 195
Of which non-hazardous waste	132	0	18	180	0	259	0	0	589

<sup>19</sup> Richter Themis Medicare (India) Private Limited

<sup>20</sup> Richter-Helm BioLogics GmbH & Co. KG



**Water usage** 303-1, 303-2, 303-3<sup>21</sup>, 303-4


Our company is aware that water protection is a strategic issue of national importance. The Richter Group’s water management strategy aims to minimise the strain on aquifers, so we pay attention to both the amount of water used and pollution levels. Accordingly, our strategy consists of two parts: on the one hand, we continuously monitor and minimise the amount of water used during our activities, and on the other hand, we measure and minimise the pollutant content of the effluent from our activities.

One way to reduce water use is to optimise processes and reuse. Therefore, Richter reuses fresh water for cooling purposes by using recirculation systems, and after treatment reuses condensed water in Budapest or returns it to the Power Plant for reuse. In 2022, the amount of water used showed a significant change - in Budapest it decreased by 27.8% compared to the previous year, so even with a slight increase in water consumption at our other sites, we managed to reduce this figure by 7% overall compared to 2021.

Of the Hungarian sites, Budapest has a wastewater pre-treatment system. After pH adjustment and sedimentation, the resulting process wastewater is discharged into the municipal sewerage system and from there to the municipal treatment plant. In Debrecen, the wastewater is discharged into the municipal sewerage system without treatment, while in Dorog the municipal wastewater is discharged directly into the municipal network and the process wastewater is discharged into the Danube watercourse after three-stage biological treatment.

Wastewater from the Romanian, Polish and Indian sites is discharged into the public sewer, while in Russia it is discharged into the living water after biological treatment.

All of Richter’s subsidiaries treat wastewater in compliance with regulations, and our systems are being upgraded to meet the requirements. The legislation sets so-called emission limit values for the pollutant content of discharged wastewater. Compliance with these values is regularly monitored through self-monitoring.



**Key actions for water management in 2022:**

**Our subsidiary in Romania has completed the trial operation of the wastewater treatment modernisation project, which started in 2021. New electronic water meters were installed as an extension of the Building Management System to monitor water loss. Thanks to measures taken in previous years, water consumption has been optimised and losses reduced.**

There was no significant change in wastewater quality in 2022. During the trial run at the Romanian site following the reconstruction of the wastewater treatment plant, there were temporary difficulties in meeting the limits for COD and ammonia, but the operator treated our wastewater according to our contract, and there was no environmental damage.



<sup>21</sup> Restated data.



Water consumed and wastewater discharged by the Richter Group by receiving medium in 2022 (thousand m³/year)

		Budapest	Dorog	Debrecen	GR Romania	GR RUS	GR Polska	RTML	RHB	Total
Water withdrawal	Surface water	944	412	123	131	-	-	104 <sup>22</sup>		1 714
	Groundwater	1	190	2	-	46	37	-	14	290
Wastewater discharge	Surface water	-	676	-	-	48	-	-	6	730
	Public sewer	821	30	100	66	-	43	107	12	1 180

The quality of wastewater discharged by the Richter Group in 2022

		Budapest	Dorog	Debrecen	GR Romania	GR RUS	GR Polska	RTML	RHB	Average concentration
COD	mg/l	578	97	158	380	-	-	366	0	316
AOX	µg/l	419	607	-	-	-	-	-	0	513
Ammonium	mg/l	18	7	10	-	0.4	-	4	0	8
Total phosphorus	mg/l	1.48	<0.3	3	-	0.17	-	-	0	1
Total nitrogen	mg/l	8	9	28	-	NO2 - 0.062; NO3 - 24	-	-	0	15
VOC	t/year	24	12	-	-	0	-	-	0	36

<sup>22</sup>Water used in a water scarce area.

Air pollution 305-6, 305-7

We also continuously monitor and strive to reduce emissions of air pollutants. Monitoring allows us to react as quickly as possible to any increase in emissions.

In addition to carbon dioxide emissions, which are discussed in a separate chapter, air pollution is divided into three categories: volatile organic compounds (VOCs), other air pollutants and ozone pollutants emitted into the air. The 2022 production year was compliant at Group level in terms of pollutant emissions.

At our Hungarian sites, we are continuously upgrading production equipment to reduce emissions of air pollutants, especially volatile organic compounds and solvents. In this context, the technical standard of our production equipment meets the so-called BAT (Best Available Techniques) requirements, which is a basic requirement for obtaining the Integrated Pollution Prevention and Control (IPPC) permit at international level.

Part of the Richter Group’s strategy is also to monitor the amount of ozone contaminants from production and cooling. Emission values are derived from annual maintenance workflows, for example, and are in line with industry standards. In 2022, our company continued to carry out the regulatory inspection of air conditioning systems and fulfilled its reporting obligations. As a result, our site in Debrecen was fined HUF 420 000 due to a leak of R507a refrigerant gas.



Richter Group emissions of VOCs, nitrogen oxides (NOx), carbon monoxide and particulate matter by site in 2022 (t/year)

	Budapest	Dorog	Debrecen	GR Romania	GR RUS	GR Polska	RTML	RHB	Total
VOC	104.8	149.8	0	21.6	5.9	9.7	21.3	0	313.1
NOx	9.2	0.4	2.5	1.4	3.3	1.5	2.9	0	21.2
CO	1.9	0.1	0.5	0.2	0.05	0.2	-	0	3.0
PM	-	-	-	-	-	0.01	41.2	0	41.2

Emissions of ozone-depleting substances by Richter Group site in 2022 (kg/year)

	Budapest	Dorog	Debrecen	GR Romania	GR RUS	GR Polska	RTML	RHB	Total
Ozone-depleting gases released during cooling processes	195	0	30	23	41	0	0	0	289



Pharmaceuticals in the environment

The release of pharmaceuticals and their active substances into the environment is a specific environmental challenge for the pharmaceutical industry. This is because these substances are often difficult to degrade in the environment and can subsequently find their way back into the food chain and the human body. For this reason, preventing and monitoring the release of active substances into the environment during the production of pharmaceuticals is a priority for the Richter Group.

Of the three active pharmaceutical ingredients in surface water that are under scrutiny by the European Union - diclofenac, 17-beta-oestradiol and 17-alpha-ethynyl oestradiol - Richter is involved in the latter two.

Since 2021, the Richter Group has been monitoring the amount of substances released into the environment and analysing their impact. The project was started at the Dorog site, which is the Richter Group’s largest steroid production base. A measurement plan was used to determine the concentration of the active pharmaceutical ingredient in the environment (Predicted Environmental Concentration - PEC) and how this concentration compares to the Predicted No Effect Concentration (PNEC). For the substances tested (norelgestromin, drospirenone, estetrol), the amount released into the environment from the Dorog plant was orders of magnitude lower than the No Effect Level.


The Richter Group considers it a priority to continue its monitoring activities in the future. According to a predefined measurement plan, we will expand the list of substances tested annually, first for steroidal and then for non-steroid substances. In 2023, we will extend the monitoring to the Budapest site for 2 additional steroid substances, while in Dorog we will test 3 steroid substances.



### 5.3. Environmentally conscious operating model

To raise environmental awareness, we run campaigns to involve and inform our employees.

HUNGARY



We involved our employees in the carbon footprint calculation:

We mapped commuting habits using a questionnaire.

Over the years, employees have become increasingly interested in the subject and, with it, more willing to fill in the questionnaire. The results are reported on the intranet at regular intervals. The results of the survey will also be presented to our employees in 2023 in the framework of our “Together for Sustainability” campaign, together with educational content.

ROMANIA



We have organised a selective waste collection campaign:

During the campaign, employees were able to bring their paper and plastic waste from home and send it to recycling partners.



We cleaned up the banks of the Mures river:

Every year, including in 2022, we join the local radio station’s Earth Day campaign to clean up the Mures riverbank.



Recycling:

We have committed to print our marketing materials on recycled paper from the second half of 2022.





Environmental costs and expenses

In line with the targets set in the sustainability strategy, we allocate a significant amount of money to environmental expenditure each year. In recent years, the most significant expenditure has been on groundwater treatment, wastewater treatment, emergency storage, noise pollution control and storage. In 2022, the Richter Group spent a total of around EUR 7 million (HUF 2.7 billion) on internal environmental measures and on payments to subcontractors for various environmental services.

Environmental expenditure of the Richter Group in 2022 (thousand EUR)

	Budapest	Dorog	Debrecen	GR Romania	GR RUS	GR Polska	RTML	RHB	Total
Amounts paid to the environmental services contractors									
Services of external laboratories	0	0	0	0	60	0	49	6	115
Solid, non-hazardous waste removal and disposal services	196	12	4	24	6	130	0	0	373
Disposal of hazardous waste	729	1 447	39	5	85	52	109	0	2 465
Sewage disposal via sewerage networks	702	2	95	48	34	0	40	367	1 289
Current environmental expenditure within the economic organisation									
Protecting air purity	12	29	0	342	0	4	0	0	387
Wastewater treatment	112	1 247	46	3	0	0	70	0	1 478
Solid, non-hazardous waste treatment	140	7	3	0	0	0	0	0	150
Hazardous waste management	301	0	70	0	0	0	0	0	371
Soil and groundwater protection	207	10	0	0	0	0	0	0	217
Protection against noise and vibration	3	2	0	3	0	0	0	0	7
Environmental research and development	0	0	0	10	0	0	0	0	10
Operation of laboratories	51	36	0	80	0	2	0	0	168
Operation of an environmental management system	5	0	0	106	19	0	0	0	130
Other	35	1	1	21	0	3	0	0	62
Total	2 492	2 793	258	644	204	191	268	373	7 223












In addition to the annual expenditure, most of the members of the Richter Group are also investing in environmental protection through independent investments in corporate sustainability goals. In 2022, we invested a total of around €13.5 million in technologies, equipment and infrastructure at Group level.

The most significant environmental actions that reduced our environmental impact in 2022 were:

- Investments in solar panels at our sites in Dorog, Debrecen and Romania.
- Energy efficiency measures at the Hungarian sites (installation of new air handling equipment, insulation to reduce steam network losses, installation of new cooling equipment).
- In Poland, noise insulation of aggregators was installed as part of noise reduction measures.
- In Romania, the trial run of the wastewater treatment upgrade, which started in 2021, was completed and new electronic water meters were installed to monitor water losses as an extension of the Building Management System.

Environmental investments of the Richter Group in 2022 (thousand EUR)

	Budapest	Dorog	Debrecen	GR Romania	GR RUS	GR Polska	RTML	RHB	Total
Total investments including environmental protection (direct + integrated)*	6 193	5 958	981	242	54	89	22	0	13 539
 Of which environmental part (direct + integrated part)	2 197	3 140	420	5	1	16	22	0	5 801
Direct investments in environmental protection	1 379	276	2	3	0	16	22	0	1 697
 Air pollution treatment	0	95	0	0	0	0	0	0	95
 Water pollution treatment	588	34	0	3	0	0	22	0	647
 Soil, groundwater treatment	658	2	2	0	0	0	0	0	663
 Waste management	133	145	0	0	0	0	0	0	278
 Other	0	0	0	0	0	16	0	0	16
Integrated environmental investments	4 813	5 683	979	239	54	74	0	0	11 842
 Of which environmental protection	818	2 865	418	3	1	0	0	0	4 104



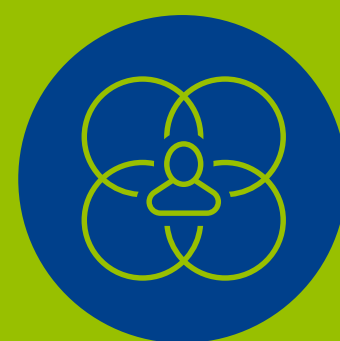
## 6. EMPLOYEE WELL-BEING <sup>3-3</sup>

The protection of the health, safety and well-being of our employees is of paramount importance to the achievement of the business objectives of the Richter Group and its day-to-day operations. Our approach to occupational health and safety and our assessment criteria are framed by our Environmental, Health and Safety (EHS) organisation and the standards that support quality assurance. These tools facilitate the involvement of our employees in our safety and health processes, enabling continuous improvement.

All our employees play a key role in shaping our culture, so we work in a value and people focused way to find outstanding young people, develop and retain highly skilled colleagues, and recognise professional and personal success from selection to retirement. We aim for all our employees to embrace the goals of our company and work to ensure that all our colleagues find their place in our diverse and supportive culture.

The Richter Group's HR strategy is driven by business considerations, but our sustainability goals are increasingly reflected in all areas of HR and in our employee wellbeing programmes. We have sought to offset the burden of rising inflationary pressures in 2022 with financial support, while employee uncertainty due to the economic situation has been countered by organising community programmes that have increased the sense of wellbeing of our colleagues.

### KEY RESULTS



#### A culture of change: MERJ! (Have the courage)

**We have embarked on a journey to create a culture of change. We have communicated our values and started to incorporate them into our daily lives.**



#### Enhanced HR experience: Employee Central

**We have laid the foundations for a self-service HR system to enable easy, fast online employee administration with centralised, unified HR processes.**



#### Balance programme for the well-being of colleagues

**Our programme to support the work-life balance of our employees continues successfully.**





Achievement of 2022 targets, 2023 targets

2022

We have embarked on a journey to create a culture of change that supports corporate strategy. We have communicated our values and started to embed them in our daily lives.

We’ve laid the foundations for a self-service HR system to enable easy, fast online employee administration with centralised, unified HR processes.

A framework for international assignments has been developed and is applied uniformly to all colleagues concerned. We have also developed a framework for the remuneration processes of senior managers in our subsidiaries.

2023

Strengthening and raising awareness of the culture supporting corporate strategy.

Managing change, developing employee relations. Involve middle managers more, make “MERJ” the norm, build community.

Digitalisation processes: additional modules added to Employee Central, new fringe benefit system introduced.

In line with our 4 values (responsibility, people, innovation and excellence) defined in the framework of our culture change, we have adapted our competency framework and in parallel, we have tailored our employee and leadership development training portfolio to the new competency framework.

We have renewed the company’s career programme, which will focus on developing talent as defined by the succession planning process from 2023.

6.1. Responsible employer approach 2-7

We believe in world-class teamwork based on traditional values and global ambitions to improve people’s quality of life. As an innovative and knowledge-intensive pharmaceutical company, the knowledge of our employees is of paramount importance to us, and we aim to be an attractive place to work for talented people and to make our employees committed.

Continuous development gives us stability. This is based on the long-term development and retention of our people, a secure financial base, innovation and home-country management. We pay special attention to the evaluation and rewarding of high performers. We offer stress management and recreational programmes, personal counselling and personal support to ensure a good work-life balance and mental well-being of our staff. Our employment culture is as much about reaching out to young people at the start of their careers as it is about achieving a humane generational change.

Employment 2-8, 2-30, 401-1

At the end of 2022, the total number of employees in the Richter Group was 12 167. About half of all employees work in Hungary and 77% in the countries where the production sites are located (i.e., including Hungary).

In terms of employment type, the majority of employees are full-time (96% of the total) or on permanent contracts - in Hungary, the parent company employs 5 384 permanent workers and only 159 fixed-term workers. The vast majority (99% of employees) are covered by collective agreements. Our parent company also employs some external contract workers. In 2022, a total of 452 non-employees were working for the parent company., of which 340 were contract workers, 63 temporary workers and 45 through student unions.

In the countries that are also home to our manufacturing plants, the ratio of employees leaving the company to the average headcount was 12% in 2022, a positive result compared to the Hungarian labour market benchmark of 15.8%.



6.2. Employee retention and recognition 401-1, 404-3

The Richter Group, like other market players, must continue to pay particular attention to retaining an increasingly flexible young workforce. In recent years, wage competition for employees in niche professions and for the retention of people with secondary education has intensified. In addition, a generational shift is taking place and companies need to be prepared to provide skilled replacements. We remain open to the employment of foreign workers, which not only allows us to find the necessary workforce but also to integrate international knowledge.

Ensuring the right supply of young people is a clear competitive advantage. To close the gap between the knowledge provided by school systems and the expectations of employers, our company has launched a number of actions in recent years. In Hungary, we are actively involved in job fairs and professional events at national level to ensure that the next generation of employees have an attractive image of Richter. We provide internships for interested young people and a 2-year apprenticeship programme for pharmacist and engineering graduates.

In 2022, we also successfully filled R&D openings that require highly skilled workforce. This is also due to our high profile among students. We proactively shape this positive image through close cooperation with national and international universities.

We currently have framework agreements with 30 different university faculties and institutes in Hungary. Prominent among these are the University of Pannonia, with which we also offer dual training, and the Budapest University of Technology and Economics, where we have supported the launch of cooperative training.

We are also a key player in the domestic dual vocational training system at secondary level. In Budapest and Dorog, we are involved in chemical technician training, which is one of the pillars of our supply of professionals. Our cooperation is not limited to Hungary: we have partnerships with 11 educational institutions in Poland and three in Russia. In Romania and India, three university partnerships have brought trainees to our local member companies.

Most of Richter’s R&D activity is in Hungary - with an average R&D headcount of 648, there were 63 new entrants and 72 leavers (mainly from junior positions) in 2022. This represents a total R&D turnover rate of 11.1% and a voluntary R&D turnover rate of 6.8%, which in the current fast-changing environment is a good result compared to the market benchmark of 15.8% total turnover and 10.5% voluntary turnover rate, according to the Richter Group’s assessment.

New employee hires and turnover in Hungary

	2020	2021	2022
Total number of employees <sup>23</sup>	5 832	5 724	5 500
New employee hires	550	456	671
Rate of new employee hires	9.4%	8%	12.2%
Number of leavers	489	631	756
Rate of leavers	8.4%	11%	13.7%

We are focused not only on finding the right people but also on retaining and making the best use of their skills. One of the elements of this is our performance appraisal system (TÉR), which also provides an opportunity to communicate more widely the goals and objectives of Richter. The TÉR meetings also provide an opportunity to discuss our employees’ future expectations and career plans. As an indication of the advancement of the performance appraisal system, 96.2% of the colleagues concerned in Hungary were formally evaluated in 2022, with a similar proportion of our colleagues involved in the process in our foreign subsidiaries.



<sup>23</sup> Average number of employees in the given year.



6.3. Training and development of our employees 404-2

In our knowledge-driven business model and performance-oriented culture, the professional development of our staff is a key element. It is important for us to contribute to the professional ambitions of our employees as well as to our business goals.

Our training in Hungary offers both in-school and out-of-school opportunities, depending on the most effective way to acquire knowledge. In our foreign subsidiaries, employees can choose from a wide range of training and skills development opportunities. Professional training, coaching and mentoring sessions with leadership development are also available, both online and in-person on request.

The first step in the professional development of our staff is training new hires. Our Buddy system and our onboarding programme help new colleagues to get to know Richter and build relationships.

The training of our professionals focuses on developing scientific and professional knowledge. Some of our training is school based, but a significant part is organised in an outsourced form with recognised international and national experts in the field. This way, we ensure that the content of the courses is as closely aligned with Richter’s development needs and strategic goals as possible.

In 2022, we had 1 091 employees in our skills development training portfolio in Hungary, with more than 100 skills development and 121 leadership development training courses.

Leadership training, a key area of focus for business and sustainability, continued in 2022. With a total of 484 participants in Hungary, it was considered a very successful year. Feedback from our colleagues suggests that, although the face-to-face connections and networking opportunities were lacking during the online training sessions, the training was of high quality. Leadership training is also a key theme in our operations outside Hungary. In Poland, staff is being developed in frame of the two-day Leader Academy programme.

Our Professional Development Scheme, which aims to increase long-term employee engagement, continued to operate in 2022 through a range of benefits. The scheme is available to both graduate and intermediate, intellectual and manual workers. The management succession “career development programme” and the associated development programme are designed to retain, motivate and prepare participants for a potential management career path.





### 6.4. Remuneration and benefits 2-19, 2-20, 2-21, 401-2

Our remuneration principles are based on a commitment to performance. Our fundamental interest is in fair, performance-based and consistent remuneration and its alignment with business objectives and employee motivation. The remuneration structure for our managers and employees is designed according to the Richter Grade (RG) system, which sets out the elements of remuneration based on job levels (responsibility, complexity, seniority).

In addition to base salary and bonus, share awards and other forms of benefits help us to achieve our high-level business goals and retain our key people. In 2022, we have implemented bonus harmonisation in the remuneration of our senior and middle managers and high-level experts, which will allow us to better reinforce results orientation in a transparent system. The annual disposable income of our employees has remained unchanged or increased as a result of this change.

To address the growing inequality, the Richter Group is consciously paying attention to the remuneration of the Group’s top management. The Group CEO’s pay ratio<sup>24</sup> decreased from 28.41% to 21.66% in 2022 compared to 2021.

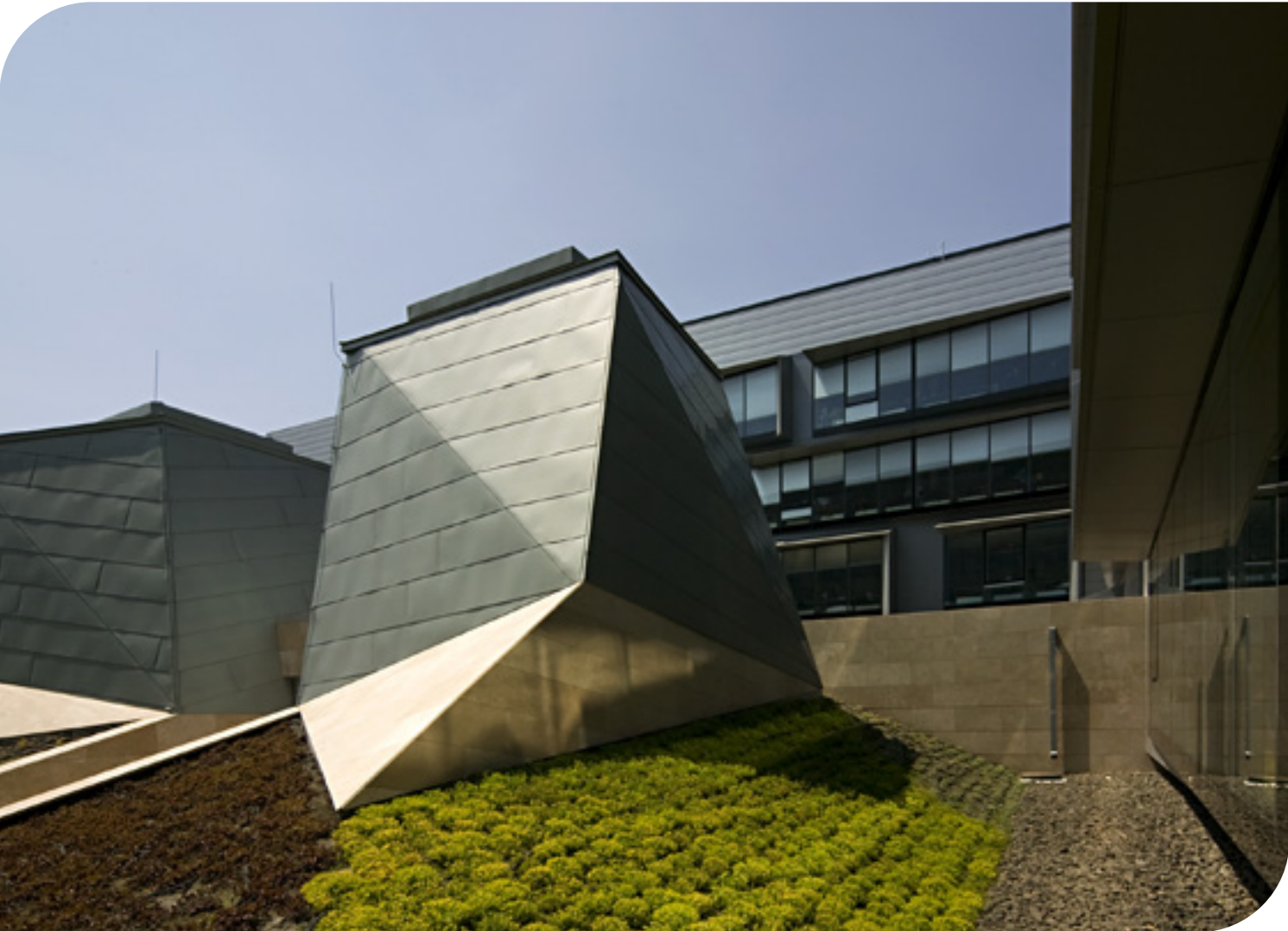
<sup>24</sup> Annual remuneration of the CEO divided by Richter Group median annual remuneration without CEO’s payment.

As a responsible employer, in addition to the basic salary, we provide all our employees in Hungary with membership of a pension fund, which we supplement with 6% of their basic gross salary after a 2% co-payment. All our employees are also entitled to an annual fringe benefit, childcare, school and housing allowances, and a rent allowance. The significant increase in inflation and overheads during the year has created a heavy burden on our staff, so we have introduced a monthly utility payment subsidy of HUF 50,000 per person from September 2022 until the 2023 salary increase came into force. Employees of our foreign subsidiaries receive fringe benefits in accordance with local laws. Most of our affiliates make life and pension insurance available to their employees in addition to the statutory mandatory benefits.

Employee securities benefit plan (MPR): In addition to the basic salary, fringe benefits and the employee bonus, Gedeon Richter Plc. has been operating an employee stock option plan for remuneration purposes for its employees since 2003. The aim of the scheme is to promote employee ownership and retain staff.

Our plan was approved by the Board of Directors for 2022 as well, but we introduced a significant change in the number of years of service and the number of ordinary shares granted. In 2022, we also granted this stock bonus to colleagues with 1 year of service to strengthen their retention. In recognition of loyalty, we have significantly increased the amount of the bonus in critical employee seniority groups.

In 2022, to commemorate the 150th anniversary of the birth of our founder, Gedeon Richter, we paid a commemorative bonus of HUF 150,000 to all our colleagues in active status and long-term leave, helping them to cope during the rapidly rising inflationary environment.





## 6.5. Occupational health and safety <sup>403-1</sup>

An integral part of our Group’s operating strategy is to provide a workplace that supports the physical health and safety of employees and maintains their ability to perform. At Richter, we believe that the achievement of our business objectives must not in any way compromise the safety of our employees, and we are constantly working to further strengthen our health and safety culture.

**In 2022, stronger integration of the environmental and occupational health and safety areas began, and by early 2023, a unified internal EHS (Environment, Health, and Safety) organization was established. The main objective of the organization is not only to protect the health of our employees, but also to develop our processes related to occupational safety based on sustainability principles, thus supporting the goals of the Richter Group.**

It is vital to follow the rules of work to maintain health and safety. To prevent accidents, we provide our colleagues with the necessary training and education. We believe that maintaining workplace security is in everyone’s interest and responsibility. Our safety rules are up-to-date, comply with current domestic and EU requirements, and all our managers pay special attention to their enforcement and the reduction of workplace risks.

### EHS organizational structure <sup>403-2, 403-4</sup>

The risk profiles of our workplaces differ by the activities of the individual organizational units (production of active substances produced with different technologies, pharmaceutical products, etc.), accordingly, occupational health and safety regulations may also differ from one organizational unit to another. At some of our sites, independent occupational health and safety (HS) organisations are responsible for safety engineering tasks. In addition to occupational safety specialists, REACH and chemical safety compliance specialists also work at our Budapest site. We continuously cooperate with occupational safety advocacy on all issues concerning occupational health and safety and modern technical solutions, their representatives participate in compiling and commenting on the goals of the Occupational Safety and Health Management System (OHSMS), risk assessments, commissioning, investigation of incidents, as well as in commenting on user requirements and plans.

The regulation of the OHSMS is based on domestic and EU legislation, its processes cover all aspects of pharmaceutical production, from the safety of employees, through the reliability of the technologies used during investments, to the degree of hazard of the chemicals used. The transport, storage and handling of chemicals require special care, which is why fire protection and fire prevention play a key role in our occupational safety regulations. An extensive network of fire alarms, emergency incidents detection and intervention operate at our sites.

We have our own accredited laboratory in Hungary, which supports quantitative safety risk assessments with exposure measurements. Occupational health care is provided by an external service provider to our employees in the medical offices onsite.

### Compliance <sup>403-1, 403-7, 403-8</sup>

To protect our employees and ensure proper risk management, we operate an ISO 45001:2018 certified occupational health and safety management system at the Hungarian and Romanian sites. The assessment of compliance is an important element of the management system, which is ensured by internal audits and external, independent audit.

Our sites without ISO 45001 certification also document their occupational safety processes. At the Indian and Russian sites, the heads of department and the safety committee ensure compliance with EHS regulations and the necessary safety measures. We check the working conditions of our contractual partners with frequent audits and on-site inspections at our sites. In case of non-compliance, we take immediate action. Depending on the extent of the violation, the action can range from verbal warning to ban from the premises.

In 2022, the supervisory audit of the Occupational Safety and Health Management System according to ISO 45001:2018 standard was successfully completed in Hungary, confirming that internal audits, training, regulation, performance evaluation, risk management and occupational harm measurements are carried out properly.



Workplace risks 403-2

There are workplace risks at our sites. Our office workers are characterized by psychosocial and ergonomic risks arising from office work. The greatest risk to our employees in manufacturing companies is exposure to hazardous chemicals and the risk of fire and explosion.

**Protection against major industrial accidents (application of the SEVESO Directive)**

In order to prevent major industrial accidents, we apply the so-called SEVESO Directive on the management of major-accident hazards involving dangerous substances at our sites in Budapest and Dorog.

At our site in Vecsés, we have completely reduced the amount of chemicals used and stored. For subsidiaries that are not subject to SEVESO regulations, we prevent accidents by carrying out risk assessments and developing protection plans in accordance with the law. In cooperation with industrial safety authorities, we keep our protection network up-to-date and, once approved, inform the population within its reach. We have not had any serious industrial accidents in the last five years.

We carry out several risk assessments to ensure safe work. The process is supported at our Hungarian sites by IT tools made according to Richter’s needs, the development of which is a long-term project of paramount importance for company management. EHS IT developments support management decision preparation and the integration of occupational health and safety records. IT tools for incident management and monitoring, occupational health risk assessment and occupational equipment and workplace risk assessment are also being updated.

We are constantly improving our equipment and working environment, considering compliance with safety regulations. Developments also include increasing the closedness of various technologies. To protect employees, we continuously monitor their usability during the provision of personal protective equipment, and we also examine the possible introduction of novelties on the market. At our Hungarian sites special attention is paid to reducing the risk of exposure to hazardous chemicals, which we strive to achieve with the involvement of EHS specialists and the development of active ingredient manufacturing technologies. Fire protection investments have also been made in several countries, fire alarm and alarm systems have been installed at our Hungarian, Romanian and Russian sites, and technical protection equipment has been installed.

As part of our safety measures, all our employees are encouraged to report all potential hazards and risks. We maintain a dedicated channel and suggestion board for this purpose and reward the best contributors at the end of the year.

Priority Group security measures in 2022:

Budapest	Supporting hazardous ammonia removal technology with technical equipment to eliminate ammonia exposure.
	Manufacture and installation of an ammonia absorption unit.
	A tank park upgrade was carried out to improve safety at the Dosage Form Manufacturing Plant.
Dorog	Purchase of new gas drums for the safe transport of liquid ammonia.
	Upgrading of fresh-air respiratory protection equipment in plants.
Debrecen	Purchase of a chemical booth for the detection of high potency substances.
	Reducing the risks of working at height by installing and purchasing collective protection equipment.
Romania	Purchase of new chemical booths and expansion of the central extraction system to reduce chemical exposure.
	New office and laboratory furniture to improve comfort in the workplace.
Russia	Reconstruction of air handling equipment to improve the quality of the working environment.



Occupational health monitoring 403-3, 401-2, 403-6

Our employees undergo a mandatory fitness for work test on entry and periodically at a frequency appropriate to their occupational health risk profile. We also involve the occupational health service provider in the assessment of risk profiles and the operation of the monitoring system.

Health promotion program at Richter

As a responsible employer, we provide all our employees with comprehensive life and accident insurance, including disability cover, from day one. In order to protect the health of our employees, in addition to fitness for work examinations, our company organises a complex screening programme every two years in cooperation with the Richter Welfare Foundation, which is available to all employees in Hungary. Within this framework, the company provides private health care for employees.

We also look after the health of all our employees in our foreign manufacturing sites. We provide full health and accident insurance for employees of our Romanian, Russian, Polish, and German affiliates. As part of occupational health checks, all our employees undergo free periodic check-ups according to their risk profile. Occupational safety specialists, who are also responsible for health promotion, determine the type and frequency of the necessary specialist medical examinations based on hazardous production factors and work profiles.

<sup>25</sup> Rate per 500 full-time employees for the period 2022.

EHS training programs and employee communication 403-5

Experience shows that most workplace accidents can be prevented through good behaviour and compliance with safety rules, so in addition to occupational health and screening, we provide job-specific health and safety training to prepare our staff to safely avoid the risks of their jobs. After induction, our employees undergo basic training appropriate to their job role, supplemented by safety training on an annual basis in accordance with the legal requirements. In addition, all our employees are directly consulted by the safety organisation to answer any safety questions. In addition to the extensive safety information provided based on risk assessments, we prepare our employees for safe working practices through e-learning courseware development and instructional videos at our Hungarian sites. We also provide periodic training for all our employees at our foreign affiliates, according to their occupational risk profile.

Training topics range from general occupational health and safety issues (first aid, fire safety training) to the safety requirements of jobs requiring specific skills (dangerous goods transport and handling, handling of pressurised containers, safety equipment, emergency response training).

Workplace accidents 403-2, 403-9, 403-10

We do our utmost to reduce the frequency and severity of accidents through the safety improvements and management systems mentioned

Richter Group workplace injury data in 2022

	Budapest	Dorog	Debrecen	GR Romania	GR RUS	GR Polska	RTML	RHB	Összesen
Number of accidents at work (number)	39	6	2	2	0	0	0	0	49
Accident rate at work <sup>25</sup>	5.50	3.45	3.37	2.07	0	-	0	-	4.20

above. As a result, the number of accidents in Hungary continued to decrease slightly in 2022. Our Romanian site had two accidents, while our Indian, Polish, Russian and German affiliates operated accident-free in 2022.

In 2022, there were no serious or fatal accidents or mass exposures, and our company did not receive any regulatory fines worth mentioning.

There were no industrial safety incidents (SEVESO) at the regulated sites.

All accidents are investigated immediately and recorded in a report. The nature of accidents is categorised to analyse trends. This helps to identify the sources of accidents, manage the associated risks and prevent recurrence. At Hungarian sites, hitting, being hit or trapped was the most common type of accident, with a smaller number of cuts, stabs and slip injuries. Information and review results from accidents at work are shared with all concerned. The reports are also available online at the Hungarian sites. We believe that all this has an important role to play in raising safety awareness.



## 6.6. Employee well-being, diversity and equal opportunities at work 2-26, 2-27, 401-2, 401-3, 405-1

We strive for generational diversity - we believe that we can learn a lot and learn from each other effectively. We ensure promotion, career development opportunities and leadership appointments regardless of gender or age. Our Group offers equal access to training and development for all employees and managers. The pharmaceutical industry is characterised by a high proportion of highly qualified employees.

Within the proportion of female employees (51.3% based on total Hungarian headcount), we pay particular attention to management groups: the proportion of women in the parent company at management levels is on average 37%.<sup>26</sup> We consider this proportion to be adequate in middle management, but we aim to increase it in senior management and executive management in the future, so we pay particular attention to this in our selection processes.

In 2022, all our female employees eligible for parental leave took advantage of this form of family leave and 30% of them returned to work in the same year.

Thanks to our work-life balance programmes, we were awarded the “Family-responsive Workplace” distinction in November 2022.

<sup>26</sup> The proportion of women at the first management level is 34.6%, at middle management level 39.9% and at senior management level 36.8%.

The Richter Group organises training sessions on “Hidden Bias” and Growth Mindset to support workforce diversity in Hungary. In 2022, a total of 80 people participated in these trainings, and we aim to increase this number next year. In 2023, the Diversity and Inclusion Strategy will focus on improving gender and generational diversity.

We place a high priority on ensuring that all our employees work in an ethical working environment. Protecting our employees and maintaining a working environment free from verbal and physical harassment is also important to maintain diversity. To support this, we created a Compliance Hotline in 2016, where colleagues can anonymously report any incidents they become aware of that are not in line with the above. More information on this can be found in the chapter on Responsible and Transparent Operation.

### Our culture

In 2021, we launched a culture change project with the dual aim of ensuring that our company culture is fully supportive of our strategic business objectives and that we create a modern working environment that is attractive and retaining for our current and future employees. We have measured our current culture - the starting point - using the Human Synergistics tool and identified the ideal culture for our success. We have identified four corporate values (Responsibility, People-Centred, Excellence and Innovation) that define and influence the way we work every day. To communicate these effectively, we address them in management and employee forums at different levels, supporting the understanding and embedding of these values. This forum series started in autumn 2021 and continued in 2022.





We regularly take stock of progress around attitude formation through a quick Pulse survey. Employee satisfaction surveys requiring a more in-depth analysis are initiated in consultation with departmental managers or where the results of continuous monitoring of staff turnover suggest that this is appropriate. In 2022, we asked our staff to provide feedback on several issues.

In 2022, our “Balance Programme” continued to support the physical and mental wellbeing of our employees and foster a sense of a healthy, comfortable, and lovable working environment. The programme is based on three pillars: physical, mental, and work environment well-being. The programme has launched the Balancing webinar series, which has brought together well-known speakers and experts from Richter to give presentations.

Flexible working and working from home have become a major theme in work-life balance in recent years. The pandemic has heightened employee expectations of working from home, so we are giving employees more flexibility to work from home in certain roles. In 2022, 44% of all employees in Hungary and 84% of our colleagues in white collar positions made use of the option to work from home at least once. Internationally, all our sites offer flexible working arrangements, taking into account local legal and practical conditions.

In addition to this, we also provide additional services to improve the well-being of our employees. The parent company supports the recreation, relaxation, and health of its employees with a range of valuable services and its own facilities. We offer our employees and their family’s access to our own resorts, sports fields, swimming pools, kindergartens, medical

clinics, and bi-annual health check-ups. In Budapest, we operate our own swimming pool, gym and sports fields for our employees and their families. We run a kindergarten for our employees’ children in Budapest and Dorog.

At the Group level, most of our full-time colleagues receive life insurance and health and pension contributions, which are continuously extended to our part-time colleagues.





# 7. CORPORATE SOCIAL RESPONSIBILITY

## 7.1. Supporting healthcare initiatives <sup>203-1</sup>

Our work is about improving the quality of human life and we strive to promote this by supporting easier access to healthcare.

In addition to significant financial support to health facilities, we contributed to the well-being of our communities through several health education programmes during the year.

In the framework of the Richter Health City, which has been a key programme of our company’s social commitment since 2009, we organised community fundraising for hospitals and clinics across Hungary, as well as family programmes complemented by health screenings, counselling, lectures and gymnastics. In 2022, we donated a total of more than HUF 63.1 million to local healthcare institutions.

Gedeon Richter Plc.’s Hungarian Health Care Foundation has been supporting scientific and medical institutions, medical training courses and scientific conferences for many years. In 2022, the Foundation launched a total of 11 calls for proposals in the fields of pharmacy, urology, women’s healthcare, specialist medicine, central nervous system, primary care, cardiology and gastroenterology, with a total of HUF 399.7 million paid out to the successful applicants.

In 2022, the Richter Employee Welfare Foundation continued its support for social programmes and put a strong emphasis on health promotion: it provided more than HUF 135 million for medical care for employees and general practitioners, HUF 8.4 million for family support, health promotion and rehabilitation, and outpatient laboratory tests, and more than HUF 50.5 million for other social activities and care for the elderly. As part of a new initiative, it provided support of HUF 6.4 million at the end of the year for workers in difficulty due to increased living expenses.

In recognition of the irreplaceable work of professionals working in the Hungarian health sector, the company established the Richter Medal of Merit Award in 2022. For the first time, the professional award was announced in the category of general practitioner. The great interest surrounding the competition clearly indicated that the niche initiative should not only be continued, but also expanded. The Richter Medal of Merit offers financial support for the adaptation of innovative ideas that can contribute to the further modernisation of healthcare.

In 2022, our foreign subsidiaries and representative offices continued to actively contribute to our strategic goals by supporting innovative programmes to improve quality of life and health. Gedeon Richter Benelux is an active supporter of CliniClowns. CliniClowns’ professionals aim to bring smiles to the faces of children who are hospitalised due to illness or other disadvantages and have limited contact with family and friends. Thanks to their professional training, CliniClowns’ experienced clowns are well versed in the psychological world of children and use playful improvisation to create a welcoming environment within the hospital walls.

Every year, they visit around 30 young patients in the hospital, making life easier for the children and the staff.

Gedeon Richter Romania also pays special attention to supporting the physical and mental health of children. In the framework of the “Gedeon Richter - Health Support at Yuppi Camp” initiative, launched in 2020 in partnership with the Yuppi Camp Association, Richter provides children with cancer, diabetes or other autoimmune diseases and their parents with an adventurous holiday by supporting free experiential therapy camps. In 2022, a total of 217 children enjoyed these sessions, many of them for the first time after being closed due to the pandemic, and had the opportunity to experience a classic camping experience.

Our Group is also committed to supporting the quality of life of the elderly. Our representative office in Uzbekistan supported the organisation of a series of diabetes and stroke events in 2022. For these events, short information leaflets and handouts were provided to the target group, and well-known speakers were invited to participate in roundtable discussions. The events gave participants the opportunity to meet renowned professors and heads of medical institutions. The networking also supported mutual assistance and the strengthening of the social position of the Richter Group.



## 7.2 Natural science education

Research and development are a key element of the Richter Group’s strategy, and we are committed to supporting the training of future professionals and the preservation of scientific values to achieve our long-term goals.

We have established and operate special foundations to recognise the work of outstanding teachers in the field of chemistry and science education. We strive to constantly innovate through methods and tools that make our company interactive and attractive to the younger generation.

Since 2004, Richter has been organising the Richter Scientist Club series, which is highly popular with medical and pharmacy students. The aim of the lectures is to bring renowned experts in their fields to share science updates with participating undergraduate students, residency trainees and young practitioners, family doctors and pharmacists. In 2022, experts from different fields of science shared their views on the importance of talent and diligence.

Under the auspices of the Richter Gedeon Foundation for Hungarian Chemistry Education, the company organizes several times a year a so-called “extraordinary chemistry class” presenting the career of a researcher. The event aims to shape the attitudes, knowledge and vision of teachers and students. In 2022, 16 in-house and in-school events will be organised to give 400 students and their teachers an insight into Richter and the life of a researcher. The feedback we have received shows that this programme has had a significant impact in shaping the attitudes of teachers and students alike.

In 2022, for the second year running, we launched Richter’s TETT (You and Science - Fairy tale Stories) competition, which invites primary and secondary school students to create a fairy tale or other story with a science content. The story competition is initiated and financially supported by the company, its professional partner is the “SZ2A Foundation for Science Education in Memory of Szabolcs Szabó”, its patrons are Hungarian artists Ildikó Döbrentey and Péter Levente, and its conceptual sponsor is the Hungarian Educational Authority. The aim of the competition is to enable pupils to show what natural science means to them, what useful knowledge and experience the exploration of the field offers, all in the form of independent storytelling. The competition received 775 entries, many of them of impressive originality. The 113 best entries will be published in book form.

In 2022, the Gedeon Richter Talentum Foundation continued to support research and education at partner institutions, with cooperation agreements signed with six universities of science and medicine. A total of HUF 79,200,000 was allocated to higher education institutions to support the research and development activities of students participating in the scholarship programme. In the academic year 2021/2022 and 2022/2023, 110 PhD students, 15 secondary school students and 14 first-year university students were awarded scholarships, totalling HUF 164,910,000. Thanks to the scholarships for secondary school students, science is gaining more and more attention in the career choice phase for talented students who are already interested in science in secondary school.

The Richter Gedeon Centenary Foundation provided a grant of HUF 28,369,915 last year to support the research and publication activities of young researchers conducting pharmaceutical research at various universities in Hungary.

In addition to students and institutions, teachers have also been recognised for their vital role in providing high quality education - we run the Hungarian Foundation for Chemistry Education and (together with two other companies) the Professor Rátz Lifetime Achievement Award to recognise teachers. The Young Science Teacher (FITT) Creator Award was launched in 2022 to keep talented teachers under 35 in the profession.

Several of our subsidiaries are active in supporting research, development and scientific education. Gedeon Richter Romania maintains close links with higher education institutions to support the professional development of the next generation and the practical training and development of the local workforce. In 2022, several students from the Medical University of Târgu Mureş were hosted for a summer internship, during which the young trainees were guided by Richter employees and were given an insight into the work processes of several departments. As part of the cooperation, Richter will reward students who achieve outstanding results in several disciplines in addition to vocational training.



### 7.3. Women in Focus

The Richter Group has decades of unique experience in the field of women's healthcare therapy. In addition to education, we believe it is important to raise the profile of women and promote their spiritual and social well-being, therefore the Richter Phoenix Community was found in 2018 as a part of the Richter for Women Programme, to support women in difficult circumstances. The Phoenix Community aims to inspire new beginnings by showcasing personal success stories and recognising the courage of its protagonists.

The aim of the Richter Anna Award is to raise awareness of the importance of health awareness and social well-being, to inspire professionals working in the fields of health, education, research and pharmacy, to help them implement their innovative ideas and to show them to the public. Enthusiastic teams of doctors, health professionals, researchers, teachers, students and pharmacists who want to improve education, health and pharmacy compete in five categories. Winning applications for the Richter Anna Award receive a prize of HUF 4 million each for the realisation of the project. With the fifth edition in 2022, the Prize has already contributed to the realisation of 26 projects.

We continued to operate the Stick to it! web platform, a training programme launched by Richter in 2016. The aim of the programme is to provide new knowledge and health behavioural tips on conception, infertility and health maintenance. A similar aim is served by our sex education web portal, Intimate Zone, which also offers online women's healthcare counselling.

The health of women, the recognition of their work in scientific fields and the expansion of their professional opportunities are also strongly supported by the Richter Group's members abroad. Our Italian subsidiary is one of the sponsors of the CRESCO AWARD - Sustainable Cities Award, in partnership with the Sodalitas Foundation. The aim of the project is to encourage the most effective urban development projects of Italian municipalities in support of sustainable development and to highlight their commitment to women's empowerment and innovations for the development of society.

Gedeon Richter Romania is actively seeking opportunities to play a supporting role in education and awareness-raising on various health conditions affecting women. One example is the project launched in collaboration with the Eastern European Endometriosis and Infertility Society, which focuses on the importance of endometriosis awareness and treatment among gynaecologists and the public. The campaign, launched in the summer of 2022, will see Gedeon Richter Romania as an educational partner of the Endomedicare Academy in collaboration with the Eastern European Endometriosis and Infertility Society and Monza Hospital.

In 2022, the Richter Group worldwide supported health promotion, research and development, education, and initiatives focusing on women's health, social and professional recognition to a total value of **HUF 2.37 billion.**





KEY ESG DATA

	Unit	2020	2021	2022	GRI code
Environmental					
Energy consumption within the organization**	TJ	1 914	1 889	1 714	302-1
Non-renewable energy	TJ	1 914	1 889	1 704	
Thermal energy	TJ	747	742	706	
Electricity	TJ	566	557	529	
Steam	TJ	564	549	412	
Fuel	TJ	37	41	57	
Renewable energy	TJ	0	0	10	
Water discharge**	thousand m3	2 241	2 128	1 910	303-4
Surface water	thousand m3	732	660	730	
Municipal sewerage network	thousand m3	1 509	1 468	1 180	
Water withdrawal	thousand m3	2 370	2 145	2 004	303-3
Surface water	thousand m3	2 098	1 873	1 714	
Groundwater	thousand m3	272	272	290	
Direct (Scope 1) GHG emissions**	t	33 104	49 048	45 852	305-1
Indirect (Scope 2) GHG emissions**	t	68 050	79 595	76 382	305-2
Other indirect (Scope 3) GHG emissions**	t	117 575	114 030	99 212	305-3

	Unit	2020	2021	2022	GRI code
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions					305-7
NOx	t/year	9.7	10.9	21.2	
SOx	t/year	0	0	0	
POP	t/year	0	0	0	
VOC	t/year	366	395	313.1	
HAP	t/year	0	0	0.0	
PM	t/year	45.2	42.2	41.2	
Waste generated**	t	27 034	21 691	21 207	306-3
Hazardous waste	t	22 522	15 792	13 980	
Non-hazardous waste	t	4 512	5 899	7 227	
Waste diverted from disposal	t	15 554	9 600	11 880	306-4
Hazardous waste	t	13 345	7 062	5 813	
Non-hazardous waste	t	2 209	2 538	6 067	
Waste directed to disposal	t	10 578	11 451	12 784	306-5
Hazardous waste	t	9 219	8 733	12 195	
Non-hazardous waste	t	1 359	2 718	589	

\*Indicator for the Hungarian parent company only  
\*\*Restated data



	Unit	2020	2021	2022	GRI code
Social					
Number of employees at Richter Group	headcount	12 842	12 262	12 167	2-7
Number of employees at Richter Plc.	average headcount	5 832	5 724	5 500	
Ratio of new hires*	%	9.4%	8.0%	12.2%	401-1
Ratio of leavers*	%	8.4%	11.0%	13.7%	
Number of employees that took parental leave*	headcount	288	323	334	401-3
Number of employees returned to work after parental leave*	headcount	70	98	100	
Number of recordable work-related injuries	number of cases	71	77	49	403-9
Rate of recordable work-related injuries	number of cases	4.83	5.76	4.2	
Number of cases of recordable work-related ill health	number of cases	22	1	0	403-10
Percentage of employees receiving regular performance and career development reviews*	%	91.1%	94.2%	96.2%	404-3
Fluctuation in R&D headcount*	%	6%	10%	11%	-

\*Indicator for the Hungarian parent company only  
\*\*Restated data

	Unit	2020	2021	2022	GRI code
Corporate Governance					
Diversity of the Board of Directors					405-1
Male	headcount	8	10	8	
Female	headcount	2	2	3	
Diversity of the Supervisory Board					
Male	headcount	3	4	4	
Female	headcount	2	2	2	
Annual total compensation ratio	%	-	28.41%	21.66%	2-21
Supplier audits	number of audits	19	37	58	-
Communication and training about anti-corruption policies and procedures	headcount	3 260	3 891	2 878	205-2
Pharmaceutical manufacturing practice audits	number of audits	12	22	24	-
Product recalls	number of recalls	4	5	6	-
Drug safety reports	number of reports	14 500	14 500	15 200	-
Number of external and internal pharmacovigilance audits carried out in the Group	number of audits	16	20	27	416-1
Confirmed incidents of corruption and actions taken	number of cases	0	1	0	205-3
Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	number of cases	0	0	0	206-1
Incidents of discrimination and corrective actions taken	number of cases	0	0	0	406-1



GRI INDEX

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2-6	Activities, value chain and other business relationships	5	
2-7	Employees	42, 55	
2-8	Workers who are not employees	42	
2-9	Governance structure and composition	21	
2-10	Nomination and selection of the highest governing body	21	
2-11	Chair of the highest governance body	21	
2-12	The role of the highest governance body in overseeing impacts	22	
2-13	Delegation of responsibility for managing impacts	21 - 22	
2-14	Role of the highest governing body in sustainability reporting	-	The top management is not directly involved in the preparation of the report.

GRI disclosure	Description	Page no.	Comment / Reason for omission
GRI 2: General disclosures 2021			
2-15	Conflicts of interest	27	
2-16	Communication of critical concerns	23	
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2-18	Evaluation of the performance of the highest governance body	22 - 23	
2-19	Remuneration policies	45	
2-20	Process to determine remuneration	45	For more information on the remuneration determination process, see pages 85-90 of our <a href="#">Annual Report</a> .
2-21	Annual total compensation ratio	42, 55	
2-22	Statement on sustainable development strategy	2	
2-23	Policy commitments	23, 26, 33	
2-24	Embedding policy commitments	26	
2-25	Processes to remediate negative impacts	22	
2-26	Mechanisms for seeking advice and raising concerns	25, 49	
2-27	Compliance with laws and regulations	23, 49	



GRI disclosure	Description	Page no.	Comment / Reason for omission
GRI 2: General disclosures 2021			
2-28	Memberships associations	8	
2-29	Stakeholder engagement	11	
2-30	Collective bargaining	42	
Material topics			
3-1	A Processes to determine material topics	11	
3-2	List of material topics	12	
Product liability and consumer safety			
3-3	Management of material topics	16	
416-1	Assessment of the health and safety impacts of product and service categories	16, 55	Restated data. From 2022 onwards, regulatory inspections will be included in the number of pharmacovigilance audits conducted by external partners, so data for 2020 and 2021 have been updated retrospectively. From 2023 onwards, audits of pharmacovigilance service providers who work under the processes of Richter will be included in the number of internal pharmacovigilance audits, therefore the data for 2020 and 2021 have been updated retrospectively.

GRI disclosure	Description	Page no.	Comment / Reason for omission
Business ethics and compliance			
3-3	Management of material topics	20	
205-1	Operations assessed for risks related to corruption	25	
205-2	Communication and training about anti-corruption policies and procedures	25, 55	
205-3	Confirmed incidents of corruption and actions taken	25, 55	
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	23, 55	
308-1	New suppliers that were screened using environmental criteria	28	
406-1	Incidents of discrimination and corrective actions taken	26, 54	
414-1	New suppliers that were screened using social criteria	28	
Access to healthcare			
3-3	Management of material topics	19	
203-1	Infrastructure investments and services supported	51	
413-1	Operations with local community engagement, impact assessments, and development programs	19	



GRI disclosure	Description	Page no.	Comment / Reason for omission
Environmental footprint, pollution and waste management			
3-3	Management of material topics	29	
303-1	Interactions with water as a shared resource	35	
303-2	Management of water discharge-related impacts	35	
303-3	Water withdrawal	36, 54	The 2021 Sustainability Report reported water use data for indicator 303-5. This year we have provided data on water consumption.
303-4	Water discharge	30, 35, 54	Restated data. Due to incorrect data collection, data for 2020 and 2021 have been updated.
305-1	Direct (Scope 1) GHG emissions	30 - 31, 54	Restated data. Carbon footprint calculation has been extended to include Russian, Polish and Romanian subsidiaries, so data for 2020 and 2021 have been updated.
305-2	Energy indirect (Scope 2) GHG emissions	30 - 31, 54	
305-3	Other indirect (Scope 3) GHG emissions	30 - 31, 54	
305-6	Emissions of ozone-depleting substances (ODS)	30, 36	
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	30, 36	
306-1	Waste generation and significant waste-related impacts	33	
306-2	Management of significant waste-related impacts	33	

GRI disclosure	Description	Page no.	Comment / Reason for omission
306-3	Waste generated	33	Restated data. The data have been complied in a new structure in 2022, data for 2020 and 2021 have been updated accordingly.
Environmental footprint, pollution and waste management			
306-4	Waste diverted from disposal	33, 54	
306-5	Waste directed to disposal	33, 54	
Employee well-being, talent management			
3-3	Management of material topics	41	
401-1	New employee hires and employee turnover	42 - 43, 55	Indicator for the Hungarian parent company only.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	45, 48 - 49	
401-3	Parental leave	49, 55	Indicator for the Hungarian parent company only.
403-1	Occupational health and safety management system	46	
403-2	Hazard identification, risk assessment, and incident investigation	46 - 48	
403-3	Occupational health services	48	
403-4	Worker participation, consultation, and communication on occupational health and safety	46	
403-5	Worker training on occupational health and safety	48	



GRI disclosure	Description	Page no.	Comment / Reason for omission
Employee well-being, talent management			
403-6	Promotion of worker health	48	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	46	
403-8	Workers covered by an occupational health and safety management system	46	
403-9	Work-related injuries	48, 55	Number work-related injuries include data form production sites only. The ratio of work accidents per hours worked includes data from production sites in Budapest, Dorog, Debrecen, Romania, Russia and RTML.
403-10	Work-related ill health	48, 55	
404-2	Programs for upgrading employee skills and transition assistance programs	44	
404-3	Percentage of employees receiving regular performance and career development reviews	43, 55	Indicator for the Hungarian parent company only.
405-1	Diversity of governance bodies and employees	49	
Employee rights			
3-3	Management of material topics	20	
406-1	Incidents of discrimination and corrective actions taken	26	

GRI disclosure	Description	Page no.	Comment / Reason for omission
Responsible energy use			
3-3	Management of material topics	29	
302-1	Energy consumption within the organization	32, 54	Restated data. The data have been complied in a new structure in 2022, data for 2020 and 2021 have been updated accordingly.
302-4	Reduction of energy consumption	32	
Responsible marketing and communication			
3-3	Management of material topics	17	
417-3	Incidents of non-compliance concerning marketing communications	17	
Data security and protection			
3-3	Management of material topics	20	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	27	