

Dr. Max Sustainability Report 2024



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Statement from the CEO

Dear Reader,

The year 2024 marked a new phase in our sustainability journey, as Dr. Max deepened its commitment to responsible business practices across Europe. In the face of mounting environmental, regulatory, and geopolitical challenges, we remained resolute in our mission: leading the industry by continuously redefining pharmacy as a trusted partner in health, beauty and wellbeing, with a strong commitment to care.

This year, we took significant strides in embedding sustainability into our operations. Building on the foundation of our Double Materiality Assessment, we expanded the scope of our data collection, covering more subsidiaries and emissions categories, and refined our understanding of the environmental and social impacts across our value chain.

In 2024, we mapped our emissions in Scopes 1, 2, and partially 3, which was an important step for our future strategy and goal setting. Additionally, as a pharmaceutical leader, we recognize our responsibility in mitigating pollution and managing medical waste. This year, we intensified efforts to monitor air and water pollutants, mapped substances of concern across our private label products, and continued raising awareness around proper medicine disposal.

On the social front, we remain committed to building an inclusive, safe, and supportive environment for our nearly 23 000 employees. Our initiatives have supported professional development, enhanced diversity, and contributed to employee wellbeing across all geographies. Furthermore, our pharmacies continued to play a pivotal role in community health education and improving medicine accessibility through both physical locations and e-commerce platforms.

Statement from the CEO

In governance, we engaged with nearly half of our key private-label suppliers to assess their ESG maturity. While progress is ongoing, we are encouraged by early responses and will continue collaborating with our partners to raise standards across our supply chain. Through our corporate philanthropy initiatives, we are proud to say that we donated €2 612 312 to causes and activities that supported local communities, nature and other stakeholders.

Looking ahead, we will finalize our ESG strategy, formalize climate targets, and expand the capabilities of our sustainability team. Our focus is clear: to enhance our readiness, accountability, and resilience in a rapidly changing world.

Leonardo Ferrandino,
President and CEO



Statement from the Dr. Max ESG Team

Celebrating Our First Public Sustainability Report

At Dr. Max, we're proud to present our very first public sustainability report. This marks an exciting milestone – a step forward in opening up about how we operate, what we stand for, and where we're headed. While we've been working behind the scenes on environmental, social, and governance (ESG) topics for some time, this is the first time we're sharing our progress in a dedicated, transparent way with our wider community.

We've brought together all our efforts, data, and priorities in one place, giving you a clear and honest look at how we're approaching sustainability across our business. It reflects the values that guide us: care, responsibility, and a long-term commitment to the people and places we serve. Whether it's reducing emissions, improving access to healthcare, supporting our employees, or working with suppliers to create positive change, we've taken important first steps across many areas.

The process of putting this report together has also helped us grow. By carrying out our first double materiality assessment, we gained a much clearer picture of where our biggest impacts, risks and opportunities lie. This insight is already helping us shape a focused ESG strategy for the future – one that's built into our everyday operations and aligns with our mission to drive sustainable health and wellbeing as a trusted pharmacy partner delivering care beyond the counter.

We know this is just the beginning. Some areas still need more data and deeper insight, and that's okay. Sustainability is a journey, and we're committed to making steady, meaningful progress, year by year. In future reports, we'll work on and share even more detail, including clear targets, actions, and results.

Thank you for taking the time to read our first public report. We're excited to share this part of our journey with you and look forward to the road ahead – driven by the same passion and care that define everything we do at Dr. Max.

Dr. Max ESG Team



2024 Highlights



200+ million
customers



3 000+
pharmacies



18
countries



Second-largest
pharmacy chain in
Europe



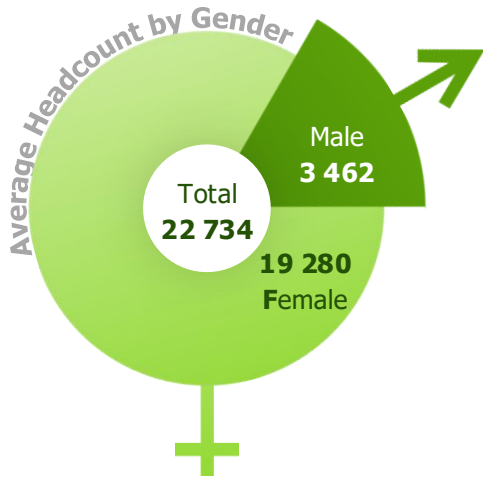
426 million
items sold in
pharmacies



60%
of online customers
choose to collect their
orders in-store



13.9 million
transactions processed
by Dr. Max e-shop



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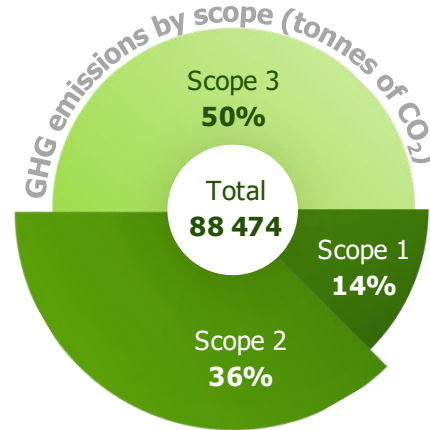
Zero confirmed incidents
of corruption or bribery

€2 612 312

Donated to philanthropic
activities

4 800+

Membership fees paid for
pharmacy professionals



2024 Best Practice Examples

Automation & innovation enlargement

In 2024, we launched a new high-automation e-commerce warehouse in the **Czech Republic**, featuring AMR technology (Autonomous Mobile Robots) and automated packing machines, significantly boosting our capacity, speed, and efficiency.

At the same time, we finalized a pilot project on unit-picking robots (focusing on picking slow-moving items) and approved the expansion of the project for 2025. With direct robotic picking from shelves, this brings us closer than ever to a "dark warehouse" – a warehouse, or a section of a warehouse, that can operate without human intervention (called "dark" because without lighting or heating).

This project is currently being implemented at our Central Wholesale warehouse in Prague and is expected to be completed in summer 2025.



Industry recognition

Our state-of-the-art automation solution in **Italian Telgate** (a proprietary system integrating multiple suppliers and developed internally) has received multiple awards at some of the most prestigious robotics and automation forums in Europe.

Awards include Best Retail Automation, Best Healthcare Automation, and Best Sustainable Automation – just a few of the prizes our teams collected.

Our First Standalone Sustainability Report

For the first time, Dr. Max is proud to share a **dedicated sustainability report that highlights our journey so far**. This report is guided by the Corporate Sustainability Reporting Directive (CSRD) and by the European Sustainability Reporting Standards (ESRS). Our goal is to ensure that our sustainability journey is clear, transparent and easy to follow for everyone – from partners and employees to customers and the wider public. Inside, you'll find a **straightforward snapshot of our progress over the past year across all our Group**, presented in a way that makes key insights both **accessible and meaningful**.

We're just getting started – and we're committed to sharing each step of the journey openly.

About Dr. Max group

Dr. Max Group Holdings Plc is fully owned by **Pharmax Holdings Limited** and forms part of **Penta Investments Group Limited** – a European investment group with a strong presence in healthcare since **2002**.

We employ nearly 23 000 employees on average and operate in 18 European countries with our largest markets in the Czech Republic, Romania, Slovakia, and Poland, and we continue to grow rapidly in Serbia and Italy. In 2024, we reached total consolidated revenues of **€4.9 billion**.

Our First Standalone Sustainability Report

Our Ambition

At Dr. Max, our vision is clear: to be the first-choice pharmacy for outstanding care, provided by trusted professionals. This ambition is rooted in our mission – to **lead pharmacy with commitment to sustainable health, wellbeing, and care**. To achieve this, we focus on three core strengths:

- **A broad portfolio of private brands**, offering high-quality, affordable medicines.
- **Advanced distribution centres**, ensuring fast, reliable access to essential health products.
- **State-of-the-art laboratories**, driving excellence and innovation in pharmaceutical services.

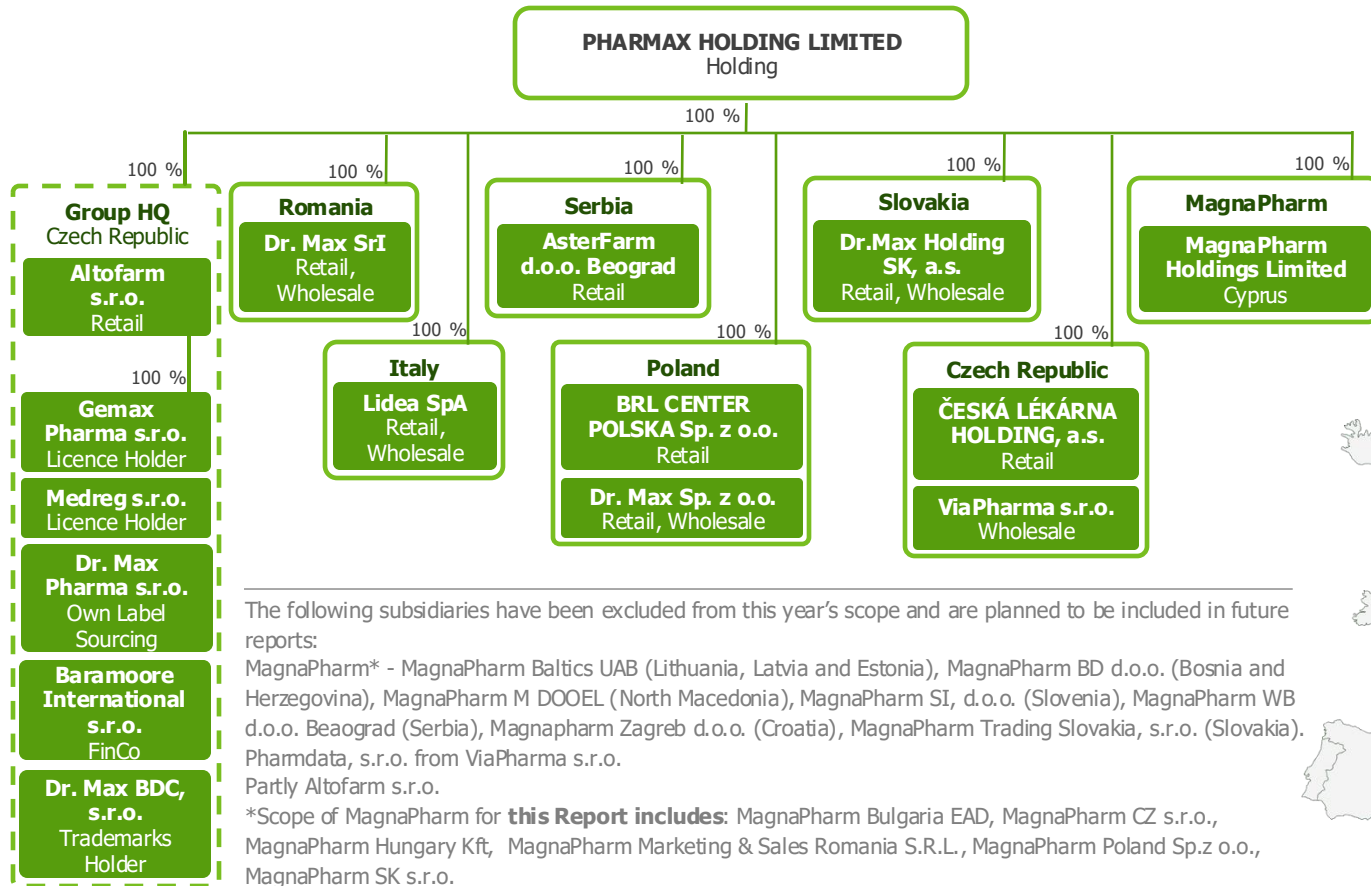
Together, these pillars strengthen our long-term commitment to delivering trusted care – guided by strong values and a vision for better health outcomes.

But as healthcare evolves, so do the challenges we face. The leading climate-health evidence report, the [2024 Lancet Countdown on Health and Climate Change](#), highlights a critical truth: Climate change is now a public health emergency. Rising temperatures, pollution, and ecosystem decline are already affecting health – from deadly heatwaves and mental health issues to the spread of diseases like dengue into Europe. Vulnerable groups, including older adults, children, and people with chronic illness, are most at risk. The call for urgent action is clear: We must build resilient health systems, strengthen universal healthcare, and address the environmental roots of disease.

At Dr. Max, we recognise that protecting people means protecting the planet. That's why reducing our environmental footprint and improving our social impact, is becoming a core part of how we deliver care. Aligned with global health priorities, we are taking meaningful steps to support inclusive, sustainable, and accessible healthcare – helping to shape a healthier future for both people and the environment.



Dr. Max Group Corporate Structure



MagnaPharm operates in 17 countries:

Romania, Bulgaria, Poland, Hungary, Czech Republic, Slovakia, Serbia, Bosnia, Montenegro, Lithuania, Latvia, Estonia, Slovenia, Croatia, Albania, Macedonia, Kosovo



The following subsidiaries have been excluded from this year's scope and are planned to be included in future reports:

MagnaPharm* - MagnaPharm Baltics UAB (Lithuania, Latvia and Estonia), MagnaPharm BD d.o.o. (Bosnia and Herzegovina), MagnaPharm M DOOEL (North Macedonia), MagnaPharm SI, d.o.o. (Slovenia), MagnaPharm WB d.o.o. Beograd (Serbia), Magnapharm Zagreb d.o.o. (Croatia), MagnaPharm Trading Slovakia, s.r.o. (Slovakia). Phamdata, s.r.o. from ViaPharma s.r.o.

Partly Altofarm s.r.o.

*Scope of MagnaPharm for **this Report includes:** MagnaPharm Bulgaria EAD, MagnaPharm CZ s.r.o., MagnaPharm Hungary Kft, MagnaPharm Marketing & Sales Romania S.R.L., MagnaPharm Poland Sp.z o.o., MagnaPharm SK s.r.o.

Key Products and Services

At Dr. Max, our business is built around delivering high-quality, accessible healthcare – through a broad range of products and services.

Pharmacy Retail & E-Commerce

Dr. Max is a pharmacy chain in Central and Eastern Europe, with more than 3 000 pharmacies across 6 countries (Czech Republic, Romania, Poland, Slovakia, Serbia, Italy) and active e-shops in 5 countries (Czech Republic, Slovakia, Poland, Romania, and Italy). In 2024, we served over 200 million customers and sold more than 426 million items, making us the second-largest pharmacy chain in Europe.

Product ranges we offer to our customers:

- Prescription medicines (Rx)
- Over the counter (OTC) products
- Food supplements
- Cosmetics and daily health essentials
- Private label (Dr. Max brand) products developed by Dr. Max
- Custom medicines both in-store and at our three modern laboratories in Prague, Ostrava, and Brno

Products category

Dr. Max Brand Products: Since 2011, we've been developing high-quality, affordable products under the Dr. Max brand. Our portfolio includes 1 254 items across dietary supplements, cosmetics, medical devices, and medicines.

Third-party Products: In 2024, retail range containing products from our partners included prescription medicines, over the counter (OTC) products – such as non-prescription medicines, supplements, and parapharmaceuticals – as well as a variety of other items, from cosmetics and patient care products to nutrition and everyday consumer goods.

Laboratory Production: About two-thirds of our central laboratory production goes directly to our own pharmacies. The rest is supplied to independent pharmacies, eye clinics, veterinarians, and hospitals – expanding access to tailored, high-quality pharmaceutical products.

Wholesale

We operate a strong wholesale network to deliver medicines and health products quickly and efficiently. Key hubs are in the Czech Republic, Romania, and Slovakia, and we are expanding our operations in Italy, Poland, and Serbia. We also work with multiple distributors in each market to ensure broad and reliable access.

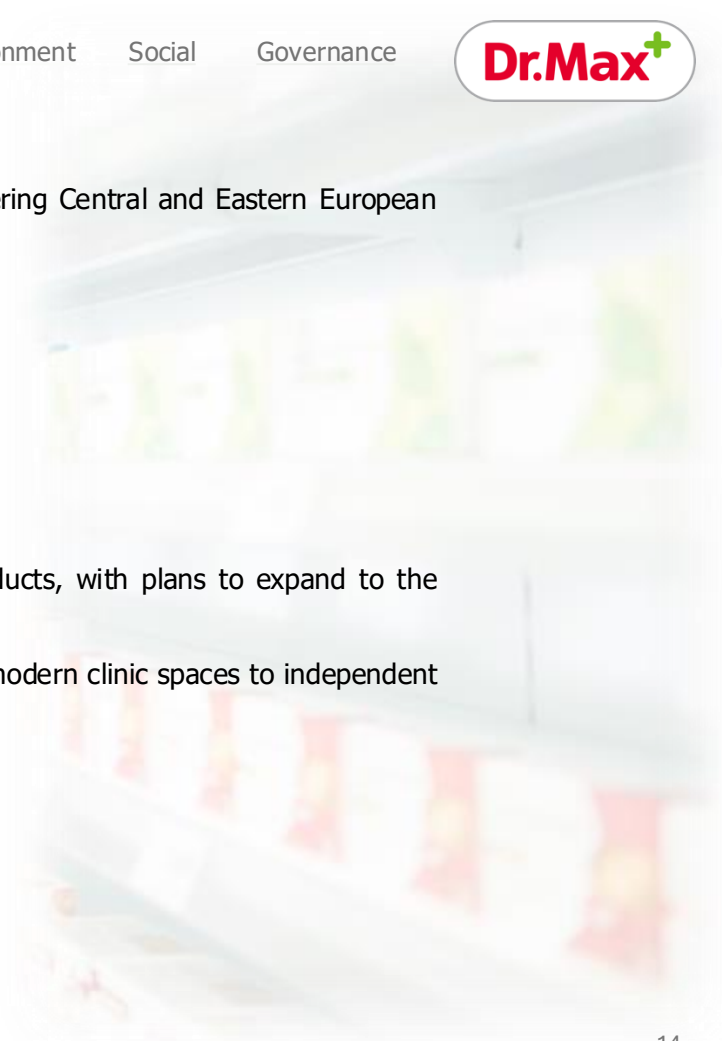
Sales & Marketing

MagnaPharm, our specialized subsidiary, supports pharmaceutical manufacturers entering Central and Eastern European markets by offering:

- Regulatory support
- Market access
- Medical promotion
- Local distribution and marketing
- Romania hosts MagnaPharm's largest operations.

Cosmetics Production: In Serbia, we produce the Galenic brand of cosmetic products, with plans to expand to the Czech Republic.

Medical Clinics: In Italy and Slovakia, Dr. Max supports local healthcare by leasing modern clinic spaces to independent doctors, helping expand access to medical services in the communities we serve.



How We Manage Sustainability

At Dr. Max, the ESG team drives and ensures group-wide management of all significant sustainability topics. This includes coordinating data collection, setting priorities, and making sure ESG principles become firmly embedded across our operations.

To ensure consistent and transparent reporting, regional coordinators gather local data, which is managed by our central data platform – ensuring reliable and comparable information across the Group.

Progress is regularly shared with the Board and Executive Management to guide informed decision-making. To support this, Dr. Max has introduced a Group-wide ESG performance KPI – “Readiness and Preparedness for ESG Initiatives” – which can contribute up to 10% of the annual bonus for management teams.

Each step of our value chain has been developed to ensure product accessibility, which is a central part to our mission:

Redefine the concept of a pharmacy by expanding beyond traditional health solutions to become a true wellbeing partner, offering not only safe and affordable medicines, but also products and services that enhance overall quality of life.

Our Value Chain: From Sourcing to Customers and Beyond

Dr. Max operates a complex value chain across multiple countries and business segments, with suppliers based in Europe and Asia.

Sourcing phase

We source manufactured and semi-manufactured pharmaceutical and health-related products, including packaging. Dr. Max brand items are assembled from components provided by trusted partners. Suppliers also support services like warehousing, transport, and marketing. Our focus is on product quality and safety, aligned with strict regulations. We're also improving procurement processes to reduce environmental and social impacts, including launching a supplier survey to identify areas for improvement.

Our own operations

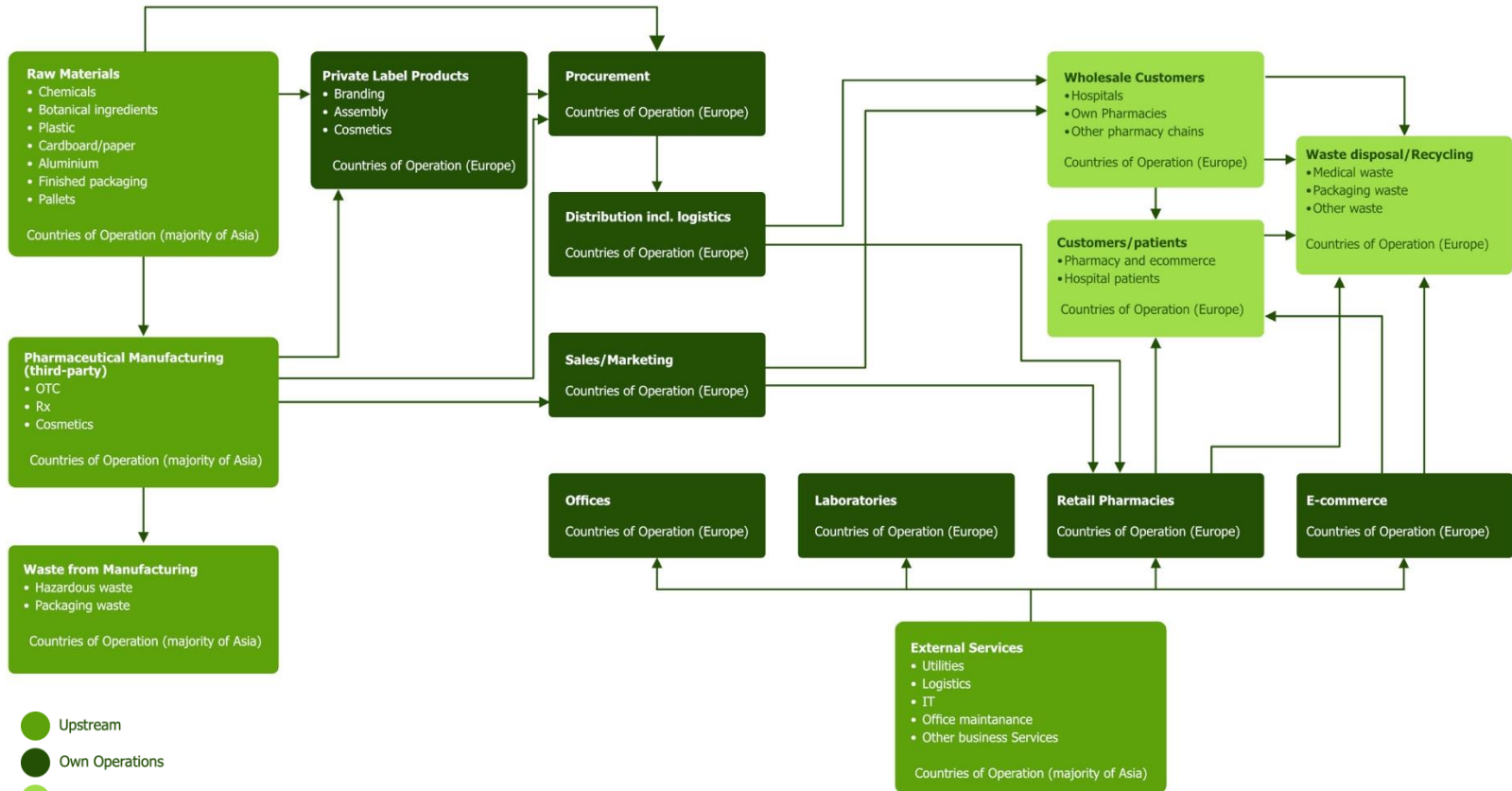
Our operations include retail pharmacies (online and in-store), Dr. Max brand products branding and assembly, distribution, e-commerce, wholesale, and marketing activities.

Distribution, sales and end of life

The downstream part of our value chain ensures effective distribution and sales of products to our customers. Over-the counter (OTC) and prescription (Rx) medicines and other health-related products are available through our retail pharmacies and wholesale business. End-of-life stages such as safe disposal of medicines, waste management and recycling of waste and packaging are mostly covered by third parties.



Dr. Max Value Chain



Our Key Sustainability Topics

Dr. Max conducted a Double Materiality Assessment (DMA) in line with the European Sustainability Reporting Standards (ESRS) in 2024. It helped us identify the sustainability issues that matter most to our company and stakeholders by assessing two dimensions:

How our company impacts people and the environment (impact materiality), and how environmental, social, and governance (ESG) issues affect our financial performance (financial materiality).

We gathered ESG data from 8 of the 18 countries in which we operate. These 8 countries represent the vast majority of our operations, as the remaining 10 countries account for only 35 employees in total. This means our data collection covered nearly the entire organization in terms of both operational and employee footprint.

Key steps in the process:

1

Mapping our value chain

to identify potential material issues and **key stakeholder groups**, using both internal data and industry insights.

2

Engaging stakeholders

through internal surveys and direct discussions with **financial institutions** to validate ESG risks and opportunities.

3

Benchmarking against the sector

using sector standards sources such as **SASB, MSCI, TNFD**, and relevant legislation to capture all material issues.

4

Assessing financial materiality

by evaluating dependencies and reputational or regulatory risks alongside sustainability impacts.

5

Scoring topics

by severity (scale, scope, irremediability) and financial risk (likelihood and impact), following **ESRS methodology**.

6

Prioritizing what matters

using industry benchmarks to define **material thresholds**, & prioritizing topics into **high-medium** to guide development of our **ESG strategy**.

Double Materiality Assessment (DMA)

The graphics highlight the sustainability issues most significant to our business. They summarize key impacts, risks, and opportunities related to our operations, product sourcing, and end-of-life management, as identified in our Double Materiality Assessment.

These material topics represent the areas most relevant for effective sustainability management. Some are already being addressed through existing initiatives, while others will be tackled as part of our new ESG strategy and related policies. Please note that only selected topics are covered in the ESG sections that follow, as detailed data is not yet available for all areas. However, Dr. Max is actively developing a comprehensive sustainability roadmap based on these priorities and will provide further updates in future reports as this work progresses.



Double Materiality Assessment (DMA)

Legend: Environmental Social Governance

Increased costs due to single-use plastics abandonment		High energy consumption in stores & manufacturing		
Reputational damage due to unsustainable materials		Air pollution from manufacturing, commuting, & logistics	Scope 1, 2 & 3 emissions	
Stakeholder perception of emissions		Water pollution due to production chemicals	Various substances impacting people & polluting environment	Employee support via pharmacy memberships & trainings
Higher costs for switching to renewable energy	Increased costs due to single-use plastics abandonment	High water consumption & withdrawals in manufact./ process control	Biodiversity loss due to climate change	Impact of diversity on employee skills & opportunities
Increased costs due to relying on water	Reducing environmental impact with products & processes improvement	Unsustainable materials & packaging composition under limited control	Job insecurity for maternity leavers; low wages & workforce safety	Promoting pharmacy profession through education
Products with substances of concern	Attracting talent with employee development & diversity	Medical waste & plastics	Absence of mechanisms & prevention of violence and harassment	Educating consumers on health, incl. prevention & life-style
Disruption of supply chain & store operations, rising costs	Educating consumers on health & informed choices	Gender pay gap & few women in top positions	Value chain workers' working conditions	Pharmacy hours, access to medicine, & convenient prices
Misleading supplement marketing	More customers based on medication accessibility	Customer privacy at risk due to online service	Misleading marketing practices	Grants helping support community development
Lack of resources or expertise in procurement	Boosting employee morale & performance with CARE values	Complex supply chain impacting consumers	Drug research impacting animal welfare	Environmental & social procurement standards
Corruption in some markets	ESG standards embedded into procurement			Protecting whistleblowers
Risk	Opportunity	Actual negative impact	Potential negative impact	Actual positive impact

Listening to Our Stakeholders

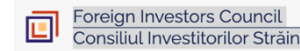
At Dr. Max, stakeholder engagement is key to understanding our material issues which represent key impacts of our business, as well as risks, and opportunities we might face. We identify our core stakeholder groups to ensure our efforts are focused where they matter most.

We maintain regular, open communication through employee surveys, customer feedback, collaboration through sector associations, and direct supplier contact. We also engage with investors, banks, regulators, tax authorities, and trade unions via bonds, reporting, and membership activities.

By participating in industry associations, we work closely with other players in the sector to protect the interests of pharmacists and help prevent illegal practices.



HR Club



Managing Our Environmental Footprint

- This section outlines how we approach the environmental aspects of our operations, including energy use, transport, pollution and waste. We focus on prioritising areas where we can reduce negative impacts and improve efficiency over time.



Our Impact on Climate

At Dr. Max, we recognise the urgency of climate action. We are developing our ESG strategy and assessing regional and local initiatives to shape a unified approach. Once complete, we will launch a detailed transition plan outlining how we will reduce emissions, enhance sustainability practices, and contribute to global climate goals – a key step toward a more sustainable future for our business and communities.

Our Greenhouse Gas Emissions

At Dr. Max, we take our climate impact seriously. Our priority is to measure and understand our greenhouse gas (GHG) emissions – from our operations (Scope 1) to the energy we use (Scope 2), and parts of our supply chain (Scope 3).

In 2024, our total carbon footprint of our Scope 1, 2 and partially 3 reached approximately 88 475 tonnes of CO₂ across our European operations. This includes most of our direct and energy-related emissions, covering about 80% of Scope 1 and 2. We're also working to expand Scope 3 coverage. Currently, we include emissions from packaging, waste, and transport in our calculations.

Although collecting complete data remains a challenge in some countries, we're committed to improving each year. Better measurement will allow us to set clear reduction targets and take meaningful action to lower our climate impact moving forward.



- + Diesel and petrol consumption
- + Motor oil
- + Refrigerants
- + Natural gas



- + Electric energy
- + Natural gas
- + Purchased district heat



- + Purchased goods and services
- + Indirect scope 1 and 2 emissions
- + Waste
- + Downstream transport and distribution

Our Impact on Climate

How Dr. Max Calculates Its Carbon Footprint

At Dr. Max, we calculate our carbon footprint using the **GHG Protocol**, the most widely used global standard. We focus on emissions from areas we **directly control**, like our **pharmacies, offices, and distribution centres**.

Where possible, we use **real data** (e.g. energy and fuel use). In cases where data isn't available – such as **missing landlord meter readings** – we use **careful estimates** based on building type and staff numbers. For **Scope 1 emissions**, around **90% of our data is based on actual measuring**, with a **low margin of error**. For Scope 2, this number decreases to around 60% data based on measuring.

Scope 3 emissions (from our **supply chain**) are harder to track because we don't control them directly. For **transport**, about **one-third of the data is estimated**, with a margin of error around **15%**. The most challenging areas are **waste and purchased goods**, where we rely on estimates based on **building size and employee numbers**. We expect a **more complete Scope 3 picture within the next three years**. The largest share of these emissions comes from **goods and services we buy**, so we are **working with suppliers to improve data accuracy**.

Some emissions categories are still excluded for now due to **missing or inconsistent data**. With operations across many countries, we're **building a reliable, consistent system** and are **committed to doing it right**.

GHG Emissions by Scope and Business Unit Across Dr. Max

Greenhouse Gas Emissions	2024 (tonnes of CO ₂)	% of total emissions	Business Unit	% of the Group's Emissions
Greenhouse Gas Emissions Scope 1	12 373.57	13.99	Group headquarter (Dr. Max BDC)	0.42
Greenhouse Gas Emissions Scope 2 (location-based)	31 934.14	36.09	Private label (Dr. Max Pharma)	9.77
Significant Greenhouse Gas Emissions Scope 3 (sub-category breakdown):	44 167.00	49.92	Dr. Max countries	
1. Purchased goods and services	12 451.59	14.07	Czech Republic	19.68
3. Activities related to fuels and energies (not included in Scope 1 or 2)	16 868.41	19.07	Slovakia	10.31
5. Waste generated in operations	6 672.2	7.54	Poland	19.67
9. Transport in the downstream value chain	8 174.83	9.24	Serbia	4.23
Total Greenhouse Gas Emissions	88 474.73		Romania	26.29
			Italy	6.11
			MagnaPharm (sales & marketing)	3.52

Note: This data does not contain the complete carbon footprint of the company – the values presented only show data that the company managed to calculate for 2024.

Energy

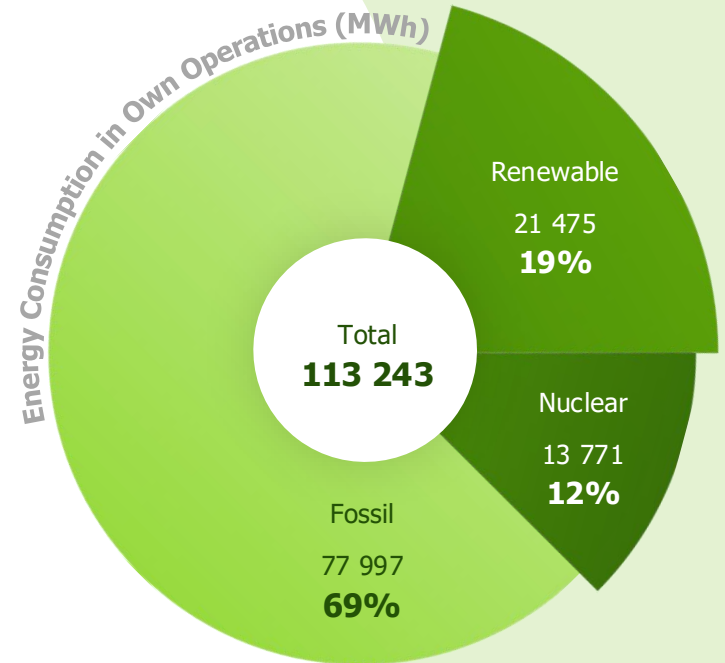
Dr. Max has three main energy-related material issues:

High energy use in our stores and manufacturing, costs linked to switching to renewable energy and rising energy expenses for air conditioning and refrigeration. While we don't yet have formal energy targets or policies, we are already taking steps to improve energy efficiency across operations – especially in transport.

Transport Efficiency

At Dr. Max, we're working to cut emissions by making transport smarter and more efficient, and we plan to expand these efforts further. Examples include:

- **Using virtual meetings** to cut down on business travel
- **Optimizing delivery routes** with **Rinkai**, our transport management system
- **Offering pharmacy pick-up** as a greener alternative to home delivery
- **Using electric vehicles** for same-day delivery in **Prague and Bratislava**



Renewable Energy Production was 524 MWh
Exact breakdowns of energy sources were mostly missing, but Dr. Max is working to improve this data.

Energy

Energy Efficiency Initiatives

At Dr. Max, we are committed to improving **energy efficiency** across our operations. Our **purchasing code prioritizes energy-efficient equipment and materials**, and we monitor energy use at all locations to guide upgrades and modernization of **stores and offices**. We operate a certified **energy management system (ISO 50001:2012)** and invest in energy-saving upgrades, including:

- **BREEAM-certified buildings**
- **LED lighting in pharmacies**
- **Efficient heat pumps** replacing old thermostats and air conditioners
- **Better insulation and shopfronts** to reduce energy loss
- **Photovoltaic panels**

Pollution of Air

We fully comply with EU laws on air quality, industrial emissions, and the safe use of chemicals, such as the **Air Quality Directive**, **Industrial Emissions Directive**, and **REACH**. Stronger measures are in development and will be implemented in the coming years and are preparing for stricter environmental measures in the future.

Our main source of **air pollution** is **transport** – both from our own vehicles and parts of our supply chain. For the first time, in 2024 we **gathered data** on transport-related emissions across countries, using **fuel use**, **supplier data**, and **European vehicle emission standards** to estimate pollution levels.

Our transport-related emissions data establish a baseline for future monitoring and action, which will help guide our long-term efforts to reduce environmental impacts from transport, particularly through the adoption of greener mobility solutions in areas affected by air pollution. We aim to improve this by developing methods to **track emissions more locally** in future reports.

In our analysis of air pollutant emissions from own and contracted transport activities, we observed that the **majority of vehicles fall under the EURO 6 emission standard**, which is currently the most stringent emission class in use as of 2024.

This indicates that a significant portion of our transport-related emissions originates from vehicles that comply with the **highest available environmental performance standards** for road transport.

As a result, although transport remains a relevant source of air pollutant emissions, the actual emission intensity is relatively low due to the **high efficiency and pollutant control technologies** implemented in EURO 6 vehicles.

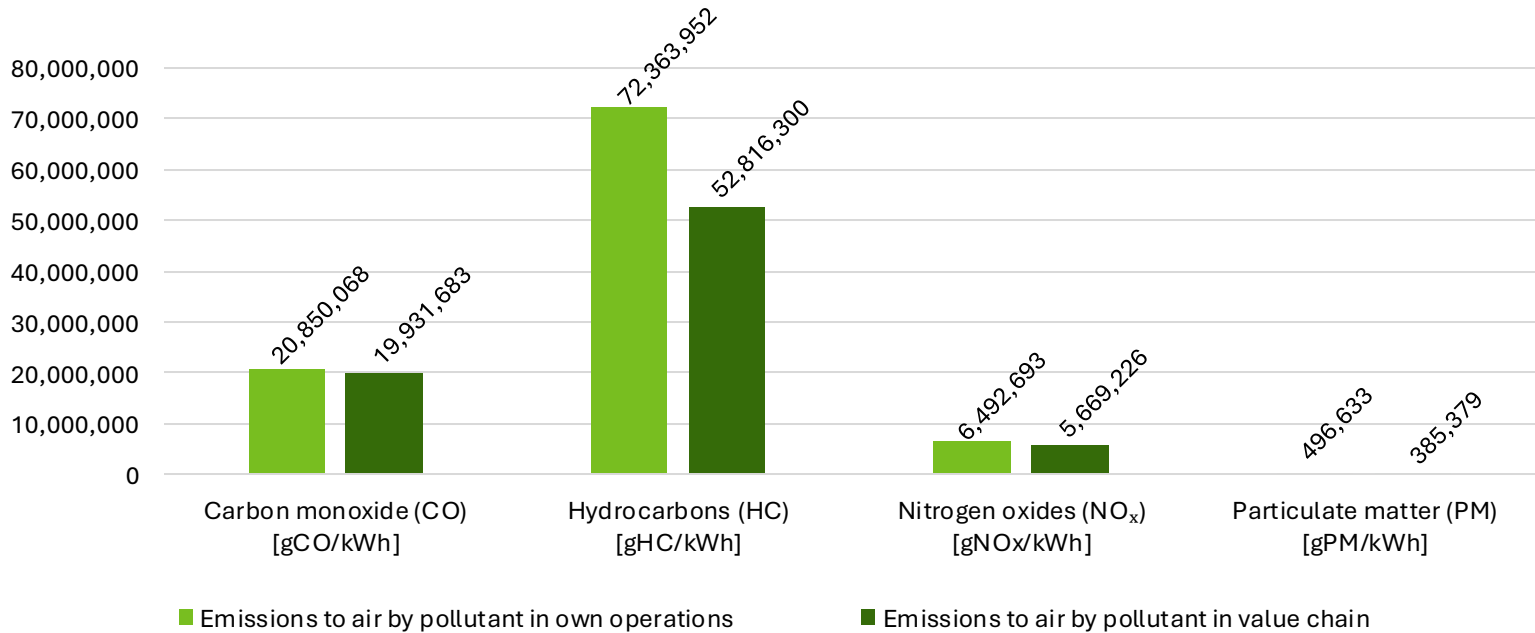
Pollution of air by the EURO emission classes of vehicles

EURO emission class	Contracted Transport (%)	Own Transport (%)
VI	90.6	98.5
V	8.3	0.8
IV	1.1	0.4
III	0.1	0.3
II	0	0.1
I	0	0



Pollution of Air

Pollution of Air by Main Transport Pollutants and Operation Type



Substances of Concern

At **Dr. Max**, we take the risks associated with **hazardous substances** in our products seriously and ensure **strict compliance with all safety regulations** to protect **employees, customers, communities, and the environment**.

Our approach:

We have **screened our Dr. Max brand products and third-party products** and found some **substances of concern**, which are now being **assessed in more detail** for potential health or environmental risks.

Based on our latest review, **none of our products currently contain substances of very high concern (SVHCs)**.

In **Serbia**, small amounts of substances that are toxic (such as **phenolphthalein, potassium dichromate, and potassium chromate**) are used in laboratories. We apply **strict safety protocols** when handling them.

This data will be further refined and **classified by hazard level** as part of our ongoing work.

Supply chain checks will continue in the coming years to ensure **responsible risk management** across all markets.

Animal Welfare in Development

At Dr. Max, we recognise the **potential negative impact on animal welfare** from drug research and development (R&D).

In the EU, we follow **strict regulations** that protect animals used in scientific research (EU Directive on the Protection of Animals Used for Scientific Purposes). However, **trials outside the EU** may not meet the same ethical standards – increasing the risk to animal welfare.

We are committed to monitoring and improving practices in our **supply chain**, especially in regions with **weaker regulations**. Our goal is to support **responsible R&D** while respecting **animal welfare** across all operations.



Use of Materials and Management of Waste

We fully comply with **local and EU environmental regulations** – such as rules on waste (Waste Framework Directive), packaging (Packaging Waste Directive), and safe use of materials (REACH) – and are actively working to reduce our environmental impact from materials and waste wherever we can.

We recognise the **urgency of environmental action** in this area, and are committed to **developing clear policies, actions, and targets** within the **next two years**. Right now, we are focused on **gathering and reviewing data across all subsidiaries** to build a **solid foundation** for future improvements.

Resources We Use

As a retailer, **Dr. Max has limited control** over packaging from external brands – so we're focusing on what we can change: **our own Dr. Max brand products**.

We've already **analysed the packaging materials** used in these products to guide our next steps. In the coming years, we will **develop more sustainable packaging solutions** that **reduce raw material use** and align with **evolving regulations and customer expectations**.

Materials Used in Own Operations for Product Packaging within E-commerce, Dr. Max Brand Products, including Shopping Bags

4 831 t

Total weight of products and biological materials used in 2024

65 %

of materials that were biological materials or biofuels used for non-energy purposes in 2024

Waste from Our Operations

Dr. Max brand **products** are ready-to-sell pharmacy items, sourced from **trusted suppliers**. **Carton packaging** is **generally recyclable** (depending on its composition and local recycling options), while **blister packaging** is **typically not recyclable**.

In 2024, we had **no fully circular products**, but we've begun exploring **circular design options** for the future. We also launched a **Group-wide system** to report waste data **consistently across all subsidiaries** – laying the groundwork for improved sustainability tracking.

Group Waste Composition (tonnes)



Plastic
298



Paper
2 723



Glass
369



Organic waste
838



E-waste*
10 374



Unsorted waste
5 979

Note: The data presented on recycling reflect only part of waste produced through the company operations and do not fully capture the overall recycling performance. We recognize that these figures offer a partial view and continue working to improve tracking and transparency across the entire waste management process.

*Discarded electronic devices and equipment, such as computers, smartphones, televisions, and appliances.

Dr.Max⁺

Group

Supporting People and Society

Our efforts are directed to support employees, customers, and the communities we operate in. The focus is on practical actions that contribute to medication access, workplace wellbeing, and responsible engagement.



Our People at Dr. Max

At Dr. Max, **caring for people starts with our own team.**

In 2024, the average number of our **employees** was **22 743** across eight countries – a **diverse, skilled workforce** united by a shared commitment to healthcare. From pharmacists and healthcare experts to sales and support staff, **every role contributes to delivering high-quality care.**

Our team's diverse backgrounds and talents create an **inclusive, collaborative culture** where innovation thrives – and where we keep improving how we serve **millions of customers** every day.

We support **flexible work options**, including part-time, which give employees the chance to tailor their work schedules to their changing needs.

Listening, Engaging, and Growing Together

At Dr. Max, we believe that **open, two-way communication** is key to building a **motivated and high-performing workplace**. We connect with our teams across all countries through **employee surveys**, regular **management meetings**, and ongoing **internal communications** – including newsletters, digital platforms, and Group magazines.

Employee Engagement and Satisfaction Survey

Each year, we run a **Group-wide engagement survey** to hear directly from our employees. Since 2020, results have shown steadily increasing engagement, helping us shape **targeted improvement plans** and **strengthen our workplace culture**. In 2024, the engagement score reached 56%, marking a 2% increase compared to 2023.

Career growth

At Dr. Max, we are committed to fostering internal growth and creating meaningful career opportunities for our people. We support employees in taking the next step in their professional journey by offering pathways to advance within the company, helping them grow their skills, broaden their experience, and reach their full potential.

Our People at Dr. Max

At Dr. Max, we believe that **work–life balance is essential to wellbeing**. That’s why we **support all of our employees during parental leave**, maintaining regular contact and offering tools to stay connected – like a **dedicated newsletter for mothers** and **flexible work options during leave**.

We also provide **financial support for kindergartens** and are gradually introducing **remote work and flexible hours** to help employees find a rhythm that works for them and their families.

Benefit of working for Dr. Max

We go beyond wages to provide a safe, inclusive, and supportive workplace. Our benefits are designed to reflect what matters most to our people – with tailored offerings at the local level that respond to the specific needs and expectations of employees in each country. Our benefits reflect what matters most to our people:



Hardship support
for colleagues facing
illness or financial
difficulties



Membership fees
paid for 4 800 phs*
professionals,
€312,742
contributed



Financial benefits
like meal vouchers,
welcome gifts, and
contributions to
pension and life
insurance



**Group-wide
magazine**
shared quarterly via
the Dr. Max Media
app



Family support
e.g. school supplies
for employees’
children

These initiatives
reflect our belief in
creating a workplace
that **cares for
people – both on
and off the job.**

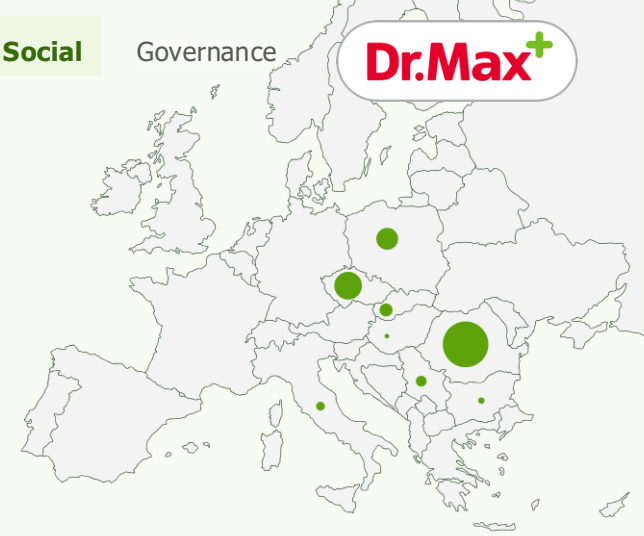
Workforce Structure

Diversity and Inclusion at Dr. Max

At Dr. Max, we believe in creating a workplace where **everyone feels respected, valued, and welcome**. We're proud to employ people of **all ages, backgrounds, and identities**, and we do not tolerate any discrimination – whether based on **gender, sexual orientation, or other personal traits**.

While we're still early in our journey, we're taking real steps to **increase diversity**, especially when it comes to having **more women in senior positions**. To support this, we're rolling out **leadership programmes and mentoring opportunities** designed to promote equal chances for everyone.

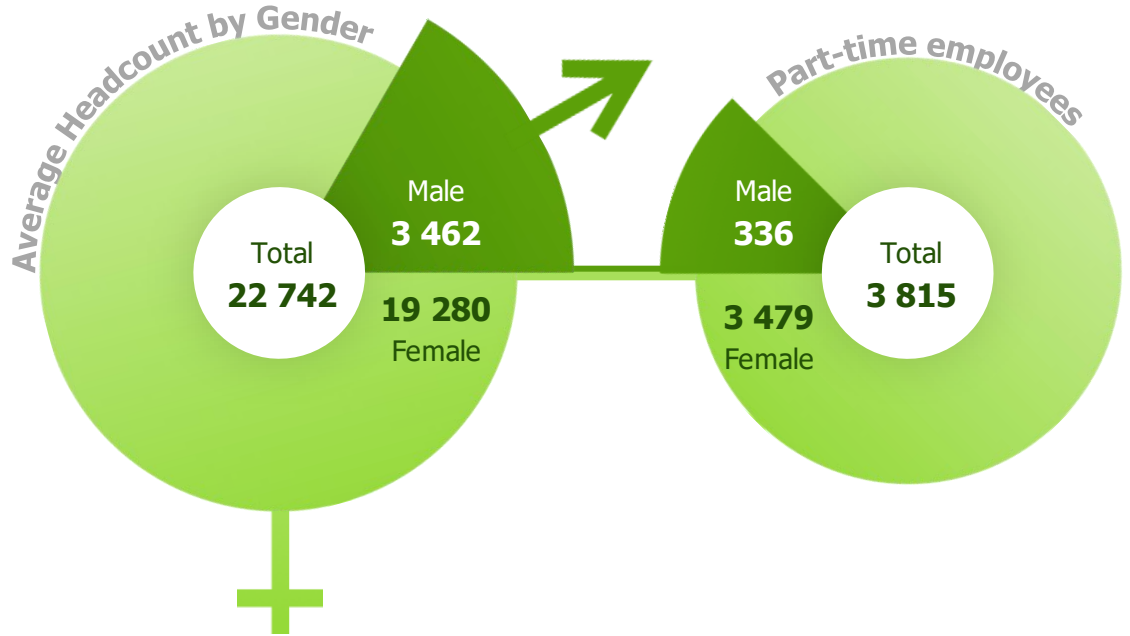
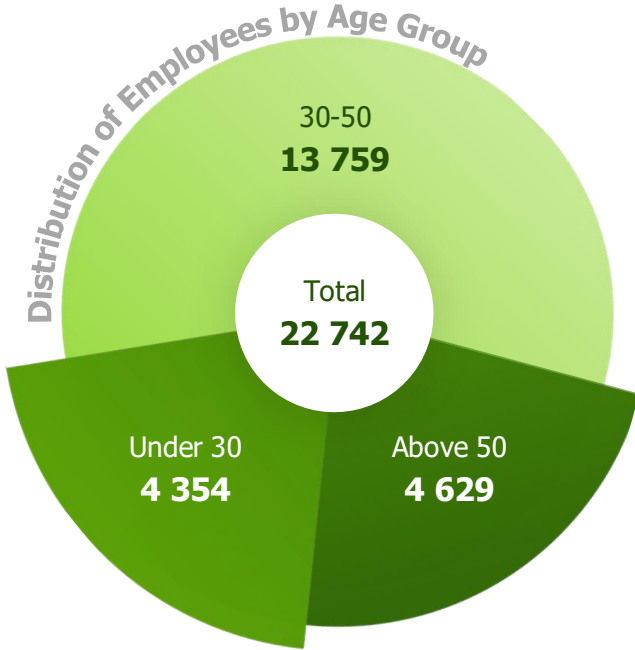
These efforts apply to **all parts of our organisation**, including employees, contractors, and external partners.



**Average Number of Employees by Country
(Headcount)**

Romania	6 190
Czech Republic	5 846
Poland	4 346
Slovakia	3 333
Serbia	1 771
Italy	1 135
Bulgaria	95
Hungary	26

Workforce Structure



Keeping Everyone Safe and Healthy at Work

The **health and safety of our employees is a top priority.**

Dr. Max complies with all national safety regulations, and many subsidiaries go further with **additional internal safety programmes.**

All employees receive **mandatory health and safety training**, including refreshers for long-term staff and onboarding sessions for new joiners. These efforts ensure that everyone at Dr. Max has the **knowledge and tools to stay safe, healthy, and supported** at work. This focus is especially important for Dr. Max because many of our employees work directly with patients, medicines, and sensitive equipment in fast-paced environments.

Ensuring their wellbeing not only protects our teams – it also helps us deliver safe, high-quality care to the communities we serve.

0

Number of fatalities as a result of work-related injuries and work-related ill health

100%

Percentage of people in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines

2%

Rate of recordable work-related accidents

Training and Development

At Dr. Max, we believe that **continuous learning is essential** – both for delivering great patient care and staying ahead in the fast-changing healthcare world. That's why we **invest in the growth and development of our employees**.

To support this, we created the **Dr. Max Academy** in 2008, which is our central hub for learning across the company. Through the Academy, we show our commitment to **lifelong learning** and help our people grow along with us.

It's built on three main pillars:

E-learning

Professional
conferences

Internal training
programmes

This combination gives our pharmacy teams a flexible and well-rounded way to keep learning. A big focus is on **communication and customer care**, helping our teams build strong relationships with patients – and making Dr. Max a trusted name in healthcare.

Communities Around Us – Local and Professional

Supporting and Engaging with Local Communities

At Dr. Max, we understand how important it is to support the **local communities** where we operate. While we're still building a **formal engagement process**, we make it easy for people to reach us through **country-specific contact points** on our website and e-commerce platforms.

In **2024**, we donated **€2.6 million** to a variety of **local and charitable causes** through our **philanthropic grant programme**.

Our contributions focus on real, local needs, and include:

- **Funding charities and NGOs**
- **Supporting medical research**, hospitals, and care centers
- **Donating medical supplies** to underserved communities
- Providing **health education** and **children's initiatives**

We're committed to measuring the impact of our donations and making a positive difference locally, across countries where we operate. In 2024, we:



Expanded **senior centers** in Ploiesti, added **care for >2 500 seniors**, co-developed **381 activities**, reaching **762 dedicated hours**



Funded **5 new Taxík Maxík vehicles** – elderly & disabled **social transportation** to hospitals, pharmacies & care centers, **15 000 rides** annually



Distributed 700 **baby monitors** to help reduce SIDS*, continued giving access to certified monitors **to >120 pharmacies**



Delivered **>9 000 screenings, consultations & awareness sessions** with support of **400+ volunteers** across **20+ cities**



Scaled up free **cervical cancer prevention** screenings with Médecins Sans Frontières for underserved communities **in 10 pharmacies**



Donated **1 500 school kits** to low-income families & participated in **reforestation** events in collaboration with local environmental NGOs

Communities Around Us – Local and Professional

Promoting the Profession Through Education

The **Dr. Max Academy**, which is our learning hub, is not just for our employees – it's also open to **external pharmacists, nurses, and healthcare professionals**, with **tens of thousands** participating in training each year, including programmes linked to **World Health Organization** campaigns.

We also invest in the **next generation** by offering **internships** to high school and university pharmacy students. Programmes like **Dr. Max Camp** and our **school ambassador teams** help promote the profession, **strengthen its public image**, and inspire future talent.



Our Customers and How we Serve Them

Making our Products Accessible and Affordable

Ensuring Accessibility

Ensuring access to essential medicines and health products is a fundamental part of our responsibility to society. It supports public health, reduces inequality, and strengthens trust in the healthcare system. By making our products more accessible – whether through pricing, availability, or distribution – we help people get the care they need, when they need it. Accessibility is not only a social commitment, but also a key to long-term, sustainable impact.

With over **3 000 pharmacies**, Dr. Max became the **second-largest pharmacy chain in Europe in 2024**. In the Czech Republic, we operate the country's largest pharmacy network, representing 20% of public pharmacies.

Thanks to our broad coverage and strong focus on accessibility, we served over **200 million customers** and sold **426 million items** through our pharmacies in 2024.

To further improve accessibility, we offer:



**Long opening hours
(up to 12 hours daily,
7 days a week)**



**Strategic locations,
with over half of our
pharmacies in
shopping malls**



**Barrier-free
access for all
customers**



**Friendly store layouts
for easy navigation**



**Welcoming service,
delivered by highly trained
pharmacy professionals**

Our Customers and How we Serve Them

We ensure access to essential medicines and health-promoting products through:



Fair Pricing



A fast growing
e-shop platform



A wide pharmacy
network

A best-in-class loyalty
programme



20 000
items available



60%
of online customers choose
to collect their orders in-
store



13.9 million
transactions processed by
Dr. Max e-shop

Dr. Max E-shop

Our e-shop operates in **the Czech Republic, Slovakia, Poland, Romania, Serbia, and Italy**, offering a wider selection than traditional pharmacies. It has up to **20 000 items available and same-day delivery** in some markets.

In 2024, the e-shop processed **13.9 million transactions**, with the Czech Republic maintaining its position as a market leader. Around **60% of online customers choose to collect their orders in-store** – making the process more convenient and environmentally friendly.

Supply Chain Challenges and Resilience

It has become clear that **access to medicines** can be impacted by **supply chain complexity**. The **COVID-19 pandemic** highlighted the **risks of over-reliance on a single region**, exposing vulnerabilities in global sourcing.

Nearly **50% of our Dr. Max brand and third-party products** are sourced from **outside Europe**, particularly from **Asia**, where **political or logistical disruptions** could affect supply continuity.

We are actively reviewing our sourcing strategies to strengthen **resilience and reliability** – ensuring our customers continue to receive the care they need without interruption.

To reduce risks and protect medicine availability, we are working to:

- Diversify our supply chain,
- Strengthen local and regional sourcing, and
- Build a more resilient supply structure to prevent shortages.

Developing a resilient sourcing approach helps to ensure product quality and safety while also improving access – especially during crises – by **reducing delays and dependency on global disruptions**.

Together, these efforts reflect our ongoing commitment to ensuring that our **customers can access the medicines and care they need, wherever and whenever they need it**.



Affordable Healthcare with Dr. Max Benefit Card

At Dr. Max, we believe everyone should have access to affordable care. That's why we introduced the **Dr. Max Benefit Card** in **2018** – one of the most advanced **pharmacy loyalty programmes in Central and Eastern Europe**. By the end of **2024**, the programme had **over 12.5 million members** across our markets.

The Benefit Card gives customers access to a wide range of valuable services and savings, including:



Special discounts and personalised coupons



50 % discount on prescription surcharges



More than half of prescription drugs with no surcharge at all



Free e-shop delivery



Free GP consultation twice a year



Access to educational materials, preventive programmes, and health guides



Exclusive benefits for parents and their children

What makes the Dr. Max Benefit Card unique is its combination of:

- **Transparency:** clear rules, especially for prescription drug discounts
- **Complexity:** a wide variety of offers, from coupons to patient services
- **Personalization:** tailored product offers based on customer preferences and habits

Through this programme, Dr. Max continues to support the affordability of healthcare – making sure customers get real value, while never compromising on quality or care.



Listening to Our Customers

We are committed to providing a **safe and open environment** where our customers feel **heard and respected**. We have **clear protection mechanisms** in place to prevent retaliation when someone raises a concern through our official channels – whether they're a **customer, employee, or pharmacy visitor**. All feedback is handled **confidentially**, helping us build a culture of **trust and continuous improvement**.

Customers can contact us via **hotlines, online forms, or in-pharmacy staff**. Each complaint is **reviewed and classified** (confirmed, non-confirmed, or unknown) so we can address the issue at its root and **maintain the high quality and safety** of our services.

In **2024**, customer feedback was actively collected in **56% of the countries** where we operate – and we're working to **increase this coverage** in the future.



Here's how we handle all feedback about our products and services:

Complaint Framework

- **Inside Scope:** feedback on **product quality, packaging, availability,** or appearance
- **Outside Scope: adverse events or reactions** handled separately, under strict safety procedures

Types of complaints we receive

- **Product:** quality or effectiveness issues
- **Manufacturing:** production defects
- **Packaging:** faults in design or function
- **Preference:** customer dissatisfaction with look or feel
- **Safety:** managed through separate safety protocols
- **Other:** availability or marketing issues

Who's involved

- **Employees:** collect and report complaints
- **Quality Management (QM):** investigates, responds, records trends, and ensures action is taken
- **Department Managers:** help resolve customer issues

Product Safety and Quality at Dr. Max

At **Dr. Max**, the **safety and quality** of our products is **non-negotiable**. Whether it's **prescription medicines, food supplements, medical devices, or cosmetics**, everything we offer must meet the **highest standards** before reaching our customers.

To guarantee this, each subsidiary operates under **robust Quality Management Systems (QMS)** that oversee the **entire product lifecycle** – from **sourcing and production** to **storage, transport, and responsible disposal** – and are aligned with **ISO standards** and **internal procedures**. This system is central to our operations, allowing us to **prevent quality issues, respond quickly** when concerns arise, and take **immediate action**, including **lab testing, batch holds, or product recalls** when necessary.

We strictly follow **Good Distribution Practice (GDP)** to ensure that all medicines and health products are **stored and transported safely**, preserving their **effectiveness and integrity** at every step. Key quality practices include **clear documentation, change control, regular staff training, and thorough qualification** of both suppliers and customers.

To further ensure safety, we maintain continuous **pharmacovigilance monitoring**, manage **recalls and complaints** through transparent systems, and enforce **strict protocols** for **falsified products, safe disposal, and product destruction**.

Product Safety and Quality at Dr. Max

All our **suppliers are rigorously vetted** and must meet stringent **pharmaceutical safety and quality standards**. From **factory to pharmacy**, products move through **secure and trusted distribution channels** – ensuring the **confidence and protection of our customers** at every stage.

At Dr. Max, **protecting personal data is a top priority**. We comply with **EU and national** regulations and follow **Group-wide IT Security Guidelines**.

Our Approach

- Covers **access control, secure devices, internet use, audits, and staff training**
- Annual updates to match evolving risks
- **Data Protection Officers** are appointed where required

Customer Privacy and Data Protection

If an incident occurs, serious data breaches must be reported immediately to the **Group Retail Operation & HR Officer**. Significant risks are escalated to the **Supervisory Board** to ensure quick action.

Good Management and Oversight

We believe that fairness, ethical practices, and good governance are the foundation of a strong and healthy organisation.

These values help us build trust and long-term relationships with our customers, employees, partners, and communities.



Living Our CARE Values and Strong Ethics

At Dr. Max, our culture is guided by our **CARE values** – a shared commitment to how we treat **each other, our customers, and our communities**. Introduced across the Group in **November 2024**, these values are the foundation of **how we work, lead, and grow** – shaping everything we do, every day.

To support our CARE values, Dr. Max launched a **dedicated digital platform** – a space where employees can explore **real-life stories, practical tips, and team inspiration** that reflect our values in action. It also helps **build connection and a shared identity** across the Group.

Every new employee receives a **CARE values booklet** and access to the platform during onboarding. **CARE training** is a key part of this process, helping boost morale, improve performance, and show how **ethics and integrity** are part of everyday decisions. By living our CARE values, we're building a workplace where people feel **respected, motivated, and proud to be part of Dr. Max**.



Customer centric

Ambitious

Respectful

Engaged

Living Our CARE Values and Strong Ethics

Our Corporate Governance Policy is in line with our CARE values. It sets the framework for acting responsibly, ethically, and transparently across all parts of the business.

The policy is built on four key pillars



**Clear ethical and
compliance
standards**



**Strong
operational
guidelines**



**Robust governance
and risk
management**



**Full transparency and
zero tolerance for
bribery**

This policy applies to the whole Dr. Max Group, including contractors, and relevant partners, helping us stay compliant, professional, and trusted in everything we do. We actively listen to our stakeholders – including employees, customers, partners, and industry groups – and use their feedback to improve our policies and align with evolving expectations.

Fighting Corruption at Dr. Max

At Dr. Max, we succeed by doing things **the right way** – through **ethical conduct, quality service, and strong values**, not shortcuts. That's why we have a **zero-tolerance policy for corruption and bribery** in any form.

We know that **some regions where we operate pose a higher risk of corruption**, so we take this seriously to protect our business and reputation. That's why we're strengthening our policies and controls across the Group.

What we're doing

- We follow anti-corruption standards aligned with the United Nations Convention against Corruption.
- Our Anti-Bribery and Anti-Corruption Policy is part of our Group-wide Corporate Governance framework.
- All subsidiaries must follow clear rules to prevent, detect, and respond to any signs of bribery.
- Mandatory training is required for employees in high-risk roles, with voluntary training available to others.

Sustainability-linked incentive schemes

There is an approved KPI that is linked to ESG performance, called the Readiness and Preparedness for ESG initiatives. This KPI comprises up to 10% of the total KPI weight in the annual bonus scheme for the management across the Group.

External assurance

We collaborate with EY, an independent certified third-party, to audit our ESG report.

2024 Results

In **2024, 42%** of employees in **at-risk roles** completed anti-corruption training – and we're working to increase this coverage.



Zero confirmed incidents of corruption or bribery



No fines, convictions, or terminated contracts due to corruption



Ongoing training and implementation across all subsidiaries

Speaking Up at Dr. Max

At Dr. Max, we're building a culture of **openness, trust, and accountability** – where **everyone feels safe to speak up**.

In line with **EU Whistleblower Protection Directive**, we're expanding our **whistleblower policies and procedures** across all subsidiaries. By the end of **2024**, **75%** of our operating countries had a **whistleblower policy** in place. A **Group-wide policy and training programme** will be rolled out by **2026**.

How it works

- Employees can report concerns **confidentially** through secure email or online forms.
- Reports are handled **independently**, and identities are protected unless legally required to disclose.
- **Retaliation is strictly prohibited** – confirmed cases result in **serious consequences**.
- Regular training ensures employees understand their **rights and responsibilities**.

These systems go beyond compliance – they help us build a **transparent and responsible workplace** where doing the right thing is part of our everyday culture.



Managing Relationships with Suppliers

All Dr. Max subsidiaries follow a **Group-wide Supplier Policy** that includes key due diligence steps such as **legal, financial, & compliance checks**. **Speculative purchasing is not allowed**, and policies are reviewed annually.

We've identified two main focus areas to improve how we work with suppliers:

1. Encouraging Responsible Procurement

We aim to include **environmental and social criteria** in procurement to reduce negative impacts and encourage **sustainable practices** in our supply chain. By using **ESG criteria** during **supplier selection and collaboration**, we can improve environmental results across the value chain – helping us meet sustainability goals and strengthen our **reputation as a responsible healthcare provider**.

2. Closing Knowledge Gaps

A current challenge is the **lack of environmental expertise** in procurement teams – especially in smaller markets without dedicated sustainability staff. Our focus now is on **building internal capacity** and **sharing knowledge across countries**.

These efforts reflect our growing commitment to **responsible sourcing and sustainable partnerships**.

We Welcome Your Feedback

At Dr. Max, we value transparency and open dialogue. If you have any questions, suggestions, or concerns related to our ESG strategy or reporting, we would love to hear from you.

Email us at:

ESG@drmax.eu

Your feedback helps us grow and improve.



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