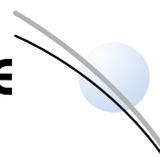


CSR REPORT

2018

Dermapharm Holding SE



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1. FOREWORD BY THE MANAGEMENT BOARD

Dear Readers,

As a manufacturer of patent-free branded pharmaceuticals and other healthcare products, aspects of sustainability are of particular importance to our business activities. This applies to sustainable strategies for the development of new products, demand-oriented purchasing for production, the responsible use of resources during drug production and packaging processes, but also efficient planning for delivery. Dermapharm seeks to manage the key stages of the value chain in its own production facilities. This strategy of in-house production is largely responsible for our economic success, ensures the quality of our products and enables the targeted use of sustainable processes.

Dermapharm is committed to Germany as a production location, where around 90 % of its products are manufactured in its own plants. The Dermapharm subsidiary mibe GmbH Arzneimittel is an important employer in the Leipzig-Halle-Bitterfeld region. Since it was founded in 2003, more than 550 jobs have been created at this site. On over 38,000 m² of space, the modern plant enables all the necessary work steps along the value chain to be carried out under one roof. From the development of new products to the design and sponsoring of clinical studies to production, packaging and shipping, Dermapharm produces here with the label "Made in Germany." Other large sites in Germany include the production sites of Trommsdorff, Anton Hübner and axicorp near Aachen, Freiburg and Frankfurt/Main. Dermapharm can implement its sustainability goals at these production sites.

An open dialogue with our employees and all other stakeholders is essential for successful business activities and therefore an essential part of our corporate philosophy. Dermapharm has conducted a regular and transparent dialogue since its IPO on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange on 9 February 2018, particularly in the context of its relations with banks, analysts and investors. This report is intended to help make Dermapharm more transparent with regard to sustainability for all these target audiences.

In this report, we consider the entire value chain on the basis of sustainable aspects. The focus here is on particularly efficient resource and energy management, the protection and preservation of the environment, equal opportunities as well as qualification and development opportunities for employees and compliance issues. However, our first Sustainability Report also highlights the areas in which Dermapharm can provide further impetus for sustainable corporate development in the future.

We are pleased to make Dermapharm's first Sustainability Report available to you and wish you interesting reading.

Grünwald, April 2019

The Management Board

Dr. Hans-Georg Feldmeier
Chief Executive Officer

Stefan Hümer
Chief Financial Officer

Karin Samusch
Chief Business Development Officer

Stefan Grieving
Chief Marketing Officer

2. INTRODUCTION

The Sustainability Report of Dermapharm Group is aimed at customers, business partners, shareholders, employees and all other stakeholders who are interested in the values and principles of our company. It comprises Dermapharm Holding SE and the companies controlled by it. Deviations are commented on accordingly.

The Sustainability Report 2018 also features the non-financial Group Management Report for Dermapharm Group for fiscal year 2018 within the meaning of Sections 315b, 315c in conjunction with 289c to 289e of the German Commercial Code (HGB).

Dermapharm does not apply a nationally or internationally distributed framework of sustainability reporting for the separate non-financial Group Management Report. However, this report is based on the criteria and standards of the German Sustainability Code.

For reasons of better readability, we do not use male and female language forms in this report, but always refer to both male and female persons.

3. BUSINESS MODEL, SUSTAINABILITY STRATEGY AND GOVERNANCE

3.1 Business model of Dermapharm Holding SE

Dermapharm Holding SE (together with its consolidated subsidiaries referred to as “Dermapharm” or the “Group”) is a leading manufacturer of off-patent branded pharmaceuticals for select therapy fields with a growing international presence. In addition to prescription pharmaceuticals, Dermapharm also markets over-the-counter drugs, natural remedies, food supplements, medical products as well as parallel imports of brand-name compounds. The company focuses on the two divisions “Branded pharmaceuticals and other healthcare products” and the “Parallel import business.”

Branded pharmaceuticals and other healthcare products

Dermapharm uses its expertise in terms of formulations and developments to develop, manufacture and market a wide range of branded pharmaceuticals for specifically chosen niche markets that are no longer protected by patents. Dermapharm currently holds more than 900 marketing authorizations for more than 250 active pharmaceutical ingredients. Furthermore, Dermapharm offers a growing portfolio of other healthcare products such as cosmetics, food supplements and dietary and medicinal products. Dermapharm Group’s product portfolio therefore covers a broad spectrum of active substances in varying strengths and dosage forms. This allows the company to offer doctors, pharmacists and above all its patients different solutions for individual medical needs. Dermapharm attaches particular importance to high product quality and careful use of the necessary resources during production. This approach not only guarantees the economic success of the corporate Group, but also makes an important contribution to supplying the population with the necessary, high-quality drugs.

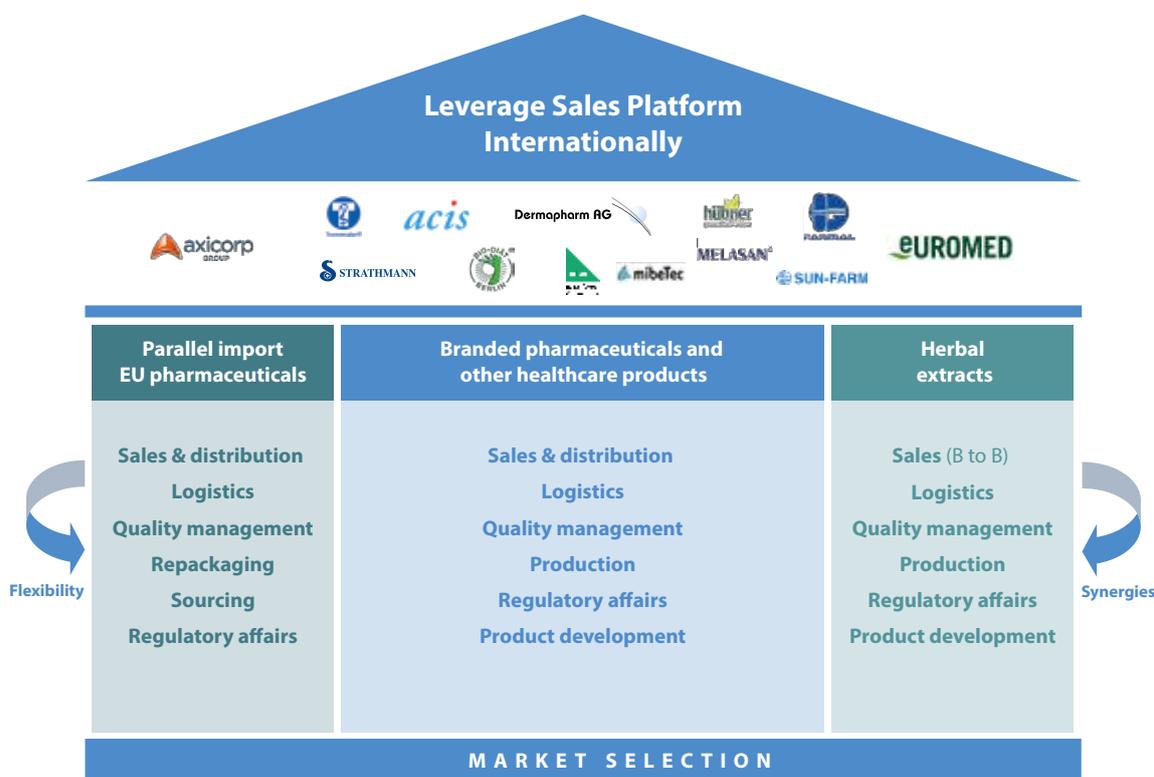
Parallel import business

Dermapharm also operates a parallel import business for the German market under the well-known “axicorp” brand. The company uses its skills in direct marketing by importing pharmaceuticals from other EEA member states for resale to pharmaceutical wholesalers and pharmacies in Germany. In doing so, the company benefits from the statutory requirement that part of the prescription originator pharmaceuticals sold under the health insurance system in Germany must be imported from other EEA member states and must be sold for at lower prices than the German original, which is intended to contribute to lowering healthcare costs. Dermapharm covers the majority of the prescription brand name pharmaceuticals available on the German parallel import market and thereby contributes to cost savings in the German health care system. Dermapharm has grown to become the fourth largest parallel importer measured by gross revenues in 2018, according to INSIGHT Health.

Strategy

Building on its strong position in the German pharmaceutical and parallel import markets, Dermapharm plans to further expand the business. Dermapharm strives to consistently leverage both organic and external growth opportunities to become the leading European manufacturer of pharmaceuticals in select markets. With the acquisitions of Strathmann, Trommsdorff, Biodiät Berlin and the patented medical products for the treatment of lip herpes and itching after insect bites as well as the successful market launch of new products, Dermapharm made further progress in this respect in fiscal year 2018. The consistent use of the resulting synergies contributes significantly to the optimization of production and delivery processes and thus strengthens the sustainability of Dermapharm’s business.

Business model of Dermapharm Holding SE



3.2 Sustainability Strategy and Objectives

As a manufacturer of patent-free branded pharmaceuticals and other healthcare products with the mission of improving the health and living conditions of the users of these products, sustainable and environmentally friendly production is an essential goal of Dermapharm Holding SE. As an expert also on dermatological drugs, Dermapharm is aware that the skin as the largest human organ is in constant contact with the environment. A clean environment is therefore the basic prerequisite for people's health and well-being and thus also part of Dermapharm's company strategy.

With the constant expansion of new therapeutic areas and the growth of the Group, Dermapharm has developed a comprehensive and Group-wide sustainability strategy. This strategy concentrates on the following essential aspects which are of major importance for the company's development:

- Economic performance
- Efficient resource and energy management
- Protection of the environment
- Protection, equal opportunities and qualification and development opportunities for employees
- Compliance issues

Appropriate objectives have been defined for these aspects:

Economic performance

The Group's economic targets are set out in the Combined Management Report of Dermapharm Holding SE in the Report on Expected Developments (page 55 ff.).

Efficient resource and energy management

As part of the production and administration processes within the Dermapharm Group, care must be taken to make proper use of the available resources in order to produce as little waste and waste water as possible. The production processes must be checked regularly for the best possible use of raw materials. Paper qualities from sustainable forestry (FSC ) or recycled materials are used in office supplies and packaging materials. In order to optimize energy consumption and profitability, the lighting of the plant and warehouses will be converted to LED in stages in the medium term. Where possible, refrigeration machines and cooling systems are regularly checked against the latest technological standards. At the main plant in Brehna, for example, an old system was replaced by a new 3rd generation chiller that offers a particularly high degree of efficiency.

Protection of the environment

In addition to efficient resource and energy management and the use of recycling materials, professional waste and waste water disposal must be ensured. When creating green areas, care must be taken to set up ecological meadows to protect insects. Business trips as well as the arrival and departure of employees to and from the workplace should be carried out by public transport wherever possible. This is supported by appropriate travel allowances. In addition, vehicles with modern engines that meet high energy efficiency classes and comply with the latest emission standards are to be preferred for the company car fleet. The company car fleet is leased and renewed every three years at the latest.

Protection, equal opportunities and qualification and development opportunities for employees

In order to optimize occupational safety, employees must be provided with modern work equipment, appropriate workplaces and a generous interior design. In addition, appropriately trained safety officers must be appointed for all work areas. Furthermore, all employees are to be given access to training courses and further education opportunities.

Compliance topics

Trust and integrity are among the most important values in the company culture and are prerequisites for the entrepreneurial success of Dermapharm. The aim of the compliance regulations is to promote responsible and ethically correct action on the part of the company, its managers and employees. Possible violations are to be identified in advance and systematically prevented. To ensure these standards, Compliance Officers were appointed at all sites in 2018 and manuals and information cards with explanations and notes on our compliance and sustainability strategy were handed over to all employees.

Performance indicators

In Dermapharm's first Sustainability Report, the following sustainability issues were defined as key performance indicators:

- Economic performance in relation to energy consumption, waste water and waste production
- Employee development
- Product quality or complaint rate
- Equal opportunities or a women's quota
- Employee protection and occupational safety

This report focuses mainly on the locations in Germany. Supplements to the branches abroad are provided separately if required.

3.3 Responsibility in corporate management

Dermapharm Holding SE has a compliance system that encompasses the entire Group.

With regard to standards for good corporate management, Dermapharm is guided by the German Corporate Governance Code (GCGC) and a Group-wide Code of Conduct (Code of Business Ethics and Compliance) in accordance with the Declaration of Compliance. The Chief Compliance Officer at Group level is responsible for controlling and monitoring the necessary activities. He is supported by additional compliance officers in the individual companies and reports to the Management Board. The compliance management system also includes a compliance manual, which contains Dermapharm's binding compliance guidelines, and a compliance card, which summarizes the main rules of conduct. All employees also have adequate communication opportunities to report potential compliance violations. In addition, Dermapharm is a member of the German Pharmaceutical Industry Association (Bundesverband der Pharmazeutischen Industrie e.V.) and thereby member of AKG e.V. AKG - Arzneimittel und Kooperation im Gesundheitswesen AKG e.V. - has drawn up a code of conduct for the pharmaceutical industry that is binding for AKG members. This code is regularly adapted to new circumstances to ensure that the pharmaceutical industry acts in accordance with the law. By becoming a member of AKG, the Group undertakes to comply with the guidelines for appropriate representation of the pharmaceutical industry, the provision of high-quality drugs, dialogue with the public, strengthening of the pharmaceutical industry and constructive dialogue with partners. In addition, the pharmaceutical industry is subject to the "Anti-Corruption Act" - the law to combat corruption in the Criminal Code - which clearly sanctions misconduct on the part of both industry and healthcare professionals. Dermapharm regularly trains the entire sales force in this regard and ensures that the legal requirements are strictly adhered to.

Dermapharm's management is particularly challenged to transfer the existing basic ideas of sustainability, environmental protection and social competence to all members of the Group at home and abroad. In the context of internationalization and active M&A activities as important parts of the growth strategy, company management is constantly aware of the importance of working together in partnership within the Group, towards international customers and towards the global supply chain.

Dermapharm respects internationally recognized human rights and supports their observance. The company strictly rejects all forms of forced and child labor. For Dermapharm, fair and performance-related remuneration also represents an important standard of good corporate governance. Target agreements and the remuneration of the Management Board and Supervisory Board are described in detail in the Remuneration Report of the Annual Report (page 65 ff.). Management and employees participate in the company's success on the basis of an evaluation of the company's development and the achievement of individually agreed targets.

Elements of responsible corporate management



3.4 Stakeholder involvement

Dermapharm is in constant contact and dialogue with all relevant stakeholder groups. These include employees, customers and suppliers, but also investors, analysts and banks.

Employees have the opportunity to contribute to the optimization of workplaces and working methods via a standardized company suggestion scheme. In addition, employees have appropriate communication channels for their concerns. Events such as company summer parties or Christmas parties also provide an opportunity for informal exchange and strengthen identification with the company. Dermapharm maintains regular contact with its customers through a professional and customer-oriented sales force, key account managers and a call center. Dermapharm uses standardized and legally prescribed certification systems when exchanging information with its suppliers. For European suppliers, we pay close attention to the corresponding EU certifications. Dermapharm is obliged to audit suppliers from third countries. This is done according to defined audit plans. China and India are the most important supplier countries in the global procurement market for pharmaceutical raw materials. Naturally, suppliers of Dermapharm Group are also based there. Accordingly, company management has decided to employ a local employee who is responsible for the selection, support and control of these suppliers. All suppliers are subjected to a regular, documented supplier evaluation.

The active dialogue with investors, analysts and banks has the highest priority for Dermapharm. In this context, the company regularly informs about its development via the usual channels of capital market communication. Dermapharm Holding SE meets the highest possible transparency requirements with its listing on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange. This also includes the holding of an Annual General Meeting. In addition to legal obligations, Dermapharm endeavors to promote a constructive dialogue by participating in various investor conferences and individual discussions. In addition, Dermapharm offers telephone conferences with webcasts on a regular basis and on special occasions. All relevant information on the company's development is made available in German and English on ir.dermapharm.de.

Capital market communication

4

Financial reports

6

Conferences and roadshows

5

Webcasts /
phone conferences

14

Corporate news and
ad hoc announcementsRegular exchanges with investors,
analysts and the media

1

Annual General Meeting

3.5 Risk management in the context of sustainability

Dermapharm has a comprehensive risk management system that considers all components of the value chain. Since sustainability aspects can contribute to a long-term positive business development, they are also taken into account when assessing opportunities and risks, where relevant. The risk management system consists of a large number of modules, which are explained in detail in the Report on Opportunities and Risks in the Annual Report (page 46 ff.).

3.6 Rules, processes and controls

Dermapharm has a control system and corresponding financial performance indicators for the economic planning and control of the individual business divisions. Since sustainability aspects can contribute to a long-term positive business development, the relevant considerations are incorporated into the management system, where relevant. The Group management system is described in detail in the Annual Report.

In addition, the manufacture and sale of healthcare products, in particular pharmaceuticals, are subject to permanent inspections by the authorities besides the company-wide quality management system. The manufacturing processes for the products are already laid down and officially approved during the approval process. Compliance with these procedures is monitored by the regional supervisory authorities. Dermapharm's quality products are manufactured exclusively according to validated processes on tested machines and equipment.

Additional rules, processes and controls relating to individual aspects of sustainability are described in more detail in the following chapter, if necessary.

4. SUSTAINABILITY ASPECTS

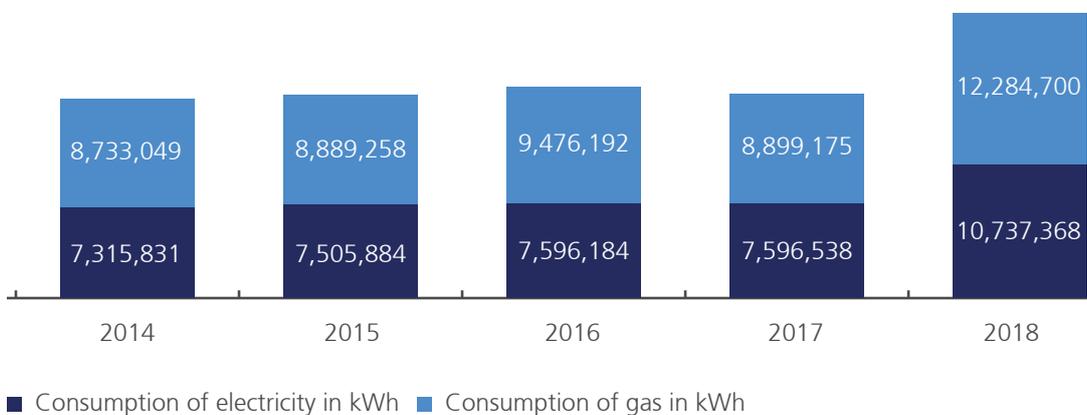
4.1 Environmental issues

As part of the “everything under one roof” approach, Dermapharm covers almost the entire value chain of pharmaceutical production in its own production facilities. These facilities include the German plants of mibe (Brehna near Leipzig), Anton Hübner (Ehrenkirchen), Trommsdorff (Aldorf), Strathmann/Biokirch (Seevetal) and axicorp (Friedrichsdorf), as well as locations outside Germany such as Melasan (Eugendorf, Austria), Euromed (Barcelona and Murcia, Spain) and Sun-Farm (Warsaw, Poland). Dermapharm covers all necessary steps from product development to raw material procurement, production, marketing, warehousing and dispatch and avoids unnecessary interactions. The company manufactures approx. 90 % of all the products it sells in-house and therefore creates short distances from production to dispatch and thus to the customer. The “everything under one roof” approach is not only beneficial to the profitability of the Dermapharm business, but also conserves resources and the environment.

Dermapharm creates the prerequisites for resource-saving production processes through state-of-the-art standards as well as regular maintenance and optimization of the production sites. This includes consistent energy-saving measures. Through efficient thermal insulation of the buildings, greening of the warehouses as well as active air ventilation at night, Dermapharm is able to dispense with costly and energy-intensive air conditioning of its warehouses at the Brehna site during the summer months. The temperature in office buildings is also regulated in accordance with the workplace without additional air-conditioning by means of shading and thermal insulation. In addition, a highly efficient refrigeration system was installed at the Brehna plant and an old system with significantly lower efficiency and output was replaced. This measure also replaces a further, smaller refrigeration system, so that a considerable increase in cooling capacity could be achieved with less energy consumption. Since 2015, these efficient energy-saving measures have been certified by an energy audit DIN EN1642 from an accredited engineering office. In addition, Dermapharm equips all its production facilities with energy-efficient LED lighting. This conversion has already begun at the Hübner and Brehna plants and is also being successively driven forward at the other locations.

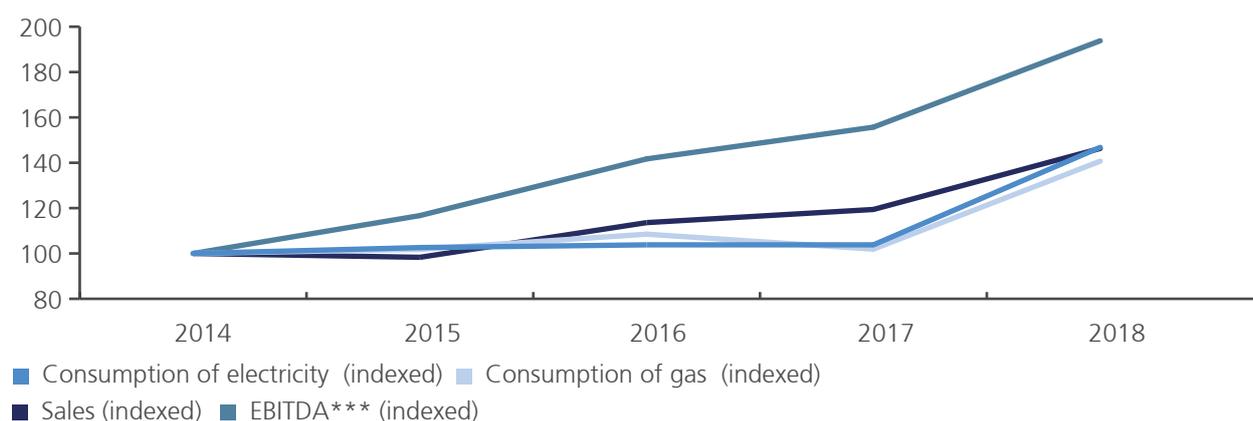
Energy consumption in kilowatt hours (kWh) and in comparison with the operating performance indicators of sales and EBITDA is shown in the following graphs. It is clear that the increase in operating performance is significantly higher than the increase in consumption. Dermapharm has thus achieved its main goal of optimizing energy consumption in the past fiscal years and increased the efficiency of its production facilities.

Energy consumption of Dermapharm Group* from 2014 to 2018 in kWh



*German sites

Energy consumption of Dermapharm Group* for the years 2014 to 2018 in comparison to sales and earnings development**



Revenue and EBITDA of the Dermapharm Group in multi-year comparison (in EUR million)

| Year | Sales | EBITDA*** |
|------|-------|-----------|
| 2014 | 391.3 | 72.5 |
| 2015 | 384.8 | 84.6 |
| 2016 | 444.5 | 102.7 |
| 2017 | 467.1 | 112.9 |
| 2018 | 572.4 | 143.4 |

*German sites

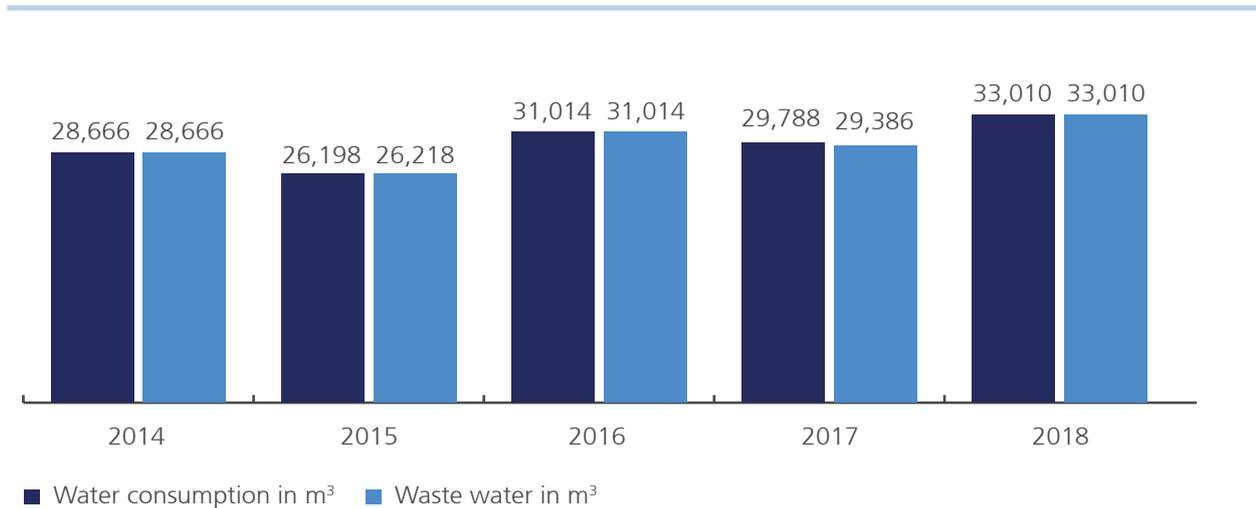
**Values indexed according to the underlying 100 index points. Sales and EBITDA also include sites outside Germany.

***EBITDA 2017 and 2018 adjusted for one-time costs of EUR 2.7 million and EUR 3.8 million, respectively, for IPO preparations, or the IPO and the acquisitions of Strathmann and Trommsdorff.

Efficient resource management also plays an important role for Dermapharm in the context of water consumption and waste water reduction. Careful cleaning of equipment is essential for manufacturing processes and product quality in the pharmaceutical industry. Water is the decisive solvent for the cleaning processes. Dermapharm therefore attaches great importance to keeping water consumption as low as possible while at the same time minimizing wastewater pollution. Accordingly, Dermapharm's plants prefer dry cleaning methods to wet cleaning wherever possible. Further measures to reduce waste water result from state-of-the-art production facilities used in the plants of the Dermapharm Group: An ideal product yield and thus very low residual build-up, which can only be removed by cleaning, as well as the use of so-called cip systems ("cleaning in place"), which enable effective, highly efficient and at the same time resource-saving cleaning.

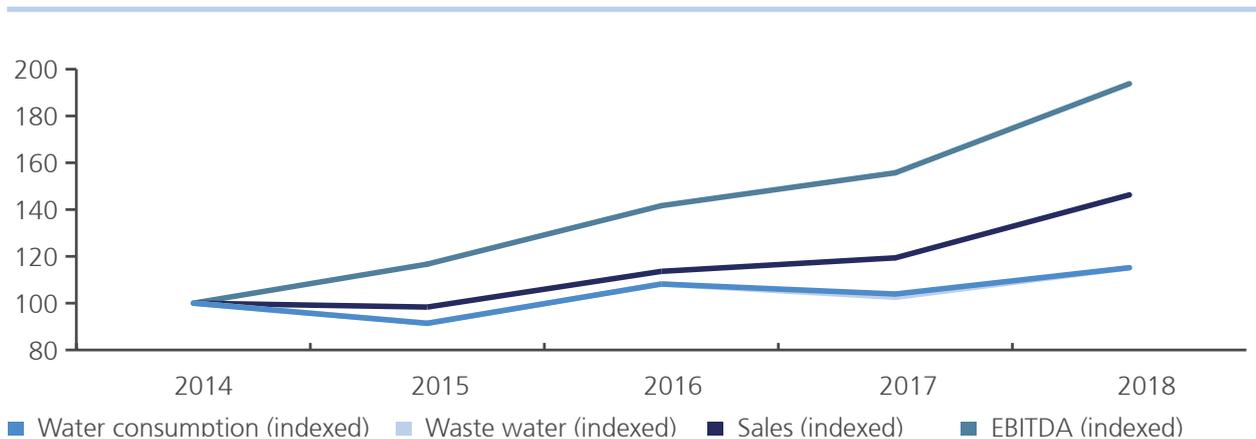
The water consumption and the resulting waste water in cubic meters (m³) is shown in the following diagram as an example for the mibe GmbH Arzneimittel plant in Brehna, which uses more than half of the water used. An indexed comparison of water and waste water consumption at the Brehna plant with the Group's sales and EBITDA shows that operating performance improved disproportionately with a moderate increase in the use of resources.

Water consumption and waste water of mibe GmbH Arzneimittel from 2014 to 2018* in m³



*Volume in each case from April of the previous year to April of the year listed

Water consumption and waste water of mibe GmbH Arzneimittel for the years 2014 to 2018* in comparison to the sales and earnings development of the Dermapharm Group**



*Water consumption and waste water from April of the previous year to April of the year listed. Sales and EBITDA corresponding to the respective reporting date of December 31.

**Values indexed according to the base value of 100 index points. EBITDA 2017 and 2018 adjusted for one-time costs of EUR 2.7 million and EUR 3.8 million, respectively, for IPO preparations, or the IPO and the acquisitions of Strathmann and Trommsdorff. Sales and EBITDA also include the locations outside Germany.

Waste management and the proper disposal of recyclable materials and pharmaceutical packaging are, of course, carried out in accordance with statutory regulations.

The waste disposal of pre-packaged products is essentially organized via the Zentek Dual System, the joint venture of leading independent medium-sized waste management companies in Germany, which ensures compliance with the recycling quotas prescribed by law. The principle of the best possible separation of recyclable materials applies to disposal. Our pharmaceutical packaging is collected in accordance with the statutory provisions of the Packaging Ordinance and then disposed of professionally and in a CO₂-neutral manner.

The following quantities of pharmaceutical packaging were fed into the Dual System for recycling in fiscal years 2017 and 2018:

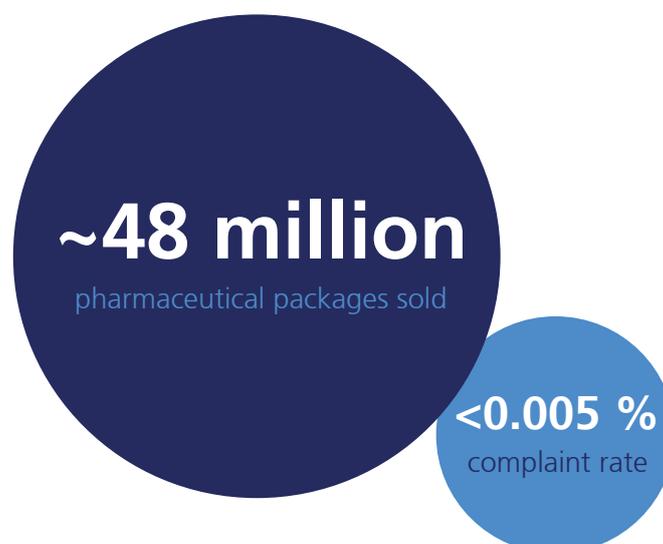
Recycled waste materials

| In tons | 2018* | 2017 | +/- |
|---------------------------|-------|------|----------|
| Glass | 586 | 533 | +9.9 % |
| Cardboard | 566 | 437 | +29.5 % |
| Ferrous metals | 2 | 2 | +0.0 % |
| Aluminum | 40 | 32 | +25.0 % |
| Plastics | 153 | 150 | +2.0 % |
| Other composite packaging | 174 | 151 | +15.2 % |
| Other materials | 23 | 3 | +666.6 % |

*New in 2018: Trommsdorff GmbH & Co. KG, Strathmann GmbH & Co. KG, Bio-Diät-Berlin GmbH, mibeTec GmbH

Economic efficiency measures also contribute to waste avoidance. The maximum yield from the raw materials used and the highest quality standards can significantly reduce the amount of waste. In 2018, over 48 million pharmaceutical packages were sold in the Dermapharm Group's plants. The complaint rate – only for packaging defects, not for product defects – was less than 0.005 %.

Pharmaceutical packages sold and complaint



By manufacturing approx. 90 % of the entire product range in its own plants and applying the regional principle in the procurement of raw materials, Dermapharm optimizes transport routes within the value chain. If the supply of raw materials from overseas is necessary for production, air freight is avoided wherever possible. For dispatch logistics, Dermapharm relies on the use of a central logistics center in Brehna. This is the transfer point for as many products as possible to qualified forwarding agents, who distribute the goods to the customers in accordance with the applicable transport quality criteria. Through this centralization, Dermapharm bundles its own flows of goods and optimizes customer transports.

Dermapharm maintains a fleet of modern and environmentally friendly vehicles, which are constantly renewed, for the transport of employees, including the use of company cars – for field staff, for example. Where possible, communication between the individual branches is handled via electronic channels. In the case of business trips between locations, travel by train is supported, e.g. by issuing train discount cards to frequent travelers, and is thus preferred to other means of transport.

Mobility and communication

Travel by train



Modern company car fleet



Electronic communication



4.2 Employee matters

In the area of employee matters, Dermapharm complies with all applicable employee laws in Germany and the countries in which the subsidiary is domiciled. In addition, the management sees a very decisive task of its activity in maintaining and further developing a medium-sized company culture together with the employees.

One of the most important basic principles of the Group is to bind employees to the company on fair terms and for as long as possible. For the most part, the use of temporary workers is dispensed with and the identification of permanent employees with the company is specifically promoted. These principles apply in the same way to industrial employees as to field staff. As employers, the companies of Dermapharm Group commit themselves to performance-related pay, the payment of a 13th salary as well as holiday pay, the possibility of a company pension scheme (direct insurance), a travel allowance in accordance with local public transport tariffs as well as payment of capital-forming benefits.

In order to ensure the availability of qualified staff, the subsidiary mibe GmbH Arzneimittel, which is the Group's largest operating site, has consistently focused on in-house employee training since its foundation in 2003. Currently, 23 young people are being trained there in the professions of pharmacist, laboratory technician, industrial clerk, cook and warehouse logistics specialist. The hiring rate after the end of training was 21 % in fiscal year 2018. In addition, Dermapharm promotes further qualification measures as part of its personnel work, such as supporting external doctorates, carrying out bachelor's and master's theses or supporting bachelor's and master's degree courses for targeted personnel recruitment. Numerous internal and external training opportunities and events are also available for the various groups of employee.



23 trainees



21 % acceptance rate



98 % of the employees have access to training and further education

To protect employees and promote health, Dermapharm places strong emphasis on providing modern, well-illuminated and ventilated workplaces. Individual safety precautions and regulations are in place for all workplaces. Each department has its own safety officer. At the same time, regular training and safety analyses are carried out by external experts. In this way, Dermapharm is able to minimize the number of occupational accidents and keep the accident rate low.

Dermapharm has an in-house suggestion system to optimize workplaces and working methods. In this way, employees can contribute their ideas to the improvement of processes. All suggestions are evaluated by the Management Board or the head of the respective site and awarded special prizes based on their scope, impact and quality.

Safety and employee suggestion scheme



0.03 occupational accidents per employee*



41 recommendations for improvements via the employee suggestion scheme

*Occupational accidents with a subsequent absence from work of more than three days

4.3 Social topics

As an important employer in the Leipzig-Halle-Bitterfeld (Brehna) region, but also at the other locations where Dermapharm is active, the company takes its responsibility to the community seriously and is committed to its employees and the region.

This includes providing employees with a modern and social working environment. At the largest locations, there are modern social rooms and, at some places, own company restaurants. The company also provide generous support for its employees. Hot drinks and water are generally free of charge and available to every employee at every workplace. During company parties at the various locations, there is also the opportunity for informal exchange between the Management Board and all members of the company, which helps to strengthen identification with the company.

Dermapharm attaches high importance to a modern organization of working hours that takes the needs of its employees into account. This applies both to the flexitime model for employees and to the working time models for industrial employees. These include, for example, day shift models for young mothers with small children who originally signed a regular shift contract. Dermapharm also encourages its employees to engage in health promotion activities. Special health or sports programs are recommended or offered to employees at various locations within the Group. These include, for example, joint preventive measures in cooperation with the statutory health insurance funds.

Equal opportunities and diversity are, of course, part of Dermapharm's corporate management. The company attaches great importance to a culture of mutual trust and respect. Discrimination based on age, origin, gender, handicap, world view, sexual orientation or other individual characteristics is not tolerated. Equality between men and women is a central component of our company policy. In 2018, 61 % of all employees in Dermapharm Group were women. The share of women in management positions was 47 % in 2018

The production site of mibe GmbH Arzneimittel in Brehna has already received four awards in the "Family and Career" competition in the district of Anhalt-Bitterfeld. This prize is awarded to companies that strongly promote the compatibility of family and career. The Management Board strives to further promote these and similar measures in all subsidiaries in the future.

Recognized 4x as a "Family Friendly Company"



4.4 Human rights

Dermapharm respects and supports the observance of internationally recognized human rights and the Charter of Fundamental Rights of the European Union. The company rejects all forms of forced and child labor. When selecting suppliers from third countries, Dermapharm carries out the statutory auditing according to defined audit plans. As part of this survey and the supplier self-disclosure, the company will increasingly focus on compliance with human rights and environmental standards in the future.

4.5 Lawful and legally compliant conduct

Dermapharm has implemented various measures and controls to ensure that its conduct complies with the laws and regulations. Possible violations are to be identified in advance and systematically prevented.

In accordance with the declaration of compliance with the German Corporate Governance Code (GCGC), the work of the Management Board is regularly reported on in detail. The Management Board is monitored and advised by the Supervisory Board, whose work is also documented within the framework of the applicable laws and regulations. Further information on the activities of the Supervisory Board in 2018 can be found in the Annual Report in the Report of the Supervisory Board (page 9 ff.). The other compliance measures have already been explained in detail in chapter 3.3 "Responsibility in corporate management."

There were no cases of corruption or fines for non-compliance with laws and regulations in fiscal year 2018.

5. IMPRINT

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