



# RESPONSIBLE CHOICES FOR A HEALTHIER FUTURE

**SECOM<sup>®</sup>**  
**HEALTHCARE**  
**GROUP**

Sustainability report  
2020 & 2021



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## Our Co-Founders' message

Dear friends,

We are very pleased to present Secom®'s first sustainability report. The following pages provide a transparent description of our activity during 2020-2021, in terms of social, economic, and environmental impact, as well as our goals and targets for the coming period, aimed at contributing to our sustainable growth. All these topics were highlighted by our first materiality analysis, carried out for the first time at the beginning of this initiative.

We chose to do this analysis and publish our first sustainability report because we believe that each of us, individual or company, regardless of the size of the business, has a responsibility to create a better world for future generations. Although we are not bound by the mandatory non-financial reporting regulations, nor are we subject to the legislative provisions in force, we want our voluntary initiative to be an example to the Romanian dietary supplements industry and to the overall economic community.

We are doing this because in 2004 we started out with a Mission, a Higher Purpose, not just a business vision, and in our case the mission was our honest desire to do good and to help people through our products and services to have a more balanced, healthier life. This gave us the motivation and determination to build Secom®.

Throughout these years we have learned that transparency, honesty, and responsibility are the most important business principles, both in the relationship we have with our partners and suppliers, but especially in our relationship with customers and consumers who trust us every day by choosing our portfolio of over 400 products.

Based on these principles and the overview this process provided, we defined our sustainability strategy. The strategy focuses on 5 priority directions that address our key impact areas: Ethical Business Performance, Quality for Healthcare, Team Development, Community Involvement, Environmental Efficiency, each of them with specific short, medium, and long-term objectives.

We are aware that we still have a lot of work to do and that it will not be an easy road, but we are convinced that the benefits resulting from the measures we committed to, will create value for the company and for all our stakeholders. We promise that this will not be a one-off exercise, but that we will continue to review and monitor our sustainability performance so that we can make the best decisions for both the company and those around us.

Last, but not least, we would like to thank the entire Secom® team who contributed, directly or indirectly, to this report. You have shown us once again that we are guided by the same strong principles and values that drive us to make **Responsible Choices, for A Healthier Future**.

Andrei and Lucia Costea  
Secom® co-founders



# About the report

**Building on our commitment to become more accountable and communicate transparently about our business and the economic, social, and environmental impacts we generate, we are publishing Secom® Healthcare SRL's first sustainability report this year.**

The report was developed in accordance with GRI 2016 Standards (Global Reporting Initiative), Core option, and is based on the requirements of [Directive 2014/95/EU](#), enacted into Romanian law by the [Order of the Ministry of Public Finance no. 3,456/2018](#). Although we do not meet the criteria for mandatory sustainability reporting (average no. of over 500 employees), we want to set an example for the industry, but also for the economic environment in Romania in general. We believe that each of us, regardless of the size of the business, has a responsibility to leave a better world for future generations.

[click here for interactive elements](#)

**Responsible choices, for a healthier future** provides an overview of our business-specific sustainability indicators needed to understand the impact and performance of Secom® towards sustainable development. The information described below includes a quantitative and qualitative overview of environmental, social, and people topics relevant to our sector, as well as details on human rights, business ethics, responsibility policies, and other topics of interest to us and our stakeholders.

The content of the report was developed based on the results of the materiality process that took place in March 2020 and consisted of two parallel stages: stakeholder consultation and internal analysis of the economic, social, and environmental impact dimensions.

Also, to integrate our concern for the implementation of best practices in line with international provisions, we began an analysis to prioritize the Sustainable Development Goals relevant to us, i.e., those Goals to which Secom® contributes through its daily activity.

The report was developed with the support of The CSR Agency consultants, together with the Secom® sustainability team.

Alina Tătaru  
Corporate Communications  
Manager & Sustainability  
Team Coordinator

Diana Petrovski  
Regulatory Affairs Specialist

Anneliese Nan  
Regulatory Affairs Manager

Simona Ursu  
Logistics Manager

Nicoleta Gologan  
Supply-Chain Projects  
Coordinator

Alexandra Mihai  
Demand & Supply Planner

Răzvan Drăgan  
Logistics Specialist

Marian Nica  
Customer Care Team Leader

Cristina Bucur  
Accounting Team Leader

Roxana Giuleşteanu  
Legal Advisor

Alexandru Procovanu  
Facilities & Car Fleet Manager

Flavia Florescu  
Innovation & Scientific  
Support Manager

Iulia Preda  
National Retail Manager

Andrei Severenciuc  
Senior Trade Marketing  
Coordinator

Andreea Bontoş  
National Medical Manager

Oana Anghelina  
Area Sales Manager Pharma

Răzvan Pîrvulescu  
Infrastructure & Cloud  
Coordinator

Mihaela Niţu  
Internal Auditor

Alexandra Jurcoane  
Consumer Market Insights  
Manager

Cristina Barin  
People & Business Partner



Headquarters and the official name of the organization:

**SECOM HEALTHCARE**  
HEADQUARTERS – Equilibrium  
Building 1, 2 Gara Herăstrău  
Street, 8<sup>th</sup> floor, 2<sup>nd</sup> District,  
Bucharest

The building was designed  
by Skanska, is LEED Platinum  
certified, and complies with  
the highest standards in the  
field.



Website:

[secom-healthcare.com](https://secom-healthcare.com)



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# ABOUT SECOM®

Company overview

Affiliations and awards

Risk management

Business responsibility  
and ethics



# Company overview

Secom® is a trendsetter and leading authority in integrative medicine solutions, that has built a solid reputation in the Romanian market for importing and marketing premium natural healthcare and beauty products with globally researched, certified, and patented ingredients.

1997

Our story began in 1997, as a family business when we opened one of the first naturist stores in Bucharest. In 2002, we began partnering with phytotherapists and the store evolved into a small Naturopathic Consulting Centre.

2003

In 2003, we reviewed the activity of the center and the store, and since local products were not generating the expected results, we started to look at the international markets - in particular the US, which was by then a mature market with decades of experience.

2004

After reaching out to several international producers in 2004, we decided to import dietary supplements with innovative ingredients, mostly from the US, and began the import business.

**Secom® was a trendsetter in the field, as one of the first companies to introduce the concept of integrative medicine and scientific phytotherapy in Romania and brought the first studied and certified dietary supplements with innovative ingredients at that time:** medicinal mushrooms, colostrum, glutathione, 5-HTP, resveratrol, GABA, L-citrulline, as well as a range of supplements specifically formulated by pediatricians for children's health - ChildLife® Essentials.

2008-2013

During 2008 and 2010 we began developing the organizational structure of the company to allow the expansion of the business nationwide.

In 2013 we opened our own retail chain to connect with our consumers and provide them with the information they need to understand the benefits that dietary supplements can offer for both maintaining health and balancing certain deficiencies alongside allopathic medication.

At the end of 2021, Secom® operated 13 stores in 11 major cities in the country: Bucharest, Bacau, Brasov, Cluj-Napoca, Iasi, Ploiesti, Pitesti, Sibiu, Timisoara, Arad, and Oradea as well as the online platform [secom.ro](https://secom.ro).



More details about Secom® store locations [here](https://secom.ro).





2008–2013

Consumers can find the entire Secom® (constantly evolving) portfolio of more than 400 products in our stores: dietary supplements, natural cosmetics, and premium teas, as well as professional scientific phytotherapy advice. We do everything to help our consumers make informed and responsible choices about the products in the Secom® portfolio that suit their needs.

Our consultants are specializing in scientific phytotherapy, have experience, and availability to provide educated, informed, personalized advice to our in-store consumers, to support them in choosing and using the most effective dietary supplements from the Secom® and Good Routine® portfolio.

2020


In 2020, after almost two decades in business, during which time we had access to best practices from around the world, we decided to invest all our experience in developing our own brand of dietary supplements under the Good Routine® brand, which meet the same quality standards consumers have come to expect from us.

Good Routine® supplements are produced in Spain and Italy with the help of Secom® partner producers, renowned for their investment in Research, Development, and Innovation, for the quality and benefits of their patented and scientifically documented ingredients.


Good Routine® products stand out for their unique combinations of synergistically acting ingredients and innovative formulas, created by Secom®'s own recipes, to support the modern consumers in their efforts to live a balanced life and adopt and maintain small healthy habits.

2021

Under the Good Routine® brand, we market a wide range of supplements, each with distinct benefits: products that complement the diet, including vegetarian or vegan diets, balance intestinal flora, support immunity, support joints, support the body in times of fatigue and stress, regulate cholesterol levels, protect the liver and heart, support urinary tract health.

 More details about Good Routine® products can be found on [good-routine.com](https://good-routine.com).

In 2021, after 17 years of activity, during which we have evolved sustainably, becoming a benchmark company in the supplements market in Romania, we have taken a new step forward and consolidated our activity in Secom® Healthcare Group.

 More details can be found on [secom-healthcare.com](https://secom-healthcare.com).

“Throughout its history, Secom® has proven its competence in providing advanced, reliable solutions for a healthy lifestyle.

We are convinced that this group of divisions can sustain the development of the current portfolio of products and services, as well as the expansion of the activity in the European market, so that we can succeed in influencing for the better the lives of as many consumers and patients as possible,” says Lucia Costea, co-founder, and CEO Secom® Healthcare Group.



During 2020-2021, Secom® activity Healthcare Group was structured in 3 divisions:



**Secom®  
Business-to-Business**

the division that coordinates the distribution and promotion of healthcare and beauty products from the import portfolio to 8,000 pharmacies and health food stores nationwide



**Secom®  
Business-to-Consumer**

the division that manages the national 13-store network and the online platform [secom.ro](https://secom.ro)



**Good Routine®**

the division that coordinates the development and promotion of dietary supplements from the own-brand portfolio and the [good-routine.com](https://good-routine.com)



## Portfolio

Secom® Healthcare Group portfolio includes more than 400 premium products: 270 dietary supplements, 25 premium tea assortments, and more than 100 cutting-edge cosmetics.

Secom® products are available nationwide in over 8,000 pharmacies, on [secom.ro](https://secom.ro), on [good-routine.com](https://good-routine.com) and in the [13 Secom® stores](#) in the main cities of the country.

Supplements in the Secom® portfolio are produced by renowned international producers and have been successfully administered worldwide for decades. These include Nature's Way®, Boericke & Tafel®, AuNaturel's Solaray® and KAL®, ChildLife® Essentials, Jarrow Formulas®, Mushroom Wisdom®, China-Japan Feida Union®, Essiac International Canada®, etc.

Each of the producers we work with has pharmaceutically licensed factories, complies with the advanced quality standards (cGMP and FDA), and applies the latest technological breakthroughs to provide consumers with guaranteed product safety and efficacy.



Further details on the producers in the Secom® portfolio can be found [here](#).








Secom®'s evolution over the years is due to the four pillars that form the foundation of our business model:

- ☆ genuine desire and commitment to doing good,
- ☆ quality without compromise,
- ☆ constant concern for innovation,
- ☆ educational initiatives.

Our mission is to support and inspire people to live a healthy and balanced lifestyle.

We want to contribute to improving people's health and well-being through high-quality, innovative, and reliable products and services delivered in an ethical manner. Through the nature of our business, including our products, services, and initiatives, we aim to be there for our consumers, to help them make balanced decisions, understand, and use the power of prevention, and develop healthier habits.

Each Secom® and Good Routine® product is the result of a rigorous selection process, based on a series of scientific criteria and key steps, which our teams of specialists go through in depth, to offer consumers guaranteed safety and effectiveness.

 More details about the process can be found [here](#).



# key figures



 **3<sup>rd</sup> place**  
in the dietary  
supplement market

**>400**

premium products in the portfolio:

- >270 dietary supplements,  
covering 97 therapeutic areas
- >25 varieties of premium teas
- >100 cutting-edge cosmetic  
products

**3 divisions**

Secom® Business-to-Business  
Secom® Business-to-Consumer  
Good Routine®



Net sales

**>157 mil. lei**

**>172 mil. lei**



Employee  
wages costs

**>18.8 mil. lei**

**>23.8 mil. lei**



Contributions to  
state budget

**>23.3 mil. lei**

**>21.1 mil. lei**

**5 observational studies proving the effectiveness of the 5 products analyzed**  
carried out in the last 5 years

**>1.86 mil. lei**

invested in the past 7 years in education projects  
promoting a healthy lifestyle and the informed  
consumption of supplements



**Sănătatea în  
Focus Podcast**  
*Health in Focus*



**Perspective  
Magazine**



**The Good  
Routines Plan**



**2 blogs with  
>400 educational  
articles**



**27** non-governmental  
organizations

1 educational  
establishment



**13** medical  
units

1 sports  
organization

supported during  
2020-2021

**42 consultants**

offering over 38,000 free consultancy hours to consumers  
who visited Secom physical stores in 2020 and 2021.



# key figures



**11** cities **13** own stores

**2.8 mil. lei**

invested between 2013-2021 in developing the offline store network

**173,000 lei**

average investment/ store

2 online platforms:

**secom.ro**

**good-routine.com**

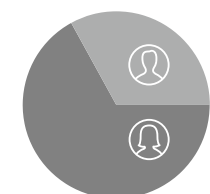
**8,000**

partner pharmacies/naturist shops



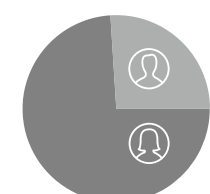
People in our team

**162**



40 men  
122 women

**179**



46 men  
133 women



Women in top management

**40%**



**55%**



Out of the total packaging quantity of the products placed on the market, we recovered the equivalent of

**100%**

**100%**

*Note: the legal obligation is 55%*

Decrease in energy consumption relative to turnover

**32%**

in 2020 compared to 2019

**39%**

in 2021 compared to 2020

**858.000 lei**

value of training budget in 2020 and 2021

**~95%**



local suppliers in 2020 and 2021

**>33%**



share of expenditure with local suppliers in 2020 and 2021

**>64%**



share of expenditures with international product suppliers in 2020 and 2021

**400 lei**

monthly budget/ team member for flexible benefits, in addition to other special benefits offered by the company

TEALIA® teas are **"Ozone Friendly" certified**, a certification that confirms compliance with the highest environmental standards.

All Andalou Naturals cosmetics in our portfolio are **Cruelty- Free and Fair Trade certified**.

All Secom® producers are **internationally certified - ISO, GMP, NSF** - certifications that attest to the quality, efficiency, and safety of the products.



The packaging materials for

**31.25%**

of all supplements in Secom®'s portfolio are made from

**97%**

post-consumer recycled plastic.



# Economic performance

| Description<br>lei                     | 2020               | 2021               |
|--|--------------------|--------------------|
| <b>Direct economic value generated</b> | <b>157,847,787</b> | <b>172,061,861</b> |
| Revenues                               | 157,847,787        | 172,061,861        |
| <b>Economic value distributed</b>      | <b>152,874,059</b> | <b>169,040,969</b> |
| Operating costs                        | 110,405,332        | 123,744,961.03     |
| Employee wages and benefits            | 18,884,789         | 23,882,486.97      |
| Payments to shareholders (dividends)*  | -                  | -                  |
| Payments to government/ state budget   | 23,396,962         | 21,119,262         |
| Community investments (sponsorships)   | 186,976            | 294,259            |
| <b>Economic value retained</b>         | <b>4,973,728</b>   | <b>3,020,892</b>   |

\* As of the date of this report, no dividends have been distributed corresponding to the years 2020 and 2021 (will be distributed in the following years).





# Affiliations and awards

## Affiliations



### Nationally, the company is part of:

■ **The Romanian Food Supplements Industry Association PRISA**, which promotes and educates the population and medical professionals on the importance and beneficial aspects of dietary supplements. PRISA has developed and approved two codes: the Code of ethics and the Code of good practice in the labeling and advertising of dietary supplements. Andrei Costea, Secom® co-founder is a member of the Board of Directors.

■ **FBN – Family Business Network**, an international network which includes the world's largest family businesses. It aims to promote and support the concept of "family business" in Romania, as it is recognized at the European level, and to raise awareness among authorities of the existence and potential of family businesses and the need for a binding partnership with them. Lucia and Andrei Costea, Secom® co-founders, are members.

■ **The Romanian Business Leaders Foundation**, is the voice and driving force of business leaders to build a Romania that future generations want to live in. Lucia Costea, Secom® co-founder & CEO is a member of the foundation.

### Internationally we are part of:

■ **Food Supplements Europe** is a non-profit organization set up to represent and promote the role of dietary supplements in the lives of consumers, ensuring that the information provided is honest, substantiated, and complies with current legislation. Secom® is indirectly affiliated through PRISA.

■ **YPO** is a global leadership community for entrepreneurs and CEOs. Lucia Costea, Secom® co-founder & CEO, is a member.



# Awards

Awards received during 2014-2021



**Effie Bronze**, at the Effie Awards 2014, Healthcare Products & Services category, for the "Multi-multi-multi vitamins" campaign developed for the ALIVE!™ brand in partnership with Graffiti BBDO agency



**Quality meDAL Health 2016**, Secom® was voted by Romanians as the top-quality product in the "Dietary Supplements" category, according to the QUDAL survey conducted by the ICERTIAS Swiss company



**#1Brand for Kids 2016**, award won by Secom® for Vitamin C 250mg, as surveyed by D&D Research and Forbes



**#1Brand for Kids 2017**, Secom® was voted as the most trusted dietary supplement brand in the "Dietary Supplements for Kids - Vitamin and Mineral Complex" category, according to a survey conducted by D&D Research and Forbes



**#1Brand for Kids 2018**, Secom® was voted as the most trusted dietary supplement brand in the "Vitamin and Mineral Complex" category, according to a survey conducted by D&D Research and Forbes



Secom® selected in the top 6 entrepreneurial companies in Romania within the **Ernst & Young Entrepreneur of the Year Romania 2018**, a competition that rewards entrepreneurship, strategic direction, community impact, innovation, and personal integrity

## Lucia Costea:

Included in **100 Top Young Managers**, *Business Magazin*, 2016

Included in the **Top 50 Most Influential Women in Romania**, *Forbes Romania*, 2019

Included in the **Top 100 Successful Women**, *Capital Magazine*, 2020

Included in *Ziarul Financiar* Yearbook, **Top 1,000 People in Business**, 2021

Included in the **Top 100 Most Admired CEOs in Romania**, *Business Magazin*, 2020 and 2021

Included in the **100 Most Powerful Women in Business**, *Business Magazin*, 2019 and 2021

**Better Life Award**, *Women in Economy Gala*, National Confederation for Women Entrepreneurship, 2021



# Risk management

How we can anticipate and prevent any form of risk that could make our business vulnerable is a constant concern for us, and one of our top business priorities.

We want to conduct our business ethically and responsibly so that we can contribute to the well-being of our communities both directly and immediately, and also indirectly and in the long term.

**The precautionary principle is applied within the company at several levels, considering the following perspectives, as follows:**

## I. Business planning for both short and medium term

To identify, assess and monitor risks, the company uses a business risk matrix that is constantly updated. The risk matrix serves as a basis for decision-making to help address and/or mitigate risks.

Also, in difficult, unpredictable situations due to the social and economic context, such as the Covid-19 pandemic, the company has an approach based on different scenarios and action plans, to ensure business continuity, staff retention, stock insurance, etc.





## II. Selection process of products to be included in the portfolio

Product selection for the Secom® portfolio is a very rigorous process, carried out thoroughly and responsibly by a team of specialists (in our Scientific Support and Innovation and Regulatory Affairs departments) and based on a series of scientific criteria, to provide consumers with a safety and efficacy guarantee for our products.

### Key steps in the selection process of products in Secom®'s portfolio

**1. Analysis of international trends, latest international studies, and guidelines in the field of dietary supplements and health.**

We are always looking to introduce innovative supplements into our portfolio, with new, patented ingredients, new forms of administration, with high bioavailability.

**2. Producer selection and assessment of international quality and safety certifications.**

The process is described in detail in the [Health, Safety and Consumer Satisfaction](#) section.

**3. Research ingredients and define wanted formulas for the Secom® portfolio.**

Establishing, together with the partner factory, the final product formula— which meets quality and safety criteria (composition, safety profile, adequate doses for health benefits, compliance with regulations in force, definition of consumption indications, label construction, etc.).



**4. Prepare the notification documentation.**

The Regulatory Affairs team prepares a complex file with the information required by the Romanian authorities in accordance with national and European regulations to place the product on the market.

The file includes the product's technical data sheet, detailed label, quality certifications and up-to-date physico-chemical and microbiological analysis reports.

The producers we collaborate with provide Health Certificates for each batch guaranteeing product safety for human consumption based on scientific studies and research.

The evaluation process of a product in the portfolio in terms of its possible impact on consumer health and safety takes place every time the composition and/or legislative regulations in force change.



### III. Process to ensure product stocks

Within our company, even more so in the context of the Covid-19 pandemic, the first step in the development of an optimal, well-sized stock is to **analyze the stock under management**.

To identify out-of-stock and overstock risks, warehouse stock is analyzed, cumulated with goods in transit, together with sales forecasts, and potential shelf-life risks (best before) and correlated with the optimal level of coverage for each product. Following this analysis, if the current stock coverage is lower than the optimal coverage, the calculation process is restarted for a new order to the supplier.

In the context of the Covid-19 pandemic, we implemented measures to increase optimal stock coverage, in particular for immunity range products. At the same time, we adapted from sea freight to air freight to ensure products are in stock as quickly as possible and negotiated with our suppliers to increase the quantities of orders already placed.

There were minor disruptions in the supply chain due to lack of raw material to producers (caused by very high demand from the market), their inability to supply the required quantity due to lack of personnel (illness of team members), or reduced capacity of the factory equipment for such an increase.

In addition, the transport industry was at a standstill for some time, with long delays in transit and bottlenecks in loading (it became difficult to secure space on an aircraft or ship due to the high demand in the context of the pandemic), which led to increased costs.

Also, the current international context, the war in Ukraine, has considerably affected maritime transport unloading in the port of Constanta. The port has been congested due to ships bound for Ukraine being diverted to the port. Thus, we sought solutions to reduce transit time in this unfavorable context, leading to the search for new ports in Europe, which generated additional costs, mainly due to road transport to Romania.

With sustained efforts on our part, but also on the part of all our partners, these supply chain disruptions have been kept to a minimum with no negative impact, thus managing to provide the products consumers needed most to support their health.

### IV. Restriction of a supplement or technology based on an existing legal provision

We are constantly following the updates of European and national legislative regulations and are striving to apply these regulations accordingly.

In the event of restriction of an ingredient, we seek to reformulate products and replace the ingredient in question and carry out continuous monitoring at the portfolio level to prevent such occurrences.

In the event of a full product restriction, we withdraw the product from the market, inform consumers, cancel orders for the product and start identifying a replacement that complies with the new regulations.





# Case study

## context

After a series of discussions between the regulatory authorities, represented by the European Commission and the Member States of the EU, in which they assessed the safety of hydroxyanthracene derivatives, they concluded that these substances should be limited in dietary supplements.

As a result, European Commission Regulation (EU) 2021/468 was published on March 19, 2021 restricting the sale of dietary supplements containing Aloe and Senna, which contain the hydroxyanthracene derivatives aloe-emodin, emodin and dantron. The ban does not apply to Aloe products containing an analyzed level of less than: 1 ppm (parts per million) aloe-emodin and/or 1 ppm emodin and/or 1 ppm aloin A + aloin B. The regulation entered into force on April 8, 2021.

Following these warnings, our company requested additional laboratory tests for products containing Aloe from the producers and the SystemWell® Ultimate Immunity™ product was tested separately at an analysis laboratory of the Faculty of Pharmacy in Padova, Italy.

To protect the health of our consumers, pending the results of these analyses, we have preventively withdrawn the SystemWell® product from the market, ceased its promotion, and communicated the reasons for its withdrawal to all consumers requesting the product.

✓ As expected, the test results showed that SystemWell® products did not contain the banned hydroxyanthracene derivatives and were safe for human consumption. Having all the necessary information available, we reintroduced the product on the market.





# Key environmental, social, economic, and sustainability impacts, opportunities, and risks

**Secom®'s sustainable growth and development are key priorities for our business model.** Our sustainability strategy, developed in 2020 following an extensive consultation process with more than 1,340 stakeholders and an internal analysis by Secom®

management, was based on an impact identification phase.


This stage was followed by the assessment and prioritization of those areas where, through our activity, we contribute positively or negatively to sustainable development.

| Key areas   | Impact   | Opportunities   | Risks  |
|---|--|---|--|
| <div>Environment</div> <div></div> | <p>Through our activities, we generate impact on the following environmental topics:</p> <ul style="list-style-type: none"><li>■ Emissions – employee transport by own fleet cars and transport of products</li><li>■ Materials – raw materials and materials used in the development of products in our portfolio</li><li>■ Packaging and waste – generated both from our own activities and from the production processes of the products in our portfolio</li><li>■ Energy consumption – directly from our own activities and from the production processes of our products</li></ul> | <p>Differentiation in the dietary supplements market by developing and implementing a set of measures and actions to help reduce the environmental impact of our business:</p> <ul style="list-style-type: none"><li>■ Conduct an ESG &amp; sustainability risk audit</li><li>■ Set up &amp; formalize the sustainability &amp; CSR committee to prioritize environmental projects</li><li>■ Develop an environmental data collection and monitoring system for all Secom® sites to have permanent access to our progress and performance</li><li>■ Recover landfill waste through incineration with energy recovery</li><li>■ Increase the share of renewable energy in the total energy consumption for our own activities, which will also help us reduce CO<sub>2</sub> emissions</li></ul> | <p>The main risks arising from environmental material topics and the effects they could generate are:</p> <ul style="list-style-type: none"><li>■ Introduction of new environmental taxes (e.g., tax on emissions generated, tax on waste generated)</li><li>■ Increased costs to implement/adopt cleaner technologies</li><li>■ Increased costs due to supply chain disruptions</li><li>■ Increased raw material costs</li><li>■ Decreased availability of products, with a direct impact on the company's economic performance</li><li>■ Changes in consumer perception of company reputation</li><li>■ Increased stakeholder concerns regarding the company's negative impact</li></ul> |



| Key areas  | Impact   | Opportunities   | Risks   |
|--|--|---|---|
| <b>Social</b><br>     | <ul style="list-style-type: none"> <li>■ Healthy lifestyle – impact on people's health and well-being, with an important focus on the product selection process in the portfolio</li> <li>■ Consumer health and safety – impact through the products in the portfolio, managed through collaboration with partners with international certifications and extensive experience in the field</li> <li>■ Responsible marketing – through ethical and comprehensive communication, through various channels</li> <li>■ Product labelling – in strict accordance with legislation in force</li> <li>■ Compliance with socio-economic regulations and strict compliance with relevant national, European, and international regulations</li> </ul> | <ul style="list-style-type: none"> <li>■ Education campaigns to encourage responsible consumption of dietary supplements (to prevent supplement abuse)</li> <li>■ Continue educational projects to encourage preventive healthcare behavior and a healthy lifestyle by introducing both psycho-emotional and dietary good routines, as well as the promotion of sports</li> <li>■ Continue initiatives to promote accurate and responsible labeling, in accordance with the regulations in force, to promote informed consumption of food supplements</li> </ul>  | <ul style="list-style-type: none"> <li>■ Delayed delivery of products, in violation of agreed commitments, impacting consumer confidence in our company</li> <li>■ Failure to comply with updated legislation on product labeling, which can lead to financial penalties</li> <li>■ Decreased consumer uptake due to marketing and labeling policies that do not meet best practice standards</li> <li>■ Negative reputation of the company and the brands in the company's portfolio</li> <li>■ Decreased sales and therefore economic performance of the company</li> </ul>   |
| <b>Economic</b><br> | <p>Economic risks, generated by the failure to adapt the business model to market developments:</p> <ul style="list-style-type: none"> <li>■ Market presence</li> <li>■ Risk management</li> <li>■ Economic performance</li> <li>■ Corporate governance</li> <li>■ Anti-competitive behavior</li> <li>■ Indirect economic impact</li> <li>■ Anti-corruption</li> <li>■ Ensuring access to products and services</li> <li>■ Procurement practices</li> </ul>  | <p>The key opportunities in these areas are:</p> <ul style="list-style-type: none"> <li>■ Developing an anti-corruption policy and communicating the expectations the company has from its business partners and employees through training programs and communication campaigns, especially to relevant colleagues</li> <li>■ Develop a Stock Continuity Plan</li> <li>■ Introduce sustainability topics in the Business Contingency Plan after identifying ESG risks</li> <li>■ Develop a fair competition policy</li> <li>■ Promote sustainability principles among our suppliers and implement a monitoring system for suppliers' sustainability actions</li> </ul> | <p>Risks generated by the changing sustainability context, both locally and internationally:</p> <ul style="list-style-type: none"> <li>■ Reputational risks and financial loss due to poor management of anti-corruption and fair competition practices</li> <li>■ Financial risks in the absence of effective stock management and limited access to products and services for consumers</li> <li>■ Financial risks expressed in losses/debts that may lead to social problem, lay-offs/pay cuts where economic performance is lacking</li> <li>■ Limited access to business-critical products and services and supply chain disruptions if the company's suppliers do not have strong sustainability policies in place and do not address their ESG risks in turn</li> </ul> |



| Key areas  | Impact   | Opportunities  | Risks   |
|--|--|--|---|
| <b>Sustainability</b><br> | <p>To ensure that our positive impact on society will be ever greater, we committed to making sustainability a top priority. Thus, in 2020 we began a materiality study identifying the sustainable growth and community investment topics we could impact the most.</p> <p>We aim to become a company that grows and invests sustainably, first and foremost for moral reasons, to provide the opportunity for a better and sustainable future, both for us and for future generations.</p> | <p>To assess how our impact has evolved over time, we aim to:</p> <ul style="list-style-type: none"> <li>■ Set clear sustainable development targets</li> <li>■ Establish a short-, medium- and long-term action plan for each of the 3 pillars (economic, social, and environmental), at the level of the whole group, to contribute to achieving the targets set by Romania towards the 17 Sustainable Development Goals</li> <li>■ Join various organizations/associations promoting sustainability principles and a responsible economic model</li> <li>■ Develop the sustainability report once every 2 years to monitor and assess the company's status regarding sustainable development</li> </ul> | <p>Risks generated by the changing sustainability context, both locally and internationally:</p> <ul style="list-style-type: none"> <li>■ Failure to achieve the set sustainable development objectives, with a direct impact on the company's economic performance, reputation, and long-term development</li> <li>■ Lack of training of the team which may lead to an inability to integrate the new legislative provisions regarding the monitoring and reporting of the company's non-financial indicators (e.g., the new non-financial reporting directive)</li> </ul> |





# Business responsibility and ethics

## Corporate governance

**Our company places a strong emphasis on the quality of the products and services we offer, as we believe it is the only way to help people improve their health and wellbeing.**

It's a mission that empowers and motivates us to continuously be an example of good practice for all partners we interact with in our business.

Every decision we make is based on solid ethical values and principles that are reflected in everything we do: in the careful and responsible choice of the best and most effective products, in the way we promote our products and services, in compliance with national and European legislation, in our relations with the professional community, in the constant investment we make in information and education projects to encourage a preventive approach to health.

We aim to continue to evolve in the same responsible manner and remain committed to the mission we started within 2004 - to help improve people's health and wellbeing through high-quality, innovative, and reliable products and services delivered in an ethical business manner.

Our company is managed by Andrei Costea as co-founder and Lucia Costea, as co-founder and CEO of Secom®.

### Members of management bodies

| Top Management | 2020 |       | 2021 |       |
|----------------|------|-------|------|-------|
|                | men  | women | men  | women |
| 30-50 years    | 6    | 4     | 4    | 5     |





Strict compliance with all the regulations and rigors imposed by the nature of our business is an imperative that we undertook from the very beginning. Thus, we are always connected and carefully monitor the latest national and international legislation, we are cautious in how we select our producers and suppliers, the quality of our products being the guarantee that we are a leading authority in the Romanian dietary supplements market.

Our internal operations are based on and organized in accordance with a series of procedures specific to each activity we carry out, all of which are incorporated both in the **Internal Organization Regulations** and in specific procedures aimed at a better understanding of all internal management mechanisms, including communication between departments, rights, and obligations of employees, administrative matters, etc.

At the same time, we operate under principles that are shared by both management and employees, as follows:

- By the nature of constitutional principles, everyone is guaranteed freedom of work. Our company complies with all legal provisions and firmly rejects any form of illegal or exploitative labor, as well as any kind of forced or compulsory labor and child labor. To ensure the best possible working relationships, they are based on the principle of consensus and good faith, and Secom® staff is also obliged to consult and inform each other, in accordance with the law and the rules of the Internal Organization Regulations.
- The primary responsibility for preventing harassment and discrimination in the workplace lies with the employer. In this respect, we aim to have a fair working environment based on diversity, inclusion, and equal opportunities. We want a working environment where any form of harassment, abuse, or bullying is not tolerated.

Thus, under the Internal Organization Regulation, within our company, any kind of direct or indirect discrimination is prohibited, applying the principle of equal treatment to all people in the team, without discrimination based on gender, sexual orientation, genetic characteristics, age, nationality, race, color, ethnicity, religion, political option, social origin, disability, family situation or responsibility, trade union membership or activity. We encourage employees who may feel discriminated against or harassed to report the matter so that it can be resolved as quickly as possible.

The Internal Organization Regulation details the procedure for handling individual requests and complaints. The company does not tolerate such cases, and should the complaint prove to be founded, we immediately take all appropriate measures to hold the guilty employees accountable.

- It is important to us that all employees benefit from working conditions appropriate to their duties in our company, social protection, occupational health and safety, and respect for their dignity and conscience, without any discrimination. That is why we uphold all our employees' rights and apply the principle of inclusion in all our processes.
  - Principle of consensus and good faith.
  - Non-discrimination and respect for dignity.
  - The right to collective negotiation.
  - Right to personal data protection.
-  More information on the principles of thought and action, as well as the values on which the entire Secom® business model was built, can be found [here](#).



# Personal data protection

**We value our consumers and employees and protect the privacy of their data through dedicated personal data protection policies. Our company has developed a procedure that aims to guarantee and protect the fundamental rights and freedoms of individuals, in particular the right to privacy, family, and personal life.**

Through this policy, Secom® is committed to conducting its business in compliance with all applicable laws and regulations in the field of personal data protection and in accordance with the highest standards of ethical conduct.

This policy sets out the expected conduct of Secom® team members and third parties regarding the collection, use, retention, transfer, disclosure, and destruction of any personal data belonging to data subjects.

To this end, a person has been appointed at the company level to ensure compliance with the provisions of the GDPR Regulation.

We implemented measures to securely store information so that an adequate level of data protection and security is ensured.

Secom® took physical, technical, and organizational measures to ensure the security of personal data. These include prevention of loss or damage, alteration, unauthorized access or processing, and other risks:

- Preventing unauthorized persons from gaining access to data processing systems where personal data are processed.
- Preventing persons entitled to use a data processing system from accessing personal data beyond their scope and rights.
- Ensuring that personal data transmitted electronically cannot be read, copied, modified, or deleted without authorization.
- Ensuring the integrity and availability of access logs to establish whether, and by whom, personal data have been entered, modified, or deleted from a data processing system.
- Ensuring that where processing is carried out by a processor, personal data are processed only in accordance with the instructions of the data controller.
- Ensuring that personal data are protected against unintended destruction or loss.
- Ensuring that personal data collected for various purposes can and are processed separately.
- Ensuring that personal data are not kept longer than necessary.



## Anti-corruption policy

**For us, the principles of business ethics and responsibility represent more than just compliance with current legislation.**

We are committed to a responsible business model, and we are a fair and reliable partner. That is why we are taking steps to ensure that the entire Secom® team is aware of the fundamental principles that underpin our business, and at the same time, we are constantly communicating with our partners what we expect of them in this regard.

The internal mechanisms governing how we address anti-corruption aspects are set out in the Internal Organization Regulation.

We want both our team members and third parties representing or acting on our behalf not to engage in practices, activities, or behavior that may be detrimental to our company, in line with the topics addressed.

In this regard, we aimed to make the Internal Organization Regulation as explicit as possible regarding the anti-corruption vision that we apply, for better ownership by our team members and third parties with whom we collaborate.

## Anti-competitive behavior

**Our company operates in the spirit of acknowledging the fundamental role of free competition in increasing business opportunities and performance.**

We believe that the elements of fair competition must be based on superior products and services and fair business practices.

The people on our team understand that it is important not to disparage other competing companies in the market, including their products and services.

We believe in the quality of the products and services we provide to our consumers, and we are constantly striving to be a fair competitor in the dietary supplement market.

## Conflicts of interest

**At Secom® we treat all our employees honestly and professionally and always stress the importance of impartiality, integrity, and transparency in the decision-making process, as well as their essential role in preventing conflicts of interest violations.**

Conflict of interest is defined as when one of the employees is involved in personal relationships or activities that may compromise their ability to act in the best interests of Secom®.

To best manage this phenomenon, we encourage the earliest possible disclosure of instances that could be classified as conflicts of interest and support open communication between all our employees and management.



## Animal welfare

**Our company portfolio includes cosmetics from the Andalou Naturals range, certified "Cruelty-Free", guaranteeing that they have not been tested on animals.** These products make up 24% of the Secom® portfolio. Andalou Naturals launched the first non-animal-tested skincare line in the United States in 1989: Beauty Without Cruelty.

Also, the following producers we collaborate with, [Jarrow Formulas](#), [Solaray](#), [KAL \(Au Naturel\)](#), [Maltras International \(PVT\) LTD \(TEALIA\)](#), [Mushroom Wisdom](#), [The Republic of Tea](#), [ChildLife® Essentials](#) have assured us that their products are not tested on animals.

"ChildLife® Essentials does not conduct and/or supervise animal studies, neither in preliminary product research and development nor at the production stage. Such conduct would be considered unethical and would morally compromise our core values, integrity, and trust, which we proudly uphold and instill in all our company practices." state the ChildLife® Essentials company representatives

Regarding the indirect impact that the sourcing of ingredients used in the production of supplements could have on animal welfare (e.g., using palm oil produced in an unsustainable manner, through the deforestation of rainforests, and the destruction of natural habitats for a multitude of species), we are constantly communicating with our partners to identify the possibility of such an impact.

Thus, our partners at Jarrow Formulas have confirmed that the palm oil used in the dietary supplements in the

Secom® portfolio is sustainably sourced and certified by RSPO ([The Roundtable on Sustainable Palm Oil](#)).

At the same time, our partners at [Nature's Way](#) informed us of their decision to remove palm oil from the ingredients used in Alive!® Kids Premium Multivitamin Gummy products, as the production of this supplement has been moved in-house. As a result of this decision, a new capsule coating system has been identified and purchased, which no longer uses palm oil as of 2019.

All Andalou Naturals cosmetics in our portfolio are certified Cruelty-Free and Fair Trade.





2



## OUR PORTFOLIO AND PRODUCTS

Promoting a healthy  
lifestyle

Product quality

Licences and certifications

Marketing and product  
labeling





# Promoting a healthy lifestyle

Our company constantly encourages the adoption of responsible, preventive behavior towards one's own body and the development of healthy routines – such as dietary supplements consumption, along with a balanced diet, exercise, and emotional well-being.

The Secom® portfolio is complex and extremely varied – comprising over 270 dietary supplements covering 97 therapeutic areas. Secom®'s diverse range of supplements can help both maintain health and balance certain deficiencies, alongside allopathic medication.

To promote responsible consumption of dietary supplements, we always advise our consumers to use supplements only when recommended by their doctor, encouraging them to adopt a healthy lifestyle in the first place. Furthermore, according to Regulation (EU) 1169/2011 on the provision of food information to consumers, our labels contain the following information: "Dietary supplements are not a substitute for a varied and balanced diet and a healthy lifestyle."

At the same time, as we strongly believe that maintaining good health is the consequence of conscious and educated choices, we constantly invest in education to encourage all the pillars of a healthy lifestyle: a balanced diet, movement through an active lifestyle,

and psycho-emotional balance, along with responsible and informed consumption of dietary supplements.

We have developed a series of information and education initiatives dedicated to our consumers to help them make the best decisions for their health, developed in easy-to-understand language and in compliance with all relevant requirements.

Over the last 7 years, we have invested more than

**1,86 mil. lei**  
in education initiatives.



## Somnul de imunitate

**Dr. Mihaela Oros**  
Medic primar pediatru cu  
supraspecializare în somnologie



**SĂNĂTATEA**  
ÎN FOCUS by **SECOM** 

## Mens sana in corpore sano

**Diana Lupu**  
Psihoterapeut relațional



**SĂNĂTATEA**  
ÎN FOCUS by **SECOM** 

Un podcast educativ avizat  
despre sanatate si preventie



**SĂNĂTATEA**  
**ÎN FOCUS**

### Focus on Health video podcast

(Sanatatea in Focus in Romanian) was launched as early as 2019, runs monthly, and provides peer-reviewed information from doctors and experts to help people make informed decisions when it comes to their health.

In 2021, to facilitate access to the educational information in the podcast, we have expanded its promotion, including on the online and social media platforms [smartliving.ro](https://www.smartliving.ro) and [totuldesprename.ro](https://www.totuldesprename.ro), in an educational column on [Itsy Bitsy FM](https://www.itsybitsyfm.ro) and the [simplecast.com](https://www.simplecast.com) platform (Spotify).

In 2022, we expanded the *Focus on Health* promotion by developing more media partnerships to enable as many people as possible to access the educational information delivered through this channel.

From September 2019, when the project was launched, until December 2021, 21 *Focus on Health* editions have been produced, gathering **over 856,000 views** on Secom's social media channels and those of the media partners promoting the initiative, resulting in a total social media reach of **over 4 million people exposed to the messages**.

At the same time, the *Focus on Health* section broadcast during 2021 on Itsy Bitsy radio – with excerpts from the podcast of the same name – reached an audience of **over 2 million listeners**.

There were also published 31 interview articles in which the project's media partners captured the key educational messages conveyed by the medical guests in the podcasts.



At the same time, we promote the principles of a balanced lifestyle in educational articles addressed to consumers in dedicated blogs: **Health Guide** on secom.ro and **The Good Place** on good-routine.com.

## Health Guide

The entire **Health Guide** section on secom.ro features over 400 articles on healthcare and balanced lifestyle topics that have been written and constantly updated by our Scientific Support & Innovation team, together with doctors and specialists in various fields.

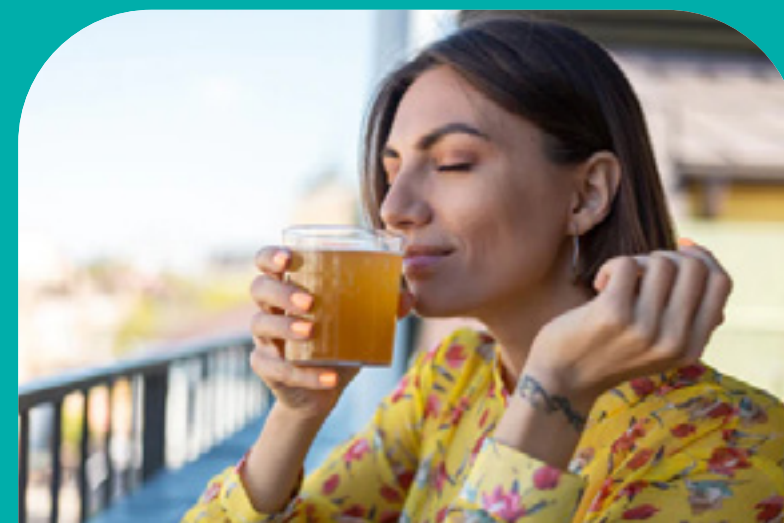
The articles present the latest findings and research in the field of integrative medicine, facilitating access to useful information validated by experts in the field.



Imunitatea copiilor – un mecanism complex, care poate fi ajutat sa functioneze corect



Diabetul zaharat – cauze, simptome, tratament si stil de viata



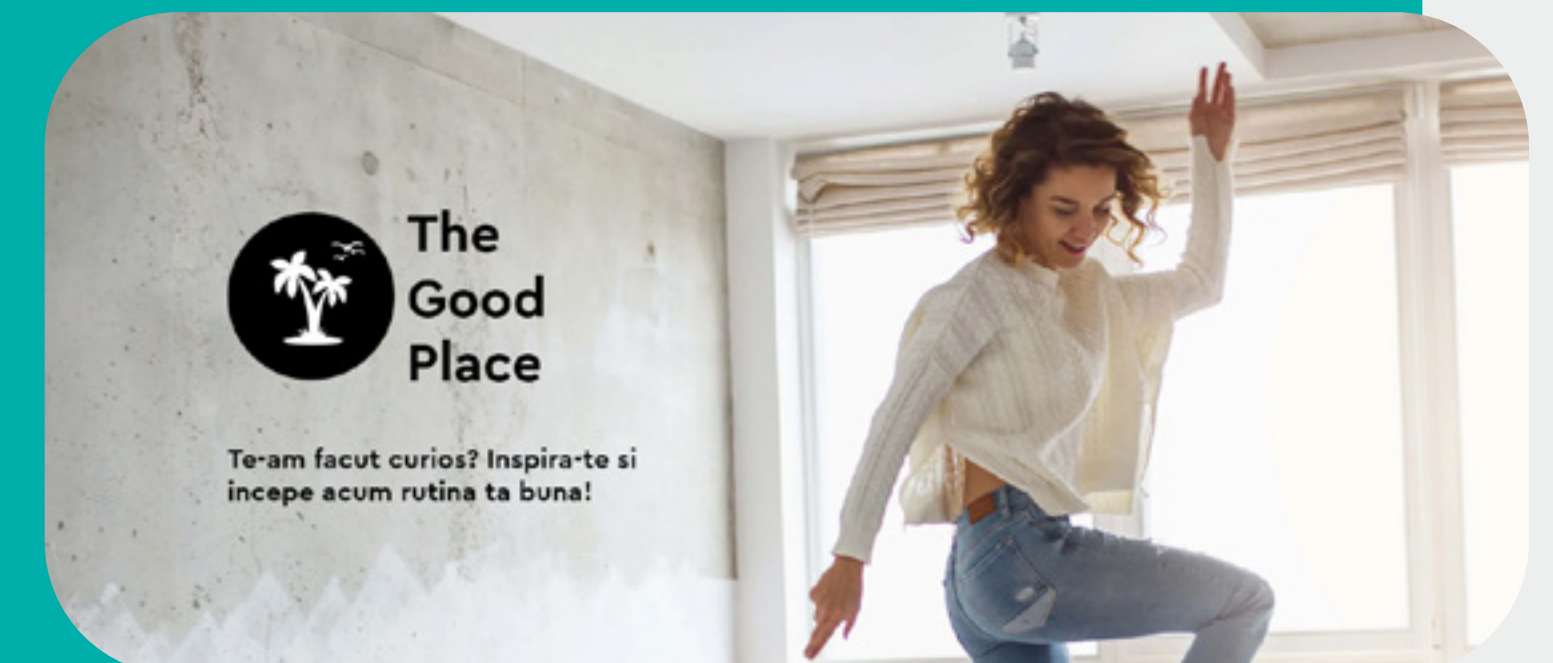
Ce sunt probioticele si de ce sunt importante pentru organism



Totul despre acidul hialuronic – ce este, ce rol are, beneficii, contraindicatii

## The Good Place

**The Good Place** is our own-brand lifestyle blog, Good Routine®, and provides useful, practical information and tools to support good habits. We are constantly producing educational articles dedicated to our consumers and aim to continue doing so.





# PERSPECTIVE

JURNAL DE MEDICINA INTEGRATIVĂ



**Perspective Magazine – Journal of Integrative Medicine** is a project launched in 2015 to encourage a preventive attitude towards healthcare. *Perspective* is a quality editorial product containing interviews and topical articles presented in a balanced way. The magazine is aimed at both the general public, people concerned with a healthy lifestyle, and the medical community.

By 2021, 25 editions of the magazine have been published, available both in print, which were subsequently distributed free in Secom® stores, to

partner pharmacists and physicians, and online on the company's website.

One of the editions was dedicated to a healthy lifestyle.

Starting in 2022, to successfully influence for the better the lives of as many people as possible, we will continue to provide reliable information that encourages a preventive attitude to healthcare, exclusively in digital formats and in a more user-friendly language, shorter and easier to navigate, adapted to today's dynamic pace, where time is the most precious resource.







In 2021, under the Good Routine® umbrella, we launched the **Good Routine Plan**, a free 42-day program that explains the neuroscience concepts needed to assimilate new habits and then supports subscribers with daily messages that guide their steps in the transformation process: **Awareness, Acceptance, Setting the Path, Motivational Exploration** and **Designing New Habits**.

Created with our partners at Mind Architect, the program aims to help participants better understand how routines are formed and how to work with the rational and emotional to assimilate them correctly.

Over **1,000 people** have already enrolled in the program and joined the Good Routine® community with access to educational articles and tools to help them maintain the good routines they have acquired through the program.

In addition, the *Good Routines Plan* is supported by three public figures – **Andreea Raicu, Sorina Fredholm** and **Mind Architect**, who have become ambassadors of the good routines encouraged by the program. Through the communication initiatives carried out by the ambassadors, as well as by the Good Routine® team on social media channels, the **program's messages have reached over 1 million people** and **generated over 230,000 engagement reactions**.







**CHILD LIFE**  
PROVOCARI DE PARINTE



**UN PODCAST DESPRE  
#PROVOCARIDEPARINTE**

**HOST: ANDREI DUMITRAȘCU**



**The ChildLife Podcast – Parenting challenges** – a project launched in 2020 for mindful parents and aspiring young parents whose honest credo is: if parents are ok, kids will be ok.

## Turnout before burnout

The **Turnout before burnout** campaign in 2020, or the **Pause a bit, so you can keep going** campaign in 2021, are aiming not only to promote our psycho-emotional support products, but also to draw attention to this negative phenomenon and help with tips and life stories from active people with busy lifestyles about how important it is to pause a bit, so you don't become burnt out.



\*Neuro Optimizer\* de la Secom\* este un supliment alimentar.  
Citiți cu atenție informațiile de pe ambalaj.





**Consultanta  
personalizata gratuita, la un  
click distanta\***

Solicita o programare

\*Consultanta pentru alegerea produselor din portofoliul Secom nu va fi realizata de un cadru medical, nu reprezinta un act medical si nu va fi asimilata procesului de telemedicina.

## Face-to-face & online scientific phytotherapy consulting

**In all Secom® stores across the country, we offer free scientific phytotherapy advice to help consumers be properly informed and choose the right types of dietary supplements that are suited to their lifestyles and needs.**

### 42 consultants

offered in 2020 and 2021  
over 38,000 free consultancy  
hours to consumers who  
visited our stores.

For consumers who can't physically visit a store, in 2021 we launched the video consulting service, available free of charge on our website [secom.ro](https://secom.ro). With a simple click, they can get in touch with a consultant from our team. Our consultants have the experience and skills to guide them in choosing the most suitable supplements from the Secom® portfolio.

We intend to continue our education initiatives online, but also in physical stores.





# Product quality

## Minimizing the risk of counterfeit products

Our company collaborates with established, renowned producers on the international market of dietary supplements, which traditionally comply with quality and safety standards, as demonstrated by the provision of certificates attesting to the quality of each batch: Certificate of Origin, Certificate of Analysis, Certificate of Conformity, Health Certificate.

The certificates are based on analysis reports for each raw material, technical specification, and documents attesting to the verification and testing of the finished product in accordance

with Quality Standards and Good Manufacturing Practice (GMP) guidelines.

The products are purchased directly from the producers and transported by experienced transport companies, ensuring traceability of stocks, and reducing the risk of counterfeit products entering the chain to zero.

- ✓ During 2020 – 2021, there were no incidents where counterfeit or compromised products were identified/ reported in the Secom® portfolio.







## Compliance with the legislation in force

**All products in the Secom® portfolio are accredited by the relevant national and international authorities and are marketed in full compliance with the regulations in force at the time of marketing.**

We carefully monitor the status of the ingredients our products contain, both in terms of national and international regulations.

When regulatory updates occur and particular ingredients become inadvisable, we aim to apply the new regulations as soon as possible. To this end, we work with producers on product reformulation and carry out continuous monitoring at the portfolio level to prevent such instances.

Example of a solution implemented in case of a reformulation:

Female Hormone Blend™ was notified in 2006, and in 2017, according to the legislative amendment – Annex 7 of the 2017 technical notice issued by the Technical Committee on medicinal and aromatic plants and hive products (TC-MAP) \*, the ingredient grey walnut (*Juglans cinerea*) (bark) in the product was banned in Romania. Following this legislative change, the formula was changed by the producer at our request by removing the grey walnut from the composition.



During the reporting period, there were no legal actions against the company concerning product quality.

\*The Technical Committee for medicinal and aromatic plants and beehive products, abbreviated TC-MAP is organized and operates according to the provisions of Law No 491/2003 on medicinal and aromatic plants and beehive products, republished, with subsequent amendments and additions.



# Our priorities: consumer health, safety, and satisfaction

Consumer health is our company's primary concern, which is why we implement an extremely rigorous selection process for the products we choose to introduce into our portfolio.



Key steps in this process include:

## Partner producer selection, based on the following criteria:

- production expertise;
- quality of raw materials – standardized extracts, ingredients from natural sources, etc.;
- quality & variety of portfolio (certified, patented, innovative ingredients, various forms of administration);
- licenses and certifications held, attesting to the quality, efficacy, and safety of the product: e.g.,

i. GMP, certification attesting to compliance with a set of good practices (promulgated by the World Health Organization – WHO) in the production of food, beverages, dietary supplements, pharmaceuticals, etc.;

ii. non-GMO, certification attesting that the products do not contain genetically modified organisms;

iii. NSF, international accreditation organization and certification ensuring strict quality control and product safety;

- reputation and integrity (e.g., no litigation).

## Researching each ingredient in the specialized literature according to the following criteria:

- health benefits proven by scientific research (we analyze each ingredient separately, as well as its association with other ingredients for enhanced/synergistic action);
- recommended concentration and administration period for optimal therapeutic benefits;
- safety profile in administration of the respective ingredient or combination/formulation (precautions and contraindications in administration, interactions with allopathic medication or other ingredients, maximum period of

consumption to avoid overdose or toxicity are considered), compositional compliance with relevant European regulations.

The producers with whom we work provide Health Certificates for each batch, whereby they assume responsibility for the fact that the products are safe for human consumption and are produced according to good GMP practices.

High quality has always been at the basis of the Secom® portfolio selection process, and is our main differentiator, having earned the trust of consumers and of the professional community.

- ✓ Secom® has the highest retention rate in its category – 71%, according to the November 2021 AHA Moments agency's notoriety study.



# Complaints

We want to have open communication with all our customers and consumers, which is why we provide them with several channels where they can submit complaints or recommendations and provide feedback on how we interact.

The company's Customer Care department handles complaints received from corporate customers by telephone and e-mail at [retur@secom.ro](mailto:retur@secom.ro) or [telesales@secom.ro](mailto:telesales@secom.ro). There are two types of complaints:



■ **Quantitative complaints** – consist of the customer/legal entity partner reporting over or under differences between the number of products ordered and the number of products received; depending on discrepancies identified by the customer/partner and his/her wishes there are the following types of quantitative complaints:

- Complaints concerning surplus products received and the customer decides to keep them; in this case, the complaint is settled by placing an additional order (for the surplus products), exclusively in order to reconcile the actual stock with the book stock;
- Complaints concerning surplus products received and the customer does not wish to keep them; if so, the complaint is settled by returning the surplus products;
- Complaints concerning missing products and the customer requests to receive the products; if so, the complaint is settled by placing an additional order and delivering the missing products;
- Complaints concerning missing products and the customer does not want the missing products/topping up the order; in this case, the complaint is settled by refunding the missing products by issuing a return invoice.

■ **Qualitative complaints** – customer/legal entity partner's referral of certain quality issues with products received or in stock, e.g., defective packaging, unlabeled product, mislabeled product, unsealed product that can no longer be marketed; these complaints can be addressed by replacing damaged/ unmarketable products or returning damaged/ unmarketable products (without replacement); returning products as a result of a qualitative complaint is acceptable under the following conditions:

- The customer carries products in its own stock that have deteriorated in storage and can no longer be marketed;
- The customer carries products in its own stock subject to the risk of expiry;
- The customer has received damaged products (defective packaging, unlabeled products, mislabeled products) after placing an order.





Customers/ partners can also submit requests to replace/return a product based on contractual terms agreed with Secom® or their own specific circumstances (e.g., closure of a business).

To maintain positive business relationships with customers, Secom® offers several types of resolutions in dealing with returns: product replacement, invoice reversal, or sales invoice.

The following table represents **an overview of complaints received from our legal entities customers.**

| Reason                        | 2020         | 2021       | Total        |
|-------------------------------|--------------|------------|--------------|
| Improper packaging            | 16           | 12         | 28           |
| Lack of reception             | 661          | 438        | 1,099        |
| Batch at risk of expiry       | 55           | 38         | 93           |
| Unlabeled / mislabeled        | 16           | 15         | 31           |
| Reception surplus             | 256          | 132        | 397          |
| Quality issues                | 0            | 45         | 45           |
| Damaged product (on delivery) | 237          | 258        | 495          |
| <b>Total</b>                  | <b>1,250</b> | <b>938</b> | <b>2,188</b> |



Fortunately, the share of complaints received from legal entity customers was 0.35% of total products sold in 2020, and even lower in 2021, at just 0.26% – proof of the entire Secom® team's commitment to providing high-quality service.




The company's Corporate Communications, Scientific Support & Innovation, and Customer Care departments manage and resolve referrals and complaints received from individual consumers by phone, by email at *info@secom.ro* or on Secom® Healthcare and Good Routine® social media channels (Facebook and Instagram).

To maintain consumers' and customers' trust in our products and services, we take enquiries and complaints/returns seriously and as a matter of priority and make every effort to resolve them as quickly as possible.

Throughout the management of these situations, we make ourselves available to the customers and the consumers and offer them information and clarification to understand the context and what action is needed to solve the problem.

Below is **an overview of complaints received from individual consumers – offline retail**:

| Reason                        | 2020       | 2021       | Total      |
|-------------------------------|------------|------------|------------|
| Improper packaging            | 5          | 2          | 7          |
| Lack of reception             | 92         | 58         | 150        |
| Batch at risk of expiry       | 11         | 9          | 20         |
| Unlabeled / mislabeled        | 4          | 3          | 7          |
| Reception surplus             | 43         | 40         | 83         |
| Quality issues                | -          | 2          | 2          |
| Damaged product (on delivery) | 52         | 43         | 95         |
| <b>Total</b>                  | <b>207</b> | <b>157</b> | <b>364</b> |

 The share of complaints from individual consumers was minimal in 2020 at just 0.11% relative to the number of SKUs sold and even lower in 2021, at 0.09%.

Below is **an overview of complaints received from individual consumers – online and on social media**:

| Reason                         | 2020       | 2021      | Total     |
|--------------------------------|------------|-----------|-----------|
| Damaged/ improper product      | 4          | 33        | 37        |
| Product missing from the order | 5          | 2         | 7         |
| Expired product                | 1          | 3         | 4         |
| Wrong product in order         | 0          | 2         | 2         |
| Product with missing contents  | 1          | 1         | 2         |
| Price                          | 1          | 5         | 6         |
| Adverse reactions              | 6          | 5         | 11        |
| Transport services             | 2          | 14        | 16        |
| <b>Total</b>                   | <b>20*</b> | <b>65</b> | <b>85</b> |

\*In 2020 no monitoring system was in place for online complaints.







# customer satisfaction.

## our priority

**We want to be constantly connected to the wants and needs of our customers and consumers, which is why their feedback is extremely important to us.**

Therefore, beyond the feedback we receive on our own channels (website, e-mail, social media, trusted.ro type review sites), **we regularly invest in consumer research, customer satisfaction surveys, and mystery shopping.**

In 2020 and 2021 respectively, we conducted a series of studies, necessary to understand the dynamics of the dietary supplement market and consumer needs, including:

- customer surveys to understand consumer behavior and attitudes towards the category - to provide products and services tailored to the needs of our consumers;
  - customer journey surveys used in tailoring the communication/activation mix at the consumer level to provide them with relevant information;
  - consumer stress score survey to determine the extent to which the pandemic is affecting the psycho-emotional state as well as the consumption habits and purchasing power of our consumers;
  - customer satisfaction survey (customers & consumers);
  - mystery shopping studies used to adapt the trade marketing/activation mix in pharmacies to best meet consumers' needs at the time of purchase.
- Following this, we make sustained efforts to answer questions, resolve requests and respond to customers and consumers needs as quickly as possible.



## Observational studies

Over the years, Secom® has conducted several observational studies with renowned Romanian physicians and medical institutions on several products in our portfolio.

These studies have shown that our supplements have statistically significant results, expressed in functional benefits that can effectively support the body's functions and structures and a balanced lifestyle when supplements are administered individually but also when they are used in conjunction with allopathic therapies.

**Secom® partners involved in conducting an observational study on the products in the portfolio are:**

### **The investigating physician/ team of physicians who has/ have the following responsibilities during the course of the study:**

- Selecting patients participating in the study and have them sign informed consent;
- Administering the products according to the agreed protocol;
- Identifying the required types of medical tests to conduct the study;
- Monitoring patients' progress during the study;
- Ensuring delivery of samples from patients participating in the study to the contracted laboratory;
- Collecting and analyzing the results of laboratory analyses of patients participating in the study and filling in their observation forms;
- Reporting the status of the study (number of participants enrolled, patient feedback, interim results);
- Drafting the initial report of the study, based on the statistical analysis of the resulting data.

### **The medical laboratory, with the following responsibilities during the study:**

- Processing samples collected from patients participating in the study and supplied through the physician/physician team;
- Submitting analysis results to the investigating physician/ physician team.

### **The statistician, with the following responsibilities:**

- collecting the raw data resulting from the clinical trial from the investigating physician/team of physicians
- performing statistical data analysis, taking into account the physician's requirements/ instructions.

### **During the observational study, the responsible team in Secom® (Area Medical Manager):**

- Ensures the delivery of the products in the observational study to the medical institution according to the schedule agreed with the investigating physician/team of physicians;
- Monitors the progress of the study through regular meetings (twice a month) with the investigating physician/team of physicians;
- Submits the monthly status of the study progress and collects feedback/input on the issues monitored.



## Participation in observational studies

Our company is well-known in the dietary supplements market for its integrity and for adhering to the principles and rules of ethics and professional conduct. We have never offered cash incentives to patients in our studies to date.

For studies initiated by us, the patient's informed consent was either drafted internally by the Secom® Scientific Support and Innovation team and validated with the team of investigating physicians or was drafted by the team of investigating physicians. It is the latter who provides the patients with the necessary document while ensuring their written consent to be enrolled in the study.

## Observational studies

Observational studies conducted in the last 5 years:

- 📋 **5-HTP (2017) – „Can hydroxytryptophan prevent the onset of post-traumatic stress disorder in critically ill patients?“**

Investigator:

Chief physician Dr. Radu Ciprian Tincu – Primary ICU Physician, ICU-Toxicology Department, Floreasca Emergency Clinical Hospital

- 📋 **Total Cleanse Liver (2018) – "Retrospective study on the effect of Total Cleanse™ Liver preparation in mercury poisoning"**

Investigator:

Chief physician Dr. Radu Ciprian Tincu – Primary ICU Physician, ICU-Toxicology Department, Floreasca Emergency Clinical Hospital

- 📋 **Colostrum with Probiotics (2018) – "Therapeutic efficacy and safety in the administration of Colostrum with Probiotics in patients aged 0 months to 12 years with acute pyelonephritis"**

Investigating physician:

Univ. Prof. Dr. Mihaela Balgradean (Ph.D. supervisor) Pediatric Clinic, Children's Emergency Clinical Hospital "M.S. Curie", Pediatrics – Genetics, Faculty of Medicine, UMF – Carol Davila, Head of Pediatrics Clinic, Head of Nephrology-Dialysis Department, Children's Emergency Clinical Hospital "M.S. Curie", Primary Pediatrician super-specialized in Pediatric Nephrology

- 📋 **Jarro-Dophilus®+FOS (2018) – "Grigore Alexandrescu" Children's Emergency Hospital – "Prospective interventional study on the analysis of dysbiosis and efficacy of the administration of Jarro-Dophilus®+FOS symbiotic in the treatment of functional abdominal pain disorders in patients aged 4-12 years"**

Investigating physicians:

Chief physician Dr. Cristina Becheanu – Primary pediatrician  
Chief physician Dr. Daniela Pacurar – Primary pediatrician  
Univ. As. Dr. Iulia Tincu – primary care pediatrician  
Univ. As. Dr. Roxana Smadeanu – specialist pediatrician





# Licences and certifications

Our company collaborates with internationally renowned producers who invest in innovation and the development of the most effective natural healthcare solutions.

Both European and US partner producers hold the industry's leading licenses and best-practice certifications attesting to the quality, effectiveness, and safety of their products.

All ingredients used in the Secom® portfolio of dietary supplements are quality tested and hold Certificates of qualitative analysis. Laboratory tests

are ISO (standards), GMP certified, and comply with international guidelines (Pharmacopoeias).

The safety and quality of the imported products in the Secom® portfolio are guaranteed by the fact that they are constantly monitored by the US Food and Drug Administration (FDA) testing and accreditation body.



Our producers hold the following certifications:



#### **Good Manufacturing Practice (GMP)**

A certificate attesting compliance with a set of good manufacturing practices (promulgated by the World Health Organization - WHO) in the production of food, beverages, dietary supplements, pharmaceuticals, medical devices, and cosmetics.

Adherence to these practices is a prerequisite for products that ensure high quality per batch and offer a high safety profile for consumption.



#### **National Sanitation Foundation (NSF)**

An international certification organization with a 75-year global history.

It certifies that what is stated on the label is contained inside the packaging and that the product does not contain undeclared or qualitatively inconsistent ingredients. It is based on internationally recognized quality guidelines.



#### **Certified Organic**

An NSF organization that verifies the authenticity and provides certification of organic products. It operates in North America, Latin America, and the European Union.



#### **TRU-ID**

Certification is offered by an independent testing organization (present in 28 countries across Canada, the US, and the European Union) that uses state-of-the-art DNA biotechnology to verify the authenticity of plant products.

TRU-ID validation confirms that the herbs listed on product labels are found in product formulations.

#### **COV (Non-GMO Project Certificate of Verification)**

It guarantees that products have been verified and do not contain genetically modified organisms. This is granted to products manufactured in the US.



# Additional Good Routine® certifications

Good Routine® products are manufactured in Spain and Italy according to Secom®'s own recipe. In addition to cGMP certification, the partner production units hold the most important European and international licenses and certifications, specific to the dietary supplement category, the Good Routine® portfolio having the same quality standards that consumers have come to expect.



## IFS (International Featured Standard Food) License

IFS is a food standard recognized by GFSI (Global Food Safety Initiative) for auditing food producers. The focus is on food safety and the quality of processes and products. It applies to food processing and bulk food packaging companies.



## Food Supplements' Manufacturing License

License for the manufacture of dietary supplements, issued by the Spanish Ministry of Health.



## Member of AFEPAI (Association of Food Supplements and Dietary products)

It is the first business association of food supplements and dietary products in Spain, representing companies operating in the Spanish market of food supplements and dietary products, both in production, distribution, and related services.



## ISO 22000:2018/HACCP – food safety management system

The internationally recognized reference standard for ensuring the quality and safety of supplements throughout the chain from production to consumer.

Benefits of ISO 22000:2018/HACCP certification:

- ✓ providing safe dietary supplements for the end consumer;
- ✓ effective communication between stakeholders (involved in the manufacturing process) throughout the process;
- ✓ compliance with applicable regulatory authority requirements regarding dietary supplement safety;
- ✓ compliance with the applicable regulatory authority requirements regarding the safety of dietary supplements;
- ✓ compliance with own dietary supplement safety policies.



Good Routine® products are differentiated by unique combinations of synergistically acting ingredients and innovative formulas that, together with other healthy routines, complement a balanced lifestyle.

Good Routine® products:

- ✓ contain ingredients from natural sources;
- ✓ include carefully chosen patented formulas;
- ✓ have easy-to-administer dosage forms;
- ✓ have optimal concentrations of active compounds;
- ✓ allow rapid release of active compounds into the body;
- ✓ have high bioavailability;
- ✓ do not contain common allergens or additives.

Working with the best partners in the industry, Good Routine® dietary supplements are developed in collaboration with European producers renowned for their investment in Research & Development, and for the quality and benefits of patented ingredients, scientifically documented through studies.





# Marketing and product labeling

## Communication channels

**We have been investing in informing and educating our consumers from the moment we entered the market. We want them to be able to make the best decisions for themselves and to have easy access to scientifically based, educated data.**

The main communication channels the company uses to provide additional product information are:

- [secom.ro](http://secom.ro), [good-routine.com](http://good-routine.com) websites which include information on the composition, effects, and benefits of the products as well as on administration, warnings on potentially allergenic ingredients or contraindications;
- Landing page [campanii.secom.ro/alegem-bine](http://campanii.secom.ro/alegem-bine);
- The platform chat on [secom.ro](http://secom.ro) and [good-routine.com](http://good-routine.com);
- Secom Healthcare and Good Routine® social media pages (Facebook, Instagram, YouTube) [facebook.com/SecomHealthcare](https://facebook.com/SecomHealthcare) [instagram.com/secom.healthcare](https://instagram.com/secom.healthcare) [facebook.com/goodroutinebysecom](https://facebook.com/goodroutinebysecom) [facebook.com/goodroutinefoodsupplements](https://facebook.com/goodroutinefoodsupplements) [instagram.com/goodroutinebysecom](https://instagram.com/goodroutinebysecom) [instagram.com/goodroutine\\_foodsupplements](https://instagram.com/goodroutine_foodsupplements) [youtube.com/user/secomromania](https://youtube.com/user/secomromania)
- In Secom stores – [secom.ro](http://secom.ro)/magazine –, via consultants but also in technical leaflets
- In video consultancy sessions sessions offered free of charge on [secom.ro](http://secom.ro).
- In the product catalog available on [Facebook](https://facebook.com);
- In TV, radio, online advertisements, etc.





## Product labeling and promotion

Within Secom®, the Marketing and Trade Marketing Departments are responsible for developing and disseminating the information/ promotional materials needed to support sales and promotional activities.

As far as the labeling process is concerned, our company has clear and efficient procedures for carrying out the approval/ revision and development/ amendment of labels.

The purpose of this procedure is to define and formalize the approval or re-approval of products, based on the specifications communicated by the producer/ goods supplier and in accordance with the applicable legal regulations.

The development/ amendment of product labels for marketing purposes is carried out in accordance with the applicable legal framework:

- H.G. 106/2002 on food labeling;
- O.G. 21/1992 on consumer protection;
- Law 363/2007 on combating unfair practices by traders in relation to consumers and aligning regulations with European consumer protection legislation;

✓ During the reporting period, there were no registered incidents of non-compliance with voluntary or legally required regulations and/or codes regarding the labelling or promotion of products marketed by the company.

- EC Regulation 432/2012 establishing a list of permitted health claims made on food products, other than those referring to the minimization of disease risk and to children's development and health (compliance with the provisions of the Regulation, and therefore its incidence, will be determined on a case-by-case basis for each product to be promoted – in this respect, see the concentration criteria for active substances).
- Regulation 1169/2011 on "Food information to consumers".

✓ As of 2018 and to date (2021), no non-conformities have been identified and our labels are 100% compliant with national and European regulations in this area.





At the same time, as product importers, we comply with the obligation to translate labels into Romanian.

**In addition to the information required by law, for transparent, ethical communication and to encourage informed consumption of dietary supplements, Secom® product labels also contain information about certifications, patents, nature of packaging, absence of allergens, technological process, etc.**

Examples of additional labeling elements designed to support and encourage conscious choices by our consumers:



**1. Krill Oil from the Good Routine® range – source of krill oil**

The patented Eco-Harvesting® technology is a specific process that avoids additional shrimp harvesting, thus protecting the entire Antarctic marine ecosystem from loss of biodiversity, threats caused by modern lifestyle conditions, and climate change.



**2. Pure Omega-3 from the Good Routine® range – high purity Omega-3 fatty acids**

The patented Flutex™ technology platform drives a 4-step purification process that ensures the removal of heavy metals and other contaminants – without the use of solvents, high temperatures, or other harsh methods in the process.



**3. Build-Your-Joints from the Good Routine® range – undenatured UC-II® collagen source**

Intact, undenatured type II collagen (UC-II®) is derived from chicken cartilage, with a low degree of processing, under mild low-temperature conditions to preserve the collagen molecule in the form of a three-dimensional triple helix spiral.







## We choose well, so that you can stay well

We promote our products in a responsible way that everyone can understand, because we want to help our consumers make balanced decisions, use the power of prevention, and develop healthy habits.

Thus, in 2021 we launched the We choose well, so that you stay well campaign. Through the campaign, people from our team talk about the criteria and values that guide them to make the best decisions for consumers, about quality, safety, efficiency, innovation, and product variety, how they listen to their consumers and help them make informed choices when it comes to their health.

Because what sets us apart is that every product in the Secom® portfolio is the sum of choices made by the people in our team. These choices are the result of a rigorous product selection process, carried out thoroughly, ethically, with great care and which is based on a multitude of scientific criteria, in order to provide consumers with a guarantee of their safety and effectiveness.

Thus, through this campaign, we wanted our consumers to:

- get to know the people behind Secom® products, some of the team that chooses well, for their health;
- find out how we choose high quality dietary supplements;
- understand how we provide dietary supplements with a high safety profile;
- learn what effective dietary supplements mean;
- discover how we use their feedback to improve our portfolio;
- find out how we keep up with industry innovations;
- understand why we have such a varied portfolio;
- find out how and why we choose to advise consumers on their choice of dietary supplements.





## ETICHETA SINCERĂ SECOM®



**At the same time, because we know that sometimes information about dietary supplements can seem hard to understand, we chose to have a strong educational component in our latest Secom® corporate brand communication campaign.**

In the **We choose well and then "translate" for you** campaign (a follow-up of the *We choose well, so that you stay well* campaign launched in 2021) we explain in a simple and friendly way, through the voice of Irina-Margareta Nistor:

- The rigorous selection process we use to introduce any product into our portfolio that guarantees the high quality of Secom® and Good Routine® products.
- The Secom® *Honest Label* concept which reflects the care we place on both the quality of the portfolio and the honest, open, and transparent communication of each item on the label.

## The Secom® Honest Label

The Secom® *Honest Label* contains information reflecting the care we place on both portfolio quality and honest, transparent communication of product information, so that consumers can choose any Secom® and Good Routine® supplement consciously.

The Secom® and Good Routine® *honest label* lists all the ingredients present in the product, their exact concentrations, and the active compound that studies show benefits for the body.

We pay particular attention to the excipients. In our products, we choose only those excipients necessary to stabilize the formula, nothing more so that the consumer has the guarantee of effectiveness and safety of the products.

In this respect, our supplements' labels not only indicate recommended instructions for use but also warnings of potentially allergenic ingredients or contraindications. It also clearly states how to use the supplement and ethically communicates only the benefits approved by the European Food Safety Authority (EFSA).

We value the quality of ingredients, compliance with legislation, and honest, open, truthful communication of every item on the label.

To choose quality supplements and to take them responsibly, we encourage consumers to read the label carefully, monitor compliance with above listed criteria, and seek the advice of a physician, pharmacist, or specialist consultant.



# The notification- re-notification process

**The need for product notification** arises following the introduction of a new product into the Secom® portfolio.

**The need to re-notify** a product from the Secom® portfolio results from the following:

- notification received from the producer/supplier of changes in the formulation of the product;
- identifying, following the analysis of product samples from the goods order delivered by the producer (according to the Goods Receipt process in the same named procedure), those products that have different specifications from the product notified by Secom® for marketing on the Romanian market (e.g. changes in composition);
- changes identified in the legislation applicable to the marketing of dietary supplements and their impact on the marketing of products in the Secom® portfolio (according to the process of Monitoring formula compliance in terms of legislation in the same-named Secom® procedure).

Based on the information and documents collected, the company's Regulatory Affairs Specialist:

- drafts and ensures the signing of the necessary documents for the notification/ re-notification and prepares the notification/ re-notification file;
- submits the notification file (physically) to the competent authority as follows:
  - ➔ to the Ministry of Health, General directorate for medical assistance and public health, when products contain only vitamins and minerals;
  - ➔ to the Regional Public Health Centers (CRSP) in Iasi, Timisoara, Cluj - National Institute of Public Health, in the case of products containing mixtures of vitamins, minerals, and various other substances with a nutritional and physiological effect;
  - ➔ to the National Research and Development Institute for Food Bioresources (IBA), for products containing medicinal herbs and hive products.



3



## ENVIRONMENT

Waste and packaging  
management

Energy efficiency and GHG  
emissions reduction





# Waste and packaging management

**Secom® is an importer and distributor of premium healthcare and beauty products made by renowned international producers with considerable experience in the field of integrative medicine, who have contributed over the years to the development of the dietary supplement industry.**

Although we do not have a significant local impact on the environment through our activity, as we do not yet conduct production activities, we are aware that the indirect impact associated with our activity involves the consumption of resources, energy, and greenhouse gas emissions.

Thus, we aim to take action and implement the most effective solutions to reduce our potential negative environmental impact through dialogue, engagement, and collaboration with our producers and partners.



## Company waste impact

The company's operational flows (regarding waste) are:

- Imports of goods (dietary supplements, teas, and natural cosmetics): plastic, glass, aluminum, cardboard, and wood – pallets;
- Distribution to individual consumers and legal entity customers: delivery cardboard boxes, plastic film, and bubble wrap for product stability and protection;
- Returns;
- Promotional materials created to support commercial activity: store bags, retail packaging, etc.;
- Stationery and materials used in office activity.

Packaging for 31.25% of all supplements in Secom®'s portfolio is made from 97% post-consumer recycled plastic.

At the same time, expired products sent as returns to the warehouse of the logistics partner – KLG Europe Logistics – that Secom® uses, marked as "non-compliant products", are centralized in the warehouse, and sent for disposal, through a specialized company offering services such as collection, transport, and disposal of non-hazardous/ hazardous waste, recovery through recycling of waste, destruction, and disposal by incineration according to the legislation in force.

Regarding the packaging placed on the market, the company has contracted an Extended Producer Responsibility Obligation Implementing Organization (OIREP) to collect and recover packaging on behalf of Secom®.





# Packaging materials placed on the market

according to the monthly statements submitted during 2020-2021 to the Environmental Fund Administration

| Material type /<br>Quantities of packaging<br>placed on the market<br><i>kg, year, month</i> | Glass  | Plastic | Paper/<br>Cardboard | Wood  | Aluminum | Total  | Total<br>recovered |
|--|--------|---------|---------------------|-------|----------|--------|--------------------|
| 2020   |        |         |                     |       |          |        |                    |
| January  | 6,878  | 3,055   | 2,152               | 768   | 181      | 13,034 | 100%               |
| February   | 20,381 | 13,755  | 6,653               | 3,002 | 3        | 43,794 | 100%               |
| March  | 2,632  | 6,429   | 2,887               | 1,280 | 0        | 13,228 | 100%               |
| April  | 7,500  | 12,884  | 4,865               | 1,898 | 0        | 27,147 | 100%               |
| May  | 1,908  | 8,398   | 2,241               | 1,670 | 7        | 14,224 | 100%               |
| June   | 18,016 | 15,199  | 3,036               | 2,559 | 16       | 38,826 | 100%               |
| July   | 9,493  | 4,971   | 1,447               | 1,581 | 0        | 17,492 | 100%               |
| August   | 15,192 | 7,599   | 3,323               | 1,899 | 50       | 28,063 | 100%               |
| September  | 8,008  | 13,032  | 4,775               | 2,887 | -        | 28,702 | 100%               |
| October  | 9,932  | 8,878   | 3,562               | 2,229 | 1        | 24,602 | 100%               |
| November   | 7,065  | 21,505  | 6,718               | 3,258 | 0        | 38,546 | 100%               |
| December   | 7,065  | 17,707  | 2,173               | 2,970 | 0        | 29,915 | 100%               |

| Material type /<br>Quantities of packaging<br>placed on the market<br><i>kg, year, month</i> | Glass  | Plastic | Paper/<br>Cardboard | Wood  | Aluminum | Total  | Total<br>recovered |
|--|--------|---------|---------------------|-------|----------|--------|--------------------|
| 2021   |        |         |                     |       |          |        |                    |
| January  | 42     | 18,048  | 2,607               | 2,552 | 3        | 23,252 | 100%               |
| February   | 7,394  | 15,639  | 3,008               | 2,888 | -        | 28,929 | 100%               |
| March  | 17,656 | 17,782  | 3,512               | 3,000 | 0        | 41,950 | 100%               |
| April  | 1,199  | 8,084   | 3,076               | 1,177 | 0        | 13,536 | 100%               |
| May  | 1,079  | 8,489   | 2,769               | 1,235 | 0        | 13,572 | 100%               |
| June   | 7,849  | 16,670  | 5,036               | 1,650 | 62       | 31,267 | 100%               |
| July   | 5,347  | 15,987  | 5,036               | 862   | 6        | 27,238 | 100%               |
| August   | 1,574  | 23,936  | 3,085               | 3,065 | 2        | 31,662 | 100%               |
| September  | 5,837  | 11,446  | 4,299               | 1,619 | 7        | 23,208 | 100%               |
| October  | 8,989  | 10,117  | 892                 | 1,606 | 6        | 21,610 | 100%               |
| November   | 13,873 | 22,350  | 16,654              | 270   | 2        | 53,149 | 100%               |
| December   | 933    | 7,365   | 2,300               | 500   | 0        | 11,098 | 100%               |



We contracted an organization that implements extended producer responsibility obligations, which takes over all of our company's environmental obligations for the management of packaging placed on the national market. Every month, we submit statements on packaging placed on the market to the Environmental Fund, and our partners contractually ensure the recovery and valorization of packaging placed on the market.

According to the legislation in force (Law no. 249 of 2015 on packaging and waste), we must recover a certain percentage of each type of material placed on the market, according to the table below (which shows the minimum required to be recovered), but because we place great importance on environmental protection, we requested additional efforts from our partners.

Thus, during 2020–2021, we recovered 100% of the packaging placed on the market, and we aim to maintain the same performance in the future.

| Objective                                   | 2019–2022<br>(inclusive) | 2023 | 2024 | From<br>2025 |
|---|--------------------------|------|------|--------------|
|   | %                        | %    | %    | %            |
| 1 Overall recycling target                  | 55                       | 60   | 60   | 65           |
| 2 Paper - cardboard recycling target        | 60                       | 65   | 70   | 75           |
| 3 Plastics recycling target (including PET) | 22.5                     | 35   | 40   | 50           |
| 4 Glass recycling target                    | 60                       | 65   | 65   | 70           |
| 5 Aluminum recycling target                 | 20                       | 30   | 40   | 50           |
| 6 Wood recycling target                     | 15                       | 20   | 20   | 25           |

We recovered 100% of the packaging placed on the market in both 2020 and 2021.

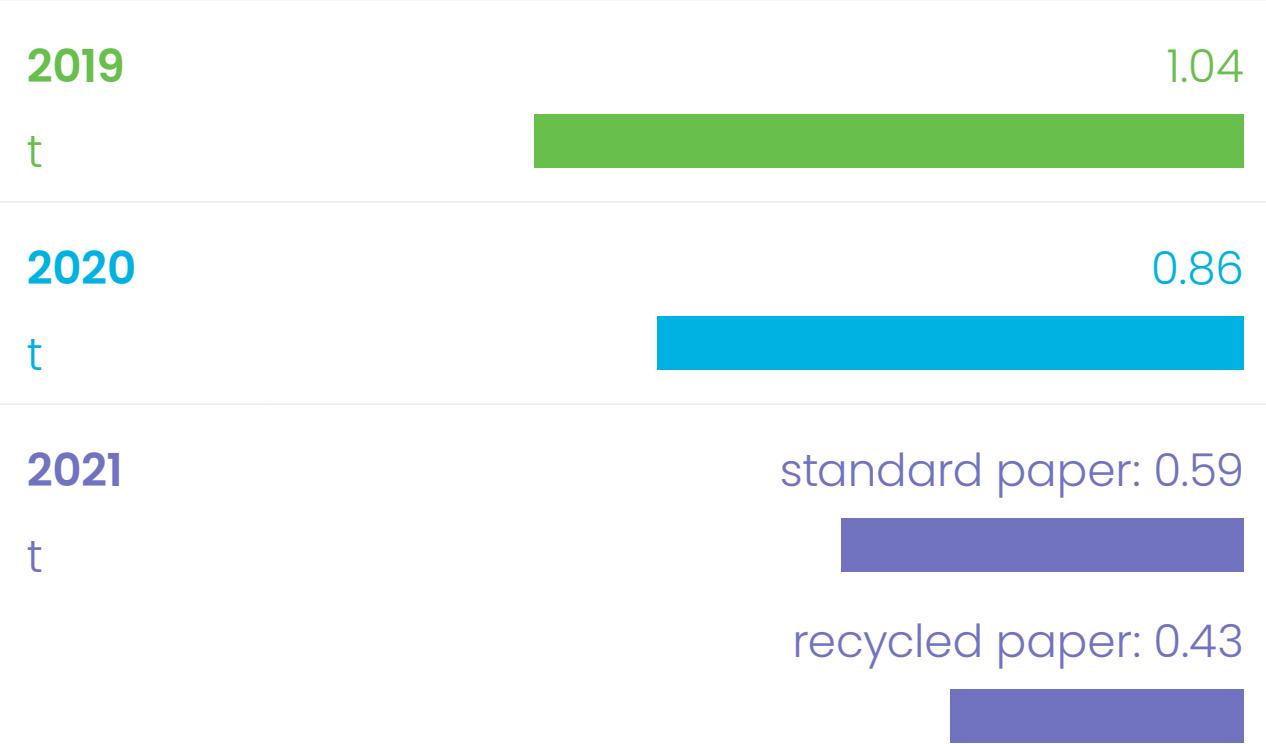






Other materials used in the Secom® activity

Paper used in the administrative office and Secom® stores



Recycled materials used in office operations

Paper/ Cardboard

|      |  |                         |
|------|--|-------------------------|
| 2020 | Total kg                                     | Data was not monitored. |
| 2021 | Total kg                                     | 430                     |
| 2021 | % of total materials used in office activity | 42.9%                   |

Household, paper, plastic, and cardboard waste from office activities is collected separately and taken by the service provider collaborating with the building management of our head office.

Our company does not manage these and therefore we do not have information on the quantities collected.

For Secom® stores, we contract sanitation companies to collect household waste from all stores, including those that can no longer be reused. Packaging boxes are reused when possible.

The batteries we use in our office activity are collected in the recycling centers provided by various large hypermarkets, so for every 6 batteries recycled we receive a new battery.

Other waste generated by storage operations

| Waste  | 2020<br>t | 2021<br>t |
|--|-----------|-----------|
| Detergents   | -         | 3.24      |
| Plastics   | 1.42      | -         |
| Out-of-date products received as returns   | 8.97      | 7.92      |
| Waste subject to special infection prevention measures for collection and disposal | 0.003     | 0.023     |
| Composite packaging  | -         | 0.460     |
| Total  | 10.393    | 11.643    |



## Preventive actions

As far as office activity is concerned, we have implemented a separate waste collection system (plastic, paper-carboard, glass, household waste), thus eliminating the individual bins for each office 3 years ago.

As of 2021, only recycled paper is used in the company for printing necessary documents (e.g., customs files) and certain promotional materials.

## Data collection and monitoring

The import process involves recording all quantities entering Romania in the ERP Microsoft Dynamic NAV (NAVISION) system, which allows integrated management of the activity and resources in all departments of the company.

Producers also provide us with the net and gross weights and the composition of each individual package, according to the type of material (plastic, glass, cardboard, etc.). By calculating each registered import, the amount of waste introduced into the Romanian market is determined.







# Energy efficiency and GHG emissions reduction

## Energy consumption policy

Currently, there is no internal policy on energy consumption, but our company is aware and is developing a responsible attitude towards the environment, trying year by year to implement measures aimed to reduce the size of the negative impact we have through our business.

These measures include:

- replacing the incandescent bulbs in the head office and the lighting systems in the company's own stores with LED bulbs;
- purchasing green energy;
- replacing household appliances with Class C appliances (corresponding to class A+ according to the previous classification);
- internal information to encourage switching off electricity-using equipment in offices and stores after closing.

At the same time, we aim to renew the company's car fleet in 2022 with 50 mild hybrid cars out of a total of 76 cars.



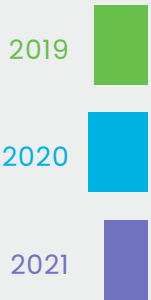
# Total energy consumption

| Total energy consumption | 2019<br>MWh | 2020<br>MWh | 2021<br>MWh |
|--------------------------|-------------|-------------|-------------|
| Diesel                   | 403.8       | 307.83      | 390         |
| Gasoline                 | 774.84      | 663.14      | 785.24      |
| Natural gas              | 774.71      | 649.32      | 340.13      |
| Electricity              | 187.87      | 195.94      | 146.62      |
| Thermal energy           | 55.67       | 59.62       | 49.53       |
| Total                    | 2,196.89    | 1,875.5     | 1,175.24    |



**Note:** For electricity and thermal/gas consumption, data were extracted from monthly readings, converting kWh/Gcal/mc to MWh. For fuel, the total fuel consumption was summed, and the conversion factors used were 0.4 l/kWh for diesel and 0.6 l/kWh for gasoline.

| Total energy consumption from renewable sources (biofuel, biomass, etc.) | 2019<br>MWh | 2020<br>MWh | 2021<br>MWh |
|--|-------------|-------------|-------------|
| Green (renewable) electricity  | 79.47       | 89.71       | 65.65       |



The decrease in renewable energy consumption is not a result of the internal policy applied by the company but is due to the share of renewable energy in the energy mix, as communicated in the energy label received from the supplier.

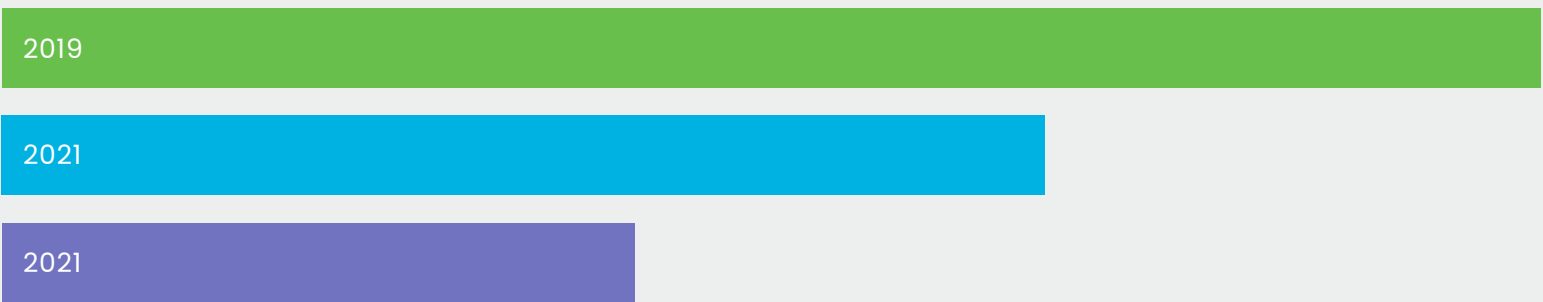
**Note:** Renewable energy consumption was extracted from energy labels received from electricity suppliers.





# Energy consumption intensity

| Energy intensity in relation to turnover | 2019              | 2020              | 2021              |
|--|-------------------|-------------------|-------------------|
|  | kWh/ thousand lei | kWh/ thousand lei | kWh/ thousand lei |
|  | 18.015            | 12.236            | 7.462             |



In 2020, energy intensity decreased by

**32%**

compared to 2019.



In 2021, energy intensity decreased by

**39%**

compared to 2020.



Energy intensity represents the total energy consumption of the company for its own activity (transport, offices/ stores operation) in relation to turnover.

The decrease in this indicator is extremely important as it shows us that the investments, we are making in energy efficiency measures are appropriate and help us to reduce our energy footprint (from year to year we used less energy for every 1 leu we generated through our sales).

In the calculation methodology, we only included energy consumption within the company because the international partners we collaborate with manufacture products for a considerable number of other companies, making it difficult to determine energy consumption exclusively for the production of products in the Secom® portfolio.

Investments of around €50,000 (LED lighting) made it possible to reduce electricity consumption by around 50% in 2020 compared to the previous year.

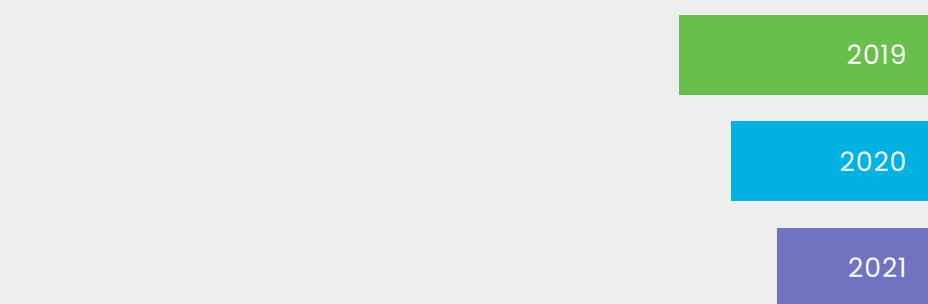
# Greenhouse gas emissions

| GHG emissions | 2019                      | 2020                      | 2021                      |
|---------------|---------------------------|---------------------------|---------------------------|
|               | tonnes CO <sub>2</sub> eq | tonnes CO <sub>2</sub> eq | tonnes CO <sub>2</sub> eq |

Scope 1\*



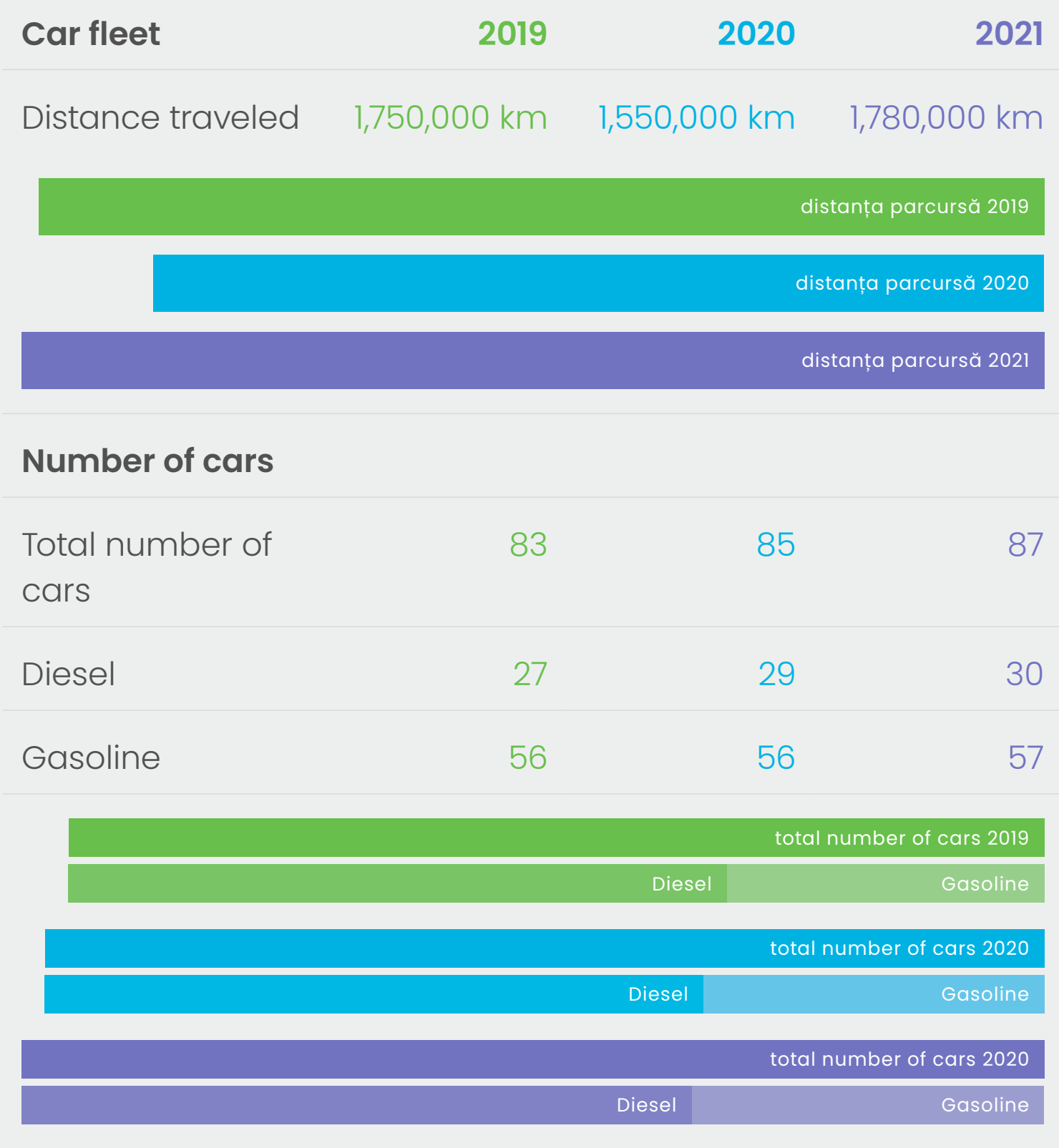
Scope 2 (location based)



\*Scope 1 emissions were calculated for each type of car, based on the data provided in the car's technical book, according to kilometers driven.



# Car fleet



Because much of our energy consumption is generated by the fossil fuel consumption of our fleet cars, we are committed to

replacing over 70% of our fleet with hybrid cars by 2023 and 15% of our fleet with electric cars by 2026.





4



## OUR TEAM

Secom® team

Promoting diversity  
and performance

Occupational  
health and safety





# Secom® team

Our team is one of the key contributors to Secom®'s responsible growth over the years. The Secom® world is about good people and the opportunity to be part of an experience that impacts lives for the better, both the lives of the people in Secom® and the lives of our consumers and patients.

We want to continue to grow with the people in our team and provide them with a positive, constructive working environment that helps them develop, both professionally and personally, so that they can reach their full potential.



In 2020, the Secom® team consisted of 162 people, 40 men, and 122 women.

In 2021, there were 179 people on the team, of which 46 men and 133 women, with the team registering a **10.5% increase compared to the previous year.**



No. of employees by contract type/  
working hours

|            | 2020 | 2021 |
|------------|------|------|
| Fixed term | 17   | 10   |
| Indefinite | 145  | 169  |
| Part time  | 0    | 1    |
| Full time  | 162  | 178  |



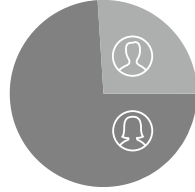
People in  
our team

162



40 men  
122 women

179



46 men  
133 women



Average age of  
team members

35 years

35 years

Category

| Category         | 2020 |       |     |       |       |       |     |       | 2021 |       |     |       |       |       |     |       |
|------------------|------|-------|-----|-------|-------|-------|-----|-------|------|-------|-----|-------|-------|-------|-----|-------|
|                  | men  |       |     |       | women |       |     |       | men  |       |     |       | women |       |     |       |
|                  | <30  | 30-50 | >50 | Total | <30   | 30-50 | >50 | Total | <30  | 30-50 | >50 | Total | <30   | 30-50 | >50 | Total |
| Top management   | 0    | 6     | 0   | 6     | 0     | 4     | 0   | 4     | 0    | 4     | 0   | 4     | 0     | 5     | 0   | 5     |
| Management       | 0    | 5     | 0   | 5     | 0     | 8     | 0   | 8     | 0    | 9     | 0   | 9     | 0     | 19    | 0   | 19    |
| Specialists      | 4    | 25    | 0   | 29    | 20    | 85    | 5   | 110   | 4    | 29    | 0   | 33    | 21    | 83    | 5   | 109   |
| Other categories |      | 0     | 0   | 0     | 0     | 0     | 0   | 0     | 0    | 0     | 0   | 0     | 0     | 0     | 0   | 0     |
| Total            | 4    | 36    | 0   | 40    | 20    | 97    | 5   | 122   | 4    | 42    | 0   | 46    | 21    | 107   | 5   | 133   |

Note: information on team members does not include colleagues on childcare and parental leave.



## Parental leave

|   | 2020 |                                | 2021 |  |
|---|------|--------------------------------|------|--|
|   | Men  | Women                          | Men  | Women  |
| No. of employees who benefited from parental leave  | 0    | 35                             | 0    | 30   |
| No. of employees who returned to work (in 2020/ 2021) at the end of their parental leave  | 0    | 8                              | 0    | 9<br>(2 did not return)                          |
| No. of employees who returned to work (in 2019/ 2020) after parental leave and were still employed 12 months after their return (in 2020/ 2021) | 0    | Data was not available in 2020 | 0    | 8<br>(3 left the company earlier than 12 months) |
| Return rate (%)*  | 0    | 100%                           | 12   | 5  |
| Retention (%)**   | 0    | Data was not available in 2020 | 0%   | 82%  |



$$\text{*Return rate} = \frac{\text{Total number of employees who returned to work in 2020 after the end of parental leave}}{\text{Total number of employees who should have returned to work in 2020 after the end of parental leave}} \times 100$$

$$\text{**Retention} = \frac{\text{Total number of employees who took parental leave in the previous period (2017), returned to work in 2019, and are still employed in 2020}}{\text{Total number of employees who returned to work in 2019 after the end of parental leave}} \times 100$$





The pandemic has changed the way we relate, communicate, collaborate, and work, but we learned that we can connect authentically with each other and keep the team together to carry our mission forward, albeit differently and perhaps with more effort on each of our parts.

That is why, in the two years of the pandemic, we focused on adapting the company to the needs of our colleagues, not the other way around.

Thus, beyond open communication and measures taken to provide clarity and predictability, we implemented **a series of actions to support both the health and the psycho-emotional balance of the team:**

- the option to work from home 3 days a week, depending on restrictions and risk level;
- flexible working hours with differentiated working intervals according to the specific needs of families with children;
- dedicated psychological support for colleagues in special circumstances;
- immunization packages consisting of the most effective products in the Secom® portfolio;
- constant testing wherever there is the lowest risk of contracting the COVID-19 virus;
- webinars with various experts: nutritionists, psychotherapists, financial education specialists.

Despite these measures taken to ensure an empathetic, caring working environment for the people in our team, some colleagues decided to leave. We thank them for their contribution to the development of Secom® and assure them that we will take their feedback into account to make the company an *employer of choice* in our industry.



## Communicating with team members

2020 and 2021, years marked by the Covid-19 pandemic, came with uncertainty and challenges but proved that **a united team and open and constant communication with colleagues brings clarity and certainty.**

During 2020, in addition to constant communication on health protection measures in a pandemic context, we held quarterly online meetings – Town Halls – with the entire team, where we kept them up to date with business developments, clarifying key changes in the way we work, the impact on people. During these meetings, to better connect with colleagues, and identify their main concerns, we answered all their questions through an anonymous quiz system facilitated by MENTI.com.

Subsequently, the People & Culture (Human Resource) department also followed up by email with detailed answers to the questions asked in the monthly meeting, so that no questions would go unanswered.

In 2021, to show even more openness and clarity to the team, we decided to organize these meetings every month.

Also, at the end of 2021, we held an election where 2 employee representatives were appointed, and they would then have regular meetings with the People and Culture department and the company CEO to discuss the issues that concern them most.





# Promoting diversity and performance

## Remuneration policy

At Secom® there is a procedure regarding the remuneration of the people in our team, aimed mainly at defining and formalizing the activities that process the relevant information for the calculation of salaries, salary advances, and bonuses, as well as dividing responsibilities and defining the role of each person responsible in this entire process.

We have a competitive salary package in the dietary supplement market that includes in addition to a fixed salary, a performance bonus – awarded

quarterly for sales positions and annually for other positions, health insurance, life and accident insurance, discounts on portfolio products, psychotherapy sessions, financial incentives for colleagues who contribute to the recruitment of a colleague, gifts on various legal holidays: Easter and Christmas, vouchers for special events in colleagues' lives (birthday – eMag voucher, marriage, childbirth), a range of flexible benefits that can be chosen from the Benefit platform, within a budget of 400 lei/employee.

In addition, we are constantly concerned with long-term employee loyalty and motivating colleagues to remain in the team, so on the anniversary of each year spent in the company, we offer an anniversary bonus of 1000 lei net, as well as an additional day of leave for colleagues with 1 to 3 years' seniority and 2 days for colleagues with 4- and 5-years' seniority.





# Recruitment policy

The recruitment process is based on a clear and objective selection procedure to fill vacancies with the most qualified people.

At Secom® we communicate vacancies transparently to the entire organization.

There can be exceptions to this principle only under the following circumstances:

- there is one (single) successor identified and prepared, in which case an appointment will be made (the line manager sends the People & Culture Manager details of the promotion);
- there is a high level of urgency, in which case an appointment will be made (interim-fixed-term appointment, with the employee's agreement) after the approval of the People & Culture Manager.

Once the vacancy has been communicated, the actual selection process begins.

Our recruitment policy considers both colleagues who have the necessary qualifications, skills, and motivation and

external candidates who have applied for vacancies advertised through agreed media channels. In the event of a profile similarity, preference is given to internal candidates.

We encourage our team members to develop their potential and pursue their professional interests within the organization. Internal mobility is an important way to ensure the best possible match between jobs and the knowledge, skills, and experience of people in the team so that both the company and people achieve their goals.

Depending on the open role, the recruitment process must be completed:

- within a maximum of 24 working days for volume positions (e.g. Sales Representatives, Medical Representatives, Store Consultants);
- within a maximum of 45 working days for middle management positions;
- within a maximum of 60 working days for top management positions.

## Factors to be considered in determining the suitability of a candidate for a position within Secom® are:

- ✓ work experience;
- ✓ education/training;
- ✓ performance in current position;
- ✓ recommendations from managers and colleagues;
- ✓ ethical and professional conduct;
- ✓ compatibility with [Secom® values](#);
- ✓ demonstrated potential either in the previous position or during assessment and development sessions, etc.;
- ✓ candidates with disciplinary sanctions within the last 12 months are not eligible for transfer or promotion (unless the position is restructured);
- ✓ only people with at least 12 months seniority in their current position within Secom® are eligible for transfer or promotion; exceptions can be made with the approval of the manager of the position for which the person is being proposed and the People & Culture Manager;
- ✓ if a member of the team has completed this minimum interval, he/she may not be restricted from transferring/promotion to another position, but a transition period of a maximum of 2 months from the date of the notification of the selection report may be established.



## The organization's policy on training and professional development of team members

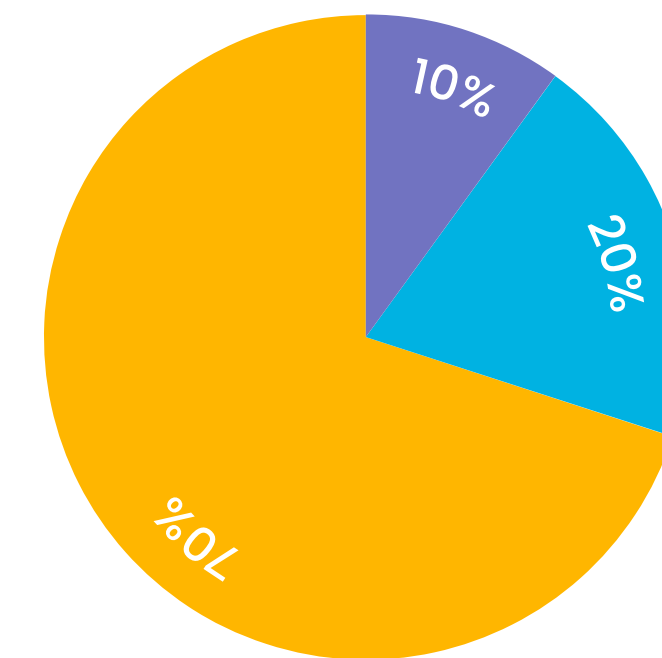
**At Secom® we approach development as a daily routine, so we encourage and support people who want to grow, both professionally and personally. We love people who want to be a better version of themselves every day.**

To this end, we have a well-defined procedure aimed at developing the skills of the people in our team. This starts with the assessment process, where we establish the development plan and the training programs that need to be followed for the team member to expand their skills.

**Secom® aims to achieve the following team development objectives:**

- adapting to the organizational culture by achieving an appropriate level of general behavioral skills development;
- developing technical/functional/ specific competencies to be able to successfully meet the responsibilities of the job;
- developing management & leadership skills;
- learning new ways to act in line with societal trends;
- developing skills in line with colleagues' own career aspirations, linked to Secom® strategy and allocated resources;
- accelerated development of skills in line with established succession plans.

The methodological framework used to carry out organizational learning is based on the 70/20/10 approach:



### 70% Experiential/ Experience

learning that happens every day in the workplace through solving tasks and challenges that arise in the day-to-day work

### 10% Formal/ Education

learning through training programs and courses

### 20% Social/ Exposure

learning through collaboration, whether through coaching, consulting with peers, and other interactive or consultative methods



**Identifying training needs is an ongoing process that consists of:**

- analyzing the gap between the current and desired level of performance, to differentiate between instances where it can be bridged by training/ development and those where other non-training actions are required (analyzing motivation, access to resources, resolving conflict situations, reducing overload, managing poor attitude, etc.);
- identifying training needs for team members who do not have the skills to meet current or future job performance targets (e.g. in the case of a potential transfer to another job), specific projects, etc.;
- documenting training needs.

**Training and development needs are identified individually as follows:**

- During the performance management process
  - a. In setting new objectives/ responsibilities or ones of higher requirements/ standards;
  - b. Following a below-standard evaluation.
- As part of the induction/ orientation process for each newly recruited/ promoted team member;
- As part of the Talent Management process for team members confirmed in the Succession Plan;
- Anytime a specific, clear, addressable need is identified through training and development actions.

For the training/ development programs carried out, Secom® may ask the team member to sign an addendum to the individual employment contract in accordance with the Internal Regulations.

**The Learning and Development Partner is responsible for:**

- Regular monitoring of costs related to development programs in relation to the approved budget, as well as providing information on the amounts included in the amendments agreed for the training of team members;
- Managing information and documents related to each training and development program (including participant attendance confirmation) as well as individual 70/20/10 Development Plans across the organization.

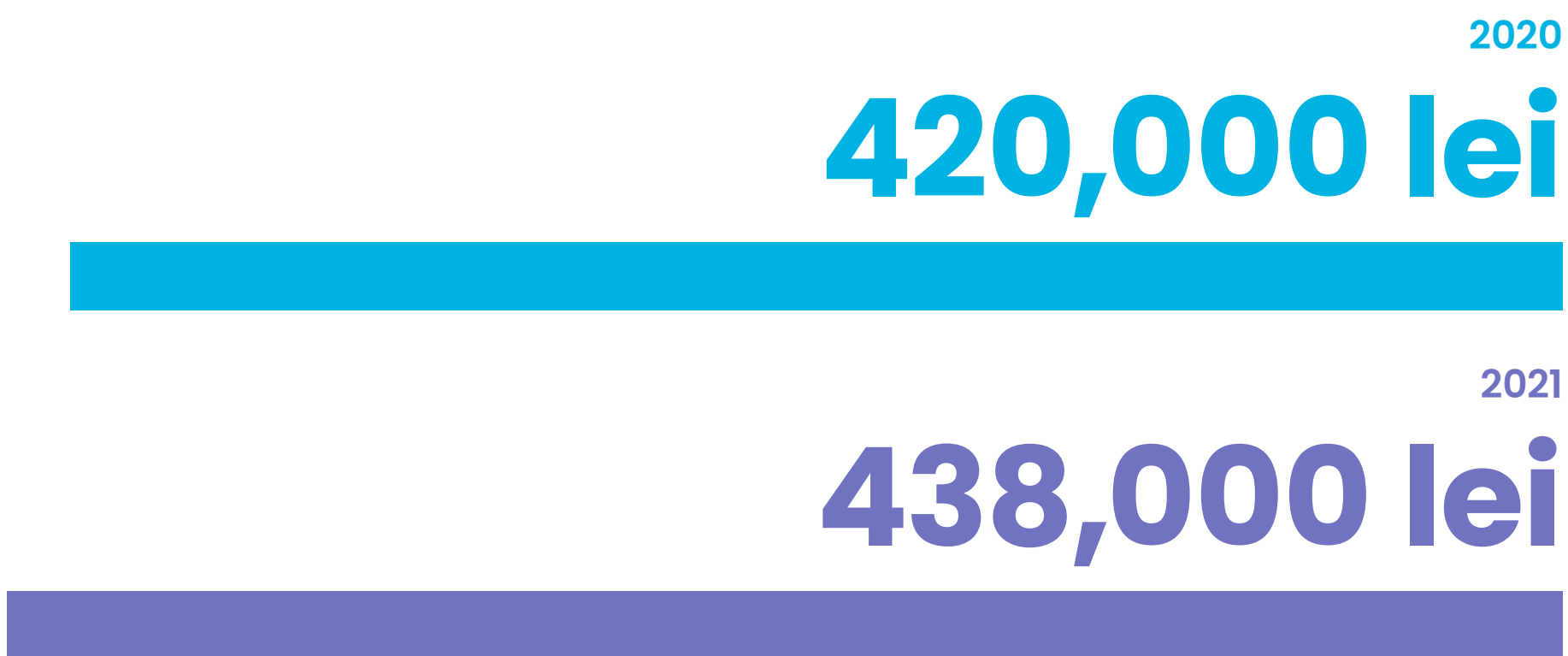


**Average number of training hours per year per employee by gender and category**

|                    | 2020   | 2021 |
|--------------------|--|------|
| per employee       | In 2020, there was no monitoring system in place within the company that would allow us to extract data in the format required by the standards. | 18.8 |
| per women employed |  | 18.6 |
| per men employed   |  | 19.5 |



Training budget value:



In 2020, due to the COVID-19 pandemic, it was no longer possible to carry out the activities physically, for safety reasons.

However, our company organized webinars on different topics, such as

nutrition, sleep, parenting, providing real support to help our team adapt to the new context.

Online team meetings were also organized and attended by over 70% of colleagues.

The company provided 1,170 hours of wellbeing and support workshops during the pandemic (on nutrition, psycho-emotional balance, financial education).

Most of the training was organized to support the dissemination of new Secom® values and constructive culture that encourages communication and collaboration while supporting the autonomy of each team member.

At the same time, **a workshop was held in 2021 to increase the skills of colleagues in the sustainability team to develop the sustainability report,**

attended by 18 colleagues from all departments of the company.

At the same time, in 2021 we launched our **in-house e-Learning platform** and restarted **offline training**. Meanwhile, a series of training and workshops were organized to disseminate the new values of the organizational culture.

**Proportion of employees who benefited from a performance assessment and career development plan review, by gender and category**

|                         | 2020 |       | 2021 |       |
|-------------------------|------|-------|------|-------|
|                         | men  | women | men  | women |
| Executive management    | 100% | 100%  | 100% | 100%  |
| Management              | 100% | 100%  | 100% | 100%  |
| All employee categories | 100% | 100%  | 100% | 100%  |



## Diversity, equal opportunities, and non-discrimination policy

Our company provides a stimulating working environment, free from discrimination and harassment. Diversity and inclusion are promoted within the team, with the belief that good collaboration between people with different skills, perspectives, and experiences is fundamental in attracting talented people, but also in enabling business development and innovation.

Secom® team members behave respectfully, taking care not to offend the dignity of those they interact with. Our managers create and promote a welcoming and supportive environment for people on the team, supporting integrity, respect, collaboration, diversity, and inclusion.

Decisions about team members, including recruitment, hiring, training, evaluation, and promotion, are and will be based solely on individual merit and performance and cannot be influenced by discriminatory issues such as race, ethnicity, religion/ belief, sexual orientation, marital status, or political preference.

Any kind of direct or indirect discrimination is prohibited in employment relations, applying the principle of equal treatment of all employees, without discrimination based on gender, sexual orientation, genetic characteristics, age, nationality, race, color, ethnicity, religion, political choice, social origin, disability, family situation, or responsibility, membership. Direct discrimination is defined as any exclusion, distinction, restriction, or preference based on one or more



of the above criteria, which is aimed at or results in the denial, restriction, or elimination of the recognition, use, or exercise of rights provided for in labor law.

For equal work or work of equal value, any discrimination based on gender is prohibited with respect to all aspects and terms of remuneration. Every employee

who performs a job must benefit from working conditions appropriate to the work he or she carries out within the company, social protection, occupational health and safety, and respect for his or her dignity and conscience, without any discrimination.



At the same time, Secom® condemns any form of harassment, abuse, or mobbing (psychological stress/harassment). Thus, our company prohibits any kind of behavior – verbal, physical, or visual – that could be construed as harassment or sexual harassment or that is demeaning or offensive to another team member or another person, particularly based on criteria such as age, race, nationality, religion, or gender.

We define harassment as any situation in which unwanted conduct, whether physical, verbal, or non-verbal, is manifested with the purpose or effect of violating the dignity of the person concerned and creating an intimidating, hostile, degrading, humiliating, or offensive environment.

Sexual harassment is defined as any situation in which unwanted conduct of a sexual nature, expressed physically, verbally, or non-verbally, has the purpose or effect of violating the dignity of the person concerned and creating an intimidating, hostile, degrading, humiliating, or offensive environment.

Any active or passive behavior which, by its effects, unjustifiably favors or disfavors or subjects an employee to unfair or degrading treatment in relation to another employee, constitutes a form of discrimination and may lead to disciplinary dismissal of the offender. If an employee considers himself/herself discriminated against or harassed under the conditions listed above, he/she is entitled to initiate the individual requests and complaints procedure described in the Internal Organization Regulation.

Insofar as the complaint is found to be justified, we take all measures to remedy the negative effects suffered by the person discriminated against or harassed and take appropriate steps to hold the employees guilty of such acts accountable.

**To reinforce our commitment to diversity and equal opportunities, the company aims to adhere to and sign the principles of the local initiative, the Diversity Charter, in the coming period.**



During the reporting period, no discrimination incidents were reported within our company.

Currently, the company does not have a monitoring system in place to track gender pay and remuneration information in the format required by the GRI Standards (GRI 405-1). **To improve the transparency and monitoring of these indicators, the company aims to implement such a system by 2024.**





# Benefits granted to team members

| Benefits granted by<br>type of contract                              | 2020      |         | 2021      |          |
|--|-----------|---------|-----------|----------|
|  | Full time |         | Full time |          |
|  | <1 year   | >1 year | <1 year*  | >1 year* |
| Meal vouchers  | ✓         | ✓       | ✓         | ✓        |
| Support for personal events (marriage, death, etc.)                  | ✓         | ✓       | ✓         | ✓        |
| Vouchers (special events + birthday)                                 | ✓         | ✓       | ✓         | ✓        |
| Seniority bonuses  | –         | ✓       | –         | ✓        |
| Gifts and bonuses for employees' minor children (June 1st/Christmas) | ✓         | ✓       | ✓         | ✓        |
| Christmas bonus  | ✓         | ✓       | ✓         | ✓        |
| Life and accident insurance  | ✓         | ✓       | ✓         | ✓        |
| Medical subscription (for employees and first-degree family members) | ✓         | ✓       | ✓         | ✓        |

|  |   |   |   |   |
|--|---|---|---|---|
| Additional leave days                                | ✓ | ✓ | ✓ | ✓ |
| Days off for various events                          | ✓ | ✓ | ✓ | ✓ |
| Food provided at the office                          | ✓ | ✓ | ✓ | ✓ |
| Therapy sessions                                     | ✓ | ✓ | ✓ | ✓ |
| Discounts on Secom® products*                        | ✓ | ✓ | ✓ | ✓ |
| Benefit Online                                       | – | – | ✓ | ✓ |
| Easter/Christmas/8 March gift                        | ✓ | ✓ | ✓ | ✓ |
| Free consultation at the integrative medicine clinic | ✓ | ✓ | ✓ | ✓ |
| Bookster   | – | – | ✓ | ✓ |
| E-Learning Platform                                  | ✓ | ✓ | ✓ | ✓ |

| Bonus value as a percentage of salary | 2020 | 2021 |
|---------------------------------------|------|------|
| Specialists                           | 8%   | 8%   |
| Management                            | 17%  | 17%  |
| Executive management                  | 25%  | 25%  |

\*Starting in 2021, we introduced the flexible benefits platform, Benefit Online, from which, based on a monthly budget of 400 lei, colleagues can choose from a wider range of benefits according to their needs (e.g. meal vouchers, cultural vouchers, holiday vouchers, etc.).

As of 2022, the company has increased the flexible benefits budget to 500 lei/month/employee.



# Occupational health and safety

## Occupational health and safety management system

The occupational health and safety management system within Secom® was developed with reference to the applicable legislation, defined by Law 319/2006 on Occupational Health and Safety and the Implementing Rules of the Law set out in GD 1425/2006 as amended.

## Work-related accidents

With regard to occupational accident risks, an assessment committee made up of persons competent under the law was set up to identify the risks of occupational injury and illness using the INCDPM assessment method and to establish risk levels for each workplace. Based on the assessment, the Prevention and Protection Plan was developed, including all technical, organizational, hygiene and health, and other measures.

The investigation of accidents is carried out in accordance with Law 319/2006 on Occupational Safety and Health and its Implementing Rules, GD 1425/2006. An investigation file of the event is prepared, and once the process is finalized, corrective or improvement measures are established depending on the causes leading to the event.



During 2020-2021 there were no work-related accidents within Secom®.







## Reporting risk situations

All Secom® team members are regularly trained and are legally required in their job description to report any hazard/hazardous situation to which they or another person working in that area is exposed to.

Secom® team members and contractors working in the company are regularly trained and are legally required to stop work and report to the designated person any situation they have reason to believe is a danger to themselves or others.

Under the legislation, no position within the company is considered moderate or high risk. No Secom® team members, by the nature of their job, have their lives endangered in such a way that they have to stop the working process. The activity of Secom® team members is carried out through pharmacy or hospital visits, at Secom® offices and stores.

## Occupational Health and Safety Services

The Occupational Safety and Health Services are outsourced and carry out the Prevention and Protection activities allowed by the current legislation, such as drafting of specific documents, safety signage, posting of specific instructions for workers, training of workers on hiring, and support in periodic training, internal prevention controls, etc.

Secom® team members appoint their representatives to the Occupational Health and Safety Committee, who collect information and proposals on occupational health and safety issues from workers and make proposals at Committee meetings.

An occupational safety and health committee is set up within the company, consisting of employer and employee representatives. They meet quarterly (4 times a year). The responsibilities are those stipulated by the current legislation on the matter and are described in the operating rules of the committee.





## Training and education

During the reporting period, regular occupational health and safety training were held in April and October of each year, in person or online, depending on the circumstances.

The OHS induction and periodic training include the following information: relevant OHS legislation, awareness of the consequences of work-related accidents, definition of work-related accidents and how to report them, general and activity-specific hazards and risks, signage, hazards/risks while traveling, measures imposed by the authorities during the COVID-19 pandemic.

## Other services

The company provides team members with a medical subscription to Regina Maria that includes a very wide range of investigations. This subscription is also provided free of charge for one member of the employee's family (if that member is under 18 and the employee has more than one child, then all the employee's children benefit from this subscription).

Also, to support the people in the team during the difficult pandemic period, 4 therapy sessions per year for each colleague were introduced as additional benefits.

At the same time, webinars on various topics (nutrition, well-being, stress, etc.) were attended by more than 80% of the team members.



## Measures implemented to protect team members during the COVID-19 pandemic

2020-2021 was an extremely challenging time socially, both for us as a team and individually, due to the risks posed by the COVID-19 pandemic. We wanted our team members to carry out their activities safely, so we implemented a series of measures designed to help them address the challenges encountered during this period.



At the company level, the risk of infection was assessed, and information/ newsletters were sent to all team members on prevention measures to be followed. Instructions were displayed in our offices and stores on:

- hygiene rules,
- wearing a protective mask,
- hand disinfection,
- wearing protective gloves,
- infection prevention measures to be observed.

Measures introduced included:

- increased work from home (WFH) days from 2 days per month to 3 days per week;
- all positions in the headquarters became eligible for WFH,
- flexible working hours were introduced for all colleagues, including those in the field,
- PCR testing costs were covered by the company,
- masks and disinfectant provided for all colleagues,
- wellbeing sessions were implemented on a weekly or fortnightly basis,
- psychological therapy sessions were introduced in partnership with a specialized clinic,
- free immunity kits (quercetin + vitamin D3) were distributed.

Following the assessment of the infection risk, a prevention and protection plan was developed, an own Occupational Health and Safety instruction on the risk of infection with the new Coronavirus was prepared and employees were trained in OHS topics.



5



## OUR PARTNERS

Value chain

Suppliers

Markets served





# Value chain

When we decide to initiate the process of identifying and selecting a partner/supplier, we organize tenders and choose the best offer, ensuring along the way that the services offered are the best.

Under the responsibility of the Supply Chain department, the procurement of goods (orders placed with international suppliers) is done according to the set optimal stock coverage level and the annual target (procurement budget) at the supplier level. Within the Supply Chain department, the limits set for

stock coverage at the product and supplier level are constantly monitored and optimized, and in 2021 a purchasing tool was implemented in the NAVISION system to optimize the entire flow. Procurement in the Supply Chain department refers to the purchase of goods (dietary supplements, teas, cosmetics) or transport services.

Products are imported from the USA, Taipei, Sri Lanka, Spain, and Italy, and transport requests are directed to local agents who in turn collaborate with offices in the countries of import.

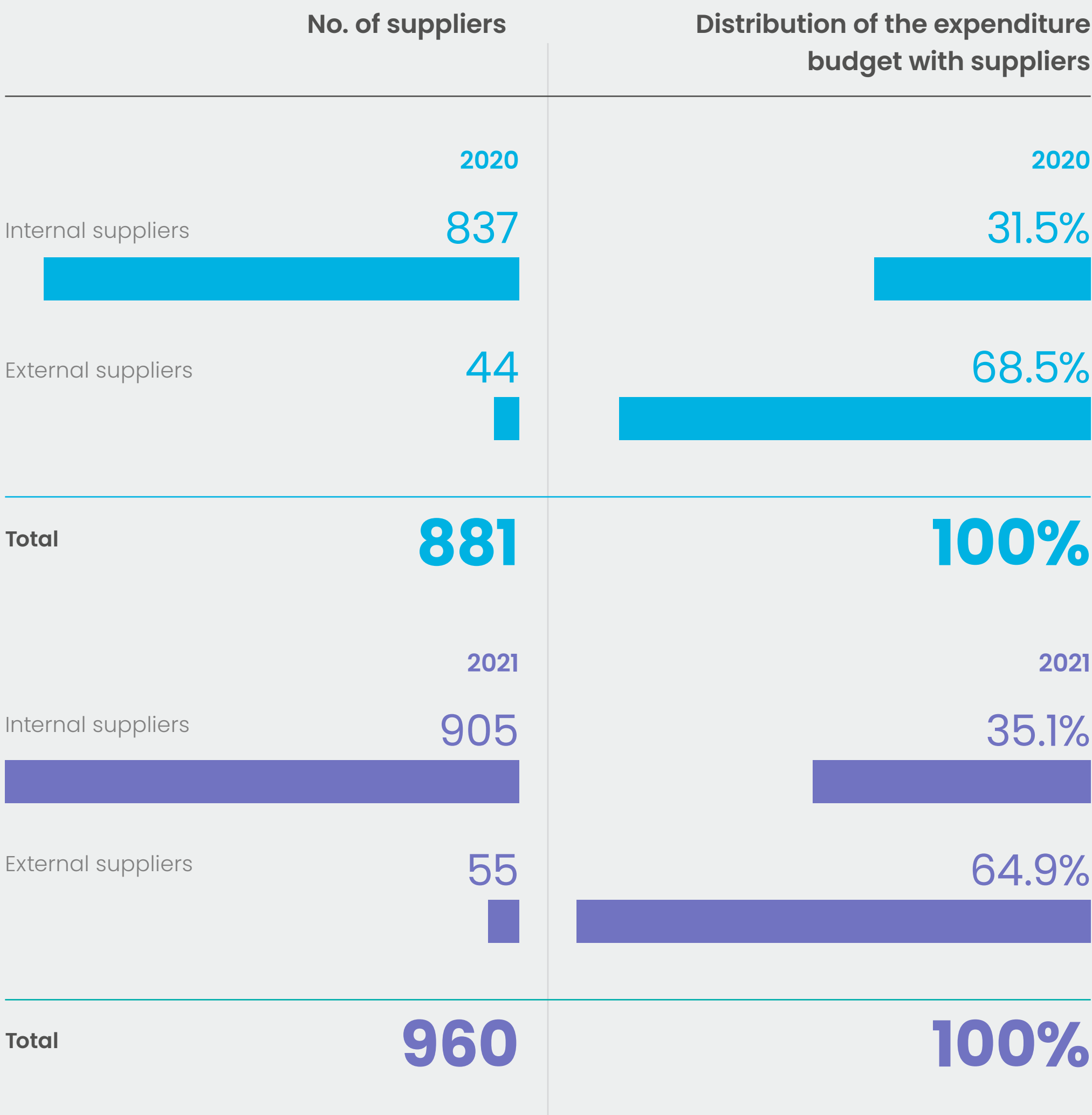
In 2020, 95% of our suppliers were local, and in 2021 the share of local suppliers was similar, at 94.3%. To provide our consumers with the most advanced products globally, they are imported from international producers with decades of expertise and investment in research & development. Therefore, the share of spending with local suppliers was 31.5% in 2020 and 35.1% in 2021.

Furnizori locali = Furnizori cu sediul în România





# Suppliers





# Markets served

## Country of operation:

România

## Sector

## Market position

*percentage of market*

Dietary  
supplements

**2020 full year**  
Value Market Share 6.27%  
3<sup>rd</sup> on the dietary  
supplement market

Natural teas

N/A

Natural  
cosmetic

N/A

Dietary  
supplements

**2021 full year**  
Value Market Share 5.76%  
3<sup>rd</sup> on the dietary  
supplement market

## Types of clients

- Pharmaceutical distributors
- Independent pharmacies
- Local pharmacy chains
- National pharmacy chains
- E-commerce platforms
- Logistics partners
- Discounter pharmacies
- Medical Clinics
- Individual consumers in Secom®  
own stores
- Online consumers - E-commerce





6



## LOCAL COMMUNITIES

Our community  
investment strategy  
Community projects



To bring our products closer to local communities from 2013 to date we have invested in our network of physical stores (consisting of 13 stores at the end of 2021 and 16 stores at the time of publication of the report) located in major cities across the country:

- Bucharest (5 stores)
- Bacau
- Brasov
- Cluj-Napoca
- Iasi
- Ploiesti
- Pitesti
- Sibiu
- Timisoara
- Arad
- Oradea
- Suceava

We launched our own retail chain to come closer to our consumers and provide them with professional and personalized scientific phytotherapy information, so that they can make conscious and responsible choices about the products in the Secom® portfolio that suit their needs.

### The benefits Secom® stores provide consumers:

- Access to the full portfolio of over 400 premium products: dietary supplements, cosmetics, and premium natural teas;
- Personalized scientific phytotherapy guidance.

During 2020–2021, Secom® has invested

# ~2.8 mil. lei

in the Secom® offline store network, with an average investment of 173,000 lei/store.

In addition, through our educational project – the online podcast **Focus on Health** – we regularly emphasize **the importance of responsible consumption of dietary supplements**, drawing attention on label reading, possible interaction with allopathic treatment and consultation with a specialist, etc.





# Our community investment strategy

The drive to do good was always a part of Secom®, it is in the DNA of the founders and the people on the team.

For this reason, over the years, beyond the financial support given to our non-governmental partners, we have also supported thousands of beneficiaries with products and services, as well as through volunteering.

We want future community investments to be directly linked to the measures and progress needed to ensure the transition to a sustainable society.

That is why, as part of the stakeholder consultation process undertaken for this report, we included a dedicated section in the questionnaire, which prioritized the Sustainable Development Goals to which Secom® can contribute, by the nature of its business.

Following consultation with our internal and external stakeholders, it became clear that the pillars we need to focus our future efforts on are directly linked to the following 3 Sustainable Development Goals:

I



- Reducing premature mortality from non-communicable diseases through prevention, treatment and promotion of mental health and well-being
- Access to health products and services
- Promoting mental health

II



- Ensuring access to free, equitable and quality primary and secondary education
- Increase the number of young people and adults with relevant skills, including technical and vocational skills, to facilitate employment
- Health education for young people of all ages

III



- Use of packaging made from renewable materials
- Recovery and recycling of packaging materials
- Collection of expired supplements



# Secom® supported projects

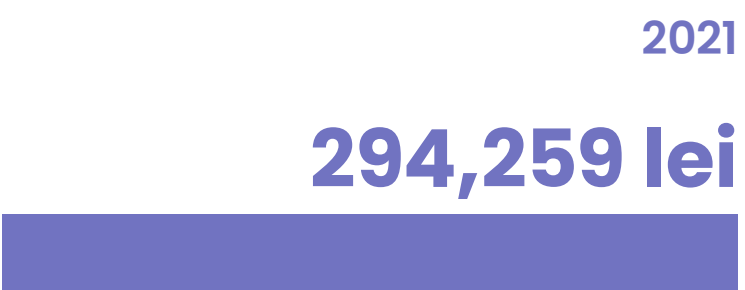
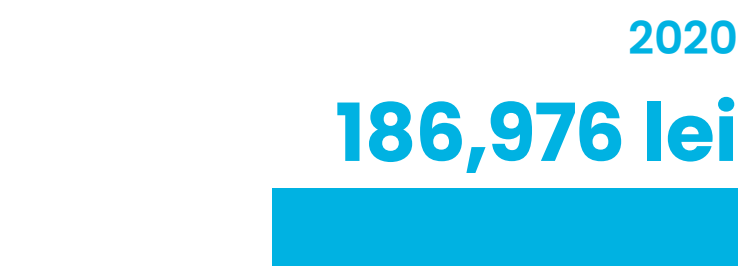
We want to work with our partners to generate and amplify the positive impact on our communities year after year.

That is why whenever we were able to help the people around us, we got involved, either through product donations, financial support, or volunteering initiatives and we aim to continue in the same spirit.

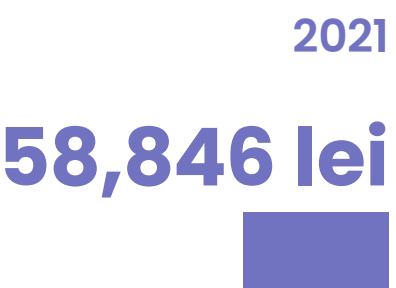
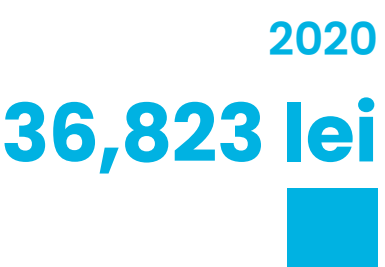
2020  
**20 partners**  
supported of which  
10 non-governmental organizations,  
10 medical units

2021  
**22 partners**  
supported of which 17  
non-governmental organizations,  
3 medical units, 1 educational unit  
and 1 sports organization

## Our contribution



## of which: Value of donated products





# Community projects

**We have always strived to help the communities where we operate**, which is why, over the years, we supported hundreds of social causes, whose beneficiaries were children or adults with physical or mental disabilities, children with cancer, autism, the elderly, institutions, or medical professionals throughout the country.

Whenever we were able to support the people around us, we got involved and will continue to do so in the same spirit. *Get involved because you care* is one of the values that guide us every day.



## Shield for Hospitals

In 2020, we joined the efforts of the entire society and supported the **Shield for Hospitals** (*Scut pentru spitale*) campaign launched by the "Zi de bine" Association in the COVID-19 pandemic context, which offered support to infectious disease hospitals on the front line by providing: disinfectants, protective equipment for doctors, diagnostic tests, emergency reception containers, etc.


At the same time, we offered the "Zi de bine" Association with regular financial support by donating the funds raised through the **Good Thoughts, Good Deeds** initiative run through our website's online shop. Thus, with every purchase made on [secom.ro](https://secom.ro) our consumers could choose to donate 5 lei, and in return, they would receive a set of 4 postcards from the collection "Good Thoughts, Good Deeds."

In 2021, we continued our collaboration with the "Zi de bine" Association, supporting various humanitarian causes, based on the funds collected from the sale of the 4 postcards set.

## Share 25 House

At the same time, in 2020 we supported **the construction and furnishing of Share 25 House in Vlădeni commune, Iasi County**, which was offered to a family with four children living in difficult conditions.

The house was built by the "Casa Share" Association, a project initiated by Bogdan Tănăsă. The 65 sqm house, with three rooms, kitchen, bathroom, and annexes, was furnished and equipped with everything needed to make it a warm and welcoming home.

 Read more about our involvement in the project [here](#).







# ÎMPREUNĂ în slujba binelui

*Together in the Service of Good*

With the shaping of the community investments strategy, in 2021 we launched the *Together in the Service of Good* internal program, based on a social projects competition, to promote a culture of social involvement throughout the Secom® team.

Within the framework of this program, Secom® colleagues submitted no less than 34 social projects in the fields of

healthcare and education – 2 priority pillars of Secom®'s social responsibility and community involvement strategy. Out of these, 7 projects from different parts of the country were chosen by an open and transparent vote of all Secom® team members. The 7 projects will be supported throughout 2022 both financially, by the company and through volunteering and personal donations.

Also in 2021, together with our partners from the "Kineto Bebe" Association, we financially supported the "**Therapy Scholarships**" project through which they provide children with access to personalized therapy programs to recover motor skills. The beneficiaries are children diagnosed with severe diseases (neurological, orthopedic, or various genetic syndromes) who need long-term therapy.



More details about the project and results can be found [here](#).

At the same time, we joined the efforts of the civil society and offered support to the **Children's Emergency Hospital Sf. Maria Iasi**. The funds were used to renovate and improve the visual appearance of the spaces where children are admitted.



The most important social projects and supported partners are presented below, according to the strategic pillar under which the activities fall.



**O3** Good health and well-being

**O4** Quality education

**O12** Responsible consumption and production

| 2020  |  |  |  |  |
|---|--|--|--|--|
| Financial support for the "Shield for Hospitals" campaign organized by the "Zi de bine" Association | Product donation for the "Aurel Mogoşanu" Association for Anaesthesia and Intensive Care | Product donation for "Regele Carol I" Coşteşti City Hospital   | Financial support for events organized by the Romanian Association for Allergy Education | Focus on Health Podcast  |
| Financial support for the construction of Casa Share 25 organized by the "Casa Share" Association   | Product donation for "Cherish Life" Foundation   | Product donation for "Dr. Nicolae Robanescu" National Clinical Centre for Neuropsychomotor Recovery for Children Bucharest |  | The Health Guide blog on secom.ro  |
| Product donation to "Sister" Association  | Product donation for Fundeni Clinical Institute  | Product donation for the Pascani Municipal Emergency Hospital  |  | The Good Place blog on good-routine.com  |
| Product donation to the "M.S.Curie" Children's Emergency Clinical Hospital                          | Product donation for "Grigore Alexandrescu" Children's Emergency Hospital                | Product donation for "Pius Brinzeu" Emergency Clinical Hospital Timisoara  |  | Perspective Magazine – Journal of Integrative Medicine – Hardcopy & online on secom.ro |
| Product donation to "Let's help" Association  | Product donation for "Dr. V. Gomoiu" Children's Hospital                                 |  |  | Scientific phytotherapy advice – in Secom® 's 13 stores                                |



### 03 Good health and well-being

### 04 Quality education

### 012 Responsible consumption and production

2021

Funding of the social program "Together in the Service of Good" implemented by Secom®

Product donation for "Rudolf Steiner" Foundation Timisoara

Financial support for the Support for the University Emergency Hospital Bucharest Medical Association

Financial support for the "Sf. Maria" Children's Emergency Hospital

Sprijin financiar Universitatea de Medicină și Farmacie „Victor Babeș” Timișoara

*Focus on Health* podcast on secom.ro, YouTube, Facebook & Instagram Secom + daily column on Itsy Bitsy FM + educational articles on *smartliving.ro* and *totuldespreame.ro*

Scientific phytotherapy consultancy - in Secom's stores as well as online video consultancy on secom.ro

Financial support for "Ana si Copiii" Association

Financial support for Kineto Bebe Association

Financial support for "Zi de Bine" Association

Financial support for the Craiova County Emergency Hospital

Financial support for the Family Physicians/General Physicians Association

The *Health Guide* blog on secom.ro

Good Routine Plan - Good Routine®

Financial support for the Romanian Fencing Federation

Financial support for World Vision Romania Foundation

Financial support for Romanian Allergy Education Association

The *Good Place* blog on good-routine.com

*We choose well, so that you stay well* campaign (2021 edition) continued with *We choose well and translate for you* campaign (2022 edition)

*Perspective Magazine - Journal of Integrative Medicine* - Hardcopy & online on secom.ro

Secom® *honest label* (concept launched in 2021, detailed in 2022)



7



## **OUR COMMITMENT: SUSTAINABLE GROWTH**

Material topics

Long-term strategy

Stakeholder engagement

Our commitments to  
a healthier future



# Material topics

## Materiality analysis

We aim to provide our consumers with high-quality products and services, which entails responsibility and ownership of the social, economic, and environmental impact generated.

We demonstrate this by **publishing, for the first time, the sustainability report**, which aims to communicate transparently the main non-financial performance indicators that have characterized our activity during 2020-2021.

An essential step in the development of the sustainability report was determining the material topics, i.e. **identifying those areas where we generate economic, social, and environmental impact through the activity we carry out, and mapping the topics of interest to our stakeholders.**

Thus, in March 2020, guided by The CSR Agency's team of consultants, we developed and distributed an online questionnaire to the company's main stakeholder categories, previously mapped during a workshop attended by the Secom® sustainability team. The questionnaire consisted of two sections, designed to support us in:

- Identifying Secom®'s community involvement priorities by ranking the top three Sustainable Development Goals that our stakeholders believe we should contribute to;
- Assessing and prioritizing the material topics and incorporating them into Secom®'s sustainability strategy action directions.





The process of identifying Secom topics included:

1

## Identifying potential material topics

Potential material topics for the company were identified based on an analysis of the sustainability context, taking into account national and international legislative regulations and sector-specific topics.

2

## Economic, social, and environmental impact assessment

### *Internal analysis*

The list of potential material topics was then analyzed internally, with each topic being assessed in terms of its economic, social, and environmental impact dimensions.

The assessment was carried out by 18 company representatives, part of Secom® top management and management.





3

## Assessment of influence on stakeholder decisions

### External analysis

At the same time, potential material topics were subject to stakeholder analysis, where stakeholders rated each topic individually according to how much their decisions are influenced by the way Secom® approaches the topic.

Stakeholder categories consulted were:

- Employees
- Consumers
- Physicians
- Pharmacists
- Regulatory authority
- Support partners (distribution services, logistics, material production, communication, SEO & digital agencies, publishing agencies, space rental, various services)
- Research companies
- International producers and partners
- Business partners (consultants, auditors, lawyers, financial partners, etc.)
- Representatives of non-governmental organizations
- Media/Influencers (journalists, opinion leaders, vloggers, bloggers, etc.)
- Industry representatives (associations, companies)

The survey received

# 1,347 responses

from representatives of the stakeholder categories listed above.

4

## Response analysis

The results analysis of the impact assessment and stakeholder consultation processes led to the list of material topics, i.e. those topics that reflect significant economic, social, and environmental impacts of the company or that substantially influence the assessment and decisions of Secom® stakeholders.

The 31 material topics resulting from the analysis are grouped into three categories, reflecting the main type of impact Secom®'s activity generates: **economic**, **environmental**, and **social**.

5

## Materiality matrix

The material topics are graphically represented in the materiality matrix, included in the report.



MATERIALITY MATRIX



ECONOMIC

- 1. Economic performance
- 2. Market presence
- 3. Indirect economic impacts
- 4. Procurement practices
- 5. Anti-corruption
- 6. Anti-competitive behavior
- 7. Ensuring access to products and services
- 8. Corporate governance
- 9. Risk management



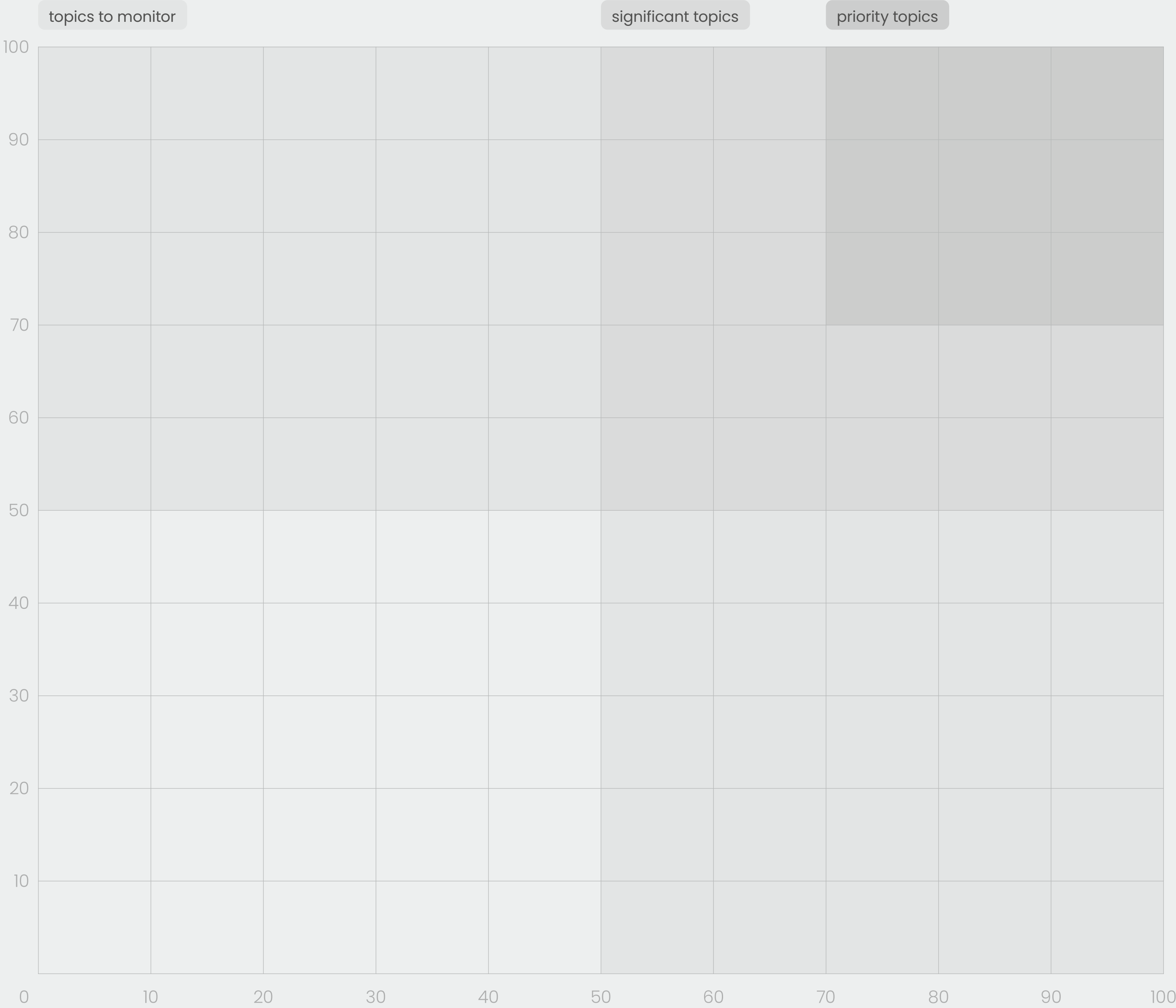
ENVIRONMENT

- 10. Material
- 11. Energy consumption
- 12. Packaging and waste
- 13. Emissions
- 14. Animal welfare
- 15. Supplier environmental assessment



SOCIAL

- 16. Human resources policy
- 17. Labor-management relations
- 18. Occupational health and safety
- 19. Training and education
- 20. Non-discrimination
- 21. Freedom of association and collective bargaining
- 22. Diversity and equal opportunities
- 23. Supplier social assessment
- 24. Responsible consumption
- 25. Consumer health and safety
- 26. Responsible marketing
- 27. Product labeling
- 28. Healthy lifestyle
- 29. Personal data privacy
- 30. Human rights
- 31. Socio-economic compliance





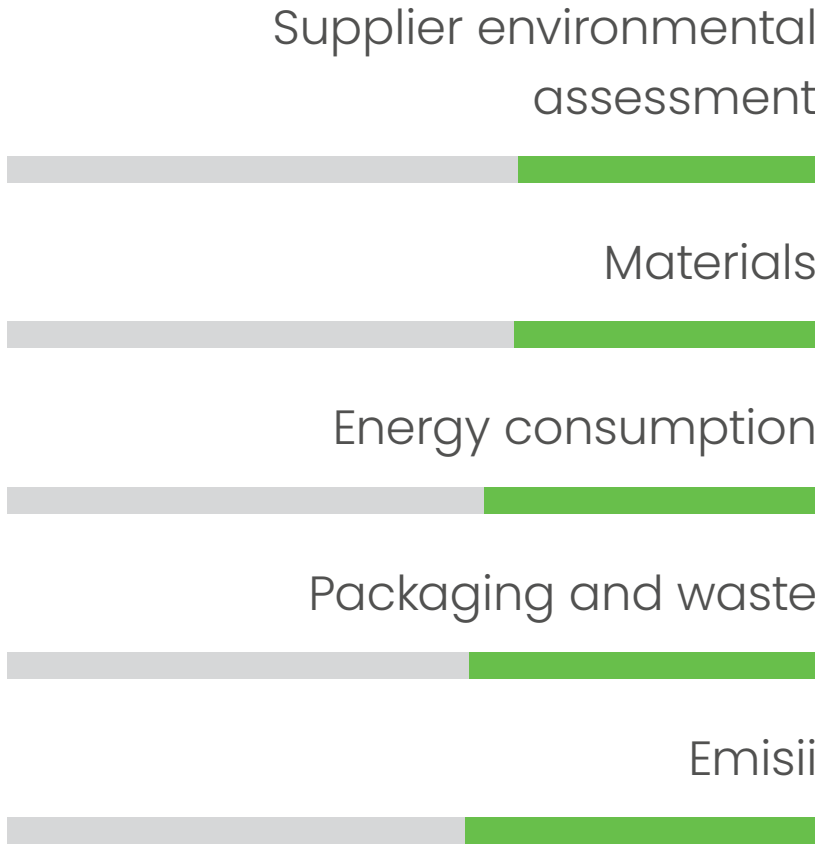
Top material topics:  
**ECONOMIC**



The economic impact of Secom® is rated as medium to high.

In terms of influence on stakeholder decisions, its importance is slightly lower compared to the management assessment, ranking around average.

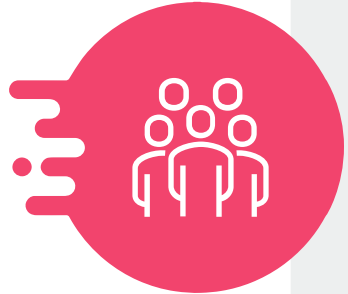
Top material topics:  
**ENVIRONMENT**



Secom®'s environmental impact is rated as low to medium.

In terms of influence on stakeholder decisions, its importance is slightly higher compared to the management assessment, ranking around average.

Top material topics:  
**SOCIAL**



The social impact of Secom® is rated as medium to high.

In terms of influence on stakeholder decisions, its importance falls in the same range, with a higher increase in the top 5 topics.






# Long-term strategy

Internal and stakeholder consultations to prioritize Secom®'s community investment and sustainability strategy have helped us identify the main topics underpinning our commitments for the coming years.



Our sustainability strategy is based on **five pillars**, encompassing the main material topics that highlight Secom®'s impact:

 Click on the magnifier symbol next to each pillar for details on how we approach each topic.







# Stakeholder engagement

Feedback from all our stakeholders is essential as it helps us to improve our processes and adapt to their needs.

Beyond the consultation we carried out in preparing the sustainability report, we are constantly communicating with them through various engagement methods and channels, outlined below.





■ STAKEHOLDER GROUPS

Team members

■ TOPIC RAISED

- Healthy lifestyle
- Labor-management relations
- Occupational health and safety
- Consumer health and safety
- Employee training and development

1 METHOD OF ENGAGEMENT

Information on e-mail/mySecom intranet on various topics: salary benefits update, organizational changes/announcements, including new campaigns, strategic projects, etc.

FREQUENCY

Regular, mostly weekly

INITIATIVES

Flexible benefits platform so that colleagues can also opt for other benefits more suited to their lifestyle, apart from regulatory/standard ones, as follows: meal vouchers, health insurance (2021).

3 METHOD OF ENGAGEMENT

Various quizzes/ feedback questionnaires, for a range of situations (decisions on whether or not to organize a teambuilding event given the rising number of cases, 360 feedback questionnaires for colleagues with impact roles, etc.)

FREQUENCY

Regular

2 METHOD OF ENGAGEMENT

New rules, restrictions, and health protection measures in the pandemic context

INITIATIVES

In 2021, during the pandemic, we made it possible for the Secom® team in the headquarters to work from home 12 days a month for 90 days. At the same time, we introduced a flexible schedule for all colleagues, both at headquarters and in the field.

4 METHOD OF ENGAGEMENT

Team harmonization - socializing meetings between department members

FREQUENCY

Quarterly



■ STAKEHOLDER GROUPS

Team members

■ TOPIC RAISED

- Healthy lifestyle
- Labor-management relations
- Occupational health and safety
- Consumer health and safety
- Employee training and development



5 METHOD OF ENGAGEMENT

Online Town Hall + Q&A anonymous platform menti.com

FREQUENCY

Monthly

INITIATIVES

Set up Town Halls, based on the request of colleagues in the country, eager to receive updates on the state of the business, on the company's main projects and initiatives and also to share their experiences in the field. In 2019 and 2020 they were held quarterly, starting in 2021 they are held monthly.

Use of the [www.menti.com](https://www.menti.com) platform, which allows for anonymous feedback and questions during monthly business town halls and other important offline or online events and meetings, e.g. national conference, workshops, etc. This measure was proactively implemented by the company in 2021.

6 METHOD OF ENGAGEMENT

Webinars with various experts on topics such as financial education, healthy lifestyle, psycho-emotional balance, etc.

FREQUENCY

Regular

INITIATIVES

Partner with the Oana Nicolau emotional health clinic and offer free psychotherapy sessions to all interested colleagues – up to 4 psychotherapy sessions per year (2021).

8 METHOD OF ENGAGEMENT

OHS workshops

FREQUENCY

Regular according to legislation 1/ 3 months

7 METHOD OF ENGAGEMENT

e-Learning platform

FREQUENCY

Can be accessed at any time

INITIATIVES

The platform was launched in 2021 and can be accessed at any time, thus facilitating access to online training on various skills to support the constant development of people in the team, one of our values being *Be better today than yesterday*.

9 METHOD OF ENGAGEMENT

Organizational culture meetings

FREQUENCY

Monthly





■ **GSTAKEHOLDER GROUPS**

**Physicians**

■ **TOPIC RAISED**

- Healthy lifestyle
- Consumer health and safety
- Responsible marketing
- Employee training and development
- Personal data privacy

**1 METHOD OF ENGAGEMENT**

Secom® product presentation visits

**FREQUENCY**

Regular

**INITIATIVES**

Provide physicians with relevant literature information.

**2 METHOD OF ENGAGEMENT**

Round tables/ conference/ congress type medical events organized by third parties

**FREQUENCY**

Regular

**3 METHOD OF ENGAGEMENT**

Attendance of several physicians to the online video podcast "Focus on Health"

Interviews with various physicians via email to be published in "Perspectives" magazine

**FREQUENCY**

Regular



■ **GSTAKEHOLDER GROUPS**

**Pharmacists**

■ **TOPIC RAISED**

- Healthy lifestyle
- Consumer health and safety
- Responsible marketing
- Product labeling
- Employee training and development



**1 METHOD OF ENGAGEMENT**

Pharmacy visits – product presentations

**FREQUENCY**

Regular

**INITIATIVES**

Provide samples and full-size products, especially new products; the request came from pharmacists who want to test the product.

**3 METHOD OF ENGAGEMENT**

Telephone and/or email interactions with partner pharmacies – through the Secom® customer care department – to provide support for orders, returns, etc.

**FREQUENCY**

Daily

**2 METHOD OF ENGAGEMENT**

Information and education training on Secom® products for the training of pharmacists in scientific phytotherapy

**FREQUENCY**

Ongoing, depending on the willingness to be informed and engaged, pharmacists' professionalization

**INITIATIVES**

To address the need for pharmacists to be more informed in the field of dietary supplements we launched the "Secom Academy" in 2020.

This is an information and education app (free to download on iOS and Android) about the products in

**4 METHOD OF ENGAGEMENT**

Mystery Shopper program

**FREQUENCY**

Regular

the Secom® portfolio – which any pharmacist or convenience store retailer nationwide can sign up to.

Depending on the level of engagement in the challenges and competitions in the app, participants can receive EFC credits, a diploma allowing them to claim credits from the Romanian College of Pharmacists, prizes consisting of products, discounts, etc.;

Secom® Academy is hosted by the "onPharma" platform of the Pharma Business partner, where several companies in the pharma industry with various similar information and education projects are registered.

**5 METHOD OF ENGAGEMENT**

Roundtables with pharmacists only or pharmacist & doctor teams

**FREQUENCY**

Regular



■ **STAKEHOLDER GROUPS**

**Regulatory authorities**

■ **TOPIC RAISED**

Consumer health and safety  
Responsible marketing  
Product labeling  
Healthy lifestyle  
Socio-economic compliance



Interaction with regulatory authorities occurs particularly at the time of product notification, as detailed below:

- vitamin and mineral supplements are reported to the General directorate for medical assistance and public health of the Ministry of Health
- mixtures of vitamins, minerals, and various other substances with a nutritional and physiological effect are reported to the Regional public health centers (CRSP) in Iasi, Timisoara, Cluj – National Institute of Public Health
- medicinal herbs and hive products are reported to the National Research and Development Institute for Food Bioresources – IBA Bucharest

Cosmetics are notified by the producer on the Cosmetics Notification Portal (CPNP).

Secom® is registered as a distributor on this portal, so for each cosmetic product in our portfolio we are issued a CPNP certificate which allows us to market/distribute cosmetics in Romania.

Teas are part of the food supplements category and are notified by the National Research and Development Institute for Food Bioresources – IBA Bucharest.

**1 METHOD OF ENGAGEMENT**

National Research and Development Institute for Food Bioresources – IBA Bucharest – Notifications, consultancy, label analysis, issuing annexes

**FREQUENCY**

Weekly

**2 METHOD OF ENGAGEMENT**

Regional public health centers (CRSP) in Iasi, Cluj – Notifications, consultancy

**3 METODĂ DE IMPLICARE**

Ministry of Health – Notifications, consultancy



■ **STAKEHOLDER GROUPS**

**Business partner  
or consultant**

■ **TOPIC RAISED**

Consumer health and safety  
Responsible marketing  
Healthy lifestyle  
Socio-economic compliance  
Product labeling

**1 METHOD OF ENGAGEMENT**

Strategic business consulting, leadership, audit, organizational culture, sustainability, and research – face-to-face meetings, workshops, e-mail presentations

**FREQUENCY**

Periodically according to the company's strategic objectives

■ **GRUPURI DE STAKEHOLDERI**

**International producers  
and partners**

■ **TOPIC RAISED**

Product labeling  
Market presence  
Anti-corruption  
Consumer health and safety  
Healthy lifestyle

**1 METHOD OF ENGAGEMENT**

International producers and partners – e-mail, telephone, and other relevant applications

**FREQUENCY**

Daily, weekly, or half-yearly

**INITIATIVE**

Monthly meetings regarding pending orders and "out of stock" instances.

■ **GRUPURI DE STAKEHOLDERI**

**Support partners**

■ **TOPIC RAISED**

Responsible marketing  
Consumer health and safety  
Healthy lifestyle  
Market presence  
Product labeling

**1 METHOD OF ENGAGEMENT**

Partners for space rental, other administrative services – retail  
Commercial space owner, stationery and supplies provider, furniture production, signage production  
Skanska administrator, Facility supplier, Stationery and supplies supplier, COS, Coffee and water supplier, Auto: Car leasing supplier, Fuel supplier – email, telephone, direct meetings

**FREQUENCY**

Ongoing

**2 METHOD OF ENGAGEMENT**

Communication agencies – e-mail, phone, face-to-face meetings, workshops, etc.

**FREQUENCY**

Periodically – depending on projects





■ STAKEHOLDER GROUPS

Civil society /  
Non-governmental  
organization  
representative

■ TOPIC RAISED

Consumer health and safety  
Animal welfare  
Healthy lifestyle  
Responsible consumption  
Supplier environmental  
assessment

1 METHOD OF ENGAGEMENT

E-mail, direct meetings, phone

FREQUENCY

Periodically, depending on the projects

■ STAKEHOLDER GROUPS

Industry  
representatives

companies in the same sector

■ TOPIC RAISED

Employee training and education  
Consumer health and safety  
Personal data privacy  
Healthy lifestyle  
Socio-economic compliance

1 METHOD OF ENGAGEMENT

PRISA – direct meetings, mail, phone

FREQUENCY

Periodically

■ STAKEHOLDER GROUPS

Media/ Influencers

■ TOPIC RAISED

Consumer health and safety  
Responsible marketing  
Market presence  
Healthy lifestyle  
Animal welfare

1 METHOD OF ENGAGEMENT

We communicate with journalists most frequently by phone and email when we issue press releases, but also face-to-face during interviews or when we attend events/ galas

We communicate with influencers by e-mail, telephone, or face-to-face meetings

FREQUENCY

Periodically, ongoing



We communicate most frequently with stakeholders included in the above list, both in conducting business and implementing social projects, including sustainability projects.



A close-up, shallow depth-of-field photograph showing several hands of different skin tones working together to assemble white puzzle pieces. The hands are positioned around the edges of the frame, with fingers carefully fitting the interlocking pieces. The background is blurred, emphasizing the hands and the puzzle pieces in the foreground.

## **Our commitments to a healthier future**



# We choose responsible for a healthy society



Our commitments to a healthier future

**PRIORITY MATERIAL TOPIC:**

Diversity and equal opportunities

**OBJECTIVE**

## Adhering to the principles of the Romanian Diversity Charter

and developing initiatives to raise awareness and train the management team and employees on the benefits of diversity and human rights respect.

2023

**PRIORITY MATERIAL TOPIC:**

Human resources policy  
Diversity and equal opportunities  
Non-discrimination

**OBJECTIVE**

## Minimum 40 hours of training per year

Provide a minimum of 40 hours of training/employee regardless of position in the company (specialist, executive management, or management).

2023

2024

**OBJECTIVE**

## Equal ratio

Achieve an equal ratio between the average number of training hours for men/year and the average number of training hours for women/year

2023

**OBJECTIVE**

## Develop a digital monitoring system for training hours

both offline and online, but also by category (specialists, executive management, management) and gender (women, men)

2024





# We choose responsible for a healthy society

Our commitments to a healthier future

PRIORITY MATERIAL TOPIC:

Responsible marketing  
Healthy lifestyle

OBJECTIVE \_\_\_\_\_

Increase reach by 10% per year for current initiatives:

Focus on Health, the Good Routines Plan, and educational articles by physicians - adding new components, including in English, to determine people to adopt good routines and a preventive lifestyle.

2023

PRIORITY MATERIAL TOPIC:

Responsible marketing  
Product labeling

OBJECTIVE \_\_\_\_\_

Increase reach by 10% per year for current initiatives:

Choose well, to stay well, Honest label, and add new activations, including in English, to help people better understand what supplements are, their role in general, and Secom® products in particular, to encourage informed and responsible consumption.

2023

PRIORITY MATERIAL TOPIC:

Consumer health and safety

OBJECTIVE \_\_\_\_\_

Conduct a minimum of 2 observational studies for Good Routine® products

2025





# We choose responsible for a clean environment



Our commitments to a healthier future

**PRIORITY MATERIAL TOPIC:**

Packaging and waste  
Materials

**OBJECTIVE** \_\_\_\_\_

**Develop an  
environmental  
data collection  
and monitoring  
system for all  
Secom® sites**

(headquarters and stores).

2022

**PRIORITY MATERIAL TOPIC:**

Packaging and waste

**OBJECTIVE** \_\_\_\_\_

**Maintain the recovery of waste from  
packaging materials placed on the  
market at a rate of 100% above the  
legislated limits**

2022

2023

**OBJECTIVE** \_\_\_\_\_

**Monitor our packaging waste  
collection partner**

2023





# We choose responsible for a clean environment



Our commitments to a healthier future

PRIORITY MATERIAL TOPIC:

Packaging and waste  
Materials  
Emissions

OBJECTIVE \_\_\_\_\_

**At least 50% of  
Good Routine  
bottles launched  
between 2023–  
2024 to be made  
of recycled plastic**

2023 2024

PRIORITY MATERIAL TOPIC:

Packaging and waste  
Materials  
Emissions  
Energy

OBJECTIVE \_\_\_\_\_

**Develop an  
integrated  
environmental  
policy across  
all divisions**

2023

PRIORITY MATERIAL TOPIC:

Emissions  
Energy

OBJECTIVE \_\_\_\_\_

**Renewable energy procurement  
for at least 35% of Secom® sites**

2023

OBIECTIV \_\_\_\_\_

**Replace appliances with minimum  
C energy class ones**

(corresponding to A+ according to previous classification) in the head office and stores, at the end of their optimal operating life.

2023



# We choose responsible for a clean environment



Our commitments to a healthier future

**PRIORITY MATERIAL TOPIC:**

General topics (Affiliations)

**OBJECTIVE** \_\_\_\_\_

**Adhere to at least one initiative/ organization promoting sustainability**

2023

**PRIORITY MATERIAL TOPIC:**

Procurement practices  
Supplier social & environmental assessment

**OBJECTIVE** \_\_\_\_\_

**Inform partner producers about our sustainability initiatives and support them**

in their efforts to replace the packaging with sustainable materials.

2023

**OBJECTIVE** \_\_\_\_\_

**Integrate sustainability/ environmental criteria into the procurement procedure at company level**

2025





# We choose responsible for a clean environment



Our commitments to a healthier future

PRIORITY MATERIAL TOPIC:

Materials

OBJECTIVE

**100% recycled paper,**

for administrative printing at headquarters and in stores.

OBJECTIVE

**16% of POSM (Point of Sale Materials) promotional materials produced from recycled/sustainable materials**

(bags, pens, flyers, wobblers, posters, product catalog, technical leaflets, promo boxes, brochures, counter displays, recipe cards).

2022

2023

OBJECTIVE

**56% of POSM (Point of Sale Materials) promotional materials produced from recycled/sustainable materials**

2024

POSM = Point of Sale Materials

PRIORITY MATERIAL TOPIC:

Emissions

OBJECTIVE

**Replace more than 70% of the company's fleet with hybrid cars by 2023 and 15% of the fleet with electric cars by 2026**

2023

2026





# We choose responsible for a sustainable economy



Our commitments to a healthier future

PRIORITY MATERIAL TOPIC:

Consumer health and safety

OBJECTIVE \_\_\_\_\_

## Update the product recall procedure

and conduct training on the implementation of the procedure with all relevant personnel.

2022

PRIORITY MATERIAL TOPIC:

Corporate governance

OBJECTIVE \_\_\_\_\_

## Update Internal Regulations

by integrating sustainability topics relevant to the company.

2022

PRIORITY MATERIAL TOPIC:

Corporate Governance  
Anti-corruption  
Procurement practices

OBJECTIVE \_\_\_\_\_

## Update the Anti-Corruption Policy and Competition Policy

and communicate to 100% of employees – via email or training.

2022

OBJECTIVE \_\_\_\_\_

## Develop Code of Business Conduct

and communicate to 100% of new partners.

2023





# We choose responsible for a sustainable economy



Our commitments to a healthier future

PRIORITY MATERIAL TOPIC:

Corporate Governance

OBJECTIVE

**Develop a centralized feedback collection system from key stakeholders**

through various channels (online, offline, telephone, etc.).

2023

OBJECTIVE

**Implement a whistleblowing system**

available for anonymous reporting of any situations that could be considered violations of the law.

2023

OBJECTIVE

**Setup & formalize Secom® Healthcare Group Sustainability Committee**

and implement sustainability training for committee members.

2023





# We choose responsible for a sustainable economy



Our commitments to a healthier future

**PRIORITY MATERIAL TOPIC:**

Indirect economic impact  
Corporate governance

**OBJECTIVE** \_\_\_\_\_

**Define a  
Community  
Investment policy**

that includes strategic priorities  
underlying investments.

2023

**OBJECTIVE** \_\_\_\_\_

**Impact  
assessment for  
social projects  
implemented**

based on international standards.

2023

**OBJECTIVE** \_\_\_\_\_

**Allocate 20%  
of corporate  
income tax to  
sponsorships/  
donations**

2023

**PRIORITY MATERIAL TOPIC:**

Corporate governance  
Risk management

**OBJECTIVE** \_\_\_\_\_

**Publish the Secom®  
sustainability report  
every two years**

to review the company's progress against  
its objectives.

2024







# GRI content index








# GRI content index

| GRI Standard                      | Information            | Sustainable Development Goal               | Page number(s)   | Omission |
|-----------------------------------|------------------------|--|--|----------|
| GRI 101: Foundation 2016          |                        |  |  |          |
| General disclosures               |                        |  |  |          |
| GRI 102: General disclosures 2016 | Organizational profile |  |  |          |
|                                   | 102-1                  | Name of the organisation                   | 4  |          |
|                                   | 102-2                  | Activities, brands, products, and services | 6-10, 29-35  |          |
|                                   | 102-3                  | Location of headquarters                   | 4  |          |
|                                   | 102-4                  | Location of operations                     | 6-7, 85, 89  |          |
|                                   | 102-5                  | Ownership and legal form                   | 23   |          |
|                                   | 102-6                  | Markets served                             | 6-8, 87  |          |
|                                   | 102-7                  | Scale of the organization                  | 11-13  |          |
|                                   | 102-8                  | Information on employees and other workers |   68 |          |

|                      |   |   |                                  |
|----------------------|---|---|----------------------------------|
| 102-10               | Significant changes to the organization and its supply chain  |   | No significant changes occurred. |
| 102-11               | Precautionary Principle or approach                           |   | 16-19                            |
| 102-12               | External initiatives  |   | 83, 117                          |
| 102-13               | Membership of associations                                    |    | 14                               |
| Strategy             |   |   |                                  |
| 102-14               | Statement from senior decision-maker                          |   | 3                                |
| 102-15               | Key impacts, risks, and opportunities                         |   | 20-22                            |
| Ethics and integrity |   |   |                                  |
| 102-16               | Values, principles, standards, and norms of behavior          |   | 23-24                            |
| 102-17               | Mechanisms for advice and concerns about ethics               |   | 39-41                            |
| Governance           |   |   |                                  |
| 102-18               | Governance structure  |   | 23-24                            |
| 102-22               | Composition of the highest governance body and its committees |   | 23                               |
| 102-25               | Conflicts of interest   |   | 26                               |





| Stakeholder engagement   |   |  |
|--|---|--|
| <b>102-40</b> List of stakeholder groups                                 |   | 105-111                                  |
| <b>102-41</b> Collective bargaining agreements                           |    | 24                                       |
| <b>102-42</b> Identifying and selecting stakeholders                     |   | 97                                       |
| <b>102-43</b> Approach to stakeholder engagement                         |   | 97, 104-111                              |
| <b>102-44</b> Key topics and concerns raised                             |   | 104-111                                  |
| Reporting practice   |   |  |
| <b>102-45</b> Entities included in the consolidated financial statements |   | 4  |
| <b>102-46</b> Defining report content and topic Boundaries               |   | 4, 97-101                                |
| <b>102-47</b> List of material topics                                    |   | 100                                      |
| <b>102-48</b> Restatements of information                                |   | This is our first sustainability report. |
| <b>102-49</b> Changes in reporting                                       |   | This is our first sustainability report. |
| <b>102-50</b> Reporting period   |  | 01.01.2020-31.12.2021                    |
| <b>102-51</b> Date of most recent report                                 |  | This is our first sustainability report. |
| <b>102-52</b> Reporting cycle  |  | Every two years.                         |

|  |   |  |
|--|---|--|
| <b>102-53</b> Contact point for questions regarding the report         |   | 4                                      |
| <b>102-54</b> Claims of reporting in accordance with the GRI Standards |  | 4                                      |
| <b>102-55</b> GRI content index  |   | 121-132                                |
| <b>102-56</b> External assurance                                       |   | The report was not externally assured. |


### Material topics


#### ECONOMIC

##### Anti-corruption

|  |  |   |   |
|--|--|---|---|
| <b>GRI 103:</b> Management approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary                    |   | 21, 100, 101  |
|  | <b>103-2</b> The management approach and its components                            |   | 21, 26, 39, 121   |
|  | <b>103-3</b> Evaluation of the management approach                                 |   | 15, 39  |
| <b>GRI 205:</b> Anti-corruption 2016     | <b>205-2</b> Communication and training on anti-corruption policies and procedures |  | No such action exists at Secom® level. We intend to communicate the anti-corruption policy to employees - via e-mail or training - by 2022. |
|  | <b>205-3</b> Confirmed incidents of corruption and actions taken                   |  | No such incidents have been reported within Secom®.   |




| Anti-competitive behavior                      |  |   |  |   |
|--|--|---|--|---|
| <b>GRI 103:</b><br>Management approach 2016    | <b>103-1</b> Explanation of the material topic and its Boundary                              |   |  | 21, 100, 101                            |
|  | <b>103-2</b> The management approach and its components                                      |   |  | 21, 26, 39, 121                         |
|  | <b>103-3</b> Evaluation of the management approach   |   |  | 15                                      |
| <b>GRI 206:</b> Anti-competitive behavior 2016 | <b>206-1</b> Legal actions for anti-competitive behavior, anti-trust, and monopoly practices |    |  | No anti-competitive incidents reported. |
| Market presence                                |  |   |  |   |
| <b>GRI 103:</b><br>Management approach 2016    | <b>103-1</b> Explanation of the material topic and its Boundary                              |   |  | 21, 100, 101                            |
|  | <b>103-2</b> The management approach and its components                                      |   |  | 21, 39                                  |
|  | <b>103-3</b> Evaluation of the management approach   |   |  | 15                                      |
| <b>GRI 202:</b> Market presence 2016           | <b>202-2</b> Proportion of senior management hired from the local community                  |    |  | 23                                      |
| Procurement practices                          |  |   |  |   |
| <b>GRI 103:</b><br>Management approach 2016    | <b>103-1</b> Explanation of the material topic and its Boundary                              |   |  | 21, 100, 101                            |
|  | <b>103-2</b> The management approach and its components                                      |   |  | 21, 39, 85, 117, 121                    |
|  | <b>103-3</b> Evaluation of the management approach   |   |  | 15, 85                                  |
| <b>GRI 204:</b><br>Procurement practices 2016  | <b>204-1</b> Proportion of spending on local suppliers                                       |   |  | 85-86                                   |


| Risk management                                |   |   |  |                  |
|--|---|---|--|------------------|
| <b>GRI 103:</b><br>Management approach 2016    | <b>103-1</b> Explanation of the material topic and its Boundary |   |  | 21, 100, 101     |
|  | <b>103-2</b> The management approach and its components         |   |  | 16-19, 20-22, 39 |
|  | <b>103-3</b> Evaluation of the management approach              |   |  | 15, 19           |
| Economic performance                           |   |   |  |                  |
| <b>GRI 103:</b><br>Management approach 2016    | <b>103-1</b> Explanation of the material topic and its Boundary |   |  | 21, 100, 101     |
|  | <b>103-2</b> The management approach and its components         |   |  | 21, 87           |
|  | <b>103-3</b> Evaluation of the management approach              |   |  | 11-12, 15        |
| <b>GRI 201:</b> Economic performance 2016      | <b>201-1</b> Directly economic value generated and distributed  |   |  | 13               |
| Indirect economic impacts                      |   |   |  |                  |
| <b>GRI 103:</b><br>Management approach 2016    | <b>103-1</b> Explanation of the material topic and its Boundary |   |  | 21, 100, 101     |
|  | <b>103-2</b> The management approach and its components         |   |  | 21, 89-90        |
|  | <b>103-3</b> Evaluation of the management approach              |   |  | 89, 91           |
| <b>GRI 203:</b> Indirect economic impacts 2016 | <b>203-1</b> Infrastructure investments and services supported  |   |  | 91-95            |
|  | <b>203-2</b> Significant indirect economic impacts              |   |  | 89, 91, 94-95    |



Corporate governance













|  |   |  |
|--|---|--|
| <b>GRI 103:</b><br>Management<br>approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary | 21, 100, 101   |
|  | <b>103-2</b> The management approach and its components         | 23-24, 119 - 121,  |
|  | <b>103-3</b> Evaluation of the management approach              | 23-24  |
|  | Procentul femeilor din Organismul de conducere                  |  23 |

Ensuring access to products and services


|  |   |  |
|--|---|--|
| <b>GRI 103:</b><br>Management<br>approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary | 21, 100, 101   |
|  | <b>103-2</b> The management approach and its components         | 29-36  |
|  | <b>103-3</b> Evaluation of the management approach              | 36   |
|  | Number of sales points for products in the company's portfolio  |  89 |






ENVIRONMENT

Energy

|  |   |   |
|--|---|---|
| <b>GRI 103:</b><br>Management<br>approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary | 21, 100, 101  |
|  | <b>103-2</b> The management approach and its components         | 20, 62, 115, 116, 118   |
|  | <b>103-3</b> Evaluation of the management approach              | 64-65   |
| <b>GRI 302:</b> Energy<br>2016                 | <b>302-1</b> Energy consumption within the organization         |   63        |
|  |   |             |
|  | <b>302-3</b> Energy intensity                                   |   64        |
|  |   |           |
|  | <b>302-4</b> Reduction of energy consumption                    |   63-64 |
|  |   |         |







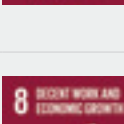
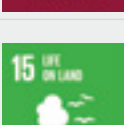
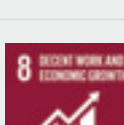


| Packaging and waste                     |  |   |                            |
|---|--|---|----------------------------|
| GRI 103:<br>Management<br>approach 2016 | 103-1 Explanation of the material topic and its Boundary     |   | 21, 100, 101               |
|   | 103-2 The management approach and its components             |   | 20, 56 – 57, 61, 115 – 118 |
|   | 103-3 Evaluation of the management approach                  |   | 57, 59                     |
| GRI 306: Waste<br>2020                  | 306-1 Waste generation and significant waste-related impacts |     | 57-58, 60                  |
|   | 306-2 Management of significant waste-related impacts        |      | 59                         |
|   | 306-3 Waste generated  |     | 57-58, 60                  |
|   | 306-4 Waste diverted from disposal                           |     | 60                         |
|   | 306-5 Waste directed to disposal                             |    | 57                         |
|   |  |   |                            |
| Emissions                               |  |   |                            |
| GRI 103:<br>Management<br>approach 2016 | 103-1 Explanation of the material topic and its Boundary     |   | 21, 100, 101               |
|   | 103-2 The management approach and its components             |   | 20, 62, 115, 116, 118      |
|   | 103-3 Evaluation of the management approach                  |   | 62                         |



| GRI 305: Emissions<br>2016              | 305-1 Direct (Scope 1) GHG emissions                          |        | 64           |
|---|---|---|--------------|
|   | 305-2 Energy indirect (Scope 2) GHG emissions                 |       | 64           |
|   | 305-5 Reduction of GHG emissions                              |       | 62           |
| Animal welfare                          |   |   |              |
| GRI 103:<br>Management<br>approach 2016 | 103-1 Explanation of the material topic and its Boundary      |   | 21, 100, 101 |
|   | 103-2 The management approach and its components              |   | 27           |
|   | 103-3 Evaluation of the management approach                   |   | 27           |
|   | Percentage of products in our portfolio not tested on animals |    | 27           |






| Materials  |  |   |  |
|--|--|---|--|
| <b>GRI 103:</b><br>Management approach 2016            | <b>103-1</b> Explanation of the material topic and its Boundary            |   | 21, 100, 101   |
|  | <b>103-2</b> The management approach and its components                    |   | 20, 61, 85, 115 – 118  |
|  | <b>103-3</b> Evaluation of the management approach                         |   | 58–60  |
| <b>GRI 301:</b> Materials 2016                         | <b>301-1</b> Materials used by weight or volume                            |   | 58, 60   |
|  | <b>301-2</b> Recycled input materials used                                 |    | 60   |
|  | <b>301-3</b> Reclaimed products and their packaging materials              |   | 60   |
| Supplier environmental assessment                      |  |   |  |
| <b>GRI 103:</b><br>Management approach 2016            | <b>103-1</b> Explanation of the material topic and its Boundary            |   | 21, 100, 101   |
|  | <b>103-2</b> The management approach and its components                    |   | 56, 61, 117  |
|  | <b>103-3</b> Evaluation of the management approach                         |   | 61   |
| <b>GRI 308:</b> Supplier environmental assessment 2016 | <b>308-1</b> New suppliers that were screened using environmental criteria |   | Secom® does not currently have such a process in place. We aim to implement a process to evaluate suppliers based on environmental criteria by 2023. |








| SOCIAL   |  |   |  |
|--|--|---|--|
| Occupational health and safety                         |  |   |  |
| <b>GRI 103:</b><br>Management approach 2016            | <b>103-1</b> Explanation of the material topic and its Boundary                                      |   | 21, 100, 101                                       |
|  | <b>103-2</b> The management approach and its components  |   | 80–81  |
|  | <b>103-3</b> Evaluation of the management approach   |   | 80   |
| <b>GRI 403:</b><br>Occupational health and safety 2018 | <b>403-1</b> Occupational health and safety management system  |    | 80   |
|  | <b>403-2</b> Hazard identification, risk assessment, and incident investigation                      |       | 80   |
|  | <b>403-3</b> Occupational health services  |    | 81   |
|  | <b>403-4</b> Worker participation, consultation, and communication on occupational health and safety |    | 81   |
|  | <b>403-5</b> Worker training on occupational health and safety                                       |    | 82   |
|  | <b>403-6</b> Promotion of worker health  |    | 82   |
|  | <b>403-9</b> Work-related injuries   |   | No work-related accidents were reported at Secom®. |



| Diversity and equal opportunity                      |   |  |  |               |
|--|---|--|--|---------------|
| <b>GRI 103:</b><br>Management approach 2016          | <b>103-1</b> Explanation of the material topic and its Boundary |  |  | 21, 100, 101  |
|  | <b>103-2</b> The management approach and its components         |  |  | 24, 77-78, 83 |
|  | <b>103-3</b> Evaluation of the management approach              |  |  | 78            |
| <b>GRI 405:</b> Diversity and equal opportunity 2016 | <b>405-1</b> Diversity of governance bodies and employees       |  <br> |  | 68            |

| Product labeling                            |  |   |  |   |
|---|--|---|--|---|
| <b>GRI 103:</b><br>Management approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary                                  |   |  | 21, 100, 101  |
|   | <b>103-2</b> The management approach and its components  |   |  | 21, 49-54, 114                                      |
|   | <b>103-3</b> Evaluation of the management approach   |   |  | 14, 50  |
| <b>GRI 417:</b> Marketing and labeling 2016 | <b>417-1</b> Requirements for product and service information and labeling                       |  |  | 51, 53  |
|   | <b>417-2</b> Incidents of non-compliance concerning product and service information and labeling |  |  | No such incidents have been reported within Secom®. |

| Responsible marketing                       |  |   |  |   |
|---|--|---|--|---|
| <b>GRI 103:</b><br>Management approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary              |   |  | 21, 100, 101  |
|   | <b>103-2</b> The management approach and its components                      |   |  | 21, 49, 114   |
|   | <b>103-3</b> Evaluation of the management approach                           |   |  | 14, 50  |
| <b>GRI 417:</b> Marketing and labeling 2016 | <b>417-3</b> Incidents of non-compliance concerning marketing communications |  |  | No such incidents have been reported within Secom®. |

| Employee training and development           |   |  |  |              |
|---|---|--|--|--------------|
| <b>GRI 103:</b><br>Management approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary                                   |  |  | 21, 100, 101 |
|   | <b>103-2</b> The management approach and its components   |  |  | 74-76        |
|   | <b>103-3</b> Evaluation of the management approach  |  |  | 74, 76       |
| <b>GRI 404:</b> Training and Education 2016 | <b>404-1</b> Average hours of training per year per employee                                      |  <br>  |  | 75           |
|   | <b>GRI 404-2</b> Programs for upgrading employee skills and transition assistance programs        |  |  | 76           |
|   | <b>404-3</b> Percentage of employees receiving regular performance and career development reviews |  <br>   |  | 76           |



## Labor/ Management relations

|  |   |  |  |
|--|---|--|--|
| <b>GRI 103:</b><br>Management<br>approach 2016         | <b>103-1</b> Explanation of the material topic and its Boundary   | 21, 100, 101   |  |
|  | <b>103-2</b> The management approach and its components           | 71   |  |
|  | <b>103-3</b> Evaluation of the management approach                | 71   |  |
| <b>GRI 402:</b> Labor/<br>Management<br>relations 2016 | <b>402-1</b> Minimum notice periods regarding operational changes |  71 |  |

## Customer privacy

|  |   |   |  |
|--|---|---|--|
| <b>GRI 103:</b><br>Management<br>approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary   | 21, 100, 101  |  |
|  | <b>103-2</b> The management approach and its components   | 24 - 25   |  |
|  | <b>103-3</b> Evaluation of the management approach  | 25  |  |
| <b>GRI 418:</b> Customer<br>privacy 2016       | <b>418-1</b> Substantiated complaints concerning breaches of customer privacy and losses of customer data |  | No such complaints have been reported within Secom®. |


## Human rights




|  |   |              |  |
|--|---|--------------|--|
| <b>GRI 103:</b><br>Management<br>approach 2016     | <b>103-1</b> Explanation of the material topic and its Boundary       | 21, 100, 101 |  |
|  | <b>103-2</b> The management approach and its components               | 77-78        |  |
|  | <b>103-3</b> Evaluation of the management approach                    | 78           |  |
| <b>GRI 412:</b> Human<br>rights assessment<br>2016 | <b>412-2</b> Employee training on human rights policies or procedures |              | There were no employee training programs within Secom® regarding respect for human rights. |


## Freedom of association and collective bargaining

|  |   |   |   |
|--|---|---|---|
| <b>GRI 103:</b><br>Management<br>approach 2016                                 | <b>103-1</b> Explanation of the material topic and its Boundary   | 21, 100, 101  |   |
|  | <b>103-2</b> The management approach and its components   | 71  |   |
|  | <b>103-3</b> Evaluation of the management approach  | 71  |   |
| <b>GRI 407:</b> Freedom<br>of association<br>and collective<br>bargaining 2016 | <b>407-1</b> Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk |  | Within Secom® there were no supply chain assessments regarding the respect of the right to association and collective bargaining. |





| Human resource policy                       |   |   |  |              |
|---|---|---|--|--------------|
| <b>GRI 103:</b><br>Management approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary   |   |  | 21, 100, 101 |
|   | <b>103-2</b> The management approach and its components   |   |  | 67, 71       |
|   | <b>103-3</b> Evaluation of the management approach  |   |  | 68-69, 79    |
| <b>GRI 401:</b><br>Employment 2016          | <b>401-1</b> New employee hires and employee turnover   |   |  | 68           |
|   |   |    |  |              |
|   | <b>401-2</b> Benefits provided to full-time employees that are not provided to temporary or part-time employees |   |  | 79           |
|   | <b>401-3</b> Parental leave   |   |  | 69           |

| Supplier social ssessment                      |   |   |  |   |
|--|---|---|--|---|
| <b>GRI 103:</b><br>Management approach 2016    | <b>103-1</b> Explanation of the material topic and its Boundary     |   |  | 21, 100, 101  |
|  | <b>103-2</b> The management approach and its components             |   |  | 21, 24  |
|  | <b>103-3</b> Evaluation of the management approach                  |   |  | 12  |
| <b>GRI 414:</b> Supplier social ssessment 2016 | <b>414-1</b> New suppliers that were screened using social criteria |    |  | Currently, Secom® does not implement such processes. We aim to have a social assessment process for suppliers in place by 2023. |
|  |   |   |  |   |

| Customer health and safety                      |  |   |  |   |
|---|--|---|--|---|
| <b>GRI 103:</b><br>Management approach 2016     | <b>103-1</b> Explanation of the material topic and its Boundary  |   |  | 21, 100, 101  |
|   | <b>103-2</b> The management approach and its components  |   |  | 10, 17, 19, 21, 29, 31, 35, 38, 42, 52              |
|   | <b>103-3</b> Evaluation of the management approach   |   |  | 29, 35  |
| <b>GRI 416:</b> Customer health and safety 2016 | <b>416-2</b> Incidents of non-compliance concerning the health and safety impacts of products and services |  |  | No such incidents have been reported within Secom®. |
|   |  |   |  |   |



| Non-discrimination                          |   |   |   |  |
|---|---|---|---|--|
| <b>GRI 103:</b><br>Management approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary           |   | 21, 100, 101  |  |
|   | <b>103-2</b> The management approach and its components                   |   | 24, 77-78   |  |
|   | <b>103-3</b> Evaluation of the management approach                        |   | 78  |  |
| <b>GRI 406:</b> Non-discrimination 2016     | <b>GRI 406-1</b> Incidents of discrimination and corrective actions taken |   | Within Secom® there were no reported incidents of discrimination. |  |

| Responsible consumption                     |   |   |              |  |
|---|---|---|--------------|--|
| <b>GRI 103:</b><br>Management approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary                     |   | 21, 100, 101 |  |
|   | <b>103-2</b> The management approach and its components                             |   | 31-33, 35    |  |
|   | <b>103-3</b> Evaluation of the management approach                                  |   | 29           |  |
|   | Initiatives to promote responsible consumption of food supplements in our portfolio |  | 30-35        |  |

| Healthy lifestyle                           |   |   |              |  |
|---|---|---|--------------|--|
| <b>GRI 103:</b><br>Management approach 2016 | <b>103-1</b> Explanation of the material topic and its Boundary |   | 21, 100, 101 |  |
|   | <b>103-2</b> The management approach and its components         |   | 29-35        |  |
|   | <b>103-3</b> Evaluation of the management approach              |   | 29           |  |
|   | Value of investments to promote a healthy lifestyle             |   | 29           |  |

| Socioeconomic compliance                         |   |   |  |  |
|--|---|---|--|--|
| <b>GRI 103:</b><br>Management approach 2016      | <b>103-1</b> Explanation of the material topic and its Boundary                       |   | 21, 100, 101   |  |
|  | <b>103-2</b> The management approach and its components                               |   | 21, 37   |  |
|  | <b>103-3</b> Evaluation of the management approach                                    |   | 37   |  |
| <b>GRI 419:</b><br>Socioeconomic compliance 2016 | <b>419-1</b> Non-compliance with laws and regulations in the social and economic area |  | Within Secom® there were no fines for non-compliance with socio-economic laws and regulations. |  |





**SECOM<sup>®</sup>**  
**HEALTHCARE**  
**GROUP**

Sustainability report  
2020 & 2021