

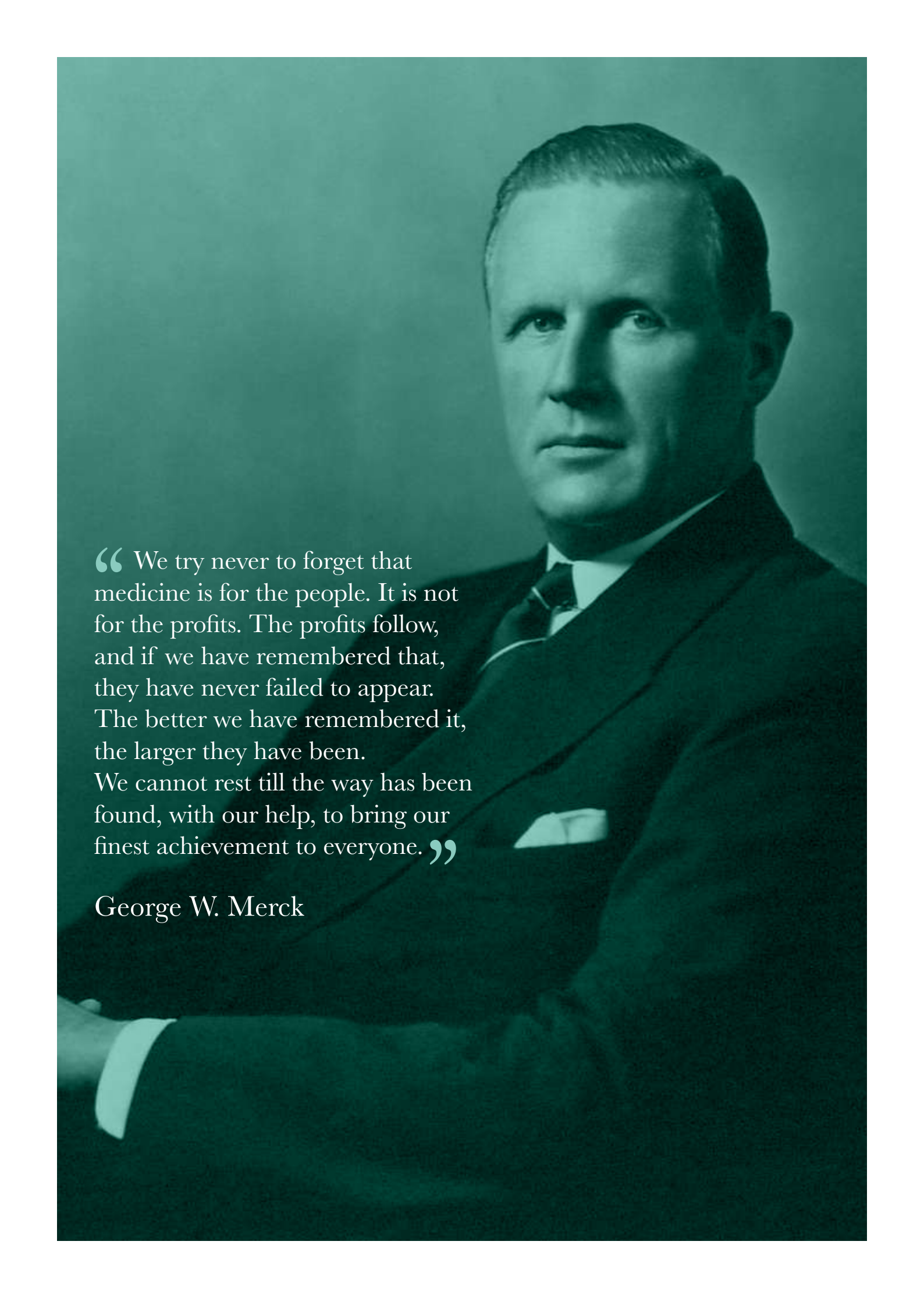


MSD

INVENTING FOR LIFE

CORPORATE
RESPONSIBILITY
REPORT

2017 | 2018



“ We try never to forget that medicine is for the people. It is not for the profits. The profits follow, and if we have remembered that, they have never failed to appear. The better we have remembered it, the larger they have been. We cannot rest till the way has been found, with our help, to bring our finest achievement to everyone. ”

George W. Merck



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1 MESSAGE FROM OUR MANAGING DIRECTOR

Letter from our Managing Director

Dear readers,

We welcome you to MSD Greece's 2nd Corporate Responsibility Report highlighting our activities during 2017-2018. For more than a century we have been inventing medicines and vaccines for many of the world's most challenging diseases. Over that time, we have been responsible for some of the most significant scientific advancements and improvements in public health. We have built a company with the talent, tenacity and strength to take on some of the biggest threats to human and animal health.

We have a legacy of tackling urgent global health challenges. For example, **MSD for Mothers**, our global initiative to reduce maternal mortality around the world, empowers women to make informed choices; equips healthcare providers; and strengthens healthcare systems. Working with more than 160 partners, our programs have improved access to quality care and modern contraception for more than 9 million women in 48 countries.



We are proud that our investigational vaccine is being delivered and having an impact in areas of Central Africa affected by the Ebola virus. Some may say that investing to develop an Ebola vaccine doesn't make good business sense, but as our CEO and Managing Director of our company **Ken Frazier** states, "I believe this is the kind of challenge that MSD was designed to tackle". As we look to the future, we are making investments in our pipeline and manufacturing capability to help **protect one billion more lives by 2030**.

At MSD Greece, operating responsibly as a business is at the very heart of our ability to do so. During 2018 we have integrated the UN Sustainable Development Goals to our strategy emphasizing mainly on Goals **3, 8, 13, 17**. We conducted the materiality analysis with the involvement of internal and external stakeholders. Through this analysis the vital issues of Sustainable Development were pointed out which are examined in this report. We apply standards and initiatives of Sustainable Development like, GRI, UN Global Compact and the Greek Initiative of Sustainable Greece 2020. Our report has been conducted based on GRI Standards and the Greek Code of Sustainability.

Our corporate responsibility strategy and our employee manifesto highlights something very simple: **“Life Matters”**. For us, every single life matters above all. This is why, we have adopted the new Corporate Responsibility program **“Life Matters”**. Our intention is to improve all citizens' health in Greece, contribute to Greek society by saving lives through innovative therapies, supporting the Public Health system and early diagnosis and prevention. Our programs focus on 5 key areas of corporate responsibility: **Access to Health, Employees, Ethics & Values, Local Community and Environmental Sustainability** which are directly linked to our activity and meet our clients' expectations.

At MSD Greece, we are constantly improving patients' access to therapies through the development of innovative programs regarding diagnosis and prevention of serious illnesses and diseases. We have **103** pharmaceutical products in total and have **conducted 25 clinical researches** in Greece in a wide range of therapeutic categories in the last 5 years.

The program **“Mother & Child”** which was implemented by Doctors of the World Greece in relation to MSD's global initiatives MSD for Mothers, provided gynaecological services to **42.339 women and 3.742 pregnant women**. I believe that we responded effectively to a social and a health issue, supporting responsibly the vulnerable social groups such as the uninsured, refugees, immigrants and minority groups.

Our goal is to create the workforce of the 21st century, having a balanced representation of the two genders and richly talented employees. During 2017-2018 we hired 28 new employees, with the two genders being represented almost equally; 57% men and 43% women. We highly support diversity and inclusion and we listen carefully to the ideas proposed by different groups within the organization. In fact some of them have become our best practices.

We have a strong sense of duty and we believe firmly how our business activity should be conducted. All employees at MSD Greece, adhere to the Code of Ethics & Code of Conduct of our company and fully comply with the requirements of the parent company, the European & Greek Associations, Greek regulations and EOF standards.

Our operations must ensure the protection of the planet and the communities in which we live in and act. We are considerably aware of the environmental issues related to our daily actions and we make certain to motivate our employees to take an active role in the reduction of our environmental footprint.

During 2018, greenhouse gas emissions decreased by 7,71% in electrical power and by 2,10% in fuel consumption. In 2018, 9.249.273 packaged items were consumed and recycled.

At MSD Greece, we believe that the pharmaceutical industry is a significant factor for the country's growth and healthcare is an indispensable part of its wealth. Even if our industry has to deal with many challenges, our commitment to act responsibly is solid and we pledge to continue to do so.

We have set essential goals for the future and we systematically monitor the impact of our activity on our interested parties. We aspire to make the new and innovative therapies accessible to the patients who need them, to further upskill our people, to inform younger audiences about cancer prevention and to reduce our environmental footprint. Our core principle continues to be the adherence to Business Ethics and Integrity guidelines.

Have a good read.

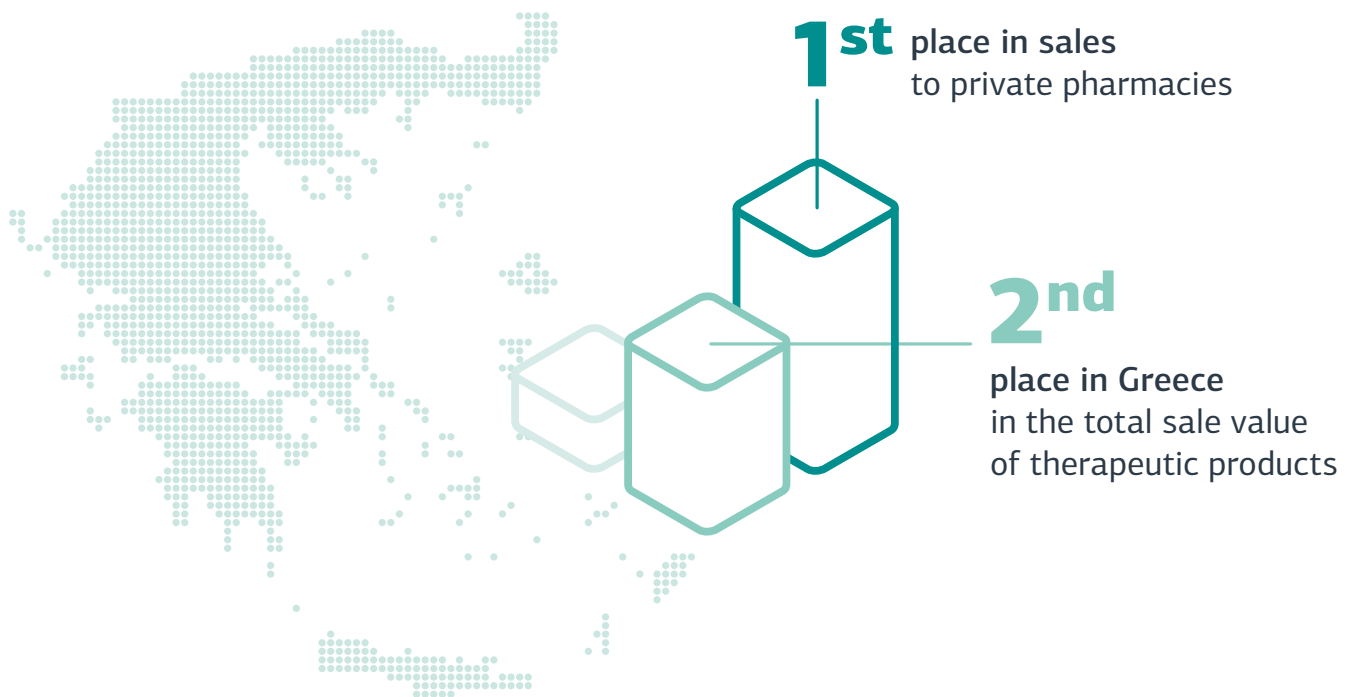
Agata Jakoncic





MSD GREECE AT A GLANCE

2 MSD GREECE AT A GLANCE



€**191.742.308**

turnover

€**17.918.647**

are the wages & employee benefits

9.378.444



product items were delivered to the Greek market in 2018

590

suppliers that we work with in Greece



7.603

clients in Greece in 2018



Implemented a corporate responsibility strategy aligning our efforts to support the United Nations 2030 agenda.



The management team and the employees are trained annually in all company procedures and the Code of Conduct.

ACCESS TO HEALTH

103



pharmaceutical
products in Greece

25



clinical trials
in the last 5 years

15  18

MSD has vaccines in Greece that protect against 15 out of 18 total diseases of the National Vaccination program for children, teenagers and adults in our country



4.277

MSD implements an Immuno-oncology patients' program and covers the cost of the diagnostic test.

cancer patients have been benefited from such a program.

Mother&Child

"Mother & Child" program implemented by Doctors of the World with MSD's sponsorship¹

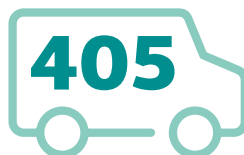
42.339

3.742



Provision of gynaecological services to 42.339 women & 3.742 pregnant women

405



mobile medical
unit visits



1.962

Development of educational material for Health Professionals & training for 1.962 people



7.282

Distribution of 7.282 baby care kits

7.693

Provision of pediatric services to 7.693 babies & infants

2 MSD GREECE AT A GLANCE

EMPLOYEES



LIVE IT,
a well-being program
for MSD employees,
was awarded in 2018
by Bravo Sustainability,
in the pillar "SOCIETY"

2 internal networks

Next Generation Network & Women's Network
were formed as an outcome of our diversity
& inclusion approach

ETHICS & VALUES

The way we operate

is in line with our values and business goals, is transparent and honest and is based on strict regulations and standards of conduct



The Code of Ethics,

the Values and Standards are the foundation of our company ethics



LOCAL COMMUNITY

Life Matters

New corporate responsibility program in Greece “Life Matters” aiming to improve people's health



10.000
volunteering hours
from MSD employees since 2016



Non Governmental
Associations supported



Products valued at
€2.198,50
delivered through our drug
donation program

ENVIRONMENTAL SUSTAINABILITY

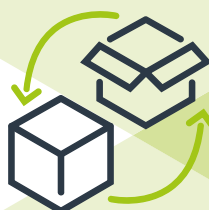
Consumption decreased
compared with 2017

Diesel & gasoline

Electricity

4,46%

7,71%



9.249.273

units of product packaging
were recycled





MSD IN GREECE

3.1 ABOUT US

MSD is one of the largest global biopharmaceutical companies aiming at making a difference in global health, having a history that exceeds 125 years.

Our company is named MSD (Merck Sharp & Dohme) all over the world, apart from the US and Canada, where it is known as Merck & Co., Inc., Kenilworth, N.J. U.S.A.

MSD is active in
140 countries
with **69.000**
employees²

MSD in Greece is named MERCK SHARP & DOHME PHARMACEUTICAL, INDUSTRIAL, AND COMMERCIAL SOCIETE ANONYME, doing business with the distinctive title of MSD AFVEE and having its registered offices in Alimos of Attica (63 Aghiou Dimitriou Street). The MSD HUMAN HEALTH HOLDINGS BV company, registered in Oss, in the Netherlands, at Kloosterstraat 6, 5349 AB, a subsidiary of Merck & Co., Inc. registered in the US and listed in New York Stock Exchange (NYSE: MRK), is the sole shareholder of MSD AFVEE, holding 100% of its share capital.

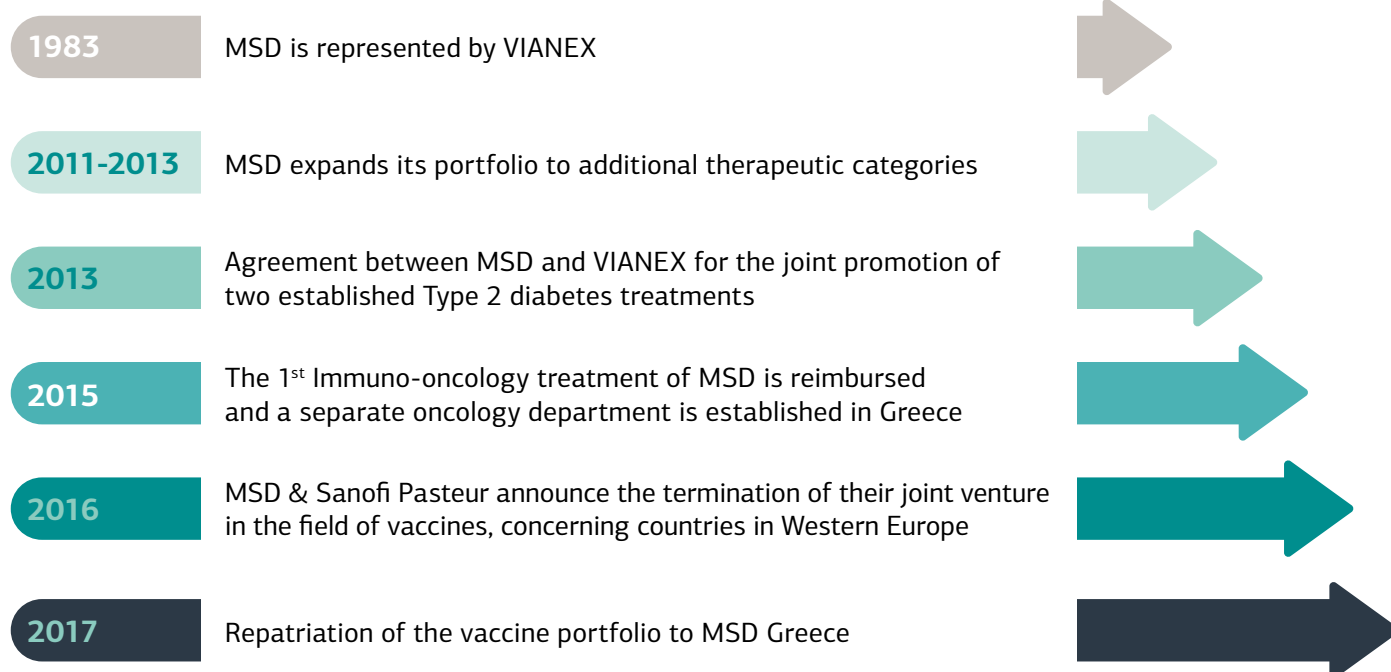
MSD in Greece officially began operations in June 2010, following the completion of the global merger procedures with Schering Plough, which was present in the country since 1974.

In 2018, MSD Greece got the 2nd place in terms of total sales volume for its therapeutic products in our country and the 1st place in retail.



3.1

More milestones during our presence in Greece



At MSD Greece, we invest in productivity and in the country's growth by developing local partnerships.

MSD Greece	2017	2018
Net sales	180.503.575	191.742.308
Capitalization (broken down in terms of debt & equity)	12.210.329	12.210.329
Total workforce	212	209
Total products	9.163.842 units	9.378.444 units

Additional information is available on the following websites: www.msd.com and www.msd.gr

| We are proud of our past and even more excited about our future.

3.2 OUR VISION AND MISSION

At MSD, we draw inspiration from our vision and mission to improve and save peoples' lives.

Our vision

is to make a difference in people's lives by offering innovative medicines, vaccines and animal health products. We strive to be among the leading research biopharmaceutical companies and we focus on providing cutting-edge technology and innovative solutions for present and future applications.

Our mission

is to discover treatments while having a single ultimate purpose: offer extended and better life to as many people as possible on a global level. We are well aware of our mission, which is no other than expanding the limits of science, in the hope that the medicines and vaccines discovered will improve the health of the current generation and also of the future ones to come.

In Greece, our vision “Engaging society to make a difference for better life” is implemented in collaboration with Social Institutions. We contribute to the improvement of the population's health by facilitating patient' access to innovative medicines and protecting public health against serious diseases. At the same time, we ensure that our actions have a positive impact on society and the environment and that they contribute to a sustainable Greece.

The pillars of our vision are:



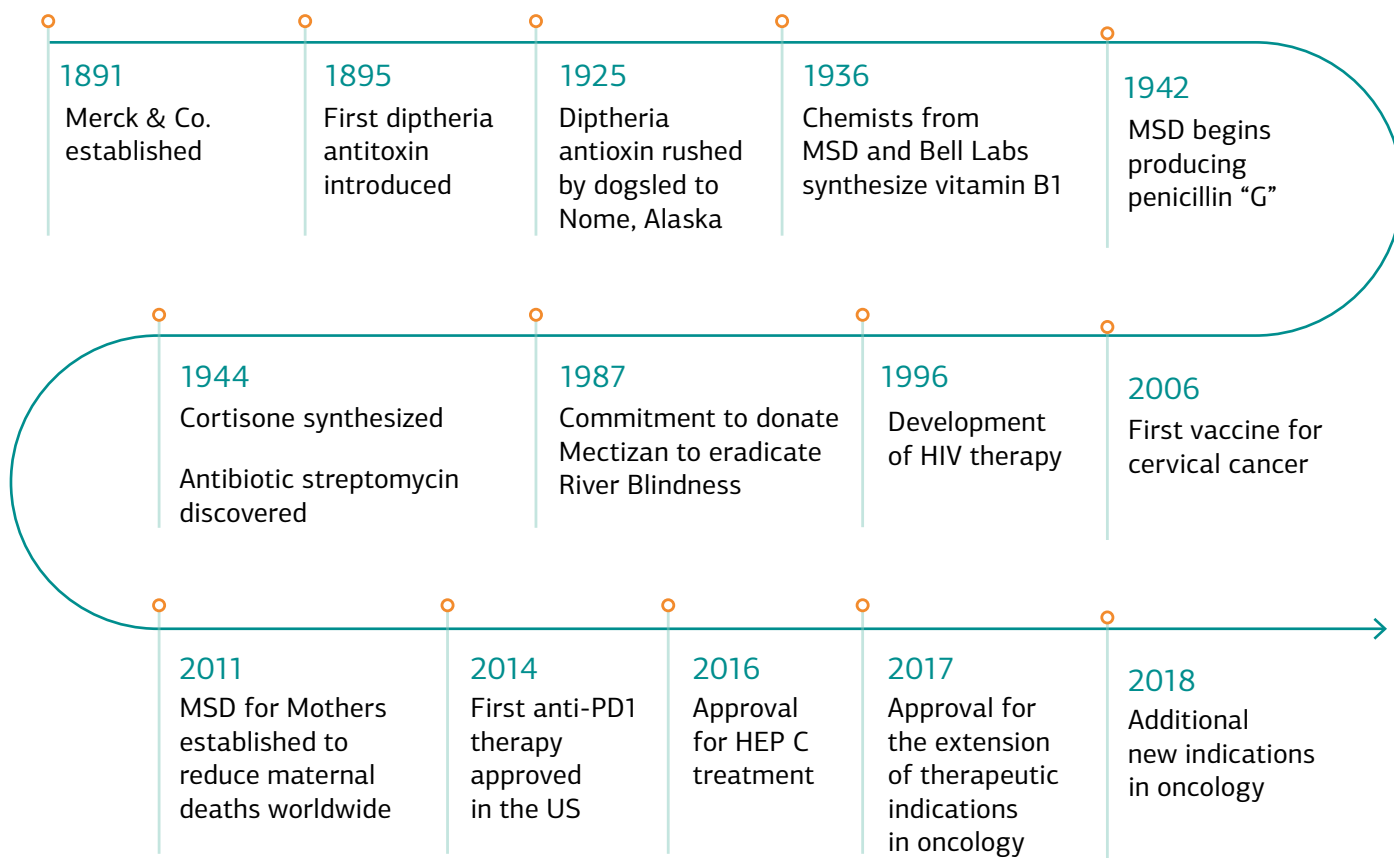
Our values show the **anthropocentric nature of our company** and emphasize on the recognition, the importance of teamwork, pleasure, sense of responsibility and care and also highlight the need for inspiration everyone needs in their everyday life.

3.3 OUR WORK

MSD's global activity is focused on research and development of innovative pharmaceutical preparations and vaccines, which help the population face some of the most important health challenges. Since 1891, our researchers have contributed to the discovery of new methods to deal with and prevent diseases. Some of the most important discoveries and milestones in our history are mentioned below.

OUR LEGACY OF INVENTION

BEGAN MORE THAN A CENTURY AGO AND CONTINUES TODAY



Today, MSD as a leading biopharmaceutical research company, focuses on bringing scientific achievements on a global level in the following therapeutic categories:

- › Immuno-oncology
- › Vaccines
- › Diabetes
- › Anti-microbial resistance
- › HIV

MSD Greece also focuses on the provision of treatments in the aforementioned therapeutic categories; it markets a total of **103 pharmaceutical products** and is active in a number of additional categories such as:

- › Anaesthesiology
- › Antibiotics
- › Cardiology
- › Immunology
- › Gynaecology
- › Allergiology
- › Urology
- › Neurology / Psychiatry
- › Pulmonology

3.4 OUR ACTIVATION

Marketing new products

We have marketed treatments in the following therapeutic categories:



Hepatitis C

An antiviral agent used in the treatment of chronic Hepatitis C in adults.



Immuno-oncology

A biological treatment under Immuno-oncology for oncology patients having the following types of cancer: Melanoma (2015), non-small cell lung cancer (second-line treatment in 2016 and 1st indication for first-line treatment in 2017), Hodgkin lymphoma (2017), urothelial carcinoma (2017).



Antibiotics

An antibiotic indicated for the treatment of adult patients from selective and/or acute infections caused by specific sensitive microorganisms.



Rheumatoid Arthritis

Immuno-suppressing biological agent for the treatment of rheumatoid conditions.



HIV

New daily treatment for HIV, used in combination with other antiretroviral agents, indicated for specific patients.



Immuno-oncology

A biological treatment in the category of Immuno-oncology for oncology patients having the following types of cancer: Melanoma (adjuvant treatment in 2018), non-small cell lung cancer (2nd indication for first-line treatment in 2018 with KN-189), head and cervical cancer (second-line in 2018).

In 2019 it is expected to receive approval for 3rd indication for first-line of NSCLC (KN-407) and renal cancer.

3.4

Products

In Greece:

	2017	2018
Number of products delivered to the market	9.163.842 units	9.378.444 units
Number of products returned (mainly expired, under relevant statutory obligation)	50.814 units	69.982 units

Customers

MSD's client base is comprised of B2B clients, authorized or institutionalized in the field of health (Public Hospitals, EOPYY Pharmacies, Private Clinics, Pharmaceutical Warehouses and Private Pharmacies) all over the country.

Customers	2017	2018
Public Hospitals	160	155
EOPYY Pharmacies	29	28
Private Clinics	89	96
Pharmaceutical Warehouses	119	99
Private Pharmacies	6.794	7.223
Others	1	2

Concerning the above categories, the main clients of the company are the Central Pharmacy EOPYY, the Association of Pharmacists in Thessaloniki, FARMA SERVICE AFE, PEIFASYN P.E., PROSYFAPE, and M.S. JACOVIDES & CO.

Suppliers

We work with 590 suppliers from different branches all over Greece that offer us various services (clinical studies, corporate services, fleet and transports - storage, technology, marketing, market research, internet applications, meetings and travels, procurement of manufacture materials). 65% of the suppliers are registered in Athens, Greece.

3.5 OUR STRATEGIC PRIORITIES

In Greece, our company strategy is focused on:

- expanding patient access to the treatments our company offers, proving the value of innovative medicines
- serving patient needs by ensuring the availability of MSD's medicines and developing programs towards that goal
- utilizing the digital data which brings additional value to clients and patients

3.6 OUR STRATEGIC COLLABORATIONS

At MSD Greece, we believe that our partnerships portray the significance of our innovative medicines and reinforce our country's productivity and development.

MSD has already been collaborating with VIANEX since 1983, improving patients' access to innovative and effective treatments. This collaboration includes the representation of marketing authorization holder of 20 products, exclusive distribution of 2 products and co-promotion of 2 products with MSD. Additionally, MSD has signed a cooperation agreement with FAMAR SA regarding areas of genuine stickers, storage and distribution in the Greek market.

In order to expand the access of oncology patients to innovative treatments, AstraZeneca and MSD have joined forces and closely cooperate on the co-promotion and development of oncology treatment for patients with gynaecological cancer. It is a global cooperation being implemented in our country in 2019.



Participations in Unions and Associations

With the purpose of promoting pharmaceutical innovation, exchanging knowledge and experiences, showcasing the contribution of the pharmaceutical sector in the country, while also promoting Sustainable Development, MSD Greece is a member of:



Initiative
Sustainable
Greece 2020

3.7 OUR FINANCIAL IMPACT

Our main financial contribution to society is performed through invention, development, manufacturing, and marketing of our products, which directly improves and maintains the health of individuals and communities around the world, helping them to lead more productive lives.

	2017	2018
Turnover	180.503.575	191.742.308
EBITDA	4.950.820	7.973.830
Net profit, after taxes	1.500.516	5.050.704
Operating costs	175.039.321	183.383.165
Wages & employee benefits	16.101.530	17.918.647

3.8 RECOGNITION OF OUR EFFORTS

Our work, in terms of Corporate Responsibility, along with the innovation of our treatments, has been recognized worldwide. In Greece we have received equally important prizes from international institutions. This is something that honors and binds us to continue having a positive impact in people's lives.

2018



Bravo Sustainability Award in the pillar "SOCIETY" for the LIVE IT program that refers to the well-being of our workforce.

2017



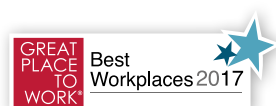
Silver Award from the Corporate Responsibility Institute for achieving the greatest progress in the category of silver awards and special commendation for our work environment.



Prix Galien Award for the best biotechnological product concerning MSD's Immuno-oncology treatment.



MSD ranks among the "The Most Sustainable Companies 2017" in the Sustainability Performance Directory.



"Best workplace" award by the international organization Great Place to Work.



3

GOOD HEALTH
AND WELL-BEING



8

DECENT WORK AND
ECONOMIC GROWTH



13

CLIMATE
ACTION



17

PARTNERSHIPS
FOR THE GOALS





OUR APPROACH TO CORPORATE RESPONSIBILITY

OUR COMMITMENT

At MSD Greece, we contribute to the improvement of the population's health by facilitating patients' access to innovative medicines and by protecting public health against serious diseases. At the same time, we ensure that our actions have a positive impact on society and the environment and that they contribute to a sustainable Greece.

OUR ACCOMPLISHMENTS

- › We implemented a corporate responsibility strategy in order to incorporate the Principles of Sustainable Development in our daily activity.
- › Our efforts support the United Nations Agenda 2030.
- › We have performed a materiality analysis to showcase major issues of our business operation.

4.1 OUR APPROACH TO CORPORATE RESPONSIBILITY

OUR PURPOSE ON A GLOBAL LEVEL

For more than a century, we have been inventing medicines and vaccines for many of the world's most challenging diseases and we have built a company with the talent, tenacity and strength to take on some of the biggest threats to human and animal health.

We live our core commitment to sustainable impact by managing our business responsibly, following our calling to find solutions for some of the world's most debilitating diseases, striving to reach those in need with our medicines and vaccines, and helping to build robust, durable health systems worldwide through partnership, investment and innovation.

Our approach to corporate responsibility is about the health, economic, social and environmental impact we have on individuals and communities around the world. We hold ourselves accountable to our many stakeholders, including patients, employees and customers and shareholders, whose perspectives help to define our corporate responsibility priorities.

Reflecting our commitment to managing environmental, social and governance (ESG) issues, we continue to focus our approach to corporate responsibility in five key areas that are of greatest relevance to our business and society.



Access to Health



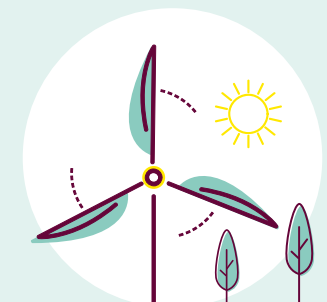
Employees



Ethics & values



Local Community / Society



Environmental Sustainability

4.2 OUR STRATEGY ON CORPORATE RESPONSIBILITY

In Greece, Corporate Responsibility is a field of high importance.

At MSD, we believe that the company's growth should go together with the growth of the country where it is active.

For this reason, we proceeded in 2018 to plan the sustainable development strategy on a local level, through a three-phase process

Business priorities data recording



Mapping the approach & holistic design



Consultation with the stakeholders & integration

In order to implement this strategy, we have taken into account modern trends in Sustainable Development, MSD's global priorities and commitments and the findings of our stakeholders in Greece.

Our strategy consists of 5 important pillars:

Access to Health

We provide access to innovative products, conduct research, develop patient programs and form collaborations with the purpose of facilitating access to safe treatments.

Ethics & Values

Through our steady commitment to ethical and transparent business practices, we ensure the trust of our stakeholders.

Employees

We provide a healthy and safe working environment promoting work-life balance; an environment where our employees learn and grow.

Local Community / Society

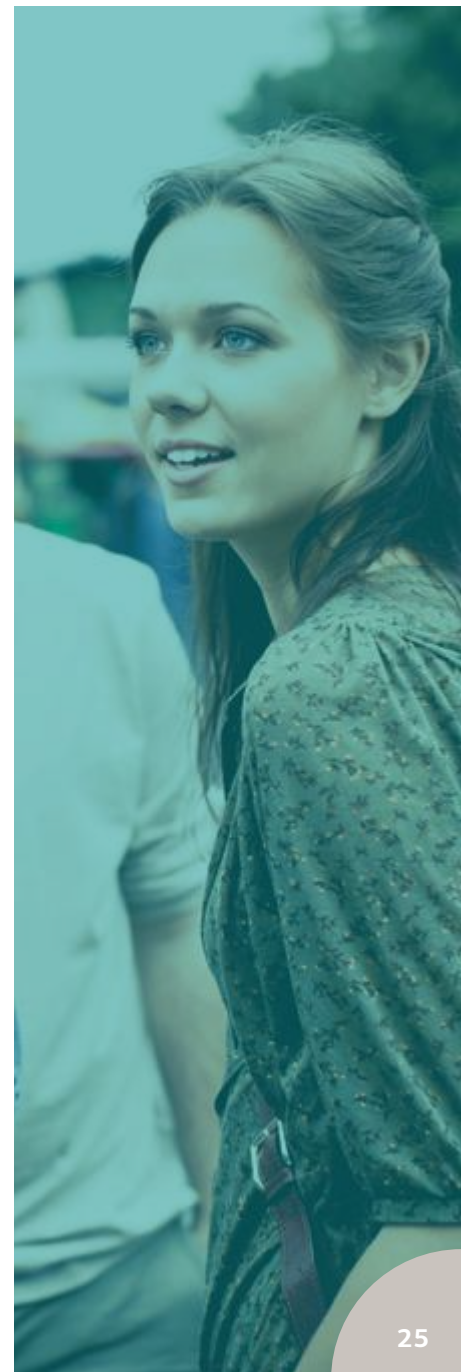
We respond to the needs of Society to make a difference in people's lives.

Environment Sustainability

A healthy planet is directly related to human health. To this end, we aim to protect the environment and contribute to saving our natural resources.

At MSD Greece, Corporate Responsibility is part of our vision and of the employee manifesto; it highlights something very simple: **for us, every single life matters above all.**

Therefore, we have developed and adopted a new Corporate Responsibility program, **"Life Matters"**. Our intention is to improve all citizens' health in Greece, contribute to Greek society through innovative life-saving treatments, support to the Public Health system and early diagnosis and prevention.



4.3 GOVERNING OUR CORPORATE RESPONSIBILITY

On a global level we are committed to governance policies and practices that serve the interests of our company and its many stakeholders. The process of submitting reports and the governing is an indispensable part of such commitment. On a global level, our company's Board of Directors is responsible for managing our Corporate Responsibility and the company's public policy.

At MSD Greece, the Leadership team is responsible for implementing the Sustainable Development strategy and is committed to our responsible operation.

With the purpose of standardizing the management of Corporate Responsibility matters, we have appointed a Corporate Social Responsibility Officer, with the following responsibilities:

- › takes care and coordinates the application of Sustainable Development Principles to our company and stakeholders;
- › suggests the review of the strategy on a local level and corporate responsibility procedures;
- › confirms the execution of any corrective actions;
- › assesses the course and outcome of Corporate Responsibility actions;
- › prepares the Corporate Responsibility Report.



Additionally, we have established an interdisciplinary team to provide support and monitor the CSR indicators.

All our employees must be aware of and handle their daily business activities in accordance with MSD's vision and CSR strategy, its field of operation, the management systems, and Code of Conduct.

4.4 WE ALIGN WITH GLOBAL INITIATIVES ON SUSTAINABLE DEVELOPMENT

At MSD, on a global level, we are associated with major initiatives and standards on Sustainable Development, which include the 10 Principles of the U.N. Global Compact, the Global Reporting Initiative, and the Sustainability Accounting Standards Board³. Through these frameworks on sustainable development, we continue to grow and coordinate our efforts to reinforce and support long-term sustainability for our company.



United Nations
Global Compact



4.4

The 17 Global Sustainable Development Goals

In September 2015, the United Nations adopted 17 Global Goals, aiming to eliminate poverty, combat inequality and injustice and deal with climate change until 2030.

MSD is committed that its work shall go together with the implementation of the Global Goals, having a positive impact on people's lives and on the implementation of the organization's business objectives.

As a global healthcare company that is committed to improving health and well-being around the world, **SDG 3 (Good Health and Well-Being)** is at the core of our business and is aligned with our mission to save and improve lives. In addition, while we realize that all the SDGs are essential to fostering sustainable development, we have assessed that by prioritizing seven global goals we can achieve the biggest impact.




- SDG 5** Gender equality
- SDG 6** Clean water and sanitation
- SDG 7** Affordable and clean energy
- SDG 8** Decent work and economic growth
- SDG 12** Responsible consumption and production
- SDG 13** Climate action
- SDG 17** Partnership for the goals

“We are honored to play a role in the global efforts to achieve the SDGs. Through our ongoing commitments to address important health challenges, we are mobilizing the best of our company to help save and improve lives around the world”.

– Ken Frazier, Chairman and CEO

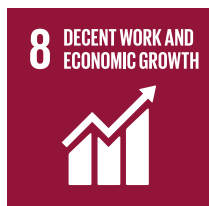
In Greece, based on our strategy, we have prioritized and focused on the goals below:

Sustainable Development Objectives	Programs and Initiatives by MSD
	<p>Improving population health</p> <p>We intend to constantly improve patients' access to innovative treatments through the development of advanced programs, that concern diagnosis and prevention of major illnesses and diseases in collaboration with other bodies. This way, we can contribute to the improvement of population health, protect public health against serious illnesses, and prevent illnesses from spreading through vaccination. MSD's collaboration with Scientific Societies and major partners has spread the message of prevention to a significant part of the population, emphasizing on the value of vaccination and protection against HPV and the herpes zoster virus.</p> <p>MSD Gives back (Volunteering Program)</p> <p>MSD's volunteering program on a global level, MSD Gives Back, offers to all employees, in any field of activity, the opportunity to allocate up to 40 hours of paid time each year to help a Non-Profitable Organization of their choice. Since 2016, MSD employees have allocated more than 10,000 hours in volunteer work.</p>



MSD for Mothers / “Mother & Child” program:

MSD for Mothers is a \$ 500 million MSD global initiative, to help create a world where no woman dies giving life. The specific program was implemented by Doctors of the World Greece during 2016-2018 and was named “Mother & Child”. The program's main goal was to offer healthcare services to pregnant women and newborns who belong to vulnerable social groups (uninsured, refugees, immigrants, minority groups). At the same time, it offered free access to educational material on women's health and family planning to women and Healthcare professionals. **The total amount of funding reached \$ 750.000.**



MSD Work Policies

Our desire at MSD Greece is to provide a working environment meeting the needs of the 21st century, promoting gender equality, fostering diversity and showcasing our people's talents. Diversity and inclusion are key components of our success as a company, and essential for future innovations. We cultivate an environment in which the value and uniqueness of our people are recognized daily. In addition, through the Next Generation Network & Women's Network teams, new ideas and proposals are being communicated to the organization that enhance diversity as well as collaboration between genders and different generations.

LIVE IT: Well-being program for MSD employees which provides well-being services and promotes the care they need to show themselves for a healthier life in and out of the office.



In Greece, we make every effort to reduce water consumption, greenhouse gas emissions and waste from our business.

Internally, regular briefings are held on the need to reduce water consumption and the use of plastics, and photocell taps have already been installed to help conserve water.

In order to reduce greenhouse gas emissions, we reduced gasoline vehicles by 63% in 2015 and stayed true to our goal to replace all our vehicles with diesel-engined vehicles. Today, our corporate fleet consists solely of diesel-engined vehicles.

To reduce waste, we apply our waste sorting processes at the source, with recycling bins for paper, aluminum, ink and toner cartridges, electrical & electronic appliances, lamps and batteries.

We frequently inform our employees about policies that help protect the environment and we participate in tree planting and beach cleaning activities.



We discover smart and sustainable ways to expand access to healthcare, especially for populations with increased care needs and we collaborate with other bodies and partners to achieve optimum results.

By way of example, we have collaborated with Doctors of the World to implement the MSD For Mothers program and with the Hellenic Society of Medical Oncology to facilitate patients' access to biomarker testing.

4.5 ACKNOWLEDGING THE MATERIAL ISSUES

The Corporate Responsibility issues that we focus on are the most important for MSD Greece and our stakeholders. By recognizing the most essential ones, we focus on them and monitor their impact on our internal and external environment.

Corporate responsibility materiality analysis

Recognizing that it is very important to know the aspects that have a significant impact on our stakeholders, as MSD Greece, we conducted a Corporate Responsibility materiality analysis. We have taken into account both the importance of their impact on Sustainable Development and the importance they have on our stakeholders views.



The process of materiality analysis consisted of the following stages:

- I Studying and recording of industry-related issues at national and international level. Then identifying the most important issues of interest to the company on a global level and in our country, examining their impact on our stakeholders.
- II A series of personal interviews with groups of internal and external audiences to identify gaps in their perception of important issues.
- III Prioritization of the issues identified and determining their impact.
- IV Validation of the important issues that will form the backbone of the MSD Greece Corporate Responsibility Report.

The material issues have been prioritized in accordance with the Global Reporting Initiative and the principle of stakeholder engagement and materiality, taking into account the extent to which they have an impact on our internal and external environment.

4.5

The process showed the most important issues for MSD Greece:



Following the ratification process, it was decided to present in greater detail the following major issues in this report.

- › Transparency & report
- › Focus on diseases
- › Health literacy
- › Ethical sales & marketing
- › Employee growth
- › Continuity of supply
- › Work-life balance/well-being
- › Product quality
- › HCPs education
- › Financial performance
- › Focus on health
- › Local community relations

4.6 REACHING OUT TO OUR STAKEHOLDERS

We recognize that we cannot face the serious challenges of health, environmental and financial sustainability alone. For this reason, we work with our stakeholders who share our commitment and bring their own unique experience and point of view.

We engage in dialogue with our stakeholders and work with government representatives and policy makers, with NGOs, patient groups, the academic community, our staff and others to inform them about our policies, practices and the development of our products. Our intention is to build lasting relationships with them, to understand their goals and expectations, and to explore ways of working together to foster mutual trust and understanding. Throughout the year, we strive to exchange information, opinions and suggestions, develop joint actions and collaborate to achieve common goals.

Communication with our stakeholders can be performed through meetings, email, digital platforms, expert forums, discussions, alliances or partnerships.

Stakeholder Groups & Communication

Stakeholders	Issues of Interest	Communication Method	Communication frequency
Patients & Patient Associations	Updates & awareness raising of patients for their disease and its treatment, working for better access to new innovative and existing treatments, supporting actions targeting vulnerable population groups.	Disease awareness campaigns, meetings with Patient Associations' representatives	When required
Healthcare Professionals	Product updates, medicine and patient safety, access to educational materials and electronic platforms informing about health issues.	Meetings, written email communication, and msdhealthnews.gr , educational meetings	Regularly
Scientific – Medical Societies	Expanding HPCs' and the general public's scientific knowledge, education, collaborating to prevent diseases, updating scientific data.	Meetings, written communication via email, Univadis and msdhealthnews.gr , educational meetings	When required
Government / Regulatory Authorities	Compliance with applicable laws and regulations, medicine safety, patient protection, communication to meet public health needs, information on approved and new products, research and innovation.	Service based on the foreseen provisions (meetings, written communication, email communication)	When required
Academic Community	Promotion & development of scientific knowledge, studies, disease/patient registries.	Scientific and educational meetings	When required

4.6

Employees	Information on all local and international company developments, working in a safe and healthy environment, trust in management team decisions, work-life balance, cooperation, education, professional development, financial security.	Voice survey, e-magazine, intranet, organizing corporate events, internal meetings, newsletters via special Communication Channel (MSD GR Communications)	Regularly
Suppliers	Ethics, consistency, communication of policies and company procedures, competitiveness, financial security	Telephone and written communication via email	Regularly
Local Community / NGOs	Informing the public about diseases and how to treat them, partnerships with patient associations, social responsibility programs.	Written, electronic communication, TV, radio and web messages, awareness campaigns to inform the public	When required
Media	Strengthening trust relationships, information on scientific and health policy issues, regulatory issues, update on CSR programs.	Events and press conferences, press releases, in-person contacts and discussions.	Regularly







4.7 SETTING GOALS

We have set short-term and long-term goals for our Corporate Responsibility which we monitor and control their degree of implementation in a systematic way.

Section	Goals 2017	Success rate	Implementation
Employees	Maintain actions to balance personal and professional life.	100%	Actions are continued and enriched with the creation of the new LIVE IT program.
	Create a working group that will evaluate Millennials' opinion on major company functions and decisions.	100%	The team was created and named Next Generations Network. <i>Its work is presented in more detail in the chapter "Our Employees".</i>
Local community	Continue and strengthen public and patient programs.	100%	Disease prevention programs aimed at the general public have continued. MSD implemented vaccination awareness campaigns in 2017 and 2018.

Environmental Responsibility	Replace all our vehicles with diesel vehicles by the end of 2017, thus reducing pollutant emissions.	100%	All of our vehicles today are diesel-engined.
	Implementation of environmental responsibility initiatives to reduce our footprint.	100%	The company continues to this day with recycling activities and waste management practices.
Access to health	Continuation and development of our online platform for pharmacists.	100%	The platform has been updated and enhanced with more online ordering capabilities.
	Continuous communication of MSD position for a viable national health system focused on patients.	100%	MSD constantly ensures that its partners are adequately and properly informed on public health issues.

GOALS 2019

Section		Goal setting
	Access to health	<ul style="list-style-type: none"> ► Focus on launching new products or therapeutic indications in oncology, vaccines, infectious diseases and hospital care.
	Employees	<ul style="list-style-type: none"> ► Apply activities that promote diversity and inclusion. ► Enhance and renew the development program for managers. ► Introduce new HR systems that support holistic workforce planning.
	Ethics & Values	<ul style="list-style-type: none"> ► Continuous education on the Code of Conduct for all employees ► Create the Ethics Ambassador role
 	Local Community	<ul style="list-style-type: none"> ► Raise public and teenager awareness of lung cancer prevention.
	Environmental Responsibility	<ul style="list-style-type: none"> ► Minimizing our environmental footprint: energy saving, reduce CO₂ emissions, minimize use of plastics and water saving.



3

GOOD HEALTH
AND WELL-BEING



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PARTNERSHIPS
FOR THE GOALS



ACCESS TO HEALTH OUR COMMITMENT

We want to continuously improve patients' access to treatments through the development of innovative programs for the prevention and diagnosis of major diseases and illnesses. This way we can help improve population health, protect public health against serious diseases, and prevent the spread of diseases through vaccination.

OUR ACCOMPLISHMENTS ON A GLOBAL LEVEL

Considering our pipeline and the list of products we currently market, we estimate that our company is seeking to address **88% of the top 20 global burdens of disease** as defined by the Institute for Health Metrics and Evaluation (IHME), excluding road injury, self-harm and preterm birth complications.

Our clinical program in oncology includes more than **900 clinical studies**

MSD's expenses on Research and Development in 2018 reached **\$ 9,8 billion** and **\$ 10,3 billion** in 2017, respectively.

ON A LOCAL LEVEL

- › In the last 5 years we have conducted **25 clinical trials** in several therapeutic categories.
- › We market **103 pharmaceutical products** in Greece.
- › Our vaccines cover **15 out of 18 total diseases** as presented in the National Vaccination program for children, teenagers and adults in our country.
- › The program "Mother & Child" provided gynaecological services to **42,339 women** and to **3,742 pregnant women**.
- › msdhealthnews.gr, our specialized health site for HCPs, received **751.000 visits** in 2018.

5.1 THE PHARMACEUTICAL MARKET IN GREECE⁴

We believe that the pharmaceutical industry in Greece is an important factor for the development of the country.

The pharmaceutical industry is the second largest export to the national economy and supports directly and indirectly 87,000 jobs, mostly highly skilled. The direct impact of the industry on GDP is estimated at € 1.52 billion, while taking into account both the indirect effects and the contribution of the increase in consumption, totaling € 7.55 billion (~ 4% of Greek GDP).

As an industry, we invest in R&D and strengthen our national competitiveness. We are a **strong national pharmaceutical productive force**, with more than **150 companies and 28 factories**. According to the SFEE report, we are the third exporting power in our country, exporting to 141 countries.

The pharmaceutical industry is a major pillar of funding for the Health System, contributing to **1/3 of the pharmaceutical spending, four times the corresponding European average** and simultaneously the highest percentage of any other branch of the Greek economy. At the same time, it supports the health system by covering the cost of caring for the uninsured (850,000 fellow citizens for 2017 at an annual cost of € 165 million).

The pharmaceutical production in value amounted to € 954 million. Imports and exports of pharmaceuticals in 2018 amounted to € 2.8 billion and € 1.4 billion, respectively, while exports of pharmaceuticals accounted for 4.3% of all Greek exports of all goods for 2018. Pharmaceutical production workers were 14.4 million in 2017, while 60.5% of pharmaceutical production workers are university graduates.

Total funding for health spending reached € 14.9 billion in 2017 (8.4% of the GDP). Specifically, public spending on health declined by -38.2% over the same period, to € 9.1 billion in 2017 (5.1% of the GDP). The decline in public funding has led to a shift in health spending in the private sector.

The significant reduction in the public sector's contribution to pharmaceutical spending has led to a shift to the private sector, where by 2018, patients' participation in outpatient pharmaceutical spending reached approximately € 625 million and industry costs reached € 990 million, while the industry's contribution to hospital pharmaceutical spending reached € 436 million. As a result, the industry for 2018, based on the compulsory reimbursement (rebate and clawback) mechanisms, reached the level of covering the needs of patients in Greece for pharmaceutical coverage with 1 in 3 medicines (30%) in outpatient and 1 in 2 medicines (45%) at hospital level.

Finally, the population's needs for health spending are also affected by other demographic characteristics, such as high life expectancy, negative natural change (births - deaths), the increase in older population (above 65 years of age).

The pharmaceutical industry over time supports and promotes the framework of legality, transparency and full disclosure, with the aim of ensuring fair and unimpeded access for Greek patients to medicines and the support of Greek scientists and medical science. The industry's relationships with healthcare professionals are strictly regulated and all events, conferences, etc. are approved by the National Organization for Medicines (EOF), while SFEE also imposes strict regulations.

5.2 PUBLIC POLICY

We believe in shaping a health system that will be economically viable with a focus on prevention and innovation.



Medicines are an indispensable social good that has been studied and developed to protect human life and health as well as lead to a longer and better quality of life. It has found its place in all three levels of prevention (primary, secondary and tertiary prevention) and is included in the strategies implemented by each country's Health System and social policy⁵. The more effective the prevention, the more successful the health system that implements it. Vaccines and medicines have contributed globally to improving population health, by improving morbidity and mortality rates.

The contribution of medicines to public health is unquestionable.

Developing innovative medicines contributes to the ability to effectively treat diseases that were previously fatal to patients. New vaccines, antibiotics, biotech products and gene therapies are just some examples of modern pharmaceutical science. New drugs save lives eradicate and / or stabilize diseases, improve quality of life and prolong life expectancy. At the same time, they help National Health Systems save resources by reducing public pharmaceutical spending and often replacing costly surgeries, hospitalization or long-term care⁶.

5.3 OUR APPROACH – CORPORATE PRINCIPLES ON ACCESS TO HEALTH ON A GLOBAL LEVEL

As a global leader in healthcare, the role of MSD is primarily to discover and develop innovative treatments and vaccines that address and prevent major untreatable diseases to date.

Beyond our core mission, we are capable and responsible for improving access to our medicines and vaccines as well as to quality healthcare. Barriers to access and quality of care exist in many parts of the world, including weak health infrastructure, a lack of trained healthcare professionals, limited access to information and political uncertainty. We recognize that we have a role to play—in partnership with other key stakeholders—in helping to ensure our products are accessible and affordable to those in need. Additionally, our industry is being called on to provide greater transparency on the impact of access strategies and initiatives.


Therefore, we developed a Statement of Principles to guide our worldwide approach to access to health and to transparently report on the impact of our strategy against these principles. Measuring how we are doing is a challenging but important component of our access strategy, as it enables us to demonstrate and report on our progress in implementing our Access Principles and to measure the effectiveness of our efforts.

5.3

Recognizing the need to continuously update our strategy and associated principles, we will be conducting a strategic re-evaluation of these principles and corresponding key performance indicators (KPIs) in late 2019/early 2020. Our objective is to ensure that we are continuing to fulfill our commitment for access to health as a core company value by focusing on the most critical issues, and that we are measuring and reporting on our progress and performance in a meaningful way.

Millions of people live longer and more productively than ever, partially due to better healthcare and access to innovative medicines and vaccines. However, more progress is needed to ensure better access to health services around the world.

5.4 OUR KEY THERAPEUTIC CATEGORIES IN GREECE ONCOLOGY - IMMUNO-ONCOLOGY



At MSD, we are working to accelerate the drug development process and expedite the use of new approaches to the treatment of cancer patients.

Immuno-oncology can reshape the way physicians treat cancer with the ultimate goal of greater benefit to patients.

- › Our clinical program includes more than 900 ongoing studies worldwide.
- › With our clinical program we study more than 30 types of cancer.
- › There are about 50 companies and organizations we work with to develop our clinical program.

As the incidence of cancer grows, the fight against the disease becomes a personal affair, not only for patients and their loved ones, but also for those dedicated to the treatment of cancer and the discovery of new therapies.

I Globally, the leading cause of cancer death is lung cancer⁷.

In Greece, an estimated 67,401 new cases of cancer were diagnosed in 2018⁸. The five most common types are lung, breast, colon, prostate and bladder cancer⁹.

At MSD Greece, we support a patient program in Immuno-oncology. During 2017-2018, 4,277 cancer patients have benefited from this. The program covers the cost of the diagnostic test which is not currently reimbursed.

5.4

Vaccines



Vaccines are one of the most successful interventions to protect public health and we are proud that MSD has contributed greatly to this by introducing the first diphtheria antitoxin, small pox vaccine, measles– mumps– rubella vaccine (MMR), HPV and numerous others.

Greece has one of the most up-to-date vaccination programs, covering both child, adolescent and adult populations¹⁰.

At MSD Greece, we have vaccines that protect 15 of the 18 diseases of the National Vaccination Program for our children, adolescents and adults in our country¹¹.

We place great emphasis on providing the public with reliable information about the value and benefits of vaccination, especially in current social conditions where a number of factors make it imperative (emergence of old diseases and occurrence of new ones, anti-vaccination movement, demographic developments, etc.)¹².

For this reason, as of 2017 we have been conducting public awareness campaigns on the value of vaccination or prevention against specific viruses and diseases in collaboration with scientific societies.

Diabetes Mellitus



Diabetes mellitus is a chronic disease characterized by high blood glucose levels (blood sugar). The majority of cases of diabetes mellitus are of type 2 and usually result from lack of physical activity and obesity¹³. Diabetes mellitus increases the risk of many serious complications, such as cardiovascular ones.

In our country in 2017, people with diabetes accounted for about 720,000, while the vast majority of those, about 694,000, have been diagnosed with type 2 diabetes¹⁴.

Managing type 2 diabetes is one of the top priorities of MSD worldwide but also in our country. We have a long track record of discovering and developing innovative treatments to manage type 2 diabetes.

As of 2007, our long-standing commitment to seeking innovative treatments for the disease has contributed to the introduction of a new anti-diabetic drug class. This process continues to this day enriching the therapeutic options for managing type 2 diabetes.

10. SFEE: "The importance of prevention through vaccination", p 10. 11. National Adult Vaccination Program 2018-2019, Ministry of Health, Protocol No. C1a/C.P. oik. 66202. Athens, 5/9/218, Children and Adolescent Vaccination Program for 2019, Ministry of Health, Protocol No. D1a/C.P. oik. 48177, Athens, 25/6/2019 12. SFEE: "The importance of prevention through vaccination", p 11-12. 13. World Health Day 2016, World Health Organization – Press Release (6/4/2016). 14. Liatis et al. The Prevalence and treatment patterns of Diabetes in the Greek Population based on real – world data from the nation – wide prescription database. Diabetes research and Clinical Practice 118 (2016)

5.5 OUR ACTIVITY

We protect patients in Greece by providing access to a wide portfolio of innovative products and by developing research, patient programs and collaborations to facilitate their access to safe treatments.

Innovative products

We market 103 pharmaceutical products in Greece. Our products cover a wide range of therapeutic categories such as immuno-oncology, hepatitis, vaccines, diabetes, cardiology, immunology, infectious diseases, antibiotics, anaesthesiology, fertility and contraception.

Facilitating access

We maintain an open constant dialogue with Patient Associations and key healthcare partners to provide patients with easy access to new innovative therapies with proven benefit in improving health and prolonging life expectancy. A prominent example is the new treatment in the field of hepatitis C, which takes a year less to be reimbursed.

During our multi-year presence in Greece we have supported the work of the Patient Associations in the categories of rheumatology, hepatitis C, HIV & Crohn's disease.

Furthermore, we have developed the immunoconnect platform which aims at enhancing communication between rheumatologists and patients with rheumatic diseases and increases patient compliance to treatment as well as achieving treatment goals.



Research & Development

Scientific discovery is at the heart of everything we do. We invest in research so that our innovative therapies can address the global challenges of humanity.

For MSD, discovery is not just about science, it is a key element of our business approach and our people's way of thinking in order to solve problems and develop our business activity. Discovery is at the heart of everything MSD does, from creating innovative partnerships and sharing business and technical know-how to the ongoing and continuous effort for patent inventions that will significantly contribute to improving people's lives.

The discovery of Vitamin B1, the first measles vaccine, the first statins to treat hypercholesterolemia, more recently the first vaccine for cervical cancer and finally the introduction of new therapeutic approaches in the field of immuno-oncology are only a few of our scientific breakthroughs that healed people very close to us or even saved their lives.

5.5

Our products and research priorities are aligned with the current and projected global burden of disease—as defined by the World Health Organization (WHO)—, the increasing need for new therapies targeted at diseases such as cancer, HIV/AIDS, Alzheimer’s disease and antibiotic-resistant infections and disease prevention through vaccine development. Considering our pipeline and the list of products we currently market, we estimate that our company is seeking to address 88% of the top 20 global burdens of disease as defined by the Institute for Health Metrics and Evaluation (IHME), excluding road injury, self-harm and preterm birth complications.

Moreover it is important to mention that on a global level:

- › MSD’s R&D expenses were \$ 9.8 billion in 2018, \$ 10.3 billion in 2017, \$ 10.3 billion in 2016, and \$ 6.8 billion in 2015¹⁵
- › Our pipeline provides an overview of our late-stage clinical development programs¹⁶, specifically:
 - › 10 Phase II Clinical Trial programs
 - › 20 Phase III Clinical Trial programs
 - › 3 programs at a final evaluation stage

In Greece, over the past 5 years we have conducted 25 clinical trials in several therapeutic categories such as: oncology, infectious diseases, respiratory diseases, cardiology, hepatitis, vaccines and diabetes.

We support innovation and focus on delivering optimum service to our customers, developing digital solutions that facilitate their scientific work for the benefit of patients.

For healthcare professionals, MSD has developed websites and applications that provide scientific information and useful tools for clinical practice and are offered free of charge:

msdhealthnews.gr: our personalized and easy-to-use website with medical news, scientific publications per treatment category, information on MSD pharmaceuticals and links to the following microsites:

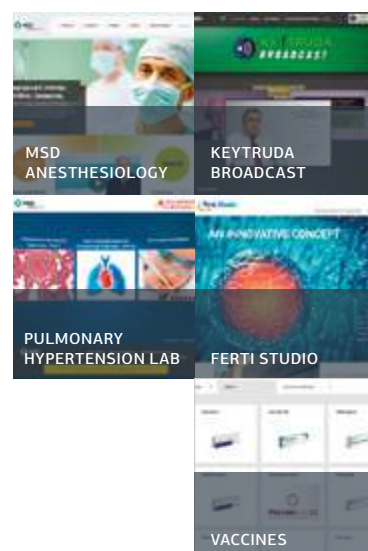
- › **MSD Anesthesiology**
Focused on scientific information for anaesthesiologists and surgeons
- › **Digital platform on Immuno-oncology**
Brings the latest developments to Healthcare Professionals through innovative videos with information on immunotherapy, biomarkers, disease and clinical studies
- › **Pulmonary Hypertension Lab**
Internet platform with videos and speeches by Healthcare Professionals about pulmonary arterial hypertension
- › **Ferti Studio**
Top experiences and best practices from Europe's top IVF centers
- › **Vaccines**
MSD portfolio

MSD Health News provides personalized content, depending on the areas of interest of each registered healthcare professional.

The website reached 751.000 visits in 2018 with 14.000 active users per month.



msdhealthnews.gr



5.5

MSD Health News App

app available for iOS or Android devices

univadis.gr

an MSD service for Healthcare Professionals. It provides unbiased medical news and useful tools for clinical practice, completely free of charge. Univadis.gr has an average of 7,000 visits per month (unique users). In 2018 registered users reached 35.500 and new registrations 2.200.

www.msdparmacy.gr

online platform for product orders. The website also informs about product availability and provides information and leaflets for various diseases.

In 2018, we created the **e-signature**, a new innovative digital signature tool which significantly reduces the time needed to sign a contract, freeing up time for other important activities.

MSD Health News App



univadis.gr



www.msdparmacy.gr

5.6 IMPORTANT LIFE-SAVING INITIATIVES

ON A GLOBAL LEVEL

MECTIZAN donation program

One of the most significant initiatives MSD has undertaken to improve access to medicines is the donation of MECTIZAN with the aim of eliminating river blindness, also known as onchocerciasis, and lymphatic filariasis. The MECTIZAN donation program is the longest-running public-private donation and drug partnership program of its kind. The MECTIZAN donation program started in 1987 and will continue for as long as it is needed to eliminate river blindness globally, and lymphatic filariasis in countries where river blindness is endemic.

From 1988 to 2018, 3.6 billion treatments were approved; 346 million treatments in 2018 alone.

River blindness has been eliminated in Colombia, Ecuador, Guatemala and Mexico. Lymphatic filariasis has been eliminated in Togo and Yemen.



5.6

MSD Fellowship for Global Health

The MSD Fellowship for Global Health is a quarterly, pro bono field corporate program designed to leverage the skills and talents of our employees worldwide. The company continually seeks innovative ways to increase access to health around the world while also growing and developing our employees' talent. The MSD Fellowship for Global Health is a way we can achieve both goals.



MSD for Mothers

MSD for Mothers is a \$ 500 million MSD initiative to help create a world where no woman has to die giving life. Applying MSD's business and scientific resources, MSD for Mothers collaborates with stakeholders to improve the health and well-being of women during pregnancy, childbirth and the postpartum period. To date, we have reached more than 9.2 million women in 48 countries around the world. Working with 160+ partners, our programs empower women, equip health providers, and strengthen health systems, supporting the United Nation's Sustainable Development Goal (SDG) 3 to reduce preventable maternal mortality worldwide.

ON A LOCAL LEVEL

In the same context, the "Mother & Child" program was implemented in collaboration with Doctors of the World Greece. The program was launched in 2016 and aimed to provide:

- › Healthcare to **8,400 pregnant women and their newborns** belonging to vulnerable population groups.
- › Free access to educational materials on women's health and family planning for at least 480 volunteer healthcare professionals through an innovative e-learning platform.

The program surpassed its goals and within the two years it was implemented presented the following amazing results.

Results for 1.5.2016-30.4.2018

- › Provision of gynaecological services to 42,339 women and to 3,742 pregnant women
- › Distribution of 7,282 baby care packages
- › 405 mobile medical unit visits
- › Provision of paediatric services to 7,693 infants & newborns
- › Development of educational material for healthcare professionals and education for 1,962 people.



5.6

One-day conference

On the occasion of the one year anniversary since the launch of the program in Greece, a one-day conference was held with the title of: “Unspoken Voices: the health needs of refugee women in Europe” by Doctors of the World and MSD. The results of the program and important findings were presented regarding the level of primary and secondary healthcare services provided to the related populations, which resulted from a survey of 14,000 women. Finally, the refugee health policy recommendations to the European and national governments and to EU institutions were presented.

Further information available on www.msd.gr and www.msdrresponsibility.com



5.7 PRODUCT & PATIENT SAFETY

We recognize that when people use our medicines and vaccines, they need to have confidence in their efficacy and safety.

Our company's medicines and vaccines are widely tested before being approved for commercial use. These tests are governed by an integrated regulatory system and our research policies. We evaluate the safety of our products rigorously, with clinical and non-clinical trials. Following the approval of our medicines, vaccines or devices, the company continues to monitor their safety profiles.

On a global level, our Chief Medical Officer has overall responsibility for the benefits and risks of our supply chain and for the commercially available products, providing medical supervision for all clinical programs, overseeing the development and implementation of medical policies, while being responsible for planning, executing and implementing extended pre-registration access programs.

At MSD Greece, if any of our clients, such as a Healthcare Professional, consumer, employee or patient, wishes to report a medical or an adverse event, they can contact the DPOC (Designated Point of Contact). This department is responsible for recording safety and quality issues related to the use of our commercial products, including products distributed by partner suppliers.

Our product quality and safety procedures and practices include strict standards as well as education and training procedures.

Risk and safety management teams monitor patient safety through proper product labeling, training physicians and patients and other risk minimization strategies, where appropriate, while also identifying the effectiveness of these interventions.

At the same time, locally, pharmacovigilance teams in our company subsidiaries worldwide are responsible for ensuring that information on adverse reactions is collected and registered in the Global Safety Database from where they are submitted in a timely manner to the competent authorities.

5.7

At MSD Greece, in accordance with applicable law and company procedures, we maintain a pharmacovigilance system to fulfill pharmacovigilance responsibilities. This system is used to collect information on the risks of medicines to patients' or public health. This information relates in particular to human adverse reactions from the use of the medicinal product within the approved marketing authorization, as well as from their use outside of it, and to occupational exposure-related adverse reactions.

All side effects reported to MSD are listed in the company's Global Safety Database and may be notified to regulatory authorities in accordance with the law. MSD scientifically evaluates all information, examines options for minimizing and preventing risks, and takes action if necessary.

Information & Labeling

We comply with the regulations and specifications for labeling in accordance with EU and EOF directives.

Continuous supervision and monitoring of our product labels is a major goal for our safety efforts. The review teams monitor our product information and work with our product risk and safety management teams to develop or update our product labeling. We regularly release relevant information to regulatory agencies worldwide.

The inserts on our product packaging contain information about possible side effects and how to avoid any potential problems. We include contact information on our corporate website for patients, caregivers and healthcare professionals to report negative experiences and complaints in accordance with international and national laws and practices.

5.8 PRICING POLICY & ACCESS

At MSD worldwide, we are committed to pricing our products based on different pricing frameworks, taking into account the economic level, the distribution channels and public health needs. In Greece our products are priced in accordance with the applicable pricing and indemnity provisions of pharmaceuticals as defined by the state and applicable laws at all times.

5.9 SUPPLY CHAIN

Our vision is to be the most trusted provider of pharmaceutical products for our clients and patients.

The smooth and adequate supply of the Greek market is the responsibility of the commercial operations division, which is responsible for managing MSD's supply chain and is comprised of the supply chain and customer service teams.

The supply chain team ensures that the company's pharmaceuticals are collected and stored at the distribution center of MSD's storage and distribution service provider, FAMAR. The **MSD customer service team** then receives orders from all channels in the Greek drug supply chain and arranges for the shipment of the company's pharmaceutical products.

5.10 CUSTOMER SERVICE

We keep an open channel of communication with our clients in order to understand their needs and provide them with quality services, always focusing on the immediate handling of all issues that arise with the aim of continuous improvement.

MSD Greece has launched a commercial complaints management process. For better customer service, a customer service employee is handling the complaints. Based on a pre-approved procedure, all complaints received either by telephone or in writing are answered according to the type of complaint. If the customer is not covered by the response given by the responsible officer, the question is further referred to the Head of Commercial Department or the Director of Commercial Operations. For better management a special email address has been created that has been communicated to customers and is available on the web site www.msdpharmacy.gr so that customers can submit their complaints in writing daily, any time of the day. Handling of complaints received either orally or via email is done in exactly the same way as described above.

At the same time, we carry out a large number of market surveys in order to better understand our customers' needs and ultimately provide them with services and products that respond to them. The frequency of such surveys varies by product, treatment category, as well as by the product life cycle phase. We evaluate and analyze in depth the above information in order to be able to respond to the real and varied client needs, support them effectively in their daily clinical practice and ultimately provide reliable health services.

We have an open communication with our clients through our social media accounts such as Twitter, YouTube, LinkedIn and Facebook and provide all the latest information about our company activities and footprint.







3

GOOD HEALTH
AND WELL-BEING



8

DECENT WORK AND
ECONOMIC GROWTH



EMPLOYEES

OUR COMMITMENT

Important discoveries can change the world. At MSD, we support our people contributing to this direction. We are working with a vision to create the workforce of the 21st century, gender-balanced and richly talented. We provide educational and career development opportunities in all 140 countries we operate in and we truly care about our employees' health and well-being. Through the development of integrated programs and policies, we contribute to the creation of a positive and healthy workplace for the organization's most important asset, our employees.

OUR ACCOMPLISHMENTS

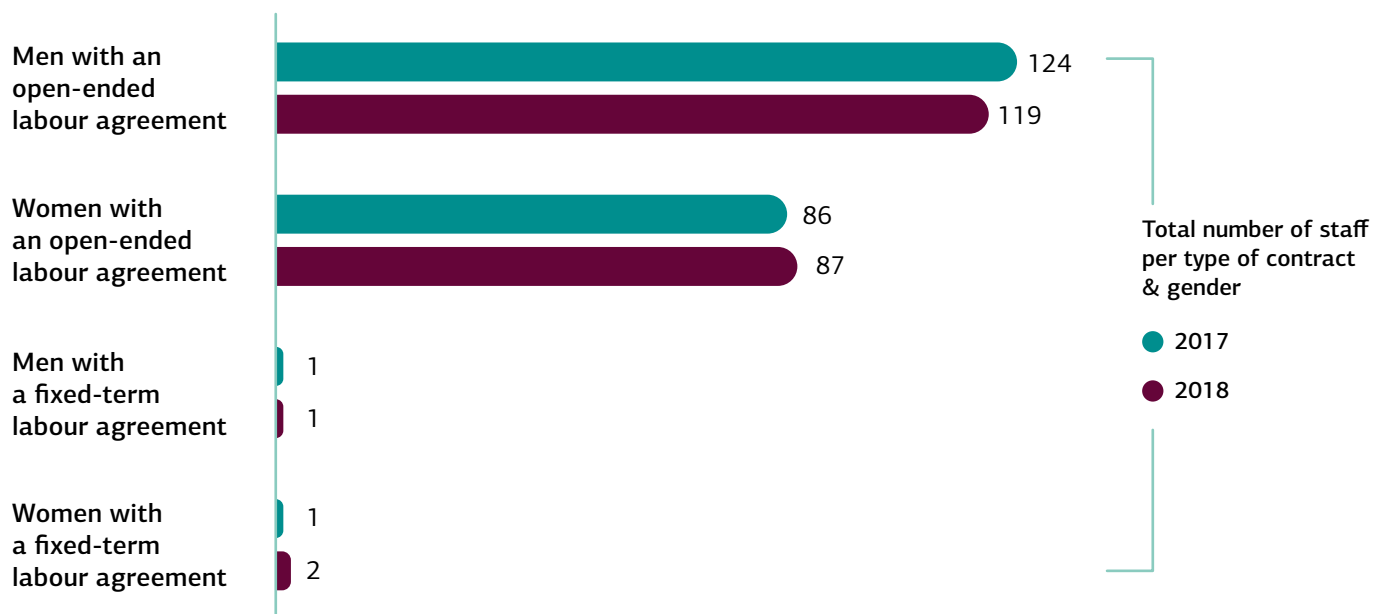
- › 28 people were hired in 2017 & 2018.
- › 120 men (57%) and 89 women (43%) form the composition of our human resources.
- › 7,81 training hours per employee took place.
- › 10 «Tool Box Talks» for Health & Safety have been held.
- › 1.148 awards were received by MSD Greece employees for INSPIRE program.
- › 2 in-house chapters have been created, Next Generations Network & Women's Network under diversity and inclusion policy.
- › LIVE IT program received the Bravo Sustainability Award in 2018.

6.1 OUR HUMAN RESOURCES

Today, 25% of our employees in Greece is of the Millennial generation, while 43% of the female gender is equivalent to almost half of our workforce. Since 2017, 28 new people have been hired. As a result in 2018, 2 senior executives from Greece took over abroad, 7 employees hold positions in MSD's regional and global work groups, and 3 talents have been promoted to new positions.




The number of our employees in Greece in 2018¹⁷ was **209**. 120 were men (57%) and **89** women (43%), with 21% holding supervising or senior positions. **80%** of employees belong to the age group of 30-50 years. Correspondingly in 2017, we employed 212 employees.

All of our employees are covered by a full-time collective labour agreement, a contract for pharmaceutical company employees and sales representatives for long-serving employees, and a national collective agreement for younger employees.



Regarding third-party employees working for MSD, the figure stands at 17.45% for 2017 (*total MSD 212 employees and an additional 37 third-party employees*) and 17.7% for 2018 (*total MSD employees 209 and an additional 37 third-party employees*).

The above partners cover 3 key roles in our company:

-  (a) Secretarial support for departments
-  (b) Customer service staffing
-  (c) Staffing of the clinical trials department (*need for people with highly specialized knowledge in conducting and monitoring the proper execution of clinical trials*).

6.1

Workforce Analysis

Board analysis by gender	2017	2018
Male	2	2
Female	2	2
Total	4	4

Board analysis by age group	2017	2018
30-50 years old	1	1
Over 50 years old	3	3
Total	4	4

Total number of staff by level and gender*

Work levels	2017	2018
As office employees (male)	101	97
As office employees (female)	67	70
As employees (total)	168	167
As managers/supervisors (male)	17	17
As managers/supervisors (female)	15	12
As managers/supervisors (total)	32	29
As senior managers (Leadership Team members - male)	7	6
As senior managers/shareholders (Leadership Team members - female)	5	7
As senior managers/shareholders (total)	12	13

* Includes only MSD permanent and temporary staff

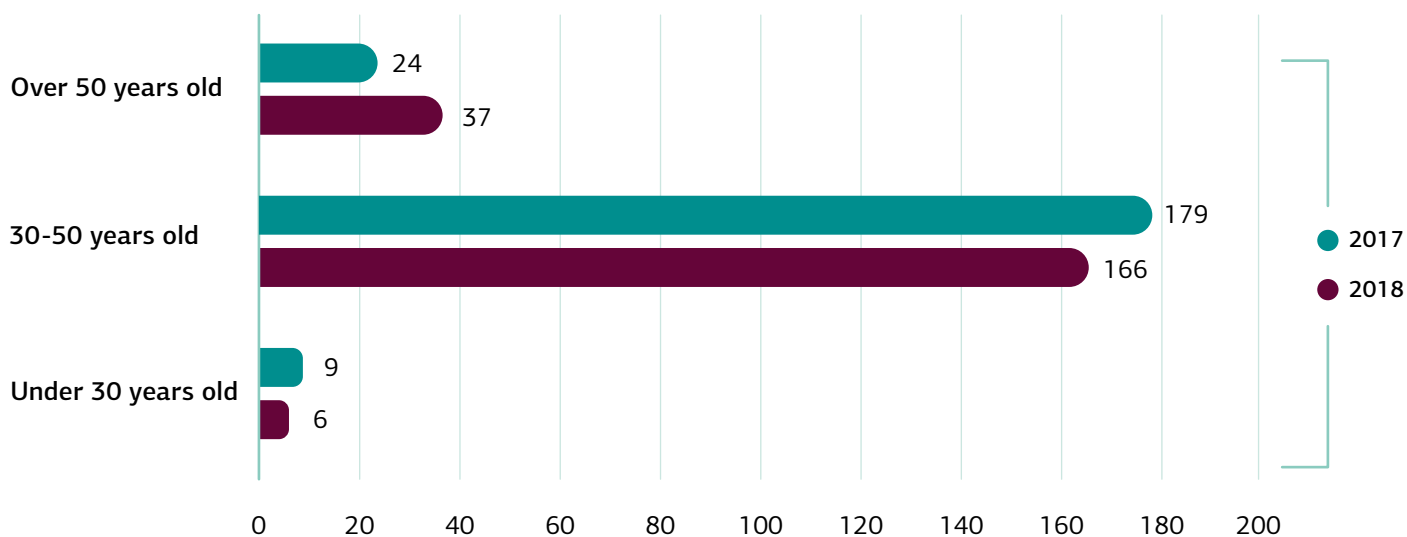


6.1

Total number of staff per level and age category*

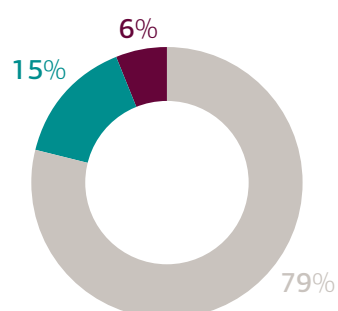
Work levels	2017	2018
As office employees (under 30 years old)	9	6
As office employees (30-50 years old)	142	134
As office employees (over 50 years old)	17	27
As office employees (total)	168	167
As directors/supervisors (under 30 years old)	0	0
As directors/supervisors (30-50 years old)	30	25
As directors/supervisors (over 50 years old)	2	4
As directors/supervisors (total)	32	29
As senior managers/shareholders (LT members - under 30 years old)	0	0
As senior managers/shareholders (LT members - 30-50 years old)	7	7
As senior managers/shareholders (LT members - over 50 years old)	5	6
As senior managers/shareholders (total)	12	13

* Includes only MSD permanent and temporary staff of MSD Greece



Total employees / work level

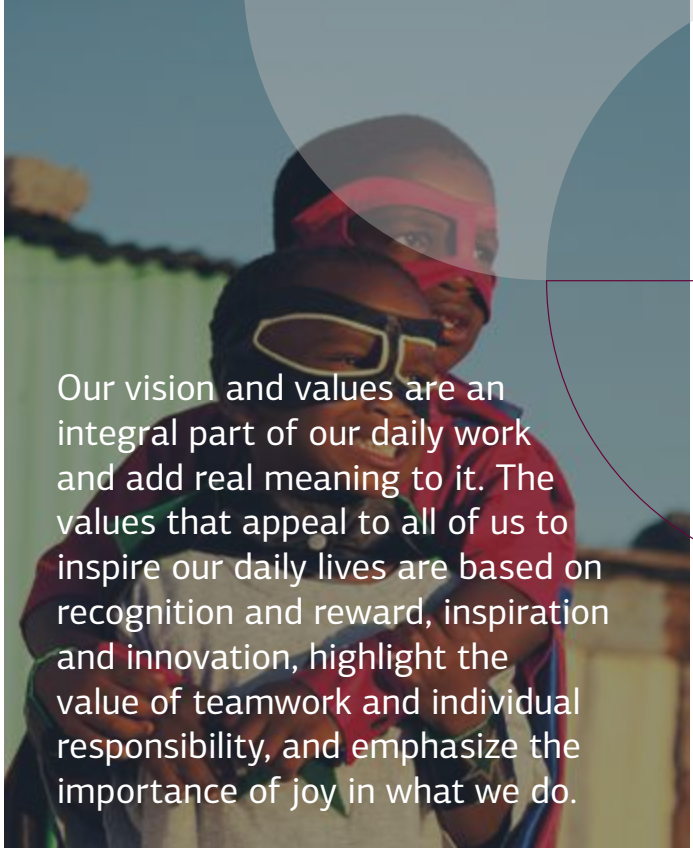
- Employees
- Managers / Supervisors
- Senior managers / Shareholders



6.2 REMUNERATION POLICIES

At MSD Greece, the way we determine our employees' remuneration follows our company's global strategy. Regardless of level and hierarchy, the remuneration of our employees is determined by the pay and benefits surveys that the company participates in each year. Also all our employees participate in the same bonus scheme and enjoy the same additional benefits that the company offers. An exception to the above policy is the equity program that concerns only the management team.

In terms of remuneration, the highest paid employee has total earnings of 4.48 times higher the median of the organization.



Our vision and values are an integral part of our daily work and add real meaning to it. The values that appeal to all of us to inspire our daily lives are based on recognition and reward, inspiration and innovation, highlight the value of teamwork and individual responsibility, and emphasize the importance of joy in what we do.

6.3 LIFE AT MSD

We recognize our people's contribution to our mission in improving and saving lives around the world. We strive to provide an environment that is distinctive for diversity and inclusion, prosperity, enables career development and nurtures the spirit of volunteering.

At MSD, we believe that only when our people feel well, in all aspects of their lives, can they perform to the highest degree, and we are committed to helping them stay healthy and feel safe.



6.3

LIVE IT Program

As part of its commitment to pioneering the health and well-being of its employees, MSD has created on a global level **LIVE IT**, a holistic model of well-being that invites its employees to take control of their health and improve their lives. **LIVE IT** has 4 pillars of **PREVENT IT**, **BALANCE IT**, **MOVE IT** and **FUEL IT** which deal with physical, emotional and financial security, completely interdependent areas.



PREVENT IT



The PREVENT IT pillar consists of programs such as annual check-ups, screening programs (for melanoma) and safety toolbox talks.

BALANCE IT



The BALANCE IT pillar includes Life and Health Insurance, the pension plan¹⁸, the Employee Assistant Program, flexible working forms, additional leave days in combination with public holidays and kids@work day.

FUEL IT



The FUEL IT pillar includes a daily, healthy breakfast, a dietitian in the office, and a healthy snack at meetings.

MOVE IT



The MOVE IT pillar includes free membership in a gym of choice, Pilates inside the company in a fully equipped area and activity clubs where the company covers training expenses.

The above are initiatives of our company that are implemented consistently and over time. They are being improved, taking into account the needs of our employees, and are therefore positively evaluated in internal evaluation surveys.



An important reward is that the **LIVE IT** program was recognized in 2018 as the best employee care program and promotion of **LIFE BALANCE** in the workplace, with the Bravo Sustainability Award.

6.3

Employee engagement - Internal communication

At MSD, we cultivate a positive working and open communication environment and encourage interaction across all departments and levels of the company. The management team keeps an open channel of communication with all employees and through a systematic communication plan the news is communicated consistently throughout the company at the appropriate time.

More specifically:

- › The CEO of MSD Greece signs the monthly newsletter with the most important news of the company.
- › All newsletters as well as new announcements are hosted on the company's new intranet so anyone can check it out at any time.
- › Every company announcement worldwide is sent to all employees through the specialized channel.
- › All employees receive daily industry news via email.
- › Every month as part of the Lunch & Learn meetings, all employees learn about the department's news through their representatives.
- › Every two months our magazine "We @ MSD" is published which summarizes the news of the last two months, reports new hires and offers wellness and well-being suggestions.
- › In addition, interesting corporate videos are displayed on the company's screens.

This plan achieves immediate information of our people, internal distribution of announcements and other information/data, while at the same time cultivates an atmosphere of security and trust in senior management.

Voice survey

The recent global MSD employee satisfaction survey, with 96% participation, highlights a high level of satisfaction in ethics and good practices, communication and contact with the outside environment and employee management. The employees said they were very pleased with MSD's contribution to society and the innovation that distinguishes our products.

Regarding the points for improvement, our employees focused on the following 4 pillars:



We listened to our employees' needs and saw these 4 pillars as opportunities for growth and improvement. With this aim, in 2018 four working groups were created, staffed exclusively by members of the management team, which reflects the company's commitment to improve these issues.

6.3

In more detail:

- 1 With regard to the first pillar, the management team committed to improve internal procedures and better understand customer needs.
- 2 The pillar of cooperation refers to the commitment to foster a holistic culture that facilitates and enhances partnerships.
- 3 In the third pillar, team design aims to develop a suitable ground for the expression of innovative ideas and encourage employees to propose and adopt new ways of working.
- 4 As for the fourth pillar, the management team decided to invest initially in the development of the people managing the teams and in collaboration with the Learning & Development department to identify and respond to emerging business needs.

Recognition program

In November 2017, we launched globally the **INSPIRE** program, a new online recognition program. This program aims to create a culture where one can express gratitude and acknowledge the contribution of an employee to the achievement of a project. At the same time, INSPIRE rewards the leadership behaviors shown by employees and is a prerequisite for giving thanks. To date, **1,148 awards** have been awarded to MSD Greece.

INSPIRE is a means of recognition that can be used by all employees and is independent of the annual employee evaluation which determines the additional earnings.

6.4 TRAINING & EVALUATION

At MSD, we invest in the professional development of our employees to ensure the continued success of our people and the company itself.

We emphasize greatly on our employees' training. They have access to educational programs and material regarding management, leadership, innovation, digital marketing skills and other business-related fields of interest.

Mylearning, the dedicated global online training platform is an important training tool available to all of our employees. **Mylearning** is the MSD training management system, which includes all the training material in themes and roles. All employees have free access to both the material created by MSD and to many reputable external sites that our company subscribes to, such as: Harvard Mentor and Books 24x7 (large number of books, articles, educational videos, etc.)

In addition, MSD worldwide has created a **digital learning community** with the aim of empowering and supporting people seeking their personal growth through the training provided by the company.

Our employees at MSD Greece participate in numerous seminars throughout the year such as change and leadership management, the use and utilization of social media etc. Managers are provided with coaching services in order to unleash all aspects of their skills.

	2017	2018
Total training hours	3.264 ¹⁹	1.634
Training hours / employee	14,46	7,81

6.4

Coaching and feedback culture

MSD has a single evaluation system designed and implemented for all employees. This system was designed based on the views of the company's employees, with the aim of creating a continuous coaching and feedback culture for future success.

In detail:



At the beginning of each year, employees in collaboration with their supervisor, set the goals of the year and record them in the company's system. At the same time, in collaboration with his supervisor, the employees identify personal areas of development such as people management, time management, communication skills and analytical skills development. Throughout the year there are meetings in which employee and supervisor discuss how to achieve these goals. At the end of each year, each supervisor must undergo a final evaluation of all his/her subordinates.

Furthermore, the company's electronic systems provide information on all of the company's positions (management level, skills & leadership behaviour) as well as suggested **career paths** from each position. This way employees can explore the career opportunities that open up to them according to their skills, experience and interests.

In the years 2017 & 2018, 100% of our employees received regular performance reviews.

6.5 TALENT DEVELOPMENT

Partnering with the HR department, the management team, and the education and development department, we promote and develop our talented employees, high performing people who will be the future leaders of MSD.

We follow specific procedures to manage our talents, applying the following principles:

Our strategy for managing our talented people is in line with our medium and long-term business strategy.

The management team and the supervisors are involved throughout the process emphasizing on the importance of seeking and identifying people with development potential within their teams.

Our main goal is to create a dynamic and on-going “**pool of candidates**” that are included in it from the very beginning in order to have enough time to develop all the appropriate skills that will lead them to top leadership positions within our organization, with the ultimate goal of topping the pyramid of MSD internationally.

6.4

Yearly talent review

Twice a year, official talent reviews are conducted, the results of which are monitored and discussed by the management team on a monthly basis. Managers and supervisors of all levels of the company are involved in evaluating the performance and potential of their subordinates for future development and discovery of talented employees.

6.6 HEALTH & SAFETY IN THE WORKPLACE

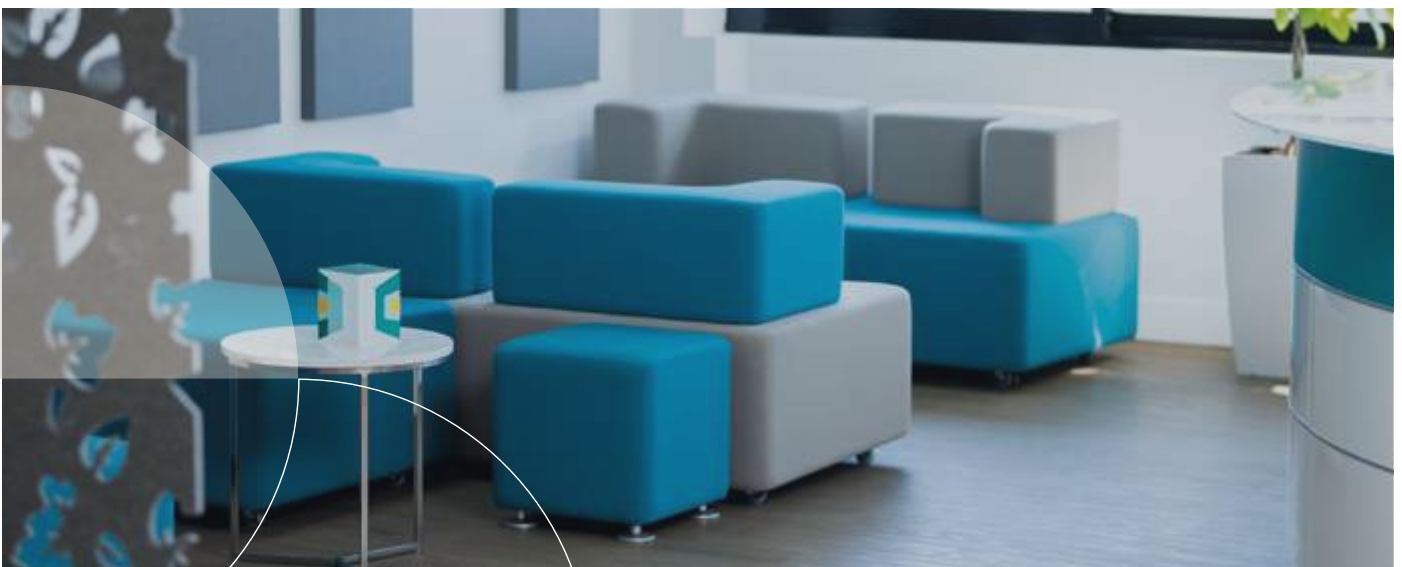
At MSD, we provide our employees with access to a wide range of programs, health services, resources and tools to support their health and well-being and ensure that they return home from work healthy and safe every day. At the same time, we work for the elimination of occupational accidents and diseases, while the company adheres to all the rules and the Greek legislation related to the health and safety of employees.

In addition to regulations, we also organize corporate initiatives that contribute to prevention, such as the monthly Tool Box Talks. They cover presentations on a variety of security topics either in poster form or in the form of a lesson or email. The Tool Box Talks topics are predetermined annually and sent to employees, adapted to match the Greek daily life. **In 2018, 10 Tool Box Talks were created and communicated internally.**

For the reporting period, no accident or injury has been reported in Greece to employees working in the office or to the ones in the field. 1.94 days of absence per employee were recorded in 2018.

We operate based on the “Office Environmental Health and Safety (EHS)”. It outlines our operating framework for health, safety & working environment matters and at same time activates our employees in order to avoid situations which may cause an accident (personal protection measures, emergency management, control plans, staff training, etc.).

We have a working physician and in particular a pulmonologist with a rich university career. We have set up a fully equipped special medical facility which he makes use of for his visits.



Regarding the security technician, we cooperate with an external consultant on all necessary security measures as required by law. However, in addition to our institutional obligations and with particular emphasis on Health & Safety, we organize yearly training of our security teams in our facilities, with audio-visual training material that contributes to better consolidation and assimilation of information. Specifically, we organized, in collaboration with the security technician, the “Earthquake & Workplace” and “Fire Protection in the Workplace” trainings.

In the years 2017 & 2018, 2 trainings were held on Health & Safety.

6.7 DIVERSITY & INCLUSION

At MSD, we are committed to our mission of fostering an equal working environment that promotes acceptance, harnesses diversity and reflects the way we behave every day.

It is our absolute priority to treat all our employees on an equal footing. That is why we pursue a policy that prohibits all forms of discrimination based on characteristics such as gender, nationality, age, marital status, any form of disability and sexual identity. Our policy is part of the Code of Conduct that all our employees must follow.

We firmly believe that in an ever-changing and evolving environment, we need more than ever to internally reflect the diversity of society and create the conditions that will allow all employees to feel safe to express themselves and also leave their personal mark.

By putting our broader vision of Diversity & Inclusion into practice, we have introduced new initiatives to the company. Every year during September, we carry out activities promoting a culture of acceptance and diversity. We have also decided to take it a step further by actively engaging our employees as ambassadors of our philosophy.

In 2018, in full alignment with our global strategies, we set up the following networks:

Next Generations Network (NGN)

MSD's youth network, made up of a cross-functional team sharing the vision of *"creating an inclusive work environment in which all generations coexist and everyone feels inspired and motivated to reach their highest potential, thus contributing to the success of MSD."* To best achieve its objective and maintain a positive climate where different generations work in harmony with each other, all ages have been integrated into the group.

Women's Network (WN)

MSD Women's Network, a cross-functional group of women of all levels of the company, with diverse needs, interests, career plans and priorities, all of whom are called upon to balance their multiple roles. The goal of the team is to help women discover and develop skills that will support them in their career development while ensuring an environment of equal opportunity. This group also includes a small number of men, which enhances objectivity in addressing the challenges and actions decided.



The main challenge of the teams was to create their own identity and establish themselves as separate entities, with a substantial reason for being independent of any other kind of corporate initiative. For this reason they communicate independently (HR department has a consulting role in the teams) and recommend to the management team annually initiatives that will make a difference and enhance culture of diversity and inclusion into the organization.

6.7

Outcomes

Next Generation Network:

Implemented programs that have already received very positive reviews are the Tuition Fees Reimbursement Program, out-of-work Networking Opportunities, and the first Internship Program designed to help young people start their careers, working on real projects under the guidance of our experienced executives. All initiatives have been well received and have been highly successful as 2 employees have received co-financing for postgraduate programs at recognized universities and the internship program has been rated extremely favorably by both the interns and their supervisors.

In 2019, initiatives will include “speed dating” with members of the management team, seminars on the use of social media, etc.

Women’s Network:

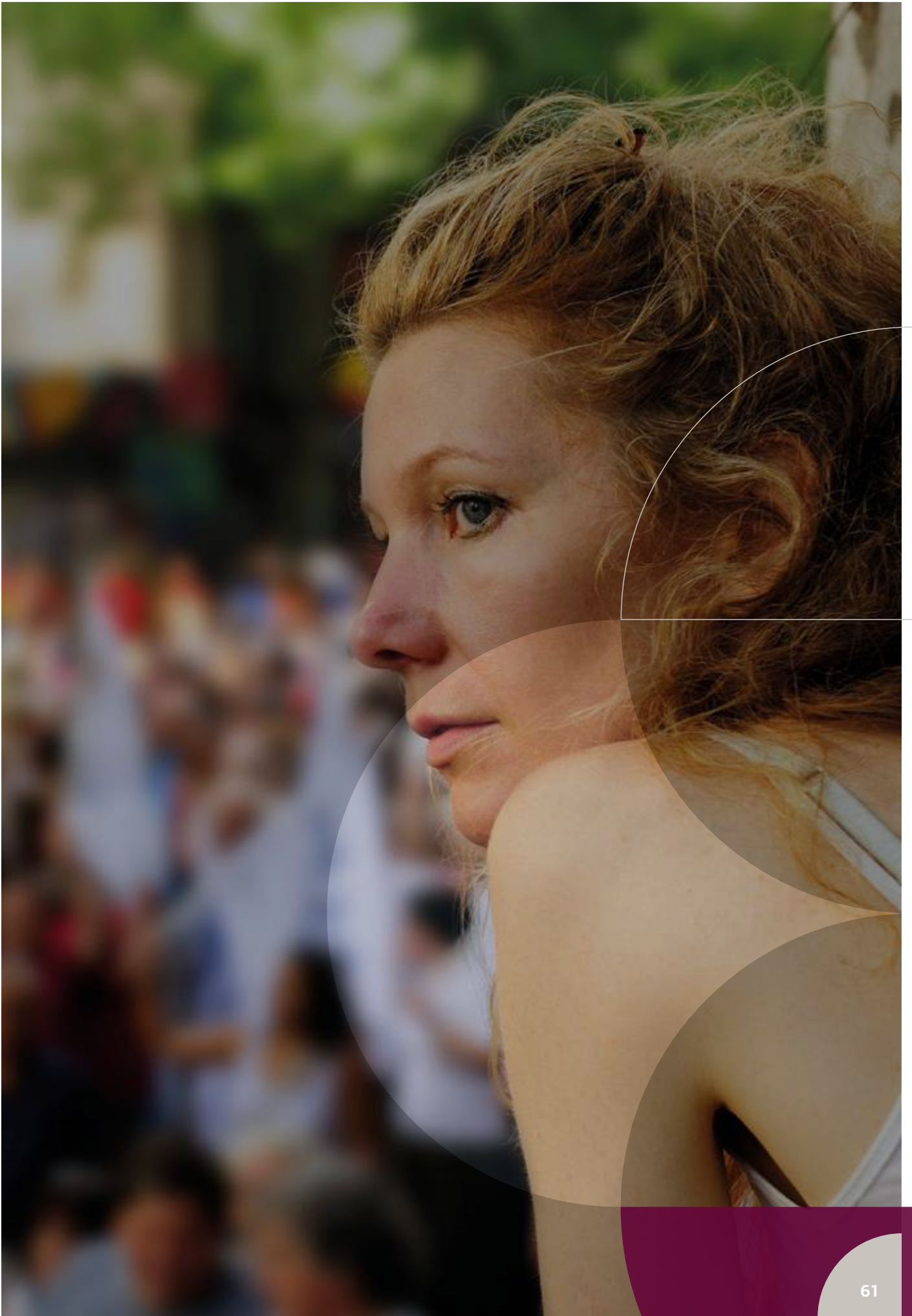
Since its creation the team has conducted extensive internal research on all employees to understand the organization's culture of gender equality and women's development.

The survey confirmed the company's positive image as an optimal working environment for women with over 9 out of 10 women recommending it.

At the same time, the survey also highlighted areas of concern for women such as stress management, leadership and negotiation training as well as personal branding. Based on the survey's findings, activities will be implemented in the areas of interest.

Everything accomplished is made possible thanks to the dedication, commitment and full support of MSD employees with whom the company shares the same vision. It is a great honor for MSD, that the effort to provide an ideal working environment is recognized by its employees and has been honored for three consecutive years with the **Best Place to Work** award.







8 DECENT WORK AND
ECONOMIC GROWTH



BUSINESS ETHICS & RESPONSIBLE OPERATION

OUR COMMITMENT

We are committed to responsible management policies and practices that serve the interests of our company and our shareholders. At the same time, we strive to be open and transparent about how we operate in order to gain and maintain the trust of our customers, our employees, and our stakeholders.

OUR ACCOMPLISHMENTS

- › The management team and employees are **trained annually** on all procedures including the Code of Conduct through online training material and through live targeted training.
- › We perform regular **periodic audits** that cover the entire range of our activities.
- › We operate the “**Office of Ethics**” worldwide to report incidents of violation of our employees' rights and incidents of non-compliance with MSD rules.

7.1 OUR APPROACH TO RESPONSIBLE OPERATION

We believe that good governance is an integral part of our long-term value.

Thus, we devote considerable time and resources to ensure that:

- › our policies reflect our values and our business goals
- › we have an effective corporate governance structure
- › we operate in an open, honest and transparent way.

The way we operate is in line with our values and business goals, is transparent and honest and based on strict regulations and ethical standards.

7.2 OUR RESPONSIBLE OPERATION

We have developed a set of policies and actions aimed at complying with the law, maintaining a culture that promotes the prevention, detection and resolution of potential violations of laws or corporate policies. They also ensure that we respond to the company's evolving business activities and relative compliance risks.

Local work policies and procedures are created to achieve the following objectives:

- › help comply with parent company policies, laws and regulations
- › provide specific operating standards for the implementation of any task
- › provide established work practices across all sectors to ensure continuity regardless of organizational or human resources changes
- › analyze requirements, define and delegate responsibilities and assist in making critical decisions.

Our policies

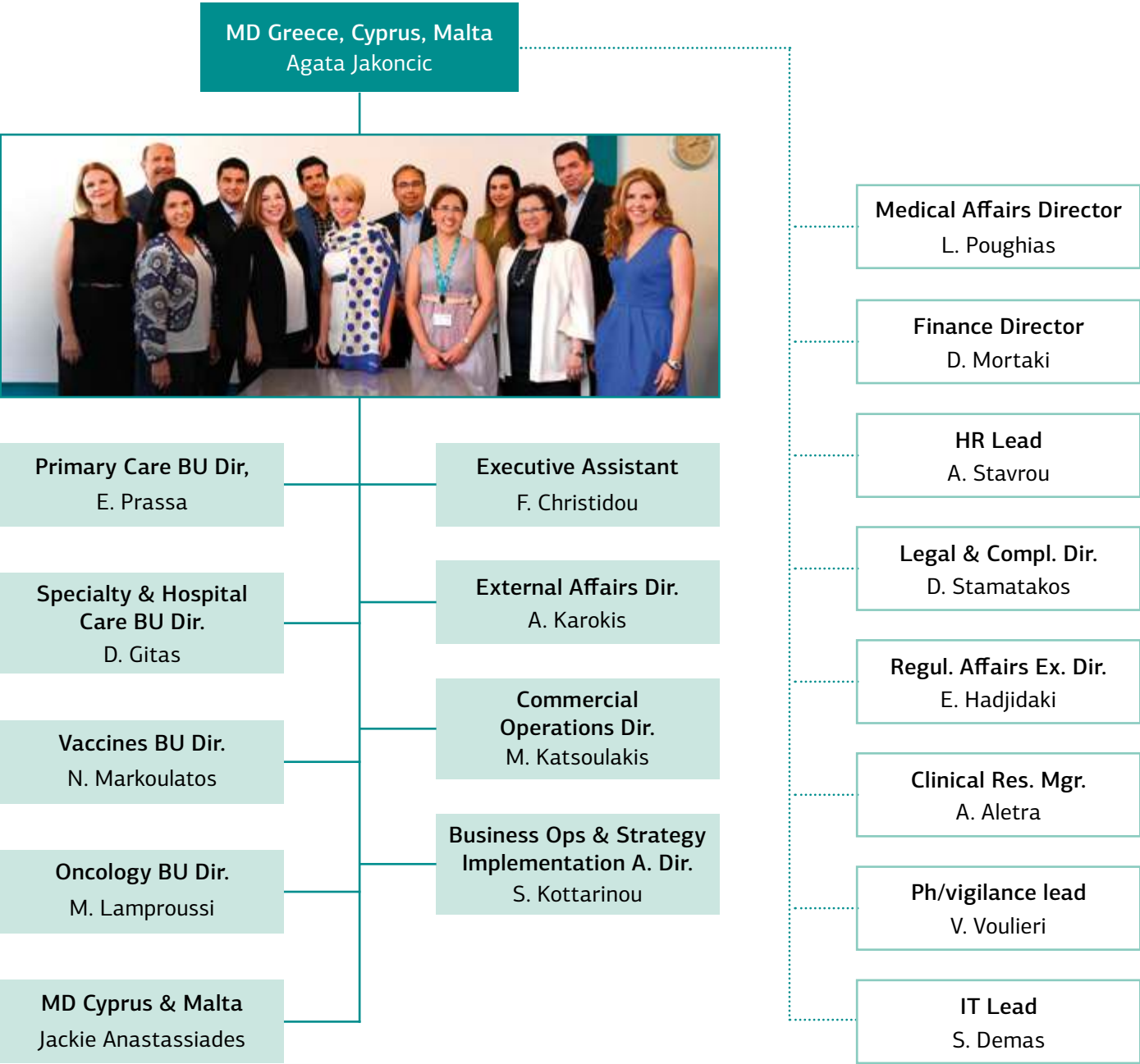
Our company policies worldwide cover our entire range of activities and are categorized according to the following:

- | | |
|--|---------------------|
| › General topics including legal and regulatory issues | › Financial issues |
| › Product information and marketing | › Human resources |
| › Medical and scientific information | › IT |
| › Administration issues | › Regulatory issues |
| | › Medical issues |

7.3 OUR INTERNAL STRUCTURE

We aim for the management team to have a balanced representation and its members to represent a profound and diverse range of experience and knowledge. Even more importance is given to the assimilation of the culture and values that govern the company, so that our responsible operation can be effectively implemented.

MSD Greece Leadership Team



Data as of 31.12.2018

The organization of the company is designed in such a way as to maximize profitability, optimize operation and produce the best possible outcome for the company and for all our stakeholders.

7.4 TRACKING & MANAGING RISKS

PRINCIPLE OF PREVENTION

At MSD, the team responsible for the continuous monitoring and management of high risk areas is in constant communicating with management to resolve problems before they become a risk to the company and therefore to patients. For this reason, specific plans for different types of risk are developed and implemented and periodically audited to minimize any risk.

We have a relevant plan for activating the necessary functions in cases where the business continuity plan is disrupted. Based on the plan, **we prioritize the delivery of medicines to patients** and then implement a series of steps that will enable the company to operate more sensitive functions, such as clinical trials or the ability to report adverse reactions.

To achieve early prevention of situations that present risks and to safeguard operational performance, we have adopted a number of regulations that are communicated annually to our staff, while annual audits ensure that employees are aware of what is necessary and are capable of coping with it.

7.5 INTERNAL MANAGEMENT SYSTEMS

The company uses SAP's ERP system to properly and timely monitor its accounting and trading liabilities. All the requirements of the Greek tax system have been included and are adjusted according to any changes. It also covers areas such as pricing, customers, suppliers, general and analytical accounting, warehouse management, and statistical information. MSD Greece uses a CRM program to provide thorough and valid information to its customers through which it can plan actions for its clients.

7.6 CODE OF CONDUCT

The Code of Conduct, values and standards are at the core of our company ethics, as they are an essential component in building trust with our customers, partners, employees, the general public and all our stakeholders.

It is important for our patients, distributors, healthcare professionals and employees, but also for our business viability, to comply with applicable business ethics in developing treatments with respect to human beings.

At MSD, we strictly adhere to ethical sales and marketing practices for all our business activities. Our business is always conducted in accordance with the Code of Ethics and Integrity and complies with applicable Greek and European regulations. We work hard to ensure that the integrity of this company remains a priority for everyone at MSD, every day at every level. **All employees are expected to behave ethically and in compliance with our Code of Conduct and the relevant policies of our company.**

The Code of Conduct helps our employees understand what is expected of them and serves as a guide to business standards and practices. **Our company continuously conducts educational seminars on the Code of Conduct and related policies that govern our operation.** All MSD Greece employees, including the management team, are trained annually on all procedures including the Code of Conduct through online training materials and through live targeted training.

7.7 CORPORATE COMPLIANCE

Internal rules of procedure

We have an established compliance program that complies with:

- › the recommendations defined by the U.S. Department of Health and Human Services and the Code of Interactions with Healthcare Professionals created by the Pharmaceutical Research and Manufacturers of America (PhRMA)
- › the Code of Conduct of the Hellenic Federation of Pharmaceutical Companies (SFEE) and of the European Federation of Pharmaceutical Industries and Associations (EFPIA)
- › the relevant circulars of the National Organization for Medicines (EOF)
- › the Greek legislation

Compliance program

MSD seeks to prevent, detect and resolve potential breaches of law or corporate policy, and is subject to regular review and adjustment to ensure that the company is always responsive to evolving business-related risks.

An important element of the corporate compliance program is the annual certification of all employees. The process requires employees to certify their compliance with corporate policies related to ethical business practices, compliance with antitrust law and conflict of interest provisions, and the protection of company confidential information. **MSD Greece's management team oversees the overall compliance program, in accordance with the parent company guidelines.**

The purpose of the compliance program is to develop and maintain a corporate culture that promotes ethical behavior and the adoption of good business practices to achieve business objectives through sound management of all areas of activity (financial, business, legal, etc.), as well as the prevention, identification and resolution of any inappropriate behavior.

The compliance program is based on the following pillars:

- › Complete and adequate procedures
- › Compliance training and guidance
- › Existence of standards on performance and discipline
- › Continuous risk identification and assessment
- › Monitoring and auditing / Corrective actions
- › Monitoring compliance actions
- › Internal reporting mechanisms
- › Procedures for reporting inappropriate behavior



7.8 INTERNAL AUDIT

According to company policy worldwide we conduct **periodic audits** that cover the entire range of our activities in the following categories:



7.9 TRANSPARENCY

Transparency and ethics are the cornerstones of our corporate reputation. We strive to be transparent about how we operate in order to earn the trust and confidence of our stakeholders. Transparency in our business activities also helps people better understand our responsible practices.

Benefits & Disclosure of benefits to third party healthcare professionals

The benefits are in line with the provisions of the EOF and the Code of Conduct. Our website (www.msd.gr) contains the publication of benefits to third-party health professionals and scientific healthcare organizations. In addition, we provide EOF with all the information related to benefits to Healthcare Professionals to publish on its site.

7.10 ETHICAL MARKETING PRACTICES

Our marketing and advertising practices comply with the Code of Conduct, the U.S., EU, and Greek laws.

7.11 HUMAN RIGHTS

At MSD Greece, we follow the company's worldwide standards of equal treatment policy, which aims to ensure that all employees are treated equally regardless of race, color, religion, gender, sexual orientation, national origin, age, disability, marriage or military status, or any other attribute protected by applicable law.

To ensure compliance with our global policies, the **Office of Ethics** has been set up and operates worldwide **to help our employees report cases of infringement** and non-compliance with MSD rules.

7.12 DATA PRIVACY

At MSD, the protection of personal data starts with trust. Our mission worldwide is to protect privacy and personal information. Our program focuses on adhering to high ethical standards related to the collection, use, processing and disclosure of personal information in all of our business practices, as well as addressing ethical issues related to data privacy in biomedical research.

At MSD, we have already adopted the European Union's General Data Protection Regulation (GDPR) and have tailored our company policies accordingly by creating a separate training program for company employees.

Our approach to privacy

As we believe that trust is a core value of privacy and is essential to our company mission, our strategy for the global privacy program focuses on two key objectives:

- › promoting confidence in the way we deal with people, and
- › the way we access, use, and share information about individuals around the world.

Our program is based on four values, which lay the foundations for responsible participation, interactions and the use of personal data:



The privacy program is constantly monitored to ensure that we stay on top of things as technology and our business continue to evolve.

7.13 BUSINESS PARTNERS

At MSD, we have set high standards for conducting our business in an ethical manner and in accordance with the law. We expect the same commitment from our business partners and suppliers:

- › to abide by and comply with the **MSD Business Partner Code of Conduct**
- › fully comply with ethical values for **work, the environment, health & safety, and the management systems**
- › and act with integrity

The Code of Conduct also clearly states that our partners **should not use child labor**.

The Business Partner Code of Conduct sets out basic principles for business partners that enter into agreements with MSD.

We take these principles into account in choosing our business partners. We then check to see if our partners are adhering to or incorporating, communicating and applying these principles with a continuous improvement approach that increases performance over time. At the same time, we check that they operate in full compliance with all applicable laws, rules and regulations.

We have set criteria worldwide through which we evaluate our partners through the Business Partners Code of Conduct. We evaluate our existing business partners based on the Hiperos tool and the nature of the service they provide. This way, we ensure collaboration with suppliers who are able to provide quality services.

We repeat the reviews regularly, while critical services or suppliers can be re-evaluated every six months. If the supplier or service is important to us, we set out an action plan for cases of non-compliance.

The Code of Conduct is publicly available in Greek on the following link:

http://www.msd.com/about/how-we-operate/code-of-conduct/pdfs/BPCC_v2_el-GR.pdf

You may also visit:

<http://www.msd.com/about/how-we-operate/code-of-conduct/values.html>

Contract management control

We systematically examine whether we are operating according to the contract management model.

In particular, we evaluate the completed and timely reports, the performance reporting system, the food service reports, the workshops, the timing of the implementation of the projects and actions taken, the consolidated statements and project reports. We also evaluate if the change control process and the alignment with our core policy is applied. We examine the effectiveness of the audit, that is, the periodic audits of the supplier, to verify that the billed costs are correct, the purchase orders comply with corporate policy, the purchases are budget-based, the invoices received are timely and accurate, the invoice copy is available for review and is in line with the invoices submitted. The results of the audit showed that the company carried out in 2017, **72 actions**, as many as those set for the proper functioning of corporate governance.





3

GOOD HEALTH
AND WELL-BEING



17

PARTNERSHIPS
FOR THE GOALS





COMMUNITY ACTIONS

OUR COMMITMENT

Our vision in Greece is to respond to the needs of society and through the partnerships we develop with our stakeholders to make a difference in people's lives. Corporate Responsibility and Code of Ethics form the basis of our vision.

OUR ACCOMPLISHMENTS

- › We have created the new “Life Matters” Corporate Responsibility program to improve the health of all citizens in Greece by giving back to society.
- › We have implemented **public awareness campaigns** in partnership with Patient Associations and Scientific Societies to educate the public on disease prevention and to support vaccination.
- › As of 2016 our employees have volunteered over 10.000 hours.
- › MSD supported 12 Non-Profit Organizations in 2017 & 14 in 2018.

8.1 OUR APPROACH

Every action we take is for the well-being of our patients. We strive to develop synergies of mutual benefit, to pursue an innovative approach to our way of working and to make a difference through innovation to ultimately deliver strong, sustainable performance that exceeds our goals. We focus on taking care of our employees and ensuring the successful implementation of Corporate Responsibility while adhering to the Code of Ethics and Integrity.

MSD, as an organic part of Greek society, strives to make a difference for a better life for all.

8.2 “LIFE MATTERS”

At MSD Greece, Corporate Responsibility is part of our vision and of the employee manifesto; it highlights something very simple: **for us, every single life matters above all.**

Therefore, we have developed and adopted a new Corporate Responsibility program, “Life Matters”. Our intention is to improve all citizens’ health in Greece, contribute to Greek society through innovative life-saving treatments, while supporting the Public Health system and early diagnosis and prevention. Our actions and programs are directly related to our business operations and meet the expectations of our stakeholders.



8.3 PUBLIC AWARENESS

We provide a wealth of information about our treatments and access to educational material through modern technologies and educational platforms.

We created the corporate website www.msd.gr to inform the general public on our most important initiatives. At the same time, information about company's activities is available on MSD social media channels (twitter, LinkedIn, Youtube & facebook).

We place great emphasis on providing the public with reliable information about the value and benefits of vaccination, especially in current social conditions where a number of factors make it imperative (recurrence of old diseases and emergence of new, anti-vaccination movement, demographic developments, etc.).

For this reason, we are implementing public awareness campaigns in partnership with Patient Associations and Scientific Societies aiming to educate the public on disease prevention and enhance patient-physician communication.

As of 2017 we have been implementing awareness campaigns supporting vaccination.

8.3

In particular:

I get vaccinated and protect myself: the campaign concerned the value of vaccination and was carried out under the auspices of the National Medical Association and the Hellenic College of Paediatricians.

The goal of the campaign was:

- to point out to the general public the value and benefits of vaccination
- to raise public awareness and contribute to increasing vaccination coverage to the target groups based on the recommendations of the National Vaccination Program.



HPV Prevention: The campaign focused on the prevention of HPV-related cancers and diseases.

The goal of the vaccination campaign was:

- to raise public awareness about the prevention of human papillomavirus (HPV) infection
- and the need for vaccination in order to protect women against cervical cancer and other serious diseases. The awareness campaign ran under the auspices of the Hellenic Infectious Diseases Society, the Hellenic Society for Colposcopy and Cervical Pathology and the Greek College of Pediatrics.



The campaign had an impact on 6,468 people. 60,000 people interested in healthcare searched for information about HPV vaccination within a month.

Herpes Zoster Prevention: the campaign concerned the prevention against the Herpes Zoster virus.

The goal of the vaccination campaign was to inform the public about:

- Herpes Zoster and its associated complications
- the benefits of vaccination against Herpes Zoster, according to the recommendations of the National Vaccination Program.

The awareness campaign was sponsored by the Hellenic Society of Algology (study & treatment of pain) and by the Athens Medical Association.



8.4 EMPLOYEE VOLUNTEERING

MSD's innovative global volunteer policy, **MSD Gives Back**, gives all its employees the opportunity to devote up to 40 hours of paid time each year to helping a Non-Profit Organization of their choice.

In Greece, we adhere to this policy, which is in line with our employees' passion for volunteering. As of 2016, the MSD volunteering team supports one or more organizations every month according to arising needs.

We cultivate the spirit of volunteering and since 2016 our employees have provided over 10,000 hours of volunteering.

8.4

The volunteering plan for 2017 started with the annual meeting of the company during which all the employees participated in a play that was presented to the children of the Ark of the World and the Smile of the Child Foundation in Thessaloniki.

The actions continued throughout the year as follows:

- › At Easter, creative workshops and bazaars were held on behalf of NGOs such as ELEPAP.
- › Money raised to purchase a special wheelchair for the needs of a child with disabilities.
- › Beach cleaning in Kavouri.
- › Painting of a new space in the PEK-AMEA Association.
- › Assembling furniture for the needs of the LOVE for Life Association.
- › Two days of volunteer blood donation throughout the year.

During the Christmas season, we financially supported the Volos Orphanage and hosted a Christmas bazaar at our office premises for the ARK, ELEPAP, PEK-AMEA and Make A Wish Foundation.



For 2018, the report is particularly rich and concerns:

- › Creative workshop for ELEPAP and PEK-AMEA where people made Easter gifts used by the organizations for sale.
- › Hosted a bazaar for ELEPAP, PEK-AMEA and the Smile of the Child Organizations during which employees purchased their Easter gifts.
- › Collection of long-term foods and baby care products for the SOS Children's Villages.
- › Raising money for the needs of the children of the Smile of the Child and the Volos Orphanage.
- › Voluntary work in the Ark of the World, through the provision of work on the camp grounds that host about 60 children and their guardians each year, as well as at the organization's hosting structures in Volos and Ioannina.
- › Cleaning of Alimos beach.
- › Raised money and essentials for the people affected by the fires in Mati.
- › Provided 280 meals to Boroume ("We can") saving food – saving lives Organization.

8.4

Volunteer Day: Every year during this day we meet the needs of many organizations throughout Greece. Over the years, we have renovated facilities, cooked meals, cleaned spaces, etc.

8 December 2017

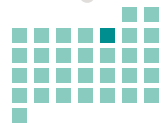
MSD employees were divided into groups and helped with the following:



- › Doctors of the World: painted the living room in the overnight stay hall for the homeless
- › ELEPAP: working at their booth
- › PEK-AMEA: helped with soap packaging
- › Make a Wish: sorted leaflets for the Star of Wish program
- › Ark of the World: creative workshop
- › Mandra Municipality: provided sorting and help to the Municipality of Mandra
- › FLOGA: arts and crafts workshop
- › The Smile of the Child: meal preparation and assistance to the Organization's multiple needs – coverage throughout Greece
- › Municipality of Ioannina: met needs for sorting

7 December 2018

MSD employees responded to and met the following organizations' needs:



- › ELEPAP: creative workshop
- › Rafina Heath Centre - 1st Warehouse of DYPE: painting, cleaning and sorting
- › PEK-AMEA: creative workshop, soap packaging
- › Paidopolis: multipurpose room cleaning and painting
- › Ark of the World: cleaning a hospitality house in Piraeus
- › FLOGA: classification, registration and transferring of 1000 books
- › The Smile of the Child: meal preparation and creative play with children – coverage throughout Greece
- › Melissa - Orphanage for Girls, Thessaloniki: Hosted the 1st Christmas Bazaar
- › Katerini Child Care: interior cleaning
- › Children's SOS Villages, Kalamata: engaged in activities around the Christmas market
- › Orphanage of the Holy Monastery of Dourachani: cleaned the surrounding areas of the Orphanage

8.5 SUPPORTING THE WORK ON NON-PROFIT ORGANIZATIONS

At MSD Greece, we have been supporting a number of Non-profit Organizations and Associations for many years, contributing to their goals and work. A few with whom we have worked are listed below:



Doctors
of the World



ELEPAF



PEK-AMEA



The Smile
of the Child



SOS Children's
Villages



Volos
Orphanage



Ark of the
World



Make-a-wish



Floga



Boroume
saving food saving lives

Overall, MSD supported 12 organizations in 2017 and 14 in 2018.

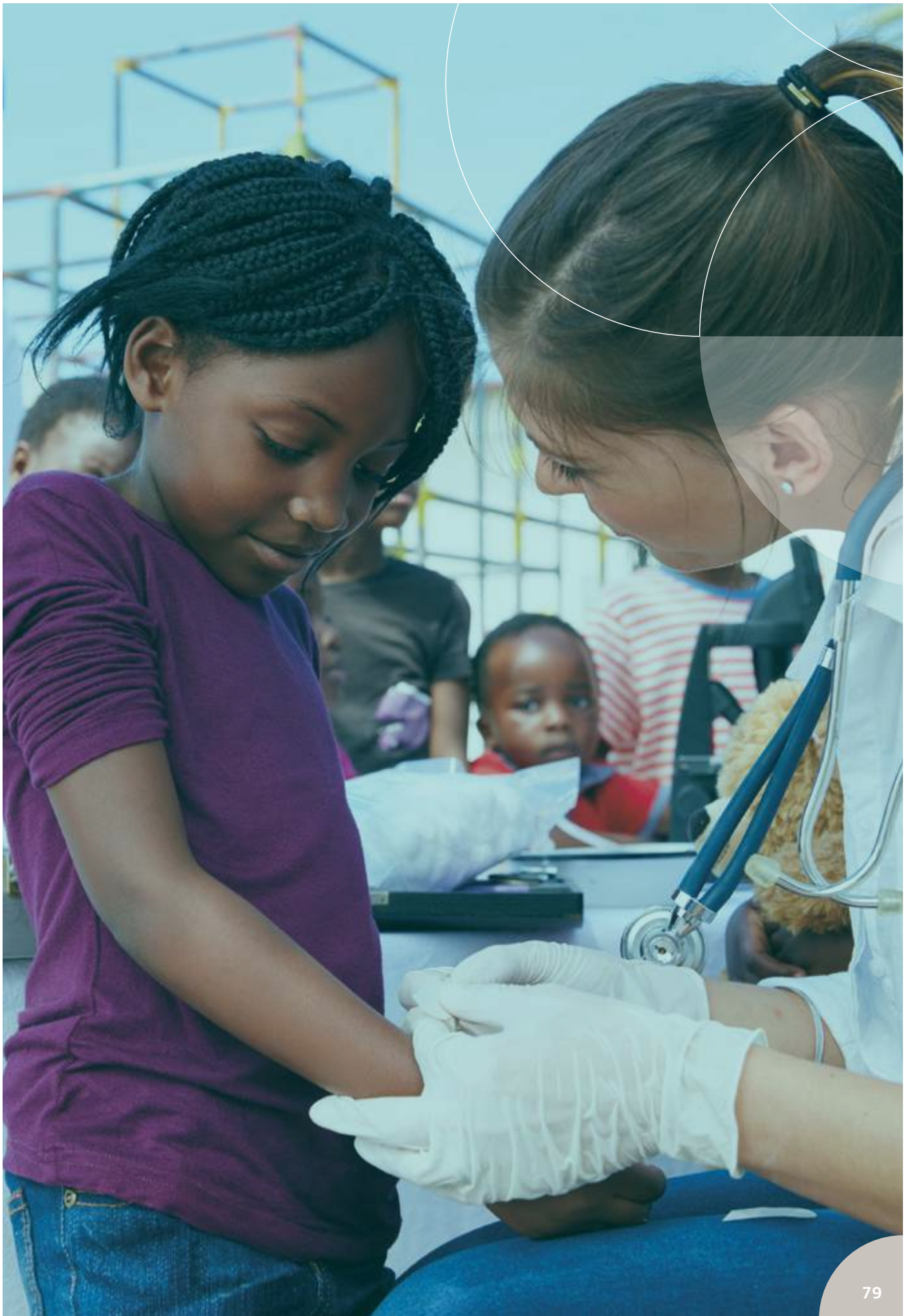
8.6 SUPPORTING THE WORK OF PATIENT ASSOCIATIONS

Following our mission to save and improve patients' lives, we support the work of the Patient Associations and their goals in patient education, psychological support and incident reduction. We have learned to listen to the needs of their representatives as well as the needs of patients and believe that only through constant dialogue and communication can we be better at both our services and at the treatments we offer.

Over the past two years, the HIV / AIDS Patient Association (Positive Voice) and the Patient Association (Prometheus) have been supported.

8.7 PRODUCT DONATION PROGRAM

MSD provides access to medicines and vaccines through our product donation program. Donations of medicines and vaccines are made in accordance with our parent company guidelines. In 2018 we donated product valued at € 2198,50.







ENVIRONMENTAL SUSTAINABILITY

OUR COMMITMENT

We believe that companies have a responsibility to make good use of natural resources and invest in innovation that will enable global growth while protecting and preserving the planet and the communities in which we live and work.

OUR ACCOMPLISHMENTS²⁰

- › We have reduced oil and gasoline consumption by 4.46% compared to 2017.
- › In 2018, 9,249,273 product packages were recycled.
- › We have reduced electricity consumption by 7.71% compared to 2017.

9.1 OUR APPROACH TO ENVIRONMENTAL SUSTAINABILITY

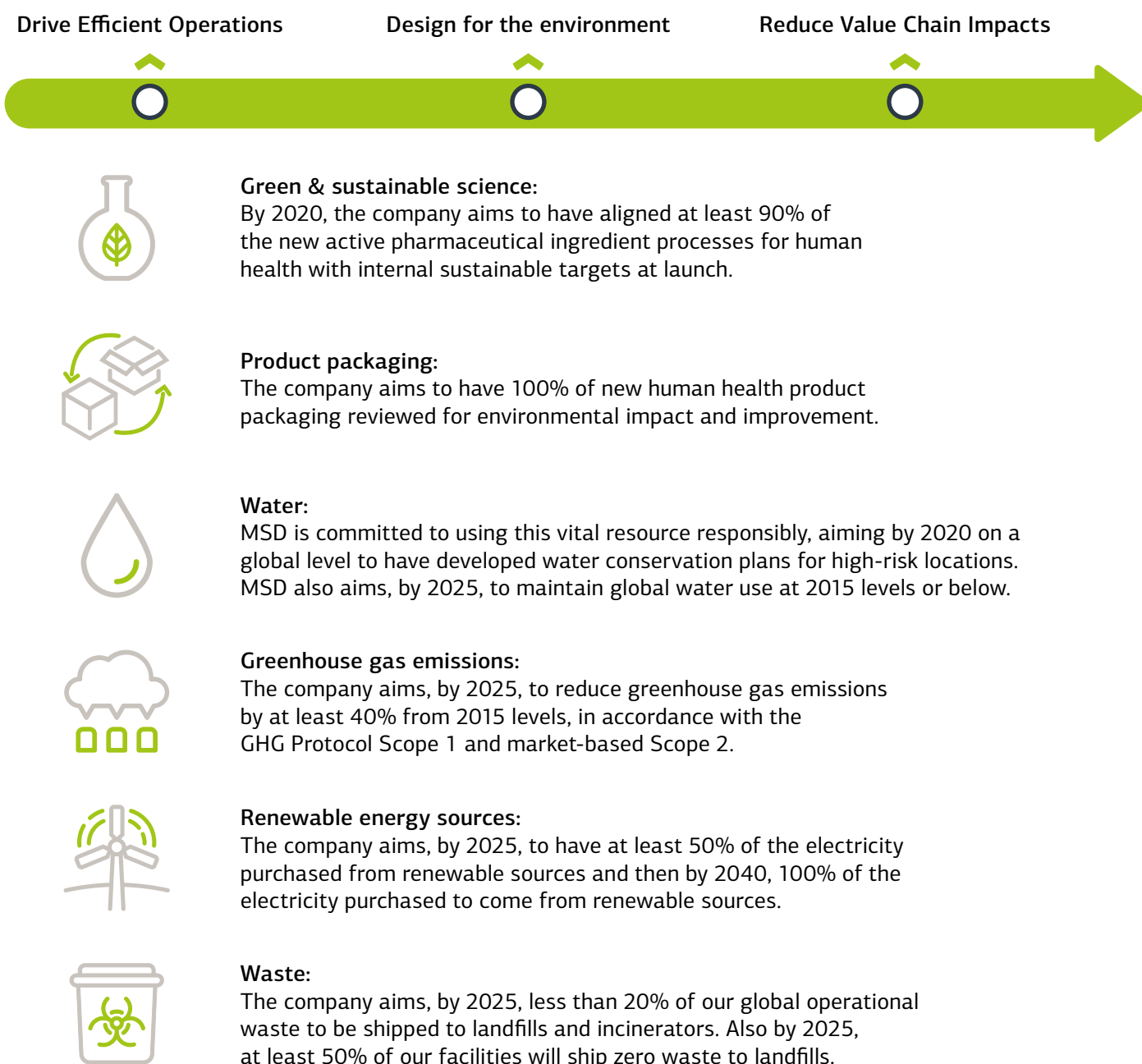
Globally, stakeholders are concerned about the effects of environmental deterioration on health, while companies are working to reduce their environmental impact from their operations and supply chains. In addition, financial investors are starting to use non-financial performance as indicators of long-term corporate value. Finally, current and potential employees seek to work in a company with values that reflect their own concerns about social responsibility and environmental sustainability.

MSD has a long history of environmental stewardship and compliance. We realize, however, that our strategy and efforts must be continuously improved in order for us to excel in a world increasingly limited in resources.

We strive to reduce our environmental impact through the development of our environmental management system, promoting employee engagement and innovation and encouraging our scientists to design new products and packaging.

9.2 OUR ENVIRONMENTAL GOALS

MSD's global environmental sustainability goals are divided into three pillars:



9.2



Supply chain:

Much of the water consumption and greenhouse gas emissions are generated at various levels within the supply chain. MSD understands that in order to achieve a truly meaningful reduction of overall environmental impact, we must work with our suppliers. Specifically, we aim to collect and monitor greenhouse gas emissions and water use from at least 90% of our strategic suppliers with the highest environmental impact. By 2020, we will also work with these suppliers and ask them to identify opportunities to reduce greenhouse gas emissions and water use. Finally, by the end of 2025, at least 90% of the company's strategic suppliers with the highest environmental impact should have set environmental impact mitigation targets.

9.3 REDUCTION OF THE ENVIRONMENTAL FOOTPRINT IN GREECE

MSD in Greece consists of offices and not a production facility. As a result, we do not have a Certified Environmental Management System, however, we strictly apply the company's global environmental sustainability policies. We are fully aware of environmental issues related to our daily operations.

Since 2015 we have set a goal of gradually replacing all vehicles used by our employees in order to reduce the carbon footprint of our employees' transportation. In 2017, all vehicles in Greece were replaced with lower CO₂ engines²¹. Today, our fleet consists only of diesel-engined vehicles.

Finally, the company has coverage against accidental contamination from our operation, operating under a civil liability insurance policy.

MSD follows all local and country specific environmental regulations pertaining to air, waste, and water.

Energy & Greenhouse Gas Emissions

In 2018 we installed relevant equipment to monitor and record consumption on a monthly basis. At the same time, we continued to monitor temperature, humidity and light meter data through sensors to record high and low temperatures inside offices and in highly sun-lit areas, and took measures to improve existing conditions. In the highly sun-lit areas, we installed window films and shades. Also, among the initiatives to reduce energy consumption was employee engagement and using stickers as a reminder for everyone to switch off the A/C units on departure.

Energy consumption data is recorded and monitored monthly based on specific performance indicators.



21. By the 2nd quarter of 2018 all vehicles were replaced.

9.3

Electricity consumption in 2018 was 393.735 kWh, as opposed to 2017, which was 426,592 kWh. Diesel and gasoline consumption stood at 233,899 lt, reduced by 4.46% compared with 2017.

Electricity Consumption (kWh)	
2017	426.592
2018	393.735
Electricity consumption per employee (kWh)	
2017	2.021,8
2018	1.883,9

Fuel consumption		
Type	Quantity 2018 (ltr)	Quantity 2017 (ltr)
Diesel	232.397,21	200.553,29
Gasoline	1.501,64	44.257,21
Total	233.898,85	244.810,50

Greenhouse gas emissions

Greenhouse gas emissions in 2018 decreased by 7.71% in electricity and 2.10% in motor fuels.

2018		2017	
Electricity CO ₂ emissions (kg CO ₂ e) ²²	CO ₂ emissions of motor fuel (kg CO ₂ e) ²³	Electricity CO ₂ emissions (kg CO ₂ e) ²⁴	CO ₂ emissions of motor fuel (kg CO ₂ e) ²⁵
245.297	626.293	265.767	639.717

22. Emissions were calculated based on the factor 0.623 kgCO₂e per kWh [European Environment Agency](https://ec.europa.eu/environment/index_en.htm)

23. Emissions were calculated based on the factors 2.68 kgCO₂e per liter (diesel) & 2.31 kgCO₂e per liter (petrol) EU for the Environment https://ec.europa.eu/environment/index_en.htm

24. Emissions were calculated based on the factor 0.623 kgCO₂e per kWh [European Environment Agency](https://ec.europa.eu/environment/index_en.htm)

25. Emissions were calculated based on the factors 2.68 kgCO₂e per liter (diesel) & 2.31 kgCO₂e per liter (petrol) EU for the Environment https://ec.europa.eu/environment/index_en.htm

9.4 PRODUCT PACKAGING

MSD contributes to environmental actions. Following Law 2939/01, since 2003 we have been responsible for the recycling of our product packaging and submit the information to the Hellenic Recovery Recycling Company (HERRCO) and to the Ministry of the Environment annually.

9,249,273 packages were consumed and recycled in 2018. For their manufacturing various materials such as paper, glass, plastic and aluminium were used. **This recycling is estimated at 190t in total.**

9.5 WASTE

We believe that the proper management of our waste is important to the local communities where we operate. For this reason, we have made significant progress in the alternative waste management from our sites.

MSD applies alternative waste management procedures in collaboration with external partners. Waste separation procedures are applied by sorting at the source, using recycling bins for paper, aluminium, ink and toner, electrical and electronic appliances, lamps and batteries. The proper management of all waste resulting from the operation of our offices is recorded and monitored.

With regard to the prevention of waste generation, we are pursuing a policy of reducing printing. This policy includes the use of shared, non-personal, printers that limit the possibility of continuous personal printing without restriction, promoting digital communication as a compensatory measure to limit paper use and setting all printers to print on both sides of the page by default. All our employees have been informed of the proper use of printers to reduce the amount of paper used.

Recycling of materials (kg)		
Waste category	2017	2018
Paper	4.610	7.270
Batteries	53	27
Lamps	80,1	0
Electrical appliances	235	42,8

9.6 WATER

Although MSD Greece is not a large water consumer, the issue is one of our environmental priorities and we consistently monitor and record our consumption, setting reduction goals.

Regular updates are being implemented internally on the need to reduce water consumption and photocell taps have already been installed to help conserve water.

In 2017 our company's water consumption in Greece amounted to 906 M³ (1880), while the water consumption per employee was 3.38 M³. In 2018, water consumption amounted to 842 M³, correspondingly.



9.7 EMPLOYEE ENVIRONMENTAL AWARENESS ACTIONS & ACTIONS FOR THE ENVIRONMENT

We frequently inform our employees about policies that help protect the environment and take appropriate action:

- › we installed reminder stickers to switch off the A/C units at the end of every meeting
- › we set up posters with good usage rules in the halls which include switching off the electrical equipment
- › we have utilized online communication to promote our messages
- › we have initiated an after work hours check and switch off of lighting fixtures and equipment by the cleaning crew and the security guard.



While there are still cases of unnecessary use of A/C units and equipment, there is a clear awareness of the issue, and many of our employees make sure they turn devices and lights off wherever necessary.

Finally, we strive to raise the environmental awareness of our employees by participating in tree planting and beach cleaning activities.

10 ABOUT THE REPORT

The MSD Greece Corporate Responsibility Report is the second in a series of reports issued by the company for the period January 2017 - December 2018. The previous two-year Report covered the years 2015 and 2016.

The report is published with the aim of informing our stakeholders on the material issues of our sustainable development performance based on our strategy, goals and priorities. We decided to present issues that are most relevant to our stakeholders in the following pillars: access to health, employees, business ethics & values, community action, environmental sustainability.

Consistently with the principles of ethics and transparency that we adhere to, we present our company-based activity in Greece in accordance with the Global Reporting Initiative Standards (core option) and the GREEK SUSTAINABILITY CODE, supporting the United Nations Agenda 2030.

An interdepartmental corporate responsibility team was established to compile this Report to gather the information and data required. The necessary data were collected based on data recording procedures, as defined by internal management systems, as well as from additional sources (financial statements, codes of ethics, policies).

For information on the Report, comments or clarifications, you may contact the MSD Greece Communication & Corporate Responsibility Department at +30 210 9897411, Ms. Sevi Sfakianaki, Communication & CSR Manager.

11 GRI CONTENT INDEX

GRI Content Index			
GRI Standard	Disclosure	Reference in the report / Comment	Page
GRI 102: General Disclosures 2016 (Core Option)			
GRI 102 Organizational profile	102-1 Name of the organization	3.1 About us	14
	102-2 Activities, brands, products, and services	3.3 Our work 3.4 Our activation	17-19
	102-3 Location of headquarters	3.1 About us	14
	102-4 Location of operations	3.1 About us	14
	102-5 Ownership and legal form	3.1 About us	14
	102-6 Markets served	3.1 About us 3.4 Our activation	14 19
	102-7 Scale of the organization	3.1 About us 3.4 Our activation 3.6 Our strategic collaborations 3.7 Our financial impact	14 18 20 21
	102-8 Information on employees and other workers	6.1 Our human resources	50-52
	102-9 Supply chain	3.4 Our activation 5.9 Supply chain 7.13 Business partners	19 45 69
	102-10 Significant changes to the organization and its supply chain	There were no significant changes in the size, structure, ownership, supply chain of the company during the reporting period.	
	102-11 Precautionary principle	5.7 Product & patient safety Our policies 7.4 Tracking & managing risks - Principle of prevention 7.6 Code of conduct 9.1 Our approach to environmental sustainability	44 64 66 82
	102-12 External initiatives	4.4 We align with global initiatives on sustainable development 10 About the report	26-27 87
	102-13 Membership of associations	Participations in Unions and Associations	20
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GRI 102 Ethics & Integrity	102-16 Values, principles, standards, codes of behaviour and ethics	3.2 Our vision & mission 4.4 We align with global initiatives on sustainable development 7.6 Code of conduct Internal operation rules 7.9 Transparency General rules of privacy policy Business partner Code of Conduct	16 26-27 66-70

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GRI 102: General Disclosures 2016 (Core Option)			
GRI 102 Governance structure	102-18 Governance structure of the organization	4.3 Governing our corporate responsibility 7.3 Our internal structure	26 65
GRI 102 Stakeholder engagement	102-40 List of stakeholder groups	Stakeholders groups & communication	31
	102-41 Collective bargaining agreements	6.1 Our human resources	50
	102-42 Identifying and selecting stakeholders	4.6 Reaching out to our stakeholders	31
	102-43 Approach to stakeholder engagement	4.6 Reaching out to our stakeholders	31
	102-44 Key topics and concerns raised	4.6 Reaching out to our stakeholders	31-32
GRI 102 Reporting methodology	102-45 Entities included in the consolidated financial statements	3.1 About us	14
	102-46 Defining report content and topic boundaries	4.5 Acknowledging the material issues 12 Material issues index	29-30 94
	102-47 List of material topics	4.5 Acknowledging the material issues	30
	102-48 Restatements of information	There are no recast information in the report from previous reports.	
	102-49 Changes in reporting	4.5 Acknowledging the material issues	29
	102-50 Reporting period	10 About the report	87
	102-51 Date of most recent report	10 About the report	87
	102-52 Reporting cycle	10 About the report	87
	102-53 Contact point for questions regarding the report	10 About the report	87
	102-54 Claims of reporting in accordance with the GRI Standards	10 About the report	87
	102-55 GRI content index	11 GRI Content Index	88
	102-56 External assurance	The company has not made any external assurance of the contents of the report. It aims to integrate this process into subsequent editions.	

GRI Content Index

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Transparency & report			
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	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 205 Anti-corruption	205-2 Communication and training about anti-corruption policies and procedures	There are no relevant incidents recorded during the reporting period.	
	205-3 Confirmed incidents of corruption and actions taken		
Focus on diseases			
GRI 103 Management Approach	103-1 Explanation of the material topic and its boundary	Our commitment 3.2 Our vision & mission 3.3 Our work 4.1 Our approach Stakeholder groups & communication 4.7 Setting goals 5.1 The pharmaceutical market in Greece 5.3 Our approach - Corporate principles on access to health 5.4 Our key therapeutic categories 5.5 Our activity 12 Material issues index	35 16 17 24 31-33 36-42 94
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
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GRI 103 Management Approach	103-1 Explanation of the material topic and its boundary	Our commitment Stakeholder groups & communication 4.7 Setting goals 8.3 Public awareness 12 Material issues index	35 31-33 74 94
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
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MSD Indicator	Numerous updates		

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GRI Standard	Disclosure	Reference in the report / Comment	Page
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	103-2 The management approach and its components		20
	103-3 Evaluation of the management approach		68
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	103-2 The management approach and its components		31-33
	103-3 Evaluation of the management approach		56
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GRI 103 Management Approach	103-1 Explanation of the material topic and its boundary	Our commitment 5.9 Supply chain 7.4 Tracking & managing risks – Principle of prevention 7.6 Code of conduct 7.13 Business partners Stakeholder groups & communication 12 Material issues index	35
	103-2 The management approach and its components		45
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	103-2 The management approach and its components		49
	103-3 Evaluation of the management approach		31
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	103-2 The management approach and its components		35
	103-3 Evaluation of the management approach		31
GRI 416 Customer Health & Safety	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		44
		No relevant incident has been recorded during the reporting period.	94
HPCs education			
GRI 103 Management Approach	103-1 Explanation of the material topic and its boundary	Our commitment Stakeholder groups & communication 5.5 Our activity - Supporting innovation 12 Material issues index	
	103-2 The management approach and its components		35
	103-3 Evaluation of the management approach		31
GRI 203 Indirect Economic Impacts	203-1 Infrastructure investments and services supported		41
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	103-2 The management approach and its components		
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GRI 413 Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs		
Local community relations			
GRI 103 Management Approach	103-1 Explanation of the material topic and its boundary	Our commitment Stakeholder groups & communication 8.1 Our approach on society 8.4 Employee volunteering 8.5 Supporting the work on non-profit organizations 8.6 Supporting the work of patient associations 8.7 Product donation program 12 Material issues index	73 31 74 75-78 94
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 413 Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs		
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12 MATERIAL ISSUES INDEX

Material Issue	Effects on Global Goals	Limits of Effect
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Focus on diseases		MSD Greece, Government / Regulatory Authorities, Patients & Patient Associations, Healthcare Professionals, Scientific – Medical Societies
Health literacy		MSD Greece, Government / Regulatory Authorities, Local community / NGOs, Media
Ethical sales & marketing		MSD Greece, Government / Regulatory Authorities, Suppliers, Healthcare Professionals, Employees
Employee growth	 	MSD Greece, Employees
Continuity of supply		MSD Greece, Employees, Government / Regulatory Authorities, Patients & Patient Associations, Suppliers, Healthcare Professionals
Work-life balance/well-being		MSD Greece, Employees, Government / Regulatory Authorities, Patients & Patient Associations, Suppliers, Healthcare Professionals
Product Quality	 	MSD Greece, Patients & Patient Associations, Healthcare Professionals, Scientific – Medical Societies, Government /Regulatory Authorities, Suppliers, Media
HPCs education	 	MSD Greece, Healthcare Professionals, Patients & Patient Associations, Scientific – Medical Societies
Financial performance		MSD Greece, Employees, Local Community, Regulatory Authorities, NGOs, Suppliers
Focus on health	 	MSD Greece, Patients & Patient Associations, Healthcare Professionals, Scientific – Medical Societies, Government / Regulatory Authorities, Academic Community, Local Community / NGOs
Local community relations	 	MSD Greece, Employees, Local Community

13 GREEK SUSTAINABILITY CODE

COMPLIANCE INDEX

Pillar	Criteria	Reference
Strategy	1. Strategic Analysis & Action	3.5 Our strategic priorities 4.1 Our approach on corporate responsibility 4.2 Our strategy on corporate responsibility 4.4 We align with global initiatives on sustainable development 7.8 Internal audit
	2. Materiality	4.5 Acknowledging the material issues Stakeholder groups & communication 5.1 The pharmaceutical market in Greece 5.2 Public policy 7.4 Tracking & managing risks – Principle of prevention 7.6 Code of conduct
	3. Objectives	4.7 Setting goals Sustainable development goals Stakeholder groups & communication Coaching and feedback culture 9.2 Our environmental goals 12 Material issues index
	4. Value Chain Management / Depth	3.4 Our activation 5.9 Supply chain 7.13 Business partners 9.2 Our environmental goals
Process Management	5. Responsibility	4.3 Governing our corporate responsibility
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	7. Monitoring	10 About the report 11 GRI Content Index
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	9. Stakeholders' Engagement	4.6 Reaching out to our stakeholders
	10. Responsible Products & Innovation	5.5 Our activity 3.6 Our strategic collaborations
Environment	11. Use of Natural Resources	9.1 Our approach 9.3 Reduction of the environmental footprint in Greece 9.4 Product packaging 9.5 Waste 9.6 Water
	12. Management of resources	9.2 Our environmental goals 9.3 Reduction of the environmental footprint in Greece 9.4 Product packaging 9.5 Waste 9.6 Water 9.7 Employee environmental awareness actions & actions for the environment
	13. Climate-related emissions	Energy & greenhouse gas emissions 9.1 Our approach

Pillar	Criteria	Reference
Society	14. Employment Rights	6.1 Our human resources Employee engagement - Internal communication Voice survey Recognition program 6.4 Training & evaluation 6.6 Health & safety in the workplace
	15. Equal Opportunities	6.1 Our human resources 6.2 Remuneration policies 6.3 Life at MSD - LIVE IT Recognition program Coaching and feedback culture 6.5 Talent development 6.6 Health & safety in the workplace 6.7 Diversity & Inclusion 7.11 Human rights
	16. Qualifications	6.1 Our human resources 6.5 Talent development 6.6 Health & safety in the workplace
	17. Human Rights in the Supply Chain	7.13 Business partners 7.11 Human rights
	18. Corporate Citizenship	5.6 Important life-saving initiatives 8.3 Public awareness 8.4 Employee volunteering 8.5 Supporting the work of non-profit organizations 8.6 Supporting the work of patient associations 8.7 Product donation program 3.7 Our financial impact
	19. Initiatives & Political Influence	3.6 Our strategic collaborations 5.2 Public policy
	20. Corruption prevention and fighting	7.6 Code of conduct 7.7 Corporate compliance 7.8 Internal audit 7.9 Transparency 7.13 Business partners





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