



"Health is not everything, but everything is nothing without health"

Arthur Schopenhauer

RESPILON Group s.r.o.

Annual Report on CSR Activities in 2018

Introduction

A nanofiber was created at the beginning of the 21st century at Czech universities and it soon became an effective weapon in the fight against the three most common dangers of today's world – airborne diseases, polluted air and allergens.

Not only does RESPILON[®] sell its protective nanofiber products but it also supports in various ways those who have to protect their health most intensively: people with allergies, asthmatics, sick people, pregnant women, children or seniors.

After five years in the market, in 2018, we decided to increase this increase to a new level and implement it on an even more systematic basis. In our team, we chose the most experienced colleagues for our CSR activities and we started to cooperate with a number of foundations and charities, and we ourselves or in cooperation with them worked together on several charity projects during the last twelve months.

An overview of our CSR activities in 2018 can be found on the following pages of the annual report. During this period, we included only a part of our products and membranes to the charity activities so far. Based on the experience gained, we will now gradually involve other products so that we can extend our help to new target groups.

We firmly believe that all the events fulfilled their purpose, expanded awareness of the principles of health care, and helped people who needed it. Because – as the motto of RESPILON[®] says – "Life is worth it!"

Ing. Jana Zimová, MBA Global Chief for Foundations & CSR

Jan of

Days of Children's Oncology





Date: February 16–18, 2018

Place: Brno

Organised by: Sun Drive Communications

Children's Oncology Days are a traditional event held in February every year in many European countries. As nanofiber products are capable of blocking particles that endanger the weakened immune systems of oncology patients, RESPILON[®] could not miss the event in DDO in Brno. The main objectives of the event included warning on the problems of cancer in childhood, their prevention and treatment options, the quality of life and the interaction of patients and cured patients with healthy people.

Cooperation with RESPILON Group s.r.o We started our cooperation at the time my son was undergoing cancer treatment. The ReSpimask* face masks helped both my son and me during the course of his treatment. I could really see the difference – when using ReSpimask* my son was less ill and his cancer treatment did not have to be postponed because of infectious diseases. After his treatment finished, I started an endowment fund to help other children with similar problems. I gladly received the offer of cooperation from RESPILON Group s.r.o. and after my own positive experience, I started offering the nanofiber face masks to other families of children suffering from oncological diseases. I am really glad that these families are now actively asking for ReSpimask* on their own accord. I greatly appreciate the cooperation with RESPILON. On behalf of Nadační fond Šance onkoláčkům Lenka Klasnová



On the first day, RESPILON[®] appeared primarily at the náměstí Svobody square in Brno, in the awareness campaign. At the presentation booth, people became familiar with the principles of prevention and protective products made from nanofibers, and they could try and take free samples of ReSpimask[®]. We also informed children and their parents about the possibility of participating in the RESPILON[®] project "For Children, by Children". The event was also attended by the ONKA Association, Společně k úsměvu and Sun Drive Communications Agency.

On Saturday, February 17, 2018, doctors and staff of the Children's Hospital – the University Hospital Brno joined

the Days of Children's Oncology. The Ambassador of the project, an actress and singer Hana Holišová, read in the Jiří Mahen Library for healthy and ill children, in the evening a social event took place at the Observatory and Planetarium Brno with the participation of all the involved institutions.

In the end, we donated ReSpimask[®] and anti-virus scarves with a nanofiber membrane to patients treated at the Oncology Department of the Children's Hospital Brno. The significant response of the first year of the event has helped to give protection products to the people who need them as well as to raise public awareness of the care of oncological patients.





RESPILON® for Children, by Children Project

Date: March 2018

Place: The South Moravian Region and the Czech Republic via online channels

Partners: Klub nemocných cystickou fibrózou, Nadační fond dětské onkologie Krtek, Nadační fond Šance onkoláčkům, sdružení ONKA, sdružení Společně k úsměvu, Občanské sdružení LOGO, Nadační fond KOMETA, Zdravotní klaun, základní škola Labyrinth – laboratorní škola

The RESPILON[®] anti-smog scarves help, among other things, children who have weakened immunity due to allergies or serious illnesses. And as they know what designs they like most on scarves, we decided to let them create their own designs in the RESPILON[®] competition "For Children, by Children".

The task was: make a drawing of your own design and ask your parents to take a photo of it and send in to RESPILON® by e-mail. The competition involved mainly small painters The project also involved non-profit organizations focused on the support of ill children – pictures were sent, for example, by children and their parents from "Klub nemocných cystickou finrózou", "Nadační fond dětské onkologie Krtek", "Nadační fond Šance onkoláčkům", ONKA or "Společně k úsměvu" which specialise in oncological illness. Furthermore, "Občanské sdružení LOGO", which supports children with communication disorders, and "Nadační fond KOMETA" helping children with autism and their families. There was also "Zdravotní klaun" (Hospital



suffering from oncological diseases, asthma, cystic fibrosis and other health problems – they were given three weeks to design a scarf. From the beginning, they knew that the trio of winners would receive 15,000 CZK worth of nanofiber products of their own choice. Their drawing was also motivated by the fact that the winning design will actually be produced and for every scarf sold anywhere in the world CZK 20 will be donated to a foundation chosen by the winner to help ill children. Clown), an organisation which makes it easier for small patients during their stay in hospital.

In total, almost a hundred photos were sent to RESPILON®, out of which we chose ten most interesting pictures. And as we wanted to show healthy children what it is like to deal with serious illness and overcome it with special aids, three winning designs were selected by children from the Labyrinth Elementary School in Brno.



They selected preferred pictures and assigned points. At the same time, our team explained to children how important it is to treat patients with sensitivity and understanding. Probably the most powerful moment was when children shared their experience with diseases and their own hospital stay. We appreciate the joy and energy that the pupils poured into the project, and therefore we gave all the 65 evaluators each one protective scarf.

After a tight vote, here are the three winners:

1st place: Karolína Hanušová 2nd place: Tereza Freyová 3rd place: Stela Protivanská



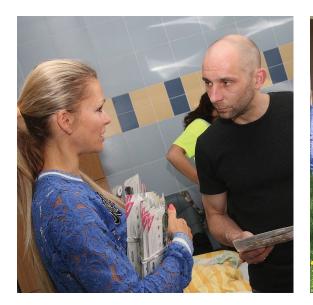




The author of the winning design, 14-year-old Karolina, chose a foundation and RESPILON® pledged to pay the foundation CZK 20 from each sold scarf with her parrot design. She chose "Klub nemocných cystickou fibrózou" and Karolina generously decided to donate the entire prize of 15,000 CZK. She said: "I joined the competition because I have an aunt who suffers from cystic fibrosis

and I would like to support her club, which is trying to help people with the same illness." Other successful artists followed in her footsteps – Tereza donated her prize to children suffering from cystic fibrosis at the Clinic of Infectious Diseases in Brno, Stela donated a part of the prize to "Občanské sdružení LOGO".

Visiting Children in Oncology Department





Date: April 19, 2018

Place: Brno

Partners: Department of Children's Oncology of the University Hospital in Brno, Sun Drive Communications

Spending long weeks or months on a hospital bed greatly affects the mental state of all patients, especially children who are hospitalized because they suffer from a very serious oncological diseases. Positive thinking, joy, laughter and forgetting, at least for a moment, about your illness – this is exactly what the child patients in such situation need.

In order to make the day of the patients of the intensive care unit of the paediatric oncology at the Brno University Hospital better, we went to see them together with the ballet dancers of the National Theatre Brno who were dressed in costumes of fairy-tale characters and talking animals. The brave children got toys, sweets or stickers; they could take pictures with the actors and talk to them. The greatest attention was drawn to a good bear and a smiling fox. A police officer from the Brno police station also visited the hospital and patients could try a real walkie-talkie.

If parents were present in the rooms together with their children, they received practical advice from RESPILON® staff on protecting their children's immunity by using nanofibers or antivirus scarves, which were also given to them free of charge. The smiles on the children's faces were the best reward for both our team and the ballet dancers.



The Conference of "Klub nemocných cystickou fibrózou"



Date: April 28, 2018

Place: Faculty Hospital in v Motol (Praha)

Organised by: "Klub nemocných cystickou fibrózou"

The goal of the organisation is to improve the quality of life of patients with cystic fibrosis and to raise public awareness of this serious and incurable disease. As part of strengthening relationships in the community of patients, their families and doctors, the organisation holds a conference meeting every year, where, in addition to sharing experience and news from the specialists, they also present a variety of assistance possibilities.

The RESPILON[®] team at Motol Hospital familiarized participants with protective nanofiber aids, which were appreciated especially by the patients – they allow them to move even in environments where they would not be able to go because of their impaired immunity.

RESPILON[®] products are a great help to patients suffering from cystic fibrosis. Members of our association evaluate the nanofiber face masks very positively; they are especially appreciative of how comfortable it is to breathe through them in comparison with other face masks. However, in contrast to regular face masks, the greatest advantage is that they provide real protection against viruses and bacteria.

Patients suffering from cystic fibrosis are mostly wearing the ReSpimask[®] face masks in hospitals during checkups and residential treatments. Outside hospitals they prefer to use the RESPILON[®] scarfs which look like regular fashion accessories and do not draw other people's attention while providing effective protection, for example on public transport.

We can sincerely recommend the RESPILON[®] products to anyone who needs to protect their health against harmful particles and organisms.





People who were interested could also look at the winning design of the antiviral scarf from the RESPILON® competition "For Children, by Children", and some patients and their family members also bought this charity product on the spot. "Klub nemocných cystickou fibrózou" will receive CZK 20 from each scarf made with this design and sold anywhere in the world. It was a great honour to hand over to the organisation's management a certificate that voluntarily binds RESPILON® to this long-term assistance.





Free Installation of Anti-Smog Window Membrane

Date: May 19, 2018

Place: Ostrava

Recipient: foster family of Hana Konečná



In our opinion, the most important thing is to provide targeted help to specific people and families, where nanofibers are capable of increasing the level of health protection disturbed by a serious illness. "Klub nemocných cystickou fibrózou" helped us in the spring of 2018 to find a person who is able to enjoy every day life with optimism despite this serious illness.

Denisa lives in Ostrava – a region affected by frequent smog calamities. For her immune system disturbed by



cystic fibrosis, pollutants in the air can be very dangerous; that is why we decided to fit the windows in her family's flat with a nanofiber membrane filtering smog, dust, soot and allergens.

We believe that the RESPILON® application will improve the quality and comfort of life not only for the ever-smiling Denisa but also for her family. The family story is exceptionally strong for another reason – it is a foster family who decided to look after several other children.

Donating Anti-Smog Window Membranes to Neonatological Department

Date: May-December 2018

Place: The Czech and Slovak Republic

Příjemci: Recipients: Neonatal departments of hospitals – e.g. in Prague, Brno or Košice

Prematurely born babies need the utmost care and protection of their immune system. Allergens, smog particles, dust or mould spores can seriously disturb their fragile health. The same thing applies to their mothers after experiencing hard labour.

The nanofiber membranes in windows that prevent pollutants from penetrating into hospital rooms can help the newborn babies to progress and to get home from the hospital faster. Therefore, in cooperation with "Nadační fond Děti na dlani" we delivered and installed this protective equipment free of charge to neonatology departments of Czech and Slovak hospitals. We are very happy to be able to offer help at the very beginning of these babies' lives and we wish them all the best.

Dear friends,

allow me to express my gratitude for your patronage regarding the charitable fund DĚTI NA DLANI (Children in the Palm). Your sponsorship has helped to improve the quality of health care given to prematurely born babies in state hospitals.

We realize that without your help, it would not be possible to purchase expensive medical equipment which is still missing at many departments of neonatology in the Czech Republic and which is one of the corner stones of high-quality heath care for newborns.

> Chairman of the fund's administrative board Ing. Dušan Fibingr, Ph.D.

We would like to thank RESPILON[®] for their cooperation.









Charity Fund "N" for prematurely born babies

You probably wouldn't say there is anything special about this picture; however, there actually is. In the open window next to the incubator there is a special protective window screen with the RESPILON[®] membrane. It contains nanofibers which capture the ever increasing amounts of smog as well as dust, pollen and other dangerous particles or allergens from the outside. You can thus open your window and still breathe only clean air without any risk of irritation or allergic reaction. We would like to thank Respilon Czech Republic for installing these window screens in our department.



Motol University Hospital









Trade Fair of Pro-family and Senior Citizen Organizations

Date: June 12, 2018

Place: Moravian Square in Brno

Organised by: Department of Pro-Family Policy of the City of Brno Health Authority, Sun Drive Communications



The aim of the event, which was held with help of the first Deputy Mayor Mgr. Petr Hladík, was the promotion of the pro-family and senior citizen activities available in Brno. The organizers also wanted to create an entertaining and educational program, where the whole family, children or older generations, could spend a good time. The trade fair included a number of nonprofit organizations such as "Občanské sdružení LOGO" or "Bílý kruh bezpečí".

The fair trade was structured in thematic areas, the RESPILON® team was seated in the medical care tent. Our team members presented nanofibers, scarves and anti-smog window membranes, but they mainly educated those interested in the risks of staying in air-polluted areas. Thanks to our electronic particle counter, visitors could find out the current smog level and at what concentration it is necessary to use respiratory protection.

Another device, which was tried by dozens of visitors, was a spirometer measuring vital lung capacity. Each candidate could try it three times and learn from their average result the volume of air that they were able to breathe in/exhale and the biological age of their airways. Some visitors were surprised by the result; some were rather shocked – perhaps because they had not yet realized the dangers associated with living near busy roads or factories. The negative effect of smoking was shown too.

We are very pleased with the interest shown by dozens of schoolchildren in the March RESPILON® competition "For children, by Children". Therefore, an exhibition of the pictures on photo panels could not be left out. These pictures showed for example the difficult selection of winners, the choice of the three winners who were selected by the pupils of the Labyrinth Elementary School or the awarding of prizes. The little painters who participated in the competition could pick up the promised gift immediately in the medical care tent – an anti-smog scarf with the winning design of a parrot.

IX. Charity Jam



Date: July 7, 2018

Place: Brumov-Bylnice

Organised by: Sports Club Demons, z.s.

U-ramps in the BikePark, five dozen racers presented themselves, supported by about 3,000 spectators.

When planning our partnership, we decided to combine the street lifestyle of bikers represented, among other things, by the characteristic fashion accessories and the protective ability of nanofibers. Especially for the Charity Jam, we created white-black and black-white anti-smog scarves with the logo of the event, which were sold to the visitors, and the raised money went directly to the ill children.

Every year, the best freestyle bikers from the Czech and Slovak Republic participate in the greatest domestic BMX race to show their riding skills while helping to raise as much money as possible for specific ill children. In the summer of 2018, it was the IX year of the event in which RESPILON[®] was involved as one of the partners. At the The RESPILON[®] scarves were tested by some of the top riders, and they even used the scarves

during the race. David Janáč (one of the founders of this sport in our country and the winner of the final of IX Charity Jam), Erik Figar (three times champion of the Czech Republic) or the promising young biker, Bernard Soška, Daniel Mlejnek (6th place in the Pro category) and David Neuman helped to spread the idea of health protection with nanofibers. By selling tickets, promotional products, refreshments, sponsorship donations and with voluntary contributions, the organizers managed to raise CZK 335,230; This means the IX Charity Jam was the most profitable throughout the history of the event. The raised money was immediately given to the ill children and their families:

- Eliška Grygarová (2.5 years old, from Uherské Hradiště) needs to use a pulmonary ventilator support and rehabilitation due to her severe muscular disease
- Ladislav Matúšů (10 years old, from Valašské Klobouky) who suffers from severe combined disabilities needs special rehabilitation and aids
- The triplets, Vojtěch Koláček, David Koláček and Olda Koláček (15 years old, from Újezd u Brna) suffer from a severe form of polio myelitis and visual impairment and they need constant care, special aids and rehabilitation

With this large sum of money – almost twice the amount of VIII Charity Jam – the summer sport-charity event strongly supported ill children and their families. The targeted help best suits our CSR team's ideas, so RESPILON[®] will be the main partner of the X. Charity Jam on July 6, 2019.







Free Installation of Nanofiber Window Membranes in Kindergartens

Kdy: Date: August – November 2018

Place: Ostrava, Prague

Recipients: kindergartens



With the beginning of the school year, when children return to their school desks and playrooms, their protection against smog becomes even more important especially in the long-term risk areas, such as Ostrava or the capital of the Czech Republic.

To allow children to spend time together while learning and playing games without fear that smog, ash or fumes damage their breaching airways shortly or chronically, we installed an anti -smog nanofiber membrane to the windows of several selected kindergartens. Our kindergarten received a valuable gift from RESPILON[®] – new nanofiber window screens were installed in our playroom which ensure that the children, their teachers and other staff will only breathe clean air. For many years now, our kindergarten has struggled with polluted air. It is located in an area often affected by smog and, at certain times of year, the children cannot go outside for up to several weeks. Airing the kindergarten is problematic as well. Thanks to the gift from RESPILON[®] we can now open our windows without any risk.

Kindergarten in Ostrava-Poruba



Another criterion for selection of particular kindergarten was their focus on the care of sick or disadvantaged children. That is why the recipient of the gift in the form of a membrane into the windows became, for example, a Kindergarten and a Special Kindergarten for weakened children in Prague.

This school is also a sanatorium for girls and boys with immune disorders, strong pollen allergies, bronchial asthma, or skin eczema. The nanofibers give them the strongest protection against the danger attacking from the outside.



Long-Term Education of Children



The issue of polluted air and the need to protect against smog indoors and outdoors is still not among the widely discussed topics. We believe that education and sharing information that can save health and life must be learned in childhood. At our events, we do not want to burden children with complicated scientific facts but to raise their interest in their health in an entertaining and attractive way. Among other things, we use our own comic heroes called Respiman and Scarfy. Their superpowers include defending against harmful particles in the air. Children can learn how nanofibers work and how to use RESPILON® aids when they paint colouring pictures.

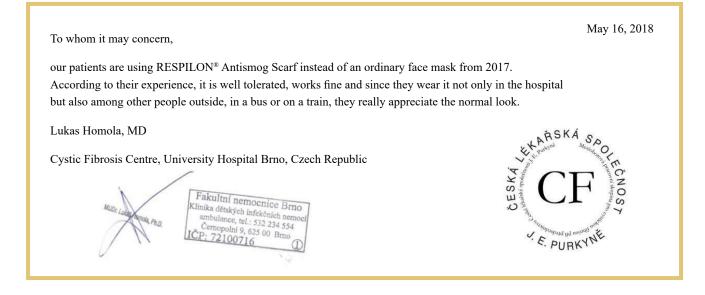


Conclusion

In addition to one-off events and longer-term projects, we try to help in other ways as well. For example, we know that diseases are exhausting not only for the patient but also for his/her family – physically, mentally and also financially.

To make it easier for the people with disabilities to access efficient nanofiber products, we support them in the long run by offering the RESPILON[®] brand products (ReSpimask[®] halfmasks, anti-virus scarves or anti-smog window membranes) at considerably lower prices. We have generated special promo codes for cooperative e-shops and health insurance companies to enable patients to get discounts as simply as possible. We believe that it will help them to get the aid even faster. We greatly appreciate the words of thanks that are being sent to us by doctors, representatives of non-profit organizations or parents of ill children:





They confirm that our help makes sense and that nanofiber protective aids can improve the safety, quality and comfort of life even in the most difficult situations. Not only is satisfaction with RESPILON[®] a great pleasure for us, but it also obliges us to work hard in the field of CSR even in the following years.



LIFE'S WORTH IT

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