



A Bigger Care

ASKER HEALTHCARE GROUP ESG STRATEGY 2021

We are health in progress!

For us at Asker Healthcare Group, sustainable business is not only good business, it represents progress itself. The driving force behind our ambitions comes from our purpose “Health in Progress”:

Fundamental changes are needed in healthcare, progress is required. Improved patient outcome, lower total cost of care, increased efficiency and sustainable solutions to secure tomorrow’s care. That is our pledge at Asker Healthcare Group.

We build and acquire leading companies that make a positive difference in the European healthcare ecosystem. Their products, services and innovations help to **drive progress in improving**, saving and sustaining lives.

By developing sustainable solutions and **being a close, reliable and high-quality partner** to caregivers, we support the changes needed for the European healthcare system.

As individual companies and together as a group and in partnership with caregivers we aim to make a difference and create better health for all – **we are Health in Progress.**

A WORD FROM THE CEO

Sustainability drives progress in healthcare



Our vision is to be the leading healthcare group in Europe within medical supplies, devices and equipment, by building and acquiring companies that together with healthcare providers and patients create a better health for all.

Every day our services and products reach tens of thousands of nurses and other healthcare professionals. As a trusted partner to the healthcare sector, we impact society. While the UN's Sustainable Development Goal number three – supporting healthy lives and promoting wellbeing for all at all ages – is our primary focus, we also want to secure sustainable production and consumption throughout the value chain. Our own carbon footprint is a small part of the total product footprint, but our impact is greater when we manage to influence our suppliers' production and our customers' waste practices.

We support the United Nations Global Compact and the 2030 Agenda, more important than ever due to the Covid-19 pandemic's devastating effects on world health and economy. We are committed to make it part of our strategy and to engage in collaborative projects to advance the Sustainable Development Goals.

In our sourcing we rely on many suppliers and logistics partners, some located in Asia. Since 2012 we have had an ongoing supplier dialogue to drive awareness and improvement through our office in Shanghai. We engage with non-profit organisations to gain insight and secure objectivity. We see that close and continuous dialogue leads to improved working conditions at our suppliers' factories, more efficient transports, decreased emissions and improved products and services to our customers.

Progress is made in partnership and that is how we bring more value to the patients, society and our planet. Our companies drive change in the market towards a more customer- and patient-centred future. We will continue to be innovative and present more environmentally friendly products and services as well as nudge behaviours towards efficiency and minimise waste.

Sustainable development is complex, so to ensure that we take action and do our part, we have set an ESG strategy with concrete actions and targets. On the following pages, we have summarised this strategy and it is also available at asker.com. I hope it will show our high ambitions and maybe also inspire you to join our journey to more sustainable healthcare!

Johan Falk, CEO

The UN Sustainable Development Goals set the context for our ESG work

Asker Healthcare Group has committed to the UN Global Compact and the principles on human rights, labour, environment and anti-corruption. We support the Agenda 2030 and the seventeen Sustainable Development Goals. There are four SDGs where we can make more impact based on the nature of our business and our role in the value chain: good health, gender equality, decent work, economic growth and responsible consumption and production.



PRIMARY CONTRIBUTION



Good health and wellbeing – our primary focus

The purpose of our business is to improve patient outcomes and reduce total cost of care. Therefore, “ensuring healthy lives and promoting wellbeing for all at all ages” is the SDG where we have the ability to make the most impact.

SECONDARY CONTRIBUTION



Gender equality

As an inclusive company, we have the ability to “achieve gender equality and empower all women and girls”. Our inclusive culture is independent of gender as well as age, religion, nationality, professional roles and so on.



Decent work and economic growth

Our continued business success enables us to “promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”.



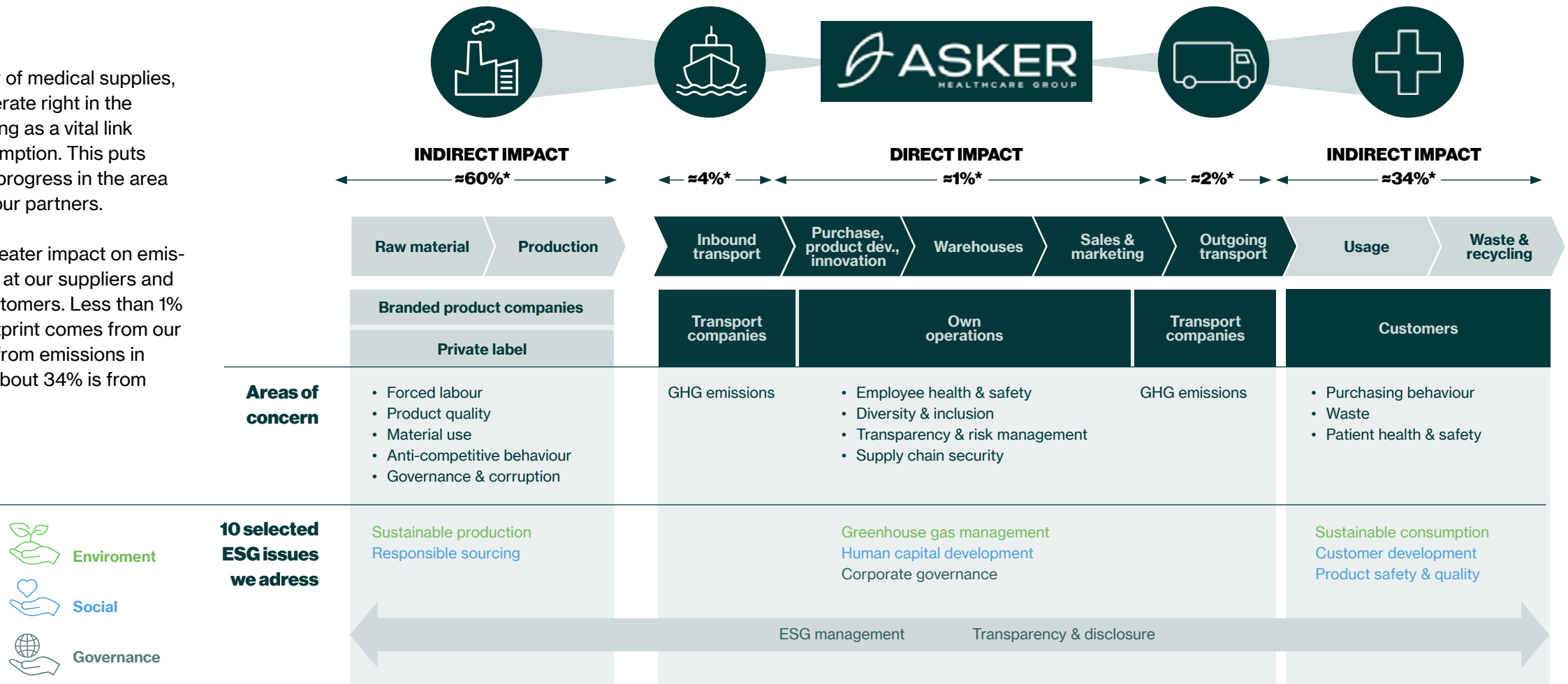
Responsible consumption and production

Our role in the value chain allows us to have an impact on “ensuring sustainable consumption and production patterns”.

Our impact in the value chain — 10 key ESG issues we address

As a leading European provider of medical supplies, devices and equipment, we operate right in the middle of this value chain, serving as a vital link between production and consumption. This puts us in a unique position to drive progress in the area of sustainability, together with our partners.

We know that we can have a greater impact on emissions by influencing production at our suppliers and waste practices among our customers. Less than 1% of the total product carbon footprint comes from our own operations. About 60% is from emissions in production, 6% transport and about 34% is from waste in the healthcare sector.



*Based on external experts' and ESG team's analysis of product carbon footprint and clinical waste via high-temperature hazardous incineration. Source: Environmental Protection Agency; Journal of the Royal Society of Medicine (March 2021)

The challenges for a sustainable healthcare and Asker's possibilities to contribute



Good health and wellbeing



Gender equality, decent work and economic growth



Responsible consumption and production



Health, equality, decent work, responsible consumption and production

SDG

CHALLENGE

To increase easy access to safe, high-quality, and affordable healthcare for all is the foundation for ensuring healthy lives and promoting wellbeing for all at all ages and to address a diversity of persistent and emerging health issues.

Societies need to create the conditions that allow people to have quality jobs, with fair and safe working conditions, equal gender distribution and room for personal development.

Consumption and production in the healthcare sector is based on using our natural environment and resources in a way that continues to have a destructive impact on the planet.

Sustainability is an extremely complex matter that demands high awareness and knowledge as well as openness to drive change and earn the necessary trust among all our stakeholders in society.

CONTRIBUTION

The mission of our business is to improve patient outcome and reduce the total cost of care. By growing our business in a sustainable way, we have the ability to make the most impact by promoting efficient, high-quality and safe healthcare solutions and products to our customers.

Through strong, inclusive values we can promote meaningful and developing work with equal gender representation among employees in the group.

Our role in the value chain gives us the opportunity to impact sustainable consumption and production patterns. By managing and reducing our own footprint and transferring the same standards to our suppliers, we can, together with our customers, deliver circular and sustainable healthcare solutions.

We implement a strong ethical code and promote transparency throughout our value chain. By communicating our actions and progress through a global established framework, we share our challenges, actions and results to learn, inspire and build trust.

A Bigger Care — our take on sustainability

“A Bigger Care” is how we describe our ambitions and goals relating to sustainability at a high level. It means that we drive progress beyond our direct impact and strive to create a fair and sustainable value chain, from supplying products and services that improve treatments, to reduction in cost and environmental impact.

We have set an ESG strategy based on four focus areas to support more sustainable healthcare:

- Healthy lives
- Inclusiveness & equality
- Circularity & carbon footprint
- Transparency & ethics

Each of our ESG focus areas has been assigned KPIs, goals and action plans that are presented to the board on a quarterly basis. Our main owners, Nalka and AP6, have a long-term and sustainable perspective on their investments, and Ilmarinen seeks to achieve carbon neutrality in its portfolio.

Asker Healthcare Group has an ESG team working closely with the business area directors and the managing directors of the companies,

led by the Head of ESG, who is part of the group management team. We believe that the most important factor for sparking positive change is to regularly engage with all parties that influence, or are impacted by, our operations. Potential collaboration partners range from caregivers and the public sector to suppliers, employees, industry organisations, and society at large.

By adhering to our ESG strategy and its four focus areas, following up on KPIs and improving together with our customers and suppliers, we can come a long way. Our conviction is that sustainable returns are the only returns that count. Thanks for your efforts!

Sanna Norman, Head of ESG

What “A Bigger Care” means to us:

Our companies support the caregivers to improve people’s health and care for the world around us. The companies in the Asker Healthcare Group are inclusive and diverse long-term partners to the healthcare providers in Europe, offering safe, high-quality products and services, while taking responsibility for a fair and sustainable value chain.



ESG focus areas and ambitions

To drive the changes needed, we have identified four focus areas that provide the focus and direction required to get results and spark positive change. By setting bold and ambitious goals in each of these four areas, we can ensure efficiency and direction for our sustainability efforts. It allows us to have an even bigger impact on the planet and people as we work to improve and secure tomorrow's healthcare.

A Bigger Care for...



HEALTHY LIVES

We contribute to making healthcare more accessible and democratic, by improving patient outcome and reducing total cost of care, with our complete offer of safe, high-quality medical products and services.



INCLUSIVENESS & EQUALITY

We create a positive social impact for everyone across our value chain as well as a high level of employee safety and wellbeing in all the companies in the group.



CIRCULARITY & CARBON FOOTPRINT

In alignment with the 2030 Agenda for Sustainable Development, our ambition is to be carbon-neutral in our operations and reduce the carbon footprint of our products by 20%.



TRANSPARENCY & ETHICS

All the employees in the group are educated and certified in our Code of conduct. We report our progress towards our goals in our annual sustainability report.

FOCUS AREA

A Bigger Care for Healthy Lives

OUR AMBITION:

We contribute to making healthcare more accessible and democratic, by improving patient outcome and reducing total cost of care, with our complete offer of safe, high-quality medical products and services.

The purpose of our business is to drive progress in health by improving patient outcomes, reducing the total cost of care and ensuring a fair and sustainable value chain. With this in mind, it follows that the focus area where we can have the greatest impact is to ensure healthy lives and promote wellbeing for all ages – SDG 3. In this respect, our main contribution is to provide our customers with safe, efficient, high-quality healthcare solutions and products. To secure this, we apply the Asker Quality Management Standard (QMS), which is based on our core values and covers several key compliance and control areas. These include our Code of conduct, IT integrity, health and safety, medical device regulation, product safety and quality management and more.

Activities:

- Implementation of QMS in all our companies
- Measuring customer satisfaction in all companies

Examples of what we have done so far:

- Developed SELEFA low-price assortment to ensure affordable healthcare
- Started a wound care programme, including a digital service, to reduce the average workload of nurses devoted to wound care by 80% and improve treatment outcome of patients' chronic wounds by 60%. Resulted in the healing of 38% of the wounds that were open for more than six months (see pages 24-25)
- Delivered all material to the Norwegian national Covid-19 vaccine programme for 356 municipalities
- Supported an international warehouse programme during the Covid-19 pandemic
- Helped set up a hotline with expert nurses to support people with diabetes in the Netherlands
- Fully implemented a group-wide process for controlling and collecting medical device regulation, in vitro diagnostic regulation and personal protection equipment information from supplier, which are evaluated based on our supplier selection model

KPIs:

- Percentage of our companies working in accordance with Asker's QMS
- Percentage of companies actively measuring customer satisfaction





FOCUS AREA

A Bigger Care for Inclusiveness & Equality

OUR AMBITION:

We create a positive social impact for everyone across our value chain as well as a high level of employee safety and wellbeing in all our group companies.

By embracing strong and inclusive values, we promote meaningful and developing work with an equal gender representation among all employees in the group. Our continued business success enables us to create and sustain job opportunities. By requiring our suppliers to adhere to high internationally proclaimed standards, we can also promote fair working conditions and decent salaries throughout our supply chain.

Activities:

- Implementation of a process for onsite supplier audits of our private label (PVL) products through an established audit office in Asia
- Employee safety programmes with training conducted regularly
- Empowering individuals and increasing productivity through employee surveys
- Ensuring an equal gender ratio, starting with at least 40% women in group management team
- Introducing the Asker Business School for employee training and development

Examples of what we have done so far:

- We're active in the Yarn ethically and sustainably sourced initiative for traceability of cotton and do not produce cotton products without full traceability through the supply chain
- We're a founding member of Project Safeguard, the first multi-stakeholder project to address the risks of forced labour in the Malaysian glove industry
- We're 44% women in our group management team

KPIs:

- Percentage of tier 1 PVL suppliers audited within last 24 months
- Injury incident rate
- Employee engagement score
- Percentage of women in group management

FOCUS AREA

A Bigger Care for Circularity & Carbon Footprint

OUR AMBITION:

In alignment with the 2030 Agenda for Sustainable Development, our ambition is to be carbon-neutral in our operations and reduce the carbon footprint of our products by 20%.

Our role in the value chain gives us the opportunity to impact sustainable consumption and production patterns. By managing and reducing our own carbon footprint and transferring the same standards to our suppliers we can, together with our customers, impact circular and sustainable healthcare solutions.

Activities:

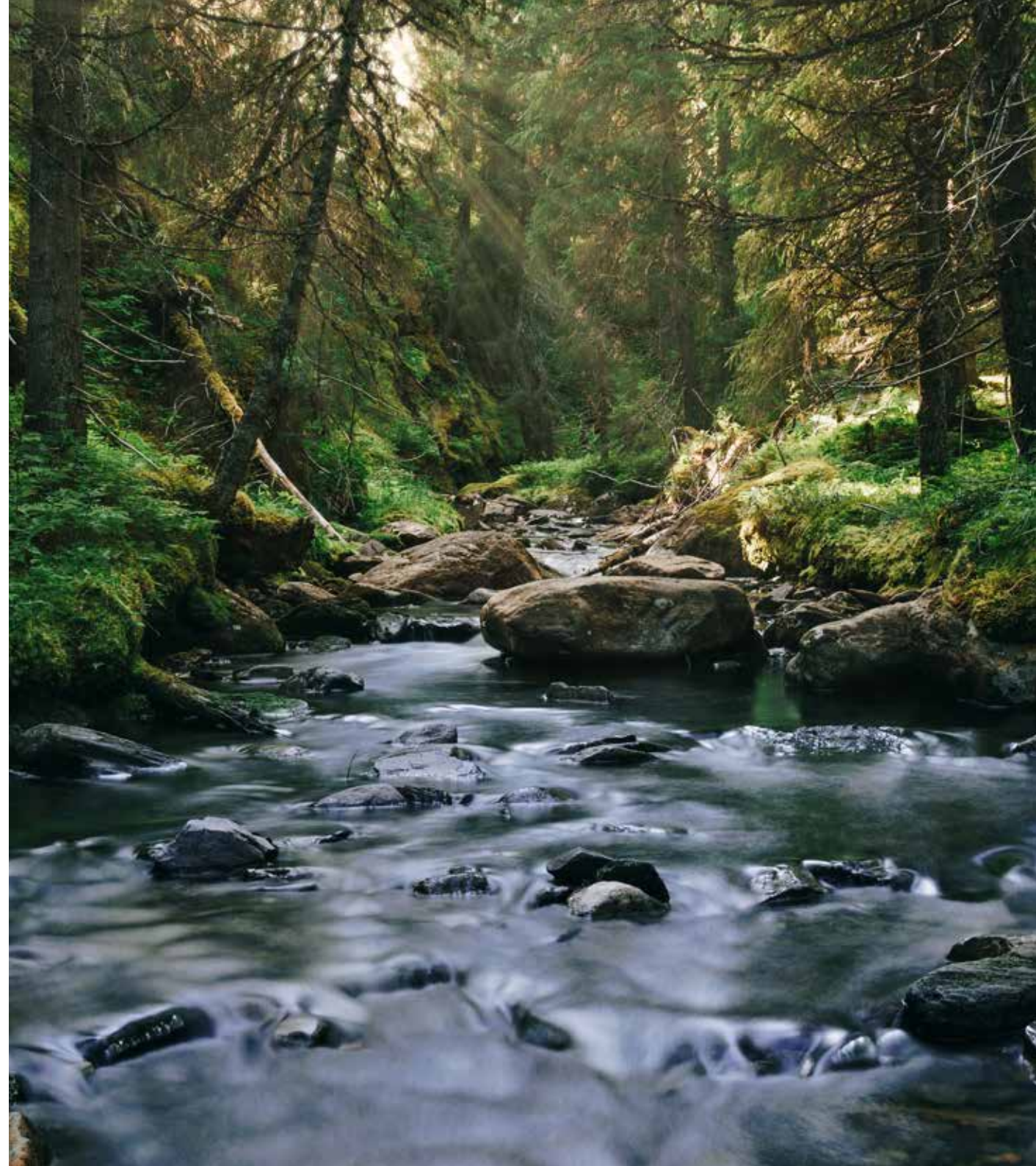
- Implementation of science-based target initiative and reduce annual emissions
- Developing eco-friendly private label assortment

What we have done so far:

- Provided 100% PVC-free Evercare inLine® infusion sets
- Provided a web shop set with an algorithm that encourages customers to buy the product in the original packaging, which reduces unnecessary repacking waste
- Reduced paper weight and plastic packaging in Evercare / SELEFA assortment
- Offered a glove guide to help customers select the right glove at all times based on function, cost, and carbon footprint
- Established a shipment consolidation hub to maximise the number of products in each container from Asia to Europe
- Implemented 100% electric-powered distribution in Norway and 100% biodiesel deliveries in Stockholm through good dialogue with our logistic partners

KPIs:

- Reduction of carbon levels - Scope 1 and 2 mT CO₂ emissions per million SEK revenue
- Reduction in Scope 3 mT CO₂ emissions - based on sustainable initiatives implemented annually



**FOCUS AREA**

A Bigger Care for Transparency & Ethics

OUR AMBITION:

All the employees in the group are educated and certified in our Code of conduct. We report our progress towards our goals in our annual sustainability report.

By implementing a strong ethical code and promoting transparency throughout our value chain, we develop a high ethical business standard, which, embedded in everything we do, leads the way towards sustainable health-care. Our ESG strategy lays the foundation for our values and guides our progress towards achieving carefully selected KPIs, which are reported in our annual sustainability report.

Activities:

- Code of conduct certification by e-learning
- Communicate our strategy, actions and progress aligned with UN Global Compact in our annual sustainability report based on GRI standards

What we have done so far:

- Signed membership of the UN Global Compact
- 95% of our employees are trained in and have signed our Code of conduct
- Sustainability reporting in accordance with the GRI
- KPIs disclosed on website
- Identified what our stakeholders think are important areas for us to work in and communicate transparent about

KPIs:

- Percentage of employees trained in and acknowledged Code of conduct per year

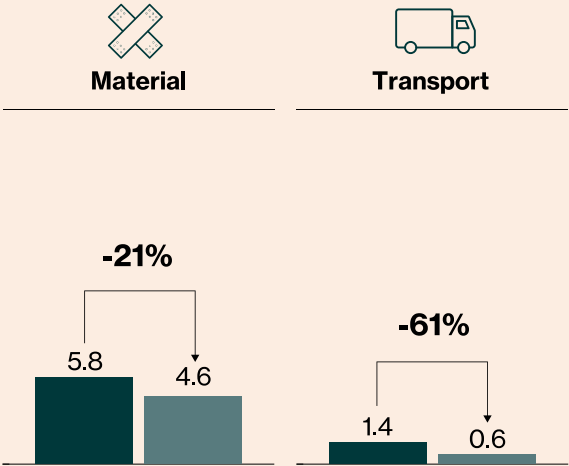
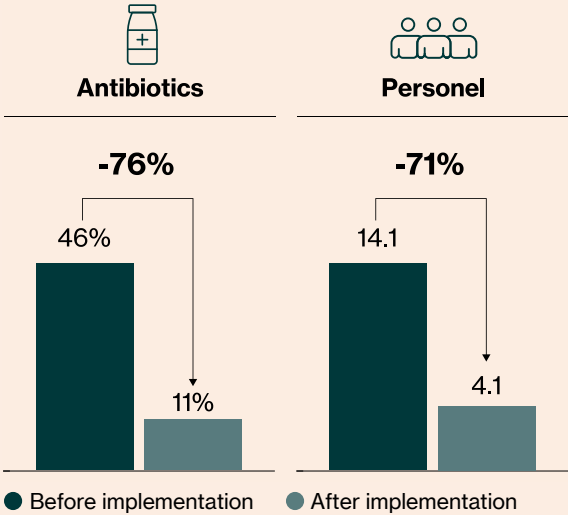
INITIATIVES

Empowering nurses for better wound care

Our wound care programme, a key initiative within our “Healthy lives” focus area, empowers nurses to significantly improve patient outcomes with better treatment results and faster healing times. It also enables them to help more patients, reduce the use of antibiotics, and minimise the impact from transport and waste.

The programme combines a nurse's own deep knowledge and experience with the advantages of innovative artificial intelligence (AI) tools. Image recognition and machine learning functions support better decision-making, potentially reducing the use of antibiotics and enabling better outcomes. Wound care is not only a burden on time-pressed nursing staff who are often required to make more frequent home visits, but it is a waste use of supplies and extends the overall wound healing time.

The wound care programme in Sweden has shown very good results in several areas.



Initiated in Sweden six years ago, then introduced in Finland and now also in the Netherlands and more countries the wound care programme both improves patient outcomes by the healing process and reduces the total cost of care by decreasing use of resources. In Finland, studies validated by Nordic health-care shows that the wound care programme has reduced the wound nursing time per week from 122 minutes to 24 minutes, and total direct wound care costs (salary, product and travelling costs) from €72.68 to €14.21.



INITIATIVES

Products that make a difference

A strong demand for consumables and single-use products in the healthcare sector is putting pressure on our planet in terms of production, transportation, and waste. By developing a new range of products that contribute to reducing environmental impact, we hope to inspire and lead the change towards more sustainable healthcare.

carbon footprint attributable to our products by 20%. Since much of the production of healthcare consumables takes place in countries that are classified as “high risk” regarding labour and human rights, we have ESG management personnel at key locations to safeguard good labour and environmental conditions.

Products in the range fulfil at least one of the following criteria:

- 20–30% less CO₂ in a product compared to current, baseline 2021, due to lighter material or decreased use of raw materials
- More than 50% bio-based material, with a switch from fossil to bio-based or other reusable sources
- Minimum 70% of the material comes from renewable sources. This is also valid for the packaging required to “use the product” – that is, first-level packaging.

This initiative is an important part of Asker Healthcare Group’s ambition to reduce the



INITIATIVES

The Asker Quality Management Standard

We have established, documented, and implemented a process based on the Asker Quality Management Standard (QMS) to secure patient and user safety and enabling quality healthcare and effective treatment results.

All the companies in the Asker Healthcare Group share a number of common standards, for example, our Code of conduct, risk management, GDPR and other governing policies. Our QMS means that all companies in the group have a process for controlling and collecting MDR (Medical device regulation), IVDR (In vitro diagnostic regulation) and PPE (Personal protection equipment) information from suppliers that have been evaluated based on our supplier selection model. We work proactively to follow up on the quality of all the products that we introduce to the market. When potential product quality incidents occur, we work to respond promptly. Local presence at key locations enables

us to quickly identify and avoid any product deviations in a controlled and safe way. It also allows us to conduct careful product inspections prior to shipment, avoiding troubles later in the supply chain. To sum up, our ability to offer safe, high-quality products and services in a controlled and secure process is crucial to both achieving sustainable growth and improving people's health.



Summary

FOCUS
AREAS



HEALTHY
LIVES



INCLUSIVENESS
& EQUALITY



CIRCULARITY &
CARBON FOOTPRINT



TRANSPARENCY
& ETHICS

AMBITIONS We contribute to making healthcare more accessible and democratic, by improving patient outcome and reducing total cost of care, with our complete offer of safe, high-quality medical products and services.

We create a positive social impact for everyone across our value chain as well as a high level of employee safety and wellbeing in all our group companies.

In alignment with the 2030 Agenda for Sustainable Development, our ambition is to be carbon-neutral in our operations and reduce the carbon footprint of our products by 20%.

All the employees in the group are educated and certified in our Code of conduct. We report our progress towards our goals in our annual sustainability report.

- ACTIVITIES**
- Implementation of QMS in all companies
 - Measure customer satisfaction in all companies

- Implementation of a process for onsite supplier audits of our PVL products
- Programmes with regular training in employee safety
- Employee surveys
- Ensure an equal gender ratio
- Asker Business School for employees

- Implementation of science-based target initiative and reduction of emissions
- Developing eco-friendly private label assortment

- Code certification by e-learning
- Yearly sustainability report according of the GRI

- KPIs**
- Percentage of companies working in accordance with Asker's Quality Management Standard
 - Percentage of companies actively measuring customer satisfaction

- Percentage of tier 1 PVL suppliers audited within last 24 months
- Injury incident rate
- Employee engagement score
- Percentage of women in group management

- Reduction of carbon levels – Scope 1 & 2 mT CO₂ emissions per million SEK revenue
- Reduction in Scope 3 CO₂ emissions – based on sustainable initiatives implemented annually

- Percentage of employees trained in and acknowledging Code of conduct per year

Enablers: how we make it happen

Asker Healthcare Group is an inclusive, value-driven company that aims to drive progress towards better health while ensuring more sustainable business practices. Below are the key success factors that enable us to achieve this.

Purpose and values

Our guiding star is the Asker purpose, or reason for being, where sustainability is at the core of being “Health in Progress.” It captures our ambition to be a positive force for change benefiting all of society. Supporting this, we have our three core values – Passion for improvement, Taking responsibility, and Caring for customer – which unite and guide us.

These operating principles ensure that we genuinely care for people and the planet in our quest to find new solutions for better and more sustainable healthcare.

Entrepreneurship and knowledge

Another key enabler is our entrepreneurial spirit, which encourages curiosity, critical questioning, and innovation and to turn challenges into opportunities. Here we draw upon our extensive group-wide knowledge of the healthcare sector to empower local teams,

allowing them to make a difference in their respective markets. We also engage actively in the outside world, linking up with, for example, social entrepreneurs to get ideas and inspiration to contribute to a fair and sustainable world.

Diversity and inclusion

We believe in the power of great people with different skill sets, personalities, and backgrounds. When we bring together different talents and perspectives, we become stronger. With a great group of diverse people, we will attract more great people to join us. When we grow as individuals, we grow our business too. Diversity is our power.

Dialogue and partnership

Perhaps the most important factor for implementing a sustainable business model is maintaining a continuous dialogue with all key stakeholders to the healthcare sector. This includes caregivers, the public sector, suppliers, employees, and industry organizations. We engage on a regular basis with parties that influence, or are impacted by, our operations to better understand their needs and ambitions, and develop common goals.



Code of conduct

Our Code is the set of rules outlining the norms, standards, and responsibilities of ethical and proper business practices. It translates the values of Asker Healthcare Group into how we conduct business. The Code serves as a compass for taking the right decisions in our daily operations. It applies to all companies in the group and to our suppliers as well, covering the following areas:

- Business integrity, including anti-corruption
- Human rights and working environment
- Environmental sustainability
- Protection of assets and confidential information
- Compliance of the code with the law

Asker Business School

Asker Business School is where we collect and share learnings within our group, with our Code of conduct and sustainability being two of the areas covered. It is also where management teams and all new colleagues of new group companies are introduced to the group

and our purpose, core values, vision, mission and way forward. A Code of conduct certification through an e-learning module is mandatory for management in all companies. The essence of the knowledge shared in Asker Business School is also gathered in a book entitled “Health in Progress”, which is available as a printed version and as an e-book for both the public and all employees.

ESG management

Asker Healthcare Group has a central ESG team that works in close cooperation with locally appointed ESG representatives in our group companies who are responsible for executing the ESG strategy. Each focus area is linked to clear KPIs, and progress being made towards our sustainability goals is presented to the board quarterly.

Business incentives

To ensure the right focus on the strategy implementation, we believe in the importance of tying together business and sustainability

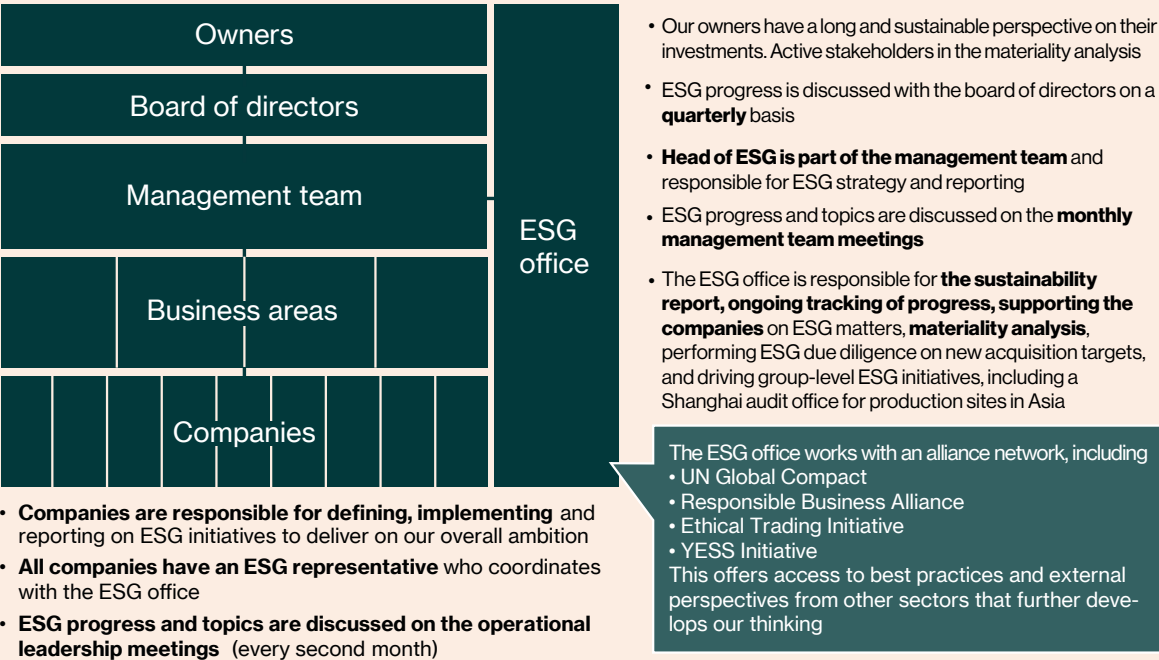
incentives. Our goals and KPIs are therefore backed up by clear incentives that are set by the board each year.

Transparency, reporting & communication

We will be open and transparent and allow others to learn from our successes, failures, challenges and ways of working. Asker Healthcare Group supports the UN Global Compact and is committed to reporting Communication on progress (COP) annually. These reports cover how we work with human rights, labour, environment, anti-corruption and our progress in line with the Sustainable Development Goals; we also present a sustainability report

according to the Global Reporting Initiative (GRI). To move from vision to action, we set clear goals and targets, both on a group and company level that will help us measure our progress and to prioritise our actions. We communicate our work on sustainability – the challenges, the ambitions and the progress – not only through our annual reporting but also as an integrated part of our communication around our commercial offering. Communication of sustainable development is important to drive change. This way we show customers, consumers, and other stakeholders what we are doing to drive progress.

How ESG is incorporated in our organisation and way of working



What gets measured gets done

We have selected nine main KPIs that are especially important for us to monitor and improve every year. In addition to these, we also track progress in all the areas required to ensure that our yearly sustainability reporting is done in accordance with the GRI.

Main KPIs	2019	2020
Carbon intensity – Scope 1 mT CO ₂ per million SEK revenue	0.17	0.12
Carbon intensity – Scope 2 mT CO ₂ per million SEK revenue	0.10	0.07
% of tier 1 PVL suppliers audited within the last 24 months	50%	57%
Injury rate (per 200,000 hours)		0.64
Employee engagement score (eNPS)	In progress	In progress
% of women in group management	14%	14%
% of companies actively measuring customer satisfaction	30%	30%
% of companies working in accordance with Asker's Quality Management Standard	30%	25%
% of employees trained in and acknowledging Code of conduct per year	95%	99%

Other KPIs	2019	2020
Carbon intensity - Scope 3 mT CO ₂ per million SEK revenue	1.50	2.05
Total MWh energy consumption	5 562	7 190
Share of renewable energy		80.5%
Total cubic metre water consumption		4 661
Total metric tons waste		761
Total metric tons raw material		1 584
Sick leave as % of total working hours		3.9%
Short-term sick leave as % of total sick leave		47%
Sick leave split F/M		50/50
Total number of employees in group (F/M)	739 (414/325)	870 (470/400)
Number of new hires	202	147
Number of voluntary leavers		78
Discrimination / harassment cases	0	0
% of suppliers signing Code of conduct		78% (cost of goods sold)

About us

Asker Healthcare Group builds and acquires leading companies that make a positive difference in the European healthcare ecosystem by providing safe and high-quality medical supplies, devices and equipment.

The group, which consists of more than 30 companies and 1,500 employees in 14 countries, supports healthcare providers and patients to improve patient outcomes, reduce total cost of care and ensure a fair and sustainable value chain. Every day, the services and products of our companies reach tens of thousands of nurses and healthcare professionals who meet millions of patients across Europe annually. By developing sustainable solutions and being a close, reliable, and high-quality partner to caregivers, we support the changes needed for the European healthcare system. As individual companies, together as a group and in partnership with caregivers, we aim to make a difference and create better health for all. This is Health in Progress.

Asker Healthcare Group is headquartered in Stockholm, Sweden and generates net sales amounting to approximately EUR 800 million.

