

A Bigger Care

ASKER HEALTHCARE GROUP SUSTAINABILITY REPORT 2021



About this report

Asker Healthcare Group's (Asker) sustainability report for 2021 presents the new ESG strategy and summarizes the main achievements and challenges of the reporting year. It is also a progress report that presents how Asker's sustainability work is evolving over time.

The UN Global Compact's 10 principles, which Asker signed in 2021, and the 17 Sustainable Development Goals (SDG) set the context for Asker's ESG work, with our primary focus being SDG 3, 5, 8 & 12.

Asker has reported in accordance with the GRI Standards for the period from January 1, 2021 to December 31, 2021, and the report covers all companies owned by Asker by January 1st 2021.

In preparation of the ESG strategy as well as the report, dialogues have been conducted with relevant stakeholder groups that impact Asker or are impacted by its activities, services or products. Their input as well as Asker's impact assessments have resulted in an upda-

ted materiality analysis, according to the revised GRI standard, which forms the foundation for defining the report content.

To secure the reliability and accuracy of the report, we had both internal and external stakeholders involved in the drafting and reviewing of the report as well as its underlying data. This report sets the foundation for Asker's future GRI reporting and will be used to compare results over time and against other benchmark data. This report is part of our dialogue with our stakeholders and it aims to promote transparency and continuous improvement. For questions or feedback on the report or Asker's sustainability work in general, please email esg@asker.com.

The annual Sustainability Report of Asker Healthcare Group (Asker Healthcare Group AB, org nr 559184-9848) has been reviewed by the Board of Directors. This is Asker's first Sustainability Report. The Sustainability Report constitutes Asker Health Group's statutory Sustainability Report as required under the Swedish Annual Accounts Act. Asker Healthcare Group has reported in accordance with the GRI Standards for the period from January 1, 2021 to December 31, 2021. It also constitutes Asker Healthcare Group's Communication on Progress (COP) to the UN Global Compact. A complete list of disclosures under the GRI and the Global Compact is provided on pages 49-51.

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This is Asker

Asker 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.

Asker consists of more than 30 companies and 2,000 employees in 14 countries, and 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 is headquartered in Stockholm, Sweden and has net sales amounting to approximately SEK 10 billion.

Nalka is the main owner of Asker. Nalka has a long term and sustainable perspective on their investments and provides Asker with a strong financial base. Nalka shares a heritage with Inter IKEA by way of their owner, Interogo Holding AG and is a committed investor with strong values favouring an entrepreneurial mindset and the development of long-term sustainable businesses. Other owners are AP6, a Swedish state-owned pension fund committed to integrating sustainability issues into its investing activities, the Finnish pension fund Ilmarinen who seek to achieve carbon neutrality in their investment of pension assets and the management.

OUR PURPOSE

Health in progress



OUR VISION

To be the leading healthcare group in Europe within medical supplies, devices, and equipment by acquiring and growing companies that, together with healthcare providers and patients, create better health for all.

OUR MISSION



Improve patient outcome:

We support caregivers and patients to ensure optimal results. We make sure patients and professionals have access to the right products and the right knowledge at the right time in order to facilitate treatments and achieve the best outcomes.



Reduce total cost of care:

We reduce the cost burden for society by improving efficiency in the healthcare system. We not only reduce costs by providing purchase power to the healthcare providers – we also reduce costs by contributing to increased efficiency of treatments and processes.



Ensure a fair and sustainable value chain:

We improve people's health and care for the world around us. We offer safe, high-quality products and services, while taking responsibility for a fair and sustainable value chain.

ESG FOCUS AREAS

A Bigger Care



Healthy Lives



Circularity & Carbon Footprint



Inclusiveness & Equality



Transparency & Ethics

CEO COMMENT

A stronger market position and increased ambitions

2021 was a year where we passed several important milestones, all while our companies have continued to focus on what is most important: supporting the healthcare providers through the COVID-19 challenges. We have successfully acquired eleven companies during the year, including MediReva to be finalized in Q1 2022 which means we will now pass SEK 10 billion in revenue. 2021 was also the start of the new Asker Healthcare Group and a year that marks our enhanced focus on sustainability with a new ESG strategy; A Bigger Care, vital to our long-term success.

It is about progress

In the past 15 years, we have acquired more than 30 companies in different segments of the European healthcare sector. During this time, we have evolved from having a Nordic focus within selected areas to become a pan-European company with operations including all aspects of healthcare products and services with many different leading brands. As part of this evolution, we have during the year gathered all our companies under a new company: the Asker Healthcare Group. We believe strongly in our decentralized way to operate and our local brands continuing to meet the customers' needs every day.

We have raised our ambition by both accelerating our growth as well as our ESG agenda. Our aim is to continue acquiring 10-15 companies per year. We are focusing on companies which provide medical supplies, devices, or equipment. This part of the healthcare market is highly fragmented with thousands of companies and is in need of consolidation. We will be an active part in this market transformation and by doing so also make a positive difference in the European healthcare ecosystem.

To ensure we do our part, we have set a high ESG ambition which applies to the whole Group. Together with our companies we have decided on four focus areas

with long term ambitions and KPIs. The ESG-work is embedded into our operations, led by head office and our Head of ESG who will secure implementation in all our companies, as well as conduct ESG due diligence of potential acquisitions. All efforts will be conducted in close dialogue with our business areas and we have included ESG related incentives for management.

Agenda 2030 commitment

We support the United Nations Global Compact (UNGC) and the 2030 Agenda, which is more important than ever due to the COVID-19 pandemic's devastating effects on world health and the global economy. We have incorporated the UNGC's principles into our strategy and are committed to engaging in collaborative projects to advance the Sustainable Development Goals (SDGs). We want to contribute to the world's business plan for a healthy and green recovery.

As a trusted partner to the healthcare sector, we have a real impact on society. While SDG-3, which supports healthy lives and promotes wellbeing for all at all ages, is our primary focus; we also have an important task to secure sustainable production and consumption throughout the value chain. Our direct carbon footprint is a small part of the footprint of the complete value chain of our products, but we aim to make



a greater impact by also influencing our suppliers' production and our customers' waste practices.

Delivering according to our mission

Our mission is to support healthcare providers and patients, to improve patient outcomes, reduce total cost of care and ensure a fair and sustainable value chain. Our Wound Care programme is a concrete example of how we improve patient outcome and at the same time reduce total cost of care. Our study in Finland, verified by Nordic Healthcare Group, showed that the nursing time was reduced by 80% and improving treatment outcome of patients' chronic wounds by 60%! Also, in the area of ensuring a fair and sustainable value chain, our audit office in Asia audited 15 out of our 26 active own brand product suppliers on-site during 2021 with successful results despite their limited options to travel during the ongoing pandemic.

The start of a journey

Thanks to our employees' relentless efforts we have had a successful year and have many examples of how we made progress by delivering according to our mission, some included in this report. Our employees' health, wellbeing and development are important to me and I'm glad for the great response rate and positive result in the annual Group-wide employee survey. The feedback that we get will help us to identify areas to develop in the future. I would like to thank our customers, employees, owners and suppliers for being part of the journey that we have just started. We aim to be the leading healthcare group in Europe within medical supplies, devices and equipment, by building and acquiring companies which, together with healthcare providers and patients, create a better health for all.

Johan Falk, CEO

Market overview and business drivers

The European healthcare system is undergoing significant changes to meet tomorrow's need for care. Asker Healthcare Group is part of this transformation and aim to make a positive difference in improving health, not just for the few but for the many. Our companies, and together as a Group, are working in close partnership with healthcare providers to support progress.

Key drivers shaping our industry

1. Today's healthcare system will not be able to support tomorrow's needs.

A number of key demographic and socioeconomic factors are placing a huge burden on healthcare systems across Europe and globally. These include our increasing and aging population, and a growing number of citizens living longer with chronic diseases. There is also a widespread recognition that healthcare expenditures are rising and improved efficiency is needed. Finally, the environmental footprint must be sustainably managed to ensure not only human health but also a healthy planet.

2. Opportunities to gain efficiency across the value chain.

The European healthcare systems are country specific with mostly local purchasing and tendering of medical supplies, devices, and equipment. The suppliers on the other hand are either large global product companies who sell their own products and brands or small distributors offering a limited selection of different products and brands. These market dynamics are causing inefficiencies for the healthcare providers, who are continuously searching for opportunities to reduce the total cost of care.

3. The landscape of distributors is too fragmented and will require size.

The market our companies operate in is today highly fragmented, with thousands of distributors of medical supplies, devices, and equipment spread across Europe. The fragmentation is making it hard to reach economy of scale and the efficiencies the healthcare sector requires. The consolidation in Europe has started and will accelerate the coming years.

Strategy and business model

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”.

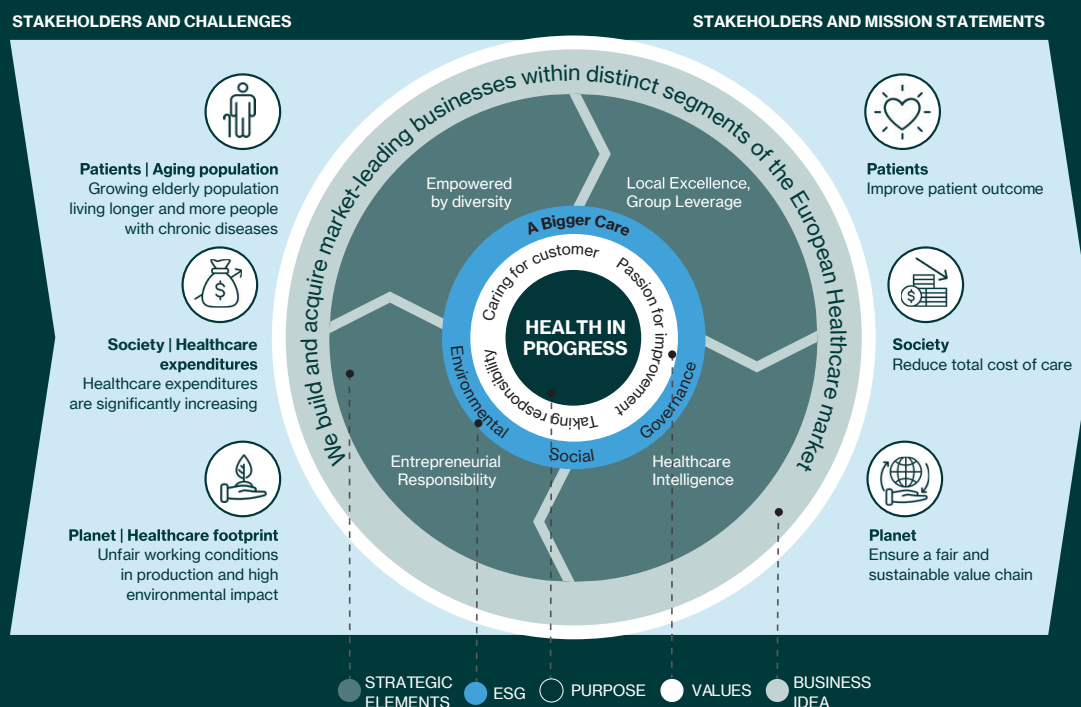
Progress is required to achieve the fundamental changes that are needed in healthcare. Improved patient outcome, lower total cost of care, increased efficiency, and sustainable solutions are needed to secure tomorrow's care.

We build and acquire companies that are market leaders within medical supplies, devices and equipment with strong positions in the value chain and “own” the relationship with hospitals, long-term care facilities and other end customers. Our companies are typically independent distributors and service providers with an extensive offering of products as well as deep patient knowledge and understanding. They are usually not product companies with R&D departments and clinicians on staff, their focus is on improving patient outcomes and helping customers to drive down the total cost of care.

Across Europe, our companies approach their respective markets with a brand-neutral mindset and a high level of service. It is all about serving the customer and deliver a strong value-add with differentiated and tailored offerings. Our companies have the flexibility to offer the best brands from leading product companies or, alternatively, our own private label products.

Business model

Our value creation model below is our compass and roadmap for achieving our vision. It guides us in how we improve healthcare and stay true to our purpose of being Health in Progress. The five Strategic Elements where ESG is one, indicate where we differentiate and create a competitive advantage.



Setting the context for our ESG work

Asker Healthcare Group has committed to and signed the UN Global Compact and the principles on human rights, labour, environment and anti-corruption. In addition, we are committed to the 2030 Agenda for Sustainable Development with its 17 Sustainable Development Goals (SDGs) where, due to the nature of our business, our primary focus is on supporting good health and wellbeing.

We support this by improving patient outcomes and reducing total cost of care while ensuring a fair and sustainable value chain. Secondary, focus areas are gender equality, decent work and economic growth, as well as working for responsible consumption and production.

SDG accelerator

This year Asker has participated in the UN Global Compact's SDG accelerator programme, which enables the adjustment of business models to accelerate sustainable innovation and business development delivering on the SDG targets. The programme has

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 etc.



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”.

provided us with a method to set ambitious targets and create an action plan to achieve them. By sharing knowledge and best practise with other companies in the programme Asker will accelerate its journey towards the four SDGs where we can make the most impact.

The programme aims to challenge and support participating companies of the UN Global Compact in setting ambitious corporate targets and accelerating the integration of the 17 SDGs into core business management.

EU taxonomy

As Health Care products and services are not included in the EU list of taxonomy-eligible activities, we have assessed that Asker's projects related to climate change adaptation and mitigation as well as carbon emission reduction are not classified as 'taxonomy-eligible'. In 2022, we expect that updated criteria for assessment of eligibility, potentially including a "social taxonomy" for Health Care related activities, will be published. We will closely monitor these developments and their applicability to our business activities.

Asker's contribution to Agenda 2030

SDG



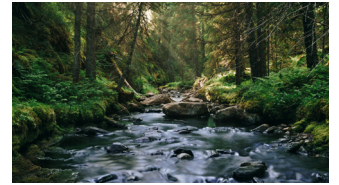
Good health and wellbeing



Gender equality, decent work and economic growth



Responsible consumption and production



Health, equality and decent work

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 are 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 at Asker.

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

Fundamental changes are needed in healthcare and progress is required. Improved patient outcome, lower total cost of care, increased efficiency and sustainable solutions is vital to secure tomorrow's care.

At Asker 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. 'A Bigger Care' is our sustainability strategy which is an important part of the overall corporate strategy.

Focusing efforts

To drive the changes needed, we have identified four focus areas that provide direction required to get results and spark positive change. They build on a materiality analysis, a stakeholder dialogue and are connected to corporate strategy. The focus areas in the ESG strategy are Healthy Lives, Inclusiveness & Equality, Circularity & Carbon Footprint, and Transparency & Ethics. By setting bold and ambitious goals in

each of these four areas, as well as KPIs and action plans, 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.

Better business

Sustainability is an important part of the overall business strategy for Asker and in a number of areas activities create both financial value and social and environmental impact at the same time. Through "Shared Value" perspectives new business opportunities can be recognized and the sustainability work enhanced simultaneously.

New activities within Life Cycle Analysis give a clearer picture of products CO₂ footprint. This gives Asker a competitive advantage and new ability to manage CO₂ emissions in the value chain lowering environmental impact. One example is the Asker Wound Care programme that improve patient outcomes, reduces the cost of care in society and benefits Asker customer relations.



MESSAGE FROM HEAD OF ESG

Driving impact

'A Bigger Care' is how we on a high level describe our ambitions and goals relating to sustainability. 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.

Our most important achievement in 2021 was to set a strategy for how to implement our vision and values in everything we do, affecting not only our own employees and customers, but all the people and environment within our value chain. Our owners, Nalka and AP6, have a long-term and sustainable perspective on their investments so our conviction is that sustainable returns are the only returns that count.

Inclusiveness & Equality

In 2021 our employees were invited to take part in an extensive employee survey covering topics such as employee satisfaction and work environment, with a result of 72% employee satisfaction and eNPS of 23. We made a full risk assessment on our cotton supply chain, following the global focus on the risk of forced labour within cotton processing for manufacturing of clothes. We communicated this risk to our customers, together with a decision to stop manufacturing cotton products until we had performed detailed audits at all our cotton manufacturers. We ensured that migrant workers in Malaysia were paid fair salaries. We also improved gender equality in the Management Team, currently the ratio is 38% women/62% men.

Circularity & Carbon Footprint

A low carbon emission car policy was implemented in Sweden during the year, and projects started to increase usage of renewable energy at several companies within Asker. Carbon emissions per delivery in transportation were further reduced by consolidating deliveries. 2021 has been a year of good progress for us, but we also realize that we have challenges in front of us to be able to reach our 2030 ambition of zero carbon emissions in scope 1 and scope 2 and to reduce scope 3 with at least 20%. Our focus for 2022 will be on scope 3 and to reduce the carbon footprint of private label products since medical supplies are main-



ly disposable plastic items. We will focus our efforts on collaboration with suppliers that can provide alternative products that are reusable and/or reduce waste.

Transparency & Ethics

In 2021, Asker rolled out our Code of Conduct as e-learning available to all employees. We believe in the importance of tying together business and sustainability incentives to ensure we make progress. Our ambitions and KPIs are therefore backed by clear management incentives that are set by the Board each year. We have a big task ahead of us, which we will only be able to attain with the support of our customers, suppliers and all our external partners. By participating in the SDG accelerator programme within the UN Global Compact we have learnt that by setting ambitious targets and select partners who share our commitment to ethical and responsible business, we can make a positive change for both the people around us and our planet.

Sanna Norman, Head of ESG

Stakeholder engagement

Continuous dialogue with our stakeholders is the backbone in our ESG strategy and is also important to capitalize on opportunities for improvement in relation to our mission and our ambitions within sustainability.

We engage in dialogue with parties that impact, or are impacted by, our operations to better understand their needs, demands and ambitions. Through dialogue we can develop common goals and find better ways to work together.

Stakeholders include our owners, customers, caregivers, employees, suppliers, industry organisations, non-governmental organisations, the public sector and society at large. We use their input to adapt our sustainability strategy and find alignment between the stakeholders' needs and our material topics.

In dialogue

In 2021, we had dialogues with a number of stakeholders as a part of Asker's new strategy and growth agenda. Input from stakeholders formed the basis for an updated materiality analysis, in line with the revised GRI standards introduced during the year.

In addition to providing guidance on where to focus our sustainability efforts, our stakeholder engagement also allows us to find synergies, partnerships and tackle challenges that we cannot address on our own. An example is in risks of human rights violations in complex supply chains, where a multi-stakeholder approach is more likely to have an impact.

Another example is the strong engagement in sustainability requirements from European customers on responsible sourcing and environmental criteria in their purchasing decisions. This enables us to translate our sustainability efforts into competitive differentiators towards customers.

Asker endorses The ILO Core Conventions, The UN Declaration of Human Rights, the Principles of the UN Global Compact and the OECD Due Diligence Guidance for Responsible Business Conduct. We take inspiration from these in the process of developing our internal as well as external requirements on ethical business behaviour. Asker is a member of the Ethical Trading Initiative (ETI) and the Responsible Labor Initiative (RLI).

OUR CUSTOMERS

Examples include: public and private customers in the Nordics.

How Asker engages with its customers

- Quarterly or biannual meetings with customers' sustainability departments to discuss Asker's progress on responsible sourcing.
- Collaborative roundtables with our customers' sustainability departments and NGOs on specific CSR challenges in the healthcare industry.

OUR LOGISTICAL PARTNERS

Examples include: Schenker, PostNord, Kuehne + Nagel and other carriers/freight forwarders supporting our inbound and outbound logistics.

How Asker engages with its service providers:

- Quarterly high-level meetings to develop green transport initiatives and improve emissions reporting.
- Monthly operational follow-ups to ensure effective implementation of emissions reducing initiatives.

OUR EMPLOYEES

How Asker engages with its employees:

- Annual performance reviews between Asker employees and their managers to identify learning and development opportunities, review progress and lay out a plan for the future that is in line with Asker's goals and the employee's personal ambitions.
- Ongoing dialogue about our Code of Conduct; this includes training and dialogue about ethical dilemmas.
- Yearly Group-wide employee survey followed by result discussions and improvement plans in each working group.

OUR OWNERS

How Asker engages with its owners:

- The main forum for engaging with our owners on sustainability topics is the Asker's Board of Directors. Sustainability is a regular item on the Board agenda where representatives of our owners provide feedback on sustainability related proposals.
- Yearly ESG questionnaire, identifying ESG KPIs relevant to Asker's majority owner.
- Asker's owners share best practices among their portfolio companies including, but not limited to, trainings for Asker's Management Team.

NON-PROFIT ORGANISATIONS

Examples include: Stakeholder organisations (e.g. Responsible Business Association (RBA), Ethical Trading Initiative (ETI)) NGOs (e.g. Transparency International (TI)), industry associations (e.g. MedTech Sweden) and academia (various universities across the Europe)

How Asker engages with non-profit organisations:

- During 2021, Asker became a member of UN Global Compact and supports the 10 principles on Human rights, labour, environment and anticorruption. The ESG Team started with participation in an SDG Accelerator programme.
- Ad-hoc meetings and trainings with NGOs to learn about ways in which we can improve our responsible sourcing programme (ETI UK/SE/NO, RBA, Responsible Sourcing Network), anti-bribery and corruption efforts (TI) and environmental work (Svanen).
- Ad-hoc meetings with staff and students from universities to collaboratively work on sustainability projects (recent examples include supply chain mapping and human rights risk assessments).

OUR SUPPLIERS

Examples include: producers of our Private Label products, group agencies (such as ICU Medical, mentioned in this report) and Brands.

How Asker engages with its suppliers:

- A process has started to secure all suppliers' products according to the new Medical Device Regulation. An intensive work and dialogue have been ongoing during 2021 and all products in class 1 have been evaluated.
- Direct engagement with our Private Label suppliers through audits and remediation processes.
- For suppliers that we consider high-risk, this entails a yearly audit with a closing meeting plus check-ins to follow up on corrective action plans.

Materiality

Building on the stakeholder dialogues, Asker has conducted a materiality analysis to determine material topics for ESG reporting. It has been based on the revised GRI standards.

Asker has identified several impacts which we are causing, contributing to, or are directly linked to by our business relations. 18 topics are included in the materiality analysis, of which 9 topics are material and have a significant impact on the economy, environment, and people.

The process

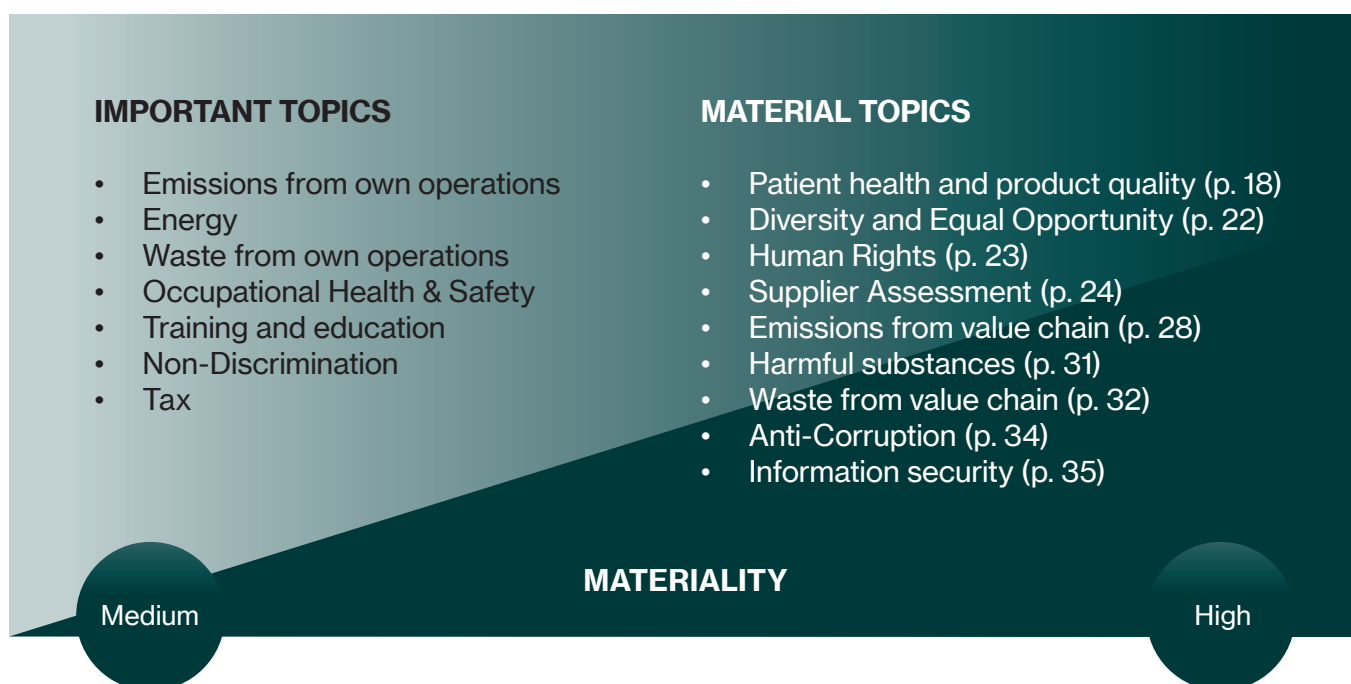
In 2021 a stakeholder analysis was conducted and this enabled us to capture what was important to our stakeholders from a sustainability perspective and gave us valuable input to create our ESG strategy. During the year, Asker engaged in regular dialogue with customers regarding their sustainability requirements for new tenders.

Interviews were performed with all Regional Managing Directors and Managing Directors of selected companies within Asker as well as with employees, Management Team and owners. The materiality analysis has been conducted according to GRI's revised standard, launched in October 2021.

The work was led by the Head of ESG together with the ESG Team. With guidance from the revised GRI standard, the significance of the impacts were assessed and prioritized based on their actual and potential, negative and positive impacts on the economy, environment, and people.

The material topics have been approved by the Management Team.

Asker's material topics



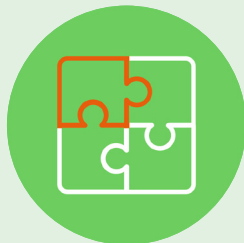
Material topics are topics having the most significant impacts (positive or negative, actual or potential, reversible or irreversible) on the economy, environment, and people.

Strategic focus areas

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 private label products by 20%.

All the employees at Asker are educated and certified in our Code of Conduct.

ACTIVITIES

- Implementation of Asker Management Standard (AMS) in all companies
- Measure customer satisfaction in all companies

- Implementation of a process for onsite supplier audits of our private label products
- Programmes with regular training in employee safety
- Employee surveys
- Implement hiring and promotion guidelines to ensure equal gender ratio at all levels
- 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 Management Teams in our companies trained in and acknowledged Asker Management Standard
- Percentage of companies actively measuring customer satisfaction

- Percentage of first level private label suppliers audited within last 24 months
- Injury incident rate
- Employee engagement score
- Diversity 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

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. This in line with Sustainable Development Goal 3. In this respect, our main contribution is to provide our customers with safe, efficient, high-quality healthcare solutions and products.

Patient health and product safety

Patient health and product safety is material for Asker in a number of ways. They are the cornerstones of our business and prerequisites for improved patient outcome and reduced cost of care. Through our operations we contribute to good health and wellbeing and improve the quality of people's lives.

Providing safe and high-quality products is a key pillar of our operations. We work with constant focus on user safety and quality improvements for everyone who comes into contact with our products, including patients, healthcare professionals and those who manufacture or handle our products.

Our daily work is focused on following the established processes and templates of our quality management system. In 2020, a company-wide effort was undertaken to upgrade processes and technical documentation in compliance with the increased regulatory requirements of the new European Medical Device

Regulation (MDR). Additional experienced staff were recruited in our Quality & Regulatory Team to support this transition and meet the new requirements when the new legislation entered into force in May 2021. In addition to our global processes, our facilities have a local quality management system with experienced personnel responsible for local quality management and compliance.

All companies at Asker have a process for controlling and collecting MDR (Medical device regulation), IVDR (In vitro diagnostic regulation), PPE (Personal protection equipment) information from suppliers that have been evaluated based on our supplier selection model.

Private labels

For the development of our Private Label assortment under the brand names evercare® and SELEFA® we follow a process based quality management system with established working methods and processes according to the Medical Device Regulation (MDR).

Asker Healthcare Group's companies are primarily distributors and service providers. However, when opportunities arise to create our private label products to challenge the product companies, our companies are encouraged to do so.

We maintain close relationships with our suppliers, which facilitates a quick resolution to identified product deviations in a controlled and safe way. Having a local supplier quality management personnel at key locations in the world enables this. When ship-

ping products, we ensure full traceability of our high quality products and we use containers and shipping methods that have been verified to maintain our product quality and safety. This helps preserve product integrity and prevent any quality issues. We continuously monitor and strive to improve the quality of our products and services. During the year we assessed health and safety impacts of all product categories under our own brands and the CPM (Complaints Per Million). In 2021, CPM was 0.12 (0.06) which is just slightly above our yearly target of less than 0.1 CPM.



INITIATIVES

OneWound programme

OneMed is one of Asker's companies and their Wound Care programme is a key initiative within the “Healthy lives” focus area. It 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 training programme improves nurses' knowledge of wound treatment and facilitates a shift towards more effective wound care practices. Image recognition and machine-learning functions support better decision-making, potentially reducing the use of antibiotics and enabling better outcomes.

“Our programme has significantly reduced the average healing time of chronic wounds. As a result patients' quality of life has improved dramatically. And valuable nursing time can be spent on treating more patients. The average treatment cost has fallen by 80%”, says Markus Henriksson, Business Area Manager Finland & the Baltics

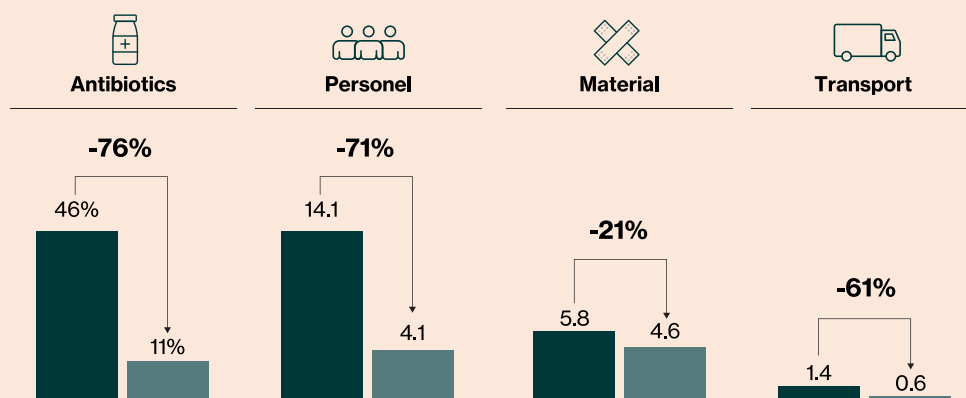
“Asker has developed a wound treatment digital app which uses A.I. technology to help health-care professionals assess whether a wound is infla-

med or infected. The app also works as a knowledge support and makes it possible to get an expert opinion via a chat function. Weekly pictures of the wound show progress and encourage to continue the learned wound care practices”, continues Markus.

First initiated in Sweden, then introduced in Finland and now also in the Netherlands and other countries, the Wound Care programme both improves patient outcomes by healing process and reduce the total cost of care by decreasing the use of resources. In Finland, a study validated by Nordic Health Care Group shows that the Wound Care programme has reduced the wound nursing time per week from 122 minutes to 24 minutes, a decrease of about 80%. The total direct wound care costs (salary, product and travelling cost) has also been reduced by 80%, from 72.68 Euro to 14.21 Euro by week per patient.

● Before implementation
● After implementation

As the Wound Care programme reduces the healing time for chronic wounds, it also reduces the need for personnel, material and transport required in the healing process. The antibiotics use decrease by 76% when wounds can be treated faster and in the correct manner without need for antibiotics.



INITIATIVES

Website support on diabetes care

Diabetesexperts.nl is a website service for patients with diabetes, provided by one of Asker's subsidiary in the Netherlands. It provides the patient with information on different products, a knowledge base, experts and educational videos. It makes the patient well prepared to talk to their healthcare professional. This also saves time for the healthcare professional and brings mutual understanding to a higher level.

"I use Diabetesexperts.nl with regularity. Patients often have a lot of questions about pump therapy. On the one hand, there is a group that possibly wants to start with an insulin pump. They are curious about the possibilities and want to investigate whether it is something for them. On the other hand, there are patients who may choose a new pump after four years. They want to know what's new on the market and whether there are systems that better suit their needs," says Sijda Groen, diabetes nurse at the Albert Schweitzer Hospital in Dordrecht.

The result of the service is smarter self-management, therapy compliance, better glucose regulation and ultimately a higher quality of life.

"Our service aim to support diabetes patients with information to make the right decisions together with their doctor and nurse", says Pieter-Jan Jongeling, Business Area Manager Central.

"New insulin pumps, glucose sensors and advanced integrated applications are being introduced in quick succession. Diabetesexperts.nl keeps track of developments and brings all relevant knowledge and expertise together in one place", continues Pieter-Jan.

Thanks to our medical-technical expertise and international network, we have an overview of the total supply of current and future technology. Diabetesexperts.nl makes our knowledge accessible and available to everyone. The web service offers a complete assortment of quality products and value-adding services and solutions that puts the patient in the center. In addition, we also personally share our knowledge through special diabetes service consultations. Diabetesexperts.nl has a positive impact on the overall quality of diabetes care and the well-being of people with diabetes in particular.



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. By requiring our suppliers to adhere to high internationally proclaimed standards, we can also promote fair work conditions and decent salaries throughout our supply chain. Topics in this area are material since our most salient risks from a social sustainability perspective relate to the sourcing of products in countries where there is a risk of human and labour rights violations. Implementing a responsible sourcing strategy allows us to mitigate this by evaluating suppliers and drive action.

Diversity and equal opportunity

During the year, Asker has worked in a number of ways to increase diversity. By embracing our strong values, we promote meaningful and developing work and promote a diverse and inclusive culture independent of gender, age, disability, religion or belief and racial or ethnic origin. We have raised the gender ratio (women/men) in the Asker Management Team to 38%/62% (14%/86%), and in the Board of Directors to 25%/75% (14%/86%). Overall, there is a current ratio of 55% women to 45% men at Asker.

In 2021, we started with a Group-wide employee survey with a high response rate. The result showed a 72% employee satisfaction and Employee Net Promo-

ter Score (eNPS) of 23 for Asker, which is considered good in comparison to cross-industry eNPS in EMEA (Bain Global Benchmark is 13 to 33).

A plan for diversity has previously been established and it includes a number of objectives; no harassment is accepted, that all leaders and employees have knowledge on how to act if harassment cases occur and that there should be no structural differences in levels of pay between gender. It also address the right to parental leave and conditions connected. The plan will be updated during 2022.

We have a decentralised structure where dedicated employees and local management forms the base for our business growth.

“Diversity is not about how we differ. Diversity is about embracing one another’s uniqueness.”

KERSTIN MJÖMARK, HEAD OF HR,
ASKER HEALTHCARE GROUP

Human Rights

We have a responsibility that the products we sell are of high quality, produced under good labour and environmental conditions and that ultimately, we safeguard human rights within our supply chains.

From a labour rights perspective, the highest risk areas are related to the factories we source from. By being clear about our expectations and processes we not only lower risks, but we also build strong, long-lasting partnerships with our suppliers. All these processes are driven by our responsible sourcing programme, which is based on the OECD Responsible Business Conduct Six-Step Framework. The activities which are a part of Asker's responsible sourcing programme are developed and implemented by the ESG Team.

Supplier Code of Conduct

The Asker Supply Chain Code of Conduct (Code) sets our expectations for our business and for our business partners.

Asker companies must incorporate responsible business conduct expectations into their business relationships. They can do it in their purchase agreements and/or by requesting their suppliers to sign the Code. Our Code is based on the guidelines set by the ILO Conventions, the UN Universal Declaration of Human Rights, and the UN Global Compact: Suppliers who sign the Code commit to the expectations set by these frameworks, as well as any other specific requirements in our Code.

We expect all Asker companies as well as their suppliers and partners to respect and safeguard people, society and the environment. That includes implementing management processes and controls defining how risks or potential adverse impacts in our supply chains should be addressed. The process is managed by the following key activities:

1. Mapping supply chains
2. Assessing risks and impacts
3. Managing, mitigating, and eliminating risks and impacts
4. Monitoring
5. Investigation and remediation



Supplier Assessment

Asker engages with suppliers to improve value chain conditions in a number of ways. This includes contractual requirements, self-assessment questionnaires and assessments according to standards such as SA 8000. Our goal is to have 100% visibility of the suppliers that sell products directly to us. We have a solid process in place to achieve that for the manufacturers of our own brands. All new suppliers of own brand products are evaluated as per the requirements of our ISO 13485:2016 certified quality management system which include a systematic screening of multiple qualification criteria such as quality, labour and human rights, and environmental. Via contract requirements we ensure that our branded suppliers have the same process in place for their manufacturers. We collect information, such as names, location, and ownership, on each manufacturing unit in our supply chain. We do not approve any manufacturing unit producing products for us without prior approval. Approval is only given if all the information has been provided. We are working to improve visibility of the suppliers throughout the supply chain. For example, for raw materials where we have identified a higher risk of adverse impact.

Assessments of risks and impacts

Countries in our supply chain ranked as high-risk in either the Amfori-BSCI Countries Risk Classification or Transparency International's Corruptions Perceptions Index must go through our assessment process. Our goal is to identify the types of severity and likelihood of specific risks, including labour and human rights risks, environmental and corruption risks, that we need to be aware of per sourcing country. Regarding environmental risks, our suppliers of nitrile and latex examination gloves present the most significant risk of potential negative impact on the environment, such as risks of polluted wastewater discharge or hazardous chemical spillage. All of them are maintaining ISO 14001 certified environmental management systems and have established adequate processes and facilities to mitigate such risks. The majority of our private label suppliers and agencies with operations in high-risk countries have taken part in our human rights risk assessment.

We also conduct risk assessments for certain products that external stakeholders regard as high-risk, in some very specific cases our knowledge of a country's risk profile is such that we need to undertake a full risk assessment before deciding whether to

pursue business opportunities. Conducting this risk assessment periodically allows us to identify salient issues in our supply chains on which we should prioritize our efforts. In 2021, we have decided to focus more specifically on two salient issues based on such overall risk picture, beyond the regular monitoring of our active suppliers. One of these risks was the risk of bonded labour for migrant workers employed in our Malaysian supply chain of medical gloves. The second was the risk of forced labour further down the value chain of our medical products made from cotton.

Managing potential risks and negative impacts

Full cooperation with our risk and impact management, mitigation and elimination is mandatory and forms part of our contractual requirements with suppliers. These activities apply to any supplier identified to be manufacturing in a high or medium risk country or producing a high or medium risk product. As a first step, suppliers provide information on their business via a self-assessment questionnaire. This is followed by an on-site factory audit, where either our own team or a specialized third-party service provider performs an assessment to evaluate whether there are deviations against the Asker Supply Chain Code of Conduct.

Social assessments are also delivered against standards, such as the SA8000 Framework or BSCI methodologies. Supplier ratings are made known to suppliers and we work together with them to develop and implement a corrective action plan to remedy any non-compliances. If there are non-compliance of a critical nature, we disengage, and look for a new supplier that can meet our expectations. Between 2013 and 2021, our own auditors conducted 180 social com-

First level private label supplier audit

KPIs	2019	2020	2021
Absolute number of active Tier 1 PVL suppliers audited in past 24 months	16	18	19
Total number of active Tier 1 PVL suppliers	23	27	26
% active Tier 1 PVL suppliers audited in past 24 months (KPI)	70%	66%	73%
Total number of Tier 1 PVL supplier audits conducted in the past 24 months*	29	27	19
Total number of audits conducted in the past 24 months**	42	38	30

Tier 1 PVL supplier = first level private label supplier

* A same supplier can have more than 1 site and one same site can be audited more than once in a 24 month period

** Can include potential suppliers not qualified after the audit or branded suppliers

pliance audits in Asia. In 2021, all assessed suppliers were rated as “Satisfactory” or “Very Good, compared with 63% in 2020.

Most of our audits conducted by dedicated and specialized employees of Asker’s own Asian sourcing office in Shanghai, which allow for a more effective dialogue, implementation and follow-up of improvements activities at our suppliers (often including capability building through trainings of our suppliers’ key staff). We also work with third party audit companies to conduct similar audits in countries where we do not have any specialized own staff like Malaysia, Vietnam or India.

After becoming aware of the risks of forced labour related to migrant workers employed in manufacturing in South-East Asia, we started engaging with key suppliers in our Malaysian gloves supply chain in 2015 to address these risks. This led us to discontinue cooperation with suppliers who did not meet our standards and to concentrate our purchases and efforts with fewer manufacturers willing to work with us on tackling these issues. Those efforts led to concrete improvements (such as the construction of a new dormitory in conformity with the highest international standards) and actions (such as the decision from key suppliers not to recruit any workers from Bangladesh at the time when exorbitant recruitment fees were in practice in that country). To ensure that we fully deliver on the “zero recruitment fee” commitment agreed upon with our major Glove manufacturers, Asker decided to rely on the expertise and capabilities of the Responsible Business Alliance (RBA), being the first Medtech company to become a member of the Responsible Labor Initiative (RLI) in Q1 2021. The RLI is a multi-industry, multi-stakeholder initiative focused on ensuring that the rights of workers vulnerable to forced labour in global supply chains are consistently respected and promoted. With the RBA’s support, we

have arranged a thorough assessment of our major Gloves manufacturers fully focused on evaluating recruitment fees eventually paid by their migrant workers, with the aim to secure that they would be paid back in full and to eliminate and remediate any potential occurrence of debt bondage. As a part of our supplier on boarding process, we will now also systematically conduct SVAP audits (focused on risks of forced labour) with the RBA prior to qualifying any new gloves supplier from Malaysia.

Monitoring

We have a risk management database which we use to monitor our supply chain. Specifically, this database tracks supplier audits and audit scores, improvements over time and suppliers we phase-out or disengage from. This database supports our drive to push our suppliers to continuously improve conditions in our supply chain over time. Where we identify or are made aware of cases that require interventions that go beyond our existing risk management processes, we launch investigations and, where necessary, take further actions to remediate.

Initiatives 2021

Our audit office in Asia audited 15 out of our 26 active own brand product suppliers on-site during 2021, despite their limited options to travel during the ongoing pandemic. In 2021, we performed new supplier assessment on suppliers in Cambodia & Bangladesh and evaluated the country risk as well as carried out on-site audits of the facilities. During the year, we also inspected production facilities on site and conducted third-party audits in Malaysia where we have our main suppliers for medical gloves. We are currently working on strengthening the assessment of environmental risk in the supply chain. We have initiated methods of carbon emission tracking and ISO 14001 to evaluate main risks on water and pollution.

Current Focus Area/Theme

- Develop a Group policy on Responsible Business Conduct to supplement our Code of Conduct and Supply Chain Code of Conduct in embedding responsible business conduct into our management systems.
- Forced labour in cotton supply chains.
- Bonded labour in our Malaysian supply chain of medical gloves.

2022 ambition to action

- Implement our policies and practices across Asker (including new acquisitions).
- Implement audits at key suppliers of own brand products for our newly acquired companies.
- Initiate GHG Emissions Accounting Audits at our key private label suppliers.
- 90% of the purchased volume to be assessed against Asker Supplier Code of Conduct. On-site audits to be prioritized based on risk assessment.

INITIATIVES

Increasing traceability of cotton

In 2021, Asker performed a detailed assessment of the supply chain for cotton based on the global identified risks of forced labour in the cotton supply chain for clothes and furniture.

Considering our limited visibility into the labour conditions in the process of picking, spinning and weaving cotton for our private label products, we decided to pause our manufacturing of cotton products until we had put a more robust process in place for the traceability, from the origin of the cotton lint to the finished products.

We engaged with our direct suppliers and manufacturers of cotton products and performed external audits at three production sites in order to secure that there was no forced labour. We also engaged an external party that audited the suppliers of our suppliers (spinning and weaving) to secure no forced labour throughout the supply chain. In order to secure the first step of the process, cotton harvest, and reduce the risk of sourcing fiber from high-risk origins, we engaged in a pilot of the YESS initiative to learn best practices to implement at the stages of the spinning and weaving and to ensure that we have a stronger due diligence process in place. In 2021, we were the only MedTech company participating in the pilot of the YESS initiative, a programme developed by the Responsible

Sourcing Network to tackle the risk of forced labour in the supply chains of cotton products which is based on a due diligence methodology applying the principles of the OECD Guidelines for Responsible Business Conduct.

“Our commodity risk assessment for cotton products, updated in 2021, showed that we had limited visibility into the labour conditions at the suppliers of our suppliers, so we had to implement a solid traceability process to be able to capture the second and third step of the supply chain. Cotton is a commodity with high-risk on human rights since it is still a manual process to harvest it in many places. It is also a fungible commodity, making it challenging to secure that it was harvested in a low-risk country of origin. In 2021, we looked into new potential manufacturers of cotton producers in Portugal, India & Turkey. We are also looking into new test technologies enabling to verify the origin of the fiber in finished or semi-finished products,” says Julien Rolland, Group Sustainability Director.



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 from 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. The same goes for waste as well as phasing out harmful substances. Topics in this focus area are material since with distribution being among our core activities, we have a large carbon footprint and in turn an adverse impact on the environment.

Emissions from value chain

Our climate strategy consists of measuring our emissions and developing mitigation initiatives that address the areas where we have the largest negative impact.

During the last couple of years, our emissions reduction initiatives in the value chain have mainly centered around the transportation of goods where the Asker organizations have made good progress towards optimized transport efficiency and fossil-free deliveries. Moving forward, we aim to focus more on the product related emissions as we know that these contribute most to our footprint (see pages 46-47).

Initiatives 2021 and ambitions for 2022

2021 achievements

Implemented initiatives to reduce emissions from outbound transportation in the Nordics, including:

- Increased the number of delivery lanes with 100% HVO100 biofuel
- Optimized transport carton fill rate
- Reduced return deliveries due to wrong addresses

Reduced inbound air freights from Asia (-86% emissions reduction versus 2020)

2022 ambition to action

Screen emissions in our value chain:

- Spend-based analysis of our product footprint
- Deep dive into main emitters by carrying out LCAs for high-volume products
- Conduct ISO14064 / GHG Protocol audits at our own brand suppliers and help them build capabilities to track their emissions

Implement initiatives to reduce Scope 3 emissions from products (product design, supply chain design, etc.)

Carbon emissions generated in Asker's value chain



Less than 1% of the emissions from the product life cycle originates from Asker's direct operations, while 60% of the emissions are related to raw material and production, 6% is from transport and 34% from burning the waste. Asker therefore has the greatest impact on emissions by influencing production at manufacturers, raw materials choice and support waste practices among customers.



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 contributes to reducing environmental impact, we hope to inspire and lead the change towards more sustainable healthcare. Primarily this refers to our private label medical supplies. This initiative is an important part of Asker Healthcare Group's ambition to reduce the carbon footprint attributable to our products by 20%.

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

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



INITIATIVES

Choosing green buildings

Asker's ambition is to choose green buildings when moving to new premises. A good example is the recent acquired company EvivaMed, a B2B trading company in medical devices in Europe. Their head office and warehouse in Germany is built with respect to nature and sustainability. Both heating and electricity are almost completely self-sufficient.

The electricity supply comes from solar cells on the building's roof and the energy comes from a biofuel heating system supplied by a local farmer. Moreover, there are charging points for electric and hybrid cars and EvivaMed only uses cardboard boxes produced in a Co₂-neutral way (recycled).

"All EvivaMed's employees are proud that we can decrease our carbon footprint by using renewable energy

from our own solar cells and increase energy efficiency. For most of the year this makes us self-sufficient." says Christian Edenharder, Commercial Manager Evivamed.

"EvivaMed's green building concept is leading the way to more sustainable and energy efficient choices of warehouses and office buildings for the entire Asker Healthcare Group", says Magnus Alsterind, Asker's Business Area Director DACH.



Harmful substances

At Asker, one of the materials that we are seeking to phase out is polyvinyl chloride, commonly known as PVC. This is a versatile material widely used in the medical industry. It currently accounts for about 40% of all plastics-based medical devices used in hospitals.

PVC is also often used in combination with plasticizers which can leach out of products and have adverse effects on human health and the environment. We are considering avoiding PVC and phthalates altogether by switching to alternative plastics for medical devices. This is ultimately the only way to avoid health and environmental problems. Our evercare® inLine product portfolio offers a full range of PVC-free infusion and injection products.

Partner with leading suppliers

We also partner with industry leading suppliers to influence the development of PVC-free alternatives in more products. One example is the progress we have made together with ICU Medical. They have a strong focus on sustainability issues and have, over the past 4-5 years, actively been working on minimizing waste in the medical field. One of their most successful initiatives has been realized by transitioning to multikits for oncology and infusion products, substantially reducing the packaging material and hence, unnecessary waste. The partnership is two-ways, where Asker also provides sustainability insights to ICU Medical.



Asker's private label assortment consists of medical supplies such as gloves, aprons and infusion sets.

Waste from value chain

Asker is working on reducing waste in the supply chain through several on-going important activities that decreases our waste year by year.

Guide for medical examination gloves

Our glove range consists of products that will meet the many different needs within healthcare, from simple gloves for low-risk use to advanced, sterile gloves for surgical procedures. The glove guide is an education method that we have introduced in order to help the customers use the right glove for the occasion. By using the right glove, waste can be significantly reduced since a thinner glove in most cases fulfills the customer's needs. To reduce emissions in the value chain we conduct a life cycle analysis on gloves and measure CO₂ emissions per glove. By making the gloves from recycled material and reusing gloves, we can reduce waste for gloves by up to 7%.

New purpose for damaged products

High quality medical products and supplies that are out of date or have been damaged can still fulfil a purpose. For that reason, our company Scandivet, educators in animal's health around the world, drives a project supporting Veterinarians Without Borders by donating products that would otherwise have been disposed of as waste. In poor and vulnerable areas, the health of a family's goat can be crucial, and dogs can be trained in searching for mines to save people's lives. By providing local veterinarians with lifesaving equipment we are not only reducing waste but also supporting the local communities.

Introducing macerators

We are introducing macerators to our customers such as hospitals, private clinics, nursing homes, retirement homes and rehabilitation centres. It is a product with the function to break down recycled paper products into tiny particles and dispose of them directly into the waste system. Thus, reducing the need for land-fill, shortening cycle times while reducing water and electricity consumption, as well as cost and waste. Macerators also helps redefining infection control by preventing dangerous multi-resistance bacteria to spread. They also save clinicians' time and increase productivity by removing the need for the cleaning of reusable items.

Smart order

We are increasingly working on empowering customers to make sustainable choices by providing them with the necessary tools. In 2021, we implemented a smart order system which encourages our customers to trade wisely by making their next order a Smart Order. It saves time, reduces material consumption, optimizes transport, provides security in a delivery and is kind to the environment. The system automatically recommends a smarter order quantity that corresponds to the original package sizes. The ambition is to optimize the degree of filling in the trucks from the warehouse and to reuse packaging, which is also cost-effective.

Ascan – a digital tool

Many institutions with warehouse and logistics have significant efficiency potential when it comes to warehouse management. Asker's digital tool Ascan is a warehouse registration system that simplifies and optimizes material ordering. It automates the customer's order process, which is both time and cost effective, at the same time it reduces carbon footprint. It analyses possible shortcomings of product handling via transactions and thus Ascan has a positive climate impact since it minimizes waste of packaging materials and products by providing the correct inventory volume and make sure the customer order the right package size and quantity.

Increasing utilisation of containers

The "Buyers Console" consists of external warehouses close to the harbor, within the country where the manufacturing takes place. Products are stored locally and then packed into mixed customized containers for direct shipment to customers in Europe. It allows us to maximize the number of products in each container and fill containers, saving costs and reducing emissions. A clear win-win for our manufacturers, customers and the environment.



FOCUS AREA

A Bigger Care for Transparency & Ethics

OUR AMBITION:

All the employees at Asker are educated and certified in our Code of Conduct.

By implementing a strong ethical code and promoting transparency throughout our value chain, we develop a high ethical business standard, and by embedding this approach in everything we do, we believe we can lead the way towards a sustainable healthcare. Topics in this area is material since Taking Responsibility is one of our values and we work for ethical and sustainable solutions.

Asker Healthcare Group and its companies are providing medical supplies, devices and equipment to thousands of healthcare providers through Europe and therefore have a high societal impact as well as exposure to high cyber risk. Patient information and other sensitive data are stored on Asker's own network. The privacy of our patients as well as the safety of our products are on the top of our agenda.

Anti-Corruption

Our Code of Conduct (the 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 behaviour and provides guidance for how we are expected to act.

The Code covers topics ranging from inclusion and responsible business conduct to climate change mitigation actions and anti-bribery and corruption. The Code serves as a compass for taking decisions in our daily operations.

The Code applies to all companies at Asker as well as our suppliers, covering the following areas:

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

Training

Asker provided a global e-learning Code of Conduct training to employees in the Group covering all areas in the Code, including anti-fraud, anti-bribery and anti-corruption training and information about the whistleblower service. In 2021, more than 95% of the employees had signed the Asker Code of Conduct - either through the e-Learning or manually. 866 employees had taken the e-learning, corresponding to 95,1% of all employees with a corporate e-mail account, or 63% of the total workforce (75% if excluding employees of the companies that joined Asker in 2021).

Managers have a responsibility to communicate and demonstrate the principles and spirit of the Code in their own teams and organisations. Managers have the additional duty to ensure that those who directly report to them understand what Asker expects from them and what they can expect from Asker. All Asker employees have an ongoing responsibility to ensure their behavior is in accordance with this Code and its spirit.

Whistleblowing

An internal and external alert whistleblowing process has been established for the Asker Healthcare Group which is accessible to all employees as well as our external parties. Our employees and stakeholders can anonymously report suspected irregularities or failures to comply with external and internal rules or regulations online through the WhistleB channel: www.report.whistleb.com/asker.

Assessment

In 2020, we conducted an assessment to identify areas where Asker is most exposed to fraud, bribery and corruption risks. The assessment showed that our highest risks are in the supply chain, since the majority of our operations are performed in geographical areas where fraud, bribery and corruption are more frequent in business than in our geographical sales markets. We performed an anti-corruption training to all employees in 2020 to increase awareness and understanding of these risks and ensure that they have the right tools to be able to discover and report in case they encounter anti-fraud, bribery or corruption in their daily work.

Information security

Asker's IT resources are essential to its business. Asker recognizes that the disciplines for confidentiality, integrity and availability in information security management must be integral parts of Asker's management structure to maintain its business continuity and legal compliance.

The information security policy is the primary security policy under which all other associated policies, guidelines and procedures exist. The policy applies to all employees without exception, both permanent employees and persons who work temporarily for Asker. Company information must be protected based on its sensitivity. Sensitive or strategic information that an investor would consider important in relation to the performance

of the company is defined as confidential information. This can be found within Asker's IT resources, including but not limited to documents, data, systems, networks, computing assets, and cloud services.

The cyber threat landscape is becoming increasingly sophisticated. In 2020, we took a number of actions to handle specific challenges in cybersecurity that occurred in the wake of the pandemic. In order to ensure availability of our services and protect assets, we take a holistic approach to cyber security and work at various levels to identify, protect and respond to cyber threats. In 2020, we established an IT Security Committee comprising a member of Asker's Executive Management Team, the IT Director, the IT Security Specialist and Asker's Data Protection Officer to ensure that our cyber response process and decision making remain appropriate in the context of our cyber threat landscape. Risk awareness training and proactive communication to all Asker's employees are important parts of the security work. IT-systems and applications, networks and devices are systematically tested for vulnerabilities and monitored to detect any deviant behaviour. During 2021, there were 225 confirmed information security incidents of which three cases involved potential sensitive data.

Upholding the right to data privacy

The right to a privacy is a basic human right. We work to meet the demands of the EU General Data Protection Regulation (GDPR), which came into force in May 2018. This work is overseen by a committee comprising a member of Asker's Executive Management Team, who is advised by Asker's Data Protection Officer. During the year, several activities were undertaken to increase internal knowledge of the Data Protection Regulation across all countries we operate in. Data privacy will remain on our roadmap and likely become even more relevant going forward as we move into an even more digitalized society.

OUR VALUES



**Caring for
customer**



**Passion for
improvement**



**Taking
responsibility**

ESG management

Asker has a central ESG Team that works in close cooperation with locally appointed ESG representatives in Asker's 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.

During the year, the ESG governance system has been updated and developed. The changes include appointing a Group Head of ESG, incorporating ESG in the management forums and including ESG KPIs in the incentive system. ESG are discussed on the operational leadership meetings and on the monthly Management Team meetings. The Head of ESG is part of Asker's Management Team.

Incentives for sustainability

To ensure focus on the implementation of the ESG-strategy, we have tied business and sustainability together through incentives. The goals and KPIs are supported by clear incentives that are set by the Board each year. The most important KPIs, Level 1 KPIs, are included in the bonus programme for selected managers at Asker from 2022. Included KPIs are regarding CO₂ emissions, Asker quality management standard and training in the Code of Conduct. Asker has two other sets of KPIs. Level 2 KPIs provides management with a high-level overview of the progress within the defined focus areas while Level 3 KPIs are indicators Asker must track and disclose in accordance with GRI, our owners' or rating agencies' requirements.

Sustainability at Asker Business School

Internal training of ESG topics, such as the Code of Conduct, are covered in the Asker Business School. This is also where Management Teams and all new colleagues of new Group companies are introduced to Asker and our purpose, core values, vision, mission and way forward. A Code of Conduct certification through an e-learning module is mandatory for all employees. The essence of the knowledge shared in Asker Business School is also gathered in a book entitled "Health in Progress", which is available for both the public and all employees.

Aligning new companies

The large number of standards and certifications that Asker has, support the implementation of ESG in the organisation. These are applied over time to the acquired companies that joins Asker Healthcare Group, which helps these new companies to be a part of Asker ESG management system. This is to ensure that all companies that are part of Asker share the same ethical values, work towards reducing our impact on the climate and take steps to uphold the highest standard when it comes to social compliance across our supply chains.

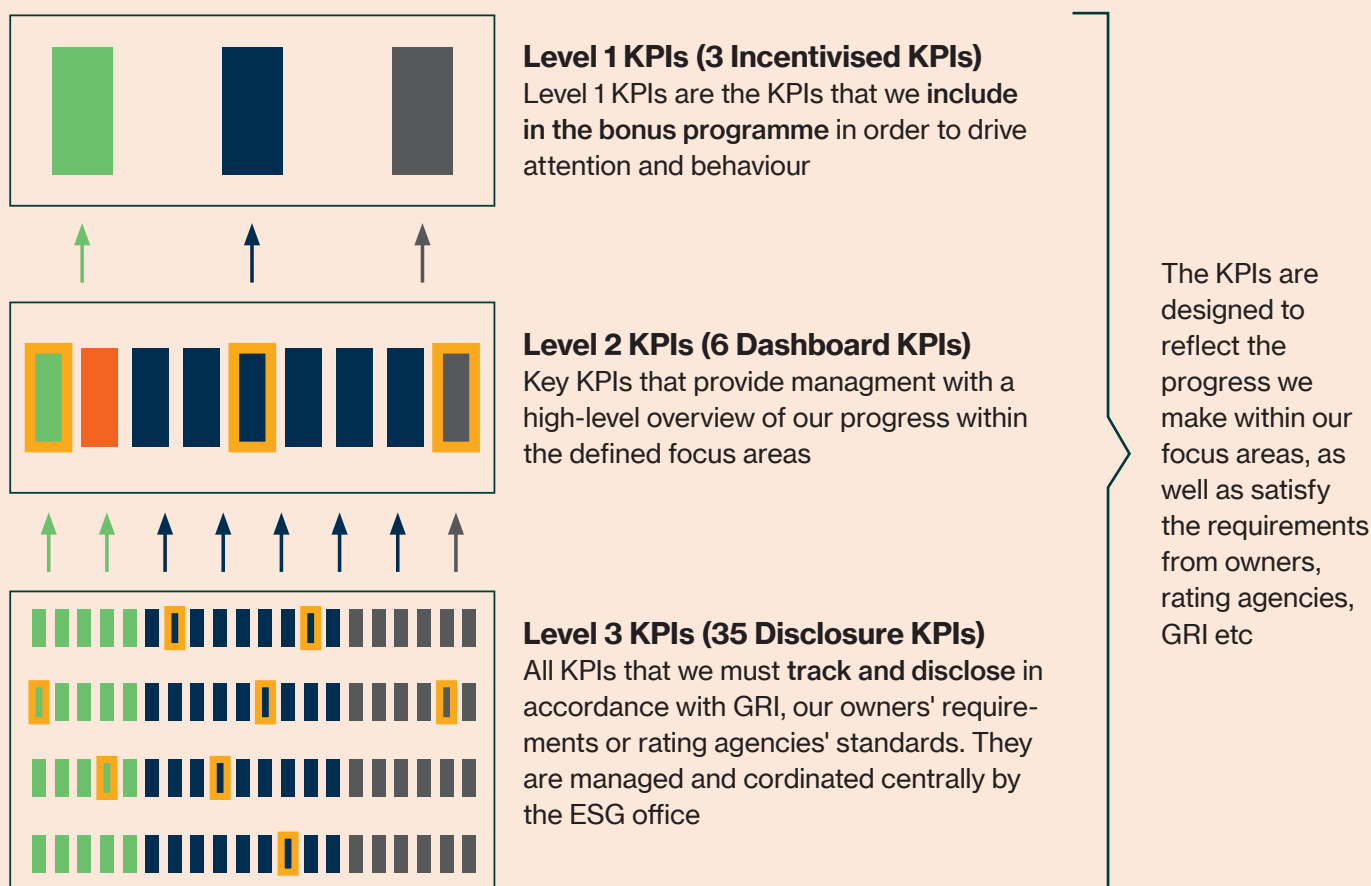
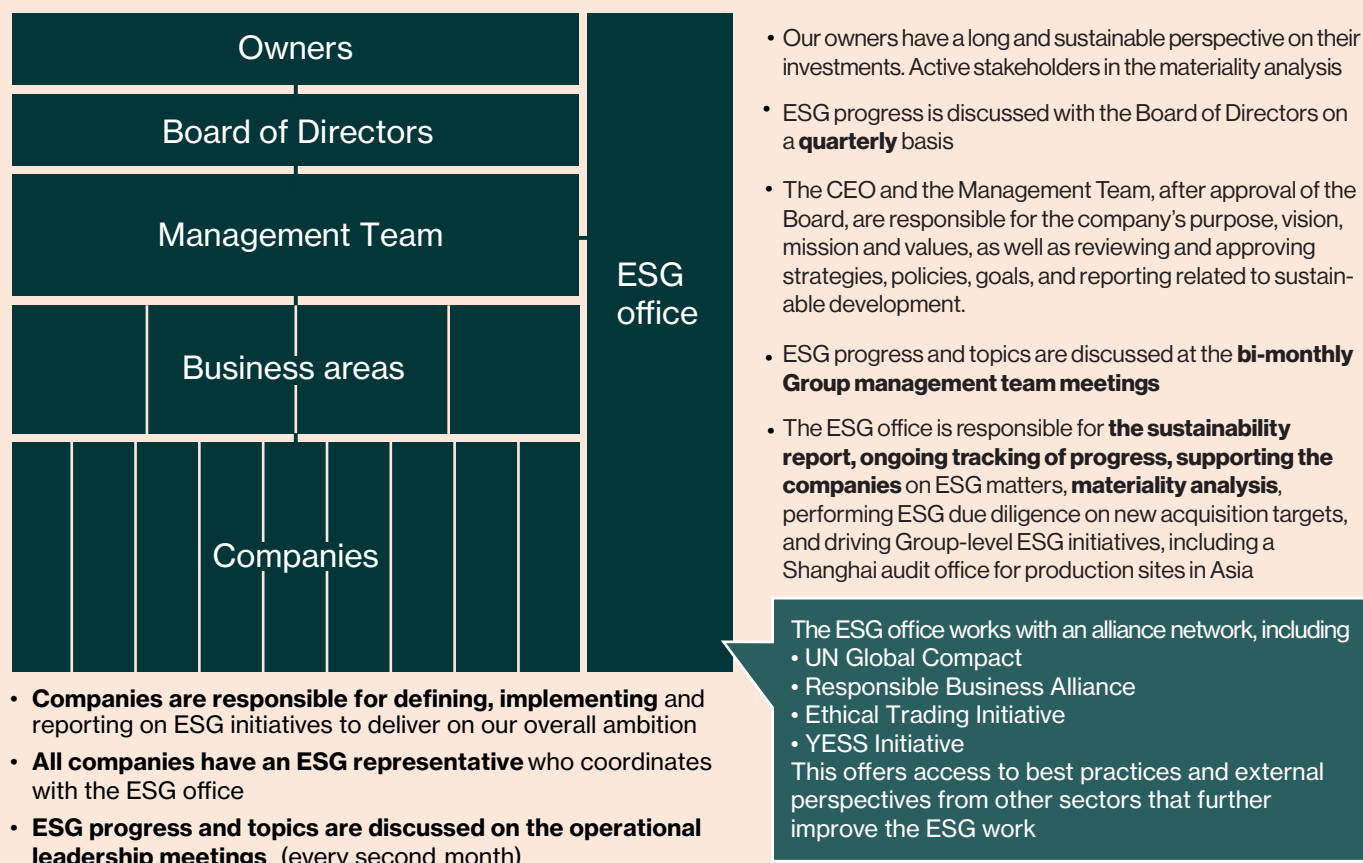
Communication drive change

Communication of ESG is important to drive change internally and externally. This is the way we show customers, consumers, our own employees and other stakeholders what we are doing to drive progress and what our ambitions are. We communicate the challenges, the ambitions and the progress within sustainability, not only through our sustainability report but also as an integrated part of the communication around the commercial offering.

Asker Group policies that will be implemented and/or updated during 2022

- Code of Conduct
- Supplier Code of Conduct
- Risk management policy
- Information policy
- IT policy
- Treasury policy
- HR policy
- Finance policy
- Environmental policy

How ESG is incorporated in our organisation and way of working



Managing ESG risks

Among the overall risks assessed in Asker Enterprise Risk Management Process (ERMP), there are several risks connected to ESG such as human rights, climate, corruption and transition risks. These risks are addressed periodically at management and board meetings as part of the official agenda.

Asker Healthcare Group has established a framework for enterprise risk management in order to regularly identify, analyze and assess strategic, external, business, operational, treasury and funding related risks. Risk management is an integrated part of Asker's business planning process and monitoring of business performance. The framework is adapted to the prevailing industry and market conditions in which Asker operates, the company's business and operating model, compliance with laws and ordinances and financial reporting.

Ethics risks

Ethical and governance breaches refers to risks related to social interactions, human rights controversies and environmental impact as well as compliance breaches with for example the Code and other internal steering documents. In "Ethical and governance breaches" one of the major risks are related to corruption. We have mitigation actions in place to strengthen policies and guidelines while updating internal controls. Employees have gone through a Code of Conduct training and a corruption and anti-bribery training, and we have a whistle-blowing channel available to all employees and external partners.

Reputational risks

Reputational risks are risks that may severely impact the perception of Asker and therefore have a negative effect on Asker's business and our owners. Asker's reputation is affected by the business decisions and the direction and strategy Asker decides to pursue including non-compliance with regulations and Group

policies. Failures by other companies in the industry may also impact Asker's brand and operations negatively, regardless of whether Asker has similar procedures or not.

Human Rights risks

The human rights risks are handled in several ways, including evaluating and managing human rights related risks through supplier social assessments coupled with corrective action.

Climate risks

Climate risks in the supply chain are handled in cooperation with carriers in order to find alternative transportation routes and adjusting stock levels in case of disrupting weather. We also work on projects to increase efficiency and reduce fuel consumption and drive the conversion from fossil vehicles to electrical vehicles and hybrids.

Transition risk

Another risk area is structural changes in relation to customers and suppliers. It includes changing customer behaviour due to climate change and other changing needs among stakeholders connected to climate change. Asker tries to mitigate by having a constant dialogue with key customers to stay on top of new developments. These transition risks are highlighted in new emerging regulation, such as the TCFD initiative. This new regulation is followed closely by Asker and will during 2022 be further integrated in the risk framework and the ESG strategy.

ESG assessment of acquisitions

Asker acquires several companies every year, it is important for us to make a thorough ESG assessment of the potential acquisition targets already in the due diligence process.

We evaluate for example, if the company follows-up on yearly KPIs to track their environmental and social performance; if they have a Code of Conduct for their employees and suppliers; and if a solid Enterprise Risk Management is in place. IT-security, along with a growing legal need to safeguard customer and consumer information privacy and comply to GDPR requirements, are other important areas that we evaluate in the due diligence phase.

Consequently, we are assessing risk based on the market that the company or the company's suppliers operates in according to the Amfor-BSCI Countries Risk Classification or Transparency International's Corruptions Perceptions Index. We aim to identify the types of severity and likelihood of specific risks, including labour and human rights, environmental and corruption. In case of any gaps during the DD, we build a solid gap analysis and action plan with resources and time schedule required to close these gaps.



Corporate Governance

Corporate governance ensures that Asker Healthcare Group is managed as sustainably, responsibly and efficiently as possible in the interests of the shareholders. It defines the decision-making systems and structures and how rights and responsibilities are divided throughout Asker.

Corporate governance structure

The parent company of the Group is Asker Healthcare Group AB (the Company), with a registered office in Danderyd, Sweden. As a Swedish private limited company, the Company is subject to a variety of external rules that affect its corporate governance, such as Swedish Companies Act, as well as accounting legislation including the Swedish Bookkeeping Act and Annual Accounts Act. In addition, to ensure compliance with legal and regulatory requirements and the high standards that Asker sets for itself, Asker has adopted internal rules to govern, as well as processes for monitoring compliance. The governance structure is established by Asker's Board of Directors and Group Management Team and contains mandatory policies and procedures, as well as non-mandatory guidelines for all the companies at Asker. The documents are updated on a regular basis to reflect new regulations and requirements. They define how Asker's operations are run, controlled and organized. These governance documents are the base for Asker's decentralized organization and are available to all Business Areas. Key governing documents are:

- Articles of Association
- Procedural Rules for the Board and its Committees
- Instructions for the CEO
- Group steering documents (Group policies, procedures and guidelines)
- Asker's Code of Conduct

General Meetings of shareholders

The General Meeting is Asker's highest decision-making body and it is where shareholders exercise their decision-making rights. At the Annual General Me-

eting (AGM), the shareholders decide on key issues, such as adoption of income statements and balance sheets, dividend, composition of the Board, discharging the members of the Board and Asker's CEO from liability and election of external auditors. Asker's financial year is from January 1 to December 31, and the AGM is to be held within six months of the end of the financial year. Notices of shareholders' meetings are issued by regular mail or email no earlier than six weeks and no later than two weeks prior to the meeting.

Board of Directors

According to the Articles of Association, the Board, with regard to members elected by shareholders at a General Meeting, shall consist of 1 – 10 board members and no more than five deputy board members. The Board has the overall responsibility for Asker's organizational structure and management, and the Board's main duty is to safeguard the interests of the Company and the shareholders. The Board thus makes decisions regarding Asker's strategy, annual reports, investments and divestments, appointment of the CEO, and matters concerning the organizational structure of Asker. The Board of Directors also reviews and approves Asker's sustainability report. The Chairman leads the Board in its work and has regular contact with the CEO in order to stay informed about Asker's activities and development. Neither the Chairman nor any other members of the Board are senior executives at Asker. The members of the Board are Swedish Citizens. During 2021, Asker held 10 board meetings where all ordinary members were present in all meetings.

The Board's committees

The Board is ultimately responsible for the organization of Asker and the management of Asker's operations. This responsibility cannot be delegated but the Board may appoint committees to do preparatory work and explore certain issues in preparation for decisions by the Board. The Board has formed two committees to provide structure, improve efficiency and ensure the quality of its work: (i) Audit Committee and (ii) Remuneration Committee. Both committees act independently and if an external advisor or expert is used, the committees ensure that there is no conflict of interests.

The main task of the Audit Committee is to assist the Board in overseeing the financial reporting, reporting procedures and accounting principles, and to monitor the auditing of the accounts for the Company and the Group. The committee also evaluates the quality of Asker's reporting and risk management, and reviews the reports and opinions of Asker's external auditors. The committee monitors the external auditors' assessment of their impartiality and independence, and that there are routines in place stipulating which non-audit services they provide to the Company and the Group. The committee also monitors compliance with the rules on auditor rotation. The external auditors are present at committee meetings. The main task of the Remuneration Committee is to prepare recommendations for decisions by the Board on the appointment or dismissal of Asker's CEO, including salary and other remuneration, and Management Team. The

committee prepares recommendations for decisions by the Board on incentive programs and examines the outcomes of variable remuneration components.

External auditors

According to the Articles of Association, the Company shall have one or two auditors and not more than two deputy auditors or a registered public accounting firm. At the AGM 2021, Ernst & Young Aktiebolag was re-elected as external auditor, until the close of the AGM 2022. Authorized Public Accountant Stefan Andersson Berglund is the auditor in charge.

Asker's CEO and Management Team

Asker's CEO is appointed by the Board and runs the Company and the Group in accordance with the instructions adopted by the Board. The CEO is responsible for the day-to-day management of the operations of the Company and the Group and is supported by the other members of Asker's Management Team.

Reporting on personal data breaches and whistleblowing cases

Asker has set-up internal routines and a DPO-organization to handle reporting on personal data breaches to the Supervisory Authority in accordance with the legal requirements. Asker has also implemented an external channel for reporting on whistleblowing cases, which is further described on page 34. During 2021, there was no cases reported in the whistleblowing channel.

Composition of the Board of Directors

In 2021, the Board consisted of 6* members, with 2 deputies.

Board member	Elected (year)	Audit Committee	Remuneration Committee	Independent in relation to the Company and GLT	Independent in relation to major shareholders
Håkan Björklund	2019	No	Yes	Yes	Yes
Vidar Andersch	2019	No	Yes	Yes	No
Nina Linander	2021	Yes	No	Yes	Yes
Martin Lagerblad	2021	No	No	Yes	No
Richard Silén	2019	Yes	Yes	Yes	No
Birgitta Stymne Göransson	2020	No	No	Yes	Yes
Anders Nyman (deputy)	2019	Yes	No	Yes	No
Niklas Rohdin (deputy)	2019	No	No	Yes	No

*The sixth member was elected at the extraordinary shareholders meeting in December 23, 2021.

Our progress

Our KPIs are designed to reflect the progress we make within our focus areas. We have both long term and short term ambitions for the Level 1 and Level 2 KPIs that we track quarterly and/or yearly. In case we see that the KPIs are moving in the wrong direction, we analyse the underlying reasons and put an action plan in place to ensure that we move in the direction that we want.

4 Level 1 KPIs	2019	2020	2021	Ambition 2030
% of companies ISO 9001 or 13485 certified	>30%	>30%	>30%	Asker Management Standard
% of Management Teams trained in and acknowledged Asker Management Standard*	N/A	N/A	N/A	100%
Scope 1 and scope 2 (market-based) emissions per SEK m revenue	0.35	0.19	0.18	Carbon Neutral
% of employees trained in and acknowledged Code of Conduct	>95%	>95%	>95%	>95%

6 Level 2 KPIs	2019	2020	2021	Ambition 2030
% of companies actively measuring customer satisfaction	25%	25%	25%	100%
Scope 3 emissions per SEK m revenue**	1.50	2.05	0.63	20% reduction in CO ₂ e per SEK m revenue versus 2019 baseline
% active Tier 1 PVL suppliers audited in past 24 months	70%	66%	73%	>90%
Injury incident rate (per 1,000,000 hours)	N/A	3.31	6.84	0
Employee engagement score (eNPS)	N/A	N/A	23	35
% Female / Male ratio in Management Team	14% / 86%	14% / 86%	38% / 62%	40-60% balance

* Will be launched in 2022.

** 2021 Scope 3 emissions do not include data from QRS, Astomed, outbound Norway (Schenker) and outbound Baltics (DSV). Big difference between 2020 and 2021 data can be explained by high emissions from air freight in 2020 (approx. 7,300 tCO₂e).

More than 30% of the Asker companies are already ISO certified according to ISO 9001 and ISO 13485. For scope 1 and scope 2 we see improvements in 2021 versus 2020 due to our continuous efforts in switching to renewable energy sources and for scope 3 we had a significant intensity reduction in emissions since we reduced the air shipments of personal protective equipment in 2021. It has been difficult to

audit our private label suppliers on site over the last 24 months due to on-site visit restrictions related to the pandemic. The injury incident increased in 2021 mainly due to the fact that there was a high sick-leave during the pandemic and many temporary employees in our warehouse operations. We improved the gender equality in the management team to 38/62.

Additional disclosures

Employees

Employees by country as well as age and gender distribution cover all branded companies in the Asker Healthcare Group. It is based on the company's own reporting for the month December 2021 in Asker's reporting tool. It does not include employees on long-term leave (more than 6 weeks). The KPIs on absenteeism, accidents and changes in workforce do not include the companies acquired in 2021 (EvivaMed, DIASHOP, Stöpler, ZiboCare, Med4Trade, FysioSupplies, Pharma Dynamic, Gymo, Iogen, Swemed). These companies will start reporting these KPIs during 2022. Information related to 'Age and gender distribution' and 'Employees by country' was retrieved from Asker's reporting tool. Whereas the data related to Sick-leave, Changes in workforce and Reports and Code of Conduct signed was provided by the local HR Managers. The number of Lost-Time Accidents was provided by the Supply Chain department. The numbers are reported in head count and at the end of the reporting year.

Performance and competence development are key focus areas at Asker. All employees receive on the job training specific to their work advancement, and new employees participate in an introductory training. 93% of the employees have received performance and career development reviews.

In all countries where we operate we fulfill the mandatory social security and health insurance requirements. When we operate in countries where we identify that the medical coverage from public healthcare and social insurance could be insufficient (e.g.: China, India, Malaysia), we provide additional medical insurance for our employees. About 30% of the employees are covered by collective bargaining agreements, and 11% of the employees are covered by formally-elected employee representatives. 43% of the employees are covered by formal collective agreements concerning working conditions, and 30% of the employees are represented in formal joint management-worker health & safety committees. We

are currently following up with the companies that do not have a collective bargaining agreement in place to determine their working conditions and terms of employment.

Occupational Health & Safety

We strive to ensure all Asker employees and workers enjoy a healthy and safe workplace. This goes for our own staff as well as people who are not directly employed by a company within Asker, but who perform work on our behalf. 86% of the warehouses we operate have done a health and safety risk assessment. We have identified that the highest risk for occupational accidents or injury is at our warehouses because of their dynamic environments with many objects, machinery and moving parts. To manage this, we put health & safety on top of the agenda and drive continuous improvements based on our experiences. In addition to transparent communication on health and safety management and training of employees, we put a lot of emphasis on preventative actions. A key control measure is tracking and learning from incidents. By eliminating potential hazards, we mitigate the risk of similar events turning into accidents at a later stage. When accidents do occur, we perform an analysis to understand how the accident happened and how it can be avoided in the future. An accident is an event not intentional but results in a personal injury or damage. A lost time accident is an accident at the workplace that results in an employee being absent from the work for at least one day.

The total sick leave during 2021 was 5.5% (3.9%), while short term sick leave was 2.4% (1.8%) and long-term sick leave was 3.1% (2.1%). One main reason behind the increased sick leave in 2021, was the ongoing pandemic. At times, there were major spread of the virus among the employees and their families. The number of lost time accidents in 2021 were 11, which was an increase compared to 2020 when 5 accidents occurred. It is an increase, but on a low level overall. The accidents were of low severity and there have been no serious accidents. The increase is related

Headcount by country	2021			2020			2019		
	Number	%Female	%Male	Number	%Female	%Male	Number	%Female	%Male
Netherlands	408	57%	43%	282	63%	37%	217	72%	28%
Sweden	364	44%	56%	339	46%	54%	298	45%	55%
Germany	216	76%	24%						
Finland	94	59%	41%	85	60%	40%	77	57%	43%
Denmark	90	57%	43%	60	43%	57%	62	56%	44%
Norway	89	38%	62%	72	49%	51%	54	45%	54%
Switzerland	39	46%	54%						
Belgium	30	30%	70%						
Estonia	12	67%	33%	13	77%	23%	13	77%	23%
China	7	57%	43%	6	50%	50%	5	60%	40%
Lithuania	6	100%	0%	6	100%	0%	6	100%	0%
Luxembourg	5	80%	20%						
Latvia	4	75%	25%	4	75%	25%	5	80%	20%
Malaysia	2	50%	50%	2	50%	50%	1	100%	0%
India	1	0%	100%	1	0%	100%	2	50%	50%
Total	1,367	55%	45%	870	54%	46%	739	56%	44%

Age and gender distribution	2021			2020			2019		
	Number	%Female	%Male	Number	%Female	%Male	Number	%Female	%Male
Board of Directors	8	25%	75%	7	14%	86%	9	0%	100%
<30	0			0	0%	100%	1	0%	100%
30-50	5	0%	100%	5	0%	100%	7	0%	100%
>50	3	67%	33%	2	50%	50%	1	0%	100%
Management Team	8	38%	62%	7	14%	86%	7	14%	86%
<30	0			0	0%	0%	0	0%	0%
30-50	7	43%	57%	5	20%	80%	5	20%	80%
>50	1	0%	100%	2	0%	100%	2	0%	100%
Other employees	1,359	55%	45%	863	54%	46%	732	57%	43%
<30	226	58%	42%	154	55%	45%	180	56%	44%
30-50	372	56%	44%	486	54%	46%	381	56%	44%
>50	769	54%	46%	223	54%	46%	171	60%	40%
Total	1,367	55%	45%	870	54%	46%	739	56%	44%

Absenteeism	2021	2020	2019
Sweden	6.8%	4.6%	4.7%
Netherlands	6.3%	3.4%	4.8%
Norway	5.2%	6.9%	8.2%
Switzerland	3.7%	N/A	N/A
Denmark	3.4%	2.0%	2.3%
Finland	2.2%	2.4%	1.5%
China	0.5%	1.7%	2.0%
Baltics	0.2%	0.4%	1.9%
Avarage	5.5%	3.9%	4.4%

Changes in workforce	2021	2020	2019
New hires	217	147	202
New hires %	16%	17%	27%
Voluntary turnover %	11%	9%	18%

Accidents*	2021	2020	2019
Number of Lost-Time Accidents	11	5	3
Injury incident rate	6.84	3.31	N/A
Lost time injury severity	0.01	0.005	N/A

* 2020 and 2019 includes lost-time accidents only from the warehouses while in 2021 it includes all employees.

to a higher number of temporary workers replacing the workers that were on sick leave due to Covid-19. We have also improved our tracking processes for accidents this year to make sure that we capture also minor accidents which have resulted in more recorded accidents that might not have been recorded previous years.

The rate of new hires was 16% during 2021, and the voluntary turnover was 11%. This was slight decrease compared to 2020 when the voluntary turnover was 9%. The voluntary turnover was high in the Netherlands, Switzerland and Sweden in 2021. For the Netherlands labour demand outweighs supply and big companies in the Eindhoven area compete with higher benefits. OneMed NL is performing a survey to ensure that they stay competitive in the market.

During the year there were two cases of harassment in the organisation that were of a nature that needed action taken by local HR.

Employment contract and rate 2021**	Permanent, %	Temporary, %	Full-time, %	Part-time, %	Grand Total
Benelux	62%	38%	49%	51%	443
Female	59%	41%	27%	73%	246
Male	66%	34%	76%	24%	197
Sweden	95%	5%	99%	1%	365
Female	97%	3%	98%	2%	162
Male	93%	7%	100%	0%	203
Germany	98%	2%	61%	39%	216
Female	98%	2%	51%	49%	165
Male	98%	2%	92%	8%	51
Finland	100%	0%	99%	1%	93
Female	100%	0%	98%	2%	54
Male	100%	0%	100%	0%	39
Denmark	90%	10%	87%	13%	90
Female	92%	8%	86%	14%	51
Male	87%	13%	87%	13%	39
Norway	99%	1%	100%	0%	89
Female	100%	0%	100%	0%	34
Male	98%	2%	100%	0%	55
Switzerland	100%	0%	87%	13%	39
Female	100%	0%	78%	22%	18
Male	100%	0%	95%	5%	21
Baltics	100%	0%	100%	0%	22
Female	100%	0%	100%	0%	17
Male	100%	0%	100%	0%	5
China	100%	0%	100%	0%	7
Female	100%	0%	100%	0%	4
Male	100%	0%	100%	0%	3
Malaysia	100%	0%	100%	0%	2
Female	100%	0%	100%	0%	1
Male	100%	0%	100%	0%	1
India	100%	0%	100%	0%	1
Female	0%	0%	0%	0%	0
Male	100%	0%	100%	0%	1
Total	85%	15%	66%	34%	1,367

**Based on headcount

Environment

For the environmental KPIs, we have included all Asker portfolio companies that were acquired before 2021 and have more than 10 FTEs.

Emissions from own operations

Asker's emissions are measured for Scope 1, 2 and partly for Scope 3. In order to ensure that our carbon accounting follows the requirements from the Greenhouse Gas Protocol, we engaged with Stakeholder Reporting. In 2021, they conducted a review of our Scope 1 & 2 carbon accounting methodology and helped us correct the baseline for 2019-2020. In 2022 they will support us with improving our accounting of Scope 3 emissions including additional categories accounting for a major part of our footprint:

- Purchased Goods and Services (Category 1)
- Fuel- and Energy-Related Activities Not included in Scope 1 or 2 (Category 3)
- Employee Commuting (Category 7)
- Use of Sold Products (Category 11)

For Scope 1, we included the emissions from company cars, stationary heating (where applicable) and own fleet for the transportation of goods (only applicable for OneMed NL). In Scope 2 we accounted for the emissions from electricity and district heating consumption at the offices and warehouses. Our Scope 2 accounting shows both the location based and market-based figures as per the GHG Protocol Scope 2 Guidance. We refined our calculation methodology using the most up to date emission factors. For this, we used emission factors from the UK Department for Business, Energy & Industrial Strategy (BEIS, formerly known as DEFRA) for Scope 1 and district heating. Market-based emissions from electricity consumption were calculated with supplier specific emission rates. If no supplier specific data was available, we used the EU residual mix factors as published by the Association of Issuing Bodies (AIB). The location-based figures were calculated using the emission factors from the International Energy Agency.

Concerning our Scope 3 emissions, we covered the categories 'Transportation and Distribution (Category 4 in the GHG protocol) and 'Business Travel (Category 6 in the GHG Protocol)'. As for the Business Travels, we included the emissions from the business flights, which were provided by the local travel agencies (for the larger companies) or calculated via the ICAO Carbon Emissions Calculator (for the smaller

ones). As for the Transportation and Distribution, we collected tailored emissions reports from our carriers for the distribution that we commission ourselves, including both inbound (mainly from our own brand products), our intercompany transport and all outbound from our warehouses to the customers. Emissions from inbound commissioned by our suppliers were not included. Whenever possible, we tried to directly receive the emissions data in CO₂ equivalents to avoid conversion. When the data was provided to us in a different format, we used estimates and conversion factors from the IPCC or the EEA to convert CO₂ to CO₂e.

Reducing our emissions

During 2021, we have continued working on reducing our emissions. This included emissions directly caused by us, such as those from company cars and our internal energy use, as well as the emissions that we contributed to with our outsourced distribution and business travel. Moreover, rather than evaluating our performance in this area in absolute terms, we have chosen to evaluate it relative to our yearly Net Sales so as to account for increased emissions caused by growth and acquisitions. During 2021, our absolute emissions for scope 1 and 2 (market-based) was 1,608 tons CO₂e versus 1,454 tons CO₂e in 2019. In 2020 the emissions were exceptionally low at 1,356 tons CO₂e due to the reduced traveling by car during the pandemic.

For the scope 1 emissions we are increasingly implementing car policies to favour electric or hybrid cars as well as encouraging employees to use renewable diesel. For example, in Sweden we have implemented a car policy that requires employees to choose between a hybrid or electric car.

For the scope 2 emissions, which consist of electricity and heating consumption at our offices and warehouses, we are taking steps to become increasingly energy self-sufficient through solar panels and other renewable energy sources. Scope 2 is calculated using both the market-based method, reflecting the emissions from electricity of Asker's choice, and the location-based method, reflecting the average emissions intensity of grids.

Energy

Our energy consumption comprises the electricity and heating at offices and warehouses. The data was provided by either the HR Manager, Supply Chain department or Business Controller – depending on

the country. In 2021, an estimated 87% (80.5%) of our energy consumption came from renewables, of which 77% (78%) through green energy contracts and 9.5% (2.5%) through self-generated electricity (solar).

Waste from own operations

We started measuring the waste usage in the Group in 2020. The presented data has been gathered and analysed by the ESG Team and provided by the local Supply Chain departments, who, in turn, received it from our waste management partners. This section only includes operational waste from Asker (i.e., the waste that we generate at our warehouses). This section does not include the waste generated from the product manufacturing process nor waste pertaining to product disposal. The waste from the Baltic and Dutch markets has been excluded as a result of incongruous data.

We are currently looking into how to add circularity measures in our own operations, such as replacing carton boxes by reusable trays for the transportation of goods. We will investigate this, as well as other projects during 2022.

Biodiversity

Our own-brand products based on timber raw material which our companies import on the EU market comply with requirements of the EU Timber Regulation: we have established a timber due diligence system which includes a risk assessment of the species used based on reputed sources such as the IUCN Red List of Threatened Species.

Emissions overview market-based* (metric tons CO ₂ e)	Categories	2021	2020	2019
Scope 1	Company cars & stationary combustion	839	750	866
Scope 2	Energy consumption	769	606	588
Scope 3**	Business travel, transportation and distribution	5,596	14,362	5,676
Total		7,204	15,718	7,637

Emissions overview location-based* (metric tons CO ₂ e)	Categories	2021	2020	2019
Scope 1	Company cars & stationary combustion	839	750	866
Scope 2	Energy consumption	847	658	596
Scope 3**	Business travel, transportation and distribution	5,596	14,362	5,676
Total		7,282	15,770	7,645

*As a result of the Scope 1 and 2 baseline update, our 2019 Scope 1 emissions increased by 20% and our Scope 2 emissions by 43% (market-based) and 45% (location-based). For 2020, our Scope 1 emissions decreased 13% and Scope 2 emissions increased 31% (market-based) and 42% (location-based).

** 2021 Scope 3 emissions do not include data from QRS, Astomed, outbound Norway (Schenker) and outbound Baltics (DSV). Big difference between 2020 and 2021 data can be explained by high emissions from air freight in 2020 (approx. 7,300 tCO₂e).

Energy consumption (MWh)	2021	2020	2019
Electricity	4,223	4,167	3,441
District heating	3,208	2,292	1,944
Stationary heating (natural gas)	1,007	343	43
Total	8,438	6,803	5,427

The increase in natural gas consumption can be explained by the addition of a new big warehouse in the Netherlands (33,065 m² of extra warehouse space that needs to be heated).

Water consumption	2021	2020	2019
m ³ water consumed	3,351	4,661	N/A

Waste from own operations (metric tons)	2021***	2020	2019
Recycled	746	701	N/A
Landfilled	19	20	N/A
Energy recovered	38	37	N/A
Hazardous	28	3	N/A
Total	1,617	761	N/A

***Since all companies are not able to split up their waste in sub-categories, the total waste is higher than the sum of the sub-categories.

Financials

During 2021, Asker has acquired eleven companies which impacts comparability between the years. The data presented in this overview is a simplified version of the consolidated financial statements from Asker Healthcare Group AB's Annual Report for the Financial Year 2021 (January 1, 2021 – December 31, 2021) publicly available at bolagsverket.se/.

Tax

All companies in Asker Healthcare Group pay taxes in the countries where they operate according to the requirements of local regulations.

Amounts in SEK m	2021	2020
Consolidated Income Statement		
Net Sales	9,354	7,075
EBITA	666	520
Financial items	- 54	- 149
Net profit or loss for the year	470	239
Consolidated Balance Sheet		
Total non-current assets	4,407	3,296
Total current assets	2,954	2,343
Total assets	7,361	5,639
Total equity	1,820	1,305
Total non-current liabilities	3,861	2,711
Total current liabilities	1,680	1,623
Total equity and liabilities	7,361	5,640
Consolidated Statement of cash flow		
Operating income from continuing operations	598	484
Cash flow before changes in operating capital	589	727
Cash flow current operations	382	594
Cash flow from investments operations	- 843	- 125
Cash flow from financial activities	619	- 269
Cash flow for the year	158	200
Cash and cash equivalents at year-end	494	333

GRI content index

Asker Healthcare Group's 2021 Sustainability Report has been prepared in accordance with the GRI Standards. The following index shows which GRI disclosures are reported as well as topics relevant for the Global Compact principles (UNGC), and where the information can be found.

Statement of use	Asker Healthcare Group has reported in accordance with the GRI Standards for the period from January 1, 2021 to December 31, 2021.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No applicable GRI Sector Standard

GRI STANDARD / OTHER SOURCES	DISCLOSURE	LOCATION	COMMENT	UNGC
GENERAL DISCLOSURES				
GRI 2: General Disclosures 2021	The organisation and its reporting practices			
	2-1 Organisational details	2, 4, 44		
	2-2 Entities included in the organisation's sustainability reporting	52		
	2-3 Reporting period, frequency and contact point	2	2 May 2022	
	2-4 Restatements of information	47	This is Asker Healthcare Group's first Sustainability Report.	
	2-5 External assurance		The report has not been externally assured.	
	Activities and workers			
	2-6 Activities, value chain and other business relationships	4, 8-9, 18		
	2-7 Employees	44-45, 52		
	2-8 Workers who are not employees		Information unavailable.	
	Governance			
	2-9 Governance structure and composition	40-41		
	2-10 Nomination and selection of the highest governance body	40-41		
	2-11 Chair of the highest governance body	41		
	2-12 Role of the highest governance body in overseeing the management of impacts	37		
	2-13 Delegation of responsibility for managing impacts	37		
	2-14 Role of the highest governance body in sustainability reporting	40	The sustainability report has been reviewed by the Board of Directors, but since the report is not integrated into the annual report an approval by the Board is not required.	
	2-15 Conflicts of interest	40		
	2-16 Communication of critical concerns	41		

GRI STANDARD / OTHER SOURCES	DISCLOSURE	LOCATION	COMMENT	UNGC
	2-17 Collective knowledge of the highest governance body	37		
	2-18 Evaluation of the performance of the highest governance body	40		
	2-19 Remuneration policies	36		
	2-20 Process to determine remuneration	41		
	2-21 Annual total compensation ratio		Confidentiality constraints.	
	Strategy, policies and practices			
	2-22 Statement on sustainable development strategy	6-7		
	2-23 Policy commitments	14, 23, 34, 36	The policies are not publicly available since they have not yet been approved by the Management Team and the Board of Directors. That will be done during 2022.	
	2-24 Embedding policy commitments	23, 34-37		
	2-25 Processes to remediate negative impacts	15		
	2-26 Mechanisms for seeking advice and raising concerns	34		
	2-27 Compliance with laws and regulations		No known cases of non-compliance in 2021.	
	2-28 Membership associations	14		
	Stakeholder engagement			
	2-29 Approach to stakeholder engagement	14-15		
	2-30 Collective bargaining agreements	41		3
MATERIAL TOPICS				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	16		
	3-2 List of material topics	16		
Anti-Corruption				10
GRI 3: Material Topics 2021	3-3 Management of material topics	10-11, 34-36, 38-39, 42		
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	35, 38		
	205-2 Communication and training about anti-corruption policies and procedures	23, 34, 36, 38, 42		
	205-3 Confirmed incidents of corruption and actions taken		No known incidents of corruption in 2021.	
Harmful substances				7, 8
GRI 3: Material Topics 2021	3-3 Management of material topics	10-11, 28, 31		
GRI 301: Materials 2016	Own disclosure		An own disclosure is under development and will be defined for the Sustainability Report 2022.	

GRI STANDARD / OTHER SOURCES	DISCLOSURE	LOCATION	COMMENT	UNGC
Emissions from supply chain				7, 8
GRI 3: Material Topics 2021	3-3 Management of material topics	10-11, 28-29, 42		
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	46-47		
Waste from supply chain				7, 8
GRI 3: Material Topics 2021	3-3 Management of material topics	10-11, 28, 32		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	32		
	306-2 Management of significant waste-related impacts	32, 47		
Supplier Assessment and Human Rights				1, 2, 4
GRI 3: Material Topics 2021	3-3 Management of material topics	10-11, 22-26, 39, 42		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		We have not developed any new suppliers in 2021.	
	308-2 Negative environmental impacts in the supply chain and actions take	24-25		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria		We have not developed any new suppliers in 2021.	
	414-2 Negative social impacts in the supply chain and actions taken	24-26		
Diversity and equal opportunity				6
GRI 3: Material Topics 2021	3-3 Management of material topics	10-11, 22, 42		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	44		
Patient health and product safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	10-11, 18-21		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	19		
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		No known cases of non-compliance in 2021.	
Information security				
GRI 3: Material Topics 2021	3-3 Management of material topics	32-33, 35		
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	35		

Reporting principles

The data reported pertains to the 2021 calendar year unless otherwise specified. The figures included comply with relevant reporting and consolidation principles in accordance with the principles in the financial statements. Companies that were acquired in 2021 receive a 1-year integration period during which they can set up all the necessary processes to start reporting. They are therefore exempted from reporting ESG data and are only included in the employee count and financial figures.

Companies with <10 employees have not reported any environmental KPIs as the reporting burden is significant and the relative impact on the numbers barely noticeable, except for the business flights from the Shanghai office which are included.

Employee data (head count, age, gender) has been compiled through the Group's financial system. All other ESG data has been collected manually.

Entities included in the sustainability report 2021:

Ascan
 Asker Healthcare Group AB
 Astomed
 Boseman**
 Boren Medical**
 DIASHOP*
 Diabstore**
 EvivaMed*
 FysioSupplies*
 Gymo*
 Iogen*
 Med4Trade*
 OneMed (in Sweden, Norway, Finland, Denmark, Estonia, Latvia, Lithuania)
 OneMed Services
 OneMed Products
 Pharma Dynamic*
 QRS
 Scandivet*
 Smedico
 Stöpler*
 Swemed*
 ZiboCare*

* Companies acquired during 2021.

** Part of OneMed B.V

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