ONEMED



Our Vision

(WHAT WE STRIVE FOR)

OneMed's vision is to be the European partner of choice for stakeholders in the healthcare sector, providing a comprehensive offering within medical supplies to caregivers and prescribers.

As a true value-added partner to the healthcare sector, OneMed contributes to improving patient outcomes and reducing the total cost of care. We strive to reduce our environmental impact and cooperate with our suppliers to improve working conditions throughout our supply chains.

Our Mission

(WHAT WE DO)



Our Values

(WHAT WE STAND FOR)



Caring for customer

We strive to exceed our customers' expectations and establish long-term reliable partnerships with customers and suppliers. We assign the highest priority to improving patient outcomes.



Passion for improvement

We challenge the way things are done, we explore new channels for developing ourselves and our business, we are creative and have an entrepreneurial spirit.



Taking responsibility

We aim to contribute to sustainability, we view ethics as an integral part of conducting business, we keep our promises and deliver on time, we respect our co-workers and motivate and inspire team members.

Lessen the environmental impact and ensure

fair working

conditions

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About this report



OneMed's sustainability report for 2020 summarizes our main achievements and challenges of the reporting year and describes how we manage social, ethical and environmental risks in our value chains. It is also a progress report that presents how our sustainability work is evolving over time.

This report covers all OneMed branded companies (see the full list on page 70) and is for the period from January 1, 2020 to December 31, 2020. This report has been prepared in accordance with the GRI Standards: Core option. As per the GRI reporting principles to define the content of the report, we engaged with relevant stakeholder groups, consisting of individuals and organizations that impact OneMed as well as those who are impacted by our activities, services or products. Their input formed the foundation for defining our material topics.

The stakeholder engagement was complemented by our social and environmental impact assessments, following which we developed an understanding of where to focus our sustainability efforts. Whenever relevant, we have provided additional information to contextualize our performance and help explain the decisions that we made as well as the challenges that we are still facing.

We additionally took steps to apply the GRI principles for reporting quality. 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. Whenever we deemed the data to be of insufficient quality, we excluded it from the report and described the underlying reason. With this report we would like to set the foundation for future GRI reporting at OneMed

that can be used to compare results over time and against other benchmark data. We therefore see it our responsibility to be consistent in when we publish our sustainability report as well as in the way we present our data. To support with the report, we commissioned Ernst & Young for an overall review of the report as well as Kumi Consulting for support with developing the responsible sourcing section.

By sharing this report, we continue our ongoing work of engaging in meaningful dialogue with our stakeholders and promoting a transparent process for steady improvement.

Should you have any questions about, or feedback on this report or OneMed's sustainability work in general, please feel free to email us at: *ESG@onemed.com*.



2020 was a special year in so many ways. For OneMed, it meant being closer to customers than ever before responding to the drastically accelerating demand for essential protective equipment, such as face masks and gloves, needed in Covid-19 pandemic. I'm pleased to note that this was a challenge that our operations proved ready for. We delivered on the urgent demand that arose in such a high speed and large volumes. At the same time we succeeded in keeping our working environment safe and healthy for our important employees.

Solving the short term pandemic supply crisis

I would like to take this opportunity to thank all the health care professionals and staff at hospitals and other healthcare institutions for their commitment and hard work. They have played the most significant part in saving lives and ensuring that our societies kept functioning during the Covid-19 pandemic.

As a trusted partner to the healthcare sector, our priority has been to ensure availability of the products and services needed for the care givers' emergency situation. The tremendous increase in demand combined with a limited global supply gave rise to some opportunistic behaviors in the market with counterfeit and substandard medical products. To navigate through this new complex situation, we quickly established a cross-functional task force team to keep healthcare supply chains strong, without compromising on quality or ethics. We strengthened our social sourcing policy

efforts and worked hard to integrate this through our group and our partners.

We partnered with competitors, colleagues, in our industry and the public authorities to solve the pandemic challenge. The cooperation with the Ministry of Health in the Netherlands is one good example, which you can read about in this report.

By applying advanced data analytics of historic buying patterns to control our digital order channels we managed to continuously safeguard the supplies to our customers.

As a result of managing these acute challenges, our greenhouse gas emission increased short-term due to extra need of airfreight. It is a notch in an otherwise positive reduction progress, and we still continued reducing the emissions for road transport relative to our Net Sales in 2020. Road transport is, under normal circumstances, our highest emission source. This achievement was possible due to close dialogue with our logistic partners.

A more sustainable and patient centric future

The healthcare industry is facing rising costs and inconsistent outcomes. Caregivers and payers are working hard to improve patient care and public health while reducing budgets. In addition, the medical supplies market is highly fragmented. Healthcare institutions must partner with a large number of companies to cover their need. We want to help streamline this process by serving the many companies' products at one table, so that the care givers will have more time and resources to focus on their core - to provide care.

We believe in transforming the community towards a more sustainable and patient- consumer-centric future. With a holistic view, we offer a wide range of products, value adding services, and solutions for improved outcomes. We are acquiring companies to expand our group. We are developing new brands when products are needed and demand is high. Some good examples are our PVC free infusion sets, sugar cane based bioplastic aprons and our accelerator-free nitrile examination gloves for sensitive hands. The Wound care program is another example, designed with image recognition and AI technology for individual treatment plans, resulting in faster healing times as well as decreased use of antibiotics.

We are innovative and use technology to constantly move forward, true to our mission of improving patient outcomes at a reduced total cost of care.

Our environmental and responsible sourcing program in addition to our ABC governance based on UN Global Compact ten principles, OECD conventions and ILO, lead the way to lessen our environmental impact, safeguard fair working conditions and business ethics. We have come far and our next step is to implement

an even more structured ESG Agenda throughout the group in 2021.

Sustainability is our business, we strive to fulfill the global goal of modern, efficient healthcare for everyone. The "more for less" challenge can be solved by value adding services for better outcomes and easier access for less cost, less complexity and with less time required by patient and caregiver.

Together we made it 2020

I want to thank all the employees in the group for their fantastic commitment in 2020. I'm energized by our reliable, creative and diverse workforce covering many geographies, a wide age span, equal gender split and different occupational groups working at several locations, remote or onsite to serve our customers.

Our onsite colleagues' work, in processing orders and keeping customer delivery operations running at all times, was exceptional. With the Covid-19 risk, safe and healthy working environment was of highest importance. I am pleased to note that we succeeded in our task, sick leaves even decreased during this challenging time.

With such a commitment from all employees, we have been able to continue our acquisition strategy adding several new companies to the group, that together with OneMed has strengthen our position in Europe further.



Johan Falk CEO

About OneMed



OneMed is a leading provider of medical supplies and solutions in Europe. We provide a complete assortment of products and services to different healthcare institutions in our countries of operation.

As from late 2020, we are present in, and serve 10 European markets with the ambition to further expand and become a pan-European organization that improves the lives of patients and lowers the cost of care across the continent. We will achieve this by becoming the European partner of choice for healthcare institutions and take away their burden of having to partner with many suppliers to get the medical products that they need. In addition, we will increasingly expand our value-adding services to further support care givers in their daily activities and become a true partner to the healthcare professionals.

We do recognize that, in pursuing our mission, we have a social and environmental impact that we need to manage properly, both internally and together with our partners. The latter is especially important given OneMed's asset-light business model where many of the operational activities are outsourced to third parties. It is for this reason that above all else, our sustainability approach is a collaborative one which relies on constant engagement with service providers, suppliers and customers.

In 2020, OneMed's revenue for the group amounted to 6.601 million SEK. OneMed is a limited liability company, owned by Nalka Invest, who are the majority owner, as well Sjätte AP-fonden and Ilmarinen as minority owners.





OneMed 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. OneMed is a member of the Ethical Trading Initiative (ETI) and the Responsible Labor Initiative (RLI).





The impact of healthcare



The importance of healthcare in our society cannot be overstated. Despite its vital role, the healthcare sector is facing major challenges ranging from growing need for care and increased regulations to staff shortages and tight budgets. As a result, care givers are forced to be more efficient with their resources, all the while maintaining their service levels and high-quality care.

On top of this, there are mounting concerns related to the social and environmental impacts of healthcare (from a climate change perspective alone, it is estimated that the global healthcare sector is responsible for 4.4% of worldwide net emissions¹). The climactic events of late (floods, forest wildfires, melting glaciers) have accelerated the general consensus that we need to take action and address these impacts now. This recognition has led to an increase in sustainability demands and requirements in the healthcare sector, which, while being a positive development, is also adding more – potentially conflicting – variables to an already complex equation.

Medical supplies play an important role in this; they are essential to healthcare professionals when treating patients, but also come with a large social and environmental impact as a result of their production, transportation and subsequent disposal. In the past, MedTech companies have paid little attention to these impacts and instead focused their efforts on patient outcomes.

After all, when it comes to saving lives, the safety and wellbeing of the patient in front of a caregiver is always the main priority.

While it is easy to ignore the social and environmental impact of medical products when they contribute to such a noble cause, their indispensable value to our society cannot be an excuse to neglect the externalities related to their life-cycle. It is for this reason that lessening the environmental impact and ensuring good working conditions across our value chains is a key tenet of OneMed's mission statement, along with improving patient outcome and reducing the total cost of care

Tackling these issues requires a holistic and systemic approach and cannot be addressed in isolation; conflicting aspects need to be understood and considered when working with sustainability in the MedTech industry.

¹Healthcare Without Harm, Health Care's Climate Footprint, 2019

A true partner to healthcare institutions throughout Europe



Up to the present day, the European medical supplies industry is highly fragmented and dominated by product companies with significant influence and power over products and price levels.

This situation is comparable to how the food industry operated 100 years ago with no supermarkets available. People had to visit the butcher for meat, the bakery for bread and the farmer for dairy products. Unfortunately it is still how most of the healthcare industry in Europe works today and healthcare institutions, such as hospitals and elderly homes, must partner with many product companies to get the products they need, taking away precious time and resources from what they really need to focus on: providing care.

This time and cost inefficient system is not working in the best interest of healthcare providers and their patients. At the same time, the global population is increasing and people tend to live longer as a result of better access to healthcare and new ways to prevent and treat diseases. Additional pressure on producers of medical supplies to use their resources in an efficient way, increases the need for support. We need to reshape the MedTech industry as we know it by shifting

the spotlight away from product companies and back to the customers.

We will seek to achieve this by consolidating our position as the modern provider of healthcare supplies and solutions. Through compounded organic growth and strategic acquisitions, we will restore the power balance between customers and suppliers and contribute to a system that puts the patient at the center. Through OneMed, healthcare providers will benefit from easy access to the medical supplies and solutions they need when they need them and at competitive costs.

As a true partner to the healthcare sector, we will not only offer a complete assortment of quality products and value-adding services and solutions; we will also keep aligning our operations with local market conditions by leveraging local expertise to ensure that we remain a relevant partner to the healthcare sector regardless of where we operate.





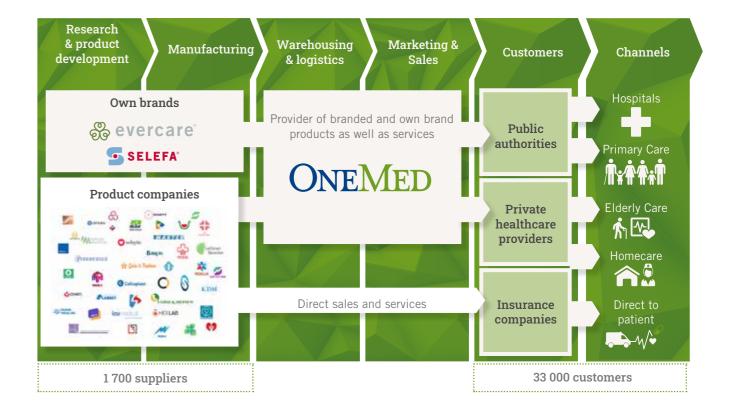
Our business model

OneMed was formed in 2006 from the merger of several Nordic companies with over 80 years of experience in medical supplies. Since then, we have developed a comprehensive range of services, support systems and medical supplies, and strive to provide our customers with a complete assortment of quality products.

Our product assortment covers a vast range of product categories, which are adopted to the needs of the local markets and the procuring authorities. On the one hand, these include medical products from leading brands and established product companies, which we distribute to the markets where we operate. On the other hand, we also have our own private label products (under our brands evercare® & SELEFA®) with which we seek to increase competitiveness across the industry and drive innovation.

In addition to our product portfolio of around 50.000 SKUs, we provide an array of value adding services and solutions to the healthcare sector. This includes product suggestions to ensure that customers use the best

products to improve patient outcomes in each specific case, educational programs for doctors and nurses, so that they can perform their work in a better way, as well as logistical management support solutions to ensure that products are always available when needed. We take a holistic approach to our products and services offering to make it easier for healthcare providers to focus on the care of patients.





The OneWound Program initiated by OneMed in Sweden is a good example of a solution that accomplishes our mission to 'Improve patient outcomes', 'Reduce total cost of care' and 'Lessen the environmental impact and ensure safe working conditions'. It also exemplifies how OneMed contributes to SDG3 "Good Health and Well-being".

Studies show that around two million people in Europe suffer from complex chronic wounds. Beyond the considerable suffering endured by each patient, these wounds consume 30-40% of nurses' time within the home care segment.

Wound care is a complex science, far from just applying a bandage on a wound. Each wound is different and can require a specific approach, based on the condition of the wound and the patient's characteristics. Treatment needs to change following the evolution of the wound. Combined with the vast offer of wound care products available on the market and the rapid evolution of product technology and clinical best practices, it is often a daunting task for healthcare professionals to select the right method and products to treat complex wounds. Unfortunately, wound care was never among the prestigious specialties of medicine and, for many years, was neglected. Knowledge transmission in this area is often lacking. Having worked with +7,000 nurses in six years, we have observed that healthcare professionals working with complex wounds struggle

finding answers to their questions - education and guidance in wound care is always high on their wish list.

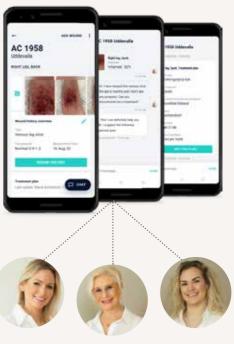
If not treated properly, complex wounds can often lead to worse outcomes, including amputation. As it is impossible for the untrained eye to distinguish an inflamed wound from an infected one, healthcare professionals tend to overuse antibiotics (even though only 4% of complex wounds are infected, hence require antibiotics). The overuse of antibiotics, which leads to the development of antibiotic-resistant bacteria, is frequently identified as a major threat to global health. Lack of knowledge also often leads to the use of sub-optimal products and changing dressings more frequently than necessary which not only comes with the inconvenience of wasting nursing staff resources (by requiring more frequent travels to the patient's home) but also wasting supplies (by using more products): this also lengthens the overall wound healing time when everyone's interest (starting from the patient) is to heal wounds as fast as possible.

First initiated in Sweden 6 years ago, the OneWound Program offers a comprehensive concept for chronic wound care that guarantees distinct and measurable results. By combining expert knowledge with the support of Artificial Intelligence technology and by keeping each patient at the center, our wound care program empowers nurses in their assessment of each wound, gives them a clear structure including all critical parameters in wound treatment (such as underlying diseases, circulatory status, patient status, time, etc.) and guides them in using the right products and performing dressing and bandage changes correctly when needed throughout the entire treatment.

Our model contributes to a change in work methodology, where we work closely with care units on a weekly basis during 4 months. Healthcare professionals engaging in our program become more confident in their decision making, allowing for a reduction in the use of antibiotics and in the frequency of their visits. This in turn leads to lowered emissions from less travelling, as well as reduced waste from fewer dressing changes (we estimate that our approach can reduce medical waste by 2/3). More important, this approach drastically reduces healing time and releases 40-80% of the time currently spent on wound care. These results have been proven repeatedly with different customers and from different starting points.

Digital workflow + human support

Combining A.I. technology and expert knowledge we guide nurses through the entire treatment.



OneMed wound care experts



Maria Käll, Healthcare Development Manager at OneMed Sweden, has a passion for healing complex wounds. She is behind the development of our Wound Care initiative:

-With our help, a municipality in western Sweden reduced its average healing time for chronic wounds from 10 months to 10 weeks. By tailoring treatment for each individual, the municipality improved their patients' quality of life and gave nurses more time to care for patients. The average treatment cost fell by 80%. This result is not an isolated occurrence – it reflects the type of results our customers typically achieve when they participate in our wound care initiative. Our experience has shown that it is entirely possible and we have come a long way in reducing the suffering that patients live with when their wounds do not heal.

Maria is also behind OneWound, a wound treatment digital app which uses A.I. technology to help health-

care professionals assess whether a wound is inflamed or infected. The app also works as a knowledge support and makes it possible to get an expert opinion via a chat function or by calling a nurse specialized in wound care. A materials library is available, where a nurse who feels unsure of how a product works can click on the product and get a short description.

-I think the app should be a safe hand to hold when you as a nurse are out with a patient. There is a great lack of knowledge among healthcare professionals as it is not possible to distinguish between inflammation and infection. This in turn leads to overuse of antibiotics.

From the app, it is also possible for unit managers to monitor statistics so that they can follow the development of wound treatment in their municipality or health center.

-We see, among other things, the frequency of dressing changes, so it is possible to check that the patient is

receiving the right treatment. It is important to manage nursing resources and to avoid making an unnecessary amount of changes when you can instead make one change with quality and get a shorter healing time.

Shorter healing time and reduced frequency of dressing changes do not only translate into cost savings, it also has a positive impact for the environment.

-The consequence will be reduced human resources. reduced travels and a greatly reduced environmental impact. Each dressing change requires to travel to the patient's home and generates a whole bag of medical waste. With our method, 2/3 of that waste can be eliminated.

Our Wound Care initiative is also a significant example of how we engage with our stakeholders.

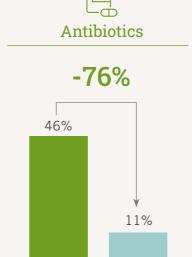
-By meeting the care givers in their everyday work, we have the opportunity to create value for the patients together with them and to share their joy when "celebrating successes". It can be gratefully stated that we work with a long-term goal together with nurses, doctors, assistant nurses to become part of the road towards a better treatment for our patients with difficult-to-heal wounds. Let this end with the fact that it is entirely possible, and we have come a long way to reduce the suffering that patients live with when their wounds do not heal.

The OneWound Program is now being rolled out in other OneMed countries.





Social benefit



Q&A

with Anna-Karin Brask

Unit Manager in Ale Municipality

Q: How has the OneWound program and app supported you in your work?

A: It has brought benefits for the patient and care provider. The program enables faster wound healing and better material use, saving both time and resources which we can spend on other things.

Q: How has the program changed the dynamics in your team?

A: It's really wonderful to see how the group has developed, what a difference it is in the competence and confidence. It is also reassuring to know that we are constantly keeping up with the development in wound care and getting the latest research and strategies thanks to OneMed's wound care

Q: How has the program changed patients' lives?

A: To give an example, for one patient who had problems with a hard-to-heal wound, the number of weekly dressing changes decreased; the wound started looking significantly better and is almost completely healed. He is content, and it is fantastic to be able to make such a difference.





Economic value for caregivers

Total cost savings over 10 OneWound programs* MSEK





Our offer includes over 900 evercare® and SELEFA® branded products in 33 different product groups. They are developed in-house and continuously improved based on our customers' needs, suggestions and ideas, always with our mission in mind to 'Improve patient outcomes', 'Reduce total cost of care' and 'Lessen the environmental impact and ensure safe working conditions.

This wide product assortment is developed by the Private Label organization, an agile, cross-functional team of specialists within the areas of Product Management, Quality & Regulatory, Graphic Design, Sourcing, Manufacturing, CSR, Marketing and Sales. Thanks to their special set of skills, expertise and product knowledge, this team contributed significantly to OneMed's Covid-19 effort in 2020 (see section 'Covid-19 response'). The majority of evercare® and SELEFA® products are CE-marked by OneMed Group Oy in Finland. We have established, documented, and implemented a process-based Quality Management System which we continuously maintain and improve to ensure its effectiveness and compliance with applicable regulations (this includes internal and external audits of the quality management system, management reviews, assessments of suppliers and corrective and preventive actions). The quality management system of OneMed Group Oy is certified as fulfilling ISO 13485:2016 and MDD 93/42/EEC and has been updated according to the new requirements of Regulation (EU) 2017/745 (MDR).

Our manufacturing and sourcing strategy for own brand products focuses on providing reliable and

quality, cost-effective products to our customers. Our geographically diverse contract-manufacturing and sourcing network supports our ability to deliver quality products at competitive prices. Consequently, we focus on maintaining a supply chain that reflects our core values and respect for quality, environment and social responsibility.

Corporate Social Responsibility is well embedded in our Private Label organization's culture. We carefully select our suppliers and work closely with them to ensure ethical production processes and improve working conditions throughout the value chain (see section 'Responsible Sourcing')." On product quality, we are committed to patient and user safety and providing products that meet or exceed the expectations of our customers. To help ensure our products are safe and effective, our suppliers must meet the requirements of our supplier quality management process, which includes an on-site qualification audit and monthly periodical performance monitoring, regular inspections at the production facilities and randomized tests. (see section 'Product Quality and Patient Safety').



From its early days in Sweden,
SELEFA® has become a household brand
in Nordic healthcare; it focuses mainly
on examination gloves, paper and plastic
consumables, bandages, compresses and
swabs



Some examples of value-adding products providing customers with a more sustainable option include:

1115015



evercare® inLine® infusion sets

with a FilterStop drip chamber which reduces the risk of air passing into the tube, hence the risk of air embolisms. These products are also 100% PVC-free, made in a polyolefin polymer safer both for patients and the environment. (see section 'Harmful Substances: Phasing out PVC').



SELEFA® Bosco Green apron

made from 70% sugar cane based bioplastic with a lower carbon footprint than classic fossil-based PE aprons.



evercare® accelerator-free nitrile examination gloves

Without sulfur-based chemical accelerators (thiurams, dithiocarbamates) to reduce the risk of occupational contact dermatitis in sensitive users.



evercare® inLine® urological sets

made from polyolefin polymer and among the first PVC-free urological sets on the market, thereby reducing the use of harmful substances.

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Delivering quality products

Our core quality activities secure that providing safe and quality products is a key pillar of our operations. We work with a 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 quality management system is based on international regulations such as the EU Medical Device Directive, REACH, and others, to ensure that all the products we sell comply with applicable regulatory requirements.

We strive to comply with and stay informed about regulations. 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 require-

ments of the new European Medical Device Regulation (MDR). Additional experienced staff were recruited in OneMed's Quality & Regulatory Team to support this transition and meet the new requirements when the new legislation enters 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.

For the development of our Private Label Products, evercare® and SELEFA®, we follow a process-based quality management system with established working methods and processes according to the medical device

industry standard ISO 13485:2016. Our products are developed according to a structured way of working, with a primary focus on patient risk and quality. Continuous improvements form the basis for the work on our quality system and we work continuously and proactively to follow up on the quality of all the products we place on the market. When potential product quality incidents happen, we work to respond promptly. Since

2012, we have our own organization in Shanghai that regularly conducts audits and follow-ups at the factories manufacturing our products, as well as product inspections before shipment.



Supplier quality and product integrity

Our supply chain focuses on supplier quality, production quality, quality of products delivered and the integrity of product packaging and containers. We highly value maintaining close relationships with our suppliers, which facilitates a quick resolution to identified product deviations in a controlled and safe way. Having local OneMed supplier quality management person-

nel at key locations in the world enables this.

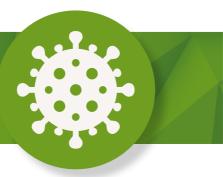
When shipping products, we ensure full traceability of our high quality products and we use containers and shipping methods that have been verified to maintain our product quality and safety. This helps preserve product integrity and prevent any quality issues.

We continuously monitor and strive to improve the quality of our products and services. One key control measure we use to follow up on this is the CPM (Complaints Per Million). In 2020 we improved our performance by lowering this incidence to 0.057 (versus 0.089 in 2019), staying well below our target of <0.1 CPM.





Covid-19 response



2020 has been a year unlike any other. When in January the news broke out of a coronavirus outbreak in Wuhan, and then spreading to the whole Hubei province and the rest of China, we first saw our Chinese colleagues facing lockdowns and tough restrictions from the Chinese government.

At that point, we still had hope that China's measures would allow to contain the virus and that life could go back to normal after a couple of weeks. Little did we know that this would become a pandemic of global proportions, unlike anything ever experienced before.

By mid-March, the coronavirus had spread to Europe and it quickly became clear that supplies of critical products were falling short and could not keep up with the enormous demand. In response, we quickly established a cross-functional task force team involving key personnel from the Group's Category & Sourcing Team, Supply Chain & Planning Team and Swedish Category Team in order to keep healthcare supply chains strong.

This foundation was additionally strengthened by the Sales Teams in the different OneMed countries who ensured that communication with key customers remained seamless.

The situation pushed us to be creative, think outside the box and find solutions within the boundaries of the Covid-19 restrictions. Many activities and projects that would, under normal circumstances, take place face-to-face and on-site, were now moved to a digital format. While this may have come with some benefits in the form of reduced traveling – saving time, cost and emissions – it also made some activities, including audits and warehousing, harder to carry out. However, with demand for medical supplies skyrocketing, we could not take our time in getting used to the situation.

In March and April, the tremendous increase in demand for products combined with a limited global supply (not only due to limited raw material and production capacity, but also to exports and logistics restrictions) gave rise to opportunistic behaviours and a market of counterfeit and substandard medical products. Many of our customers asked us then to help them screen offers they received and to review the documentation. This placed an additional workload and responsibility on our Sourcing and Category teams who had to be extra thorough to prevent fraudulent and substandard products from entering the market.

In the end, only very few of these offers turned out to be legitimate but they still had to be reviewed considering the dire need for products at the time.

In parallel, we kept engaging with our existing suppliers to restart production for OneMed, despite volatile price increases, temporary discontinuation of many product references, evolving exports restrictions and transportation hurdles. Given the strong demand and supply hurdles, we undertook a temporary rationalization of our product portfolio to help maximize output of the products most in need. We also developed new suppliers and added products to our assortment, which we managed to do while staying compliant with our standard control procedures (all the new suppliers were audited and qualified for both Quality and CSR) thanks to our colleagues in Asia. Despite speed and quality being the two priorities, we never compromised on our values.

All this was driven by an acute sense of urgency, purpose and common meaning: never before had we worked so closely with each other across countries and functions, all focusing on the same goal: providing healthcare professionals with the products they needed to protect themselves and care for their patients during the pandemic.

For many reasons the pandemic heightened the risk of PPE supplying companies (and often sole traders) to compromise on values as opportunities to charge well over acceptable margins arose from scarce supply and high demand for these products. OneMed's board and executive management team have been careful not to pursue short term profits at the expense of customers, but instead uphold our core values by conducting business fairly and responsibly, always ensuring that products were supplied wherever they were most needed.

Extra PPE supplied



+120 million evercare® facemasks (type IIR)



+170 million SELEFA® Nitrile gloves



+15 million evercare® protective gowns



+2,5 million liters of surface & hand disinfection

While the pandemic put a strain on our production capacity, forced us to explore new markets, develop new products and deliver them rapidly, we never indulged in skimping on the quality and selling as many products as possible to maximize earnings. In line with our vision to improve patient outcome, we always put product quality first to maintain the trust and support of our customers.





Protecting our people

Besides the responsibility towards our customers, we also had to ensure that our internal staff remained in good health and were not exposed to any unnecessary risks.

For most of the office employees, this meant working from home and shifting towards virtual meetings as much as possible. For employees who were not able to work from home or preferred working at the office, we took steps to secure a safe working environment. This was achieved by regularly disinfecting the office, setting up spacious working stations, putting disinfectants in common areas and providing employees with the possibility of measuring their temperatures. Moreover, as opposed to the office employees who in most cases had the option to work from home, our warehouse staff

had to be on-site to fulfil their vital role in keeping logistical processes going. To ensure their safety, we had to take additional measures in the form of markings on the floor, opening second canteens and taking breaks in smaller groups.

Investing in our employees' wellbeing

'When the Coronavirus arrived in the Netherlands and working remotely became the new normal, we directly recognized the need to adapt our existing vitality program and support employees setting up a healthy work environment at their homes. In addition to providing guidance on when to take breaks, go out for a walk and regular updates on the Covid-19 situation, we sent employees home plants to create an oxygen-rich working environment, gift-cards for healthy meals and home cinema tickets to take away some of the pressure caused by the pandemic.'



Looking out for employees' wellbeing is key in stressful times like these.

Marijke Meeuwesen - HR Manager OneMed Netherlands



Together we made it happen

To meet the demand for medical supplies during the pandemic, collaboration and solidarity were more important than ever.

It was only thanks to the collective efforts of different stakeholders that we managed to provide healthcare workers with the medical supplies they so desperately needed. Our efforts would have been in vain, were it not for our carriers who prioritized deliveries of medical supplies, our suppliers who went to great lengths providing us with the products that our customers quickly needed, or the support of local authorities who made it easier to register medical products to combat Covid-19.



Keeping the Dutch healthcare system strong during the pandemic

In March 2020, Pieter-Jan Jongeling and Mark van de Camp of OneMed Netherlands were invited to a meeting to discuss an overhaul of the national procurement of infection and prevention equipment in the Netherlands. Participants in this meeting comprised a selected group of hospitals, distributors and the management of the Ministry of Health who were looking for a solution to safeguard the protection of all the healthcare workers in the Netherlands. The outcome of the meeting resulted in an unconventional collaboration in which public and private (commercial) organizations joined forces in a national consortium.

The goal of the National Consortium was clear: to serve the interest of the Netherlands and keep the Dutch healthcare system from collapsing by ensuring the availability of personal protective equipment (e.g. facemasks and gloves) and medical devices of the right quality for all healthcare workers in the Netherlands.

In the following days all participants agreed to a partnership, and discussed the key principles of the collaboration, which entailed: full transparency, no eye on making profit from the partnership, maintaining normal margins on products and serving as an emergency organization for the healthcare sector as long as the market is not able to cover the shortage of PPE.

Soon after the partnership was established, other organizations started joining and what started off with a small group of individuals quickly grew into a team of over 200 people involving multiple stakeholders, including product manufacturers, distributors, hospitals and other organizations alike.

'The consortium we built operated as if it were one company. We built strong synergies where we made use of each other's strengths and worked towards one common goal: keeping the Dutch healthcare system strong during the pandemic'

Pieter-Jan Jongeling – MD OneMed Netherlands

At the time of writing the partnership is still operational as an emergency organization and will keep supporting the Dutch government until a more long term solution can be implemented.



Sustainability Highlights 2020

5/5





Highest possible score external audit ISO14001 /9001 management systems (OneMed Sweden AB)



75+

Managers and employees in high-risk functions formally trained on Anti-Bribery and Corruption

100%

Electric distribution

in Oslo starting September 2020





Trade-off:

+37% Scope 3 emissions increase due to Covid-19 response (see page 49)



100+

Pallets of medical products donated to Human Bridge





100%
Biodiesel deliveries in Stockholm Region

6000+

patients treated with the OneWound program



1st

CO2 climate compensation program started in 2020

2/3

Private Label areas completely PVC free



5
million+
biobased
products
sold





100%

of the employees have access to a whistleblowing service



Continuous dialogue with our stakeholders in the healthcare sector and beyond is important to capture opportunities for improvement in relation to our mission statement and our ambitions within sustainability. We engage in regular dialogue with parties that influence, or are impacted by, our operations to better understand their needs and ambitions, and develop common goals that we can work towards. These could include our owners, customers, employees, suppliers, stakeholder organizations or society at large.

Our last formal stakeholder analysis was conducted in 2017 and enabled us to capture what was important to our stakeholders from a sustainability perspective and develop a sustainability strategy for the OneMed Group. Following this analysis, we maintained an ongoing dialogue with our stakeholders to stay informed about evolving demands and capture their view on changes affecting our industry (e.g. the start of the climate

movement in 2018 and the Covid-19 pandemic in 2020) and our company (e.g. the change of ownership of OneMed in 2019). We use the input from these engagements to adapt our sustainability strategy whenever necessary and, as such, ensure alignment between stakeholders' needs and our material topics. In 2021, we will undertake a new formal stakeholder analysis and update our material topics accordingly.

Our ongoing engagements include:

Our customers

Examples include: public and private customers in the Nordics.

How OneMed engages with its customers

- Quarterly or biannual meetings with customers' sustainability departments to discuss OneMed'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 OneMed 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 suppliers

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

How OneMed engages with its suppliers:

- 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.
- In 2020 we sent a questionnaire to all branded suppliers (group contracts) that we consider highrisk to evaluate the extent to which they complied with our Code of Conduct and followed up in case non-conformities were identified.

Non-profit organizations

Examples include: Stakeholder organizations (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

How OneMed engages with non-profit organizations:

- Ad-hoc meetings and trainings with NGOs to learn about ways in which we can improve our responsible sourcing program (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 employees

How OneMed engages with its employees:

- Annual performance reviews between OneMed 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 OneMed's goals and the employee's personal ambitions.
- Ongoing dialogue about our Code of Conduct; this includes training and continuous dialogue around ethical dilemmas throughout the business.

• The main forum for engaging with our owners on

Our owners

- sustainability topics is our company's board of directors. Sustainability is a regular agenda point on board meetings where representatives of our owners provide feedback on sustainability related proposals.
- Yearly ESG questionnaire, identifying ESG KPIs of interest for OneMed's majority owner.

How OneMed engages with its owners:

OneMed's owners share best practices among their portfolio companies including, but not limited to, trainings for OneMed's Management Team.

In addition to providing guidance on where to focus our sustainability efforts, our stakeholder engagement also allows us to find synergies and tackle challenges that we, as a single company, cannot address on our own. This in particular applies to risks of human rights violations that go beyond the typical buyer-supplier relationship (e.g. risks of forced labor or child labor in complex supply chains) and where a multi-stakeholder approach is more likely to have an impact. Addressing these issues requires effective cross-organizational

collaboration and joint objectives. We therefore appreciate it when our stakeholders engage with us to openly discuss how we can improve working and labor conditions in our common supply chains together.

Most notably, we have experienced a strong engagement and an increase in sustainability requirements from a few customers in Sweden, Norway and Finland who are effectively implementing sustainable public procurement as a way to include responsible sourcing and environmental criteria in their purchasing

decisions. We see this as a positive development as it enables us to translate our sustainability efforts into competitive differentiators and invest more time and resources in further mitigating adverse social and environmental impacts.

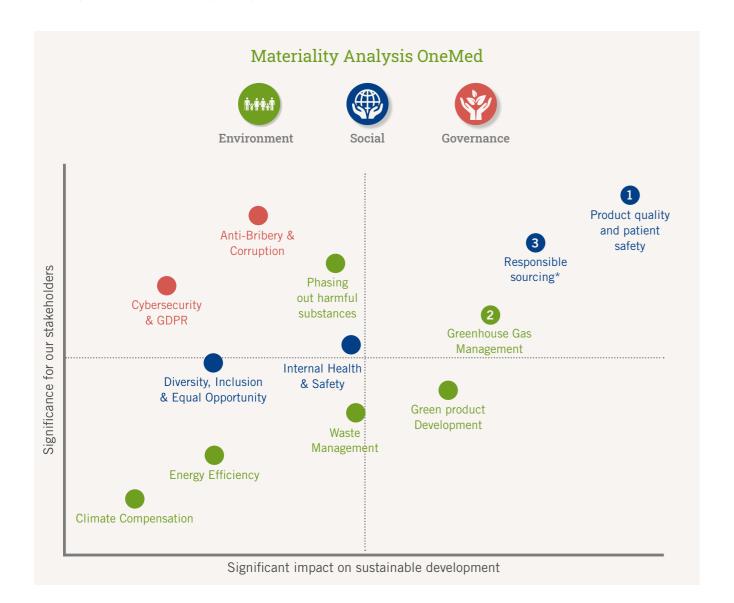
Unfortunately, the integration of sustainability criteria in purchasing decisions is still at an infant stage and yet to be adopted in many of our markets. In most cases, the product's price remains the only determinant in awarding a tender or a contract, with very few

evaluation criteria related to social and environmental aspects. It is our objective to change this: we want to contribute to the transition towards a more holistic way of procuring medical products by disseminating best practices from the most progressive countries and by being transparent about the sustainability challenges that we are facing as a company. In so doing, we hope to generate value from our own sustainability work while at the same time driving competition in our industry to mitigate and, ultimately eliminate, adverse social and environmental impacts.



Material topics

Based on the ongoing dialogue with our stakeholders and our impact assessments, we developed our material topics (presented in the materiality matrix below).





Material topic 3:

Responsible Sourcing

and, if necessary, driving corrective action.

be highly relevant to our operations

all levels of OneMed's value chains.

-NGOs and academia

Linked to the following GRI Standards:

input from stakeholders

103: Management Approach* 409: Forced or Compulsory labour

412: Human Rights Assessment

414: Supplier Social Assessment

Covered in the report: pages 38-45 *For GRI Standards: 409, 412 and 414.

risk assessments

Based on:

Why the topic is material: Our most salient risks from a

social sustainability perspective relate to the sourcing of

products in countries where there is a risk of human / labour

rights violations. Implementing a responsible sourcing stra-

Human right violations can manifest themselves in many

sourcing, we place a particular focus on managing the risk

of forced labour, which our materiality analysis has shown to

Ambition: ensure decent and fair working conditions across

-Customers (especially in the Nordic regions)

-country and commodity risk assessments

forms. While we take a holistic approach to responsible

tegy allows us to mitigate these risks by evaluating suppliers

Why the topic is material: product quality and patient safety are the cornerstones of our business and prerequisites for improved patient outcome and reduced cost of care. Through our operations we contribute to good and health and wellbeing and improve the quality of people's lives.

Ambition: continuously work on advancing our mission of improving patient outcome and reducing the total cost of care by providing safe, high-quality products, coupled with

Based on stakeholder input from:

- Customers
- The board of directors

Covered in the report: pages 20-21

*As the GRI Standards do not cover Product quality and patient accordance with GRI 103

Material topic 2:







While we have categorized these topics as most material, it does by no means cover all of our sustainability efforts. Throughout this report you will also read about:

- Supply chain transparency
- Phasing out harmful substances
- Waste management
- Climate compensation
- **Energy efficiency**
- Internal health & safety
- Diversity inclusion & equal opportunities
- **GDPR** and cybersecurity
- Green product development

Material topic 1: Product quality and patient safety

value-adding services.

- The management team
- Employees

Linked to the following GRI Standard:

103: Management Approach*

safety we have chosen only to report on the management system in

Greenhouse gas











Why the topic is material: with distribution being among our core activities, we have a large carbon footprint, and in turn an adverse impact on the environment. By engaging in greenhouse gas management, we can take action to reduce the emissions we cause as well as work with our partners to

Ambition: ensure that the emissions that OneMed's operations cause (Scope 1) and contribute to as a result of energy consumption and other indirect activities within our scope of influence (scope 2 & 3) are compatible with staying below the global warming scenario of <2°C*.

reduce the emissions that we contribute to indirectly.

Based on stakeholder input from:

- Customers (especially in the Nordic regions)
- Logistical partners / freight forwarders
- Employees

Linked to the following GRI Standards:

103: Management Approach**

305: Emissions

Covered in the report: pages 46-51

*we are currently working on developing a Science-Based Target, which we will report on in our sustainability report for 2021

** For GRI Standard: 305



Our contribution to the Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a set of interlinked goals designed to be a blueprint to achieve a better and more sustainable future for all. As a responsible company, we are contributing to the realization of the SDGs in all sustainability areas: social, environment and economic. Our focus areas are being determined through an ongoing

process of stakeholder engagement and impact assessments to ensure the direction of our strategic sustainability work remains relevant. Below, we present the goals where we make the biggest contribution:



Good Health and Well-being

SDG:3

Our core business is to provide a complete product assortment with combined services that improves patient outcome and lowers the total cost of care. As such, we contribute to affordable health and enable healthcare professionals to do what they do best: provide care.



Decent Work and Economic Growth

SDG:8

We seek to ensure decent working conditions for our employees and across our supply chains. We expect our suppliers to adhere to the social/environmental standards we communicate to them when engaging in a buyer supplier relationship. Human rights assessments, such as audits, are regularly undertaken to evaluate whether suppliers comply with our standards and if there are shortcomings that we need to remedy.



Responsible Consumption and Production

SDG:12

The fact that we operate in an industry that heavily relies on single-use disposables does not take away our responsibility to produce and dispose of products in a sustainable manner. Reducing waste is a key consideration in our products and services' design and we take action to identify and eliminate potential environmental risks. We expect our suppliers and partners to comply with environmental regulations (e.g. REACH) and international standards as is laid out in our vendor Code of Conduct. As such, we seek to work in accordance with the precautionary principle.



Climate Action

SDG:13

Greenhouse gas emissions as a result of transportation of goods is one of our key environmental concerns. We work diligently with our carriers to find tailored solutions and lower emissions for upstream & downstream logistical processes.



Partnership for the Goals

SDG:17

Our sustainability gains would be minimal without the support of our customers, logistical partners and other external stakeholders. For a business such as OneMed it is imperative to work collaboratively on a common goal to drive sustainable changes in the industry.

Our people



870
Total number of employees
OneMed group

Number of employees per country





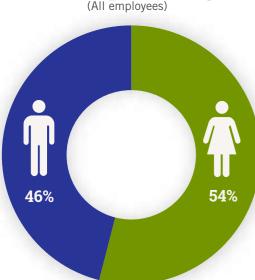




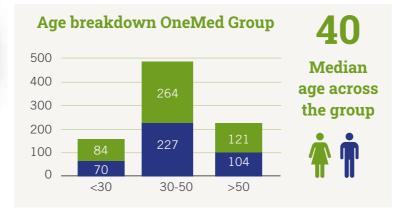


The data on type of contract (i.e permanent & temporary as well as fulltime & parttime) has been excluded due to some data gaps in our tracking system, we seek to remedy this as soon as possible and report on these data points next year.

Gender percentage







Cases of Lost
Time Accidents
(2019: 3)

C Fatalities(2019: 0)

3.9% Sick leave across the group

Reported cases* of discrimination / harassment
(2019: 0)



Est. 55%
Employees covered by a collective bargaining agreement

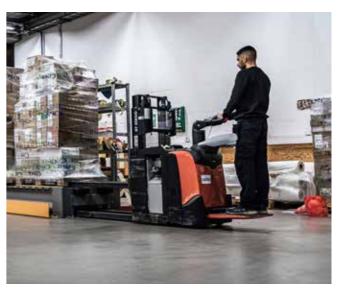
1

A safe and healthy working environment

In our own operations, we strive to ensure all OneMed 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 OneMed but who perform work on our behalf. Most notably, this includes the staff from Schenker and DSV at OneMed's Latvian and Finnish distribution centers who support with the warehousing activities.

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 H&S management and training of employees, we put a lot of emphasis on preventative actions.

A key control measure is tracking and learning from near misses. By eliminating the hazards behind these close calls, we mitigate the risk of them turning into accidents at a later stage. When despite our efforts accidents do occur, we perform a root cause analysis to understand how the accident could have happened and how it can be avoided in the future.





Caring for our employees

Enjoying a safe and healthy working environment is an employee's right and ensured in all countries where we operate. On top of this foundation, our local human resources departments have the freedom to organize additional initiatives conducive to better health and wellbeing.

A good example is the Dutch 'Fit Together Program' where employees receive quarterly Fitcoins to spend on workshops (e.g., running, boxing), health checks, massages, or a healthy lunch. Even when the pandemic

hit Europe, the Fit Together Program continued, albeit in a more digital format and with a stronger focus on staying healthy while working remotely.





Making a strong and inclusive culture

We aim to maintain a culture of equality, diversity and respect. Under no conditions or circumstances, do we tolerate discrimination or sexual harassment at the workplace.

To ensure that all employees understand and live up to OneMed's values, all new employees are introduced to the Code by their managers and need to confirm that they have understood the Code and will behave in accordance with it when conducting OneMed business.

In addition to informing employees of our values, we also empower them to raise concerns whenever they suspect a breach with the OneMed Code of Conduct. In the first place, we encourage them to raise ethical topics directly with their managers to resolve matters in a straightforward way.

However, in case the issue is of a sensitive nature, employees also have the option to file a report via our whistleblowing service. To ensure privacy and anonymity when reporting ethical concerns, we started working with an external reporting channel

in late 2020, making it impossible for OneMed to identify the whistleblower without his or her consent. With this extra layer of personal protection, we hope to lower the barrier for employees to use the channel when it is needed.











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

We have identified that, from a labor rights perspective, the highest risk areas are related to factories we source from. However, we have no direct control over these factories and therefore it is here that we need to apply leverage in the most effective way. We achieve this by effectively using our sphere of influence, being clear about our expectations and processes, and building up strong, long-lasting partnerships with our suppliers.

All these processes are driven by our responsible sourcing program, which is based on the OECD Responsible Business Conduct Six-Step Framework. The activities that form our responsible sourcing program are developed and implemented by our Sustainability team (see Governance)



Policies

The OneMed Supplier Code of Conduct (Code) sets our expectations for our business and for our business partners. The Code was developed in 2010 and reviewed in 2019. Companies that want to work with OneMed must always comply with these rules and standards.

Our Code is based on the guidelines set by the fundamental ILO Conventions, the UN Universal Declaration of Human Rights, and the UN Global Compact.

All suppliers must commit to the expectations set by these frameworks, as well as any other specific requirements in our Code. By respecting our Code, suppliers can demonstrate that the products distributed by OneMed are safe, that workers are treated with respect and dignity and that business operations are environmentally responsible and conducted ethically.



Operationalizing our policies

Our responsible sourcing program is implemented through management processes and controls that dictate how risks or potential adverse impacts in our supply chain should be addressed.

These processes and controls are operationalized through five key activities: mapping our supply chains, assessing risks and impacts, managing, mitigating, and eliminating risks and impacts, monitoring our efforts, and investigation and remediation.



Mapping our supply chains

Our goal is to have 100% visibility over our entire Tier 1 supply chain, and we estimate we have achieved this for our private label suppliers.

We achieve this gathering salient information, such as names, location, and ownership, on each manufacturing unit in our supply chain from our suppliers. We keep this information updated and do not approve any new manufacturing units entering our Tier 1 supply chain without prior approval that can only be achieved if all the salient information is known.

We are working to improve our visibility over suppliers further down our supply chain in situations where we have identified a higher likelihood of risk or adverse impact occurring. We are building on early efforts in this area, and our goal in 2021 is to develop and undertake a formal beyond-Tier 1 mapping process.



Assessments of risks and impacts

Countries in our supply chain ranked as highrisk in either the Amfori-BSCI Countries Risk Classification1 or Transparency International's Corruptions Perceptions Index² must go through our assessment process. We use reliable reports and media stories, reputable global indicators, and our own experience to develop detailed conclusions and to assign a high, medium, or low risk final category per country, product, or raw material.

Our goal is to identify the types of severity and likelihood of specific risks, including labor and human rights risks, environmental, and corruption risks, that we need to be aware of per sourcing country.

The countries for which we have performed a full-scale human rights risk assessment are presented in the table 'OneMed high-risk sourcing countries' covering most of our Private Label suppliers and Agencies (branded suppliers in high-risk countries for which we take responsibility from a social compliance perspective). We estimate to our risk assessments cover around 30% of our operations (in percentage of net sales).

We also conduct risk assessments for certain products that external stakeholders flagged as high-risk, such as gloves and surgical instrument, as well as certain raw materials, including natural rubber latex and cotton, for the same reason.

The process is flexible to adapt to our own understanding of country risks. This means some countries identified as low risk during the first screening stage of this process are sometimes still required to undergo the in-depth process assessment to determine a final risk rating. The decision to do this is informed by our institutional knowledge and experience of working in these or neighboring countries.

1 https://www.amfori.org/sites/default/files/amfori-2020-02-06-country-risk-classification-2020.pdf 2https://www.transparency.org/en/cpi/2020/index/



For example, Israel was originally classified as low risk. However, due to the country's socio-political context, Senior Management requested an assessment to confirm if this should remain the case. This was delivered in 2020 and the country's risk status was elevated to Medium. This means all suppliers in Israel had to go through a site assessment, so we can feel assured any risks or impacts unique to these countries are managed properly.

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. Examples here include Myanmar and Ethiopia, where we concluded very quickly that both the current and future risks of human rights abuses were too high for us to be able to manage these effectively.

All the high-risk countries we sourced from in 2020 are listed in the accompanying table. As we have identified forced labor as a material topic, we have also indicated in italics countries that we rate as higher risk for forced labor. We used the Global Slavery Index's ranking system to come to this conclusion.

OneMed High-Risk Sourcing Countries	Estimated Proportion Living in Modern Slavery out of 1000 people (Source: Global Slavery Index)**

	(Source, Global Slavery Illuex)
Bangladesh*	3,67
Cambodia*	16,81
China	2,77
India	6,10
Israel*	3,86
Malaysia	6,91
Pakistan	16,82
Sri Lanka	2,12
Taiwan	0,49
Thailand	8,88
Vietnam	4,50

OneMed high-risk sourcing countries

*countries we started sourcing from during 2020



Management, mitigation, and elimination of risks and 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. To use our resources and capacity most effectively, we prioritize our direct suppliers in our private label supply chains.

As a first step, suppliers provide salient information on their business via a self-assessment questionnaire that asks them questions about their workforce and their existing approaches to risk management. 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 OneMed Code of Conduct.

Social assessments are delivered against the SA8000 framework, or a recognized equivalent, including the Workplace Conditions Assessment or BSCI methodologies. Following the assessment, each supplier receives an individual risk rating linked to their level of compliance. Our goal is for all suppliers to be recognized as "Satisfactory" or "Very Good."

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.

Where there are too many non-compliance or noncompliances of a critical nature, we do not take onboard the supplier, we disengage, and look for a new supplier that can meet our expectations. Between 2013 and 2020, our own auditors conducted 171 social compliance audits in Asia. In 2020, 62.5% of assessed suppliers were rated as "Satisfactory" or "Very Good, compared with 54% in 2019.



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.





+75%

Of OneMed's purchasing value covered by OneMed's vendor Code of Conduct



100%

Of new suppliers operating in high-risk countries were screened and evaluated on social compliance



^{**} all countries with an estimated proportion of people living in modern slavery exceeding 5/1000 have been considered as a high-risk country for forced labour.



Investigation and remediation

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.

Often, these situations relate to systemic or endemic risks in countries or industries where we have limited leverage. Nonetheless, where we can, we seek to engage positively with challenges presented and integrate findings and ways of working into our approach to responsible sourcing.

Case study: Investigation in Hubei Province

In October 2019, our quality team identified 131 minority workers on production lines during a routine inspection at our supplier's factory in Hubei Province. Our local team raised this during their weekly feedback call with senior management in Sweden who then decided to launch an investigation considering potential risks of discrimination against minorities as their ethnicity, language, culture, religious faith, and dietary habits differ much from those of most of the Chinese population.

Our relationship with this supplier began in 2015, and they were onboarded in 2016. Since then, they had consistently met our expectations and over the course of our relationship had continuously improved from a social compliance perspective. Having groups of migrants from different regions of China was not unusual to us based on our experience of migrant workers in Chinese industrial clusters, but this was the first time that we had encountered migrant workers from ethnic minorities and originating from the most western provinces of China.

We began the investigation by directly engaging with the supplier to understand the situation of the minority workers at the factory, their working and living conditions and how they had arrived at the site. We assessed the workplace and dormitories, if they had contracts in their native language and how they had been recruited.

As the investigation continued, reports emerged indicating new potential serious systemic risks related to workers from said minority in supply chains across China. We realized at this stage we had to further escalate our approach and engagement with the site to assure ourselves these workers were not at risk.

In January 2020, we arranged for Senior Management from Sweden to visit the site and speak directly with the factory's management. Unfortunately, this trip did not occur, as shortly thereafter the Covid-19 pandemic locked down the entire province. We therefore kept

regular dialogue open with the factory who informed us that the contract commitment would end after one year (i.e. after Chinese New Year) and these workers would travel home then. However, ongoing travel restrictions meant the workers were only able to leave Hubei Province in September 2020.

In November 2020, we were finally able to be on site and investigate documents and records in detail, as well as trace bank payment records. Our on-the-ground assessment confirmed that the site had paid all workers directly, with the correct salaries and that the minority workers had worked and lived in the same conditions as other workers on site. We also made efforts to track and speak to the minority workers who had left the site; however, this was challenging considering the time that had elapsed after their departure from the factory.

To conclude, during our own internal review, we have not identified any sign of discrimination or inequal treatment towards minority workers. We acknowledge that this is a complex and difficult issue, that we will actively work on going forward. As a first step we are now commissioning a specialist third party auditor to assess the site.





Managing forced labor risks

Medical products are often produced in high labor intense manufacturing units in high risk countries. The manufacturing process also often relies on labor provided by vulnerable workers such as migrants and women. They travel from neighboring countries to the manufacturing sites that rely on recruitment firms to find the workers. These factors increase the risk of forced labor in our supply chains and during the recruitment process.

We recognize that we can act to manage, mitigate and eliminate any risks or adverse impacts through our responsibility sourcing program.

Or expectations are set in our Code of Conduct which states that we do not tolerate any forms of forced labor in our supply chain and that our suppliers are expected to abide by ILO Conventions 29 and 105^4 .

According to the Code, our expectations should be cascaded to by our suppliers to any of their sub-contractors or suppliers. In instances where local law may be less strict than our Code of Conduct, we expect our Code to act as the benchmark , no matter the regulation framework.

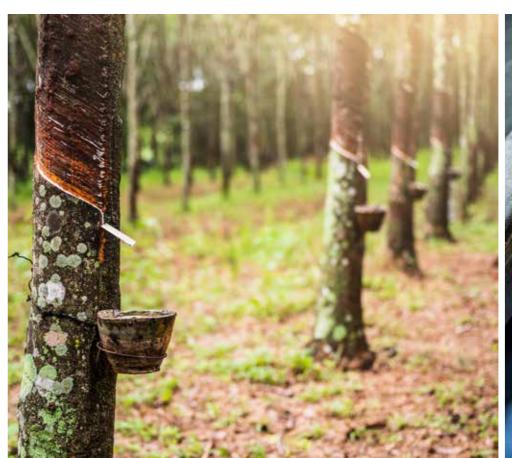
To help us identify and manage force labor risks, we have partnered with third-party experts to develop our institutional understanding of these issues. We adjust our approach based on the specific known risks per sourcing country. In instances where local law may be less strict than our Code of Conduct, we expect our

Code to act as the benchmark, no matter the regulatory framework.

Our goal is to support the elimination of forced labor from our supply chain. We recognize the challenge, considering our limited leverage, so we actively collaborate with policymakers, industry initiatives and other companies to move the agenda forward.

We have a specific goal in Malaysia, where we feel that we have sufficient leverage to effect change: by 2024 we aim to have no worker paying recruitment fees in our supply chains.

4 https://www.ilo.org/global/topics/forced-labour/publications/ WCMS_203832/lang--en/index.htm





Case study: Migrant workers in Malaysia

Medical Gloves is an important product category at OneMed. They are primarily manufactured in South-East Asia, more specifically, in Malaysia and Thailand which together account for 83% of the global supply of medical rubber gloves.

We started auditing our Asian suppliers in 2013. At this time, we identified gloves factories as a highrisk environment for health and safety and engaged auditors with specific competences in that area. Soon after this in 2014-2015, an investigation concerning the factory of a branded supplier turned our attention towards migrant workers employed in Malaysian and Thai gloves factories. The working conditions of these workers aligned with several of the ILO's forced labor indicators.

In 2015 we started working with Verité, a third-party service provider specialized in issues such as migrant workers and forced labor in manufacturing, to carry out forced labor assessments in our Malaysian supply chain.

We began this process as migrant workers in Malaysia are known to be at risk of being discriminated against, provided with poor quality and unsanitary living accommodation, being required to pay recruitment fees, and having their passports retained.

This is not a situation unique to OneMed; it is endemic across many sectors in Malaysia.

Working with Verité, we learnt how to identify indicators of forced labor and where we identified these, began engaging with our suppliers. This was undertaken through direct engagement with supplier's management teams, monitoring of progress against corrective action plans and being clear about our expectations with suppliers.



In one instance, a supplier refused to meet our expectations which consequently led to phasing out of that supplier.

Thankfully, this has been an exception and since we originally began our engagement process, our key glove supplier has invested in new fit-for-purpose dormitories for migrant workers, with individual safes for workers to keep their official documents and other valuables.

We continue to engage with our key glove supplier and regularly monitor working conditions at the site. Our engagement particularly focuses on their use of labor agents and recruitment processes. In 2021, we will track the repayment process.







Responsible sourcing during Covid-19

Despite the Covid-19 pandemic, we continued to engage with our suppliers on social topics in 2020.

In addition to our normal responsible sourcing activities, we took action to support suppliers taking measures to protect their workers from catching the virus in the factories, accommodation, and transport. We shared guidelines on best practices and provided recommendations for improvements based on their implemented Covid-19 response plans.

Despite the demand for medical supplies skyrocketing, we continued to secure, to the best of our abilities, that both existing and new suppliers lived up to our Code of Conduct and quality requirements.



Reviewing our due diligence systems

We commissioned a third-party specialist, Kumi Consulting, to deliver an assessment of our management systems against the framework of the OECD Due Diligence Guidance for Responsible Business Conduct.

The assessment identified a need to formalize some of our approaches to responsible sourcing and update some of our processes and policies. In addition, we were recommended to create a more precise supplier risk rating score, to ensure we have a more accurate overview of risks across our supply chains.

This will support with addressing our material topics and we anticipate implementing recommendations over

the course of 2021 and will update on steps taken in our next sustainability report.

As an initial step, we have taken onboard a recommendation to better reflect the recommendations from the OECD Guidance on responsible sourcing disclosures in this year's sustainability report and have retained Kumi to support with this.

Our environmental program



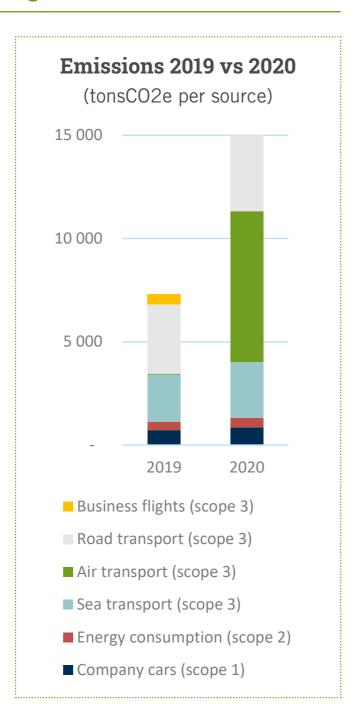


Greenhouse gas management

We manage our greenhouse gases and other environmental topics via an ISO14001 Environmental Management System (EMS). The EMS outlines the most salient drivers of our environmental impact in this area and lists mitigation activities with measurable and timebound objectives. At present, only the Swedish and Danish markets have an ISO14001 EMS in place with local commitments, responsibilities and targets.

The ISO14001 EMS is managed by the Supply Chain Department who is responsible for following up on the EMS' material aspects and activities to ensure the relevance of the topics as well as the approaches. The Supply Chain Team is supported by the Sustainability Team to ensure alignment between the EMS and the strategic sustainability work. As we only recently started with the Danish EMS, only the Swedish ISO14001 EMS has been evaluated by an external auditor. This assessment took place in August 2020, which we passed with 5/5 – the highest possible score. In 2021, we will review the EMS' material topics and ongoing activities and, if needed, make adjustments to ensure they remain relevant.

In the upcoming years, we will also seek to develop a common goal towards reducing emissions, which can be worked towards on a group level. However, in line with our decentralized governance structure, these emissions reduction activities will be tailored to the opportunities in the countries of operations so as to ensure an efficient use of resources.



Scope 1

Scope 2

Scope 3







tons CO2e / SEKm (Net Sales) tons CO2e / SEKm (Net Sales)

463

859 **GHG** emissions (tCO2) - Scope 1

GHG emissions (tCO2e) - Scope 2

14 490 **GHG** emissions (tCO2e) - Scope 3





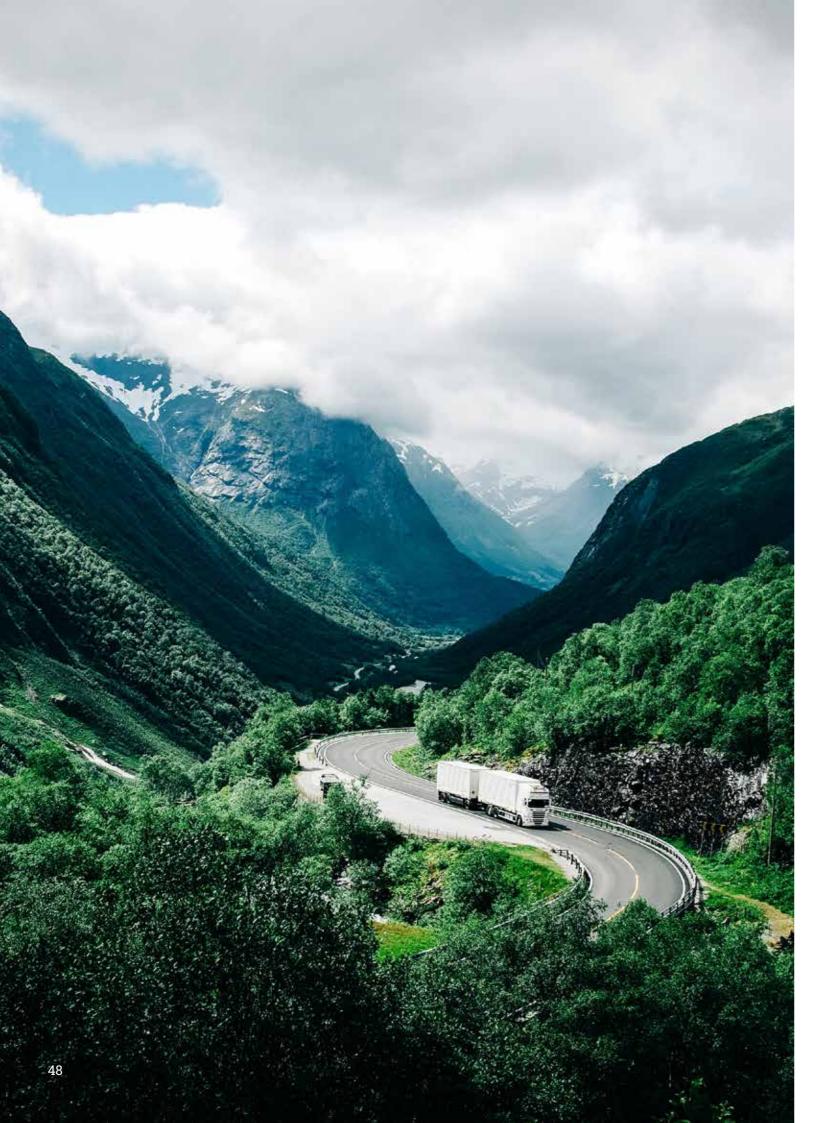


30% Reduction vs 2019 (relative to Net Sales)

34% Reduction vs 2019

(relative to Net Sales)

37% **Increase** vs 2019 (relative to Net Sales)





Initiatives to reduce our carbon footprint

Despite the coronavirus pandemic, 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.

For our **scope 1** emissions, comprising company cars, we reduced our emissions by 30% relative to Net Sales (2019 vs 2020). This decrease can be explained by a small uptake in hybrid and electric cars across the group as well as less commuting to and from the office because of the pandemic

As 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. In 2020, we equipped our Norwegian warehouse with solar panels and moved our Dutch office to the Flight Forum in Eindhoven, an industrial business park with a strong focus on clean energy and sustainability. Our relative reduction for 2020 vs 2019 was 34%.



Flight Forum in Eindhoven, where our Dutch office and warehouse are located

Also in 2021, we will continue integrating renewable energy systems into our operations by equipping our newly constructed Danish office and warehouse with solar panels before the end of year.

Unfortunately, our **scope 3**, indirect emissions, increased significantly in 2020 (+37% in relation to Net Sales). This extraordinary increase was caused by more than 250 emergency inbound air shipments from Asia to Nordic countries which we had to charter in order to supply front-line caregivers with the medical products they needed to protect themselves and their patients. This highlights some of the inherent sustainability conflicts within the healthcare sector and the tradeoffs that sometimes need to be made.

However, despite an increase in overall emissions for the transportation of goods, we have made progress reducing the emissions for road transport with 24% relative to our Net Sales. This is a positive development as road transport is, under normal circumstances, where we have the highest level of emissions.

This achievement would not have been possible, were it not for our logistical partners.

Given the nature of our externally managed distribution services, efforts to reduce emissions in this area always have to be coordinated and implemented collaboratively. Despite more challenging circumstances, we have still managed to keep working with our partners and implement an array of initiatives to green our supply chains during 2020. Especially in Norway we have made great progress by becoming 100% electric in Oslo, saving an estimated 60 tonnes of CO2 emissions per year. Moreover, whereas in 2019 we only used electric vans and bikes for carbon neutral deliveries, we stepped up our game in 2020 by also starting to use electric trucks in Norway. This presents a big opportunity for us to go beyond fossil-free last mile deliveries and also decarbonize our line-hauls.

Given that the other OneMed markets do not enjoy Norway's infrastructure and subsidies for electric

Inbound international transports	2020 vs 2019
Full Containers shipments	x 1.5
Incl. Rail shipments	+110 full containers
Air Shipments	+250



Q&A with Niclas Andersson

Major Account Manager, DB Schenker

Q: How would you describe the collaboration with OneMed around sustainability related topics?

A: Schenker and OneMed's focus on sustainability creates a good collaboration with the best possible solutions relative to limitations in technology and end customers' willingness to pay for sustainable deliveries. It's inspiring to work with a company such as OneMed, who has clear and ambitious targets for sustainability and a strong commitment from top management to reach concrete results.

Q: Has OneMed affected the way Schenker works with sustainability? If so, how?

A: Even if Schenker has a very ambitious plan for the transition to environmentally friendly transport, OneMed has been a driving force and pushed the limits. For example, in the Oslo area we managed to decarbonize 100% of the deliveries by using an electric fleet. We can initiate these projects because OneMed is willing to deviate from the status quo in order to become more sustainable

Q: What is the biggest sustainability achievement OneMed and Schenker have realized together?

A: As one of the first steps we mutually formulated a strategic platform for sustainability based on an in-depth emissions analysis. We have implemented a CO2-offset program and use biofuel for domestic haulage as well as bicycles for city distribution in the Oslo Municipality.

Q: How do you see our sustainability collaboration going forward?

A: Schenker's vision of sustainable transport of goods as a co-loader is something all customers will benefit from. Our collaboration with OneMed will primarily focus on solutions that do not already exist, or new pilots. We will continue to implement alternative fuel, such as biofuel/electric/biogas etc. and explore new potentials for minimizing the CO2 footprint.

transportation, electrification was not yet a solution that could be implemented across the group. Instead, we have been tailoring our emissions reduction strategies to the specific countries we operate in to drive as much positive change within the boundaries of the local market conditions.

In Sweden we have made great progress with our carriers PostNord and Bring. As opposed to focusing on electrification, our approach towards green distribution was primarily geared towards continuously optimizing logistical processes and increasing the share of HVO as a fuel for our deliveries. Thanks to the uptake in biodiesels, we managed to get over 60% of HVO for all truck transport and 100% fossil-free deliveries in Stockholm Region, an achievement upon which we'd like to build in 2021 by decarbonizing our distribution in other cities as well.

Lastly, we are increasingly working on empowering customers to make sustainable choices by providing them with the necessary tools. One way we achieve this is via an algorithm on our web shop that encourages customers to buy the product in the original packaging, which reduces packaging material and reduces unnecessary waste.

"Even though we outsource our transportation of goods to external companies, the emissions are the result of our orders. Therefore, we see it as our responsibility to work together with our carriers to reduce the emissions generated by our business."

Peter Nilsson, - VP Supply Chain









Carbon accounting challenges

While we have many good ongoing initiatives to reduce our emissions, there is still a lot of work to be done.

One challenge that remains is aligning the emissions data that we receive from our partners and ensuring that it provides a fair overview of our impact. Even though we have made great progress improving the data quality by moving towards a OneMed specific, bottom-up calculation approach in line with the EN16258 standard with most of our carriers in 2020, there are still partners that are struggling to provide us with accurate emissions overviews. In 2021, we will continue to work with these partners and support them in the process of calculating their emissions.









Climate compensation program

Despite ongoing efforts to green our supply chains, we recognize that we cannot do away with our environmental impact overnight. Given the scale of our distribution network and pace of our climate change mitigation actions, the fact of the matter is that our operations will continue to contribute to the accumulation of CO2 emissions in the atmosphere for the foreseeable future.

We therefore wanted to go beyond our mitigation actions and decided to start a pilot program with Schenker – and their climate compensation partner Atmosfair - to offset part of our CO2 emissions caused by our distribution activities. For this pilot project we had two requirements. First, we wanted a program connected to our sourcing locations to have a local impact. And second, we wanted the project to be part of the Gold Standard to ensure that the compensation itself would be done in accordance with best practices.

In the end, we decided to move forward with a renewable energy program in Rajasthan, India, which is close to one of our Private Label suppliers. There, Atmosfair, together with the Indian company Kalpataru Power Transmission Limited (KPTL), built a biomass power plant, which uses the crop residue of more than 3000 local farmers to generate electricity. Besides benefits from an environmental perspective the power plant also comes with social and economic benefits for the local population.

First, the sale of the crop residue is a source of income for the farmers and helps to reduce poverty. The program is additionally designed in a way that all can participate. Farmers who do not own a vehicle and cannot travel to the powerplant can drop off their residue at one of the many strategically located collection points.

The powerplant has additionally created a large variety of logistical, commercial and technical jobs in the region. During the last monitoring period 170 people were employed at the plant. In addition to the clear economic benefits that this brings, the powerplant workers also receive a multitude of trainings each year on topics such as: safety, handling of chemicals and engineering.



Sustainable buildings: a new domicile in Denmark

In addition to providing vital support to the Danish healthcare sector during Covid-19, OneMed A/S devoted the year 2020 to constructing a new and sustainable domicile. The warehouse construction consists of a 4000m² warehouse, including a 350m² cleanroom and a 150m² room for flammable liquids. From the warehouse five loading docks are connected and used for loading and unloading. The warehouse is equipped with ergonomic pallet trucks, stackers and order pickers to optimize the working environment and contribute to employee health and safety.

The administration building is 1300m² and spreads over two levels. The administration interior is also characterized by sustainable solutions. All offices are equipped with lights that automatically adjust their brightness according to the weather and time of day. All furniture is FSC certified and conference rooms are equipped with sustainable chairs that are made of 100% recycled plastic material and have a sheep wool padding. Around the building we have placed doormats produced from old fishing nets and when it's time for a coffee break, employees and guests can enjoy a cup of coffee produced with fair labor conditions for coffee farmers and sound environmental practices.

In connection with the construction of the building, our goal has been to build a domicile where installations and operations support our goal of being a sustainable company.

The buildings has, among other things, a white ecofriendly roof that reduces the cost of cooling warehouses and administration rooms. The white roof also helps to minimize global warming because it reflects much of the sunlight and does not absorb as much of the sun's heat at the earth's surface. In addition, solar cells have been installed on the roof, which is expected to cover the energy consumption for the operation of our many technical installations.

Outside the buildings, electric charging stations have been established so that both company and private cars can be charged during the day. Around the buildings an inspiring landscape will be created, where a wide variety of plants will thrive and create habitats for animals and insects. The landscape will enable employees to go for a walk through the countryside and take a break, meeting or lunch in the green areas that surround their workplace. As such, we seek to provide value, health and joy to the employees and ultimately contribute to their wellbeing at work.



Harmful substances: phasing out PVC



At OneMed, one of the materials that we are seeking to phase out is polyvinyl chloride (commonly known as PVC). PVC is a versatile material widely used in the medical industry (it currently accounts for about 40% of all plastics-based medical devices used in hospitals¹) but may not be optimal from an environmental point of view as a result of adverse impacts during disposal and low recycling rates. 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.

Phthalates are a group of chemical substances commonly used in PVC-based medical devices as plasticizers (softeners) to make them more flexible. Plasticizers can represent a high percentage of the final product (in some case up to 80%) but are also known endocrine disrupting chemicals (EDCs) which can leach into patients during their use and may interfere with the normal functioning of the human endocrine system (e.g. interfere with organ formation and growth, sexual maturation, stress response, and behavior²). EDCs can impact the human body at very low concentrations and can combine with other endocrine disruptors to produce additive effects. Despite difficulties to demonstrate a causal link, some associations between EDC exposure and diseases are apparent, with evidence showing that fetuses, children, and pregnant women

are the most vulnerable groups. Concerns regarding hazardous chemical exposure through medical devices are particularly relevant to groups of vulnerable patients that undergo multiple medical interventions or are exposed chronically over extended periods, including infants in neonatal care or dialysis patients.

Phthalates have additionally been detected in aquatic and marine environments, terrestrial ecosystems and in the atmosphere in concentrations that are likely to adversely affect a number of species. Besides the chemical contamination of a wide range of natural habitats, these compounds also create a waste management problem: the disposal of PVC medical waste can release dioxins and other persistent environmental pollutants, which can have a detrimental impact on human health and the environment.

Many European healthcare providers have already moved to substitute PVC and phthalates such as DEHP from healthcare practice. In France for example, tubes and pipes containing DEHP are banned in pediatric, neonatal, and maternity departments in hospitals. Sweden has moved even further by substituting all PVC products with PVC-free alternatives whenever possible. Across ALL hospital departments.

At OneMed, we consider that substituting phthalates with alternative plasticizers in PVC products is not enough: it is probable that alternative plasticizers will also leach from medical supplies and their toxicity has not been investigated to the same extent as DEHP and other phthalates. Switching to another softener also does not solve the environmental problems related to PVC. Therefore, we consider that avoiding PVC and phthalates altogether by switching to alternative plastics for medical devices is ultimately the only way

to avoid health and environmental problems. For these reasons, we are increasingly seeking to provide our customers with alternatives to PVC in our offerings and actively promote the benefits of substituting PVC products with a PVC-free alternative to all our customers outside Sweden.

Our evercare® inLine product portfolio offers a full range of PVC-free infusion and injection products: the main polymer used for soft parts (tubing, drip chambers) is a carbon-based polyolefin polymer which does not contain any leachable halogens or plasticizers. It also allows for a cleaner end-of-life disposal without the toxic dioxins and furans released from PVC incineration.

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, a US based company that was founded in 1984 and provides a vast range of oncology, vascular therapy, and critical care products. They have a strong focus on sustainability issues, and over the last 4-5 years have been actively 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.

Now ICU Medical is working on a new sustainability challenge and finds in OneMed the partner it needs. In an interview with Ethan Luu, ICU Medical's sales manager for Europe and Corine Broekhuizen, ICU Medical's Quality Director, the company introduced their new R&D project in Europe and America where they started sourcing and working with PVC-free components

to develop a more sustainable oncology and critical care product portfolio.

"Demand from our buyers to shift towards PVC-free products varies from region to region, and OneMed has been putting positive pressure on us to initiate this project and expand our current line of non-PVC alternatives"

However, while the global demand may not be there yet, ICU Medical sees this project as a good opportunity to also raise more awareness with their other customers and make them see the environmental benefits that going PVC-free entails. ICU Medical is currently working on the completion of a non-PVC portfolio in their closed system range that OneMed offers. The last two sets within the OneMed / ICU Medical ChemoClave and ChemoLock range will be PVC-free by the end of the year.

Also beyond the project around phasing out PVC, ICU Medical sees an effective two-way stream sustainability collaboration with OneMed.

"OneMed is one of our most progressive customers, vocalizing and driving many new environmental initiatives. In turn, from ICU Medical's end, we try to nudge you to improve in certain areas, for example with the multi-packaging to reduce unnecessary waste. I think that having this mutual commitment to sustainability is the right format for a long term collaboration"



Governance



The CEO and the executive management team lead the day-to-day management of OneMed and determine the overall sustainability direction. For the group as a whole, the common sustainability agenda that applies to all OneMed countries is primarily driven by the VP Category & Sourcing and the VP Supply Chain. On top of this foundation, the local Managing Directors (MDs) have a large degree of freedom to pursue additional sustainability initiatives in their respective markets. This structure allows us to build a strong group identity and commitment to sustainability, while at the same time enabling MDs to engage in initiatives that align with local market conditions / opportunities as well as local stakeholder requests and demands.

Our sustainability work is overseen by the board of directors who approve all high-level decisions and policies. The board additionally monitors how we identify and manage sustainability-related risks. On an operational level, our Sustainability Team, consisting of the Group Sustainability Director, the Group Sustainability Coordinator and two social and

environmental auditors, is fully dedicated to the planning, coordination, monitoring and follow up of environmental, responsible sourcing and Anti-Bribery & Corruption (ABC) activities across the group and aligning the 'tone from the top' with the activities on the ground.

OneMed's governance structure



The OneMed Code of Conduct

Our Code of Conduct is the embodiment of our values and serves to communicate them to our internal team as well as to everyone we do business with. It covers topics ranging from inclusion and responsible business conduct to climate change mitigation actions and anti-bribery and corruption. We expect everyone to comply with the Code when working for OneMed or conducting business on OneMed's behalf.

The Code lays out the foundation for our sustainability work and, whenever needed, is complemented by standalone policies to cover certain areas more thoroughly.





Anti-fraud, bribery and corruption

In 2020, we developed our internal work around anti-fraud, bribery and corruption. We started this process by engaging Anna Romberg, a corporate governance, ethics & compliance and anti-corruption expert, to review our management system and conduct an assessment to identify areas where OneMed is most exposed to these risks. The assessment was done on a group level, covering all OneMed branded companies.

Following this assessment, 9 risk areas were identified:

- Suppliers and service providers
- · Payments and financial fraud
- Scrapping of free of charge goods and donations
- Agents & commissions
- Gifts & hospitality
- Interaction with customers and government officials
- · Conflict of interest
- Lobbying
- · Mergers and acquisitions

For the majority of these categories, OneMed is connected to these risks through its business relations with external parties, such as suppliers, service providers and agents, making it key for us to maintain a strong external due diligence system.

Besides the identification of the risks, Ms. Romberg performed a gap analysis by reviewing our existing processes related to these topics. Based on this review, she provided four key recommendations:

- Provide anti-bribery and corruption (ABC) training to executive management
- Update internal policies and procedures to more thoroughly capture fraud, bribery and corruption related topics
- Train employees in high-risk functions on relevant ABC topics
- Establish KPIs to monitor ABC implementation

During 2020, we have implemented three of these recommendations. First, we updated our documentations, most notably our Code of Conduct for employees, to more clearly articulate the bribery and corruption risks that OneMed as a company is facing and how these can best be managed. Additionally, we trained both the executive management team as well as other managers and employees in high-risk functions on ethics and compliance, focusing both on developing their theoretical understanding as well as engagement with ethical dilemmas to instill awareness on these topics.

Lastly, until now, our risk mitigation measures have centred primarily on our internal operations and we have not yet managed to engage with stakeholders outside of our direct scope of influence other than through our Code of Conduct. In 2021, we will seek to strengthen our external fraud, bribery and corruption due diligence to further mitigate the likelihood of unethical business practices occurring in our value chains.

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Cybersecurity

The cyber threat environment 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 cybersecurity and work at various levels to identify, protect and respond to cyber threats. In 2020, we established a Cybersecurity Committee comprising a member of OneMed's Executive Management Team, the IT Director and the Group's IT Security Specialist to ensure that our cyber response process and decision making

remain appropriate in the context of our cyber threat environment. Risk awareness training and proactive communication to all OneMed 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.

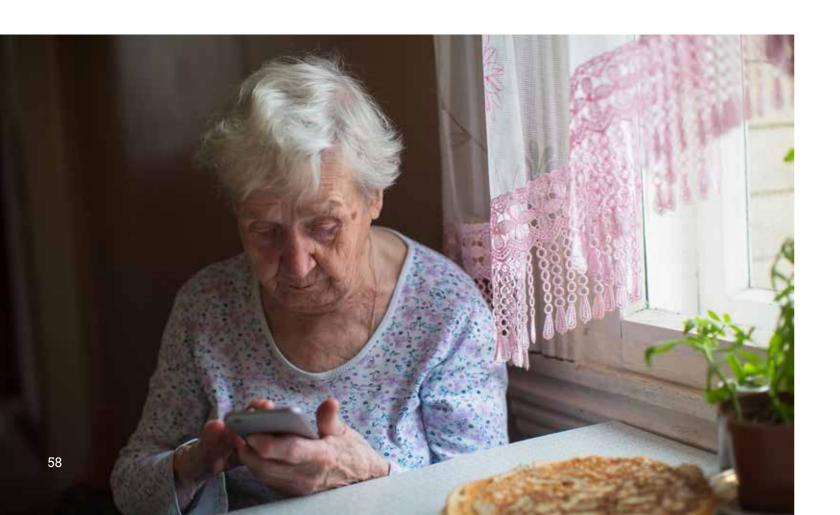


Upholding the right to data privacy

The right to a private life 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 OneMed's Executive Management Team, who is advised by the Group'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.

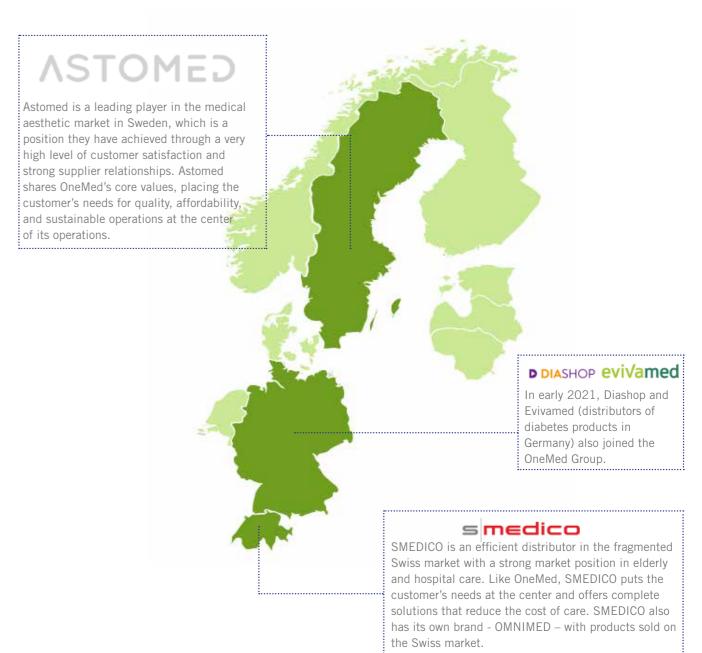




New acquisitions

Despite the pandemic, we have expanded our European presence significantly during 2020 with acquisitions both in Switzerland and Germany, as well as an acquisition in Sweden. 2020 therefore marked our entrance in the DACH region (Germany, Austria and Switzerland), which is an important step towards our goal of consolidating the European market for medical supplies.

We are excited to start the integration process of these new acquisitions in 2021. In addition to aligning on an operational level, we will also work towards aligning on our sustainability work, ensuring that all companies that operate under the OneMed brand share the same ethical values, work towards reducing our impact on the climate, and take steps to uphold the highest standards when it comes to social compliance across our supply chains.







Social outcomes

The Social Outcome covers all OneMed branded companies (with the exception of the companies acquired during 2020).

The presented data has been collected by the Sustainability Team through a combination of automated and manual processes.

On the one hand, information related to 'Age and gender distribution' and 'Employees by country' the

relevant data was retrieved from Axiom, an online platform that we use to monitor our financial performance and some HR-related KPIs. On the other hand, the data related to Sick-leave, Changes in workforce and Reports and CoCs signed was provided by the local HR Managers. The number of Lost-Time Accidents was provided by the Supply Chain department.

Age and gender		2020		2019		
distribution	Number	%Female	%Male	Number	%Female	%Male
Board of directors	7	14%	86%	9	0%	100%
<30	0	0%	100%	1	0%	100%
30-50	5	0%	100%	7	0%	100%
>50	2	50%	50%	1	0%	100%
Management Team	7	14%	86%	7	14%	86%
<30	0	0%	0%	0	0%	0%
30-50	5	20%	80%	5	20%	80%
>50	2	0%	100%	2	0%	100%
Other employees	863	54%	46%	732	57%	43%
<30	154	55%	45%	180	56%	44%
30-50	486	54%	46%	381	56%	44%
>50	223	54%	46%	171	60%	40%
Total employees	870	54%	46%	739	56%	44%

Employees by country	2020		2019			
	Number	%Female	%Male	Number	%Female	%Male
Sweden	339	46%	54%	298	45%	55%
Netherlands	282	63%	37%	217	72%	28%
Finland	85	60%	40%	77	57%	43%
Norway	72	49%	51%	54	46%	54%
Denmark	60	43%	57%	62	56%	44%
Estonia	13	77%	23%	13	77%	23%
Lithuania	6	100%	0%	6	100%	0%
China	6	50%	50%	5	60%	40%
Latvia	4	75%	25%	5	80%	20%
Malaysia	2	50%	50%	1	100%	0%
India	1	0%	100%	2	50%	50%
Total	870	54%	46%	739	56%	44%

Absenteeism	2020	2019	
Sweden	4,6%	4,7%	
Netherlands	3,4%	4,8%	
Finland	2,4%	1,5%	
Norway	6,9%	8,2%	
Denmark	2,0%	2,3%	
Baltics	0,4%	1,9%	
China	1,7%	2,0%	
Malaysia	0,0%	0,0%	
India	0,0%	5,6%	
Average	3,9%	4,4%	

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

Accidents	2020	2019	
Number of Lost-Time Accidents	5	3	



Environmental outcomes

The Environmental outcome covers all OneMed branded companies (with the exception of the companies acquired during 2020).

Emissions overview

The data presented in the Emissions Overview has been gathered and analysed by the Sustainability Team.

For our Scope 1, comprising company cars, the country-specific emissions overviews were provided by the local Human Resources and Finance managers, who, in turn, received it from the leasing companies that we work with. For 2019, the emissions from the Danish organization were excluded due to data unavailability.

For our Scope 2 emissions, consisting of the electricity and heating consumption from the OneMed warehouses and offices, we did most of the emissions calculations internally, basing it on the consumption (provided by the HR / Supply Chain Manager or Business Controller) and a corresponding emission factor. The latter was either provided directly by the utility provider that we buy our energy from or taken from a reliable source such as the IPCC or the EEA.

For our scope 3 emissions, we covered two distinct categories. First we covered emissions pertaining to the transportation of goods that we are responsible for, including: inbound where the incoterms were Free on Board (FOB) and Ex Works (EXW) (this mainly applied to Private Label inbound from Asia), our intercompany transport, as well as all outbound distribution from the OneMed warehouses to our customers. Second, we included the emissions caused as a result of our business flights.

Regarding the first category: transportation of goods, we relied on the emissions reports provided by our carriers. Most of these carriers use international standards, such as the EN 16258, Greenhouse Gas Protocol and the Clean Cargo Working Group to support their emissions calculations.

For the second category: business flights, most of the emissions reports were provided by the HR and Finance managers, who, in turn, received it from the travel agencies that we collaborate with. In the smaller OneMed countries where business travel is limited and where we do not engage a travel agency, we manually calculated the emissions using an online emissions calculating tool.

For all scopes, we sought to report our emissions in CO2 equivalents (CO2e), and thereby account for all greenhouse gases rather than only CO2 emissions. Whenever possible, we aimed to directly receive the emissions data in this format to avoid conversion. When the data was provided to us in a different format we used conversion factors to convert CO2 to CO2e.

We identified two limitations related to the emissions data. First, while most of our carriers provided emissions data specific to our business, a few calculated our emissions based on high-level averages with few determinants related to our operations, and hence affecting the accuracy of our Scope 3 emissions for the transportation of goods. Second, we applied conversion factors to ensure data comparability (e.g. converting emissions from CO2 to CO2e), which by nature rely on averages, and hence reduce data accuracy when applied.

Because of these limitations, we may need to slightly adjust our baselines for 2019 and 2020 to improve the accuracy of the data and improve comparability over time.

Emissions overview (metric tons CO2e)	Categories	2020	2019
Scope 1	Company cars	859	720
Scope 2	Energy consumption	463	410
Scope 3	Sea transport	2 688	2 290
	Air transport	7 316	29
	Road transport	4 358	3 357
	Business flights	128	507
	Total Emissions (tons CO2e)	15 812	7 313

Waste

We started measuring our waste for the group in 2020. The presented data has been gathered and analysed by the Sustainability 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 OneMed (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.

Waste (metric tons)	2020	2019
Recycled	701	N/A
Landfilled	20	N/A
Energy recovered	37	N/A
Hazardous	3	N/A
Total waste	761	N/A

Energy consumption

Our energy consumption comprises the electricity and heating consumption at the OneMed offices and warehouses. The data was provided by either the HR Manager, Supply Chain department or Business Controller depending on the country. In 2020, an estimated 80.5% of our energy consumption came from renewables, of which 78% through green energy contracts and 2.5% through self-generated electricity (solar).

Energy consumption (MWh)	2020	2019
Electricity usage	4330	3206
Heating usage	2860	2356
Total Energy Consumption	7190	5562
Energy Intensity (MWh / SEKm net sales)	1,02	1,35

Water consumption

We started measuring our water for the group in 2020. The presented data has been gathered and analysed by the Sustainability Team and provided by the local Supply Chain departments and HR Managers.

Water consumption	2020	2019
m3 water consumed	4661	N/A



Governance outcomes

Reports and Coc signed	2020	2019
Number of whistleblowing reports*	0	0
CoCs signed by employees %	99%	95%



Economics

The data presented in this Economics overview is a simplified version of the consolidated financial statements from OneMed Top Holding AB's** Annual Report available at bolagsverket.se/

for the Financial Year 2020 (January 1, 2020 - December 31, 2020) publicly

Amounts in SEK m	2020	2019
Consolidated Income Statement		
Net Sales	7 075	4 134
EBITA	520	117
Financial items	- 149	- 66
Net profit or loss for the year	239	- 18
Consolidated Balance Sheet		
Total non-current assets	3 313	3 105
Total current assets	2 343	1 398
Total assets	5 656	4 503
Total equity	1 414	1 108
Total non-current liabilities	2 619	2 351
Total current liabilities	1 623	1 044
Total equity and liabilities	5 656	4 503
Consolidated Statement of cash flow		
Operating income from continuing operations	484	89
Cash flow before changes in operating capital	727	25
Cash flow current operation	594	28
Cash flow from investment operations	- 141	124
Cash flow from financial activities	- 269	- 52
Cash flow for the year	184	100
Cash and cash equivalents at year-end	333	143

GRI content index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Comments		
GRI 101: Foundation	2016				
General Disclosures	General Disclosures				
	Organizational profile				
	102-1 Name of the organization	1			
	102-2 Activities, brands, products,	13, 14-17, 18-19			
	and services				
	102-3 Location of headquarters	10			
	102-4 Location of operations	10			
	102-5 Ownership and legal form	10			
	102-6 Markets served	10, 12-13			
	102-7 Scale of the organization	13, 60-61, 64			
	102-8 Information on employees and other workers	34-35, 60-61	Information on temporary vs permanent contracts has been excluded due to insufficient data.		
	102-9 Supply chain	13			
	102-10 Significant changes to the organization and its supply chain	40, 59			
	102-11 Precautionary Principle or approach	33			
	102-12 External initiatives	10			
	102-13 Membership of associations	10			
	Strategy				
	102-14 Statement from senior decision-maker	8-9			
	Ethics and integrity				
GRI 102: General Disclosures 2016	102-16 Values, principles, standards, and norms of behavior	2-3			
Disclosules 2010	Governance				
	102-18 Governance structure	56			
	Stakeholder engagement				
	102-40 List of stakeholder groups	28-29			
	102-41 Collective bargaining agreements	34			
	102-42 Identifying and selecting stakeholders	28			
	102-43 Approach to stakeholder engagement	28-29			
	102-44 Key topics and concerns raised	30-31			
	Reporting practice				
	102-45 Entities included in the consolidated financial statements	64			
	102-46 Defining report content and topic Boundaries	7			
	102-47 List of material topics	30-31			
	102-48 Restatements of information		N/A		
	102-49 Changes in reporting		N/A		
	102-50 Reporting period	7			
	102-51 Date of most recent report		2020-11-01		
	102-52 Reporting cycle		Annual		
	102-53 Contact point for questions regarding the report	7	ESG@onemed.com		
	102-54 Claims of reporting in accordance with the GRI Standards	7			
	102-55 GRI content index	65-66			
	102-56 External assurance		N/A		

^{*} Formal cases reported through the OneMed whistleblowing helpline **Org. Nr.: 559184-9848

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Comments	
Material Topic 1: Product Quality and Patient Safety				
	103-1 Explanation of the material topic and its Boundary	20-21, 31		
GRI 103: Management Approach 2016	103-2 The management approach and its components	20-21		
	103-3 Evaluation of the management approach	21		
Emissions				
	103-1 Explanation of the material topic and its Boundary	31, 62		
GRI 103: Management Approach 2016	103-2 The management approach and its components	31, 46, 56		
	103-3 Evaluation of the management approach	46		
GRI 305: Emissions 2016	305-4 GHG emissions intensity	47		
Material Topic 3: Resp	onsible Sourcing			
Forced or Compulsory Lab	por			
	103-1 Explanation of the material topic and its Boundary	31, 38, 43		
GRI 103: Management Approach 2016	103-2 The management approach and its components	31, 43, 56		
	103-3 Evaluation of the management approach	45		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	40, 43-44		
Human Rights Assessmer	nt			
	103-1 Explanation of the material topic and its Boundary	31, 38-39		
GRI 103: Management Approach 2016	103-2 The management approach and its components	31, 39, 56		
	103-3 Evaluation of the management approach	45		
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	39-40		
Supplier Social Assessme	nt			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	31, 38, 40-41		
	103-2 The management approach and its components	31, 40-44, 56		
	103-3 Evaluation of the management approach	45		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	41		

SDG index

Sustainable development goal	SDG target	OneMed's contribution	In this report
3 GOOD HEALTH AND WELL-BEING	TARGET 3-3	Our products and solutions participate in preventing the spread of microbial/viral infections (by preventing exposure) as well as the development of antibiotic resistant bacterial infections (by reducing unnecessary exposure of patients and caregivers to antibiotics). Thereby we contribute to SDG Target 3.3 and the fight against communicable diseases.	See 'Covid-19 response' (p.22-25), 'OneMed's Wound Care initiative' (p.14-17)
3 GOOD HEALTH AND WELL-BEING	TARGET 3-4 TARGET 3-4 REDUCE MORTALITY HOUM NON-COMMUNICABLE DISEASES AND PRIOMOTE MENTAL HEALTH	Our products and solutions participate in the treatment of chronic diseases such as cardiovascular disease, cancer, diabetes or chronic respiratory disease, thereby contributing to SDG Target 3.4	See 'About OneMed' (p. 10), 'A true partner to healthcare institutions throughout Europe' (p. 12), 'OneMed's Wound Care initiative': (p.14-17)
3 GOOD HEALTH AND WELL-BEING	TARGET 3-8	We provide access to safe, effective, quality and affordable essential healthcare supplies for all, hence contributing to SDG Target 3.8.	See 'A true partner to healthcare institutions throughout Europe" (p.12)
3 GOOD HEALTH AND WELL-BEING	TARGET 3-9 REDUCE ILLNESSES AND DEATH-FROM HAZARDOUS CHEMICALS AND POLIUTION	We are actively phasing out harmful chemicals from our products, including those that come with adverse environmental and health impacts during the production and/or disposal processes and hence contribute to SDG Target 3.9.	See 'Harmful substances: Phasing out PVC' (p. 54-55)
3 GOOD HEALTH AND WELL-BEING	INCREASE HEALTH PRIMANCING AND SUPPORT HEALTH WORKEDPING COUNTRIES	By developing products and solutions which contribute to improving patient outcome and reducing total cost of care, we contribute to a more efficient use of health workforce and optimizing health financing and hence to SDG Target 3.c. NB: Target 3.c is to "Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in least developed countries and small island developing States."; considering that efficient use of financial and human resources in healthcare is a challenge for all countries, this target is highly relevant also in the developed countries where we operate.	See 'A true partner to healthcare institutions throughout Europe" (p. 12), 'OneMed's Wound Care initiative' (p. 14-17)
3 GOOD HEALTH AND WELL-BEING	TARGET 3·D	By developing resilient and reactive supply chains of health care supplies, we contribute to strengthening the capacity and preparedness of European countries for risk reduction and management of national and global health risks (e.g.: pandemics) and hence to SDG Target 3.d.	See 'Covid-19 response' (p.22-25)

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RISKS 67

Sustainable Sustainable SDG In this SDG OneMed's contribution OneMed's contribution development development target report target goal goal As of 2019, we publish an annual sustainability report for Our climate compensation program supports the develop-See 'Climate compensament and maintenance of a biomass powerplant in India tion program' (p. 52) the OneMed Group, which continues ongoing dialogue with providing access to affordable electricity to the local our stakeholders and promotes a transparent process for population, thereby contributing to SDG Target 7.1. steady improvement by integrating sustainability informa-CO (0) tion into our reporting cycle, thereby contributing to SDG Target 12.6.w We are actively increasing the percentage of renewable See 'Initiatives to reduce energy powering our offices and warehouses by selecting our carbon footprint green electricity contracts (combining a mix of wind, hydro-We seek to generate value from our sustainability work and drive competition in this area by promoting sustainable power and bio energy) and equipping our warehouses with solar panels to generate our own electricity. Thereby we public procurement practices with our customers (such as contribute to SDG Target 7.2. ethical supply chain evaluation criteria in tenders), thereby ▥▮ influencing progress across our industry and contributing to SDG Target 12.7. 00





We actively work with our suppliers and other stakeholders to address, reduce and ultimately eliminate the risks of modern slavery and child labor across our value chains, thereby contributing to SDG Target 8.7.

See 'Our responsible sourcing program' (p.38-45)





We respect labor rights and take measures to ensure safe working environments for OneMed employees and workers who perform work on our behalf.

We also expect our suppliers to respect the local laws related to labor rights and provide a safe working environment to their workers. We evaluate their performance via audits and, if necessary, remediate deviations through corrective action. Thereby we contribute to SDG Target 8.8.

See 'Protecting our people' (p.24), 'Our people' (p. 34-35), 'Our responsible sourcing program' (p.38-45)





By developing and promoting the use of PVC-free products in all our markets, we offer alternatives which reduce the risk of release of harmful chemicals and pollutants connected to PVC-based medical supplies at the end of their life cycle, thereby contributing to SDG Target 12.4.

See 'Harmful substances: Phasing out PVC' (p. 54-55)





We seek to minimize our waste and give our products a second life by donating excess stocks to charity organizations, such as Human Bridge and the Red Cross.

Via an IT solution, we empower customers to make 'smart orders' by enabling and encouraging them to order products in their original packaging, taking away the need to repackage and reducing unnecessary waste. Thereby we contribute to SDG Target 12.5.

See 'Sustainability highlights 2020' (p.26-27)







See 'Our Environmental Program' (P. 46-53)

In this

report

See 'About this Report'

See 'The impact of

healthcare' (p.11)





We clearly state and communicate our position against bribery and corruption to our stakeholders in our Code of Conduct. We take measures to educate our employees and reduce the risk of unethical practices occurring in our operations, thereby contributing to SDG Target 16.5 to substantially reduce corruption and bribery in all their forms. See 'Anti-fraud, bribery and corruption' (p. 57)





Our sustainability gains would be minimal without engagement with our stakeholders. We encourage and facilitate strong value chain collaborations so as to have the highest impact.

See 'Stakeholder engagement' (p.28-30)

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