

# ESG report



## Contribution to the United Nations sustainable development goals

Navamedic is committed to operate the business in a responsible and sustainable manner over time, and in a way that contributes to a positive, trust-based relationship between Navamedic, our stakeholders and society as a whole. During 2022, we identified the areas of United Nations global development goals where we see our contribution and structured the measures and initiatives to support this contribution in the future. By assessing the whole value chain and having a comprehensive view on our impact, Navamedic sustainability team laid a good foundation for establishing concrete measures, initiatives and focus areas. Together with our management and the Board, we lifted our focus on sustainability of our operations at the top of our agenda for the future.



<p><b>3</b> GOOD HEALTH AND WELL-BEING</p> 	<p>Contribute to safe and timely supplies of medicines by minimizing the risk of shortages through close collaboration with our partners included in the whole value chain</p> <p>Contribute to people's health by focusing on important medical needs, such as obesity, antibiotics and medical nutrition</p>
<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> 	<p>Commit to respecting fundamental human and labour rights, both in our own business and throughout the entire value chain</p> <p>Support work/life balance for employees as a flexible company</p> <p>Promote employees competence development</p>
<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>Focus together with suppliers on sustainability initiatives</p> <p>Focus on packaging material of our products to reduce waste, introduce environmental-friendly alternatives and improve labelling to sort waste material</p>
<p><b>13</b> CLIMATE ACTION</p> 	<p>Transport products in a more sustainable way to reduce CO<sub>2</sub> emission</p> <p>Implement a travel policy to support business travel in a more sustainable way</p> <p>Constantly improve and document our environmental actions through the ISO 14001 certification and internal Environmental Management System</p>

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## Environmental

Despite being a limited-size company with no production facilities, we still aim to minimize our environmental footprint. During the year we identified environmental-related focus areas and the measures to be taken in a short- and long-term period.

### Packaging optimization

Navamedic is assessing the packaging of most of its products, both in terms of pallet/box packaging and single unit packaging. Our goal is to reduce the size of packages where possible, as well as to remove unnecessary plastic or excess materials used. Furthermore, our aim is to keep close dialog with our suppliers to ensure the usage of renewable and “easy to recycle” materials that are also properly labeled. The goal set is to have at least one product optimization per year.

### Products transport

During 2022, Navamedic improved its order handling process in order to optimize the number of shipments and these improvements are going to continue in years to come. Our goal is to ensure that our products are delivered with a minimal number of kilometers driven both regarding shipments from our vendors to the warehouses and from the warehouses to our customers. Further to this, Navamedic will perform an assessment of our logistics partners in order to ensure that we work with the best-in-class companies when it comes to sustainable and environmentally friendly transport.

### Company cars and travel policy

Being the area where Navamedic can have more direct impact, the Company initiated the new travel Policy that focuses on defining when and how we travel. We believe that our contribution to the global CO2 emission reduction in this respect can be achieved by optimizing business trips and choosing more environmentally friendly means of transportation where possible. Furthermore, our new Company Policy for company cars requires all new company cars to be electric or hybrid where possible.

Through implementation of an Environmental Management System program, Navamedic has become ISO 14001 certified during 2021.



# Social

Our success is not only driven by our high-quality products, but also by our competent employees. We believe that only skilled and satisfied employees, who are proud to work in Navamedic, can drive our organization through the future and contribute to the well-being of our customers. Therefore, we strive to provide the best working environment for all who are part of our organization and to become an attractive employer also for those who are going to join us in the future.



Navamedic supports flexibility of our employees and work-life balance is high on the agenda. All new employees are going through a comprehensive onboarding program to meet all the departments and the top management. This program is evaluated by new employees as a great start of the journey in Navamedic. We also support our employees in their skills development plan, and we want our employees to grow their competence in desired areas.

Equal employment opportunities and diversity are topics with increasing expectations for transparency and corporate action. Navamedic aims to continue to be a responsible employer that does not discriminate and that assesses all employees on an equal basis with respect to career opportunities and rights, regardless of gender, ethnicity, disability, or sexual orientation. Navamedic wants to achieve a balance between the genders. Of total 34 employees in 2022, 19 are women and 15 are men. The Group's management team in 2022 consisted of 7 members, 3 of whom are women. The Board of directors consisted of 5 members during 2022, 2 of whom are women.

Navamedic continuously seeks to improve health and safety at the offices in which it operates. There were no serious incidents that resulted in personal injuries or absences during 2022. Nor was there any damage to property or equipment reported. The sick leave rate was 2.0% in 2022 compared with 5.5% in 2021. The Group continuously aims to protect and improve health and safety in its operations.

Our contribution in the social area goes beyond our organization and beyond our products. One example that we are proud of is within the obesity treatment area where we are not only providing the products, but also other tools to facilitate the users to lead healthier lives long term. Several times per year we run an activity with Modifast (wide range of diet and meal replacement products) where we support, inspire and empower thousands of consumers not only to lose weight short term but also to establish new habits, with healthy food and physical activity. We create communities for the participants, leveraging the power of peer support, in addition to our own competence and expertise.

Navamedic also contributes to obesity management by providing pharmaceutical treatment, Mysimba, that can help patients lose and maintain a lower weight. With our website MyControl, we hope to increase knowledge about obesity among the general public and healthcare professionals. The site, which highlights causes, risks and the benefits of a long-term weight loss, places great focus on the brain's role in developing and mastering the disease and, in addition to current treatment options, also addresses the importance of the right treatment. The website is available in Norwegian, Swedish, Danish & Finnish. We are also providing patients with a PSP (Patient Support Program) – MyControl Support – in Sweden and Norway that includes a broad spectrum of supporting services to aid patients in lifestyle changes.

We feel proud of the fact that our products are only part of the support that we give to our patients and consumers. With obesity recognized as a complex disease, a wide range of effective tools are needed to enable everyone to find his or her own path to a healthier and more sustainable life, with great benefits also to society as a whole.

# Governance

Navamedic is committed to conducting its business keeping the highest ethical standards and ensuring compliance with applicable laws and regulations. We have therefore structured our governance on transparent principles that shall be followed by our suppliers, employees and management.

## **Code of conduct**

The Company's code of conduct (the "Code") sets the standard for what is expected in terms of business and personal conduct from each of the employees of Navamedic. The Code sets our expectations, commitments, and requirements for ethical conduct. The Code applies to everyone working for or representing the Company in any form, irrespective of the nature of the contract the relation is based on. This includes, but is not limited to, employees, the management, Board of directors, or any hired contractors. The Code has been approved by Navamedic's Board of directors and covers key topics such as business ethics, anti-corruption, working environment, and environment and climate. Navamedic is following the European Federation of Pharmaceutical Industries and Associations (EFPIA) Disclosure Code. Collaboration between the industry, patient organizations, healthcare professionals, and governments is critical to shaping the future of research and development, inform regulatory decision-making and optimize the use of medicines in the patient pathway. Transparency is critical to these relationships, and EFPIA and its member companies have continued to drive greater transparency through support for the mandatory registration of lobbying organizations on the EU transparency register. Furthermore, the members work with the implementation of the disclosure provisions in the EFPIA Code, which require public disclosure of financial support to patient organizations across Europe.

## **Business ethics and anti-corruption**

Navamedic is committed to ethical operations. The Company complies with the laws of the countries in which it operates and runs its business operations in line with nationally and internationally recognized principles and guidelines for human and labor rights. All employees and Board members shall refrain from corruption and



bribery in all forms, as described in the Company's Code. Navamedic refuses to tolerate any form of corruption in its day-to-day work or in relation to business contacts. The Company has guidelines for all employees on accepting gifts, benefits, or other tokens of appreciation. All employees are responsible for understanding and identifying possible conflicts of interest, and they have been informed about their responsibilities in such cases. Navamedic's CEO bears the ultimate responsibility for the enforcement of the guidelines of the Company regarding business ethics.

### **The suppliers code of conduct and 360 analyses**

Navamedic places great emphasis on cooperating with business partners that promote high standards of good business practice. Before signing a contract with partners and suppliers, Navamedic carries out evaluations on issues relating to anti-corruption and business ethics. During 2022, Navamedic performed an extensive evaluation of all our suppliers covering different company and country specific risks. This analysis also supports our compliance with relevant standards related to our ISO certification as well as the Transparency Act (Åpenhetsloven) in Norway.

During 2023, Navamedic is launching the Supplier code of conduct, a comprehensive document covering the key areas like human and labor rights, health & safety, sustainability, anti-bribery, child labor etc. We believe that having this document signed by our partners further strengthens our goal to work with the suppliers whose business is run according to the highest standards. We expect that all our partners sign the Code during 2023.

