

Sustainability Report



A year of sustainable progress

2024 was a year where Navamedic made significant progress in its efforts on the journey towards its sustainability goals. Sustainability was on the agenda at all levels of the organization, including being a key element of company conferences. Throughout 2024, with continued growth, and laying the ground for long-term value creation both economically and sustainability-wise, we gained a deeper understanding of the sustainability situation and risks throughout our value chain, providing important insight going forward.

Navamedic's sustainability goals are included in the overall KPIs for the group, and maybe more importantly, broken down into detailed KPIs for all departments.

In this section we will illustrate the highlights of the progress made during 2024 and where we stand going into 2025.

Navamedic bases its sustainability goals and efforts on the United Nations Sustainable Development Goals (SDGs). In 2023 we made an assessment regarding which UN SDGs to focus on based on where we believe our contributions can make the most significant difference. In 2024, our assessment reiterated the SDGs we should focus on, and they are the following:



3 GOOD HEALTH AND WELL-BEING



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

Contribute to people's health by focusing on important medical needs, such as obesity, antibiotics and medical nutrition

8 DECENT WORK AND ECONOMIC GROWTH



Commit to respecting fundamental human and labour rights, both in our own business and throughout the entire value chain

Support work/life balance for employees as a flexible company

Promote employees competence development

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Focus together with suppliers on sustainability initiatives

Focus on packaging material of our products to reduce waste, introduce environmental-friendly alternatives and improve labelling to sort waste material

13 CLIMATE ACTION



Transport products in a more sustainable way to reduce CO₂ emission

Implement a travel policy to support business travel in a more sustainable way

Constantly improve and document our environmental actions through the ISO 14001 certification and internal Environmental Management System

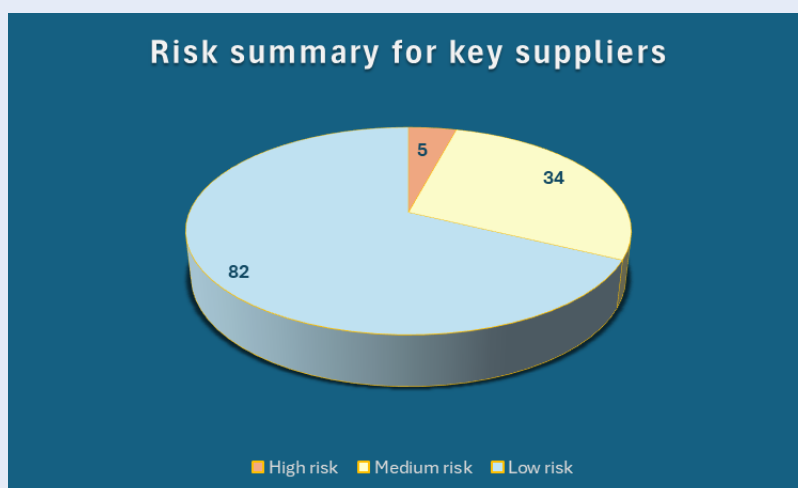
2024 was a year signified by continued concerns over the development in global environmental challenges, such as climate change, biodiversity loss and resource depletion. While the geo-political development arguably worsened the outlook for global sustainability efforts, Navamedic's commitment to sustainability and the environment has proceeded with undeterred determination.



Environment

Navamedic has taken further actions in 2024, not the least through close dialog with all relevant partners up and down our value chain to identify and implement initiatives that contribute to the reduction of the environmental footprint. Navamedic has in 2024 also spent considerable time mapping out where the potential key environmental risks areas are in its upstream value chain. The details of this work will be included in the updated report for the 2024 Norwegian Transparency act, which will be published on the Navamedic web site on or before June 30th, however, here is a summary of the main items from the report:

For the supply chain sustainability risk assessment, Navamedic has used several sources, including input directly from our suppliers, traditional research as well as AI in order to perform a thorough risk assessment of all the key suppliers in our supply chain. Through the risk assessment we have identified not just where the sustainability related risks are, but also risks pertaining to human rights, corruption and business ethics. The graphic below depicts the high-level results of the risk assessment. Navamedic has defined 121 suppliers as key suppliers based on criteria related to size, location and type of industry they operate in. As shown below, out of the 121 key suppliers, 82 are defined in the low risk category, 34 are defined in the medium risk category and 5 have been identified in the high-risk category. A categorization of 'high risk' does not necessarily mean there is an issue, but more often it is due to the significance of the supplier and that we may not have complete information regarding their sustainability efforts and compliance to international standards. Navamedic therefore subsequently focus on the high-risk suppliers to identify actions and follow-ups to fully understand the risk and what consequences this should have.



Further to this, the illustration below shows the geographic presence of Navamedic’s key suppliers, which are mostly headquartered around the Nordics and western European countries. The implication of this is that most of these countries score high on many sustainability measures, such as labor laws, human rights, transparency etc. There are however still risks present, not the least that some of our partners may have sub-contractors in higher risk countries, hence the importance for Navamedic to continue gaining a higher level of detailed knowledge about its supply chain.

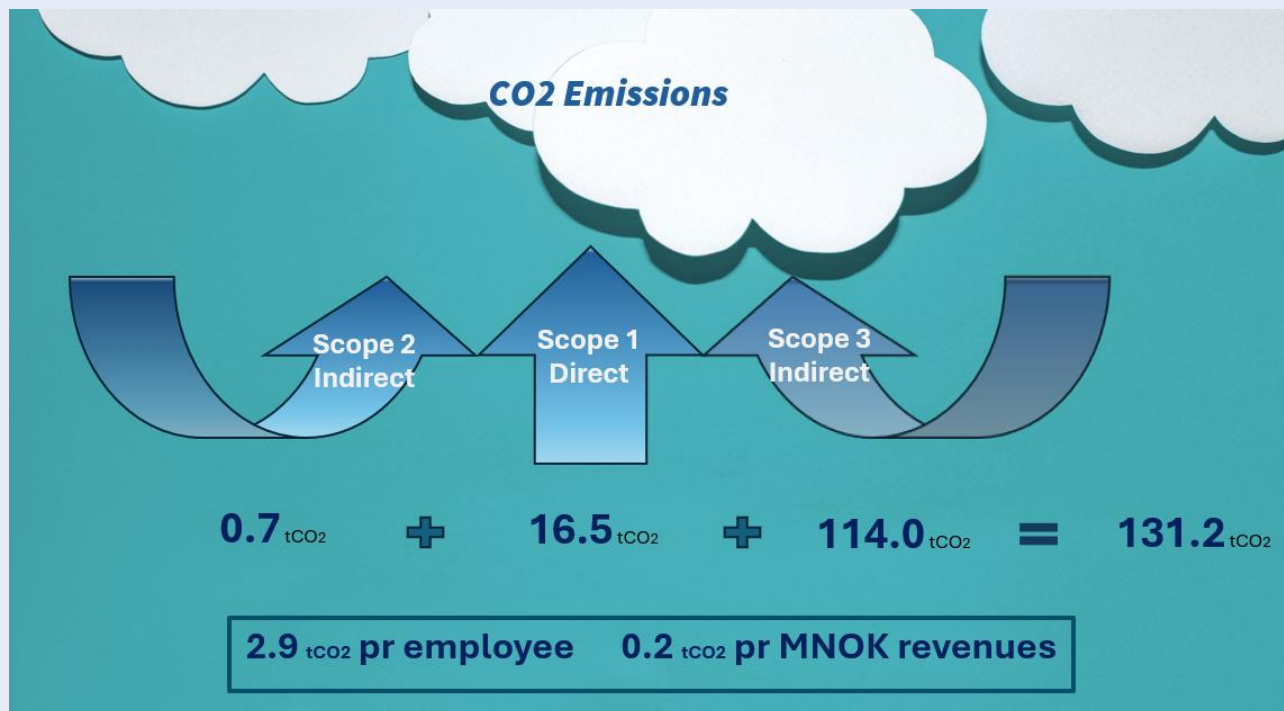
Navamedic key suppliers’ geographical location



Note: The map shows the concentration of Navamedic’s key suppliers by the shade of blue

CO2 emissions

One of the key areas of Navamedic’s is the CO2 footprint the company leaves. The efforts made in 2023 and throughout 2024 have yielded significant and measurable progress. The majority of Navamedic’s CO2 emissions, as is the case for most companies, come from Scope 3 emissions, particularly from transportation and shipping of our products, and from business travel. Throughout 2024, we have further improved our accuracy of the measures as better information and tools have become available. The picture below illustrates the overall status for Navamedic’s 2024 CO2 emissions.



Navamedic's overall CO2 emissions have been reduced from 2023 to 2024, from 154 tCO₂ to 131 tCO₂. A portion of this is due to the fact that we have improved the accuracy of our business travel calculations, but we have made some significant strides across many areas. We have been able to reduce the emissions from our product transportation by approximately 17% from 2023. This has been achieved through consolidating warehousing locations, optimizing shipment volumes and reducing packaging size for one of our key products. We have further reduced business travel by implementing the new travel policy we established in 2023, encouraging more environmentally friendly travelling as much as possible, using digital meetings whenever possible, staying at hotels with environmental focus and implementing electric cars for our fleet of cars. We see that travels made by train and buses as opposed to air travel have increased significantly, by 39% and 132% respectively.



Social responsibility

As the societal landscape continues to evolve, businesses need to reassess their roles and responsibilities within the communities they operate. Embracing principles of corporate social responsibility (CSR) and stakeholder engagement, a vast majority of companies have embarked on their sustainability journey through initiatives aimed at fostering inclusive growth, promoting diversity and equity, as well as addressing pressing social issues. Navamedic is actively assuming its role in this realm by actively contributing to the well-being of society, both by being an important contributor to public health, a socially responsible employer and by striving to be an attractive place to work.

Central to our social responsibility is the unwavering commitment to ensuring a stable supply of necessary pharmaceutical products in our portfolio. We recognize the vital role these products play in contribution to public

health, and as such, we prioritize the reliability and accessibility of our offerings. Through proactive supply chain management and strategic partnerships, we strive to mitigate disruptions and ensure that patients have access to the medications they need.

In addition to maintaining a stable supply chain, we proactively monitor and assess emerging healthcare needs to identify opportunities for innovation and product development. By staying abreast of evolving medical trends and public health challenges, we remain agile in our response, continuously seeking to address unmet medical needs and improve patient outcomes. Our last three acquisitions underpin this point:

- The acquisition of our antibiotics portfolio, with intravenous antibiotics for use in hospitals and emergency rooms, providing life-saving medical care for many patients.
- The acquisition of Impolin AB, which included products to help people fight obesity challenges, also saving lives and improving life for many people.
- The acquisition of Sensidose AB, which gave Navamedic an innovative product to greatly improve the quality of life for people with late stage Parkinson's disease, a disease with increasing prevalence globally.

Navamedic is not just selling random medicinal products, we strive to live up to our vision of being a proud contributor to public health. Our vision and portfolio of products have deeper meaning to us as we aim at supplying products to combat societal health challenges such as obesity, Parkinson's Disease, virus infections, erectile dysfunction and pain, to mention a few. We have patient support programs and other initiatives such as 'Lighter together', '6-in-1' and 'My control', all aimed at helping both patients and health care professionals in their pursuit of better health and life quality.

At the heart of our social responsibility initiatives is also our commitment to our employees. We recognize that our success is intrinsically tied to the dedication and expertise of our team members, and as such, we prioritize creating a culture of inclusion and non-discrimination, ensuring that every individual, regardless of race, gender, sexual orientation, disability, or background, feels valued, respected, and empowered within our organization. Through various initiatives, we strive to cultivate a workplace where every individual feels valued, empowered, and inspired to contribute their best. Of total 42 employees in 2024, 25 are women and 17 are men. In late 2023, Navamedic introduced a quarterly employee survey in order to gauge and measure the development of employee satisfaction over time. The results show that Navamedic has a high level of employee satisfaction, in line with or above benchmark results. It also shows a fairly steady, or slightly increasing, level of employee satisfaction.



Governance

Governance considerations remain at the forefront of corporate agendas, as businesses seek to enhance transparency, accountability, and ethical conduct across their operations. Strengthening corporate governance frameworks, fostering board diversity, and upholding rigorous standards of integrity have become paramount objectives, ensuring that organizations uphold the highest standards of ethical behavior and decision-making. Navamedic is continuously committed to conducting its business with the highest ethical standards and ensuring compliance with applicable laws and regulations. Navamedic has structured its governance on transparency

principles that all relevant stakeholders need to adhere to, from our key suppliers to our customers, employees and management.

Navamedic's Code of Conduct establishes the standard for both business and personal conduct expected from all employees. It outlines our ethical expectations, commitments, and requirements applicable to all individuals representing the company, regardless of their contractual relationship. This includes employees, management, the Board of Directors, and relevant contractors. The Code of Conduct, approved by Navamedic's Board of Directors, covers essential topics such as business ethics, anti-corruption measures, workplace environment, and environmental stewardship. Additionally, Navamedic adheres to the European Federation of Pharmaceutical Industries and Associations (EFPIA) Disclosure Code. This commitment underscores our collaboration with stakeholders like patient organizations, healthcare professionals, and governments to influence research, regulatory decisions, and optimize medication use. Emphasizing transparency, EFPIA and its members advocate for mandatory registration of lobbying organizations in the EU transparency register. Furthermore, we uphold EFPIA's disclosure provisions, ensuring transparent reporting of financial support to patient organizations across Europe.

Navamedic upholds ethical standards, complying with national and international laws and guidelines on human and labor rights. We strictly prohibit corruption and bribery in any form, as outlined in our Code of Conduct. We maintain a zero-tolerance policy towards corruption in our daily operations and business interactions. Guidelines are in place for accepting gifts or benefits, and all employees are expected to identify and address potential conflicts of interest. The CEO holds ultimate responsibility for enforcing our ethical guidelines.

Further to Navamedic's Code of Conduct, which provides the guidelines for employees internally, Navamedic also has its Supplier Code, a comprehensive guideline and requirements for our suppliers describing Navamedic's expectations to our partners within various categories, including human rights and labor rights, health & safety, sustainability, anti-bribery, child labor etc. We believe that having this document committed to by our partners further strengthens our goal to work with suppliers whose business is run according to the highest standards.

Concluding remarks

Navamedic remains firmly committed to environmental stewardship, social responsibility, and robust governance practices. As we reflect on our current achievements, we take pride in the solid foundation we have established, but we also recognize that our journey towards sustainability is ongoing. Looking ahead, we reaffirm our dedication to continuous improvement, innovation, and transparency. Navamedic has also taken the first steps in becoming CSRD compliant, performing a double materiality analysis to identify which sustainability areas affect Navamedic the most, as well as which areas are the most affected by Navamedic. Navamedic is not as of yet required to comply with and report according to CSRD, but we are on track to comply with the requirements, and we anticipate reporting on this by the end of 2025.