

# Sustainability Report 2021

*Leading supplier*  
**of healthcare and  
research facilities**

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# About the sustainability report

This is ADDvise Group AB's (publ) ("ADDvise" or the "Company") first sustainability report and concerns the financial year 2021. The sustainability report covers the parent company ADDvise Group AB (556363-2115) and all companies that are consolidated in the consolidated financial statements for the same period, as specified in Note K13 to the consolidated financial statements. Southern Life System Inc is not included in the sustainability report as the consolidation only took place in November 2021, whereupon they were excluded. All subsidiaries are wholly owned by the parent company. The sustainability report has been prepared in accordance with the provisions of chapters 6 and 7 of the Swedish Annual Accounts Act.

When preparing the sustainability report, guidance has been drawn from Global Reporting Initiatives' (GRI) sustainability reporting standards, but the guidelines have not been fully applied. Where performance indicators have been established using GRI guidance, this has been stated in the sustainability report. Inspiration has been taken from the principles of the Greenhouse Gas Protocol (GHG) when calculating greenhouse gas emissions. As this is ADDvise's first sustainability report, there have been no material changes in the application of reporting policies or in the scope of reporting.

On signing the annual report and consolidated financial statements, the Board of Directors of ADDvise have approved the sustainability report.



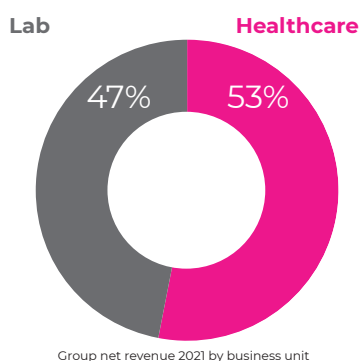


# ADDvise's view on sustainability

ADDvise's business concept is to improve, prolong, and save people's lives. This is a social responsibility that contributes to a more sustainable society. However, sustainability is more than the social aspect associated with our core business. It is about taking responsibility and having influence at all levels. ADDvise strives to be sustainable from a holistic perspective. Sustainable for the environment, sustainable from a social perspective, and sustainable from a business perspective. The sustainability work can also be referred to as the company's ESG work. The work includes a focus on the three aspects environmental, social, and governance (ESG – Environmental, Social, and Governance).

The world's expectations of seeing tangible improvement in these areas has never been stronger than now. This is accelerating the work and driving development.

ADDvise has always striven to work and invest sustainably. This has previously been internal work that was not communicated to such a great extent outside the organization. In the past, there was a strong focus on establishing internal policy documents and on following ISO 9001 and 14001 standards in order to, among other things, reduce the Group's environmental impact. During 2021, the rate of acquisition increased significantly, creating the need for clearer and more structured sustainability work. Communicating our work and efforts around sustainability has become a higher priority as this has been requested by stakeholders such as investors, shareholders, potential acquisitions, and subsidiaries.



Sustainability is becoming increasingly fundamental in the pursuit of better business results. In 2022, we will continue to work on developing and improving our sustainability work. Among other things, we will conduct a more comprehensive stakeholder dialogue and materiality analysis. Sustainability goals for the Group will also be developed and launched.



Chief Executive Officer Rikard Akhtarzand

## Business model

ADDvise is a leading supplier of equipment to healthcare and research facilities. Sales are global. The Group has a clear acquisition strategy with the aim of increasing shareholder value and expanding operations – both geographically and in terms of products.

ADDvise is a long-term owner that operates a decentralized business model, and our focus is to maintain entrepreneurship and business acumen at a local level in acquired companies. Our acquired companies retain their names and continue to operate independently within the framework of ADDvise's corporate governance. It contributes to flexibility and enables important business decisions and product development to take place closest to the business and customers. Companies that are part of the Group are offered central support functions and guidance in high-level strategic decisions.

The Group's subsidiaries are divided into two business areas: LAB and HEALTHCARE. The companies' operations can also be separated into distributing or producing companies. There are seven producing companies and five distributing companies in the Group as of December 31, 2021.

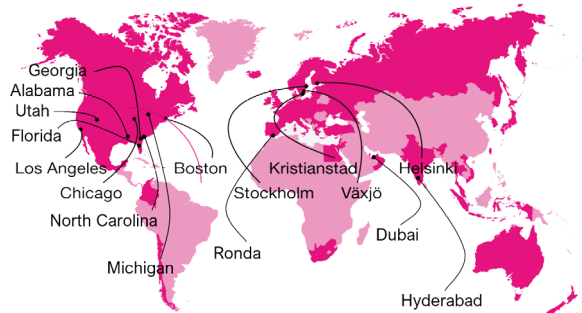
ADDvise works according to high quality requirements, and the parent company has been certified in accordance with the global quality systems ISO 9001 and ISO 14001 since 2009. Many of the subsidiaries are also certified according to ISO 13485 and ISO 17025 and others.



### Supply chain

ADDvise is a global group with the majority of subsidiaries primarily in the USA and Sweden. The companies work with a large number of global suppliers' products and solutions. Supplier relationships primarily consist of long and close collaborations, which create better opportunities for dialogue and control. Under the decentralized business model, each subsidiary ensures that its suppliers comply with laws, rules, and/or their code of conduct.

In 2022, a Group-wide code of conduct will be made available to all subsidiaries in the Group.



### Materiality analysis

As described above, this is ADDvise's first sustainability report. The work is largely based on the core data and key figures used in the industry. A scaled-down version of stakeholder dialogue has been conducted, which is also the basis for the materiality analysis.

Commencing systematic collection of sustainability information has enabled us to map what information is available in the Group, how it is structured, and what needs to be added in the future. Mapping has created a good basis for strategically and systematically developing and improving ADDvise's sustainability work during 2022.

The materiality analysis has mapped which aspects of sustainable business are of the utmost

importance to ADDvise and where the impact can be considered greatest. The analysis was based on both risks and opportunities related to sustainable business, and the overall areas taken into account were the environment, social conditions, personnel issues, respect for human rights, anti-corruption, and governance issues. The areas are categorized as above in order to make it clear to the reader that the legal requirements for sustainability information have been satisfied in accordance with the Swedish Annual Accounts Act. The analysis results can be extrapolated from the topics and performance indicators presented in this report. ADDvise primarily focuses on governance issues, the environment, and social conditions.

Henceforth, ADDvise intends to conduct a more comprehensive materiality analysis to also include more comprehensive dialogue with the company's key stakeholders in order to evaluate the choice of information in sustainability reporting.

### Governance and responsibility for sustainability aspects in our operations

The Board has overall responsibility for managing ADDvise, which also includes issues related to sustainable business. The Board receives updates and information related to sustainable business, as necessary, from the CEO. The CEO is responsible for executing the Board's decisions and strategies. To support the CEO and other operations, ADDvise will employ a part-time sustainability manager during 2022, who will report directly to the CEO. This person will be responsible for producing decision guidance, conducting analyses, and assisting others in management to implement the decisions that are made. The sustainability manager will also lead the work to produce the sustainability report. Our ambition is for all employees to feel ownership of issues within sustainable business that are closely associated with their own position, and we will conduct employee training within the company next year.



**Governing documents and guidelines**

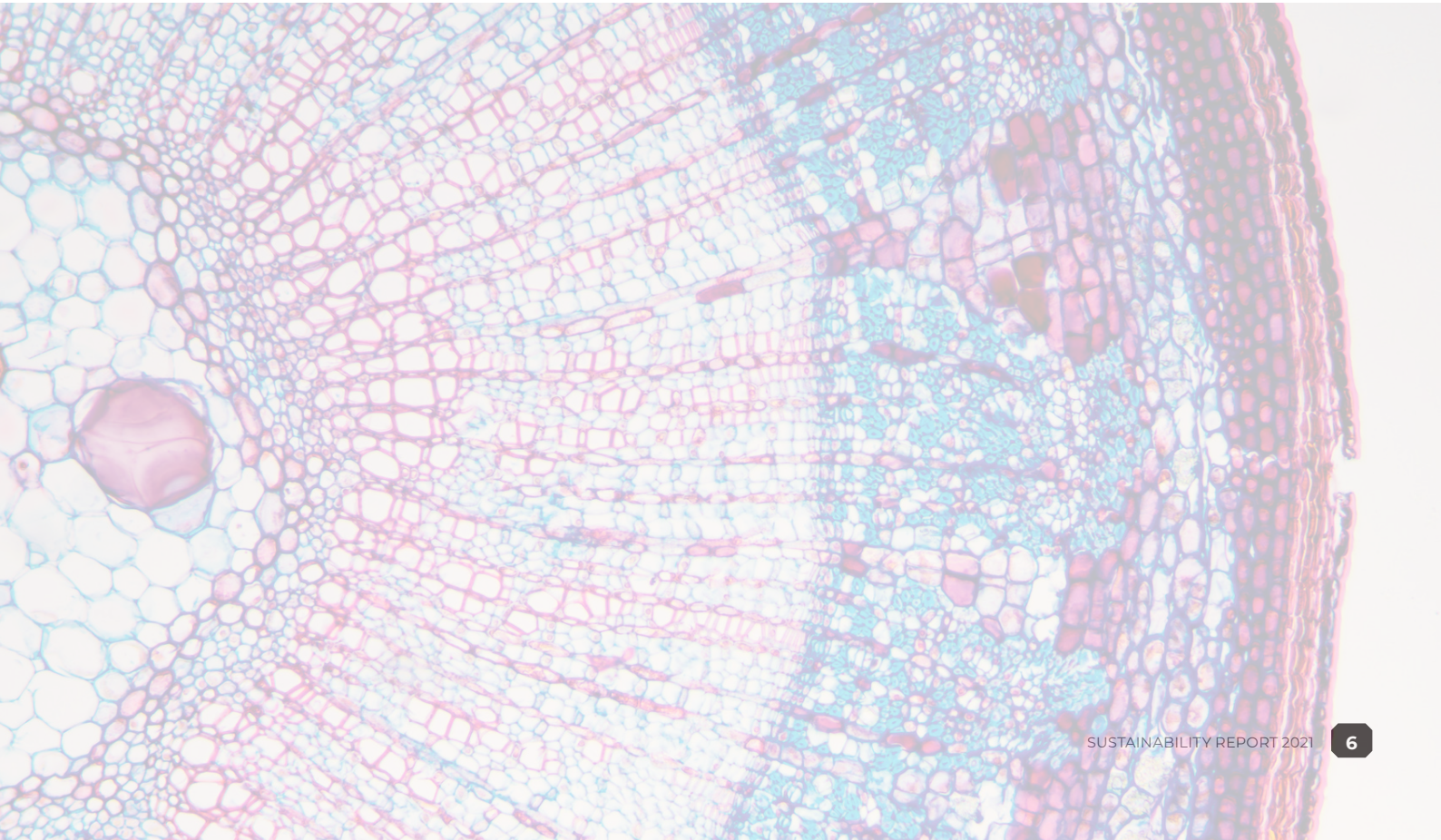
During the year, the Board adopted a new business policy, which includes the environment and work environment, and which applies to the entire Group and replaces the previous policy. The fundamental starting point for ADDvise's sustainability work is to minimize the potential negative effects of our operations and to take advantage of the opportunities that sustainable business offers. The policy addresses environmental issues, respect for human rights, and employment conditions, among other things. Parts of the policy, such as our ambitions, are set out in this sustainability report. The policy can be read in its entirety on the company's website [Business Policy and Documentation – ADDvise Group](#).

We have zero tolerance for discrimination regardless of basis and strive to achieve a culture of equal opportunities and diversity. This is clearly expressed in our equality policy, which is communicated to all employees.

ADDvise has a code of conduct that is partially based on human rights decided by the UN. The Group operates according to a decentralized business model, and the CEO of each subsidiary is responsible for ensuring that there is a code of conduct and for staff being trained and informed about the code of conduct and human rights.

ADDvise's decentralized business model means that each company prepares local policy documents adapted to their operations.

ADDvise does not currently have any specific sustainability goals but is working to develop sustainability goals for the Group in 2022.





# ADDvise contributes to UN's Sustainable Development Goals, Agenda 2030

The UN's Sustainable Development Goals, Agenda 2030, must contribute to socially, economically, and environmentally sustainable development and be achieved by 2030. ADDvise and its subsidiaries contribute both directly and indirectly to most of the goals.

Sustainability is an important and clear part of ADDvise's work. ADDvise's business concept is to improve, prolong, and save people's lives. This is a major undertaking that is of the utmost importance as it contributes to a more sustainable society. The goal that ADDvise contributes to the most is Sustainable Development Goal **3 – Good Health and Well-being**. ADDvise's companies are important players in both the healthcare sector and the laboratory and research sector. Among other things, they contribute to improving healthcare processes and products, enabling safe and modern research, and developing medicines, vaccines, etc.

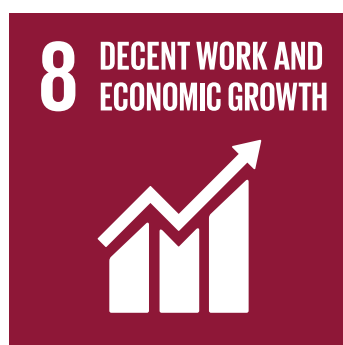
» **Goal 1 – No Poverty.** By sponsoring and supporting the charity Hand in Hand Sweden, ADDvise indirectly contributes to reducing poverty. Hand in Hand works with sustainable poverty reduction through entrepreneurship and education and is aimed primarily at women.

» **Goal 5 – Gender Equality.** ADDvise is working to become a gender-equal Group with a focus on people on the Board and in senior positions. We have not met our internal goal of being a gender-equal company yet, but we are heading in the right direction. To ensure equal opportunities in senior positions and on the Board, ADDvise aims for a gender distribution of 40/60 percent.

» **Goal 8 – Decent Work and Economic Growth.** It is of utmost importance for ADDvise to be an employer with decent working conditions. This applies at all stages of the value chain. To ensure decent working conditions at all levels, ADDvise has developed a code of conduct that is partially based on the human rights decided by the UN.

» **Goal 10 – Reduced Inequalities.** Companies in the Group hire suppliers for production who work to create jobs and are inclusive of all people, regardless of functional variations or work ability.

» **Goal 12 – Responsible Consumption and Production.** Companies within the Group are constantly working to improve and develop their production approach. They evaluate sustainable material choices and review packaging materials to ensure the most sustainable production possible.





# Sustainability-related risks and risk management

Significant risks	Risk management description
<b>Environment</b>	
<p><b>Climate change</b></p> <p>Depending on how global greenhouse gas emissions develop, the Earth is very likely to face an increase in average global temperature. This will affect different parts of the Earth in different ways. ADDvise's operations are global with the majority of its operations in Sweden and the USA. ADDvise's analysis shows that climate change would not pose a material threat to our operations apart from a risk of any insurance costs increasing due to, for example, more extreme weather such as heavier rainfall and similar. It may also affect how products are shipped.</p>	<p>ADDvise cannot influence climate change on its own, but we are actively working to reduce our own impact. ADDvise operates according to a decentralized business model, and the CEO of each subsidiary is ultimately responsible for reducing the impact on operations based on its specific conditions.</p>
<p><b>Stricter regulation of greenhouse gas emissions</b></p> <p>Due to the threat of climate change, there is a consensus that global greenhouse gas emissions need to be drastically reduced. There is therefore a high likelihood that political initiatives and regulations will be introduced that will force companies to limit their emissions and impacts in various ways.</p>	<p>ADDvise's operations have little impact, and no significant emissions are generated from production, for example. To control and monitor greenhouse gas emissions, these will be mapped in accordance with GHG Scopes 1&amp;2. Scope 3 has not been followed up, however, which is why there is a risk that the impact will be greater.</p>
<p><b>Sustainable choice of materials, packaging, and modes of transport</b></p> <p>Customers are stipulating more stringent requirements for choice of materials, modes of transport, and packaging materials. ADDvise's analysis shows that if products do not satisfy customer requirements, we risk being perceived as lacking credibility and, in the worst case, we may lose customers and contracts.</p>	<p>The CEO of each subsidiary is responsible for choosing materials and packaging options that are tailored to their operations and, wherever possible, choosing the most sustainable options available.</p>
<p>Passenger transport, methods of travel, and choice of vehicles that are considered to have a negative impact on the environment may negatively affect our credibility and reputation.</p>	<p>Passenger transport has an impact on the environment. ADDvise's travel policy states that travel must always be chosen based on its environmental impact, and travel must be climate compensated insofar as possible.</p>
<b>Personnel issues</b>	
<p><b>Work environment – safety, health, and well-being</b></p> <p>When staff are employed, there is a risk of injury due to the psychosocial work environment. There is also a risk of employees being injured due to workplace accidents during production. Our operations primarily concern distribution, but a smaller part concern production, which is where the risk lies.</p>	<p>ADDvise is actively working to constantly improve the work environment and has designed a business policy that takes the work environment into consideration. The company is also ISO certified in accordance with 14001 and 9001, which cover, among other things, management systems for the work environment. The majority of subsidiaries also hold other certifications such as ISO 13485 etc. The CEO of each subsidiary is responsible for its work environment and for adapting the design of policies according to its operations.</p>
<p><b>Discrimination and inequality</b></p> <p>A workplace lacking in equal opportunities and that permits discrimination risks contributing to the company losing its competitiveness and skilled employees.</p>	<p>ADDvise has zero tolerance for discrimination regardless of basis, and we strive to achieve a culture of equality and diversity. This is clearly expressed in our equality policy, which is communicated to all employees. ADDvise has also established a whistleblower system to enable anonymous reporting of grievances.</p>

Significant risks	Risk management description
<p><b>Social conditions</b></p> <p><i>Community engagement and sponsorship</i></p> <p>Risk of no community engagement outside of our operations. ADDvise believes that there is a risk inherent in having no community engagement beyond its core business, which aims to improve, prolong, and/or save lives. The risk is being perceived as lacking credibility, gaining a bad reputation, and not meeting the collective desire to make the world a better place.</p>	<p>ADDvise's core business aims to improve, prolong, and save people's lives. In addition to the engagement of and work carried out by employees every day, ADDvise has also decided to increase its community engagement and support the charity Hand in Hand Sweden.</p>
<p><b>Respect for human rights</b></p> <p>Violation of human rights. ADDvise's analysis does not show any direct risks of human rights violations because operations are not conducted in countries that have been identified as high-risk in this respect (discrimination and associated risk management are described above). However, there is a risk of human rights violations in our value chain. For more information, see below under risks in the supply chain ("corruption").</p>	<p>ADDvise has a code of conduct that is partially based on human rights decided by the UN. The Group operates according to a decentralized business model, and the CEO of each subsidiary is responsible for ensuring that there is a code of conduct and for staff being trained and informed about the code of conduct and human rights.</p>
<p><b>Corruption and bribery</b></p> <p>Risk of corrupt behavior. ADDvise assesses the risk to be relatively limited. The risk primarily arises in connection with purchases and sales within certain customer segments in high-risk countries. This is a small group at present.</p> <p>Public sector procurements can also be seen as a risk as the company may gain a bad reputation if the procurement is misinterpreted or inadequate information is provided.</p>	<p>ADDvise has a code of conduct covering bribery and corruption. The Group works according to a decentralized business model, and the CEO of each subsidiary is responsible for implementing a code of conduct and for staff being trained and informed about corruption and bribery. The company also has an external whistleblower function, through which employees or other stakeholders can anonymously report suspicions of corrupt behavior.</p>



# Focus areas

## Environment

### Energy consumption

The Group's energy consumption is presented here. As previously clarified, this is ADDvise's first sustainability report and there are no comparative figures from previous years. ADDvise measures direct emissions (Scope 1) and emissions from energy consumption (Scope 2). ADDvise's operations have limited impact on the environment, and no major emissions are generated from production, for example. ADDvise has chosen to follow up energy consumption in the Group, despite its minor impact, because it is an accepted metric in the industry and an important part of transparency work. It is important to follow the development of energy consumption in order to systematically monitor and work on reducing energy consumption.

**22% of the Group's energy consumption comes from renewable sources.**

MWh/year	2021
Electricity purchased	529
<i>Of which from renewable sources</i>	175
District heating	9.5
District cooling	5
Fossil fuels in vehicles	80
Biofuel in vehicles	3

**Total energy consumption 801.5**

The above consumption corresponds to actual consumption reconciled with invoices. This information is compiled in accordance with the GRI Standard for Energy Consumption 2016.

### Carbon dioxide emissions

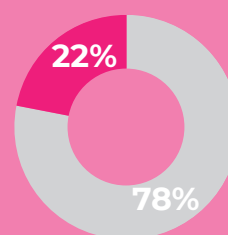
ADDvise's climate impact primarily consists of carbon dioxide emissions, which are the greatest negative impact on the environment from our operations. In addition to emissions related to internal use of fossil fuels and electricity, carbon dioxide emissions are also generated from

### Gender distribution



Women on the **Board**  
 Women in **other senior management positions**  
 Average number of women employed throughout the Group  
 Average number of women employed in Sweden

### Energy consumption



Percentage of renewable energy 22%  
 Percentage of non-renewable energy 78%

### Employee absence due to illness

1.4%

### Greenhouse gas emissions

0.35

CO2e metric ton/SEK million in revenue 2021

various types of transport, such as the transport of materials and products, as well as passenger transport. This sustainability report includes emissions from Scopes 1 & 2; Scope 3 is not included. Systematic monitoring is essential in order to control and reduce emissions. Measuring carbon dioxide emissions is standard industry practice, and ADDvise wishes to be transparent and report the company's emissions.

- » **ADDvise's CO<sub>2</sub> emissions in 2021 are: 165 metric tons**
- » **CO<sub>2</sub>e metric ton/SEK million revenue: 0.35**
- » Scope 1: 36 metric tons CO<sub>2</sub>e
- » Scope 2: 129 metric tons CO<sub>2</sub>e

Sources for conversion factors come from the Swedish Energy Agency and the Swedish Energy Markets Inspectorate.

The above consumption corresponds to actual consumption reconciled with invoices. The principles of the Greenhouse Gas Protocol (GHG), Scopes 1 & 2, have been applied to calculate greenhouse gas emissions.

## Personnel issues

### Workplace accidents

Workplace safety is an important issue for ADDvise's long-term sustainability. We are actively working to constantly improve the work environment and have designed a business policy that includes the work environment. We are ISO certified in accordance with 14001 and 9001, which cover, among other things, management systems for the work environment. Most subsidiaries also hold other certifications such as ISO 13485 etc.

Work on safe workplaces is carried out locally based on each company's specific conditions. In 2021, there were **8 workplace accidents**, the majority of which were classified as minor workplace accidents causing no injuries. There are no comparative figures for previous years.

### Discrimination and inequality

ADDvise has zero tolerance for discrimination regardless of basis, and we strive to achieve a culture of equality and diversity. This is clearly expressed in our equality policy, which is communicated to all employees.

ADDvise actively works to increase the proportion of women and people from international backgrounds in order to become an equal opportunities Group, with a focus on people on the Board and in senior positions. We have not met our internal goal of being a gender-equal company yet, but we are heading in the right direction. To ensure equal opportunities in senior positions and on the Board, ADDvise aims for a gender distribution of 40/60 percent.

## Equality in figures

Gender distribution of Board members and other senior management positions in 2021:

- » **Board of Directors: 20% women 80% men**
- » **Other senior management positions: 50% women 50% men**
- » Average number of employees in the Group by gender: 30% women and 70% men
- » Average number of employees by gender in Sweden: 49% women and 51% men

Gender distribution of Board members and other senior management positions	2021		
	Number on balance sheet date	Of which women	Of which men
Board of Directors	5	1	4
Other senior management positions	2	1	1

Gender distribution of Board members and other senior management positions	2020		
	Number on balance sheet date	Of which women	Of which men
Board of Directors	4	0	4
Other senior management positions	2	1	1

Average number of employees by gender and country	2021		
	Average number of employees	Of which women	Of which men
Sweden	63	31	32
Finland	13	3	10
United Arab Emirates	76	3	73
Spain	12	1	11
USA	51	24	27
<b>Total</b>	<b>214</b>	<b>62</b>	<b>152</b>

Average number of employees by gender and country	2020		
	Average number of employees	Of which women	Of which men
Sweden	63	27	36
Finland	14	3	11
USA	41	18	23
<b>Total</b>	<b>118</b>	<b>48</b>	<b>70</b>

ADDvise established a whistleblower system in 2021 to enable anonymous reporting of grievances. **No cases were received during 2021.** The whistleblower system is located on the company's website so as to be available to all within and outside the Group.



## Employees

ADDvise's most important asset is our employees, all of whom contribute to our shared success. We must offer our employees a safe and healthy work environment that, together with good working conditions, ensures a sustainable working climate with low absence due to illness, and good health.

To reduce the spread of COVID-19, all employees, roles permitting, have had the opportunity to work from home during the pandemic. This has accelerated the organization's digital advancement and will be beneficial and create opportunities in the future. ADDvise does not depend on physical presence for meetings, collaboration, and/or training. This also helps reduce the number of business trips as some work can be done digitally.

**Absence due to illness as a percentage of time worked in days was 1.4% in 2021.** Since there are no comparative figures from previous years, it is difficult to conduct any deeper analysis. It is likely that the pandemic has affected the figures and contributed to a higher level of absence due to illness than normal, but this remains to be seen.

Like other parts of the Group's operations, the specific work on social responsibility around employees is largely decentralized within the framework of the guidelines adopted by ADDvise.

## Social conditions

### Community engagement and sponsorship

ADDvise considers it important to be part of, and to influence and contribute to, positive change outside of our own organization.

We consider a lack of community engagement beyond our core business to be a risk. The risk is being perceived as lacking credibility, gaining a bad reputation, and not meeting the collective desire to make the world a better place.

In addition to the engagement of and work carried out by employees every day, ADDvise has decided to increase its community engagement and support the charity Hand in Hand Sweden. By supporting the charity Hand in Hand, ADDvise helps people, mainly women, to help themselves out of poverty through entrepreneurship. Hand in Hand Sweden is a non-profit organization that works with entrepreneurship as an effective, long-term, and sustainable way of fighting poverty. ADDvise works according to a decentralized business model where the retention of

entrepreneurial spirit and business ability at local level in acquired companies is of the utmost importance.

Most subsidiaries in the Group also have local engagement and sponsor a number of charitable organizations.

## Human rights

Based on ADDvise's operations, the risk of human rights violations primarily exists in the value chain. No violation has yet been identified. Our work to ensure that there are no human rights violations is always ongoing. As mentioned before, we have a code of conduct based on the human rights decided by the UN. We consider the risks inherent in conducting business with companies that do not comply with UN human rights to be enormous. Not only would this contradict ADDvise's entire business concept, it could also damage our credibility with customers, investors, employees, and others. For more information on the code of conduct, see the section below on corruption and bribery.

## Corruption and bribery

### Code of conduct and supplier code of conduct

ADDvise has zero tolerance for bribery and corruption. This is clearly expressed in our code of conduct. The risk is considered to be relatively limited as it primarily arises in connection with purchases and sales to high-risk countries, which constitute a small group at present.

As previously stated, the Group has a decentralized business model, and the CEO of each subsidiary is responsible for implementing a code of conduct that is adapted to their specific operations, and for staff being trained and informed about corruption, bribery, and human rights.

In addition, ADDvise has, as previously mentioned, an external whistleblower function that enables employees or other stakeholders to anonymously report suspicions of corrupt behavior or irregularities.

**No cases were received during 2021.**



# Outlook for 2022

ADDvise will continue to develop sustainability work during 2022. More comprehensive stakeholder dialogue, with an associated materiality analysis, will be conducted. Sustainability goals will be launched.

A sustainability function for [ADDvisegroup.se](#) and [ADDvisegroup.com](#) will be established as a platform for communicating sustainability work. A sustainability manager will be appointed internally to drive the issues forward.





# Auditor's statement regarding the statutory sustainability report

To the Annual General Meeting of ADDvise Group  
AB (publ), company reg. no 556363-2115

## **Assignment and division of responsibilities**

The Board of Directors is responsible for the sustainability report for 2021 and for its preparation in accordance with the Swedish Annual Accounts Act.

## **The focus and scope of the review**

Our review has taken place in accordance with FAR's recommendation RevR 12 Auditor's opinion on the statutory sustainability report. This means that our review of the sustainability report has a different focus and a significantly smaller scope compared with the focus and scope of an audit in accordance with International Standards on Auditing and good auditing practice in Sweden. We believe that this review provides us with a sufficient basis for our statement.

## **Statement**

A sustainability report has been prepared.

Stockholm, April 13, 2022  
Öhrlings PricewaterhouseCoopers AB

Magnus Thorling  
Authorized Public Accountant