

Metenova

Sustainability report

2021

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General information about the sustainability report

This is Metenova's first sustainability report. Based on the requirements in effect, we want to be a sustainable company, and will in this report compile the policies, focus areas, plans and goals that we have set in order to create a sustainable offering over time.

CEO's message

Sustainable offering over time

Metenova works for a better, more efficient, and more sustainable society, both large and small. Our business as a supplier to the pharmaceutical industry and its production of sterile and aseptic liquid pharmaceuticals has never been more in focus than it has been for the past two years. The pandemic and the need for vaccines started immediately in spring 2020 and we delivered our first mixers for this vaccine build-up as early as summer 2020.

We have always prioritized and expanded our operations in order to meet the market's requirements for delivery, quality and adaptations, not only for vaccine manufacturing but also for biopharmaceutical development in general.

For us, sustainability is not just serving the pharmaceutical industry with sustainable and innovative products, it is also offering our staff an opportunity to develop and thrive. We achieve this by investing in wellness care as well as training and further competence development.

Our business model is based on working with distributors all over the world, and this often requires travel for training, customer visits, and assistance to our distributors. The pandemic has taught us that much of this can be done digitally and we aim to reduce our carbon footprint as much as possible. We will do this through more efficient travel and transportation of our products all over the world. We will also always look at the component material incorporated into our products and address this with good material choices and use recycled material whenever possible.

We always look after the company's economic growth, which gives us opportunities to invest in innovation, development, and projects that make us more efficient and thus more sustainable.



Johan Westman
CEO Metenova Group

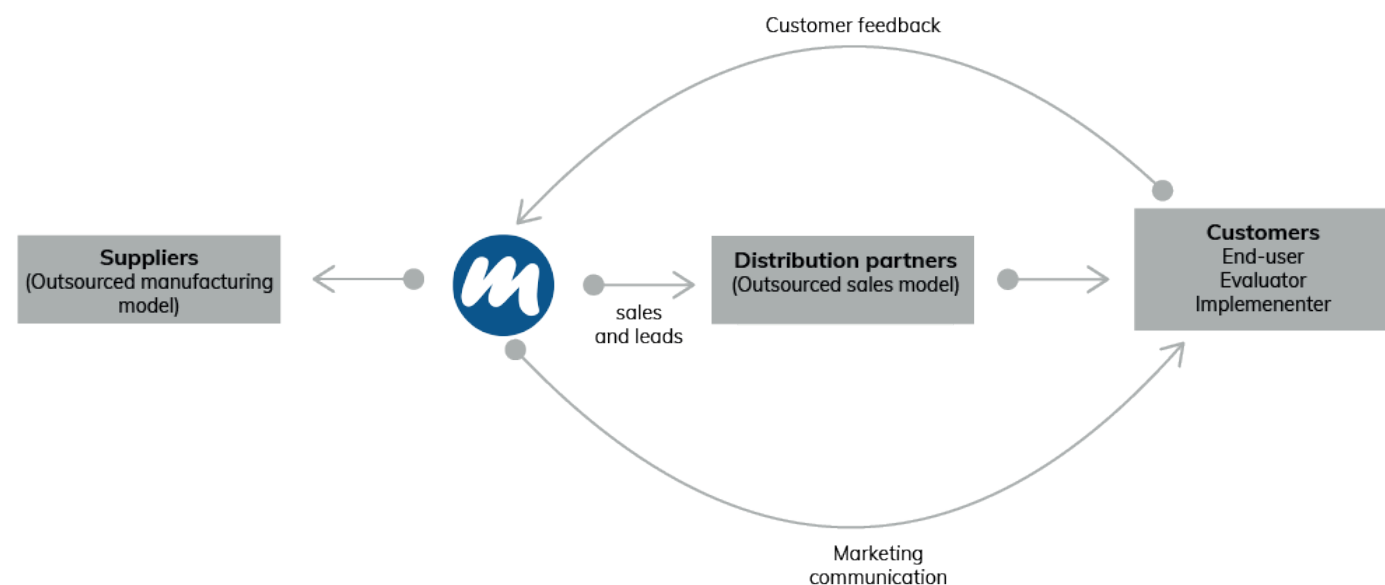
Company description

Metenova is a Swedish-based company that supplies products and solutions for the pharmaceutical and biopharmaceutical production of aseptic and sterile products. Our products and applications provide an optimal mixing solution and enable safe and robust production for customers.

Our foundation is four decades of knowledge in the pharmaceutical industry, aseptic product design, and finding solutions for increasing production requirements. Founded in 2009, Metenova works with distributors worldwide and has a subsidiary in the US.

Metenova's business model

Metenova has chosen to build its business according to an outsourced business model. In order to quickly attain the global reach required by the pharmaceutical industry, Metenova works with selected distributors in the markets that are determined to be the most intriguing. Production also takes place at selected suppliers to enable rapid expansion. In this way, "sharing resources" increases the opportunities to give customers the flexibility that they expect and to streamline resource use at all stages.



Vision and mission

Vision: Our vision is to provide products and services that enable reliable and sustainable healthcare.

Mission: We will be the leading partner in aseptic mixing technology for the pharmaceutical industry.

Values

Our values of "Innovation, Commitment and Collaboration" will guide how we act externally towards our customers, vendors and other partners, as well as internally in our everyday work. We also strive to be a company that cares about the environment and the society in which we operate.

Innovation

We strive to look beyond what is known and expand our knowledge and technology to not only meet today's needs, but drive future opportunities. We encourage people to think outside of traditional solutions and foster a solution-driven entrepreneurial environment.

Commitment

We are committed to the best interests of the patient in everything we do and share the vision of improving health with our customers.

Collaboration

We work with our customers to achieve their goals, and we work with openness and honesty both internally and externally.



The basis for Metenova's success

With core competence in rheology, Metenova supplies mixers - an important key component in the manufacture of liquid pharmaceuticals and vaccines, with high aseptic requirements.

The basis for Metenova's success is

- In-depth knowledge of our end customers' challenges in an industry with ever-increasing demands.
- Innovative ability to develop new and groundbreaking solutions.
- Interaction with stakeholders in the complex world of the global pharmaceutical industry.

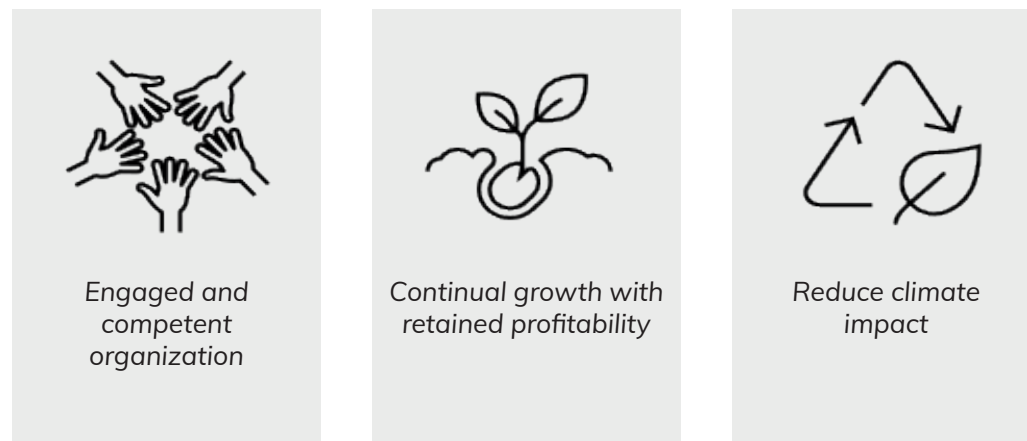
Rheology is the science of the time-dependent deformation properties of liquids and solid materials and a measurement of consistency, fluidity and stability, for the purpose of achieving the right product properties, processability and sustainability.



Focus areas

In 2021, the three focus areas were developed with regard to sustainability, these three areas: We will work with "Engaged and competent organization", "Continual growth with retained profitability" and "Reduce climate impact" in 2022 to contribute to a more sustainable society.

These three areas were developed after an in-depth importance analysis, where the current situation was analyzed and these areas were identified as the areas where Metenova has the greatest impact, as well as the areas that have the greatest impact on the company.



Engaged and competent organization

Social responsibility

At Metenova, we continually work on the social sustainability of our employees. In 2021, we conducted an employee satisfaction survey that resulted in an NPS of 50, which is a very good result. We offer employees an extensive health protection network, with health insurance – both proactive and reactive. With both an annual wellness allowance and a weekly 30-minute workout during working hours, we look after the well-being of our employees.

The psychosocial aspects are of great importance, and we are continuously updating our employee handbook to ensure that all employees are aware of their benefits and rights. In our Code of Conduct

and whistleblower policy, we show the full transparency of the psychosocial work environment.

In 2022, our goal is for 1% of our OPEX to be used for further training of our employees to ensure that we retain our high level of competence.

Continual growth with retained profitability

Financial and business responsibility

We always look after the company's economic growth, which gives us opportunities to invest in innovation, development and projects that make us more efficient and thus more sustainable.

Metenova's Code of Conduct and Third-Party Code of Conduct set out the commercial starting points, guidelines for sustainable consumption and our ethical

guidelines. These policy documents help us to ensure that we meet the goals and guidelines we have set.

In 2022, we set these targets in order to follow up on this focus area:

- Having a CAGR of at least 18%
- Having an EBITDA of at least 20%
- Complaints below 1%

Reduce climate impact

Environmental responsibility

Metenova's impact on the environment is an important issue. The company strives to take its share of responsibility for reducing its environmental impact and contributing to sustainable development. Environmental measures must be taken as far as technically possible, commercially reasonable, and environmentally justified.

Through an environmental footprint analysis conducted at the end of 2020, we have set the primary areas of improvement related to reduced environmental impact: product production, product distribution and travel.

In order to follow up on progress in these areas of improvement, we have set the following targets for 2022:

- Reducing carbon dioxide emissions from transports
- An annual reduction of 15% in carbon dioxide from passenger travel (base year 2019).
- Reducing our environmental impact from material handling.
- Increase the proportion of recycled aluminum in our products.

Management of sustainability work

Central policy documents

In 2019, a central policy document was adopted by Metenova’s Board of Directors (this document is revised annually by the Board of Directors):

- **Metenova Code of Conduct**, which regulates the most important ethical issues in our sustainability work. As part of this Metenova Code of Conduct, there is a whistleblower scheme that aims to identify any problems and risks. The Code of Cunduct also describes Metenova’s guidelines concerning, including anti-corruption and human rights issues.

Other policy document:

- **Metenova’s Work Environment Policy**, which regulates internal work on both the physical and psychosocial work environment. Metenova’s Work Environment Policy expresses the company’s ambition to be a respected and attractive employer with a good working environment, which offers employees professional and personal development.

Our stakeholders

One of the fundamental values that govern Metenova’s work is collaboration. In our world, there are a number of stakeholders linked to sustainability whose interests, requirements and expectations are important in our work.

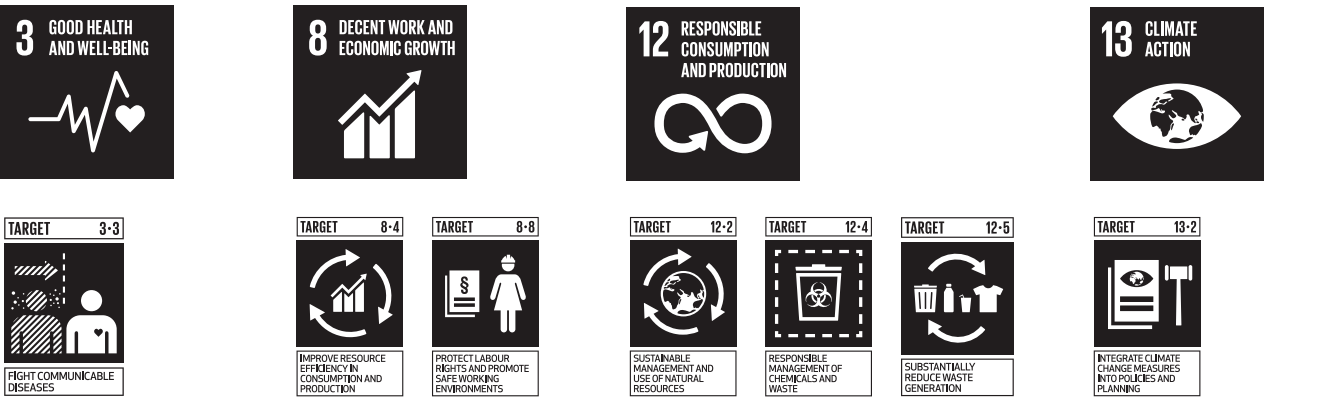
Stakeholder	Social sustainability	Economic viability	Environmental sustainability
Society	Better quality of life for citi- zens. Community engagement	Good health economics Reduce healthcare costs	Lowest possible environmental impact
Patient	Preventing, relieving, and curing diseases	Effective and safe medicines/vaccines	
Pharmaceutical industry	High business ethics	Innovative and affordable products/solutions of high quality	Environmental requirements for packaging and transport
Distributors	High business ethics, Metenova Third-Party Code of Conduct	Growth and profitability Good business collaboration	Sustainable collaboration, effective video conferencing, minimizing travel
Subcontractors	Metenova Third-Party Code of Conduct	Clear documentation High-quality	Prioritize vendors in the local area. Products that meet stringent environmental requirements
Owners	Well-functioning company with satisfied employees	Growth and profitability	Meeting society’s requirements for environmental work
Employees	Good working environment Development opportunities	Long-term stable company	Active environmental work – good routines for environmental issues

Our contribution to agenda 2030

Metenova respects the UN Declaration of Human Rights (www.un.org) and the International Labour Organization’s core conventions (www.ILO.org) and accepts its responsibility to observe the rights of employees and society to the extent that they are affected by the company’s operations. Sustainability work is based on the UN’s Sustainable Development Goals (<https://www.globalgoals.org>):



The sustainability goals that are relevant to Metenova’s operations and that we work actively with are:



Our social responsibility

The UN’s Sustainable Development Goal 3 is the starting point for the Sustainable Development Goals in the social sphere:

- Goal 3 – Good Health and Well-Being: “Ensuring healthy lives and promoting well-being for everyone of all ages”

As a component supplier to the pharmaceutical industry, we see ourselves as a small but important piece of the puzzle in work to promote the lives and health of patients who use liquid pharmaceuticals and vaccines. Demands to rapidly develop new vaccines and other vital medicines are placing increasing demands on effective technology, scalability and, for certain applications, pre-validated single-use solutions. In these areas, Metenova sees opportunities to contribute and make a difference.



Social responsibility. Good health and well-being for patients.

Another part of Metenova's social responsibility is to create a good work environment that promotes cooperation, health, and safety. Some of these issues of a general nature are regulated in Metenova's Code of Conduct in the section "Society and Employees".

In order to achieve good results, our internal working environment is important. The objectives for this work are set out in Metenova's Work Environment Policy.

Our commercial and financial responsibility

The UN's Sustainable Development Goals 8 and 12 are relevant in the financial sphere:

- Goal 8 – Respectable working conditions and economic growth: "Work for lasting, inclusive and sustainable economic growth, full and productive employment with respectable work for all"

Metenova runs a successful business in the complicated world of the global pharmaceutical industry. The business starting points are set out in Metenova's Code of Conduct, in the section "Business ethics".

- Goal 12 – Sustainable consumption and production: "Ensuring sustainable consumption and production patterns"

Patient safety is one of the pharmaceutical industry's most important missions. Innovative design with high demands on asepsis is Metenova's contribution, a highly specialized niche product. Development within this industry is rapid and the manufacture of new medicines and vaccines presents new challenges, where Metenova can contribute to efficient and safe production. Under the section "Sustainability" in the Code of Conduct, the guidelines for sustainable consumption are presented.



Business and financial responsibility. For our employees and the manufacturing process.

Our environmental responsibility

The UN's Sustainable Development Goal 13 is the starting point for the Sustainable Development Goals in the environmental sphere:

- Goal 13 – Fighting climate change: "Take immediate action to combat climate change and its impacts"

Metenova's products are designed to meet stringent requirements for aseptic and effective design. The mixers are also designed for a long product life. Transportation of the products, as well as travel, are important parts of business for a globally active company.

Digital solutions can be part of a more sustainable way of marketing products and communicating with distributors and subcontractors. Work is under way to digitize marketing, with a number of digital services under way in the "Inbound marketing" project.



Environmental responsibility. For a sustainable world with reduced consequences on the earth's resources.

Plan for 2022

Below are some of the activities planned during the year related to sustainability.

Our social responsibility

- Strive for diversity and diversification in the organization in terms of gender, ethnic origin, and age.
- Work for good health and low sick-leave for staff.
- Continue with the employee surveying and act on the results of it.

Our financial and business responsibility

- Roll-out of the Code of Conduct for all vendors, distributors, partners, and employees.
- Follow our Annual Operating Plan to ensure good sales and growth.

Our environmental responsibility

- Investigate opportunities to reduce the amount of packaging material or increase the amount of recycled material.
- Introduce sustainability considerations into the PDP checklist.
- Investigate the possibility of increasing preventive maintenance sales on order to further extend the lifetime of the products.
- Have more digital meetings to reduce the number of business trips.

Target 2022

In order to follow up on our progress with regard to sustainability, we have produced a number of metrics that we will monitor on an ongoing basis during the year. These metrics are related to both our focus areas and the UN's Sustainable Development Goals.

Key performance indicators		Target 2022	2021	2020	2019
Social	Invest 1% of OPEX in training	<1%	-	-	-
	Employee satisfaction Net Promotor Score NPS (-100 to +100)	>20	50	19	-
Financial	CAGR/Sales (MSEK)	>25%	147,2	115,8	92,7
	EBITDA (MSEK)	>20%	31,4	23,6	13,9
	Non- conformities < 1% (rolling six months)	<1%	0,8%	-	-
Environment	Productions emissions tCO2 (Increase the amount of recycled Aluminium in our products)	Recording	244	218	-
	Transportation products emissions tCO2	Recording	269*	92	-
	Business travel emissions tCO2 Reduce 15% each year until 2025 Based on the number of employees.	-15%	19,0	5,82	52,92
Line operations	Energy use MWh electricity	Recording	43,1	34,9	32,9
	Energy use MWh district heating	Recording	55,8	33,4	45,8
	Employees	Recording	30	23	16
	Whereof women	Recording	8	8	6
	Sick leave	Recording	1,54%	2,89	3,21
	Customer satisfaction	Recording	4,4 (av 5)	-	-
	Work related incident	Recording	3	0	1

* The increase of transport emissions for products is due to that we have more accurate data for 2021 regards weight and distance for the transports.

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