



ESG

# Report 2023



*at the heart of healthcare*



The heart of healthcare

# Introduction

At Mediq, conducting our business responsibly is at the heart of everything we do. Doing our business responsibly impacts our patients, healthcare providers, insurers, vendors, and, of course, our employees.

Having an impact on so many stakeholders is the reason why we transitioned from a Corporate Social Responsibility (CSR) focused approach to an encompassing Environmental, Social, and Governance (ESG) model.

Our new ESG strategy and framework take an end-to-end perspective of our value chain.

Our renewed ESG strategy will strengthen our commitments to environmental stewardship, social responsibility, and corporate governance. We believe that this will enable us to build a stronger, more resilient business that is well-positioned to navigate the complex challenges ahead of us and the health care sector. This report provides our renewed ESG strategy and an overview of our ESG highlights and achievements of 2023.



# Message from our CEO

Healthcare is fundamental to all. Mediq has been providing products, services and solutions to healthcare professionals and patients for over 125 years. Our caring heart is what connects us and makes us strive to really make a difference. With teams spanning 14 countries, we are committed to optimizing care delivery, enhancing resource efficiency, and embracing more sustainable practices through our renewed ESG (Environmental, Social and Governance) strategy.

This year we integrated sustainability into our company vision: to enable sustainable healthcare. We acknowledge that we have a role to play in transforming health care into a more sustainable practice. Though this is now a clear priority for us at Mediq, we cannot do this alone, we need our partners (customers, suppliers) throughout the entire value chain. As a market leader, we have the perfect position to bring together those healthcare partners and work together to accomplish the sustainability transition in healthcare.

Two years ago we started measuring our environmental and social impact utilizing our ESG KPIs. I am very proud to see that our investments in sustainable operations are starting to pay off. We present the results in this report. I am looking forward to 2024, where we will further implement our ESG strategy and translate the strategy into actionable plans and tangible results.

**Arjen Linders**

CEO Mediq

# Executive summary

At Mediq, we continuously evolve so our strategies and frameworks must do, too. To that end, in 2023, we transitioned from CSR to ESG and adjusted our strategy accordingly. The new strategy is published in this report. Furthermore, we publish our 2023 activities and achievements.

## ESG strategy and approach

In our new ESG strategy, we focus on: products, services, operations and our people. In order to accomplish the sustainability transition in healthcare Mediq will leverage its unique position 'at the heart of healthcare' and collaborate closely with healthcare partners.

### Overall goals

We aim for **neutrality** in greenhouse gas emissions and circularity by 2050.

We aim to **take care of people**, whether they are our people, healthcare professionals, patients or workers in our value chain.

### Services



We provide services and solutions to our customers to **enrich the quality** of life of patients and people working in healthcare and **support the sustainability transition** in healthcare. Aligned with SDG 3; good health and well-being for all and SDG 12; responsible consumption and production.

### Products



We deliver products with **minimal environmental impact** – keeping **circularity** as our guiding principle – that are **ethically produced**. Aligned with SDG 12; responsible consumption and production, SDG 13; climate action, and SDG 8; decent work and economic growth.

### Operations



We operate minimizing **waste**, use of **packaging material**, emission in **transport**, and energy use in **buildings**. Keeping **circularity** as our guiding principle. Aligned with SDG 12; responsible consumption and production and SDG 13; climate action.

### Our people



We develop and empower **engaged, healthy and diverse** people. Aligned with SDG 10; reduced inequalities and SDG 8; decent work and economic growth.

## 2023 achievements

- Care to Care selection (our more sustainable assortment) contains 454 SKU's in Sweden and 731 SKU's in the Netherlands.
- Supplier Code of Conduct has been signed by 99% of our private label spend, 80% of direct spend, and 77% of indirect spend.
- Cardboard consumption has decreased on average by 0,0074kg (1,8%) per order mainly due to the introduction of a new packaging machine in the Netherlands (Bleiswijk).
- Plastic consumption has decreased on average with 0,0011kg (7,01%) per order, mainly due to two improvement projects in the Netherlands (Bleiswijk).
- Emissions related to parcel transport have reportedly decreased on average by 0,103 kg per parcel (-29%) mostly due to improved data quality from our transport partners, and our dedicated focus on environmentally friendly parcel transport in our Nordic markets.
- Emissions related to pallet transport have been decreased by 0.925kg (-16,1%) per pallet mainly due to reductions in Finland.
- Electricity consumption has decreased by 4,48% mainly explained by several initiatives like replacing all broken lightbulbs with LED bulbs, installing movement sensors in quiet areas in the warehouse, and decreasing the number of lights in areas where appropriate in Germany (Merzig).
- Gas consumption has decreased by 21,32% mostly explained by investments in a new, more efficient, heating system in Germany (Merzig).
- Employee engagement (71%) remained strong.
- Psychological safety and health has been a strong focus theme by introducing an Employee Assistance Program (Netherlands) and Mental Health First Aid ambassadors within the business (UK).
- Following our DE&I policy, the DE&I education module has been launched in our learning environment available for all employees.
- Three employee resource groups have been established: LGBTQIA+, ethnic background, and women empowerment.

# About Mediq

At Mediq, our mission is to deliver the right and most efficient outcomes to European healthcare by providing products, services, and solutions. Contributing to the healthcare system and, subsequently, to our customers' health and well-being is what drives us each day. At the heart of healthcare, we always operate with our values in mind: Caring heart, Customer drive, and Champion spirit.

## Caring heart

Care sits at the heart of our business and is the true driver of our people. We put our patients first and always strive to make a difference. Because what we do matters. We care about improving lives, one person at a time.

## Customer drive

Our customers always come first, whether it is the patients, payors, or healthcare professionals. We create client-focused solutions and take ownership of their needs. Customer drive is about delivering excellent value with enthusiasm and ambition.

## Champion Spirit

We need to act as one because together we can achieve so much more. Champion spirit is about believing in unlimited possibilities. But it is also about adapting to new challenges and being eager to be better every day. With integrity and respect, we strive to create a winning team.

These values are lived with pride by our colleagues and our teams across Europe. We are an international healthcare company with leading market positions in 14 countries: Belgium, Denmark, the UK, Ireland, Finland, Estonia, Germany, Hungary, Latvia, Lithuania, Netherlands, Norway, Sweden, and Switzerland. The head office is located just outside Utrecht, the Netherlands. Our 3,000 employees are committed to improving healthcare outcomes and the affordability of care.

We deliver the right and the most efficient outcomes to European healthcare by providing products, services and solutions.

<p><b>Products</b></p>	<p>We deliver products with <b>minimal environmental impact</b> – keeping <b>circularity</b> as our guiding principle – that are <b>ethically produced</b>.</p>	
<p><b>Services</b></p>	<p>We provide services and solutions to <b>enrich the quality of life</b> of patients and people working in healthcare and <b>support the sustainability transition</b> in healthcare.</p>	
<p><b>Operations</b></p>	<p>We operate minimizing <b>waste</b>, use of <b>packaging material</b>, emission in <b>transport</b>, and energy use in <b>buildings</b>. Keeping <b>circularity</b> as our guiding principle.</p>	
<p><b>Our people</b></p>	<p>We develop and empower <b>engaged, healthy and diverse</b> people.</p>	
<p><b>Sustainability approach</b></p> <p>Mediq is at the heart of healthcare, and we leverage this unique position to collaborate closely with healthcare partners to accomplish sustainability transition in healthcare.</p>		

# Renewed ESG strategy

At Mediq, conducting our business responsibly is at the heart of everything we do. As we continuously evolve, our strategies and frameworks must do, too. To that end, in 2023, we transitioned from CSR to ESG. Our renewed ESG strategy responds to a worldwide call for action, echoing the urgency of environmental sustainability and social equity. The ESG strategy is aligned with our company mission and contains four pillars: products, services, operations, and our people. Our goals are aligned with broader global objectives, aiming for neutrality in greenhouse gas emissions by 2050 and taking care of people, whether it is our people, healthcare professionals, patients, or workers in our value chain.

## Sustainability approach

We are aiming for circular business and GHG emission-neutral operations by 2050. We acknowledge that achieving this requires a transition in healthcare which is complex and will take time. Collaboration within and beyond our organization is crucial for transitioning to sustainable healthcare practices.

We are at the heart of healthcare, and we will leverage this unique position and closely work together with healthcare partners to accomplish the sustainability transition. To this end, we committed to hosting round table discussions with our healthcare partners, aiming to play a key role in this transformation. The journey so far has taught us that collaboration with other stakeholders is not just beneficial but essential for driving change.

We deliver products with **minimal environmental impact** – keeping **circularity** as our guiding principle - that are **ethically produced**.



**Minimal environmental impact**

Minimal environmental impact will be achieved by growing our care to care selection: an assortment assembled keeping the circularity framework as guiding principle. In parallel, recycled, and recyclable primary and secondary packaging material will be achieved by working together with suppliers.

**Ambitions**

- 2024 all newly introduced products in the nursing and facility category will fulfil selection criteria of the care to care selection.
- 2024 introduce offset and circular investment program for own brand products that are not included in the care to care selection.
- 2025 by working together with our suppliers primary and secondary packaging material will be replaced by recycled and recyclable materials.
- 2026 the existing assortment on plastic accessories, nursing and personal protection equipment will be replaced\* by products fulfilling the care to care selection criteria.
- 2030 our products are marked as lower environmental impact\* and reusable will become strategic focus, including services and solutions.
- 2050 products are maximum circular\* and unavoidable emissions will be offset.

\*unless impossible due to medical reasons or market unavailability.

**Ethically produced**

Ethical production will be governed into our growing responsible sourcing program consisting of an awarding phase (screening), contracting phase (supplier code of conduct), supplier assessments phase (self-assessment or audit), and- when required - corrective action planning (Following a Plan Do Check Act Cycle).

**Ambitions**

- 2025 all contracted suppliers have a code of conduct in place.
- 2027 all contracted Private Label suppliers will be audited every other three years. Non-Private Label suppliers will be audited based on the outcome of a yearly risk assessment.
- 2030 ethical sourcing is fully anchored in our supply base and everything we do. We deliver on a rich pipeline of sustainability initiatives with our suppliers.

**Products**

Central to our commitment to making a positive social and environmental impact is the consideration of our product range.

**Environmental impact**

Currently, our product range is composed mainly of single-use items produced from newly sourced (virgin) materials. The initial phase of our strategy focuses on replacing newly sourced material with recycled or biobased material, which will then progress towards adopting reusable alternatives. Transitioning into a circular approach is important to our operational strategy and forms the foundation of our ambitions regarding product impact. We're not just looking at our products; the packaging they come in is just as important. We plan to make sure that all our packaging comes from materials that can be recycled and are suitable to stay in the recycling system.

**Ethical production**

The social impact of our products is another crucial aspect. It is vital to understand their origins, production conditions, and the people involved in making our products. Our approach involves a growing multi-phase [Responsible Sourcing Program](#). During the awarding phase, we will Screen potential suppliers based on specific criteria. During the contracting Phase, we ensure suppliers sign and adhere to our [Supplier Code of Conduct](#). During the Assessment phase, we evaluate supplier compliance based on the outcomes of our annual risk assessment. During the corrective Action Planning phase we make sure the required improvements for the assessment phase are implemented based on the Plan Do Check Act Cycle.

We provide services and solutions to our customers to **enrich the quality of life** of patients and people working in healthcare and **support the sustainability transition** in healthcare.



**Enrich quality of life**

Enrich quality of life will be achieved by services and solutions focusing on health system strengthening and patient empowerment and well-being.

**Ambitions**

Strengthen the health system by offering services that free up valuable time and resources for people working in healthcare.  
Empower patients by enabling them to take responsibility for their own treatment and well-being.

**Support the sustainability transition**

Support the sustainability transition will be achieved by offering advisory services focusing on assortment transition towards more sustainable disposables and reusables.

**Ambitions**

Offer advisory services supporting customers with expert knowledge on more sustainable alternatives.  
Offer solutions facilitating procedures crucial towards circularity in healthcare.

**Services**

Our impact on the healthcare industry goes beyond the supply of products. We aim for our services to add value and align with our broader objectives of empowering patients, reinforcing healthcare systems, and promoting sustainable healthcare practices. The synergy between our sustainable products and services is fundamental, while we recognize that service offerings will naturally vary based on the unique demands of each of our markets.

**Enrich the quality of life of patients and people working in health care**

Central to our ESG strategy is patient empowerment, well-being, and healthcare system strengthening. For example, programs such as PIEN offer support to individuals dealing with incontinence, significantly enhancing their daily lives. Similarly, Aïtta is our service for efficient assortment and inventory management that helps healthcare professionals streamline the process of ordering medical supplies and managing hospital stock levels.

Another example of this is Nutrition Denmark, an initiative that provides vital support in medical nutrition, thereby improving the healthcare system's ability to deliver comprehensive care.

**Support sustainability transition**

As a knowledgeable partner in healthcare, Mediq intends to guide customers in making environmentally conscious choices regarding medical products. Our journey towards introducing sustainable, circular healthcare solutions is gradual, embodying our commitment to long-term, significant improvements in healthcare sustainability.

We operate minimizing **waste**, use of **packaging material**, emission in **transport**, and energy use in **buildings**. Keeping **circularity** as our guiding principle.



**Minimal waste generation**

Minimal waste generation will be achieved by working together with suppliers to switch to minimal and recyclable tertiary packaging material. In parallel we will focus on waste separation and recycling by optimizing waste streams in line with local legislation and possibilities.

**Ambitions**

- 2030 all inbound packaging material is recycled by us.
- 2050 our operation is wasteless.

**Minimal use of packaging material**

Minimal use of packaging material will be achieved using recycled and recyclable packaging material, and by optimizing filling degree of cardboard boxes and carriers. Furthermore, we will explore feasibility of reusable packaging together with our customers.

**Ambitions**

- 2030 minimal use of packaging material by using modern technology and best practices. All materials used are made out of recycled material and are recyclable.
- 2050 packaging material is fully circular.

**Minimal emission in transport**

Minimal emission in transport will be achieved by working together with transport partners and carriers to explore and implement emission free yet economically feasible transport solutions. In parallel we will collaborate with our customers and suppliers to optimize delivery frequencies.

**Ambitions**

- 2030 all transport will be emission neutral.

**Minimal energy use in buildings**

Minimal energy use in buildings will be achieved by minimizing energy consumption in addition to use of self-generated and/or renewable energy.

**Ambitions**

- 2030 all buildings are energy efficient and generate or procure renewable energy.
- 2050 buildings are emission neutral.

**Operations**

We understand that integrating and advancing ESG criteria within our operations is not just a commitment but an ongoing process marked by challenges, achievements, and continuous learning. We have identified four main areas where we needed to minimize our impact: waste, packaging material, emissions in transport, and energy use in our buildings.

**Energy use in buildings**

Innovation was and will be part of our ESG strategy. From implementing [energy-efficient systems in our buildings](#) to exploring renewable energy sources, we're committed to minimizing our energy use and ensuring that we contribute to a healthier environment.

**Emissions in transport**

We intend to minimize emissions in transport by collaboration with our customers, carriers, and suppliers. By optimizing delivery frequencies and reducing transport moves, we intent to make great progress toward reducing our carbon footprint, even as we work toward the ultimate goal of emissions-free transport.

**Waste**

We have already taken steps to reduce the waste generated in our warehouses, which mainly comes from packaging materials from our suppliers. For example, we have worked together with some suppliers to replace black wrapping foil with transparent wrapping foil, so it can be recycled instead of disposed of. By working closely with our suppliers, we will further decrease the amount of residual waste generated in our warehouses and offices, and further promote the transition towards recyclable solutions, moving us closer to wasteless operations.

**Packaging**

In terms of packaging, we've made strides in ensuring that the materials we use are predominantly made from recycled content and that our end-users have the knowledge and means to recycle them effectively. This not only reduces waste but also educates our customers on the importance of recycling, fostering a culture of sustainability. Our approach to packaging is an area where innovation shines. This involves optimizing the design and functionality of our [packaging process](#) to eliminate unnecessary packaging use.

We develop and empower **engaged, healthy and diverse** people.



**Engaged people**

Engaged people will be achieved by focusing on aligning work to our strategy and by enabling, empowering and developing our employees.

**Ambitions**

All our people feel their work is aligned with our strategy.  
All our people feel enabled and empowered.  
All our people feel we enable their development.

**Healthy people**

Healthy people will be achieved by focus on physical and mental well-being.

**Ambitions**

All our people feel we provide them a work environment that encourages a healthy lifestyle.  
All our people feel we provide a physical and psychologic safe work environment.  
All our people feel we help them achieve the best of their ability, on and off their job.

**Diverse people**

Diverse will be achieved by our growing diversity, equity and inclusion (DE&I) program.

**Ambitions**

Celebrate diversity by means of employee resource groups and diversity days.  
Educate our people by providing an educational module about DE&I to all colleagues.  
Governance of DE&I by means of policies and progress tracking.

**Our people**

Our journey in integrating and enhancing ESG criteria within our operations is deeply intertwined with our impact on our employees—focusing on engagement, health, and diversity. Our approach to ESG recognizes the influence we have on our employees' engagement, health, and [diversity](#). We embrace the responsibility to nurture an environment where our team members feel valued, supported, and empowered.

**Employee engagement**

This is paramount to our success. It's about ensuring our team members are aligned with our mission and vision, feel enabled and empowered in their roles, and have opportunities for personal and professional development. We've learned that clarity in our company's goals and an individual's role in achieving them is crucial for fostering a deep sense of engagement and belonging.

**Physical and mental well-being**

We believe in the importance of physical and mental well-being for our employees. Creating a work environment that promotes a healthy lifestyle is an ongoing endeavour. From ensuring physical safety to fostering a psychologically supportive atmosphere, we're committed to the overall well-being of our team, both on and off the job.

**Diversity and inclusion**

We strive for a workforce that reflects the wide variety of backgrounds, perspectives, and experiences that the world has to offer. We aim to create an inclusive culture where everyone feels valued and respected by celebrating diversity, educating our employees, and implementing clear policies with progress tracking.

## SDG alignment

Our efforts towards more sustainable practices resonate with the United Nations Sustainable Development Goals (SDGs). By focusing on responsible consumption and production (SDG 12), climate action (SDG 13), and decent work and economic growth (SDG 8), we are not only redefining our business practices but also contributing

to a global movement towards sustainability. By enriching the lives of patients and healthcare professionals, our services align with good health and well-being for all (SDG 3). Our efforts in our own workforce and our value chain contribute to reduced inequalities (SDG 10).

**Table 1: Elements of ESG strategy classified by E, S, or G**

Environmental	Social	ESG Governance
GHC neutral business	Ethical production	ESG committee
Circular business	Our people	CSRD SteerCo
Care to Care selection	Services	Mediq ExCo and Supervisory board
Services		
Waste production		
Packaging material use		
Energy consumption buildings		
Emissions related transport		

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*Our new ESG strategy symbolizes a journey of collaboration, continuous improvement, and a steadfast commitment to driving sustainability across all facets of our operations. It represents our dedication to contributing positively to our planet and society, ensuring that our operations echo the essence of sustainability, innovation, and ethical considerations. We are determined to impact the planet and society positively, ultimately contributing to the sustainability transition in the healthcare industry.*

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**Eveline de Wit**  
CHRO





# Activities 2023



## Products

Within our products pillar we have two major programs related to decreasing the environmental impact of our product range (Care to Care program) and ensuring ethical production practices (Responsible Sourcing Program).

### Environmental impact

At Mediq, we understand the importance of making informed and responsible choices that not only benefit patients and healthcare providers but also contribute to a healthier planet. That's why we started curating a range of products that meet our sustainability criteria: the [Care to Care selection](#) (live in [Sweden](#) and the [Netherlands](#)). We firmly believe in taking steps now to achieve a more sustainable future. That's why our Care to Care selection criteria are rooted in the 9 R's of the sustainability framework: rethink, refuse, reduce, reuse, rehome, repair, restore, recycle, and rot.

To be included in the Care to Care selection, products must: have an ecolabel, be made out of recycled or biobased material; be biodegradable or reusable; or resource use must be reduced at production.

In addition, we do acknowledge the need for fact-based analyzes such as Life Cycle Analyses or GHG assessments on product level to become GHG neutral.

We understand that sustainability is a journey, and we continuously strive to improve and expand our Care to Care selection. We actively engage with suppliers and manufacturers to search for more sustainable products and by that means aim to encourage innovation in health care. We have started by including ecolabeled products (Sweden = 454 SKU's // Netherlands = 731 SKU's ) and overtime products matching other criteria will be added to the Care to Care selection to reach our 2030 ambition of having all our products being included in the Care to Care selection .

## Ethical production

At Mediq we are committed to high standards of social responsibility. Our [Supplier Code of Conduct](#) embodies our core values and outlines the requirements that we have for our suppliers. We expect our suppliers to live up to specific requirements with regards to amongst others: labor & human rights, ethics, environment, health & safety, and privacy and security. All these requirements are based on the guidelines set by the United Nations declaration of human rights and the ILO conventions. Our supplier code of conduct has been signed by 99% of our private label spend, 80% of direct spend, and 77% of indirect spend . Our goal is to have 100% of spend covered within each of the supplier types.

With the supplier code of conduct as the baseline, we have the responsibility to control for compliance with the requirements described in our code of conduct ([Responsible Sourcing Policy](#)). Therefore, during 2023 we have started a partnership with our preferred ethical sourcing partner.

Since July 2023 we have assessed (desktop audit by means of self-assessment questionnaire) 15 private label suppliers, 41 direct suppliers, and 19 indirect suppliers. After completion of the assessment phase, we will evaluate the outcomes together with our ethical sourcing partner and move into the corrective action planning phase.

Although we are proud of our first steps within this field, we have decided to implement some more improvements. First, we will move from desktop audits to onsite audits for our private label suppliers. They will be assessed every other three years. Second, the private label suppliers will be assessed based on a risk (instead of spend) procedure determined by industry and geographical location. Furthermore, we will implement a screening and awarding procedure for all new suppliers. These improvements in our supplier due diligence process will contribute to our 2030 ambition of having ethical sourcing fully anchored in our supply base and everything we do as described in our renewed ESG strategy.

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1. By the time of writing (January 2024)
  2. Unless impossible due to medical reasons or market unavailability



## Operations

The operations pillar of our new ESG strategy builds on our previous CSR strategy pillar 'sustainable supply chain'. We have started tracking ESG KPI's in 2022 and have presented the first results in our [2022 CSR report](#). In Early 2023 Mediq's internal audit department audited the data and reporting processes to improve data quality. Recommendations from the audit – mainly related to misinterpretation of definitions, inconsistency in data sources, and typos - have been successfully implemented over 2023. As a result, multiple restatements have been made compared to last year (see Table 2 for details).

Comparing 2022 to 2023 on group level; with the exception of waste, (significant) reductions in cardboard and plastic packaging material, transport emissions and energy consumption can be observed. In this section we will focus on the underlying initiatives leading to these results.

## Waste

Residual waste has increased with 4 percent point. The absolute amount of residual waste on group level increased by 3.766kg, while the absolute amount of total waste increased by 51.352kg. Within most countries the percentage of residual waste is stable. The increase in residual waste on group level can mainly be explained by increased residual waste in Finland (from 52% to 58%). A new enterprise resource planning system and a new warehouse management system were installed in Finland. In preparation for this, the entire warehouse was reorganized and cleaned resulting in a single event of increased residual waste.

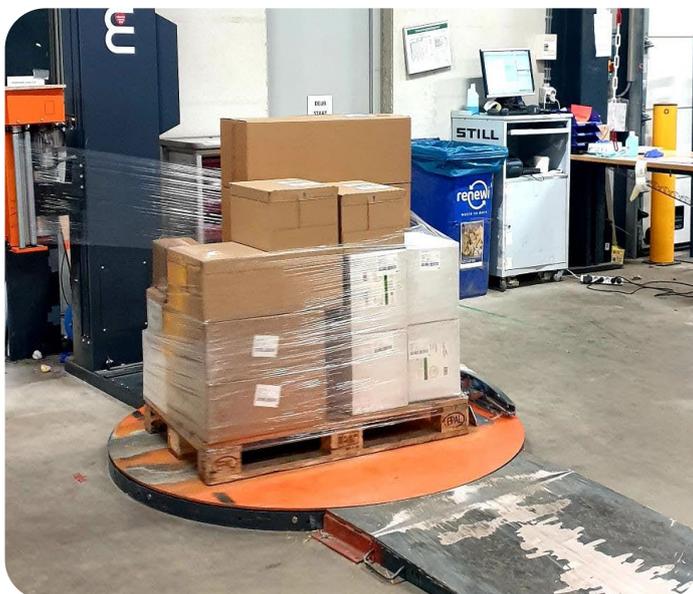
Scrap waste has increased slightly with 0,17 percent point, despite initiatives to reduce scrap waste. This is mainly driven by obsolete covid stock that expired and required disposal. An issue we experienced across all our entities.



## Packaging material

Cardboard consumption has decreased on average by 0,0074kg (1,8%) per order in 2023 compared to 2022. In most markets cardboard consumption per order remained equal, except for Mediq Netherlands which mostly explains the decrease. The packaging process at Mediq's fulfillment center in Bleiswijk was further optimized by the introduction of a new packaging machine. A [third packing line](#) for smaller boxes was introduced which resulted in a yearly decrease of 127.982kg (12,30%) purchased cardboard packaging material.

Plastic consumption has decreased on average with 0,0011kg (7,01%) per order in 2023 compared to 2022. Also this reduction was mainly driven by initiatives in the Netherlands. In total 10.655kg (-31,20%) less plastic was being purchased in 2023 compared to 2022. This decrease is due to two improvement projects. The first one being a new pallet wrapping machine, where top sheets are no longer required. The second one is reevaluation of our sterile packaging process. Without compromising quality and legislation (i.e. still adhering to medical device regulations) we have managed to decrease the plastic required for the sterile packaging process.



### Emissions related to transport

Emissions related to parcel transport have reportedly decreased on average by 0,103 kg per parcel (-29%) in 2023 compared to 2022. This led to a total reduction of 553.657 kg of CO2 in 2023. This significant reduction can partly be attributed to improved data quality from our transport partners, who have invested in more accurate CO2 calculation methods. However, our dedicated focus on environmentally friendly parcel transport, especially in our Nordic markets, strongly contributes to this result. The impact of our transport sustainability approach is expected to become more visible from 2024, as current figures (2022 vs 2023) are not directly comparable.

Emissions related to pallet transport have decreased with 0.925kg per pallet (-16,1%) in 2023 compared to 2022. This reduction is mainly driven by CO2 reductions in Finland (54,86%), where absolute amount of CO2 increased, however the absolute number of pallets also increased, resulting in a so relative decrease. In other countries the emissions have slightly increased. These changes in emissions cannot solely be explained by projects undertaken by Mediq. It is however possible that transport partners made changes to their fleet and/or improved data measurements.



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*Close collaboration and partnership with transport partners who have an ambitious sustainability agenda are at the core of our sustainability approach. Mediq is determined to work with partners who have and will continue to invest in solutions like electric vans, hubs for last-mile transport with bikes, and biofuel (HVO100, or biogas) to ensure the CO2 emissions continue to decrease.*

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**Alex Jonker**

COO



### **Energy consumption**

Overall group electricity consumption has decreased from 4.192.775 kWh in 2022 to 4.005.151 kWh in 2023 (-4,48%). Taking a deep dive per country we achieved a major decrease in electricity consumption in our Merzig warehouse in Germany (147.327 kWh (18,51%)) in 2023 compared to 2022 due to several initiatives like replacing all broken lightbulbs with LED bulbs, installing movement sensors in quit areas in the warehouse, and decreasing the number of lights in areas where appropriate. These initiatives mainly drive the decrease.

Overall gas consumption has decreased from 101.096m<sup>3</sup> in 2022 to 79.544m<sup>3</sup> in 2023 (-21,32%). Mediq Germany has achieved outstanding results decrease their gas consumption in 2023 by 24.297m<sup>3</sup> (-39,33%). This was mostly driven by investment in a new, more efficient, heating system. The combination of new equipment, energy consciousness and the external factor of temperature differences, can explain the decrease in gas consumption over 2023.

# Results of operations KPI's

	KPI	Definition	2022 (FY)	2023 (FY)	Delta 2023 vs 2022	Target
Waste	Residual waste (%) <sup>1</sup>	All waste that is not separated (plastic, cardboard, etc.) to be recycled (KG) / total amount of waste (KG) * 100	18%	22%	+4%	year-by-year reduction of 5%
	Scrap waste (%) <sup>2</sup>	Costs of all products that are destroyed because of due dates or breakage (KG) / total costs of goods sold * 100	0,45%	0,62%	+0,17%	year-by-year reduction of 5%
Packaging material	Carton consumption (KG/order) <sup>3</sup>	All cardboard that is purchased as packaging material (this includes –but is not limited to – cardboard boxes for customer orders, paper filling material, etc.) (KG) / number of orders	0,4210 KG/order	0,4136 KG/order	-1,8%	year-by-year reduction of 2%
	Plastic consumption (KG/order) <sup>4</sup>	All plastic that is purchased as packaging material (this includes – but is not limited to – wrapping film, bubble plastic, plastic filling material) (KG) / number of orders	0,0157 KG/order	0,0146 KG/order	-7%	year-by-year reduction of 2%
Transportation	CO2 emission per parcel (KG CO2/parcel) <sup>4</sup>	Total CO2 emission from all parcels that are being shipped from the warehouse (outbound) / number of parcels	0,350 KG/parcel	0,247 KG/parcel	-29% <sup>5</sup>	year-by-year reduction of 5%
	CO2 emission per pallet (KG CO2/pallet) <sup>6</sup>	Total CO2 emission from all pallets that are being shipped from the warehouse (outbound) / number of pallets	5,760 KG/pallet	4,835 KG/pallet	-16,1%	year-by-year reduction of 5%
Energy consumption	Electricity consumption (kWh) <sup>7</sup>	The total amount (kWh) of electricity that is being used in warehouses	4.192.775 kWh	4.005.151 kWh	-4,48%	year-by-year reduction of 2%
	Gas consumption (m <sup>3</sup> ) <sup>8</sup>	The total amount (m <sup>3</sup> ) of gas that is being used in warehouses	101.096 m <sup>3</sup>	79.544 m <sup>3</sup>	-21,32%	year-by-year reduction of 5%

## Table 2: Results of operations KPI's

### General remark 1 related to all KPI's

Early 2023 Mediq's internal audit department audited the data and reporting processes to improve data quality. Recommendations from the audit – mainly related to misinterpretation of definitions, inconsistency in data sources, and typos - have been successfully implemented over 2023.

### General remark 2 related to all KPI's

This data has not been audited externally (as CSRD does not yet apply to Mediq).

### General remark 3 related to all KPI's

Bearing the below explanations in mind, we provide this report with the following disclaimer: no claims as to the accuracy are made, and no rights or obligations can be derived from the contents of this report.

- 1) Not available for Baltics. For Denmark, values change due to solving misunderstandings of the definition.
- 2) The warehouses of Sweden and Norway are combined during 2023, however scrap waste is still reported separately.
- 3) The warehouses of Sweden and Norway are combined, so cardboard and plastic consumption from Norway is included in Sweden's report. Furthermore, Germany restored misinterpretation of the definition of cardboard and plastic use.
- 4) Not available for Baltics. Sweden is included after solving calculation problems at the transport supplier. Overall: reliability issue due to inconsistency in measurement methods (caused by dependency on different transport partners).
- 5) This significant reduction can partly be explained by better data quality from our transport partners – who have invested in improved CO2 calculation methods.
- 6) Not available for the Netherlands and the Baltics. Sweden is included after solving calculation problems at the transport supplier. Overall: reliability issue due to inconsistency in measurement methods (caused by dependency on different transport partners).
- 7) Interpretation is up for debate because data is not relative (yet). Additionally, this KPI is very sensitive to weather conditions and does not distinguish between renewable and non-renewable energy.
- 8) Interpretation up for debate because data is not relative (yet). The Nordics are not included because no gas is being used (in some countries district heating is used). Additionally, this KPI is very sensitive to weather conditions.

## Our people

Within the people pillar of our ESG strategy we focus on engagement, health and diversity.

### Engaged people

Every autumn, we measure employee engagement across Mediq. 75% of our colleagues shared their thoughts, meaning they care about making Mediq a better place. Our overall engagement (71% (see table 2)) stayed strong despite a challenging business environment. Mediq teams care about their work and take pride in what they do for our customers and each other. 89% indicated to be comfortable enough to be themselves at work. The survey also pointed out areas we want to improve on, and these themes are similar to last year. Firstly, our employees want to do a great job. However, work processes and systems don't always enable it. Secondly, our colleagues ask for more clarity and frequent communications in times of change as well as for appreciation and celebrations when a project was accomplished or for a job well done. Lastly, our employees ask to hear more about our strategy, Mediq's mission, and vision. At Mediq we take this at heart and commit to spending more time with our teams to share our vision.

### Healthy people

At Mediq the health and well-being of our employees are important to us. Recognizing the critical importance of health in fostering a productive and positive work environment.

Within the Benelux (BNL) region, we established a partnership in 2023 with the Employee Assistance Program, to provide comprehensive support to our employees. Offering them the resources and support they need to navigate personal and professional challenges.

In addition to mental health, we are also focusing on physical health in the workplace, ensuring our office environments are conducive to overall well-being.

Within the UK we have trained 16 mental health first aiders who are now Mental Health First Aid ambassadors within the business and who meet regularly to support each other in such a challenging role. Furthermore, we have introduced our 'Hapi App' which is being used as an engagement tool. The tool offers support, education, and tips on many topics related to well-being, such as health, self-care, budgeting, menopause, etc.

We will continue in 2024 with full dedication to fostering a health-conscious culture within the organization.

### Diverse people

After introducing our [DE&I policy](#) last year we have started working on DE&I awareness by launching a DE&I education module in our learning environment. Colleagues will learn about our DE&I principles and incident reporting. They are presented with real-life cases that occurred in our company that describe unconscious biases other colleagues have. Also, there is room to leave improvement suggestions or other remarks anonymously. The course will be included in our compliance training. Furthermore, we have established three employee resource groups: LGBTQIA+, ethnic background, and women empowerment. These groups will work together to increase awareness and celebrate diversity within Mediq.

# Results of our people KPI's

	KPI	Definition	2022 (FY)	2023 (FY)	Delta 2023 vs 2022	Target
Employee engagement	Employee engagement (%)	Employee engagement score as measured per survey	72%	71%	-1%	on par, or better than, the benchmark
	Turnover rate (%)	Number of employees that voluntary leave Mediq / average number of employees *100	11%	12%	+1%	no more than 10%
Employee well-being	Short & Long term absence (%) <sup>1</sup>	Percentage of employees registered with short (<6 weeks) and long (>6 weeks) term absence / average number of employees *100	NA	NA		year-by-year reduction of 2%
	Work life-balance <sup>2, 3</sup>	Self-reported (10 point scale) work-life balance as measured per engagement survey <sup>1</sup>	6.5	6.4	-0.1	on par, or better than, the benchmark
Gender diversity	Gender ratio in general, management and higher management population (%)	Number of men working in general (or management or higher management) population / total number of employees in general (or management or higher management) population *100 : number of women working in general (or management or higher management) population / total number of employees in general (or management or higher management) population *100	General: 36,94%: 63,06%  Management: 55%: 45%  Higher management: 71%: 29%	General: 37%: 63%  Management: 50%: 50%  Higher management: 66%: 34%	General: -  Management: -5% : +5%  Higher management: -5% : +5%	40% representation of one gender (especially in management and higher management population)

## Table 2: Results of our people KPI's

### General remark related to all KPI's

Bearing the below explanations in mind, we provide this report with the following disclaimer: no claims as to the accuracy are made, and no rights or obligations can be derived from the contents of this report.

- 1) This data is not yet available on a group level. There are improvement projects undergoing to improve the process.
- 2) Correction compared to 2022: this is a 10 point scale, not 0-100. Data is adjusted accordingly.
- 3) Correction compared to 2022: data was reported incorrectly (40.4). This table contains the correct number for 2022 and 2023.

# ESG Governance Mediq

We established a dedicated ESG committee, to steer the development of a nuanced and effective strategy, with representation of the Group CEO and other senior management within the organization, chaired by the ESG manager. This committee has the shared responsibility to, amongst others, support and supervise ESG strategy process and implementation into ways of working, and embedding ESG into personal and company targets. The ESG committee regularly reports out to Mediq's Supervisory Board.

To prepare for Corporate Sustainability Reporting Directive (CSRD) compliance, i.e. including ESG information in the 2025 annual report as per 2026 and onwards, we established a CSRD SteerCo, collectively responsible for, amongst others, performing a double materiality risk assessment to determine our reporting scope (what ESG topics are material when considering impacts, risks and opportunities throughout our value chain),

supporting and supervising CSRD implementation, setting KPI's and drafting related policies, and overseeing implementation of controlled data collection procedures including reporting platform.

The ESG committee has a strategic focus whereas the CSRD SteerCo focuses on CSRD implementation and compliance. They work closely together in bringing ESG at Mediq to a higher level. ESG committee has overall responsibility for CSRD compliance but delegated the implementation project to the CSRD SteerCo and its project team.



# Future directions

Looking ahead, we're focused on continuous improvement and are committed to advancing our ESG strategy implementation. In the future, we plan to strengthen our partnerships with suppliers, customers, and other key stakeholders to co-create sustainable solutions that address complex ESG challenges.

We will also continue investing in and adopting technologies that drive sustainability, from renewable energy to sustainable materials and digital tools for better ESG governance.



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