

# Letter from the CEO

GRI 2-22



Dear Stakeholders,

SHL Medical's purpose—to enable patients' independence—is the cornerstone of our business. As we continue to improve as many lives as possible through innovative self-injection solutions, such a purposeful mission is manifested in our sustainability principles and goals at large.

By putting the patients, the environment, our employees, and the supply chain at the forefront, our **2030 Sustainability Strategy** encompasses goals such as:

- We aim to expand our innovative device portfolio to improve patient outcomes and independence by 2030.
- We are committed to reducing our greenhouse gas emissions, implementing circular principles, and minimizing waste impact by 2030.
- We strive to establish a sustainable business foundation for both our employees and supply chain by 2030.

We have launched several initiatives supporting the goals we set. As you will see in this report, our efforts did not go unnoticed. In 2023, we received the prestigious EcoVadis silver medal and saw improvements in our CDP climate score. We also became a member and signatory of the United Nations Global Compact principles and received validation of our climate targets by the SBTi, furthering our commitment to sustainability on a global scale.

As we continue to make progress toward a more sustainable future, I want to express my gratitude for the continued trust and partnership of our employees, customers, and suppliers. Together, we can drive meaningful changes and create a better future for generations to come.

Sincerely,

**Ulrich Faessler,**  
SHL Medical CEO

# About SHL Medical

GRI 2-1

SHL Medical is the pioneering leader in designing, developing, and manufacturing self-injection solutions, such as autoinjectors. We serve the healthcare sector through partnerships with leading pharmaceutical and biotech companies. A privately-owned company, SHL Medical is headquartered in Zug, Switzerland with subsidiaries in Taiwan, Sweden, the US, and more recently, Mexico and China due to our latest acquisition (see '[Key 2023 Highlights](#)' section for more information). As of the end of 2023, SHL Medical has over 5,700 employees worldwide.

30+

years of pioneering in the drug delivery industry

>50

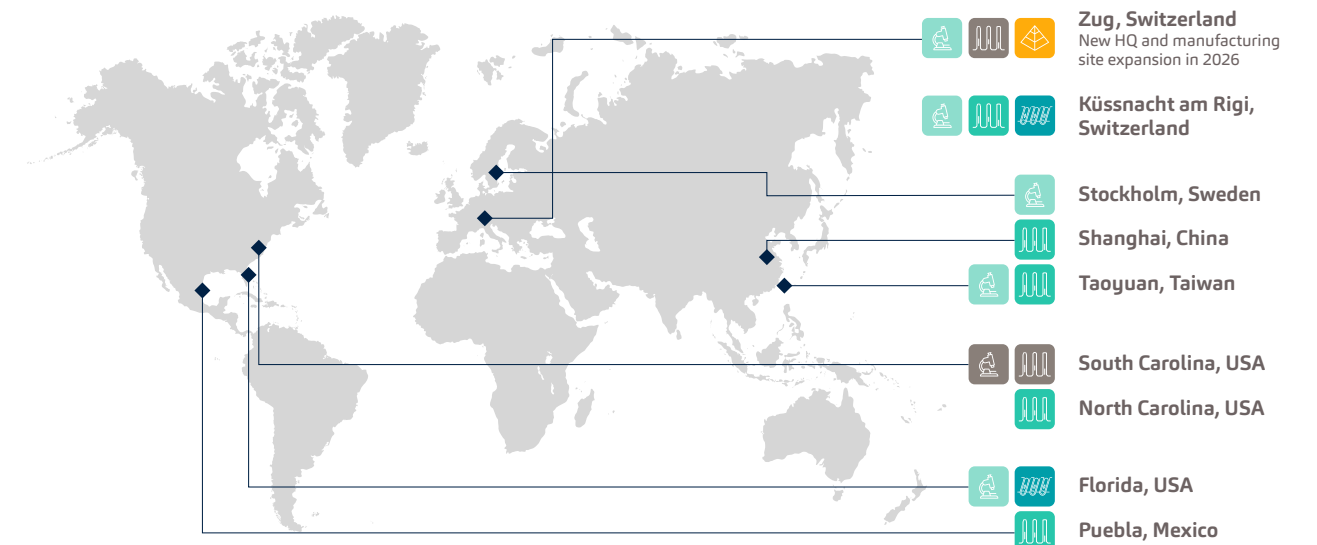
combination products launched globally

>5,700

employees from 60 nationalities across EMEA, North America, and APAC

Top 25

majority of pharma/biotech companies in partnership with SHL Medical



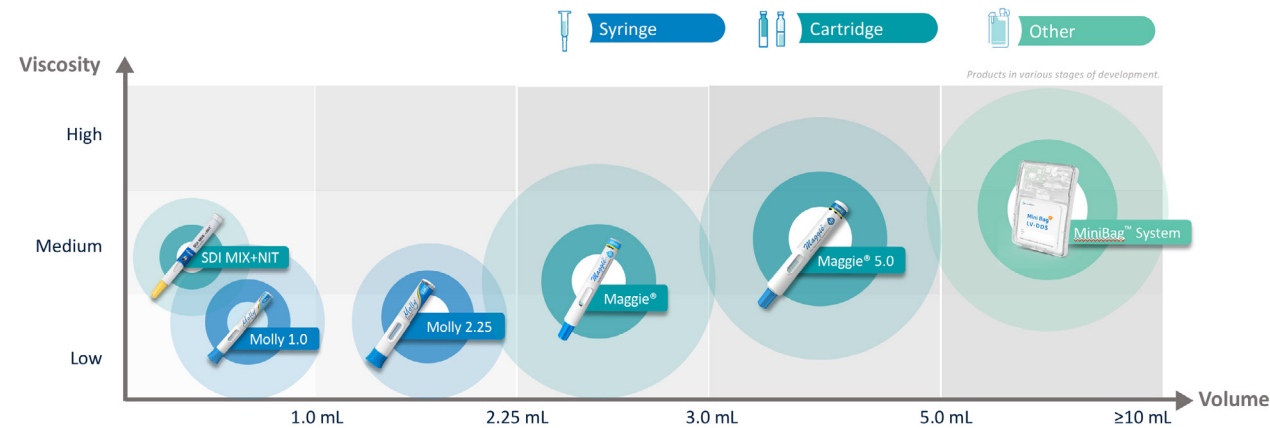
# The value SHL Medical brings

GRI 2-6

As the number of elderly and chronically ill increases, so does the demand for treatment and personalized healthcare. The challenge is increasingly how to make life with illness more manageable while also reducing the burden on healthcare systems. Home caregivers and patients need better, more reliable solutions that promote individual comfort as well as being cost efficient and environmentally responsible.

At SHL Medical, we embrace this challenge. Since our founding in 1989, we have continuously reshaped the drug delivery industry through innovation across Europe, US, and Asia. Working with leading biotech and pharmaceutical companies, we develop advanced drug delivery solutions, including user-friendly, disposable and reusable injection devices catering to a variety of health conditions and treatment regimes.

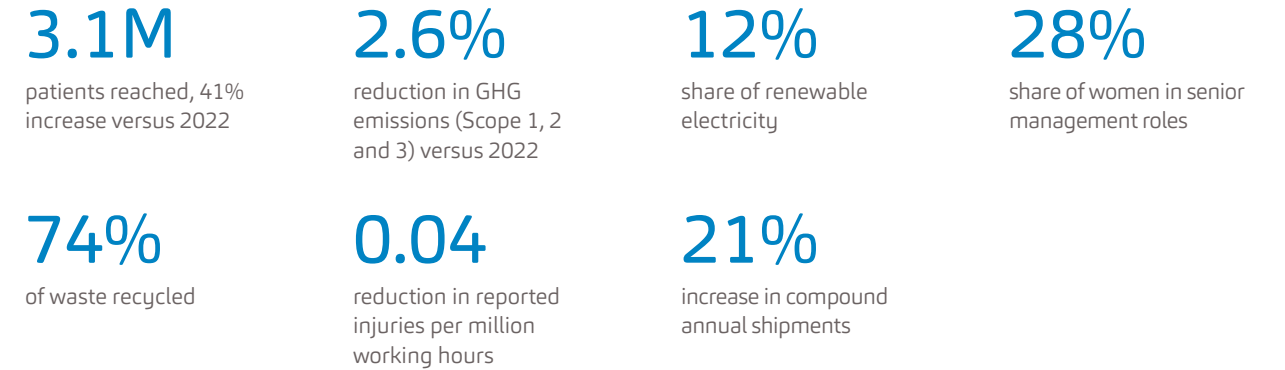
## Our product line across viscosity and volume



In this report, we will share our goals, initiatives, and progress towards the three objectives that form the basis of our Sustainability Strategy 2030, namely, driving patient health and independence, reduce our ecological footprint, and ensure responsible business practices across our supply chain, employees, and the communities where we operate.

# Key 2023 highlights

GRI 2-6



- Acquisition of LCA Automation:** In 2023, we acquired LCA Automation, experts in automation, tool maintenance, and metal manufacturing. Based in Switzerland, with subsidiaries in Mexico and China, this acquisition expands our global manufacturing presence, enhances our value chain by expanding our presence in Europe, and further strengthens our in-house capabilities. In 2024, we will continue to enlarge our global support network through a greater business focus on tooling and automated assembly, final assembly, and test equipment.
- Our strategic collaboration program:** We announced a strategic alliance program for autoinjector services called the Alliance Management Program. The program will further strengthen SHL Medical's vertically integrated business model by providing customers additional opportunities in the drug delivery ecosystem. Our partners include primary container providers, Contract Manufacturing Organizations, Contract Development and Manufacturing Organization, and other service providers and suppliers.
- Expanding our presence in the US:** We are building a new 25,000 m<sup>2</sup> (270,000 ft<sup>2</sup>) facility for autoinjector production in North Charleston, South Carolina, in addition to our existing facility in Deerfield Beach, Florida. The site starts operations in 2024.
- Expanding our presence in Switzerland:** We are also building a manufacturing site in Zug, Switzerland, which includes 10,000m<sup>2</sup> dedicated to R&D and manufacturing and will host our headquarter offices. Operation will start in 2026.

# Sustainability Strategy 2030

At SHL Medical, we aim to enable people living with a chronic illness to improve their quality of life from their own homes, helping to further promote their independence. But the medical landscape in which we operate and deliver these valued services has changed dramatically in recent years.

As a pioneer in self-injection solutions, we continue to build on our history of incorporating sustainability into everything we do. This means constantly reviewing how our business impacts the environment, our workforce, business partners, and the communities in which we operate.

In 2023 we developed our Sustainability Strategy 2030. This strategy, born out of extensive engagement with partners, employees and other key stakeholders, aims to create value for both

our shareholders and wider society. Our strategy supports the creation of a sustainable business model that builds business resilience and enhances environmental performance.

The strategy is built around three goals, namely, driving patient health and independence, reducing our ecological footprint, and ensuring responsible business practices, which form the basis of this report.

Each goal is underpinned by a series of ambitious targets which allow us to assess our performance on ongoing basis, continually refining our approach to improve performance in each area. These targets are also aligned with the Ten Principles in the UNGC as well as the UN Sustainable Development Goals (SDGs).

## Our sustainability achievements

### 2021

- Published CDP climate change report
- Set baseline for GHG emissions across value chain

### 2023

- New Sustainability Strategy 2030
- UN Global Compact principles signatory
- Near-term climate targets approved by SBTi
- Recognized with EcoVadis Silver medal
- Recognized with CDP C– rating

### 2020

- 100% renewable electricity at EU sites
- First EcoVadis score

### 2022

- Committed to SBTi climate targets
- ISO 14001 and ISO 45001 certifications for Taiwan sites

## 2023 achievements

- We developed our Sustainability Strategy 2030 built around three strategic goals, each underpinned by a series of ambitious targets aligned with the UNGC's Ten Principles and the UN Sustainable Development Goals (SDGs).
- Our sustainability efforts have gained us a CDP C rating in 2023, an improvement from our D rating in 2022.
- We received an EcoVadis Silver assessment in November 2023, up from Bronze in February 2023. This places us in the Top 8 in our sector (in the 92<sup>nd</sup> percentile).



- In September, we became a signatory to the UN Global Compact's 10 principles, focusing on policies and actions related to human rights, labor, environment, and anti-corruption.
- Our science-based reduction targets were validated by the Science Based Targets Initiative (SBTi).
- We committed to publishing our 2023 Sustainability Report 'with reference to' the Global Reporting Initiative (GRI), a reporting framework that helps organizations disclose in a transparent and consistent manner.



“As part of our new Sustainability Strategy and 2030 objectives, we are dedicated to expanding our innovative device portfolio, significantly reducing our greenhouse gas emissions across the whole value chain, fostering circularity in our products, and fortifying our unwavering ethical and responsible foundation for the benefit of our employees, suppliers, and over 8 million patients.”

**Dora Rio, Global Head of Sustainability**

# Sustainability Strategy 2030

## Reducing our ecological footprint

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION 13 CLIMATE ACTION UNGC Principles 7, 8, 9

### Goal

By 2030, we will significantly reduce GHG emissions, introduce circular principles, and reduce waste impact.

### Targets

**-42%**

GHG emissions Scope 1 and 2 by 2030

**-51.6%**

GHG emissions Scope 3 per unit sold by 2030

**-30%**

environmental impact per device by 2030

**100%**

new products adhering to Eco-Design principles by 2025

**100%**

renewable electricity

**>80%**

recycled waste by 2025

**-20%**

waste generation by 2030

## Driving patient health and independence

3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES UNGC Principle 1

### Goal

By 2030, we will expand our portfolio by innovating and pioneering devices to improve patient outcomes and independence.

### Target

**>8M**

of patients enabled to be independent

## Ensuring responsible business practices

8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION UNGC Principles 1, 2, 3, 4, 5, 6, 10

### Goal

By 2030, we will manifest a sustainable business foundation for our people and supply chain.

### Targets

**<1**

lost time injuries per million of working hours by 2030

**30%**

share of women in senior management roles by 2025

**100%**

of employees trained on ethics annually by 2025

**>7.8**

employee engagement score by 2030

**100%**

strategic suppliers signing Code of Conduct by 2025

**90%**

relevant suppliers covered by a sustainability assessment by 2025

# Materiality assessment

GRI 3-1

Developing our materiality assessment was central to formulating our Sustainability Strategy 2030 and advancing our sustainability transformation. This process helped us identify the different ways our business operations impact society and the environment and to prioritize which are most important to us and our stakeholders.

While the main focus of this report is on our material topics, we also include information on topics not currently considered material, including Water Management, Community Engagement, and Risk Management. We plan to conduct a new materiality assessment every three years, and we look forward to sharing our progress.

## The materiality assessment process

### Identify sustainability topics

A third-party materiality mapping analytics tool was used to help compare the most important material topics for our industry and to help visualize them on a scale of commonality and importance. This quantitative view of material topics allowed SHL Medical to compare ourselves with industry peers and standards.

### Engaging stakeholders to prioritize topics (GRI 2-29)

The materiality topics were then assessed through six stakeholder lenses: employees, competitors, customers, investors, suppliers, and regulatory. This included a wide variety of stakeholder surveys and interviews alongside reviewing and compiling documents related to competitor performance as well as legal and regulatory requirements.

### Assess topic impacts on business, society, and the environment

The information from our stakeholder engagement phase enabled us to narrow down potential material topics. The topics were then evaluated according to their relevance for long-term business success and stakeholder importance. This yielded 13 most material topics in 2023 (see next page), which are referenced throughout this report.

## Defining our priorities and setting targets

The results of our materiality assessment drove the development of our overarching Sustainability Strategy, including our three core goals of: patient health and independence; reducing our ecological footprint, and ensuring responsible business practices, which form the basis of this report.

We then developed a series of ambitions targets by which the business can measure its progress. These targets are also aligned with the Ten Principles in the UNGC as well as the UN Sustainable Development Goals (SDGs).

## Our materiality topics by strategic goal (GRI 3-2)

### Driving patient health and independence

1. Innovation
2. Patient health
3. Product quality and safety

### Reducing our ecological footprint

4. Climate change (GHG emissions)
5. Circular economy
6. Waste management

### Ensuring responsible business practices

7. Diversity, equity, and inclusion (DEI)
8. Health and safety
9. Employee recruiting, development, and retention
10. Corporate governance
11. Transparency, accountability, and reporting
12. Corporate ethics
13. Supply chain management

