

# Sustainability Report

*Sustainability is an integrated part of our strategy to drive value for customers, partners, employees, owners, and society. Our aim is to run a responsible business that contributes to a sustainable future through improved healthcare and equal and fair working conditions. We use innovation and technical progress to find sustainable solutions to economic and environmental challenges.*



## **NASDAQ ESG TRANSPARENCY PARTNER**

CellaVision is certified as a Nasdaq Transparency Partner. This certification is used by Nasdaq to signal engagement in market transparency and in raising environmental standards.

# Our Approach to Sustainability

## Materiality assessment

### 1. Identify & Prioritize

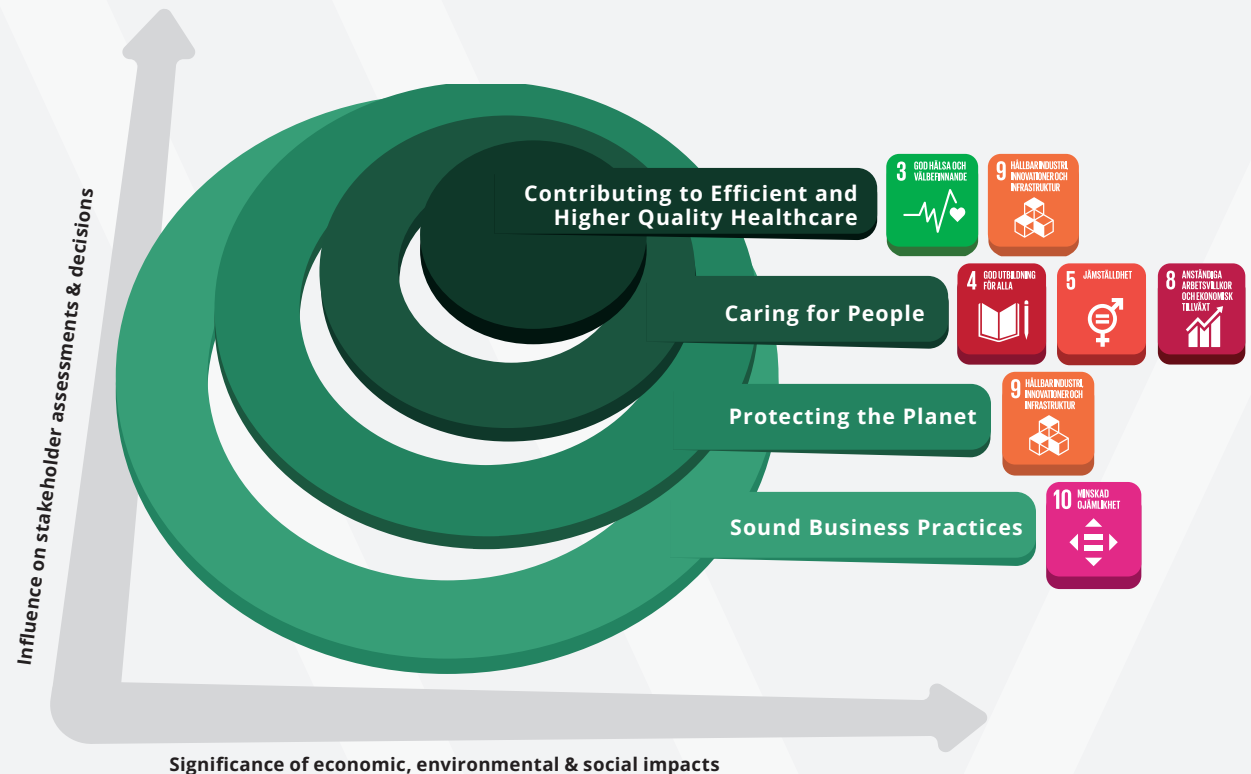
The UN Sustainable Development Goals and the Global Reporting Initiative (GRI) standards were our starting point for the assessment. Through dialogue with external and internal stakeholders, including customers, investors, major suppliers, employees, and the Board of Directors, we identified and prioritized concerns, global trends, and market expectations.

### 2. Analyze

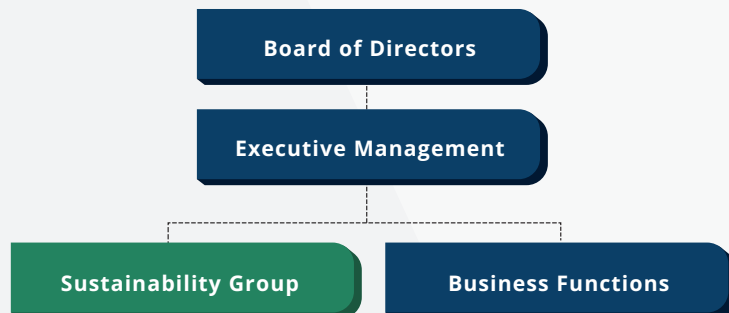
The results of the assessment uncovered the positive and negative impacts of our operations, including environmental, social, and governance issues along our value chain. The results were weighted based on the stakeholder category and the number of answers from each category.

### 3. Validate

Executive Management analyzed and discussed the results to refine, consolidate and shape our sustainability strategy going forward. For more information on the materiality assessment, see our Sustainability Report 2021.



## Sustainability Organization



### Compliance with Environmental Directives

#### ISO 14001:2015

**REACH** – Registration, Evaluation, Authorization, and Restriction of Chemicals

**RoHS** – Restriction of Hazardous Substances

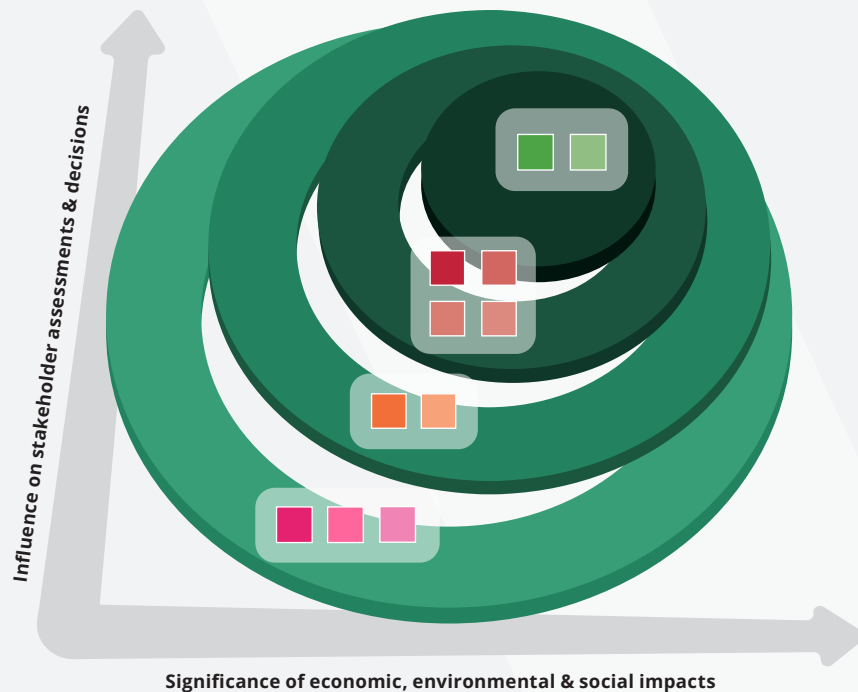
# Sustainability Agenda

The 2030 Agenda for Sustainable Development is a universal plan of action that was adopted by all member states of the United Nations in 2015. At its core are 17 Sustainable Development Goals (SDGs) that cover economic, social, and environmental targets to improve human lives and protect the environment.

Our business contributes primarily to Goal three – Good health and wellbeing, as well as:

- SDG four: Quality education
- SDG five: Gender equality
- SDG eight: Decent work and economic growth
- SDG nine: Sustainable industry, innovations, and infrastructure
- SDG ten: Reducing inequalities

## Materiality Matrix



## Sustainable Development Goals | Materiality



### Contributing to efficient and higher quality healthcare

- Supporting healthcare professionals
- Improving patient outcome



### Caring for people

- Promote a safe and healthy work environment
- Cultivate a diverse and inclusive culture
- Improve access to training and education
- Secure good employment conditions throughout the value chain



### Protecting the planet

- Minimize negative climate impact
- Reduce environmental impact across product life cycles



### Sound business practices

- Corporate governance
- Compliance
- Risk management



# ■ Contributing to Efficient and Higher Quality Healthcare

**Good health is fundamental to quality of life. When people are in good health, they can reach their full potential and contribute to society. Our innovative solutions support the transformation toward digital and sustainable healthcare services.**



Our solutions for clinical laboratories improve working conditions for laboratory personnel and help patients get correctly and quickly diagnosed and enable treatment to be initiated sooner. We also work to safeguard the safety, health, and well-being of healthcare professionals through our offerings.



## **Supporting Health, Safety, and Wellbeing in Healthcare**

In healthcare settings, diagnosis and treatment are largely based on test results, so the swift delivery of accurate test results is of paramount importance for patients. Meanwhile, laboratory operations are becoming more complex as testing grows more diverse, leading to a call for more efficient laboratory operations.

Our technologies for diagnostics play an important role in the early detection of diseases and help determine courses of treatment. Our products and solutions improve diagnostic accuracy and help streamline laboratory workflows, enabling healthcare providers to initiate the correct treatment faster, which can save lives.

This enables medical technologists to speed up morphological assessment while collaborating with off-site colleagues, supervisors, and pathologists. In a distributed laboratory

network, the adaptation of a digital methodology can help realize considerable time-savings by effectively removing the primary cause of prolonged turn-around times – the road-based transportation of challenging slides for review by off-site pathologists.

With our technology, laboratories can also create a more attractive working environment. With traditional microscopes, laboratory staff often adopt an uncomfortable, hunched working position, but our equipment supports a considerably more ergonomic working posture and reduces the risk of repetitive strain injuries in the neck, back and eyes. We also offer online training so that healthcare professionals can participate regardless of their location. In these ways, we make an ongoing effort to raise the level of healthcare.

## **A New Generation of Staining**

Staining is an important step in hematology, but traditional staining formulations contain toxic chemicals that pose a health risk for users. If the health and safety of laboratory technicians is compromised, it can impact laboratory workflow, and accreditation – the guarantee of providing reliable and reproducible results.

To meet these challenges, we offer RAL MCDh™ (Micro Chromatic Detection for hematology). A patented, ready-to-use, methanol-free staining formula that eliminates exposure to the high toxicity of traditional formulations. MCDh is safer and easier for lab technicians to handle, which improves workflow, and ensures that results are reliable and reproducible.

## **Donations to Support Improved Global Health**

We care about people's health and support the work of Médecins Sans Frontières to save lives and alleviate distress in disaster situations where the needs are the greatest. Médecins Sans Frontières works worldwide to assist people who find themselves in need with everything from psychological support to vital nutritional replacement. With our donations we can contribute to the building of hospitals, ensuring that more women have access to safe childbirth and vaccinate children to prevent outbreaks of infectious diseases. An important step towards a more sustainable future.

## **Stakeholder's Voice**

*We perform over 200 differentials every day, and after implementing CellaVision, we have shortened turnaround times by 39%, down to three hours which is a great improvement.*

David Langstaff, Director  
Hamilton Regional Laboratory Medicine Program

# Caring for People Lies at the Heart of Everything We Do

**Ensuring inclusive, equitable education, promoting lifelong learning opportunities and gender equality for all is essential to sustainable development, and the fair distribution of power, influence, and resources.**



We are committed to supporting the next generation of medical technologists and employees in their education and training. We cultivate gender equality, diversity, equal treatment, and inclusion so that employees can thrive, maximize their skills, and contribute to the company's success.



## Caring for People

Our mission, vision, values, and culture define how we work, the quality we deliver and guide our behavior towards customers, partners, employees, and investors. They're the foundation of our strong corporate culture and play a key role in our success.



As part of our continuous work to cultivate a strong sense of community and unity across all levels of the organization, we have in 2023 introduced a new Intranet and HR system. These tools, enable us to convey our core values and allow the organizational culture to grow, which increases transparency and employee engagement.

## Values

*We innovate, we collaborate, we care*

Our company culture is based on teamwork, partnerships, caring, and having fun together. We believe that employee recognition, communication and collaboration, innovation, and continuous improvement are behaviors that will help us develop into the best version of ourselves.

## Promoting a Healthy Work Environment

We want our employees to feel a sense of pride in their work and an affinity for the company. At CellaVision we recognize the importance of creating a safe and secure working environment for our team members. As part of our commitment to employee safety and well-being, employees are regularly offered the opportunity to participate in CPR and first aid training.

We are dedicated to foster active and healthy lifestyles among our employees. As part of this commitment, we have a wellness group that arrange activities related to exercise and training, diet and nutrition, relaxation and stress release. The company also raised the health care allowance during the year.

We take steps to promote a healthy work environment to maintain a low employee absentee rate. We systematically follow up and investigate repeated cases of short-term absence to identify signals of ill health at the workplace at an early stage. In 2023, sick leave 1-13 days were 10 percent.

We have an occupational injury insurance that applies both at work and on the way to and from work. In 2023, we had one reported incident and 15 reported accidents globally. None of the accidents were regarded as serious.

The company investigates all accidents in accordance with relevant regulations and takes preventive measures to avoid similar accidents in the future.

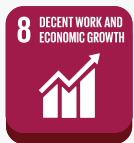
In total, 92 percent of our staff are covered by collective agreements that regulate employment conditions and working conditions. All our employees employed through our collaboration with Business Sweden have employment agreements in accordance with applicable local laws and regulations. And we have an established framework with a code of conduct based on the UN Guiding Principles on Business and Human Rights.

## Competency Development

We have a decentralized and flexible organizational structure, characterized by competence, entrepreneurship, management by objectives and short decision paths. Our aim is to offer a secure, stimulating and fulfilling work environment with opportunities to contribute skills and commitment to the company's continued development. And we cooperate with local unions and work councils to build an attractive workplace.

All employees have annual appraisals and target discussions with their line manager. The purpose of the target discussions is to create conditions for employees to develop and make a positive contribution that serves to increase productivity, efficiency, and profitability. Individual development plans are linked to the targets to ensure continual development.

Career pathways are offered within certain functions to offer employees clear alternatives to the traditional managerial route. We also help employees develop their expertise – a practice that's encouraged and acknowledged.



Salary is considered a positive force, as employees who perceive their salary to be fair are more likely to perform excellent work. This supports productivity, effectivity, and profitability.

To support our salary setting strategy, we have an international position evaluation system and an industry benchmarking data tool. Salary levels are primarily based on the complexity of the position, employee goal fulfillment, and the ability to perform the required tasks for the position. External factors, such as the market value for the specific position are also used to determine salary levels.

We conduct an annual employee survey and quarterly measurements of the employee Net Promoter Score (eNPS). The results show strong commitment, faith in the future and great confidence in colleagues. The survey, together with performance reviews, informs the decisions we make to improve the work environment, employee well-being, performance, and commitment. During the year, staff turnover was 18 percent.

### Cultivating a Diverse and Inclusive Workplace

We promote diversity, gender equality and inclusion and have introduced systems to create a corporate culture that embraces diversity, encourages a sense of unity globally, and gives all employees the opportunity to maximize their skills and thrive.

We believe that diversity and a balanced gender division enhances collaboration and creates dynamic working groups, which is positive both for the work climate and for our long-term competitiveness. In recruiting new team members, we aim for diversity, but always prioritize competence and experience in each individual case.

### Accommodating Diverse Working Styles

We foster a work environment that prioritizes employee well-being and work-life balance. Committed to accommodate a working atmosphere based on individual needs, employees are given flexible working hours within a certain given framework. Our employees also have the flexibility to work from home, according to individual needs if the work situation permits it, to increase job satisfaction.

### Attract New Employees

12/31/23

Number of master thesis candidates	3
Number of summer jobs	9

### Develop and Retain Employees

Employees covered by collective agreements (%) 12/31/23	92
Staff turnover (%) during 2023	18
Engagement score (eNPS)	13
Engagement response rate (%)	92

### Diversity and Inclusion

Female managers (%) 12/31/23	39
Female Board of Directors (%) 12/31/23	40
Share of female newly recruited (%) during 2023	55
Share of female in the company (%) 12/31/23	46

### Employees per Region (%)

12/31/23

EMEA	94
APAC	4
Americas	2

### Employees per Function (%)

12/31/23

Production & logistics	17
Sales & Marketing	18
Administration	10
Quality, Regulatory & Clinical	9
R&D	46

### Educational Level (%)

12/31/23

University degree	92
Upper secondary education	8



## Ensuring Good Working Conditions Throughout the Value Chain

Our supply chain comprises a third-party instrument manufacturer in Sweden and our own reagent manufacturing facilities in Martillac, France. For distribution and sales, we conduct activities via global partners that are primarily public companies with their own sustainability agendas, including terms and conditions of employment that show regard for human rights and good working conditions. We continuously monitor their work and policies regarding key sustainability issues.

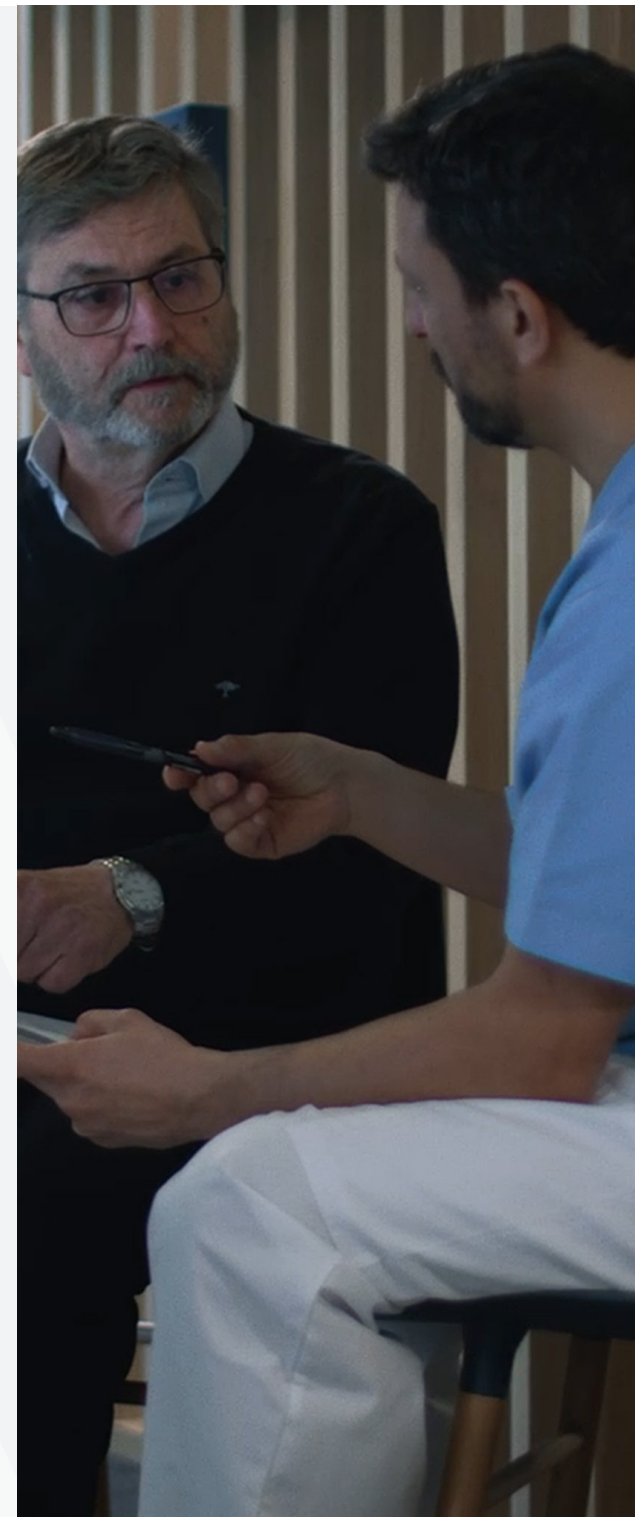
Working conditions at our manufacturing facility in France, is covered by collective agreements, with local trade union cooperation to regulate terms of employment. The same applies to the third-party manufacturer in Sweden, that are also regulated by a collective agreement that covers the terms of employment at the workplace.

### Supplier Evaluations to Ensure Compliance

It is essential that our supply chain complies with all local labor laws, safety requirements, best practices, and group policies. We have a procedure to assess and control suppliers of goods and services for our products. The PESTLE-model (Politics, Economy, Social, Technique, Legal and Environment) is used as a guide, and we also include geographical factors. Standards and certificates for the supplier are taken into consideration at the evaluation.

A more in-depth supplier evaluation is used for critical goods or services. We conduct supplier visits and discuss agreements concerning social responsibility, environmental requirements, as well as moral and ethical aspects. Suppliers that adhere to the UN Global Compact, SMETA, or similar initiatives are encouraged but not mandatory.

We conduct regular supplier assessments according to ISO procedures at both our Reagents function and Devices & Software function. The frequency depends on the criticality of the supplier or the delivery.





## Improve Access To Training and Education

Providing quality education for all is fundamental for creating a peaceful and prosperous world. Education gives people the knowledge and skills they need to stay healthy, employed, and foster tolerance.

We believe that supporting higher education institutions and offering opportunities for study will help develop the right knowledge and skills necessary to drive innovation and improve the quality of healthcare worldwide.

## Supporting the Next Generation of Medical Technologists

We are committed to supporting the next generation of medical technologists and the educational institutions where they train, and we collaborate closely with educators.

In 2018, we launched the CellaVision Classroom Initiative to offer hematology educators the digital resources and tools necessary to upgrade their skills and strengthen their teaching methodology. The tools include a complimentary license for the CellaVision® Proficiency Software – the same market-leading educational software that is used by hematology laboratories all over the world.

## Cooperation with Universities

We continued to profile our brand as an attractive employer in 2023, with several targeted initiatives aimed at universities and other higher education institutions. To increase our competitiveness, we developed our strategy to attract people with the right skills, as there are many attractive positions available to engineering and other candidates.

We cooperate closely with Lund University, and participate in student fairs, and seminars to build awareness about CellaVision as a future employer. In 2023, we continued as the main sponsor of Lund Technical University's F-Guild, a student association for engineering students. We also offer thesis opportunities, internships, extra work opportunities and participate in networks and mentor programs.

Altogether, the initiatives have had a positive effect on recruitment, as well as on linking the right competencies to the company in the long term. And we have continued to digitalize HR processes in both recruitment and the management of talent and performance to boost transparency and efficiency.

## Stakeholder's Voice

*We use the CellaVision Proficiency software for students enrolled in our hematology major at undergraduate level and postgraduate and. The students find the experience very helpful in their morphology studies. It gives students the opportunity to see which cells they misclassify, determine what features they should have observed, and then build these features into their morphological analysis for future classification. This feed-forward mechanism is vital to improve morphological skills.*

Cindy O'Malley

BAppSci, PhD, CSci, FAIMS, FIBMS,  
SFHEA Associate Professor Laboratory Medicine RMIT University, Australia



# ■ Protecting the Planet

**Providing quality education for all is fundamental for creating a peaceful and prosperous world. Education gives people the knowledge and skills they need to stay healthy, employed, and foster tolerance.**



We understand that large-scale environmental damage due to climate change is a significant business risk because it has the potential to halt our resource procurement and manufacturing functions. At the same time, we believe that consideration for the environment supports co-existence with local communities and helps build trust with our stakeholders.

## **Solutions that Reduce Environmental Impact**

Our digitally based technologies create conditions that help reduce environmental impact. One such technology is our collaboration and quality assurance software, which is an environmentally efficient alternative to transporting samples by road. For example, hospitals that operate in remote locations typically send difficult-to-assess samples to an expert by courier.

With CellaVision Remote Review Software, the samples can be examined electronically via the hospital network, a method that is both effective and environmentally friendly. And with CellaVision Proficiency Software for quality assurance, laboratory staff can train and test the skills online. The software is simple to distribute and requires no transportation, unlike traditional test methods that use blood smears on microscope slides as a practice method.

## **Continuous and Measurable Environmental Goals**

We continually strive to minimize our negative environmental impact. We have four environmental objectives at our head office to reduce the environmental impact related to:

- Purchases of goods and services
- Business-related travel
- Training-related travel

Each year we calculate our CO<sub>2</sub> emissions from business-related travel in relation to our net sales. The resulting ratio should be less than 0.6 kg CO<sub>2</sub>/kSEK.

What we have learned from conducting digital business meetings during the pandemic is expected to prevent a complete return to previous meeting levels. However, the use of digital meetings is not expected to be as extensive as during the actual pandemic period.

Since 2019, we have calculated the number of online trainings in relation to all trainings for handling and analysis with our instruments. In 2022 a target of 75 percent was set for online trainings. This is an increase by 25 percentage points from the 50 percent target set in 2021. The target for online training in 2023 was further increased from 75 percent to 95 percent. For the year online training in relation to total training was 100 percent.

The ambition is to sustain the momentum and primarily conduct online training and avoid a 're-bounce' to pre-pandemic levels.

## **Business Travel in Relation to Net Sales (CO<sub>2</sub>/KSEK)**

2019	0.8
2020	0.2
2021	0.3
2022	0.6
<b>2023</b>	<b>0.8</b>

## **Online Training in Relation to Total Training (%)**

2019	0
2020	71
2021	99
2022	100
<b>2023</b>	<b>100</b>



## Environmental Consideration Through Product Life Cycles

In 2023, a Life-Cycle Analysis was conducted on a development project with the aim of evaluating the environmental impact and identifying areas for improvement for CellaVision's products. The Life-Cycle Analysis revealed that the environmental impact of our instruments is relatively small. Furthermore, the environmental impact of transportation, raw materials, and production was relatively small compared to the environmental impact during the user phase of 7-9 years associated with electricity usage at the laboratory. This has led to a renewed focus during development on opportunities to reduce the system's electricity consumption when not in use.

## Devices & Software Function

Located in Lund, Sweden, our Devices & Software function is certified according to the ISO 14001 international standard since late 2013. In brief, the certification means that our environmental work must be well organized, result in continuous improvements, comply with applicable laws and regulations, and include regular internal environmental audits. We are active and goal-oriented in the selection of suppliers and resources for product development. And we do not conduct any notifiable operations that impact the fulfillment of the objectives of the Swedish Environmental Code.

In 2023, an environmental SWOT analysis was conducted together with the management team to identify potential areas for improvement. The SWOT analysis resulted in some action points including an updated process for collecting certificates related to RoHS, Reach, and 3TG and measures to promote digital meetings. These points will be the focus areas in 2024. A follow-up audit according to ISO 14001 was conducted in May without deviations.

## Reagents Function

The Reagents function is based in Bordeaux, France. Here we manufacture a dozen strategic substances and produces more than 100 different solutions. The stages of production include different types of reactors, filtering systems and automated and half-automated packing systems. Production at the facility is designed to meet very high requirements in terms of safety for employees. The production technology is based on specialized production solutions that meet very stringent requirements.

The Reagents function complies with local legislation on the environment, and health and safety, and has an environmental management system based on ISO 14001. In late 2021, we initiated a long-term goal to certify the facilities in Bordeaux according to ISO 14001:2015. During 2022 and 2023, preparation work and resource allocation was initiated.

In 2023, an initial internal audit was conducted, laying the foundation for the ongoing work with the Environmental Management System. The audit findings showed that several processes have already been implemented in the Environmental Management System, as they are necessary to comply with the regulatory requirements associated with our reagents. These include waste management, equipment control, noise monitoring, facility classification, and extensive employee training on chemical handling and safety. Despite being in the early stages, numerous processes have already been implemented across the organization. This approach emphasizes our commitment to environmental responsibility, laying the foundation for the upcoming ISO 14001:2015 certification.

## Expansion of Production Capacity

To meet the rising demand for reagents, the expansion of our production capacity in Bordeaux was successfully completed during the year. The new facility is seamlessly integrated into the existing production framework.

Designed with sustainability in mind, the new building incorporates features such as extra energy-efficient isolation, specialized filters to curb dust and particle emissions, and robust containment measures to prevent soil contamination. Liquid waste is efficiently managed through a purpose-built underground tank, handled by a dedicated partner.

## Climate Compensation for Carbon Emissions

Our car policy specifies that we only allow hybrid or electric company cars. However, carbon emissions from our operations are mainly from business travel by air. We conduct an annual survey to obtain information about travel patterns and climate compensate for carbon emissions. In 2023, 115 employees out of 228 answered the survey.

The company's total carbon dioxide emissions amounted to 539 tons (474), corresponding to a compensation of SEK 52,283 (55,433). To compensate for emissions, we support a solar power project that meets the environmental movement's 'Gold Standard' quality label, which means that the project contributes to sustainable development in a broader perspective.



### **Third Party-relationships**

The Devices & Software function does not manufacture the instruments that the function has developed and designed, but works together with an ISO 14001 certified partner who is responsible for assembly and quality assurance. The function also has suppliers of central components, such as microscopes and software.

We select and evaluate suppliers based on their capacity to supply goods and services that meet our quality and environmental requirements, including quality and environmental management systems and other specific quality assurance requirements.

A lifecycle perspective is always front-of-mind when choosing suppliers. Audits can be conducted by CellaVision staff trained in supplier audits and/or by an assigned consultant. Regulatory authorities can also conduct supplier audits. When selecting a supplier, those with certified environmental management systems are preferred. Suppliers are also required to comply with the requirements of the REACH Regulation and the RoHS Directive.

To ensure that increasing demand does not impact supply or quality, we continuously work to lower supply chain complexity.

### **Logistics**

As we have an indirect business model, our distribution partners decide the shipping options for our products. Our distribution partners work with long-term environmental objectives and targets to reduce negative environmental impact. We also recommend that distribution partners always choose the shipping option with the least environmental impact.

Inbound logistics is decided by the supplier responsible for assembly, and system transport methods are decided by the customer. Therefore, we engage with our suppliers, manufacturers, and distributors to encourage them to always use the shipping option that has the least environmental impact.

# Sound Business Practices

**Reducing inequalities and ensuring no one is left behind are integral to achieving sustainable development. Fair and ethical business practices are central to everything we do and ensures fair competition and compliance with laws and regulations.**



## **Compliance with Legislation**

Our Code of Conduct, which is based on values such as honesty, justice, and legal compliance, is the foundation of how we work. Our Code of Conduct guides how we behave and interact with stakeholders and is based on the UN Universal Declaration of Human Rights.

Our Code of Conduct describes how to compete fairly, based on the merits of our products and services. It also covers anti-corruption policies, specifically that employees may not offer customers, potential customers, suppliers, consultants, governments, agencies of governments, or any representative of such entities, any rewards, or benefits in violation of applicable laws or established business practices to obtain or retain business.

These compliance principles were implemented some years ago, and we conduct annual training to ensure that all employees understand and comply with these principles. We have established policies and guidelines and offer ongoing advisory services and support to assure compliance. We also conduct reviews and audits, both internal and external, to identify any irregularities and systematize improvements.

## **Monitoring Compliance**

Compliance with the Code of Conduct is largely an issue of leadership and relies on well-established procedures, processes, and functions to prevent deviation. The Code of Conduct describes the whistle-blower function, which encourages all employees to report suspected violations to their managers or other representatives in the leadership team.

If it is not feasible or possible to report to a superior, or if it is not taken seriously, it is possible to present the suspected violations to the Board of Directors or ultimately to the Board Chair of the company, and where the law permits, to remain anonymous. We do not tolerate reprisals against any person who in good faith presents complaints or suspicions of violation of the Code of Conduct.

## **Whistleblowing System**

Through CellaVision's whistleblowing system, available on our intranet, individuals active within the company have the possibility to anonymously and without the risk of reprisals report suspicions of violations of laws or the company's internal rules and policies.

In 2023, an update of the whistleblowing system was done to ensure compliance with the EU Directive on the protection of persons reporting breaches (2019/1937) and the new national laws based on this directive. The system is accessible to individuals operating within the company and is active in all countries where we operate.

In 2023, no reports matching the definition of whistleblowing according to the Swedish Whistleblower Act (2021:890) or the EU Directive on the protection of persons reporting breaches (2019/1937) were received through the whistleblowing system. Moreover, no events associated with corruption, cartel formation, or a lack of business ethics were documented during the year.





## **Risks Associated with Corruption and Non-compliance with Competition Law**

Our relations with customers and business partners are characterized by fairness and honesty and we have zero tolerance for any corrupt practices. We work continuously to monitor business practices to ensure a collective understanding of our Code of Conduct end to end in the value chain. Risk exposure is primarily linked to operations of our business partners (distributors and suppliers such as third-party manufacturers), for which we may be held liable, as well as behaviors of employees in relation to public officials and other customer representatives. The overall risk level is also influenced by the fact that we conduct business activities in many markets considered to be high-risk in terms of corruption.

Potential risks of non-compliance with competition law (for example price collusion, market sharing, illegal exchange of information, abuse of a dominant position) are primarily linked to employee behavior when interacting with competitors' external stakeholders in various situations. Violations of anti-corruption and competition legislation may entail serious negative consequences for business operations, including damage to our reputation, fines, or imprisonment for employees. We may also be affected by claims brought by individuals or businesses impacted by alleged non-compliance.

## **Risk Management and Anti-corruption**

CellaVision faces several risks that could influence the company's development to varying degrees. Executive Management and Board of Directors assess these risks primarily based on their impact on CellaVision's ability to implement its strategic objectives. To ensure effective strategy execution and risk management, several policies serve as guiding documents.

We manage corruption-related risks through activities aimed at reducing the risks of corruption, including reviews of partners from a corruption perspective. We do this to ensure that we select the right partners to prevent corruption in connection with the sale of products and services.

Moreover, our business model enables natural constraints on the establishment of corruption. As sales go through us to a few large partners, the payment flows can be controlled effectively. We have established administrative support in local markets through cooperation with Business Sweden, which handles local administration of salaries and other payments to our employees. All payment flows are checked and approved centrally, which significantly reduces the risk of corruption.

As regards employees and sub-contractors, the Code of Conduct makes it clear that employees and sub-contractors may not participate in or promote corruption. The Code of Conduct also states that we compete based on the advantages of our products and services and do not take measures that are illegal under competition law, for example illegal collusion with competitors. In addition, regular anti-corruption training is provided in connection with the annual training in the Code of Conduct.

# Risks related to sustainability

## SUSTAINABILITY RISKS

### PRODUCT INCIDENT

In the medical technology industry, product quality and safety are of the utmost importance, as a potential product incident could have a negative impact on patient safety and thereby the company's reputation.

### UNEVEN GENDER DISTRIBUTION IN SENIOR POSITIONS

There is still an uneven gender distribution within Executive Management. The risk is that we are less efficient by being a homogenous group and thereby are not perceived as an attractive employer, which may cause difficulty in attracting the right profiles and skills.

### LOCAL WORKING CONDITIONS AT DISTRIBUTOR LEVEL

As we expand our relationships with new local distribution partners, we can't rely on them to meet local requirements for good employment conditions.

### ENVIRONMENTAL MANAGEMENT SYSTEMS IN THE REAGENTS FUNCTION

It constitutes a risk if our environmental work at the Reagents function does not fulfill the requirements of ISO 14001.

### THIRD-PARTY MANUFACTURER OF INSTRUMENTS

In the event of an increased number of third-party manufacturers, there is a risk that a supplier does not meet all of the environmental requirements.

### COMPLIANCE WITH LEGISLATION

Unethical conduct poses a risk to the preservation of our reputation and the promotion of positive, ethical interactions with all stakeholders.

## COUNTERACTING FACTORS

Comprehensive risk analysis is part of the development of all CellaVision products. Feedback from customers is assessed and trended to always improve the safety and quality of products. Safety is further improved through continuous, structured training of staff and distributors, both online and face-to-face.

We have an inclusive culture and actively work with inclusive communication to attract and retain more diverse candidates.

To ensure compliance we must continuously monitor new and smaller distribution partners to ensure they meet local requirements for good employment conditions.

Continued investments in our production facility are required to ensure we fulfill the environmental certification requirements of ISO 14001.

Environmental evaluations and audits of third-party manufacturers must be carried out to ensure compliance.

Preventative measures such as training, adherence to the Code of Conduct and monitoring of compliance and the whistleblower system are essential in our operational framework.

# Glossary

**Agenda 2030** – 17 sustainable development goals adopted at the UN Sustainable Development Summit in 2015 to achieve a better and more sustainable future for everyone. The global goals are integrated and indivisible and balance the three dimensions of sustainable development: economic, social, and environmental.

**Carbon dioxide (CO2)** – Carbon dioxide is a greenhouse gas formed during combustion of carbon-containing materials. Emissions of carbon dioxide can increase global warming (greenhouse effect).

**Clean Development Mechanism (CDM)** – An emissions trading mechanism and form of cooperation under the Kyoto Protocol that was created to enable countries with emission reduction commitments to reduce carbon emissions in countries without reduction commitments.

**Code of conduct** – Document that provides guidance on the behavior expected from CellaVision employees.

**DEI policy** – Diversity, equity, and inclusion policy.

**Develop Diverse** – Platform to increase team diversity through inclusive communication.

**DREAL** – The French Regional Directorate of the Environment, Development and Housing.

**eNPS** – A method that measures how willing employees are to recommend their workplace to others.

**Gold Standard** – Certification mark for climate compensation projects entailing strict rules of conduct with further requirements concerning social responsibility and sustainable development for climate compensation.

**GRI Global Reporting Initiative** – International independent standard-setting body that provides voluntary standards for how companies and other organizations are to report their activities regarding sustainability work.

**ISO 14001** – International framework for a systematic approach for planning, implementing, and managing an environmental management system.

**Materiality analysis** – Method to identify and prioritize the issues that are most important to an organization and its stakeholders.

**Orgalim** – General Conditions for the Supply of Mechanical, Electrical and Electronic Products

**Sustainable development** – Development that “meets the needs of the present without compromising the ability of future generations to meet their own needs”. Sustainable development includes economic, social, and environmental sustainability.

**Sustainability report** – As of the 2017 financial year it has been compulsory for large companies to prepare a sustainability report. The report must contain non-financial information necessary for understanding the effects of the business on the environment, social matters, human rights, and corruption.

**Lifecycle analysis** – Method to assess the environmental impact of a product’s lifecycle, including raw materials extraction, manufacturing processes, transport, use and waste treatment.

**REACH** – EU Regulation containing legislation aimed at ensuring a high level of protection for human health and the environment.

**RoHS** – EU legislation aimed at replacing and restricting hazardous substances in electronics. The Directive is also aimed at facilitating profitable and sustainable materials recovery from electronic waste.

**UHC** – Universal healthcare requires that all people have access to affordable and proper services to improve their health, prevent or treat illnesses, and recover functions.

# The Auditor's Opinion Regarding the Statutory Sustainability Report

To the Annual General Meeting of CellaVision AB (publ),  
Corporate Identity Number 556500-0998

## Engagement and Responsibility

It is the board of directors who is responsible for the sustainability report for the year 2023 on pages 25-39 and that it is prepared in accordance with the Annual Accounts Act.

## The Scope of the Examination

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion

## Opinion

A statutory sustainability report has been prepared.

Malmö, April 10, 2024  
KPMG AB

**JONAS NIHLBERG**  
Authorized public accountant  
Auditor in-charge

**TOBIAS LINDBERG**  
Authorized public accountant