



Sustainability report

2019



Welcome to Etac's sustainability report 2019

Etac is a world-leading developer of ergonomic rehab and mobility aids for people at all stages of life – from small children to the elderly. We offer state-of-the-art products for numerous care situations that aim to enhance and support activity regardless of physical circumstances. Our heart lies in the solutions that optimize quality of life for individuals, their families and caregivers.

Sustainability is an integral part of our business and culture. In 2019 we have conducted a comprehensive sustainability strategy review. During the process we have analyzed the sustainability aspects of our product design and development and our contribution to a circular economy throughout the value chain. We have assessed our impact on environment and climate, and how we can contribute to society through social responsibility. A framework with defined goals is now in place. In this report we summarize the steps we have taken and will take to contribute to both a better and more sustainable future.

Etac – Creating possibilities

This is Etac's sustainability report and is written in accordance with the Swedish Accounting Act. The board of Etac is responsible for the publication of the report. Further information about Etac is described in the 2019 Annual Report.

Message from the CEO



Dear reader

Sustainability is a high priority for Etac, and it is closely linked to the long-term development and success of our business. Engaging in society with the ambition to improve quality of life for individuals regardless of physical circumstances has always been our mission. Etac is known for designing products with high quality and long life-span, another important aspect of sustainability.

During 2019 Etac has worked diligently to conduct a thorough analysis of the impact that we as a global company have on the environment and the communities where we are present. The team has reviewed our entire value chain and have created a science-based method for following our carbon emissions and energy consumption. The team has also studied our choices of material in our products, the potential for increased material reuse, and has started the process of analyzing the life cycles of our products when in use by our customers. We see great potential in this area and are now exploring how to renew certified product lifetimes for remanufactured, reused and reassembled products in different markets. Furthermore, the organization has been reviewed in terms of diversity and gender equality, as well as ethical standards and compliance with our Code of Conduct. These are all very important areas that we will monitor and drive with high priority going forward.

Based on the analysis we have chosen four main areas of focus for our sustainability work:

- Environment and Climate
- Circular Economy
- Social Responsibility
- Product Design and Development

Our employees, together with customers, users, suppliers and other stakeholders we will drive improvement initiatives in these four main areas. Sustainability will be an integral part of our strategy, and our initiatives will further strengthen our positive impact on environment and society and help us evolve further as a company, business partner and employer.

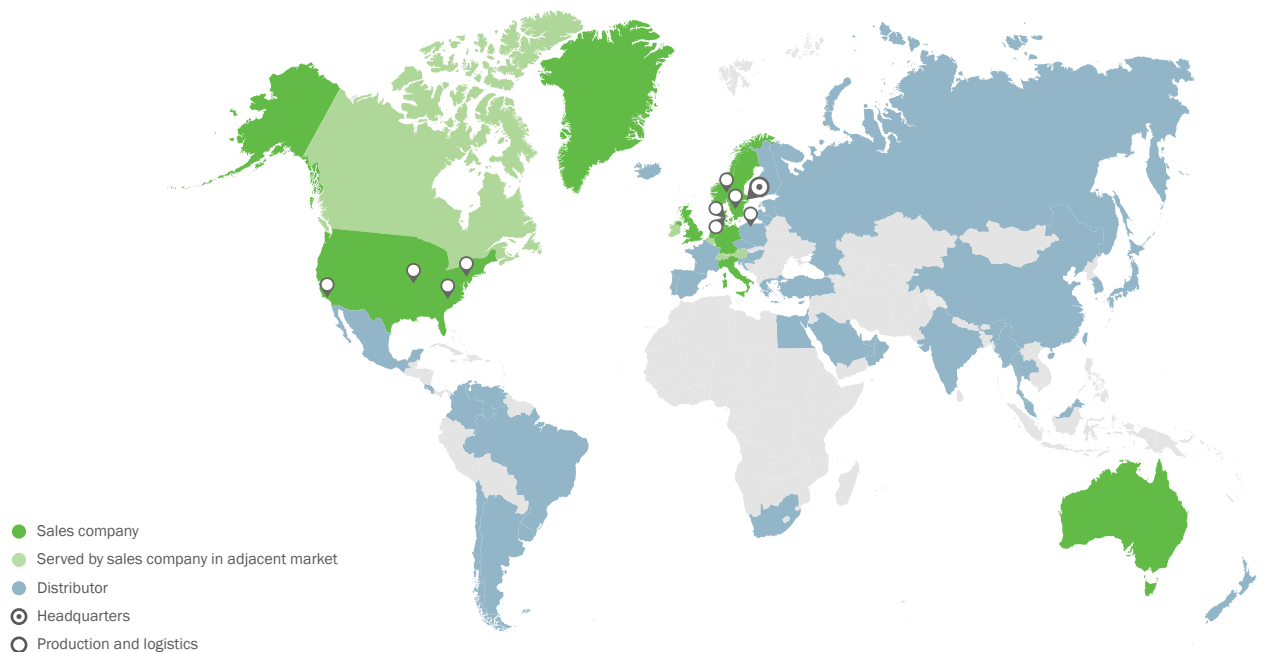
Fredrik Dalborg, CEO Etac

“There is a growing momentum in society in support of sustainability, and we see this as a great opportunity to further leverage and develop our strengths as a company to contribute to society and the environment.”

About Etac

Etac's organisation

Our main customer groups are the public sector (municipalities, technical aid centers, hospitals, nursing homes), insurance companies and private companies that distribute and sell rehab equipment. We have production facilities, sales offices and a complex supply chain with locations across the globe.



Employees & facilities 2019

Country	Average number
Sweden	129
Norway	170
Denmark	237
UK	65
Germany	45
Netherland	13
US	209
Poland	29
Italy	7
Australia	12
Employees of subsidiaries	916
Employees of Parent Company	69
Employees of the Group	985

Production and logistic facilities

Anderstorp, Sweden
Gjøvik, Norway
Gedved, Denmark
Horsens, Denmark
Freeburg, IL, USA
Torrance, CA, USA
Charlotte, NC, USA
Allentown, PA, USA
Tczew, Poland

Etac invested in HoverTech International®, PA USA, in June 2019, forming a joint venture with a 70% share of ownership. Sustainability work at HoverTech International is still under their operations .

Etac's value chain

	Etac's value creation	Significant sustainability aspects	Etac's working methods
 <p>Product development</p>	<p>Etac develops high functionality mobility aids for people at all stages of life – from small children to the elderly – and numerous care situations, with regards to a responsible design.</p>	<p>Sustainable choice of materials; Modularity and efficient assembly.</p>	<p>Approved materials databases; Development model focusing on reuse and remake; Design for manufacturing.</p>
 <p>Sourcing</p>	<p>Sourcing is coordinated, which provides economics of scale and the opportunity to work in a structured way in terms of setting requirements, monitoring and developing suppliers with regards to social responsibility, the environment and business ethics.</p>	<p>Reduced climate impact; Responsible sourcing; Business ethics and anti-corruption; Labour conditions, health and safety.</p>	<p>Systematic supplier selection and supplier audits are conducted to ensure social and business ethical risks as part of the sourcing process and to influence suppliers to improve their sustainability efforts.</p>
 <p>Production</p>	<p>Etac manufactures and assembles high functional mobility equipment in a safe work environment, creates value to its customers and users by way of functional, durable as well as re-usable products and works to reduce its utilisation of resources and environmental impact.</p>	<p>Labour conditions, health and safety; Sustainable use of resources; Business ethics and anti-corruption.</p>	<p>Production adopts a target-driven LEAN approach along with systematic health and safety activities to prevent accidents in the workplace.</p>
 <p>Transportation</p>	<p>The products are delivered on-time to customers and users, primarily using lorries through our logistic partners.</p>	<p>Reduced climate impact; Business ethics and anti-corruption; Intelligent logistics setup; Labour conditions, health and safety.</p>	<p>Etac optimises steadily its transportation flows with the aim of reducing the amount of transportation and collaborates with established logistic forwarders.</p>
 <p>Sales</p>	<p>Etac's employees sell products and services mainly to health care organisations and distributors. Information supplied to customers is clear and accurate.</p>	<p>Business ethics and anti-corruption; Products responsibility, reuse and reconditioning.</p>	<p>Business methods comply with generally accepted business practices. There is a channel for reporting statutory and regulatory violations.</p>
 <p>Use</p>	<p>Etac's products have a long lifespan, modularity and low environmental impact.</p>	<p>Reduced climate impact; Recirculation and reuse of products.</p>	<p>Etac works closely with customers to develop models for long lifespan and reuse and conducts relevant evaluations and tests to meet required standards and certifications.</p>

Our Sustainability Strategy



Message from the Sustainability Manager

Our sustainability strategy is our roadmap for continuous improvement towards defined target values. It links our core business with our ambitions to contribute to the UN's Global Sustainable Development Goals.

Etac has a history of pioneering and setting new standards. Our products have always made a difference for the user. With a sustainability strategy, our products will also make a measurable difference for the environment.

Based on a materiality analysis where we have mapped the importance of different areas of sustainability for employees, customers and other stakeholders, we have divided our strategy into four focus areas that reflect the impact of our operations; Environment and Climate, Social Responsibility, Circular Economy and Product Design and Development.

Environment and Climate

We strive to have minimal negative impact on the environment from our business operations. We will do so by being energy efficient, use renewable or recycled resources, reduce waste and emissions and proactively work to eliminate hazardous substances.

Social Responsibility

Our products contribute to a more inclusive society where all people in all ages, regardless of any physical circumstances, will have equal opportunities and live a more free and independent life. We believe in diversity, inclusion and responsible sourcing. We evaluate and approve all our risk suppliers.

Circular Economy

Wherever possible we will strive to do business with stakeholders who also put sustainability high up on their agenda. We will strive for sustainable circular economy in our business models together with our partners and customers.

Product Design and Development

Our products are free from hazardous substances, are designed to last and have the end user's ability and function in mind.

This is Etac's third sustainability report. The report refers to the period 2019-01-01 to 2019-12-31 and includes all active corporations within the Etac Group structure. Environmental data has been carefully calculated to create base values as well as a methodology to follow our progress over time. We believe that through transparency, accountability and engagement Etac will build credibility with all stakeholders. With the necessary groundwork now in place, Etac can work systematically to reach planned local and global objectives.

Sustainability Manager, Humaira Baneryd

"Following a systematic plan with science-based objectives directly connected to the UN's Global Sustainable Development Goals creates awareness about the impact Etac's operations has and expands our opportunities for business growth."

UN global sustainable development goals

The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace and justice. The 17 Goals are all interconnected, and in order to leave no one behind, it is important that we as a society achieve them all by 2030. Read more at <https://www.un.org/sustainabledevelopment/sustainable-development-goals>.



Sustainability strategy - at a glance



Environment & climate

Vision

By 2025 our aim is to reduce our greenhouse gas emissions in absolute terms while continuing to grow. We will be a business running on renewable energy where possible. We will also work to ISO 14001 certify all of our factories in order to minimize impact at every level. We will exclusively drive eco cars as company cars and will change our methods of travel. This is how we will contribute to limiting global temperature increase to well below 2°C aiming towards 1.5°C

*eco cars is defined by local governance

Objective

Reduce emissions 30% of current levels by 2025.
All our factories will be ISO 14001 in 2025.
Reduce air travel per employee.

Results 2019

Total energy consumption has decreased by 3%.
Total emissions have decreased by 6%.

Flights per employee.	
2018	3.6
2019	3.0

Comment

During Q3 we created a method for measuring our total carbon emissions and calculated values for base year 2018. Results for 2019 are compared to base values from 2018. Our base year for number of flights per employee is also 2018.

UN's Global Sustainable Development Goal



Social responsibility

Vision

By 2025 our aim is to work only with suppliers that run operations in accordance with our business values. We aim to implement a score card auditing system to measure alignment with our Code of Conduct. We will also strive towards gender balance in management level positions throughout the Etac Group.

Objective

100% of all suppliers are audited and score at a good level or better.
40% of management positions will be filled by women.

Results 2019

Second group of suppliers in risk countries were audited during 2019.
25% of top 40 management level positions are filled by women.

Comment

All suppliers sign and commit to our Code of Conduct as part of our supplier contract. Physical audits of each critical supplier in risk countries is performed every second year on a rotational schedule.

UN's Global Sustainable Development Goal





Circular economy

Vision

By 2025 our aim is to have reduced waste and continuously increase extraction of raw materials, as resources are continuously reused to create new products. We will have active models with material value maintained.

Objective

Increased amount of extracted raw materials used, prolonged product life and increased share of sales of spare parts and accessories. Our specific target is 30% by 2025 for all product areas combined.

Progress in 2019

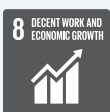
A research project CIRcit and a Life Cycle Analysis (LCA) has been conducted in close cooperation with a customer, in order to better understand the challenges of more circular business models.

Base year value for 2019 for spares and accessories for all product areas combined is 23%

Comment

Insights gained from the research projects are being analyzed. The base line has been established in 2019. The next challenge will entail product cycle development to increase percentage towards our goal in 2025.

UN's Global Sustainable Development Goal



Product design & development

Vision

By 2025 our aim is to use circular product design and development when designing new and redesigning existing products. We plan to use more recycled or certified biobased materials in all our material categories in 2025.

Objective

Our focus historically has been on biocompatibility in which 100% compliance for all relevant applications is necessary. Focus in the future will be on fulfilling biocompatibility and achieving greater sustainability.

Progress in 2019

We have started to inventory the current share of recycled materials, biobased or certified materials in categories metals, plastics textiles and packaging.

	Base year value 2019	Target value 2025
Metall	17%	50%
Plastic	1%	20%
Textiles	4%	20%
Packaging	65%	100%

Comment

Research data has been accumulated during 2019 to create base values for material areas plastic, metal and textiles. This research will continue during 2020.

UN's Global Sustainable Development Goal





Environment & climate

Environment and climate

Our environmental impact is mainly derived from manufacturing, treatment, assembly and transport of products in the form of emissions from energy consumption and transport. In addition resource use of metal, plastic and textile products, chemicals and packaging materials as well as waste contribute to our environmental impact. Etac strives to reduce environmental impact by conserving resources, being more energy efficient, transport optimization and mitigation of the use of hazardous chemicals.

The group-wide sustainability strategy and overall group goals will be the base for objectives and priorities at regional levels. To achieve systematic environmental work in all our factories we strive to certify all our factories according to ISO 14001 by 2025. During 2019 progress has been made in this area. However, an ever-changing supply chain means these efforts must be continuously managed to maintain quality.

How we measure environmental performance

The framework to calculate our greenhouse gas (GHG) emission is based on the Greenhouse Gas Protocol Initiative and the Global Reporting Initiative for disclosure standards.

The approach is built on the principles of consistency, transparency and accuracy. We include CO₂, CH₄ and N₂O into our GHG emission accounting from both leased and owned vehicles and buildings under the inventory periods.

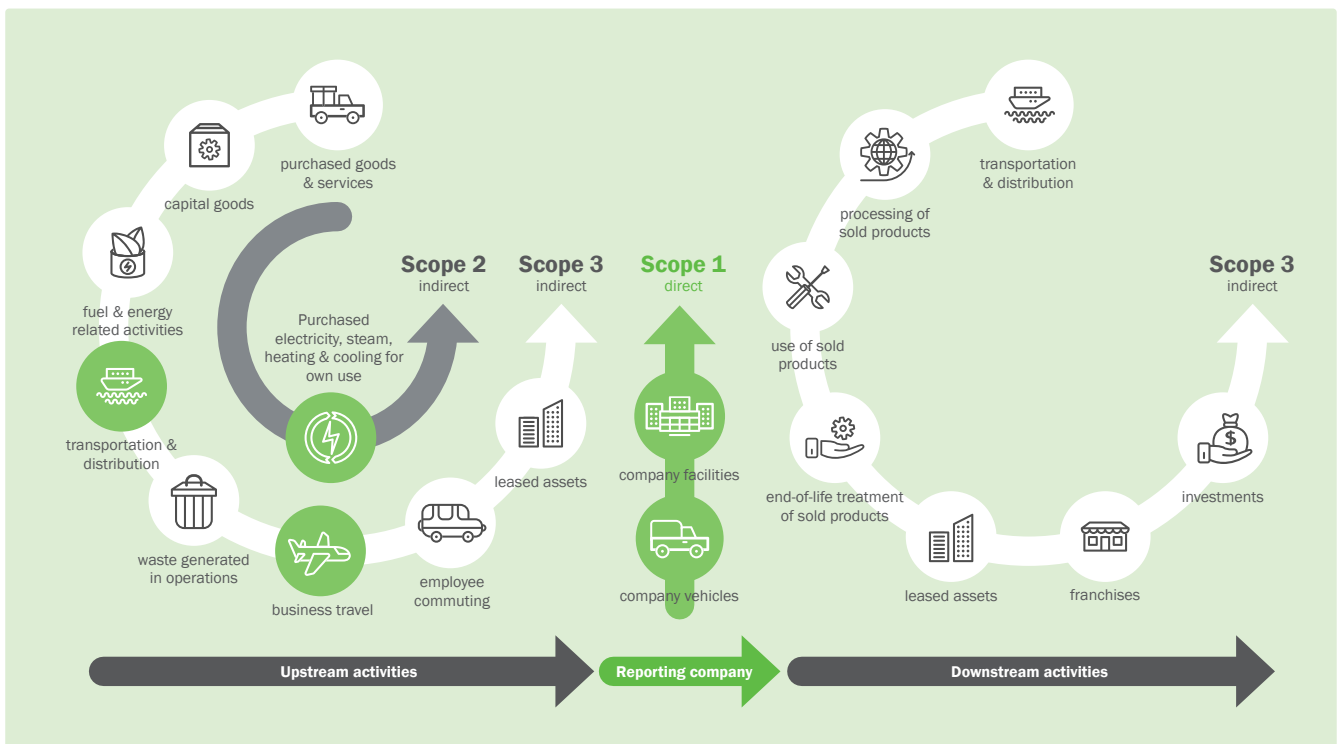
GHG Protocol Scopes 1, 2 & 3

Scope 1: All direct GHG emission by Etac Group, including fuel for our stationary boiler and fuel consumed by our vehicles.

Scope 2: Indirect GHG emission by Etac Group (purchased electricity, heating and cooling) using both location based and market based approach.

Scope 3: Other indirect emission not covered in Scope 1 or 2. However, we are only accounting for the relevant emission which we can affect, business travels and transport and distribution of our goods.

We use 2018 as our baseline year. We include data from all companies or subsidiaries within Etac group in which Etac currently has operational control over. This includes 18 operating subsidiaries in 10 different countries for 3 different facility types; sales office, warehouse factory and workshop.



Energy consumption and climate

We want to minimize and reduce our impact on climate change and reduce our energy consumption. Therefore, we have decided that one of our focus areas will be to target our CO₂ emissions from scope 1,2 and business travels from scope 3 according to GHG protocol*. This aims to ensure that the global average temperature does not rise more than 1,5°C.

After setting a baseline value in 2018, we have been keeping track of our energy consumption and measure changes in our emissions. We believe by increasing our energy efficiency we can lower our carbon emission intensity in relation to our revenues. We are committed to using renewable energy whenever possible. In 2017 we started signing renewable energy contracts in Sweden. This is an approach we continue to follow globally when possible.

We also aim to continuously assess our environmental impact by implementing ISO 14001 in our factories and are taking active steps towards reducing carbon emissions from production, sales and transportation to influence the environmental impact of our supply chain.

**GHG protocol – The Greenhouse Gas Protocol is the most widely used international accounting tool for government and business leaders to understand, quantify and manage greenhouse gas emissions.*

Understanding our impact

In order to make decisions that promote climate action we must first understand our environmental impact. In 2019 we started several initiatives to move our sustainability strategy forward. In collaboration with the Swedish Royal Institute of Technology - KTH, we completed a Life-Cycle Assessment of one of our top products, the Cross Manual Wheelchair, to understand the environmental impact of each module. This helps us evaluate how we approach product design to include environmental impact and circularity as a consideration.

We have started exploring more options for sustainable materials such as biobased and recycled materials. Several studies and tests are being conducted to evaluate different textiles and plastics to be incorporated into our products.



Etac is investing in a new manufacturing site in Tczew, Poland. The new manufacturing and logistic site has been built according to DGNB Gold certification standards, the global benchmark for sustainability of buildings.

Results 2019

We reduced our Scope 1 and Scope 2 energy consumption by 3% in 2019. Our emission is also on track with the emission target from SBTi.*

We reduced our greenhouse gas emissions, in particular our CO2 emission. In Scope 3, we minimized business travel by opting for train rides and teleconferencing whenever possible.

In 2019, we more than doubled the domestic trips by train (165%) and reduced the number of flights by 11%. In our first sustainability report for 2018, we noted that we made over 100 flights between Stockholm and Gothenburg. The number of flights for 2019 has fallen by more than half.

We buy renewable energy for the electricity, heating and cooling demand in our sales offices and production facility in Sweden. At our workshops in Norway, we switched from using heating oil to district heating.

*SBTi – Science Based Targets Initiative

Description	2018	2019	Difference
Total Energy Use (GJ)	50 541	48 748	-3%
Scope 1 (Direct Usage)	29 035	28 926	-0,4%
Natural Gas	5 423	7 395	36%
Diesel	14 704	16 465	12%
Gasoline	8 814	5 067	-43%
Other fuel*	93	0	-100%
Scope 2 (Indirect Usage)	21 506	19 822	-8%
Renewable Electricity (certified)	5 314	5 533	4%
Non-renewable electricity sources	13 979	12 483	-11%
Heating and Cooling	2 213	1 806	-18%

¹ Stop using heating oil on our subsidiary

Description	2018	2019	Difference
Total Emission Scope 1 & 2 ¹	2 579	2 479	-4%
Total Emission Scope 1, 2 & 3 ¹	4 935	4 640	-6%
Scope 1	1 984	1 951	-2%
Facilities	316	415	31%
Sales Fleet	1 669	1 536	-8%
Scope 2 (market based)	595	528	-11%
Market Based	595	528	-11%
Location Based	623	546	-12%
Scope 3	2 355	2 161	-8%
Transportation and Distribution	1 771	1 680	-5%
Land	574	672	
Sea	222	201	
Air	953	782	
Distribution*	21	25	
Business Travel	585	481	-18%
Rental Car	62	54	-13%
Train	0	0,8	62%
Plane	523	427	-18%

¹Tonne CO2e

²Stop using heating oil on our subsidiary

Harmful and toxic substances

Etac works to eliminate harmful and toxic substances in products and in work processes. We expect all suppliers to follow. RoHS* and REACH* and relevant laws and requirements. To ensure that Etac products meet the requirements, suppliers sign self-declarations and material data sheets are controlled.

We also conduct regular follow-up work on traces of chemicals in our products. Our goal is for all textiles in the products to be eco-certified. In this work we have come a long way, but there is still room for improvement. All products where skin is in direct contact to textile materials are regularly tested on biocompatibility.

*RoHS – Stands for Restriction of Hazardous Substances originated in the European Union and restricts the use of specific hazardous materials found in electrical or electronic products.

*REACH – European Union regulation concerning dangerous chemicals.



Social responsibility

Social responsibility

A focus on business ethics and good governance is important. Showing openness and transparency is essential to prevent or manage conflict of interest between Etac and our stakeholders. Etac conducts all activities in accordance with high standards of corporate best practice. We are in compliance with all applicable statutory and regulatory requirements, including standards on ethical business and anti-corruption.

During 2019 we have focused on completing our evaluation of all remaining suppliers in risk countries. After this work we have subsequently decided to take it one step further. We are developing a more ambitious Code of Conduct and are creating a score card system to simplify monitoring of progress and provide us with continuous insight into the ethics of our supply chain.

Responsible procurement

Centralized purchasing gives Etac the opportunity to create a structure and set requirements for partners in our supply chain. To ensure that Etac Group's products are produced in an acceptable way and to mitigate the risk of violations to human rights, audits are performed on site for suppliers in risk countries, as we see our suppliers as the major source for potential breach of human rights.

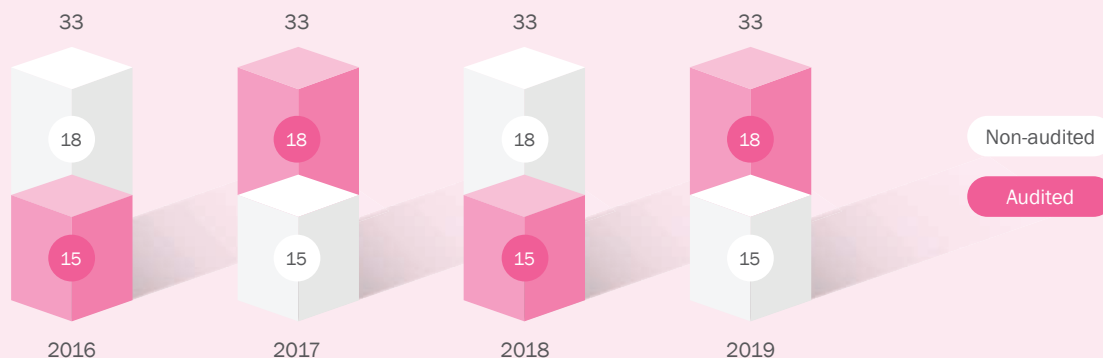
All our suppliers sign our Code of Conduct as part of our supplier contract. We also use a self-declaration, that potential new suppliers must conduct before entering agreement negotiations. Additionally, we carry out on site evaluations of critical suppliers in risk countries every second year. So far we have not found any critical areas in the evaluation. This indicates that our suppliers operate at the same high standards as we aim for ourselves.

Anticorruption and whistleblowing

Etac is a global company with strong ethical values, that emphasizes the importance of doing business that generates long-term value and trust. We have therefore decided to further develop our ethical standpoint by an Internal Code of Conduct addressing anticorruption and bribery with an addition of diversity, inclusion and discrimination. The protocol will apply for all individuals performing work for Etac. For several years, Etac has had a whistleblower reporting process. Since November the whistleblower process is managed externally. This is important for us, allowing Etac employees and stakeholders to easily and anonymously report misconduct. No incidents have been reported during 2019.

Number of audited critical suppliers per year

Critical supplier are defined as suppliers located in risk countries (according to 'amorfi BSCI'), and which are supplying to our factories in Scandinavia.



Social employer responsibility

With focus on social employer responsibility Etac actively strives to continually improve the preconditions for our employees. We strive towards creating a healthy and safe workplace, and to increase our diversity and equality within the Etac Group.

Employees are our main asset. Engaging and developing our employees is a crucial success factor. We strive to provide a safe and rewarding workplace and aspire to be an attractive employer. That is why we work towards creating a safe and secure work environment where our employees' engagement is utilized and creates, together with good management, a company of which we can be proud to work for.

Health and safety

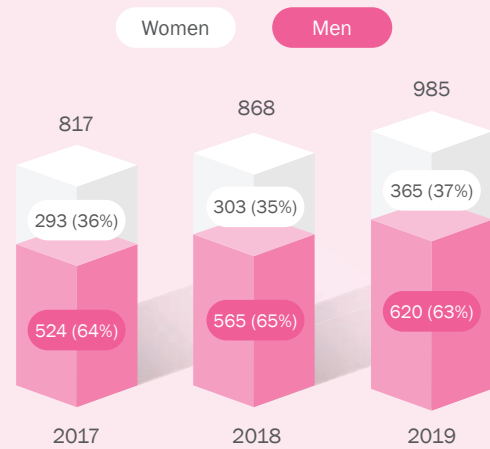
A safe and secure work environment is a fundamental priority at Etac. The reported accidents on Group level 2019 are on a low level (accidents resulting in at least eight hours of absence) with few work site accidents reported. During 2019 5 accidents were recorded vs 4 accidents for 2018. The accidents that occurred were analysed, and measures have been taken to prevent similar accidents from happening again. Etac will continue to strive to minimise the risk of accidents and take actions to prevent accidents and injuries in Etac's workplaces.

Diversity and non-discrimination

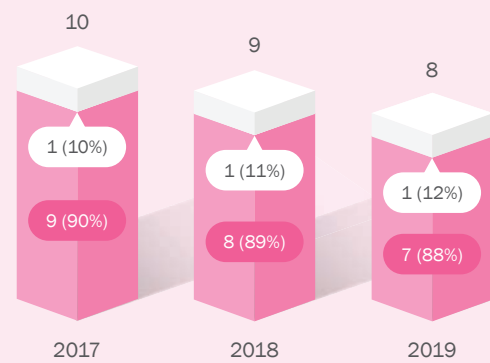
At Etac we strive to create and maintain a diverse and inclusive workplace. Equal opportunities apply, irrespective of gender, transgender identity and expression, sexual orientation, ethnical background, religious beliefs, disability or age. Discrimination in any form is unacceptable. Our goal is to continually increase the share of female representation at all levels of the organization.

Gender balance

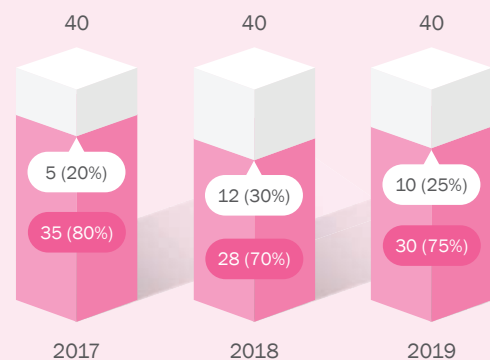
Etac group, average number of employees.



Etac management team.



Etac top 40 management level.





Circular economy

Circular economy

We clearly see that today's customers are demanding greater efficiency and minimization of environmental impact. We will likely see a growing interest for reusing of mobility aids. Etac currently produces long lasting products. The challenge is to develop effective circular models together with our customers that extend the life of our products.

It can be the nature of a products' design – durable and long lasting. It may also mean keeping the same interface so that an old product can be refurbished, reconfigured, remanufactured, which extends its lifetime. This will not only conserve the planets resources, but it will also improve efficiency for the future. We are also searching for ways to minimize the risk that old products with an out-of-date lifetime are being used, and instead returned into a circular system of renewal

Our aim is to have reduced waste and continuously increase extraction of raw materials, as resources are continuously reused to create new products. We will have active models with material value maintained. Our objective is to increase amount of extracted raw materials used, prolonged product life and increased share of sales of spare parts and accessories. Goals have been set for each product segment and brand. The next step involves research and development to find new ways to meet these targets.

What is CirCit?

In 2019 we joined the CIRcit Nord research project and became co-creation partners and validation partners. During the year we had several workshops together with scientists from the Danish Technical University to develop tools to enable circularity, to find new circular economy initiatives and to measure circular economy.

The CIRcit research project develops science-based tools and approaches, in close collaboration with companies, with the aim of enabling Nordic industry to:

- Understand the overall potential for Circular Economy implementation.
- Investigate and conceptualise circular business models.
- Develop circular products, services and solutions, based on multiple life cycles and energy efficiency.
- Support the operation of circular products, services and solutions by introducing intelligent assets.
- Close the loop of materials through remanufacturing, recycling and reuse.

What has Etac learned so far?

During 2019 Etac has gained professional insights and applied scientific methods to understand a circular value chain and how to set key targets to measure circularity. Tools and approaches developed with CIRcit will be applied as a pilot initiative starting in 2020. Perhaps most importantly, Etac has developed an approach that can be used to further evolve circular business models.

Circular economy



A customer driven strategy

In Scandinavia, quality and the ability to adjust our products to an end user are valued higher than price. There is also greater focus on independent living and personal mobility. Håkan Ericsson, business manager Etac Sweden, has been personally testing Etac's products for 26 years and sees a clear shift in procurement trends.

Circularity has been a key driving factor in Etac's wheelchair design since its beginning in 1981. Unlike a linear economy, in a circular economy everything becomes a resource for something or someone else. The ability to recondition a product and optimize user experience are interconnected.

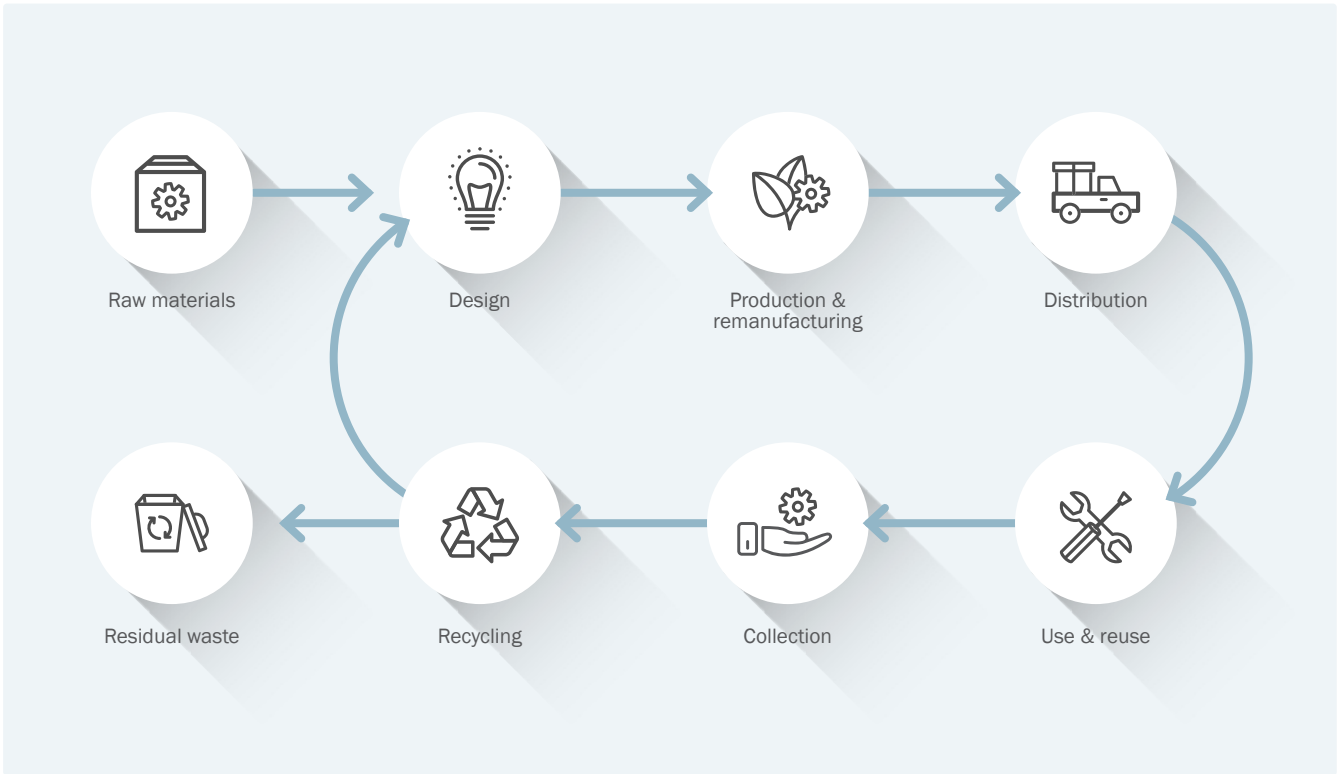
Håkan Ericsson has been exclusively riding Etacs products since 1983. At the age of 9 Håkan was hit by a tram in Bromma. Soon after recovery from this accident, athletics became a powerful driving force in Håkan's life. So much so that athletics became his livelihood for a number of years. Håkan has accumulated many merits as an international wheelchair rider. He has completed 40 marathons and has participated in the Paralympics 5 times. His personal search for a more durable and adjustable wheelchair has contributed to Etac's understanding of customer demands and expectations.

Circular economy is all about a framework that is restorative and regenerative by design. The ability to recondition a product and optimize user experience go hand in hand. In Sweden, both the prescribers of a wheelchair, occupational therapists and physiotherapists, as well as the user expect an individualized product. The ability to individualize a wheelchair provides not only greater personal mobility, but product flexibility. Without these features many sizes and models would need to be manufactured and warehoused until finding the perfect user.

Through smart product design this circular system has become an established approach for Etac in the Scandinavian market. Purchasers of wheelchairs in Sweden demand a product that can be easily adjusted to suit an individual, and that is simple to recondition throughout a long life span. The challenge is to continue adjusting this approach to other markets.

Håkan Ericsson, business manager Etac Sweden

"Don't sit there and feel controlled by your circumstances. Turn a disadvantage into a strategic advantage and create the position and movement you desire."



What is Life Cycle Analysis (LCA)?

Life cycle analysis is a method used to evaluate the environmental impact of a product through its life cycle encompassing extraction and processing of raw materials, manufacturing, distribution, use, recycling and final disposal. The standards are provided by the International Organisation for Standardisation (ISO) which is used in ISO 14040 and 14044.

Etac has completed a product Life Cycle Analysis in close collaboration with a customer, to better understand the environmental impact of a product. Further analysis is needed to identify what changes to a product have the most significant effect.





Product design & development

Product design and development

Through using circular product design and development when designing new and redesigning existing products we will enable us to have a greater impact on the environment and our surroundings. We are currently working on product designs that integrate various amounts of recycled or certified biobased materials in a few test categories. This research will give us insight into production possibilities from both an environmental as well as an economic perspective.

Education within the field of materials and biobased materials has been a priority during 2019. While education and training continue in 2020, research and data for each material area will be evaluated and compared to base values for 2019.

BioLyftet

BioLyftet is a training program focused on increasing knowledge of biobased and recycled materials. The BioLyftet is an educational investment aimed at small and medium sized companies that are looking for ways to start using biobased, recycled and recyclable materials in their plastic and textile products. People from different departments at Etac participated in this training event.

During this event it was decided to start evaluating materials in components included in the shower chair - Etac Clean. We were interested in starting with components that do not

have any direct strength or durability requirements and which are produced by a supplier who maintains good control over material properties. Several team members are continuing to study material composition and production techniques. The next step will be to focus on Etac products, their sustainability, biocompatibility and recycling possibilities.

Image: The Etac Clean mobile shower commode was analysed in BioLyftet.



KPI's for Etac's sustainability work

Sustainability area	KPI	Result 2018	Result 2019	Target 2025
Environment & climate				
Reduce energy consumption (scope 1 and 2)	Energy consumption per year	50 541 GJ	48 748 GJ	39 169 GJ (-22,5%)
Reduce greenhouse gas emissions (scope 1 and 2)	CO2 emission per year	2 579 Tons	2 478 Tons	1 821 Tons (-30%)
Minimize air travel	Air flights per employee and year	3.6	3.0	2.0
Sustainable manufacturing facilities	Share of ISO 14001 certified factories	20%	20%	100%
Social responsibility				
Secure code of conduct audited suppliers in risk countries	Share of audited suppliers over 2 years	100%	100%	100%
Promote gender equality	Share of women in top 40 management	30%	25%	40%
Safe work environment	Work related accidents	4	5	0
Circular economy				
Promote reuse and remanufacturing of our products	Share of sales of spare parts & accessories	22%	23%	30%
Product design & development				
Increase use of recycled or biobased/certified material in our products	Share of recycled/biobased/certified material: Metal	17%	17%	50%
	Share of recycled/biobased/certified material: Plastic	1%	1%	20%
	Share of recycled/biobased/certified material: Textile	3%	4%	20%
	Share of recycled/biobased/certified material: Packaging	63%	65%	100%

The future starts now.

There is an increasing interest and demand in our society for sustainable business models, taking full responsibility for the social, ethical and environmental aspects of our activities. Contributing to society by improving quality of life for individuals regardless of physical circumstances has always been our mission, as well as contributing to a circular economy through reusable products with long lifespan. Now we are increasing our ambition in the areas of energy efficiency and raw material usage as well as business ethics and gender equality and diversity. Our work does not end here with this report. Implementing a sustainability strategy is just the beginning. Here is a summary of a few of the steps Etac will be taking in 2020 towards a more sustainable future.

Steps forward 2020:

- Continue to follow energy consumption and carbon emissions
- Continue to pursue renewable energy sources
- Further develop our Code of Conduct and a score card system
- Monitor, evaluate and develop gender equality and diversity
- Further develop circular business models in close cooperation with our customers
- Continue efforts towards target values for circularity to monitor progress
- Continue efforts towards products using recycled and biobased materials





May, 2019

Etac is a world-leading developer and provider of ergonomic assistive devices and patient handling equipment. Our heart lies in the solutions that optimise quality of life for the individual, their family and caregivers.

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Creating Possibilities



This is a literal translation of the Swedish original report

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Etac AB, corporate identity number 556324-9746

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2019 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

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 substantially different and 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.

Stockholm, June 17, 2020
Öhrlings PricewaterhouseCoopers AB



Patrik Adolfson
Authorised Public Accountant