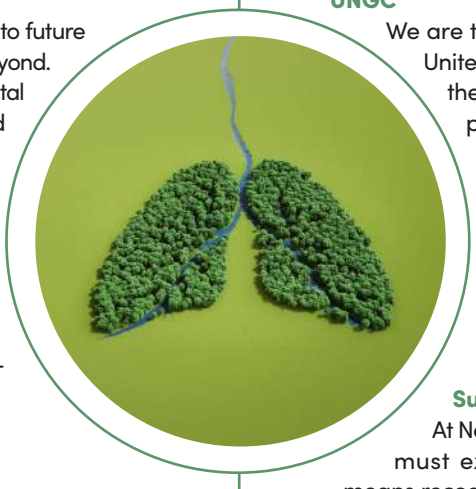
Commitment to Sustainability

Our motto at Nemera – 'We put patients first' – is the north star that guides us in our decision making across all levels of our business. I am incredibly proud of how we continue to help with the treatment of millions of people globally and make a positive difference in their day-to-day experiences. Our products save lives, improve living conditions, and empower patients. However, our sense of responsibility does not stop there. We recognise the role Nemera must play in addressing the major environmental and societal issues facing us all.

It is no good helping patients of today if our approach leads to negative impacts for people and the planet, now and in the future. This journey towards becoming a more sustainable company is ongoing and requires everyone at Nemera to play their part. Our 2023 ESG Report provides a snapshot of where we stand today on sustainability, our strategic priorities and objectives, and the progress we have made over the last years.

The importance of sustainability within our core business strategy also means that it is integrated across all levels of Nemera. Sustainability is overseen at the board level, with periodic reviews of our strategy, key performance indicators (KPIs), and progress on key activities, programmes and ratings. Alongside this, we look to proactively engage and involve our employees with sustainability initiatives, recognising the role that everyone must play if we are to achieve our objectives. This integrated approach is key for growing and deepening the positive sustainability impact we are having, and will continue to have, as a company.

As I look forward, we are fully committed to future proofing Nemera as a business in 2030 and beyond. We are focused on minimising our environmental impact via our innovative and eco-designed products, while maintaining the highest possible standards of patient care. To achieve these and other goals, partnerships remain key. We welcome all stakeholders reading this report to engage further with Nemera on sustainability, so that we can effectively scale the positive impact of our work and, together, seek to leave a healthier planet for future generations to come.



OUR SUSTAINABILITY RATINGS & ENDORSEMENTS

EcoVadis

Our latest EcoVadis result reflects our desire to continually improve the ways in which we manage and report on sustainability. While maintaining our silver medal from 2022, we saw significant improvements across our assessment, including an overall score increase of eight points to 67/100. This jump placed Nemera within the top 11% of all companies assessed by EcoVadis this year – regardless of industry. We also improved specifically within the environment, labour and sustainable procurement pillars, while maintaining our score for business ethics. While delighted with this outcome and its reflection on the holistic integration of sustainability within our business, we are determined to strive for more.

CDP

We submitted our data to the Carbon Disclosure Project (CDP) for the third time in 2023. CDP rates companies from A (best performers) to D (low performers) based on climate practices and efforts to mitigate and reduce their impact. We increased our score from B- to B, placing us above our industry average score (C) and demonstrating that we are actively addressing climate issues and steadily moving towards recognised best practice. As with other third-party organisations like EcoVadis, our yearly improvements bring us pride but also a determination to seek further improvements and continue pushing our boundaries as a sustainable organisation.

UNGC

We are thrilled to also share we committed to the United Nations Global Compact (UNGC) in 2023, the world's largest sustainability initiative. Our participation in this initiative strengthens our commitment and alignment to the sustainable development goals, as we join a community of companies committing to embodying the 10 fundamental principles of the UNGC under the pillars of environment, human rights, international labour standards and anti-corruption.

Sustainable Procurement

At Nemera, we believe that sustainable practices must extend far beyond our operations. This means recognising our duty to reach our suppliers and enhance sustainability through partnerships. Our objective is for all our suppliers to prioritise the environment and enhance the well-being of workers and communities. We also want our suppliers to continue integrating ESG in their governance frameworks to prevent ESG risks.

To vehiculate our objective through our upstream supply chain, we rely on the expertise and awareness of our procurement

department. Our team participated in various training initiatives and workshops to improve Nemera's ability to integrate ESG principles into our purchasing practices and assess supplier engagement in our sustainability approach.

Additionally, this year we introduced assessment and follow-up systems to onboard our upstream supply chain in our sustainability journey. An example of this is our EcoVadis engagement programme, where we encourage suppliers to undergo an EcoVadis assessment to rate their sustainability performance. This allows us to identify suppliers' improvement areas and collaborate with them in continuous improvement initiatives to enhance their sustainability while preserving or improving their performance.

Our vision for 2024 is to embed sustainability further into our decision making and continue to select and assess suppliers with a focus on their carbon footprint and general sustainability engagement. Besides, we are dedicated to intensifying the sustainable part of our suppliers. To achieve these goals, our partners can expect Nemera's continuous commitment and collaboration.

Environment

At Nemera, patients come first. However, improving patients' lives goes hand in hand with being more environmentally sustainable. That is why we understand how important it is to put sustainability in motion – our focus on sustainability is not just a business strategy, it is ingrained in how we all live inside and outside Nemera.

We do not want to just comply with environmental standards; we recognise our responsibility to our patients, who expect us to do better and we are supported by Nemera's strong emphasis on Research and Development (R&D) to bring these ambitions to life. Our R&D department is now equipped to enhance sustainability and bring circularity into our products. Our latest innovation Symbioze™, an on-body injector platform, is now reusable, allowing us to improve patients' injection experience and our product sustainability.

We continue to work toward our goals and use every development as a steppingstone to move Nemera towards our environmental objectives. As we look ahead, our commitment is clear: we aim to source our materials from low carbon resins, while also enhancing eco-design and product reusability to drive our circularity ambitions and achieve our objectives on plastic recyclability and waste to landfill.

Additionally, we are also on the way to achieving our carbon reduction targets, which were approved in 2023 by the Science-Based Target Initiative (SBTi). Our goal is to reduce the carbon footprint generated from our production activities and supply chain. These goals are embedded in our decision-making process as we prioritise sustainability and the long-term viability of our choices.

As a patient-centric organisation, we understand that people and their needs are continuously changing, and therefore innovation is part of our daily activities. Innovation comes in different forms. First, our products should maximise treatment efficacy to enhance quality of life for patients. Second, reducing our negative environmental impact is mandatory in a society trying to overcome a climate crisis – which also directly affects patients. Therefore, it is our duty to consider these elements when designing products which benefit both our customers and our planet.

We started our innovation journey in 2007 by establishing an R&D department, allowing us to rethink our designs, processes and impact, and make better decisions. Understanding improvement hotspots through research is essential to achieve success, particularly as we operate in such a highly regulated industry. This foundation allows us to progressively consider our environmental impact, across both our operations and value chain, and is now a huge driver in the way we do business.

Carbon Footprint Audit

Our first carbon audit of our key performance indicators (KPIs) in 2022 confirmed that our carbon tracking adheres to industry standards and verified our GHG indicators submitted to CDP with a limited degree of assurance. This assurance is part of our drive to provide patients, employees, and stakeholders with transparency over our climate performance. Our 2023 KPIs will similarly be audited in early 2024.

Climate Risk Assessment

To better understand the risks posed by climate change to our activities, we re-conducted a climate risk assessment in 2023. Compared to past assessments, this year's evaluation gives us a fuller picture of our climate risk scenarios. The report summarises the risks linked to our business activities, covering both physical and transitional aspects. Overall, the outcomes of this risk assessment will contribute to the development of an action plan that will focus on decreasing the impacts of both physical and transitional risks while also improving our ability to manage and mitigate against these challenges.

Reduce Commuting and Business Travelling Emissions

We are in the process of developing a travel and commuting policy with the aim to reduce emissions by 10% and increasing train usage by 5%, by encouraging the use of public transportation and creating a monthly budget for electric vehicle use. We have also started providing a company bus for our employees at our manufacturing facility in Szczecin, Poland. In 2023, 102 out of 243 employees used our bus to travel to work, helping to reduce the GHG emissions associated with individual commuting.

Renewable Energy

We are determined to obtain all our electricity from renewable sources by 2030. This includes our manufacturing facilities, where most of our energy is consumed. To help us in reaching this objective, this year we became members of RE100, a global initiative uniting businesses which are dedicated to achieving 100% renewable electricity usage. In 2023, our sites in Poland and Brazil also switched to 100% electricity from renewable sources.

A major initiative in 2023 involved upgrading the lighting system in our office building in Buffalo Grove, under the guidance of our Energy Committee. In practice, the lighting systems of our production store and offices were converted to LED lighting. This upgrade has led to a decrease in both our energy usage and greenhouse gas emissions, with estimated savings of 97,474 pounds of carbon dioxide (CO_2) emissions and 491,610 tons of nitrogen oxides (NOx) annually.

Circulatory

We recognise the efforts that the medical device industry has made to increase the use of sustainable materials. We are committing to and investing in bio-resins and materials that can be recycled and recovered.

At Nemera, circularity is central to our environmental efforts. This means we are dedicated to making our medical products easier to recycle and less wasteful. Our R&D department focuses on understanding product impacts and creating eco-friendly designs.

Waste Management

We have implemented several waste efficiency and performance programs, as well as partnerships, to help reduce and recycle increasing volumes over time. Our ISO 14001 processes and waste audits ensure our management approach is comprehensive and validated by expert third parties.

Eco-design and Bio-resins

The production of drug delivery devices typically relies on fossil-based plastics and linear life cycles. This has severe environmental consequences as large amounts of non-recyclable waste are incinerated, while the disposal of these products harms local ecosystems and habitats, including soil, water and biodiversity.

At Nemera we continually explore materials that reduce our environmental footprint. We are looking to scale the use of bio-based resins in our medical containers, replacing traditional and carbon-intensive oil resins with more ecofriendly alternatives. Our research shows that by adopting bio-based resins, we can reduce our greenhouse gas emissions by up to 30% per device on average.

This applies to different Nemera products, including bottles, and caps, which demonstrate the versatility of bio-based resins. Additionally, despite having few impact transfers, the biobased resin offers the same quality as its original material equivalent. This year, our La Verpillière plant obtained Nemera's first International Sustainability & Carbon Certification (ISCC Plus), which validates the use of bio-based, renewable, and circular materials. This certification underlines our commitment to renewable and circular materials in our products and manufacturing processes.

Looking Forward to 2024

2023 was a year of great progress for sustainability at Nemera. One of our biggest achievements is the completion of our first double materiality assessment, which will allow us to build a more holistic strategy that will fit the needs of everyone across our company. We are already seeing the benefits of a deeper understanding of the topics which are most important for both our own operations and value chain. Internal engagement on sustainability has never been higher, something which brings pride and encouragement for our work.

We have heard stories of how participants in our 2-Tonnes workshop have organised similar events for their families and friends, which is a sign of how we can positively scale our sustainability impact beyond our everyday working lives. We also hear conversations on sustainability in our daily work, facilitated by the training and awareness we are looking to raise on topics across all pillars of our sustainability strategy. These conversations are taking place everywhere in our company, with sustainability now a central part of conversations from top management to site level.

Strengthening our corporate governance in relation to sustainability was another major achievement along these lines and gives us an even stronger foundation from which to pursue our sustainability goals in the coming years. A welcome challenge that comes from this increased engagement, is that the more engaged our employees become on sustainability, the more they expect from us as a company.

This message reinforces our aim to never stand still on this topic, shown by our desire for continuous improvement in ratings such as EcoVadis and CDP, increasing the coverage of our ISO certifications and moving towards our 2030 objectives. We have set the foundation for continued success, and we are now focused on delivering this to patients, customers, employees, investors and all other stakeholders impacted by our work.

"Sustainability is at the core of everything we do at Nemera. From eco-design innovations to reducing our carbon footprint, we are committed to driving positive environmental and social change. Together, we strive to create a healthier, more sustainable future for both our patients and the planet."

Sandrine Coutarel
Nemera Global EHS Director