# perm<sub>o</sub>bil

# Sustainability Report

Edition 2022



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# **Permobil** in brief

At Permobil, we put the people who use our products first.
Our purpose is to innovate for individuals; to create advanced assistive solutions that make the lives of people living with disabilities more enriching.

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**Our dedicated teams** work tirelessly to make this happen, no matter if they are designing a new wheelchair, testing seating cushions, or supporting a therapist.

**Our main focus** will always be on the users of our products and services – bringing them independence by providing the best solutions for their needs.

# **11 production sites** across three continents

Permobil products available in Direct sales and service presence in





countries

Ton sh

# Our business areas:



Power Wheelchairs



**Manual Wheelchairs** 





Seating & Positioning

**Power Assist** 



Selling over









**Software and Services** 

# Letter from the CEO

As a global leader of complex rehabilitation technology, we are committed to work towards and actively support a sustainable society. Our sustainability focus has always been embedded in our values, the way we work and in our business model.

At Permobil, we want everyone to live full lives and meet their full potential. We see that Permobil's greatest contribution to sustainability is in the area of inclusion in society. We deliver products and services that enable people living with disabilities to do just that: to do what they want to do without being limited by a lack of technology.

For the past two years, we've worked on understanding and measuring the quality of life for those who have mobility impairments. This topic is close to our hearts at Permobil and yet one that is often overlooked when considering sustainability – quality of life measurements are almost always benchmarked against able-bodied people.

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A reduction in  $CO_2$  emissions and our impact on the climate is in sharp focus at present at Permobil. We have set ourselves ambitious targets and in 2022 implemented energy-savings program and sustainable practices. This will continue during 2023, notably with our brand-new manufacturing site in Sweden, designed to minimize carbon emissions, becoming operational in 2024.

- **We understand that** reaching our emissions targets is a long-term commitment, but I am pleased to say we already now are taking significant steps forward.
- Looking further ahead, the new EU Directive on CSR will significantly change our sustainability work and reporting. In light of the new directive, we will conduct a new materiality assessment during 2023 and revisit our focus areas and KPIs accordingly.
- We have placed the people who use our products at the center of this report. All the images used in this report are those individual's own photos they (or their loved ones) have posted on social media. This is their own portrayal of their lives.
- There is much for Permobil to be proud of when it comes to sustainability. We will take that energy to drive us into the year ahead.

Bengt Thorsson, CEO

# **Our approach** to sustainability

As a global organization, we're committed to operating a sustainable and responsible business. We understand our obligation to the users of our products, society, employees, and the environment.

We have set out a long-term commitment, through our four pillars of sustainability, to make things better:

Permobil has gone above and beyond minimum legal requirements for many years. We've been a member of the United Nations Global Compact since 2016, reporting annually on implementation of its Ten Principles. We also follow Permobil owner Investor AB's requirements related to sustainability for its holdings.

# How we established our priorities

We conducted our first materiality analysis in 2019 to establish our sustainability focus areas. A new materiality assessment will be undertaken later in 2023 to meet the European Union's forthcoming Corporate Social Reporting Directive.

#### **Materiality Assessment**



In defining our priorities, we also considered the requirements of our owner, Investor AB, ensuring our priorities would support Permobil's core values of User First, Leading, Trusted and Passionate and the United Nations Global Compact.

We have seven focus areas where we believe we can contribute to sustainable development, with defined 

#### **Better for users**

Improving their **quality of life** and ensuring the highest standards of product service, quality and safety

#### **Better for employees**

Building a safe and respectful workplace with diversity and inclusion as its hallmarks

## Better for the environment

Minimizing our impact

#### Better for business and communities

Strong business ethics and responsible sourcing



 Prioritized areas • Other areas of interest

- **01** Users' quality of life
- **02** Product and service quality and safety
- **03** A safe and respectful workplace
- 04 Diversity and inclusion
- **05** Environmental impact
- **06** Ethical Business
- **07** Responsible sourcing

The collection's subtitle 'Don't worry I'll bring a ramp' is a response to the Designers' Nest competition. In 2018, I was denied showing my collection at Copenhagen Fashion Week with models in wheelchairs. The organizers claimed they could not afford to build a ramp."

Louise Linderoth, fashion designer

# Case study: My capability

Through a collaboration with fashion designer Louise Linderoth, Permobil is challenging attitudes and inspiring others to see possibilities in every individual. The initiative pushes forward why diversity and inclusion matters.

Louise is behind the fashion brand Lou Dehrot, created to encourage reflection of wheelchair users in the fashion industry and to strengthen the belief that fashion is about the wearer, not the beholder.

The first collaboration with Permobil in May 2022 centered around Louise's message of "My capability is not based on your assumption", reinforcing the basic principle that people should be defined by who they are, not by our first impression. The project drew attention to role models from Sweden, Denmark, Germany and Netherlands, who shared their unique stories. This was followed in September at Stockholm Fashion Week, where Louise showed her graduation collection 'Who Chairs? (Don't worry I'll bring a ramp)'.

The collection was based on second-hand suits reconstructed for the sitting position of active manual wheelchair users. The show used only wheelchair models and was the only show in Stockholm Fashion Week to do so. The message of the collection is clear: inclusion in the fashion industry for wheelchair-users.

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# **Our business** model

Innovation is in our DNA. It started with our founder, Dr Per Uddén, creating the company in his garage, and we still carry that spirit of innovation today. The stories behind all the companies in the Permobil family are similar.

The commitment of our founders to pursue their dreams of providing a better life for people living with disabilities has led to best-in-class products. It now drives us to push the boundaries of design and technology in pursuit of innovations that help improve the quality of life for the people who use our products.

#### Collaboration

Across the entire value chain, Permobil works in close dialogue with different stakeholders such as patient organizations, healthcare systems, government authorities, suppliers and partners. This, together with our governance structure, drives our sustainability work forward.





#### **Research and development**

Everything starts with our R&D teams. They work continuously with innovating for individuals with a high focus on safety and are striving to reduce the impact of our solutions.



#### Sourcing

We source high quality materials and components from hundreds of different suppliers. We recognize our environmental and social impact, and work continuously to make improvements through responsible sourcing.



#### Manufacturing

We have 11 production sites in six different countries. We monitor and assess the environmental and social impact we have on local communities. Our direct CO, emissions come mainly from the use of natural gas.



#### Logistics and packaging

These areas are crucial to deliver our products, but carry an impact on the climate. We are working to fully understand this - from our transport and packing materials to help us reduce our usage.



#### Product use

Some of our products and solutions use batteries, and charging them impacts the climate through energy use. Our ability to influence this phase depends not just on our product development but also innovations outside Permobil, like battery technology.



#### Service

The right type of service, at the right time will affect our users' quality of life and also the climate, through extended lifetime of our products.



#### End of life/recycling

To help reduce our climate impact we are exploring more options for extended lifetime, refurbishment and recycling.

# **Our sustainability** governance

**To ensure that** we comply with high ethical standards, laws and regulations, and deliver according to our strategy and vision, Permobil follows a governance framework for sustainability.

The framework consists of policies, procedures, codes and processes. The policy framework is decided by the Board.

The governance of areas within sustainability follows the company's general governance structure. The Board, Group Management and other management's respective roles and responsibilities with respect to sustainability are described below.



#### The Board

Our Board sets the direction for sustainable development within Permobil and decides on the Policy Framework.

The Board also monitors how we identify and manage sustainability risks as part of the overall Enterprise Risk Management (ERM) process, and the actions implemented to manage these risks.

#### The Group Management

The Group Management team is responsible for defining our priorities and setting sustainability targets to deliver according to the strategy. The team also review and approve most of the policies within the sustainability framework.

#### **Director of Sustainability**

The Director of Sustainability is responsible for leading the implementation of the identified focus areas and priorities. The director also supports the regions and global group functions with their sustainability roadmaps.

The relevant departments are accountable for implementing and delivering specific targets. This ensures targets are owned by those who can have the biggest impact on achieving them.

#### **Collective responsibility**

Sustainability is integrated through every aspect of our daily work. Planning, initiation and continuous improvement are part of our DNA. We believe sustainability is the responsibility of everyone at Permobil, in order to maximize the economic, environmental and social benefits we deliver to users, stakeholders and society at large.



Policy & Procedures	Addresses the following risks	Monitoring
<ul> <li>Code of Conduct</li> <li>Anti-corruption and Bribery Policy</li> <li>Competition Law Policy</li> <li>Trade Compliance Policy</li> <li>Whistleblower Policy</li> </ul>	<ul> <li>Human rights</li> <li>Labor rights</li> <li>Discrimination</li> <li>Corruption &amp; Bribery</li> <li>Third-Party Misconduct</li> <li>Export Controls/ Trade Sanctions</li> </ul>	<ul> <li>External whistleblowing channel</li> <li>Results reported to the Board</li> </ul>
Sustainability Policy	<ul> <li>Emissions to air and water</li> <li>Water use</li> <li>Waste</li> <li>Use of resources (energy, chemicals, hazardous materials)</li> <li>Diversity &amp; Inclusion</li> </ul>	<ul> <li>Quarterly report of performan (water, waste, energy use)</li> <li>Employee survey to follow up on inclusion</li> </ul>
Supplier Code of Conduct	<ul> <li>Human rights</li> <li>Labor rights</li> <li>Environment</li> <li>Corruption &amp; Bribery</li> <li>Conflict minerals</li> </ul>	<ul> <li>Internal assessments</li> <li>Annual self-assessments</li> <li>Annual report</li> </ul>
Health and Safety Policy	• Workplace health and risks	<ul> <li>Monthly reporting of KPIs and incidents and behavioral discussions to Group Management</li> </ul>

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#### **Diversity** & inclusion

Users' quality of life

quality

and safety

users Product & Service

Better

for

**Business** ethics

Safe & respectful workplace

Better for employees

> Better for the environment

Better for business and communities Minimizing our environmental impact

Responsible sourcing

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## **Better for** Users

#### **Users' quality** of life

#### TARGET:

- Suitable measures will be further studied in 2023
- **PERFORMANCE:** Validated

converters of MoBOoL-7D to address cultural factors impact

## **Better for Employees**

#### A safe and respectful workplace

TARGET:

#### PERFORMANCE:

- Zero lost time accidents
- Four lost time accidents

## **Better for** the Environment

#### **Environmental** impact

#### TARGET:

#### **PERFORMANCE:**

- Scope 1 and 2: Reduce by 70% by 2030
- Scopes 1 and 2: Reduced by 44%
- Scope 3: Reduce by 20% by 2030
- Scope 3: Baseline established

#### **Product and service** quality and safety

#### TARGET:

- Zero customer warranty claims after one month
- **PERFORMANCE:** • 0.94% for all tracked product

lines

#### **Diversity and** inclusion

#### TARGET:

 Workforce gender balance Female/Male 40/60

#### Female/Male 44/56

- Employee inclusivity Employee inclusivity rating 8/10
- Workplace accessibility targets to be set in 2022 not set
- PERFORMANCE: • Group Management:

- rating 67%

#### Workplace accessibility targets

## **Better for Business and** Communities

#### **Ethical business**

#### TARGET:

 90% of all staff trained annually in our Code of Conduct

#### **PERFORMANCE:**

• 98% of all staff trained

#### Responsible sourcing

#### TARGET:

- 98% of supply chain spend endorsed by Permobil Supplier Code of Conduct
- 100% of high-risk suppliers screened
- 20% of mediumrisk suppliers screened

#### **PERFORMANCE:**

- 100%. 87% directly signed the Supplier Code of Conduct. remainder indirectly via our T&Cs
- 85% of high-risk suppliers screened
- 20% of medium-risk suppliers screened



#### Users' quality of life

At Permobil, our purpose is innovating for individuals. Core to that purpose is continuously improving our products and services to make life better for users.

#### TARGET

Define KPI for Quality of Life

#### PERFORMANCE

 Validated converters of MoBQoL-7D to address cultural factors impact.

#### Our approach

At Permobil, we are seeking to identify the impact of our wheelchairs and other solutions on the quality of life of the people who use them.

In understanding the impact on people's quality of life (QoL), we want to ensure the continuous improvement of our existing solutions, and to enable the development of new products and services that better meet users' needs.

We have been exploring a number of methodologies for measuring people's quality of life. Generally used QoL outcome measures include mobility from an ablebodied perspective, ranging between bed-bound and walking, so not suitable for our requirements.

Since 2021, Permobil has collaborated with the University of Bangor in Wales with the Mobility-related Quality of Life 7D (MobQoL-7D).

#### What we did in 2022

The definition of QoL varies between countries because of cultural factors, among other things, so only using the UK definition therefore limits our ability to set a KPI for QoL and track progress.

To address this, MobQoL-7D and the converter to QALY (a well-established QoL measure) for the UK have been validated by the team in Bangor. We assisted in translating the survey into seven languages beyond English to allow for further validation in other countries and broadening the range of survey participants.

#### Our plans for 2023

We will work with more local partners to validate MobQoL-7D QALY, starting with Netherlands. Once validated we will conduct local surveys to continue to deepen our understanding of the impact of our products on the people who use them.

#### Product and service quality and safety

#### TARGET

· Zero customer warranty claims after one month

#### PERFORMANCE

 2022: 0.94% across all product lines tracked (2021: 1.17%; 2020: 1.67%)

#### Our approach

At Permobil, we are passionate about delivering for the people who use our wheelchairs and other products. That means ensuring that everyone is happy when they receive their product. And that is why we have set an ambitious target of zero customer claims within the first 30 days after delivery. To drive down claims as quickly as possible, we are working to collect users' feedback and analyze it consistently – so that we can learn from the issues and put them right.

#### What we did in 2022

As a global company operating in 18 markets, we have always tailored our customer support processes to the needs of each market. During 2021, we worked to deploy consistent systems and processes for capturing and learning from customer claims.

In 2022, we continued to build on this and improve our performance. We have previously identified different root causes of issues for the different products. Ordering errors are a source for some warranty claims for some product lines, so we have put in place a multiyear project to automate our systems.

Minimizing the number of returns of ROHO products also benefits the environment. With more than 300,000 products sold each year, reducing product returns minimizes packaging and shipping. Given the complexity of our markets and their organizations, we decided to retain different targets for each market. As our systems and processes mature, we expect to be able to move towards our ambition of a single global target of zero first-month warranty claims.

#### Our plans for 2023

We will continue to work to reduce the number of products that our users have an issue with, particularly in the first month. We are working to collect better data and better user feedback so that we can resolve individual issues faster, identify root causes and extend the lifetime of our products.

During 2023, we will conduct a new materiality assessment, and we are considering the feasibility of including quality of service.





# Permobil Portrait: Uri and Helle Løvevild Golman

#### Interviewed in February 2023

Uri's story is about love and humanity. The love for his wife, Helle, whom he calls a wild lioness, and for the natural wonders of this world. The story of the humanity of the friends and family and more that have touched him since the life-altering incident and his undiminished humanity including for the person responsible for his injuries and disabilities.

Uri and Helle, have always been very positive people. That positivity can be seen in their wildlife photography that took them all around the world. They chose to show their subjects – everything from antelopes to bats to cheetahs – always as their best selves, no broken tusks or mangey fur.

As National Geographic wildlife photographers their work reached millions of people, but they wanted to conserve as well as record the natural world they saw through their lens. Project Wild started as a photoshoot tour of 25 countries, but funding projects through their registered Wild Nature Foundation now gives their meaningful work permanency.

When scouting locations in Gabon in 2017, Uri and Helle were attacked by a man with a knife in the middle of a market. Uri's bravery and quick thinking saved them both as well as a third person. But the injuries he sustained and subsequent lapses in his treatment have led to severe impediments to his movement and speech.

Two years in a rehab clinic back in Denmark started to show results and Uri was able to move back home to their house on the outskirts of Copenhagen. Uri could walk an amazing 200 meters unaided but complications from spinal surgery erased that progress. There were times when all Uri felt was despair or anger but he realized that only love has moved him forward.

Uri looks forward to testing out the recline to horizontal feature of his new Permobil power chair, once the weather is warmer. He will go outside, lie back and look at the sky as he used to. Uri may miss the feeling of the grass on his neck and dirt at his fingertips, but he and Helle can look up together at the clouds floating by or the stars twinkling in the night.





# Better for Employees

#### A safe and respectful workplace

At Permobil, we are committed to creating a safe and healthy workplace with good working conditions for all our employees.

#### TARGET

· Zero lost time accidents

#### PERFORMANCE

• Four lost time accidents (2021: 18)

#### Our approach

Empowering our employees to feel physically and mentally safe at work is paramount. We encourage a robust culture of safety and well-being throughout our workforce, with minimizing workplace accidents at its core.

Our Key Performance Indicator relates to lost time accidents – those accidents that are serious enough for employees to require time off work. We have introduced and invested in several measures to reduce lost time accidents and improve reporting.

#### These include:

- Formal data capture of hazards and incidents
- Review of Key Performance Indicators (KPIs)
- Action plans to tackle focus areas identified in the reporting
- Continuous discussion at a managerial and wider employee level to raise awareness around correct behaviors and best practice.

We recognize there is more we need to do. We are making active efforts to address the issues identified in our reporting, and are always seeking ways to improve.

#### What we did in 2022

During 2022, we had a strong focus on strengthening our safety record. We continued to implement our global reporting system and have increased the reporting of both accidents, incidents, behavioral discussions and observations. We see the increase in the number of accidents after the implementation of the reporting system as a sign that unreported incidents are decreasing. The number of accidents with sick leave is decreasing as a result of the increased focus. The lost time accidents were due to falls, manual handling and cut injuries.

#### Our plans for 2023

We will continue with a high safety focus, striving to reduce the number of accidents.

	Lost Time Accidents (LTA)	Total Case Incident Rate (TCIR)
2020	11	0.63
2021	18	1.06
2022	4	0.22

#### **Diversity and inclusion**

We believe that fostering a culture of diversity and inclusion is the right thing to do to live our values, fulfill our company's purpose and adhere to our Code of Conduct.

#### TARGET

- Gender balance Female/Male 40/60
- 8/10 employees say we are inclusive, as measured in our employee survey
- · Workplace accessibility targets to be set in 2022

#### PERFORMANCE

- Gender balance Group Management: Female/Male 44/56
- Inclusiveness: 67% (as measured in Let's Talk 2022, -1% percentage point from 2021, +4 percentage points from 2020)
- · Workplace accessibility targets not set

#### Our approach

We strive to make our workplaces widely accessible to all staff, regardless of who they are. It is our mission to ensure that our employees never feel discriminated against and always feel able to bring their full selves to work.

We know that diversity and inclusion is not only crucial for the well-being and happiness of our teams, but also our productivity and success as a company. Diverse groups make better decisions than homogeneous ones, and teams perform better when they are made up of a balance of both genders. Having employees who live with disabilities helps us understand our customers even better.

We use reporting from our employee survey – Let's Talk – to review and address points around diversity and inclusion across our workforce. There are three key action areas:

- Workplace accessibility
- Employee perception of inclusiveness
- · People processes.

#### What we did in 2022

We increased the share of women at the group management level and exceeded our target.

Our annual Let's Talk survey was sent to all employees, as every year. There has been a continuing multi-year trend of positive change with respect to diversity and inclusion, however in 2022 the Inclusiveness Index dropped by one percentage point to 67%.

Much work has been done over recent years to bolster communications and dialogue at all levels and to build a common Permobil identity after several years of rapid growth. We will continue this work to ensure that employees feel included.

#### Our plans for 2023

We will continue to use Let's Talk to understand and evaluate employees' perceptions and identify any actions needed.

We will also review our HR processes and talent management practices to support our diversity and inclusion targets, including ensuring our applicant pools are diverse.

We will perform a new materiality assessment and will also look at how to measure workplace accessibility at our workplaces, using existing survey data of our sites.



# **Better for** the Environment

#### **Environmental impact**

#### TARGET

- Scope 1 and 2: Reduce by 70% by 2030 (against a 2018 baseline)
- Scope 3: Reduce by 20% by 2030 (against a 2019 baseline)

#### PERFORMANCE

- Scopes 1 and 2: Reduced by 44% since 2018
- Scope 3: We have started to capture emissions for a limited number of categories. The next step is to calculate emissions for more categories and replace spend-based data with more granular data.

As defined by the Greenhouse Gas Protocol, Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the purchase and use of electricity, steam, heating and cooling. Scope 3 includes all other indirect emissions that occur in the upstream and downstream activities of an organization.

#### **Our approach**

With a direct presence in 18 countries around the world, producing hundreds of thousands of items every year, we recognize Permobil has an impact on the planet. We take responsibility for our impact and are working to minimize it. We have set ambitious targets for Scopes 1, 2 and 3 emissions for 2030.

Many of our sites have already implemented energy saving and sustainable practices, and in 2022 we implemented quarterly reporting of our environmental performance, including use of water, energy and generated amount of waste.

#### What we did in 2022

In addition to purchasing renewable energy certificates (RECs) we continued to explore ways to convert to renewable energy at our sites in the US, Permobil's most energy-intensive plants. This work will continue during 2023.

We continued to develop our systematic environmental work. Workshops with leadership teams from different Permobil regions were conducted to explore how their units could contribute more to achieving our climate change targets.

Our operations in Norway were ISO 14001 certified during the year, concluding a process initiated in 2021. A focus area during the year has been to ensure the quality and extent of the emissions calculations. This resulted in some changes to historical inaccuracies being corrected. This report, and future reports, will reference the corrected historical emission data.

We also adopted a policy on how to make adjustments to climate data, including the base year as a result of acquisitions of companies. The base year 2018, for Scope 1 and 2, has been recalculated, as well as all years up to and including 2021.

We are now able to capture some Scope 3 emissions data, and that work will continue in 2023.

# Carbon emissions (CO<sub>2</sub>e) Emissions within Scope 1 and $2(CO_2e)$

generated by Permobil



\*Scope 2 is calculated using market-based emissions

# Sco

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#### Our plans for 2023

Scope 2\*

The project with real estate developer Vectura, to build a brand-new manufacturing site in Sweden, will continue. The site will have multiple features designed to minimize carbon emissions. The new site should be operational from 2024.

Our next step is to continue to address CO<sub>2</sub> emissions in the most energy-intensive areas of our business, where the cuts will make the biggest difference.

For Scope 3, we will continue our work to measure and categorize our emissions before putting action plans in place.

Change compared to baseline (scope 1 and 2), %



#### 2018 Baseline Emissions

ope 1	Scope 2	Scope 3 Based on spend assessment
l2 tn 5839 tn		173 625 tn
		Scope 3 breakdown:
		Purchased goods/services 77%
		<ul> <li>Capital goods 5%</li> <li>Fuel/energy related activities 1%</li> </ul>
		Transport/distribution (upstream) 6%
		Business travel 2%
		Employee commuting 1%
		Other 8%



#### Case study:

# Smart packaging solutions to reduce climate impact

**Better packaging and** shipping solutions are an effective way to reduce the amount of materials used and our  $CO_2$  emissions, and even find cost savings. A number of projects came online for Permobil in 2022 after a careful period of design, development and planning.

The Box-in-Box (BiB) solution revisited how power chair battery boxes were shipped from our Kunshan facility in China to the production sites in Timrå, Sweden, and Nashville, U.S. We

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are now able to maximize space in shipping containers and storage by revisiting the assembly process, accommodating a mix of components and shipping them on a single pallet.

#### SPOT

The SPOT Project 'Sustainable Packaging Optimization and Transport' focused on changes to the packaging used for power chair components. The project affects about 80% of power chair components coming through our facility in Kunshan. This contributed to a complete packaging overhaul, including customizing all corrugated packaging and replacing wooden pallets with plywood ones.

Another packaging solution prioritized the most common, fast-moving components. A more flexible, modular system is now used when shipping components to avoid leaving empty space in the boxes. This has increased efficiencies in loading, unpacking, storage, and even waste management. Overall, these highly-engineered packaging design projects reduced  $CO_2$  emissions by more than 460 metric tons in 2022 alone, which is equivalent to removing 97 cars from the road each year, while also lowering freight costs. Permobil greatly appreciated working with Nefab to find supply chain solutions that optimized environmental impact and costs, illustrating that collaboration will be key in tackling the climate crises."



# Better for Business and Communities

#### **Ethical business**

We aim to drive sustainable, ethical development across our value chain, our customers, our suppliers and our own practices as a company. We want to create a collaborative culture at Permobil and a healthy, open dialogue with suppliers to support a better, safer and happier society.

#### TARGET

 90% of all staff trained annually in our Code of Conduct

#### PERFORMANCE

• 2022: 98%

#### Our approach

The Code of Conduct for employees is one of our key tools for defining and securing an ethical business. The Code covers diversity and anti-discrimination, human rights, health and safety, culture, relationship with customers, confidentiality, anti-bribery and corruption, conflicts of interest, speaking up, competition, trade restrictions and protecting the environment. Code of Conduct training is mandatory for every employee. Our target is set at 90% since we assume a 7% staff turnover. Also, as our business has grown with acquisitions, each new member of the Permobil family is asked to complete the Code of Conduct training. In addition, we have a whistleblowing hotline, where employees and other stakeholders can report concerns in their local language. These are reviewed by an external service who work closely with our HR and Legal teams as appropriate.

#### What we did in 2022

The percentage of employees trained in the Code of Conduct increased from 92% (in 2021) to 98%. We communicated more intensively about the Code of Conduct using our internal communication channels. We also introduced the Code of Conduct training into the Permobil induction program.

#### Our plans for 2023

Going forward, we will continue the annual rollout of the Code of Conduct training and deepen internal knowledge about our core values: User First, Leading, Passionate and Trusted.



#### **The Permobil Foundation**

The Permobil Foundation in the United States offers valuable support and assistance through product donations, partnerships with disability organizations, college scholarships and volunteer initiatives in local communities.

Since launching in the US in 2017, the Permobil Foundation has assisted almost 4,000 individuals with their mobility needs.

In 2022, we supported over 1,000 people through the donation of 18 wheelchairs, 991 seat elevators, 191 other wheelchair parts, and eight SmartDrives.



Additionally, this year's scholarship program awarded six college scholarships to wheelchair users and the Foundation supported 182 disability non-profit organizations.

The Foundation fundraised, ran wheelchair clinics and offered free wheelchair servicing, as well as engaging with Permobil employees to volunteer at non-profit organizations events. One highlight was when 400 Permobil employees participated in the ALS Association's flagship event Walk to Defeat fundraiser.

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#### **Responsible sourcing**

#### TARGET

- 98% of supply chain spend to have endorsed our Supplier Code of Conduct
- 100% of high-risk suppliers screened
- · 20% of medium-risk suppliers screened

#### PERFORMANCE

- 87% directly signed the Supplier Code of Conduct, and an additional 13% accepted it indirectly via our Terms & Conditions (2021: 89% and 9%)
- 85% of high-risk suppliers screened (2021: 89%)
- 20% of medium-risk suppliers screened (2021: 18%)

#### **Our approach**

We believe in empowering our suppliers to stand alongside us as ambassadors for social responsibility. We see every supplier as a partner, with whom we want to build strong, positive relationships – so that we can work together to do what is right for society.

Permobil has a robust framework for ensuring a high standard of responsible sourcing at every stage of our supply chain. Firstly, we have a Code of Conduct which must be signed by all new suppliers. This covers areas such as diversity and anti-discrimination, human rights, relationships with customers, anti-bribery and corruption. It also demands transparency around conflict minerals to improve our material sourcing processes. All our suppliers must be able to show us that they operate in line with International Labour Organization standards.

We never work with sanctions list countries. We screen high- and medium-risk suppliers to assess their risk for sustainability. These might be suppliers from countries with a high risk of corruption or those who supply materials with a high environmental impact, such as metal or chemicals. We ask all suppliers to complete a self-assessment every three years and we work closely with any suppliers to take corrective actions.

Environmental factors are highly important to us when it comes to suppler relations. We put great emphasis on ensuring that all our partners have (or are working towards) the highest environmental and sustainability standards and regulations.

#### What we did in 2022

We continued our work to drive responsible sourcing, and increased the percentage of our supplier spend that has signed our Supplier Code of Conduct or Terms and Conditions to 100%. During 2022, we onboarded many new suppliers due to acquisitions made in 2021 and early 2022. This is reflected in the result of our supplier screening.

During the year, we exploited different solutions to work with more granular data for our indirect (Scope 3) emissions in our value chain of suppliers and this work will continue during 2023. (See previous section– Environmental impact – for explanation of Scope 3)

#### Our plans for 2023

For 2023, we will update our responsible sourcing program and continue our work with more granular Scope 3 data to be able to better improve our footprint. This will require us to work actively with our suppliers throughout the value chain.

Supplier screening will continue to assess sustainability performance and ask them to commit to our Supplier Code of Conduct.





# Case study: Grass Roots Greening

A positive impact can also be made through local initiatives. Through our local initiatives we are embedding a sustainability mindset and culture into Permobil.

Permobil teams in the Asia Pacific region have embraced the sustainability commitment by launching localized initiatives to be better. The employee led initiatives secured high engagement rates and empowered teams to work handson with the focus areas.

A number of teams have focused on community gardens creating green spaces where there might not have been any. In Auckland, New Zealand wooden planters have been installed to a tarmacked area where fruit and vegetable seedlings will be planted. Permobil Japan have added a garden to the top balcony of their office building. The harvest of coriander, bitter gourd and tomatoes was lower than hoped for, however the boost in teamwork and well-being was significant. Plans are already in place for improving 2023's yield.

The team in Australia have had success with a composter and worm farm. They produced 10kg of compost from organic waste collected in the Permobil office, which was then used for the garden and office plants.

The local projects have direct, tangible outcomes that inspire and influence colleagues to take sustainable actions that can have a greater impact further on.







# **Audit**

Our owners, Investor, conducted an audit of the 2022 sustainability metrics they require Permobil to report. The audit included Permobil's performance in relation to CO<sub>2</sub> emissions, responsible sourcing, health and safety, gender balance and Code of Conduct trainings. All portfolio companies within Patricia Industries were similarly audited. Investor continues to work collaboratively with its companies to improve reporting processes.

In 2022, we participated in Investor-led training sessions on reporting, data quality and internal processes. A deeper review of reporting and data quality will be made in 2023 in preparation for the coming requirements of the EU CSR Directive as well as to ensure a high standard in our sustainability work.

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**As part of** the business planning cycle, we carry out annual risk assessments using the Enterprise Risk Management (ERM) process. The overall objective is to understand our current risk exposure and to develop strategies for managing each risk.

The risk assessment includes areas such as environmental risks, climate change, bribery & corruption, and data privacy. The major risks are consolidated into a global Enterprise Risk Map to assess the impact and likelihood, with mitigating actions set against each. The risks are managed and monitored

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# **Risk management**

throughout the year, and the risk assessment is reviewed by the Board prior to the end of the year.

#### **Climate related financial risks**

In 2021, we began to identify climate-related financial risks, according to the Task Force on Climate Related Financial Disclosures (TCFD) guidelines. Many related to our production and supply chain. In 2022, the assessment of climate-related financial risks was integrated into our ERM process. Work to mitigate these risks and identify other possibilities will be further developed in the coming years.

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# **EU Taxonomy Regulation**

**This is the first** year for Permobil to report on Taxonomy eligibility and alignment, under a new EU regulation.

Most of Permobil's activities are included in one of the Taxonomy's sectors.

#### Judgement on the Taxonomy-eligibility of our activities

Permobil's activities are included in "7 Construction and Real Estate" in the Taxonomy.

**The activities consist** of "3.3 Manufacture of low carbon technologies for transport" with NACE code "C.30.92 manufacture of bicycles and invalid carriage". Since Permobil is manufacturing the wheelchairs and not just rent or sell the products, 6.4 Operation of personal mobility devices" is not relevant.

**We do not** disclose activities within the value chain that are not external revenue-generating. For example, processes that are essential for our revenue-generating activities, such as electricity generation for own consumption. They are not reported as Taxonomy-eligible activities and are not included in our turnover KPI as they do not generate external turnover on a standalone basis. Proportion of Taxonomy-eligible economic activities (in %)

Turnover	78
CapEx	56
OpEx	93

**Permobil's activities are** carried out in compliance with the minimum safeguards. Permobil addresses human rights, labor rights and anti-corruption through our policies, see the chapter on Permobil policies. Permobil reports public on progresses every year in our Sustainability Report and the report to the UN Global Compact.

**Permobil's activities contributes** to the environmental objective 'Climate change mitigation', according to the technical screening criteria '3.3.e Personal mobility devices with a propulsion that comes from the physical activity of the user, from a zero-emissions motor, or a mix of zero-emissions motor and physical activity'.

**Permobil's activities do** not fully meet the technical screening criteria for 'Do no significant harm (DNSH)', and as a result none of our activities are Taxonomy aligned.



**The Taxonomy Regulation** sets out a classification system for environmentally sustainable economic activities. It is a key component of the European Commission's action plan to redirect ainvestment towards a more sustainable economy. It represents an important step towards achieving carbon neutrality by 2050 in line with EU climate goals as the Taxonomy is a classification system for environmentally sustainable economic activities.





# Permobil Portrait: Gabrielle Wright

Interviewed in March 2023

**Gabby's story is** one of quiet determination and a passion for doing the things she loves. At 12 years old, she played competitive netball and she loved playing. But then her life took a drastic turn when she became one of those one-in-a-million stories.

No-one could have foreseen that a common cold would trigger her body to over-react and attack itself. She was diagnosed with traverse myelitis, a rare complication affecting between 1–8 people per million, and requiring a wheelchair.

Seven years on and Gabby presents the story with surprising calmness. She recalls that her first thoughts as the implications of her sickness sunk in was that she would not be able to play netball again. If she wasn't going to play, then she knew she had to find another way to remain involved in a sport she loved. Within a few years Gabby not only qualified as a netball umpire, but the world's first wheelchair using netball umpire. To be clear, Gabby presided over netball games, not wheelchair netball games.

Today she still umpires college grade netball as well as sitting on Netball New Zealand's Youth Board, providing opinion and insight on range of issues affecting the sport.

With no wheelchair netball to play, Gabby has moved into wheelchair racing, focusing on 100m, 200m and 400m track sprints. For the handful of wheelchair racers in New Zealand, the Paralympics in Los Angeles 2028 is the goal. Paris 2024 comes too soon alongside the realities of limited funding and lack of specialist coaches.

A budding Paralympian, Netball NZ and hanging out with friends fit around the

architecture degree course she has just started at Auckland University in Technology (AUT). Through high school Gabby found that she enjoyed art and design and coupled it with a desire to improve urban environments and buildings. Buildings may be accessible but not inclusive. Even in the relatively modern university buildings, lecture halls may be accessible but require time-consuming detours to avoid just a few steps. Design without firsthand experience.

Just like all new students, Gabby is navigating university life and living away from her family for the first time. Gabby's SmartDrive power assist device makes university life easier. The SmartDrive means she can spend all day on campus and still conserve enough energy for actual training. Training for sprint racing is not the same as long days on the hilly AUT campus.





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