

Sustainability Report 2020

Company introduction

Akademikliniken Aesthetic treatments



Sustainability statement

Our Vision

Is to have the worlds most satisfied customers. With themselves. In our work, we are committed to sustainability and aim to reach our Vision in a sustainable and responsible way, particularly within three key focus areas. We want to ensure that we are always...

...Caring for our patients

Aesthetic procedures, like all medical procedures, involve certain risks. At Akademikliniken we take this very seriously and do our utmost to minimize risks of adverse effects to our patients. If adverse impacts should occur, Akademikliniken ensures we are available to our patients 24/7. In addition, as industry leaders, we are committed not only to the safety of our own patients; we also work to improve the standards of the entire industry. We continuously engage with regulators, peers and relevant organizations to ensure adequate rules and regulations to protect patients from being treated by unauthorized professionals and to ensure that all patients are provided with correct advice and necessary support in their process. Patients that wish to benefit from our industry should be protected from disappointments, over-treatments, unsafe procedures or other undue risks.

...Caring for our employees

We care deeply for our employees. Our employees are the ones ensuring that we can run a sustainable business, and the ones providing the customer care and outcomes we strive for. It is important to us, that all current and potential future employees are treated with dignity and respect. As part of this, promoting Gender Equality is a top priority for us. To ensure our employees have the best foundation for providing a world class service, that both they and our patients deserve, we invest in their professional training, general well-being and awareness of high quality across our operations.

...Caring for our environment

We appreciate that all actors in our society need to act on climate change. In addition to our continuous efforts to reduce our adverse environmental impacts, we are focused on reducing our carbon footprint. We will continue our focused engagement to diligently improve our efforts and use our leverage to reduce negative environmental impact across our value chain.



Key statistics

CEO	Annika Söderberg
Chairman	Thomas Berglund
Headquarter	Stockholm, Sweden
# of FTEs	198
Year acquired	2016
Polaris Fund	Polaris IV
Polaris ownership	57%
Revenues (DKKm)	339
Revenue (EURm)	46



Management **summary**

We have at Akademikliniken significantly strengthened our focus on sustainability during 2020 and expanded the scope of our sustainability-related efforts. We have already initiated numerous initiatives across various areas, and our efforts will continue into 2021 and beyond.

Our company-wide sustainability commitments include acting responsibly, supporting core principles for social, environmental and economic sustainability as defined by UN/OECD and striving to continuously improve our performance. We have made a great effort to define and implement structured procedures, enabling employees to be engaged in Akademikliniken's commitments in their everyday work. An initial part of this work has been to finalize our first impact assessment. This has given us the opportunity to have a clear overview of our key impact areas and enabled us to prioritize focus areas and initiatives. Our three focus areas are: caring for our patients, caring for our employees and caring for our environment.

Caring for our patients

We take our role as industry leader in the Nordics very seriously and actively work to improve the industry and push for stronger regulation within the patient safety area. In 2020 we have actively worked to influence the debate and given our input to the upcoming Swedish regulation on aesthetic treatments and plastic surgery. The date is set to the 1st of July for the new regulation to be implemented. The regulation will help to protect patients from unauthorized caregivers. Akademikliniken will continue to follow this process carefully and continue to take lead and act for the safety of our patients and our industry. Our employees' and patients' health and safety are of the highest priority for Akademikliniken, and we are focused on ensuring we always have high quality procedures. This is for example implemented through tracking relevant KPIs across the organization, and ensuring that across all our clinics, we continuously follow and improve our customer experience at all levels.

Caring for our employees

To continuously ensure our employees' commitment and well-being, we have implemented a new employee-experience measurement tool, Peakon. The first survey was sent out in October 2020 and

our overall score according to the Peakon benchmark is in the highest 25% in the Healthcare sector. We are proud of the results and will continue to work with the identified areas for improvement with the goal of being the most developed and attractive workplace in our industry. As part of this, we have reviewed our Gender Equality policy to ensure it is in line with our strategy.

Caring for our environment

We are aware of the positive effects that lowering our carbon footprint can have, and in 2020 we established our first CO2e baseline covering Scope 1 and 2, and significant Scope 3 categories in accordance with the GHG Protocol requirements. The approach will be followed and fine-tuned during the coming years. We have identified two main focus areas to reduce our CO2e footprint: engaging our suppliers to jointly reduce our emissions, and to a greater extent engage our employees so they can contribute to our decarbonization efforts in their daily processes. An example of the latter includes our newly implemented system for digital documents and signatures to decrease physical print.

Our commitment and engagement

Together with our employees and other business partners, we strongly believe that we can increase our contribution to a sustainable development. In April, Akademikliniken sent the application and signed up to UN Global Compact and made our sustainability policy and Business Code of Conduct available on our homepage to communicate this externally. Akademikliniken will continue to work with sustainability in the structured way that we have started in 2020.

With kind regards,

Annika Söderberg

Sustainability metrics

Polaris cross-portfolio KPIs



Climate action

CO2e intensity tons/employee



There was a slight decrease in absolute emissions due to lower emission factors of energy consumed between 2019-2020.

At the same time, emissions per employee have increased slightly due to a reduction in the size of the organization.

GRI: 305-1a, 305-2a, 305-3a, 305-4a

Climate Action Management

Scope 1 & 2

Activity-based with national statistics on fuel and energy prices.

Scope 3

Combination of spend-based calculations, and activity-based for key categories.

Strategy & targets

Targets will be defined and approved by the BoD in 2021.

Initiatives

Initiatives defined. Most are already initiated.

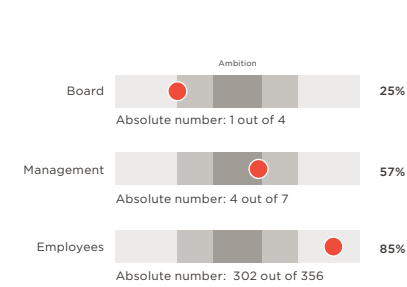
TCFD

TCFD aligned analysis not undertaken in year 1: climate related risks & opportunities deemed low.



Gender equality

% of women in the company



For each job function and level we have a strong focus on the underrepresented gender in our recruitment processes.

For example, the focus for 2021 will be to recruit more female surgeons, since the surgeon group stands out with an overweight on males.

GRI: 405-1(i)

Gender Equality Management

Tracking

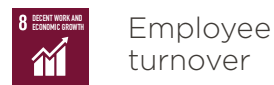
Tracking in place on gender across the organization, at different tenures.

Strategy & targets

Targets to be defined and approved by the BoD in 2021.

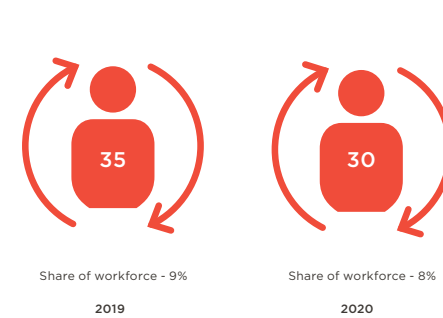
Initiatives

Initiatives defined and approved by the BoD.



Employee turnover

Employee-initiated turnover (total attrition)



Both total attrition and share of turnover have decreased between 2019 and 2020. We believe this is due to our efforts to strengthen Akademikliniken as a great workplace, hereunder focus on talent retention and personal development.

We might envision a slight increase in the coming years since many of our employees have passed or are near retirement age.

SASB: Adapted from HC-DY-330a.1

Employee Turnover Management

Tracking

Tracking in place on employee-initiated turnover.

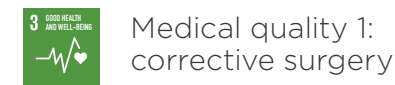
Strategy & targets

Targets to be defined and approved by the BoD in 2021.

Initiatives

Initiatives defined to ensure good work environment and employee engagement.

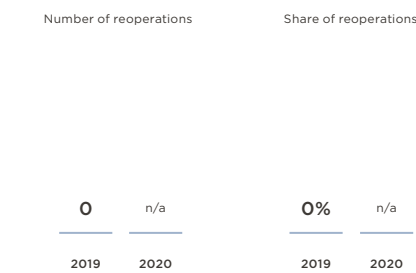
Portfolio company-specific KPIs and initiatives



Medical quality 1: corrective surgery

Corrective surgery rate

% re-operations within a year



Correction rate is calculated from how many of the surgeries performed in 2019 has resulted in a correction within 365 days.

Values for full year 2020 will not be available until 2022 report.

The correction rate is not spread evenly over different surgery procedures.

SASB: Adapted from HC-DY-250a.4

Provide excess resources

Akademikliniken wants to contribute to the society by offering the excess human and physical capital of our clinics to external partners that have patients in need of care.

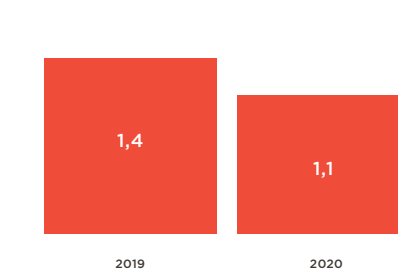
During the COVID-19 outbreak, many hospitals had to put surgeries on hold, which extended their waiting lists. We were able to help some of these hospitals reduce their waiting lists and patients in need of cancer breast surgery.



Medical quality 2: infections

Infections

Share of complications



The infection rate covers all surgical procedures in Akademikliniken Sweden.

The infection rate is not spread evenly over the different surgical procedures.

SASB: Adapted from HC-DY-250a.4

Waste management

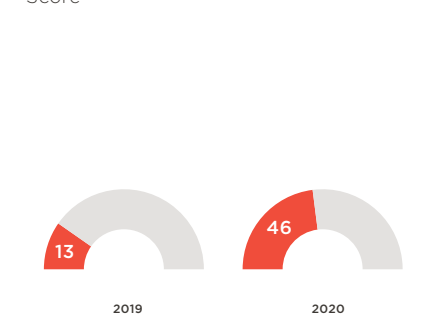
Akademikliniken is increasing efforts on tracking and reporting waste generated and the waste subsequently being disposed.

This will cover raising awareness of waste management practices across the organization, and hereby strengthen waste management efforts across all locations.



Employee satisfaction

Employee Net Promoter Score (NPS) Score

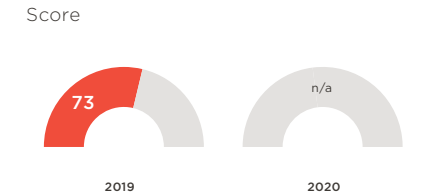


The measurement method has been updated between 2019 and 2020, which limits the possibility of comparing the two figures.

SASB: Adapted from SV-PS-330a.3

Customer satisfaction

Customer Net Promoter Score (NPS) Score



At Akademikliniken we see high customer/patient-satisfaction as the final proof of the quality of delivered services and effectiveness of used resources.

During 2020, the questionnaires did not work as expected, why no measures are available. A new system is started in February 2021 and indicate numbers at the same level as in 2019.

The Sustainable Development Goals

Akademikliniken's contribution to the SDGs

Increasing Positive Impacts



Minimizing Negative Impacts



13.1
To increase coverage of our emission estimates, and cover more of our indirect emissions, Akademikliniken will request CO2e data from its suppliers. More importantly, we are in the process of professionalizing our supply chain, and hereunder acknowledge resource efficiency and environmental impact. As part of this effort, we will, among other things, seek to favour suppliers who work to minimize their environmental impact and maximize their resource efficiency.



13.1
Akademikliniken will seek to reduce its CO2e emissions continuously and will disclose our CO2e emission data annually and strengthen the transparency of emissions.



5.5
A core value in Akademikliniken is diversity and treating everyone fairly. This has been formalized in the Code of Conduct, and we continuously work on promoting an equal balance of women and men across all levels.



8.8
It is fundamental for Akademikliniken to respect and protect labor rights and provide a safe, secure and healthy working environment. We do this by having strong internal policies in place, monitoring employee satisfaction, conducting regular impact and compliance assessments and by monitoring and reporting on our performance. We prioritize investment in employees' professional training.



3.4
Akademikliniken is committed to high quality and responsible treatments and has developed strong control mechanisms to ensure that we minimize the risks for adverse effects and manage any adverse impacts that do occur in the best possible way. As leader of the industry in the Nordics, we want to take an active role in continuously improving the industry and actively push for stronger regulation within the patient safety area.

The Sustainable Development Goals

Akademikliniken's contribution to the SDGs

INCREASING POSITIVE IMPACTS

Concrete initiatives in progress



- Implement a new equality plan to ensure gender-sensitive recruitment and retention practices, with a target of gender balance in the field of candidates when hiring
- Define and implement internal targets for gender balance at each level/position within the organization
- Ensure all employees have an equal voice in the workplace, including through adequate grievance mechanisms and employee satisfaction feedback systems and processes, all of which are to address and incorporate elements of gender equality adequately



- Implement sustainability related elements in Employee Handbook and Employee Code of Conduct, and communicate new sustainability structure to all staff
- Establish grievance mechanism and whistle-blower system for sustainability related issues for employees across organization
- Expand upon current employee engagement efforts, hereunder including broader topics and strengthen how insights are used and backed up by ensuring procedures for more frequent follow-ups
- Implement a new leadership program with focus on coaching and feedback based on the SCARF-model
- Focus on surgeon training program to share knowledge and educate, as an investment in both the surgeon and Akademikliniken

Status on initiatives

- Our new Equality Plan is under development
- We have initiated data gathering on gender diversity within our specific professions. Next steps is to use the information to set relevant targets
- A new employee satisfaction survey has been defined and conducted, which gathers employees' views on Gender Equality and diversity. Our processes have been adapted based on results
- Started development of an anonymous grievance mechanism on our intranet in collaboration with our NPS survey partner

- Update of Employee Handbook has not yet been initiated
- We have started the development of an anonymous grievance mechanism on Akademikliniken's intranet, in collaboration with our NPS survey partner
- The expanded employee satisfaction survey has been developed, and the first survey was conducted in Q4 2020, followed by follow-up processes. The next survey is planned for Q2 2021
- Training and coaching initiatives to be initiated in 2021

MINIMIZING NEGATIVE IMPACTS

Concrete initiatives in progress



- Expand upon current CO2e baseline coverage to continue to improve the depth of data collection to support decision making on carbon reduction initiatives (both with respect to quality and granularity)
- Use the CO2e emissions baseline to define and prioritize reduction efforts
- Formalize sustainable procurement policies and supplier Code of Conduct in order to promote sustainable practice across the supply chain
- Investigate handling of medical waste and identify measures to reduce waste



- Develop even stronger control mechanisms to further ensure that we always do what is in the patient's best interest - and ensure consistency across geographies
- Develop annual quality follow-up tracking
- Support implementation of stronger governmental controls/regulations of the aesthetic treatment industry in Sweden

Status on initiatives

- Initiated dialogue with key suppliers to gather data on their CO2e emissions and sustainability efforts
- Initial CO2e emissions reduction plan has been defined, hereunder a procurement process project
- Procurement process project has been initiated
- Waste management initiative is not yet initiated
- Implementation of better work process in relation to follow up on deviations is in progress
- Correction rates and infections in standardized, automated reports in 2021. As of today, only available manually
- Initiative in progress

