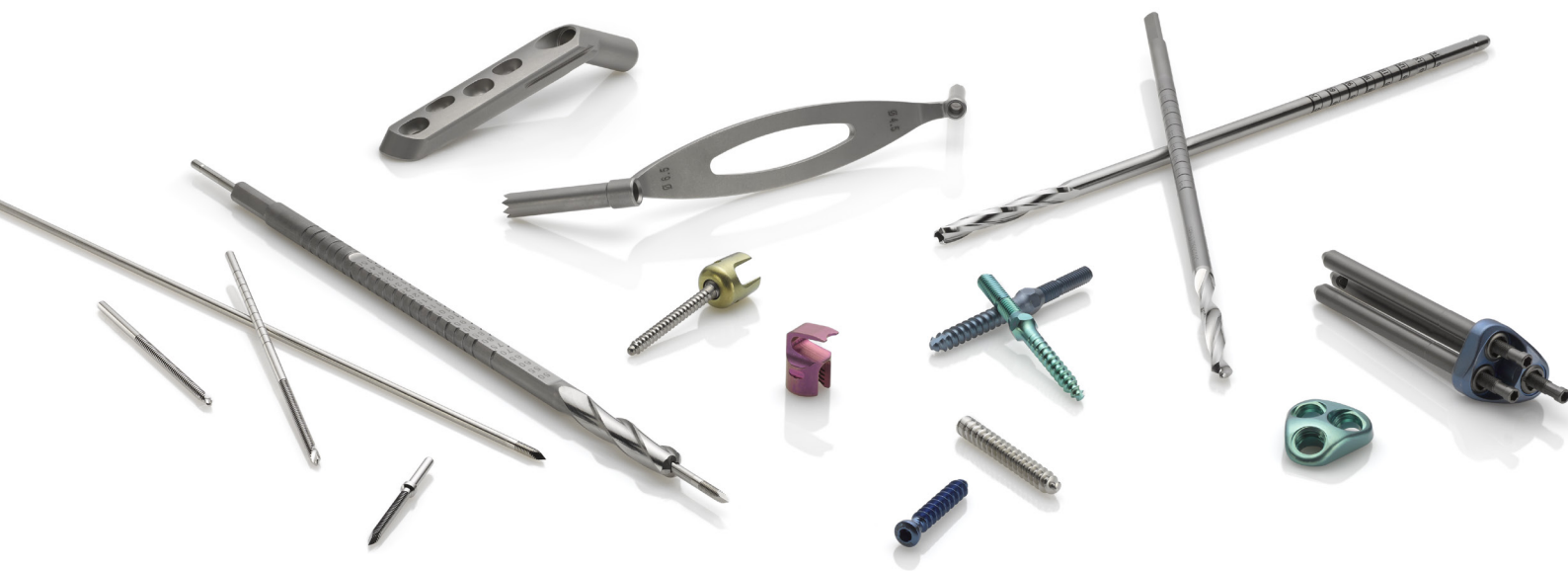


*From innovation
to excellence - moving
forward together*



20
18

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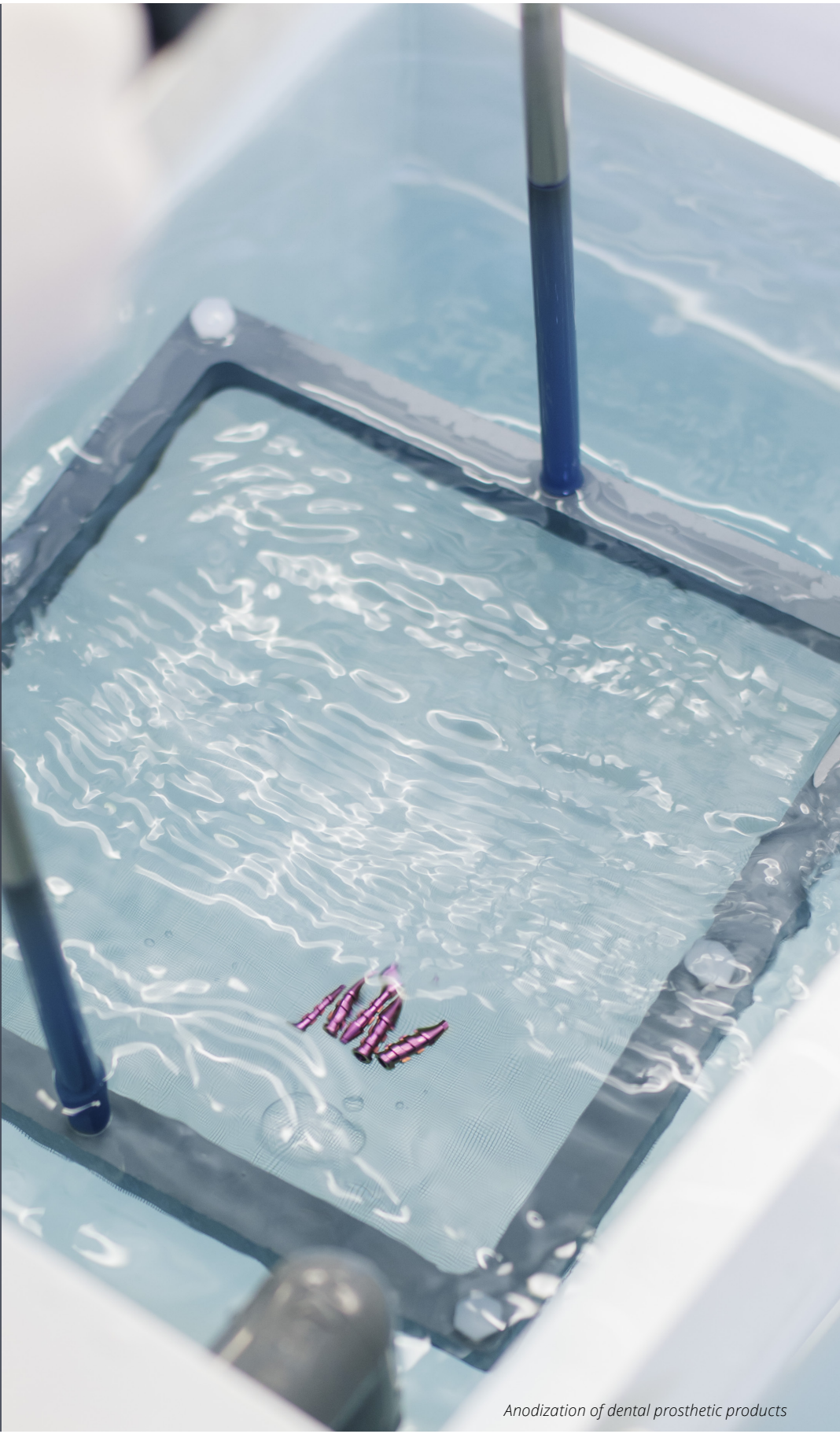
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About the Sustainability Report

This statutory sustainability report has been approved by Elos Medtech's Board of Directors in accordance with the Swedish Annual Accounts Act and is separate from Elos Medtech's annual report. The sustainability report for 2018 pertains to the entire Group, unless otherwise stated.

Elos Medtech's business model can be found on page 3 and its sustainability risks on page 6. Detailed information regarding Elos Medtechs performance in environmental, social & compliance-related aspects can be found on pages 18-21.

The auditor's report on the statutory sustainability report can be found on page 9. Please refer to the inside cover for further information.



Anodization of dental prosthetic products

Significant Sustainability Highlights

- Net sales amounted to MSEK 644.7, an increase of 8% after currency adjustments
- Operating profit amounted to MSEK 47.4
- Launch of our new Code of Conduct, through a series of company-wide workshops involving all employees
- All employees have undergone training in compliance and our values
- 129 new hires, of whom 47 were women
- Launch of the Elos Medtech intranet, increasing the transparency and information flow in the whole organisation
- A 50% decrease of scrap cost at our Business Centre in Tianjin

CEO COMMENTS: ELOS MEDTECH CARES



CEO Jan Wahlström

>> Sustainability is an important part of our business strategy. In 2018, we published our first sustainability report and we also launched a sustainability agenda with our three focus areas: Care for our Business, Care for our People and Care for our Responsibilities. In these focus areas, we have set specific sustainability goals which we have been working actively to meet in 2018. For example, we conducted a survey on employee engagement for the entire organization, which demonstrated that employees understand their role in the company and that they feel engaged. During the year, we have achieved our target of reducing scrap costs by 20

percent by a good margin. In addition, we have implemented a new program to measure and monitor our customers' expectations and satisfaction. An important part of our business is based on creating trust, and partnering with our customers. That requires us to act as one company, to be united in our common values, and to have a comprehensive offer. In 2018, we have made a considerable effort internally to consolidate our core values and our vision, and we can conclude that we today see a stronger cohesion and a more united Elos Medtech than we did one year ago.

7%

Share of investment budget spent on projects improving our environmental performance.

60%

Renewable energy in 2018

CO₂ Emissions



- From energy consumption to maintain production and facilities
- From transportation of materials, products, and scrap
- From employees travelling



Dental prosthetics in final control.

THIS IS ELOS MEDTECH

Developing and manufacturing medical devices that impact human health comes with great responsibility. Patients put their trust in the tools used to treat them, and the creators of those tools put their trust in us. Earning and keeping that trust means focusing on what we do better than anyone else.

State of the art equipment, capabilities, and processes set Elos Medtech apart, but the more important difference is our people. At every level we thrive on new challenges, we always look for ways to add value, and we collaborate seamlessly with each other and with our customers.

Value Creation by Complete Performance™

Elos Medtech's business model is based on great experience and attained expertise in medical technology. With specialist expertise in technical innovation and development and contract manufacturing, combined with the experience of developing our own products we create added value for our customers. Our vision is to increase quality of life worldwide in partnership with our customers. We also create value for our stakeholders through a safe and stable work place, where employees are encouraged in personal development. Investments are continuously made in technology and competencies to ensure future competitiveness and continued value creation.

Environmental Policy

Elos Medtech believe that we have a responsibility to care for and protect the environment in which we operate. We are fully committed to improving environmental performance across all of our business activities, and will encourage our business partners to join us in this effort.

Elos Medtech recognizes our key impacts related to waste generation, emissions to air & water, transport, as well as use of energy, raw material and water.

We will strive to:

- Meet and exceed all applicable environmental legislative requirements
- Minimize waste through careful and efficient use of all materials and energy
- Measure our business/operations impact on the environment and set targets for continuous improvement
- Train employees in good environmental practice and encourage employee involvement in environmental action

Elos Medtech Management is responsible for the environmental work.

ELOS MEDTECH'S SUSTAINABILITY GOALS 2019

- Inform all critical suppliers about our Code of Conduct.
- Secure sustainable investments corresponding to at least 5 percent of the agreed investment budget.
- Increase the response rate to 80% in the Employee Engagement Survey.
- Up to 10 employees will be given the opportunity to spend at minimum 1 month on another site/country.
- Investigate possible ways of reducing the energy consumption in relative numbers e.g. by installing electricity meters, performing energy audits or similar. The goal is to further increase the awareness, identify possible sources for improvement and seek to use renewable energy where possible.
- Achieve a scrap rate of 5 percent during 2019.

7%

of total investments were related to sustainability during 2018.

Objectives and Strategy

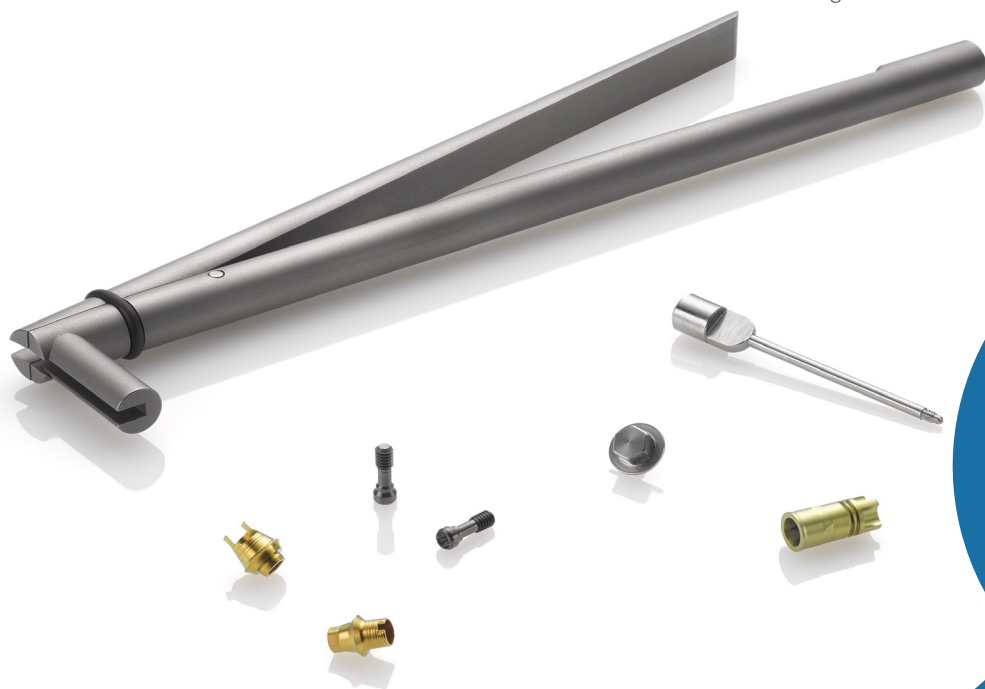
During 2018, Elos Medtech made a number of great internal efforts to ensure that our vision and strategy are deeply embedded throughout our organisation. Creations such as the Elos Medtech Intranet are aiming to increase the transparency within our company and to give all our employees access to the same information. Other efforts, such as the launch of our new Code of Conduct, are aimed at clarifying our internal values and our way of working for everyone, inside and outside the organisation.

Vision: Transforming medical technology and advancing quality of life worldwide.

Mission: In partnership with our customers, we provide sustainable, innovative products and supply solutions for the global medical device market. Building profitable, long-term partnerships and striving for excellence in everything we do, our goal is to help people to live rich, active and fulfilling lives.

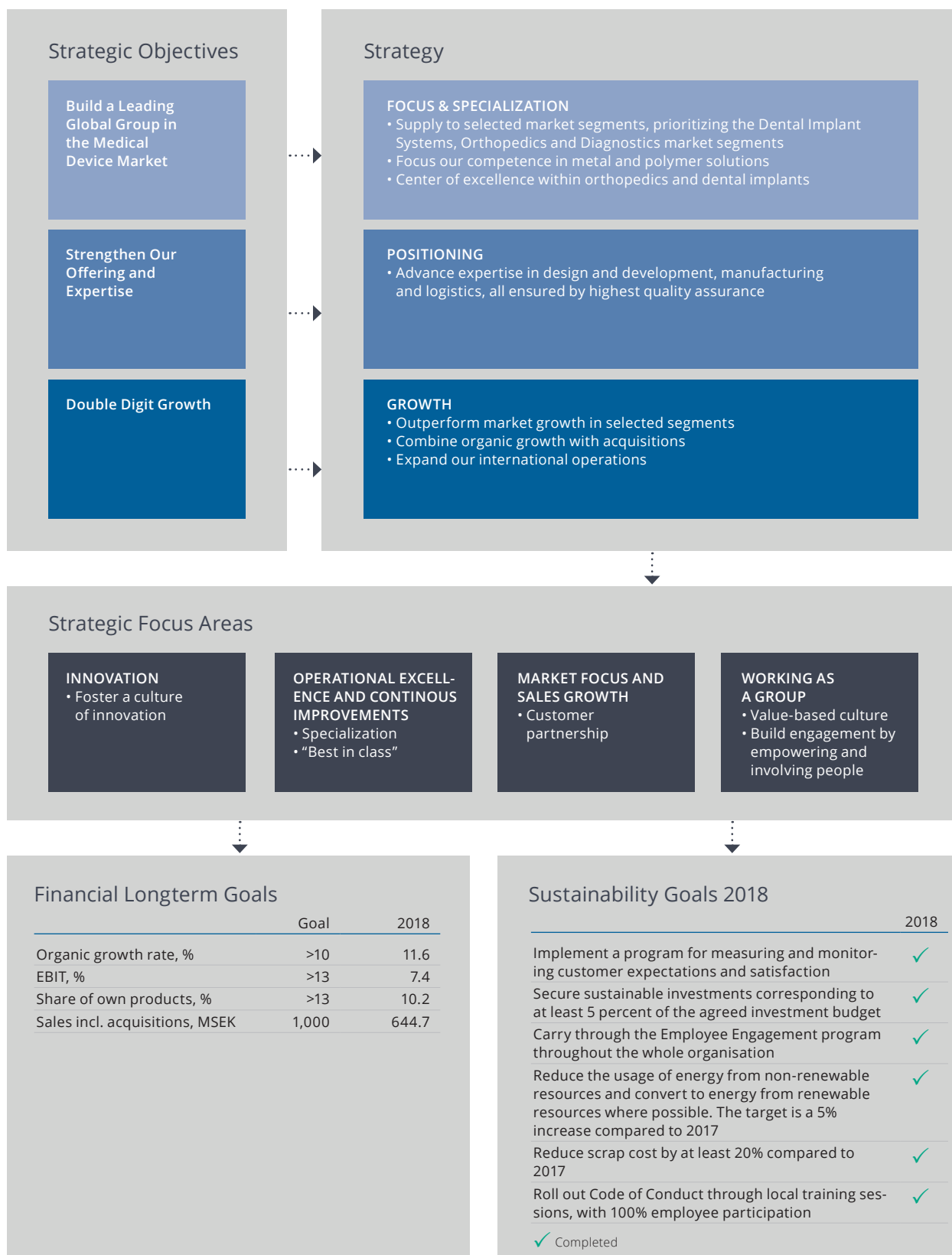
Value based culture: Our culture is value-based, customer-centric, process-oriented, and results-driven. Our three core values serve as a compass for what we collectively believe in and continuously guide our work and behaviors.

- **Passionate.** We are committed, determined and dedicated. With a positive attitude, we drive our development forward and find solutions.
- **Trustworthy.** We are open and honest. We take responsibility for our actions and products and keep our promises.
- **Result-oriented.** By taking initiative and wanting to win, we achieve the targets that create trust and value for patients and customers.



Elos Accurate® dental products

*Vision: Transforming
medical technology
and advancing quality
of life worldwide*



Sustainability Risks

As a global company offering medical devices to many leading medical companies, we constantly have to manage our risk exposure. We do this by continuously assessing and managing the risks in our operations. This year we have once again reviewed the risks relating to sustainability, and we conclude that there have been no substantial changes during 2018.

Elos Medtech's risk management program is an essential element of our strategic planning. Overall, the goal of our risk management program is to take a proactive and structured approach to manage negative outcomes, respond to them if they occur, and identify potential opportunities that may be hidden in the situation.

We continuously evaluate current risks and their control measures to ensure that we are prepared to adequately manage upcoming risks. Management of these areas is covered in established procedures, at business reviews and management meetings.

Potential sources of risk include the following: commercial relationships and obligations, legal expectations and liabilities, technological innovations and disruption, political changes and trends, natural events and forces, environmental impact, human error and deficiencies. However, based on the materiality assessment Elos Medtech has concluded four areas with the greatest sustainability risks connected to our business activities:

Environment

Our environmental risks are related to material consumption/scraping of raw materials, waste water generation, energy consumption and greenhouse gas emissions from transportation.

All business units running production comply with applicable environmental protection legislation. Environmental issues and risks are considered alongside all our

business decisions, from new product design and development, to manufacturing and distribution. The environmental impact assessment has been completed and identified.

Employees

Risks to employee health and safety is primarily related to the working environment in our production facilities.

Our preventive health and safety measures are executed through a systematic approach. We identify risks and the causes of incidents and accidents and take appropriate action through technical improvements and training. Formal safety commitments are in place at all operating units, covering all employees. Regular safety inspections and safety and fire prevention training sessions are conducted at all operating units.

Motivated and competent employees are a crucial factor for Elos Medtech to reach our goals and we therefore consider this as a risk. We regularly arrange training sessions and annual performance reviews to unlock our employees' potential.

Human Rights

The risk of infringement of human rights at the Group's companies could damage both the Group's reputation and its business operations.

All operations have been assessed for human rights where policies, procedures and performance have been considered.

Regular business reviews are conducted with each business center by the CEO and CFO, who physically visits the centers several times a year and monitors procedures ensuring that aspects of human rights and performance are accordingly followed up.

Social Aspects

The risk related to social aspects varies between our business centres, as well as the underlying factors.

Internal audits of financial subjects (wages, employees' benefits etc.), as well as social subjects (working conditions, emergency preparedness etc.) are performed at regular intervals.

Diversity is an important competitive advantage in the global environment in which we are active. Elos Medtech strives to establish a business with extensive expertise and experience in creating an organization that develops the company towards our strategic goals. We describe how we handle diversity, in the Code of Conduct.

Anti-corruption

There are no known cases of any corruption or bribes during 2018.

Assessments of risks related to corruption and anti-competitive behavior are performed yearly. The risk assessment performed in 2018 showed no material risks related to corruption or anti-competitive behavior. Therefore, Elos Medtech does not deem corruption to constitute a material sustainability aspect.



Stakeholder Dialogue

By engaging in stakeholder dialogues, Elos Medtech aims to create value for its stakeholders.

Elos Medtech maintains a dialogue with key stakeholders. The key stakeholders are: employees, board and owners, customers, suppliers, society, in general and schools and universities (future employees).

In early 2017, Elos Medtech's Sustainability Project Group held meetings to plan how the dialogue with the various stakeholder groups should be conducted going forward. During 2018, Elos Medtech has continued to uphold an ongoing dialogue

with its stakeholders through different channels.

The aim is to build long-term relationships, increase understanding of what is important for stakeholders and continually improve the company's sustainability efforts.

Stakeholder Group	Dialogue	Stakeholder Expectations
Employees	Workplace meetings Town hall meeting Employee surveys Performance reviews Safe workplace coordinating councils (SAM) Management meetings Business risk analysis, SWOT	Competence development (training and education) Customer satisfaction Environmental engagement Leadership – strategy (strategic platform) Ethics and compliance
Board and owners	Board meetings Personnel surveys – interviews Annual general meeting Business risk assessment	Sustainability reporting – environmental engagement Strategic platform Policies – Code of Conduct Ethics and compliance Human rights Long-term profitability Customer satisfaction (sustainable customer solutions)
Customers	Business reviews Conferences – exhibitions Customer surveys Audits	Product quality and safety Compliance – quality management Business continuity plan Supplier management Product performance and excellence Market presence
Suppliers	Audits Qualification questionnaires	Business continuity plan Environmental engagement
Society in general	Local communities – study visits	Human rights Investments for sustainable solutions Environmental engagement
Schools, universities – future employees	Meetings Networking Study visits – lectures University teacher at local apprenticeship	Sponsoring of local education programs Career opportunities Diversity Sustainability reporting

Materiality Assessment

By conducting a materiality assessment, Elos Medtech has defined its most important sustainability topics.

Elos Medtech has conducted a comprehensive materiality analysis to define our key sustainability aspects. The analysis was based on the conclusions from dialogues, identified external trends, Elos Medtech's strategy, SWOT analyses, risks and oppor-

tunities assessments, as well as sustainability frameworks such as Global Reporting Initiative and the UN Global Compact. The analysis was conducted by our Sustainability Project Group in 2016 and 2017. It is

evaluated annually, and thus an evaluation has been performed during 2018.

The materiality assessment resulted in a list of eleven material aspects which are presented below, together with an illustration showing where in our value chain the impact occurs.

	Suppliers	Elos Medtech	Customers and Consumers
Care for our Business			
Customer satisfaction		●	●
Product performance and excellence	●	●	●
Investments in sustainable solutions	Could be affected, such as service providers for waste handling	●	
Care for our People			
Empowering people		●	
Healthy and safe workplace		●	
Promote favorable labor practices and diversity including human rights	●	●	
Care for our Responsibilities			
Ethics and compliance	●	●	●
Energy management		●	
Emissions to air	●	●	
Water management	●	●	
Waste management	●	●	

For more detailed information regarding our sustainability performance, see p 18-20

About the Sustainability Report

This is Elos Medtech's second sustainability report. It has been prepared in accordance with the stipulations in the Swedish Annual Accounts Act referring to sustainability reporting. This sustainability report also references GRI 103: Management Approach 2016.

In conjunction with the GRI Standard, we have applied the ISO 26000 guidance standard which provides a practical set of tools to measure and report on our social responsibility issues and practices.

ISO 26000 offers guidance and recommendations on how to structure, evaluate, and improve social responsibility, including stakeholder relationships, and community impacts.

We welcome your feedback on our report! Should you have any questions or comments, please contact Malin Gustavsson, Group Marketing Director, malin.gustavsson@elosmedtech.com.

Gothenburg, April 3, 2019

Yvonne Mårtensson
*Chairman of the
Board of Directors*

Agneta Bengtsson Runmarker
Board member

Jeppe Magnusson
Board member

Jon Risfelt
Board member

Mats Nilsson
Board member

Anders Birgersson
Board member

Jan Wahlström
Chief Executive Officer

Auditor's Report on the Statutory Sustainability Report

To the general meeting of the shareholders in Elos Medtech AB (publ), corporate identity number 556021-9650

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2018 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.

Gothenburg, April 3, 2019
Öhrlings PricewaterhouseCoopers AB

Bror Frid
Authorised Public Accountant

ELOS MEDTECH CARES

Globally, the debate surrounding the challenges of developing a sustainable world is intensifying. We are committed to contributing to a more sustainable development within medical technology, improving the lives of millions of patients.

Elos Medtech has identified three focus areas that are critical success factors in our sustainability agenda. We have named these areas our “Care Areas” as this is where our business has the greatest impact, and thus where we have the greatest possibilities to improve the lives of millions of patients.

Manufacturing of orthopedic plates.

MISSION

In partnership with our customers, we provide sustainable, innovative products and supply solutions for the global medical device market. Building profitable, long-term partnerships and striving for excellence in everything we do, our goal is to help people to live rich, active and fulfilling lives.

CARE FOR OUR BUSINESS

>> Medical devices support people with diseases and injuries, and product safety and performance are of the utmost importance to our customers, medical professionals, patients, and to Elos Medtech as a trustful partner. We care about delivering products and services of the right quality, in time, and at the right price. We are committed to offering innovative, sustainable, and efficient solutions to our customers.

CARE FOR OUR PEOPLE

>> Our employees are our greatest strength, and engaged employees will go the extra mile, learn more and faster, and be more creative. Therefore, providing each member of Elos Medtech with a safe and supportive working environment that encourages personal and professional development is vital to our success.

CARE FOR OUR RESPONSIBILITIES

>> We operate in many locations across the world, and our employees represent a vast diversity of cultures and backgrounds. With this comes great responsibility – both locally and globally. Therefore, we strive to make a positive contribution to the communities in which we are active, and we aim to minimize the environmental impact of our business throughout the entire product life cycle.

CARE FOR OUR BUSINESS

Ensuring customer satisfaction and product performance, while also investing in sustainable solutions, is at the core of Elos Medtech's operations.

>> Elos Medtech brings together knowledge and expertise to develop the best components and products in partnership with our customers. We and our partners are guided by the same mission: to help people live rich, active, and fulfilling lives.

Our long-lasting and close relationships with our business partners is a central part of the business model, as well as a strategic focus area. This collaboration has been of great importance for Elos Medtech's growth and success over the decades.

The last three years we have invested close to SEK 150 million in increased capacity, facilities, and product development to improve our ability to meet our customers' needs. Our aim is to invest more than five percent of our investment budget in projects that improve our environmental performance. During 2018, these investments reached seven percent of our budget, financing e.g. a waste water treatment project at our facility in Tianjin, China.

From collaboration comes solutions

Elos Medtech fully collaborates with customers to respond to their challenges efficiently and with value and customer surveys are conducted on a regular basis. Customer satisfaction results are analyzed and each business center and each assigned key account manager is responsible for initiating improvements to ensure satisfied customers.

As confirmed by our experience, an intimate knowledge of our customers' business is fundamental for a successful relationship. Another highly valued quality is our ability to quickly respond to changes and find solutions, as this allows our customers to optimize their supply chains. Finally, a key aspect of a successful partnership is the value of our expertise in design, production, and compliance. Our concentrated experience and high competence within design and development, fueled by our collaborative approach, will simplify new product development and reduce time to market. ■



SERVING THE NEEDS OF OUR CUSTOMERS

>> Since 2006, Elos Medtech has used our expertise and our near 60 years of experience as a contract development manufacturer to design and develop our own products. Today, one tenth of our sales consists of our own products, mainly dental products.

The increased demand of aesthetics and customized dental restorative treatment options drives the global restorative trend towards a simpler and more flexible digital dentistry workflow. The innovation speed of digital dentistry and CAD/CAM is becoming of significant importance for dental suppliers, dentists and the dental laboratories to stay ahead of the competition. Today, the dental laboratories need access to digital dentistry, allowing professionals to serve the different needs and requirements of their customers. Elos Medtech offers Open Digital Solutions to achieve a seamless workflow regardless of technique, allowing dental professionals to make all the choices to carry out their work in the best way possible.

Read more about our own products at elosdental.com

Non-classified packaging.



20

*of our largest customers
in Europe, Asia, and the
US, stand for 90 percent
of total sales.*

QUALITY ASSURANCE

>> We work exclusively with development and manufacturing of medical devices. As these products and components have a significant impact on human lives, patient safety is our top priority. Our systems are mature, and we make the up-front investments in quality assurance and validation to ensure that each product we manufacture meets the same high standards. We hold a certification according to ISO 13485 (Quality management system for medical devices) and comply with the requirements of international legislation and product safety standards.

Our commitment to product performance and excellence also extends to our distributors. We ensure that our distributors comply with applicable parts of the regulations.

CARE FOR OUR PEOPLE

Our employees' engagement and dedication are essential for our competitive edge. We strive to provide an attractive and safe workplace.

>> Our company culture is based on a set of strong, shared core values: passionate, trustworthy, and result-oriented. These values guide us in our day-to-day business and create unity across our global sites.

Empowering people

All Elos Medtech's employees should have good opportunities to develop, irrespective of gender or cultural background. Personal development plans are reviewed annually, and performance is linked to individual targets to ensure career development. On average, each employee undertakes approximately 13 hours of training. This includes task-specific training, as well as internal and external training courses. Extensive training on the job and on-site coaching by supervisors are natural aspects of self-improvement within the company.

The 2018 Annual Employment Survey of 2018 shows that employees understand their role

in the company and that they feel engaged. There is room for improvement in the area of individual growth within the company. The employee turnover rate has been reduced to 16.6 percent during 2018.

A healthy and safe workplace

Employees should feel safe, healthy, and respected in job situations and as individuals. Our company culture is based on a set of strong core values: passionate, trustworthy, and result-oriented. These values guide us in our day-to-day business and create unity across our global sites.

We strive to be accident free, with a lost time accident rate at 0. The most common causes of injuries at Elos Medtech are injuries related to heavy lifting, repetitive work, handling of machinery, falls, and slips. Our employees either have access to occupational health support or hold health care coverage and wellness coverage as part of employee sponsored insurance. ■

*Employee
of the year.*

>> One of Elos Medtech's strategic priorities is to increase the share of our own products and build strong customer relationship and partnership.

Mattias Torell has successfully created new partnerships with customers and partners through his unfailing energy and disarming way of working, and further developed Elos Medtech's dental offering to become more competitive.

Mattias has a background as a dental technician and has worked in the industry for several years before starting at Elos Medtech in 2015. He is a true believer in that the future of dentistry is digital and that it is the way forward.



Mattias Torell,
Business Development
Manager & Technical
Adviser, Elos Medtech Pinol

Cleanroom ISO class 7.



SAFEGUARDING THE TRUST OF OUR STAKEHOLDERS

>> We believe in a strong compliance culture, fully embedded in our business. The Code of Conduct, developed in 2017, is the basis of Elos Medtech's culture. Together with supporting policies and procedures, the code reflects our commitment to safeguard the trust of our customers and other stakeholders.

Everyone at Elos Medtech is obligated to follow our Code of Conduct: our employees, management, and board members. We also pass the code on to any business partner that contributes to Elos Medtech's products, services, and other business activities. The Code of Conduct clearly states our stance on issues such as compensation and terms of employment, freedom of association, equal opportunity and non-discrimination, child labor and forced labor, workplace practices,

occupational health and safety, as well as social networking.

Elos Medtech is committed to operating its business to the highest ethical, professional, and legal standards. If local laws and regulations are less restrictive than the Code of Conduct, Elos Medtech applies the latter, unless other instructions are given.

Please find our Code of Conduct on elosmedtech.com/who-we-are/code-of-conduct/

DIVERSITY

>> Our diverse labor force enhances our ability to understand the cultures and languages of our customers and consumers. We believe that diversity contributes to our long-term success.

Our executive management consists of individuals that represent Denmark, Sweden, the US, and China. In our Chinese operations, more than 80 percent of executive management has a domestic background and the gender distribution is completely equal. Diversity can also be defined in terms of age distribution. A balanced mix of different generations in the labor force contributes to the competitiveness of a company.

YEARS OF SERVICE AMONG EMPLOYEES



■ < 5 years
 ■ 6-10 years
 ■ 11-15 years
 ■ > 15 years

GENDER DISTRIBUTION



■ Women
 ■ Men

CARE FOR OUR RESPONSIBILITIES

Elos Medtech's responsibilities include ethics and compliance as well as environmental stewardship. Commitment to our responsibilities is a prerequisite for the success of our business.

>> Our production technologies include injection molding thermoplastics and cutting metal machining such as grinding, turning, and milling. Also, production consists of post-processing, packaging, and labelling of metallic parts for implant systems and other medical device components. From a life cycle perspective, in most cases, our production has a very limited environmental impact. The ambition is to identify improvement areas and define targets.

Four of our five subsidiaries have a certified environmental management system conforming to ISO 14001. The aim is to have the most recently acquired subsidiary included in the multisite certification before the end of 2019.

Energy and Water Management

Reducing the climate impact of the operations is a long-term commitment. We systematically collect data on consumption of energy to identify improvement areas. Renewable energy sources stand for more than 50 percent

of the energy consumption, and our goal is to increase this ratio.

All production units are connected to municipal waste water treatment plants via the sewage system. A small portion of the process water is polluted with metal residuals and oil, and thus handled as contaminated waste and disposed of by certified waste service providers.

Waste Management

We strive to minimize the production waste as much as possible. Part of the waste is scrap, mainly derived from units that are rejected somewhere in the production process. All core raw materials, metals, and plastics are sorted for recycling. Other recycled, non-hazardous waste is cardboard, paper, wood and plastics.

We are always looking to improve internal solutions to recycle supporting production materials, such as oil and water. We have contracted certified service providers for appropriate disposal, incineration, landfill and recycle handling services.

Greenhouse Gases

The majority of Elos Medtech's greenhouse gas emissions is a consequence of energy consumption and transportation of raw materials and finished products, as well as of travels of employees. We collect data on business travel and how our employees commute to work in order to identify more efficient and sustainable means/modes of transport.

Compliance

Our employees undergo regular compliance training regarding medical devices and environmental management. Employees are encouraged to report any suspected noncompliance in relation to Our Way, policies, and business ethics to their line manager, their local management team, or our Ethics & Compliance Helpline team which is our secure and independent whistleblower function.

Our quality management systems comply with the standards and regulations for medical devices. All business centers are annually audited by our notified body for compliance with applicable standards. ■



Injection molding and packaging of medical device components.

93

tonnes recycled
waste 2018.

SCRAP RATE CUT BY HALF

>> Our business centre in Tianjin experienced a challenging period due to a high scrap rate. To ensure that our business performance was maintained at a long-term solid and healthy level, the management team took action by setting up clear targets for improvements.

By investigating and analyzing the defects of each rejected product, we identified certain key actions to improve production and product quality. Targets were broken down per customer, product, and process, and non-conformity procedures were improved. All employees were very engaged in the process and have made a great effort to cut total scrap rate by 50 percent.

– This is a great example of how we can improve our business, while at the same time minimizing our environmental impact, says Conny Jakobsson, Managing Director in Tianjin.

50%

reduction of scrap
rates at our facility
in Tianjin, China.

Care for Our Business

MA 1

Customer Satisfaction

During the fall of 2018, Elos Medtech has performed an extensive in-depth survey with a number of customers within one of our biggest market segments. From this survey, we identified some vital aspects of a successful partnership with our customers.

This survey will in 2019 be implemented on a company-wide level including all of our customers, in all market segments.

MA 2

Product Performance & Excellence

Own products		
	2018	2017
% sales consisting of our own products	10.2%	9.6%
Number of adverse events		
	2018	2017
	0	2*

**None of the cases caused any harm or injuries to patients*

MA 3

Investments supporting sustainable solutions

Investment goal	2018	2017
% of investment budget allocated to sustainability-related projects	5%	5%

Actual investments	2018	2017
% of actual investments allocated to sustainability-related projects	7%	7%

MA = Material Aspect

Care for Our People

MA 4 Employment

Average number of employees

	2018	2017
SWE	136	134
DEN	172	157
USA	140	115
CHN	126	121
GROUP	572	527

Gender distribution

	Women		Men	
	2018	2017	2018	2017
Board	33%	29%	67%	71%
Executive Management	33%	33%	67%	67%
Local Management	33%	33%	67%	67%
New hires	36%	34%	64%	66%
GROUP	40%	38%	60%	62%

Employee turnover

	2018	2017
Number of employees hired during the year	129	121
Number of employees terminated during the year	95	102
Employee turnover rate	16.6%	19.2%

MA 5 Empowering People

	2018	2017
% of employee participation in company-wide roll outs	100%	100%
% of employees who have received performance reviews	72%	90%
Average hours of training per employee	13,2	20

MA 6 Healthy and safe workplace

The most common causes of injuries

2018	2017
Handling of tools and machinery	Heavy lifting
Repetitive movements	Repetitive movements
Inhaling chemicals	Lifting of heavy machinery
Falls and slips	Falls and slips

Absence and illness

	2018	2017
Total number of lost days of work due to injury	54,5	18
% absence rate	2,5	2,4

MA 7 Favorable labor practices & diversity

	2018	2017
% of Chinese management with domestic background	80%	80%

Years of service amongst employees

	2018	2017
<5 years	315	289
6-10 years	127	111
11-15 years	49	47
>15 years	90	94

Care for Our Responsibilities

MA 8 Ethics & Compliance

	2018	2017
% of employees that have undergone compliance training	100%	100%
Number of internal audits of business centers	18	21
Number of days with customer audits	19,5	42

To ensure we continue to build on our reputation of integrity we promote the Ethics & Compliance Helpline as a secure and independent resource for voicing concerns of wrongdoing or conduct inconsistency with our Code of Business Conduct and Ethics. We encourage employees to report any suspected violations or incompliance in relation to Our Way and business ethics

MA 9 Environmental stewardship

Certifications

Business Centre	Certificates
Elos Medtech Pinol	ISO 13485, ISO 13485 CMD-CAS, ISO 9001, ISO 14001
Elos Medtech Timmersdala	ISO 13485,ISO 14001
Elos Medtech Microplast	ISO 13485, ISO 14001
Elos Medtech Tianjin	ISO 13485, ISO 14001
Elos Medtech Onyx	ISO 13485

MA 10 Energy and water stewardship

Main activities for energy consumption

2018	2017
Production equipment	Production equipment
Lighting	Lighting
Ventilation	Ventilation
Cooling	Cooling
Heating	Heating
Transport	Transport
Computers & Servers	Computers & Servers

Energy

	2018	2017
% of energy consumption deriving from renewable sources	60%*	53%
Total energy consumption (GJ)	48 346	42 922
Energy intensity (GJ/MSEK sales)	75	74,3

**This increase is manly due to a correction of the previous year's data*

Water

	2018	2017
Total water consumption (m3)	24 087	22 975

MA 11 Emission of greenhouse gases

	2018	2017
Emissions of greenhouse gases in equivalent of CO ₂ (tons)	5 808	5 214
Greenhouse gas intensity (tons/ MSEK sales)	9	9

MA 12 Waste

	2018	2017
Waste generated (tons)	357*	388
Waste recycled (tons)	93	107
% of waste recycled	26%	28%

**This decrease partly derives from a correction of this year's data collection*

HISTORY

2018 Launch of Code of Conduct. Elos Medtech's sustainability agenda is anchored in the organization and continued development of our strategy strengthens our focus on sustainability. Elos Medtech's first sustainability report is published.

2017 Sustainability is defined as an important aspect of the business strategy. Launch of an updated Our Way.

2016 Our commitment 'Energizing Sustainability' is launched, in order to introduce a more systematic and transparent way of working with sustainability.

2012 ISO 14001 and ISO 13485 multisite certificate for the Elos Medtech business centers. Introduction of Elos Medtech Environmental Policy and Quality Policy.

2009 Launch of Our Way including corporate social responsibility, vision, and values.

2003 Elos Medtech implements the strategic decision to focus on medical devices.

1923 Elos Medtech is founded.



Elos Medtech AB (publ) • Torsgatan 5B • SE-411 04 Gothenburg
info@elosmedtech.com • www.elosmedtech.com