



Annual Review **2022**

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# This is Oriola

Securing the distribution of medicines to patients and customers is a key element in the Nordic welfare societies and the healthcare system. Oriola has been serving customers in this area since the establishment of its first medicine wholesaler in 1907. Our long tradition has set the foundation for our unrivalled knowledge and expertise in the pharmaceutical sector. We take pride in enhancing the availability and safe use of medicines and healthcare products.



## Who we are

- We create value by securing health for life
- A leading distributor of pharmaceuticals in Sweden and Finland and a forerunner in providing advisory services to pharmaceutical companies
- Our assortment includes a broad range of health and wellbeing products
- Sustainability is at the core of our business
- By combining the expertise and resources of Oriola and our customers, we contribute to more sustainable growth of the society

## Company facts

- Invoicing about EUR 3.6 billion in 2022 (continuing operations)
- About 930 employees serving hospitals, patients, pharmacies, pharmaceutical companies, veterinarians and retail customers
- Head office in Espoo, Finland
- Shares listed on Nasdaq Helsinki

# Highlights of 2022

In 2022, Oriola's focus was on the execution of its turnaround and transformation plans to improve performance and support the company's journey towards a preferred partner in securing the availability of pharmaceuticals. A key milestone was reached in October, when the combination of Oriola's pharmacy operations in Sweden into a new jointly owned company was completed.

Financial performance improved as adjusted EBIT in continuing operations rose by almost 32% to EUR 19.7 million, excluding the contribution from the joint venture company Swedish Pharmacy Holding AB. The improvement was driven by efficiency and cost savings actions related to the turnaround initiatives as well as good market demand. In addition, the company's balance sheet strengthened throughout the year due to improved cash flow and increased result.

**Financial performance improved and was driven by efficiency and cost savings actions as well as good market demand.**

## Milestones

**The combination of Oriola's pharmacy business** Kronans Apotek and Euroapotheca's Apoteksgruppen into a new jointly owned company in Sweden was announced in February and completed in October.

**Katarina Gabrielson was appointed as CEO in May.** Gabrielson has held various leadership positions at Oriola since 2012.

**Pharmacy staffing business Farenta was sold in April** to focus on the core of Oriola's business.

**Oriola's sustainability work received several ratings and recognitions during the year.** The company achieved Prime status in ISS ESG Corporate Rating. The rating placed the company among the highest decile in its sector as Oriola excelled especially in society and product responsibility and environmental management. In addition, Oriola renewed its leader rating of AAA (scale of AAA-CCC) in the MSCI ESG Ratings assessment and received recognition for its environmental work by achieving CDP's best leadership level with score A- (scale of A-D).

**A new operating model was introduced in October** to improve operational, commercial and supply chain excellence: the aim is to create synergies and ensure seamless work across markets. During the year, the Management Team was renewed and strengthened to support Oriola's transformation and future development.

## Key figures

(continuing operations)\*

<p><b>Net sales</b></p> <p><b>EUR 1.52 billion</b></p> <p>+4.4% (EUR 1.45 billion)</p>	<p><b>Invoicing</b></p> <p><b>EUR 3.57 billion</b></p> <p>+1.4% (EUR 3.51 billion)</p>
<p><b>Adjusted EBIT**</b></p> <p><b>EUR 19.7 million</b></p> <p>+32% (EUR 14.9 million)</p>	<p><b>Earnings per share</b></p> <p><b>EUR 0.03</b></p> <p>-45% (EUR 0.05)</p>
<p><b>Gearing***</b></p> <p><b>-10.4%</b></p> <p>(46.5%)</p>	<p><b>Net debt***</b></p> <p><b>EUR -23.7 million</b></p> <p>(EUR 100.8 million)</p>
<p><b>Renewable electricity and carbon neutral heat rate***</b></p> <p><b>91%</b></p> <p>(95%)</p>	<p><b>Recycling rate***</b></p> <p><b>83%</b></p> <p>(79%)</p>
<p><b>Dividend per share****</b></p> <p><b>EUR 0.06</b></p> <p>(EUR 0.04)</p>	

Comparison figures relate to 2021

\* Continuing operations include business areas Oriola Finland and Oriola Sweden, which have been combined into one reportable segment

\*\* Excluding the contribution from the joint venture company Swedish Pharmacy Holding AB

\*\*\* Year 2021 figures include discontinued operations

\*\*\*\* Proposal to the Annual General Meeting 2023



# From the CEO

Solid performance in 2022, driven by our turnaround initiatives, despite the inflationary environment.

2022 was an eventful year for Oriola. Our performance was solid and it was driven by our turnaround initiatives, despite the inflationary environment. We continued to execute our action plan aiming at considerable cost savings and increased efficiency. In addition, a great amount of effort was put into the preparations for the combination of Oriola's and Euroapotheca's Swedish pharmacy operations. We renewed our operating model and implemented changes in the responsibilities of our management team.

In short, one can conclude that 2022 was the year when Oriola reconnected with its roots by building on the specific capabilities that reinforce its role as a preferred partner in securing the availability of pharmaceuticals and in providing advisory services to pharmaceutical companies throughout product lifecycles. This marked a significant step in our transformation. Our near-term focus will be on the ongoing transformation aiming at creating an even more agile, efficient and profitable company.

## **Delivering on the turnaround initiatives**

In 2022, Oriola continued to deliver on the strategic initiatives to improve its profitability by executing cost savings, developing operational efficiency, driving cultural change and improving customer experience.

The financial performance has improved as a result of our efforts to streamline processes and through improved operational efficiency and reduced costs. The improved financial performance was also supported by general market growth. The measures to achieve the EUR 7 million cost savings were implemented by the first quarter of 2022. Oriola improved its operational efficiency in its distribution centres and managed to reduce its operating expenses.

The adjusted EBIT in continuing operations increased to EUR 19.7 million, which is almost 32% higher than in 2021, excluding the contribution from the joint venture company Swedish Pharmacy Holding AB. The balance sheet strengthened, partly because of the combination of the pharmacy businesses. In addition, we had strong cash flow driven by good underlying business performance.

The global uncertainties and the accelerated inflation together with the energy crisis have had a clear impact on the market environment. I am pleased that Oriola has been able to manoeuvre and increase its profitability in this rapidly changing operating environment.



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## Our new management team is dedicated to drive a successful transformation.

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### Reinforcing our role as the preferred partner

The improvement and streamlining of the organisation were gradually executed throughout the year. In March, Oriola announced the divestment of its pharmacy staffing service company Farenta Oy to Eezy. Another remarkable milestone in Oriola's transformation was achieved in October, when the combining of Kronans Apotek and Apoteksgruppen into a new company, owned jointly by Oriola and Euroapotheca, was finalised.

The significant changes in Oriola's business structure enabled the company to focus on its core business and to renew its operating model. Thus, cross-market responsibilities were established within the management team to create further synergies and to ensure seamless work across countries. Local presence is one of Oriola's strengths, and by combining our knowledge and expertise we aim to improve our operational excellence.

The new operating model enables the organisation to capture the full value of its core operations, wholesale and distribution of pharmaceuticals, expert services to pharmaceutical companies as well as distribution of products to veterinarians and retailers. Our new management team is dedicated to drive a successful transformation aiming at fortifying Oriola's position as the preferred business partner in both Finland and Sweden.

We are accelerating our transformation by further improving our commercial and supply chain excellence through the development of our digital capabilities. Digitalisation is reshaping the ways we do business, and it plays a significant role in our future success.

### Creating value through a collaborative culture

In 2022, we initiated a change in Oriola's direction. Our people and culture are integral in making this a success. By concentrating on Oriola's core operations and our common goals, sharing our knowledge and fostering a culture of trust and respect, we create a solid foundation for the continuing transformation.

The year has required good adaptability and resilience from the organisation, and I am delighted that Oriola is navigating into the new year with a complete management team on board. We are committed to continue the company's transformation and to further improve our offering and services in close cooperation with our customers.

Our business has an essential positive impact on society and the health and wellbeing of individuals. Sustainability is at the core of our business and integrated into our strategy. Through our ambitious long-term sustainability goals, we are working towards our vision of a healthier tomorrow and creating value for all our stakeholders.

In our role, we perform infrastructure function by ensuring equitable, efficient and safe patient access to medicines in Finland and Sweden. The availability of raw materials for pharmaceutical products decreased during 2022 due to the supply chain and logistical challenges caused by the continued pandemic. Thus, Oriola is ensuring its mission-critical reliability to secure the availability of medicines for the healthcare sector by delivering exceptional adaptability in its supply chain management.

We will continue to build on our strengths together within Oriola and in close cooperation with our customers and partners. I am grateful for and proud of the Oriola team and our capability to navigate and continuously keep the best interests of our stakeholders in mind in a challenging business environment.

I want to express my gratitude to our employees for their commitment during the exceptional year 2022. I also want to thank our customers, partners and shareholders for the trust they have shown us, and the Board of Directors for all the guidance and support throughout the year.

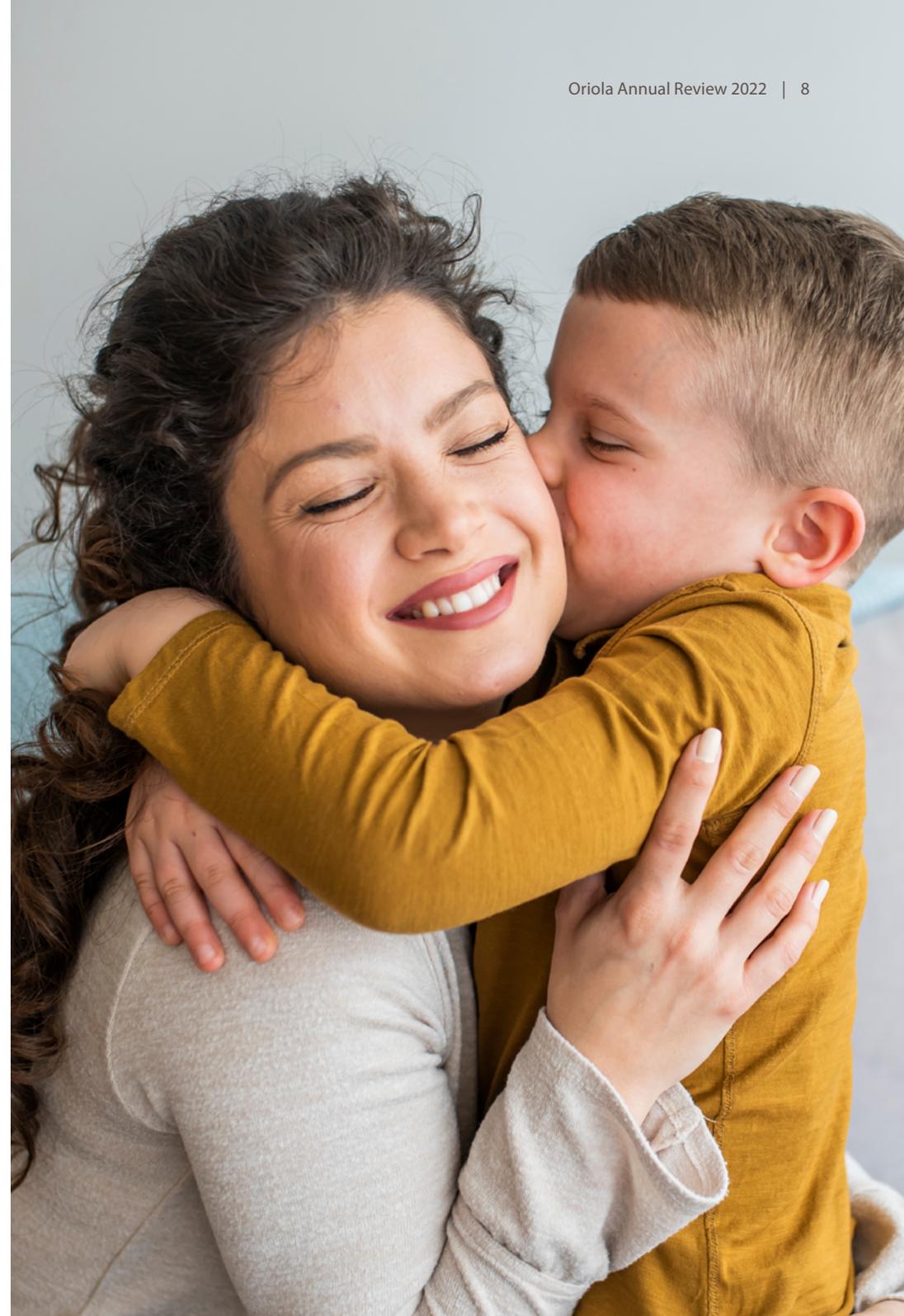
**Katarina Gabrielson**  
CEO

# Our transformation and key priorities

Oriola is committed to continue driving profitable growth and further improving our commercial and supply chain excellence. We have updated our priorities as a company and we are contributing to a more sustainable development of society by combining our expertise and resources with those of our customers.

The reason behind Oriola's turnaround was the company's low profitability, complexity in the structure and operations as well as a lack of focus. We grasped the problem with the aim to drive profitability and efficiency across all businesses. By the end of the year 2022, we had accomplished a significant improvement in the company's financial performance. We simplified the operating model to ensure cross-market efficiency and we executed a rigorous reduction of all operating expenses. We carried out a strategic divestment of Farenta staffing services and the combination of Kronans Apotek and Apoteksgruppen into a new jointly owned company to reinforce our focus in securing the availability of pharmaceuticals. We put our customers in the centre to improve our delivery accuracy and enhanced our supplier management to serve them more efficiently.

Having delivered on our short-term actions we are now continuing our transformation to ensure that Oriola is the preferred business partner in Finland and Sweden. We aim to be a forerunner in the advanced distribution of pharmaceuticals and in providing advisory services to pharmaceutical companies throughout the products' lifecycle.



## Our key priorities

We have reconnected with our roots by building on the specific capabilities that reinforce our role as a preferred partner in securing the availability of pharmaceuticals. In addition, we continue to specialise our distribution of products to veterinarians and retailers. To ensure sustainable growth, we continue to develop Oriola's business by further improving our operational, commercial and supply chain excellence. We have set three key priorities for the coming years: drive profitable growth, to increase operational and capital efficiency and enhance value creation through a collaborative culture.

### Profitable growth

We will drive profitable growth through increased commercial excellence by proactively developing our services to our customers and creating joint business opportunities. We are renewing our pricing model and developing our offering to be able to serve our customers through their whole value chain.

We are streamlining and optimising our product portfolio and develop our digital capabilities to support data-driven business decisions.

Considering the changing business environment – where the importance of the special expertise of handling medicines, for example, is increasing – we are continuously developing our operations and services to exceed the future needs of our customers.

### Efficiency

We will enhance our operational efficiency and excellence by increasing the stability and performance in our delivery capabilities and centralised sourcing. We are improving our management systems and our indirect sourcing to meet the future needs of our customers.

Our capital efficiency will be improved through continued cost control and reduction in the indirect spend by developing our processes. Our net working capital management will improve through enhanced inventory rotation and optimisation of payment terms with suppliers and customers.

### Culture

We are enhancing value creation through a collaborative culture by a continued evolution of our business model and organisational set up. We are developing our common processes and enhancing our culture to support change management by strengthening our leadership capabilities. By focusing on Oriola's core operations and our common goals, sharing our knowledge and fostering a culture of trust and respect, we create a solid foundation for our transformation.

We are promoting a customer centric mind-set and culture.

### Profitable growth

Drive profitable growth

### Efficiency

Increase operational and capital efficiency

### Culture

Enhance value creation through a collaborative culture

The preferred business partner in Finland and Sweden

Sustainability at the core

The forerunner in the advanced distribution of pharmaceuticals and in providing advisory services to pharmaceutical companies

# We create value for the society through our healthcare value chain

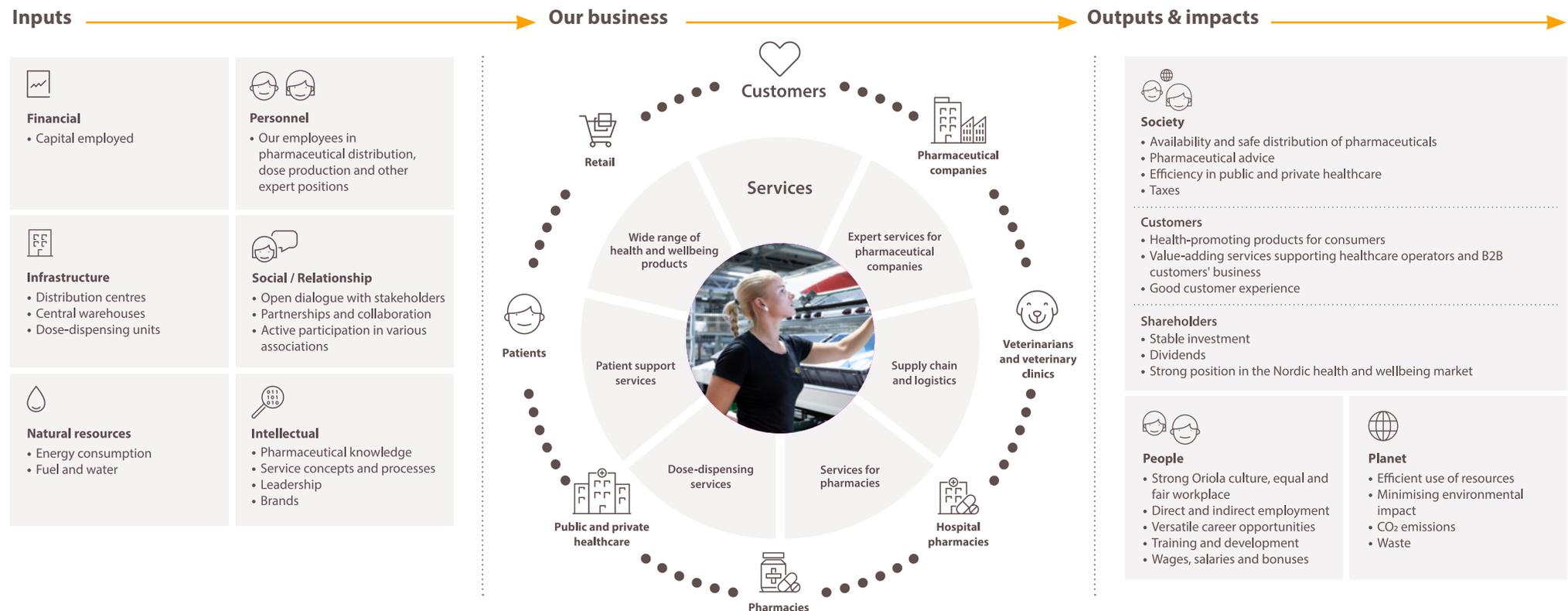
Securing the distribution of medicines to customers and patients is a key element in the Nordic welfare societies and the healthcare systems.

We take pride in enhancing the availability and safe use of medicines and healthcare products. And by combining the

expertise and resources of Oriola and our customers, we also contribute to more sustainable development of society. Our products and services create value for various stakeholders from employees to customers, partners and shareholders. Our extensive portfolio of health and wellbeing products supports health throughout life, and our dose dispensing promotes the safe use of pharmaceuticals.

Oriola aims to be a forerunner in the advanced distribution of pharmaceuticals and in providing advisory services to pharmaceutical companies throughout product lifecycles. We enable our customers to succeed by being a professional and forward-looking business partner and by providing insights to support their strategic decision-making and innovation of future offerings. For our employees we offer a safe and equal workplace with various career and development opportunities.

## Oriola's value creation model



# Trends in our environment

There are several trends and drivers in our environment that have an impact on our markets and the demand for the services and products we offer. These trends create both opportunities and challenges for us, some for the shorter and some for the longer term. Below we have listed nine trends and we provide further details on three of the most relevant trends from Oriola's business perspective.

## Ageing population

The populations in Nordics are ageing. For example, the share of people over 65 years old in Finland has risen from about 15% in 2000 to about 22% in 2022 and is estimated to increase to about 30% by 2030 (source: Statistics Finland). This trend creates demand for dose dispensing, where we secure a safe and reliable distribution of dose pouches of pharmaceuticals for the growing number of elderlies who have many prescription medicines in regular use.

Ageing population

Increasing spending in wellbeing and healthcare products

Pet ownership increasing

## Increasing online pharmaceuticals and digitalisation

There is a continued consumer shift to online transactions, and digitalisation has accelerated during the COVID-19 pandemic. For example, the share of digitalised sales in our industry has doubled from 10% to 20% in Sweden. This creates the need for a logistics service to buy in bulk from larger e-commerce players as well a quick response from us in relation to how we work and utilise digital tools as consumers can go directly to pharmaceutical companies for the products.

## Sales of specialty pharmaceutical products

The increasing share of specialty pharmaceutical products calls for precision and personalisation. For example, advanced logistics services are needed for products like vaccines that need to be stored in freezers during transport and storage.

Online pharmaceuticals / digitalisation increasing

Increased volume of generics in all markets

Safeguarding of availability, part of infrastructure

## Market facts

- The combined wholesale market in Sweden and Finland for pharmaceuticals has reached about eight billion euros
- Compound annual growth rate of 6% in 2021–2022\*
- High inflation, increased energy and fuel prices affecting consumer behaviour

\* Market growth impacted by COVID-19 in early 2020 and 2021 as well as online pharmacies.

Sales of specialty products growing faster than the total market

Growing interest in Over-the-Counter (OTC) traded goods and services

Personalised and targeted medicines

# Our approach to sustainability

With the rapidly changing environment, companies' ability to create positive environmental and societal impact has never been as highly emphasised as now. The need for actions on climate change requires more sustainable business choices and the management of sustainability related risks. Our sustainability strategy, aligned with our purpose, 'Health for life', helps us to manage these global challenges and opportunities encompassing our daily work: our services enhance the health and wellbeing of people and the planet.

At Oriola, we believe that a sustainable future starts with health, and it is embedded in everything we do. Our highest priority is ensuring pharmaceutical safety and the availability of pharmaceuticals. Around half of the pharmaceuticals used in Finland and in Sweden pass through Oriola. Our sustainability approach addresses the ways we add value to the society:

- We promote the safe usage of medicines through the patient support, medical information, and dose-dispensing services
- We bring sustainable wellbeing products to the market to boost better health
- We invest in personnel development and wellbeing by offering our professionals diverse career paths and an equal and fair workplace
- We target carbon neutrality in our own operations by 2025 and in indirect emissions from the supply chain by 2030

## Oriola's sustainability strategy

Oriola's sustainability work is based on material topics gathered under three themes: Society, People, and Planet. To identify and prioritise the topics that are most relevant to our stakeholders and our business, we analyse our stakeholders' expectations as well as the social, environmental, and economic impacts across our value chain in a materiality analysis. The original materiality assessment was conducted in 2018 and partly renewed in 2021 with a focus on the social responsibility topics. As a result, the topics identified in 2018 were re-evaluated to be material for Oriola and our stakeholders, and there were no significant changes compared with the previous assessment. In addition, we have reviewed our sustainability strategy against the United Nations Sustainable Development Goals (SDGs) and identified four goals where our contribution is the most significant.

Oriola's sustainability programme is integrated into our strategy along with our long-term sustainability goals defined for each theme. To measure our achievements, we have set several key performance indicators (KPI). Throughout the year, we have continued our long-term strategic sustainability work and took targeted actions to evolve how we protect health in terms of planet and people. Read more about our sustainability work and progress towards our goals in 2022: [Society](#), [People](#) and [Planet](#).

To create long-term value for the planet, society and the entire healthcare chain, we are continuously working to improve our sustainability performance. In line with Oriola's ongoing strategy work, we are currently reviewing our sustainability approach and targets for the next strategy period.

The sustainability programme has covered Kronans Apotek pharmacy chain in Sweden until 3 October 2022, when it was combined with Apoteksgruppen into a new company named Swedish Pharmacy Holding AB.

## Oriola's priority SDGs



**Goal 3** | Ensure healthy lives and promote wellbeing for all at all ages

**Goal 8** | Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

**Goal 12** | Ensure sustainable consumption and production patterns

**Goal 13** | Take urgent action to combat climate change and its impacts



## Governance of sustainability

### Oriola's Board of Directors

Decides, steers and guides sustainability strategy, follows up progress against targets and approves relevant policies

### Oriola Management Team

Prepares and follows up Group's sustainability strategy including plans, risks, targets and performance indicators

### Communications & Sustainability function

Is responsible for sustainability development in line with the strategy and action plan, following up implementation, coordination and reporting of the corporate sustainability activities



### Businesses & Functions

Ensure that sustainability goals are cascaded throughout the organisation and KPIs are set at local level

### Risk management team

Assesses ESG risks as part of normal risk management process

# Stakeholder engagement

Our success as a company is dependent on how we are perceived as a partner, as an employer and as an investment, for example. A continuous dialogue with our stakeholders is essential when developing our way of working to meet our stakeholders' expectations and to understand the potential trends and changes in our business environment.

Key stakeholder	Stakeholder expectations	How Oriola responds to stakeholder expectations	Examples of stakeholder interaction
<b>Customers</b>	Safe and timely delivery of pharmaceuticals and other healthcare products Taking forward health and wellbeing in society Minimise environmental impacts	Customer experience development Internal processes to ensure quality Business Continuation Planning Regulatory compliance Continuous improvement of environmental work	Daily customer interactions, such as deliveries, customer service and sales representative action Customer forums and service channels Customer surveys Social media
<b>Employees</b>	Competence and development of personnel Taking health, wellbeing and safety forward as an employer An equal and fair workplace supporting diversity Good leadership	Learning and development opportunities Continuous development of leadership skills Promotion of non-discrimination and fair employment Code of Conduct Change management model	Daily interactions Development discussions Employee engagement surveys Cooperation with employees Whistleblower channel Internal & leadership communications
<b>Investors and analysts</b>	Transparent and reliable financial reporting Sustainable growth and financial profitability Minimise environmental impacts Excellent risk management	Financial and non-financial reporting ESG communication Risk management processes	Annual General Meeting Results announcements Investor meetings Stock exchange releases Press conferences
<b>Suppliers and subcontractors</b>	Reliable operations Market insight Open and transparent information sharing	Supplier cooperation Ethical business practices	Supplier events and meetings Supplier assessments Business Partner Code of Conduct
<b>Authorities</b>	Regulatory compliance in operations	Internal processes to ensure quality Reporting and license processes	Close cooperation and information sharing

## External recognition

Oriola's actions towards its ambitious sustainability goals have been recognised externally in the following ESG ratings and indices:



### ISS ESG Corporate rating

In 2022, Oriola achieved Prime C+ (C in previous rating) status by the ISS ESG Corporate Rating. Oriola was among the highest decile in its sector, excelling especially in society and product responsibility and environmental management.



### MSCI ESG Rating

In 2022, Oriola renewed its leader rating of AAA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.

MSCI ESG Ratings measure companies according to exposure to industry-specific environmental, social and governance (ESG) risks and the ability to manage those risks relative to peers.



### Climate Disclosure Project (CDP)

In 2022, Oriola received recognition for its environmental work by achieving CDP's best leadership level with score A- (B in 2021, on a scale of A-D). Oriola's scoring exceeded average scoring in the company's benchmark group. Oriola has been reporting CDP's climate change programme annually since 2017.



### EcoVadis

In 2021, Oriola achieved the silver medal in the EcoVadis Sustainability rating. EcoVadis assesses companies' sustainability performance in the areas of environment, labour and human rights, ethics, and sustainable procurement. Our company rating placed us among the top 15% performing companies worldwide.

## Memberships

Oriola is involved in various professional organisations in the sector. On the right are listed the international memberships and key memberships in Finland and Sweden in 2022.

### International memberships

- European Association of Pharmaceutical Full-line Wholesalers, (GIRP), Oriola has a representative on the board
- The International Federation of Pharmaceutical Wholesalers (IFPW)
- United Nations Global Compact

### Finland

- Lääke- ja terveyshuolto, LTH ry, Oriola has two representatives on the board
- Federation of Finnish Special Commodity Trade ETU
- Finnish Commerce Federation

### Sweden

- Läkemedelsdistributörernas Förening LDF, Oriola has two representatives on the board
- Svenskt Näringsliv
- Västsvenska Handelskammaren
- Trygghetsrådet

## Key performance indicators (KPIs) and targets\*

SOCIETY				
KPI	Indicator	Target 2023	Results 2022	Results 2021
Safe and correct usage of medicines	Product defects of patient deliveries, dose-dispensing	< 0,006%	New target	N/A
Pharmaceutical delivery quality and accuracy	Indicator measuring the ability to deliver ordered pharmaceuticals to pharmacies, hospitals and veterinarians	98%	99.6% (Finland only)	99.8% (Finland only)

PEOPLE				
KPI	Indicator	Target 2023	Results 2022	Results 2021
Employee engagement	Employee Net Promoter Score (eNPS)**	+21%-points	-22	-8

PLANET				
KPI	Indicator	Target 2023	Results 2022	Results 2021
Renewable electricity and carbon-neutral heat	Renewable electricity and carbon neutral heat rate	100%	91%	95%
Recycling of waste	Recycling rate	87%	83%	79%

\* Oriola's sustainability programme has covered Kronans Apotek pharmacy chain in Sweden until 3 October 2022, when it was combined with Apoteksgruppen into a new company named Swedish Pharmacy Holding AB. This has affected Oriola's previously launched sustainability targets and KPIs, and the progress in 2022 could only be measured to a limited extent, as some of the indicators have covered functions included in the old company structure. Oriola's sustainability programme has been prolonged by a year, covering the year of 2023. While the sustainability KPIs remain the same as in the previous programme, the indicators have been adjusted according to the new company structure.

\*\* eNPS replaced Employee engagement index to measure employee engagement.

# Society: Securing health for life

## Material focus areas

- Safe and timely delivery of medicines
- Sustainable usage of medicines
- Advancing health and wellbeing in the society
- Cooperation with ethical partners

Ensuring healthy living and promoting wellbeing is essential to sustainable development and building prosperous societies. As a leading distributor of pharmaceuticals in Sweden and Finland, our work has an impact on people's health and wellbeing every day.

Through our services, we increase societal value in many ways:

- Ensuring safe and on-time deliveries of medicines and other health products to pharmacies, hospital pharmacies and veterinarians
- Promoting safe medicine usage with our dose-dispensing, patient support and medical information services
- Supporting pharmaceutical companies in bringing medicines to market through product lifecycle management services.

Oriola delivers pharmaceuticals within 24 hours of ordering to all pharmacies and hospital pharmacies, as well as other healthcare units in Sweden and Finland. In 2021, we developed an indicator to follow the quality and accuracy of pharmaceutical delivery measuring the ability to deliver ordered pharmaceuticals to pharmacies, hospitals and veterinarians. In 2022, the indicator, which includes only Finland, was 99.6% (99.8% in 2021).

### Safe and sustainable pharmaceutical distribution

Pharmaceutical distribution relies on safe and accurate deliveries that require handling in special conditions. As pharmaceuticals are temperature sensitive products, appropriate conditions are continuously monitored throughout the supply chain. For example, insulin, many vaccines and special biomedicines require cold conditions and unique solutions. Customers' needs for warehousing and distribution of products with special temperature have increased over the recent years, and as a response to this, we have invested in modern and sustainable cold chain technology development. Read more about our work in cold chain development: [Planet](#)

Our aim is to be a forerunner in the advanced distribution of pharmaceuticals. To achieve this, the importance of our network of pharmaceutical companies and other product suppliers is crucial. Quality and collaboration drive our approach to the supply network. We require all our direct suppliers to commit to our Business Partner Code of Conduct, which covers principles related to anti-bribery, anti-corruption and discrimination,

respecting labour and human rights, and promoting occupational safety and health. Our partners fulfil Good Distribution Practice requirements and are, moreover, expected to comply with Oriola's supplier climate strategy requirements. In addition, we regularly conduct scheduled risk-based re-evaluations to ensure continued compliance of direct non-pharmaceutical suppliers and are systematically seeking ways to cut emissions together with our transport partners.

Our operations regarding the warehousing and distribution of pharmaceuticals, healthcare products and consumer goods, as well as the performance of services and logistics for clinical trials, have been certified according to ISO 9001 in both Finland and Sweden. Also, our dose-dispensing operations in Sweden have ISO 9001 certification.

In 2022, we continued implementing our improved sustainable procurement process and developing our risk-based approach for managing the supply network. To increase the focus on sustainability topics within our supplier network, we are currently building a new base to further improve our supply chain.

While the availability of medicines has long remained at a high level in the Nordic countries, disruptions in the global supply chain have increased significantly in recent years. To ensure the continued availability of medicines, Oriola is actively working with the authorities and other stakeholders to develop the pharmaceutical market and ways of operating.

### **Being part of a sustainable healthcare infrastructure**

The global pandemic has shown the need for healthcare systems to adapt to ever-changing societal and economic circumstances. Throughout 2022, we were committed to fighting against the COVID-19 pandemic and supported the healthcare system by distributing one of the COVID-19 vaccines to the hospital districts in Finland.

Our responsibilities in vaccine distribution also include the distribution of influenza vaccines in Sweden. In 2022, Oriola distributed all influenza vaccines intended for adults: in total 2.5 million vaccine doses were delivered to 2,500 vaccination points. The weeks-long operation required a seamlessly working high-quality distribution chain, engaging around 15 persons dedicated to the handling of vaccines.

During the year, in response to the humanitarian crisis in Ukraine, Oriola has been actively seeking possible initiatives to help either the people in Ukraine or the Ukrainian refugees entering Sweden and Finland. Along with supporting international aid organisations and donating products, Oriola has shipped wound care products to Ukraine together with the pharmaceutical company Mölnlycke Finland.

### **Enhancing the safe use of medicines**

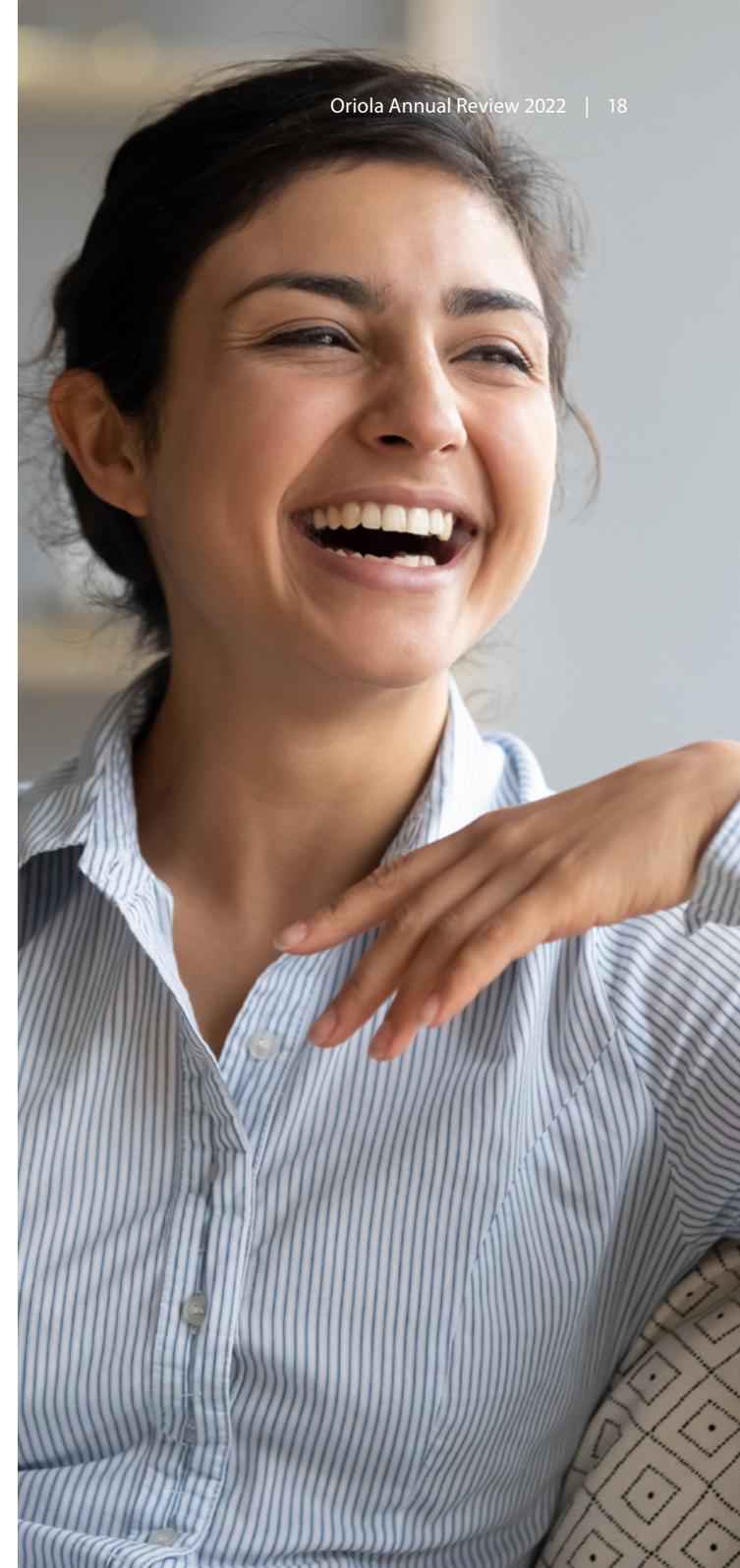
Incorrect use of prescribed medications can expose patients to prolonged or recurring illnesses, leading to increased healthcare costs and absences from work. We promote responsible usage of medicines through medical information and patient support services.

In automated dose dispensing, all medicine tablets and capsules are packed in single-dose pouches, which contain clear information on the date and time for taking the medicine. Oriola delivers daily medications to a total of 105,000 dose-dispensing patients, enhancing medicine safety, as automated dose dispensing is more reliable than manual dispensing. Additionally, we conduct a medication review for each new patient to ensure that all their medicines in use are compatible and necessary.

### **Customer-oriented services throughout the product lifecycle**

Our advisory and expert services support pharmaceutical companies in bringing medicines to the market, starting with clinical research, regulatory and market access services. Once a medicine has a marketing authorisation, there are many obligations and requirements related to regulatory lifecycle management that we help pharmaceutical companies to meet.

These services include mandatory, lifecycle management tasks required by law, such as marketing authorisation applications and maintenance, scientific and medical review of promotional materials, drug safety responsibilities and medical information. Additionally, our contribution related to lifecycle management includes Real World Evidence (RWE) studies, which combine health register data with patient reported outcomes. By contributing to data-driven decision-making and value-based healthcare, these studies effectively demonstrate how the new treatment being advanced is an improvement over what is currently on the market. In Finland, we have developed a digital research platform that increases the transparency of health data usage for patients in these studies. The research platform has been developed as part of the Finnish Innovation Fund Sitra's IHAN® project that aims to lay the foundations for a fair data economy.



# People: Working towards a sustainable people journey

## Material focus areas

- Competence and development of personnel
- Promoting health, wellbeing and safety as an employer
- An equal and fair workplace supporting diversity and inclusion

### Sustainable people journey

Oriola's employees work every day to promote people's health and wellbeing in pharmaceutical distribution, dose dispensing and various expert roles. Our Sustainable people journey guides our work in employee engagement and wellbeing at work, directing us towards our goal: to provide a fair workplace, where we do things together based on shared values.

Oriola's Sustainable people journey is driven by:

- Modern people services
- Well-functioning organisation
- Enabling leaders
- Capable people

During 2022, we acquired a new employee engagement system, which was implemented early 2023. We measured employee engagement through the Employee Net Promoter Score (eNPS). In 2022, after the big organisational restructuring our eNPS declined and was -22. We aim for a significant improvement in 2023. Our employee sounding board, consisting of employees from both countries, is an important channel for addressing development areas and providing feedback to People team and management. This year's work focused on the company culture and organisational development. The development work carried out by People team and personnel management focused on strengthening the existing organisation, while surveying the needs of the new, emerging organisation.

### Learning and development

During 2022, Oriola's People team and personnel management have heavily focused on revisiting the organisational structure and individual roles. The work has been carried out as a dynamic organisational planning, where individual roles and organisational needs are assessed continuously. We also continue to evaluate the areas where new competences are needed. During the year, we updated our performance management, onboarding processes and job architecture.

To attract the right talent and enable our employees to focus on what they do best, we want to offer a fair and equal workplace, where everyone can succeed and develop. In 2022, we carried

out an employee satisfaction survey and gathered data from employees on where the company could improve. The employee survey response rate was 70%.

This work, along with subsequent workshops, resulted in a two-year People Plan, which examines our success and improvement areas from the last 12 months and sets the tone for future HR work.

### Leadership

At Oriola, we strongly believe that people and culture are the enablers for success and therefore, leadership was a focus area in our organisational development during 2022. As a result, new appointments were made to key management positions. We have included training with focus on communications and managerial skills as part of our leadership development offering. Once the work around management positions and roles has been completed, leadership development will be carried out on a larger scale.

To ensure continuous development, we annually measure the quality of leadership. In 2022, our leadership index improved slightly to 78 from 77 (2021).

In 2022, a new share-based long-term incentive plan for the company's key employees, including the CEO and the Management Team, was introduced. In the plan, compensation is partly linked to an environmental target (CO<sub>2</sub>).

## Diversity and inclusion

As an employer, promoting equality is one of the key priorities for us. Oriola provides a fair and equal workplace that supports diversity and inclusion. Our Code of Conduct outlines the principles with which all our employees and businesses are expected to comply. We annually conduct a salary review to ensure that there are no unexplained pay gaps.

We do not approve discrimination in any form. Oriola has an anonymous reporting channel for reporting misconduct or conduct that does not accord with our values, and we encourage all our employees to report any alleged misconduct. In 2022, the channel received 8 reports related to, among other things, HR matters. No discrimination-related cases were reported. All reports were investigated, and necessary actions were taken accordingly.

## Health and safety

Occupational healthcare activities aim at a healthy and safe working environment, a well-functioning work community, the prevention of work-related illnesses and accidents, and maintaining and promoting work and functional capacity at various stages of working life. In Finland, the statutory labour protection activity is represented by an occupational safety organisation with all personnel groups represented. In 2022, we selected a new occupational healthcare provider in Finland. With the new partner, we will focus on preventive healthcare and maintaining the ability to work. In Sweden, occupational health and safety is organised in compliance with Swedish legislation, with support from occupational healthcare suppliers and in cooperation with local unions. We are in a process of selecting a new healthcare partner also for Sweden. Oriola also offers a wide range of voluntary health promotion services from sports to culture.

Health and safety training is included in our induction process, consisting of guidelines and instructions to ensure safe work for all, especially in our production sites. In addition, Oriola's businesses provide tailored occupational safety training when needed. Job-specific safety training includes, for example, safe handling of chemicals and the use of safety equipment. Site management teams are responsible for assessing, mitigating, and monitoring site-specific risks and incidents. Managers have a responsibility to work on risks and improvements continuously to guarantee a safe workplace. Employees are encouraged to participate in the work and report findings or share improvement ideas on safety issues in the working environment.

## Employees

Information on employees, by gender and region	Indicator	2022	2021*	2020*
<b>Number of employees</b>	Total	933	4,139	4,334
<b>Employees by employment contract and by gender, %</b>	<b>Female</b>			
	Permanent	95	76	74
	Temporary	5	24	26
	<b>Male</b>			
	Permanent	98	83	78
	Temporary	2	17	22
<b>Employees by employment contract and by region, %</b>	<b>Finland</b>			
	Permanent	95	98	96
	Temporary	5	2	4
	<b>Sweden</b>			
	Permanent	97	73	70
	Temporary	3	27	30

Employee data based on head counts and as of 31 December 2022

\* Including Kronans Apotek



# Planet: Towards carbon neutrality

## Material focus areas

- Minimise environmental impact of pharmaceutical waste
- Minimise waste and increase recycling rate
- Energy efficiency
- Reduce CO<sub>2</sub> emissions

Climate change is the single biggest health threat facing humanity, impacting both health and healthcare systems. As a health and wellbeing company, we have a unique responsibility to take action, in accordance with our vision, for a healthier tomorrow.

Minimising our environmental impact is a high priority for us. To shape a sustainable future for societies, we have set an ambitious goal in line with the 1.5 degrees ambition of the Paris Agreement: to become a carbon-neutral company by 2030. Our long-term goal covers both the direct and energy related emissions (Scopes 1 and 2) from our own operations and the indirect emissions from the supply chain (Scope 3). As part of this goal, we made a commitment in 2021 to achieve carbon neutrality in our own operations by 2025. This means reducing CO<sub>2</sub> emissions to zero from sources owned by the company and purchased energy.

Compared to our base year 2019 level, our initiatives have reduced our carbon footprint. In 2022, Oriola's CO<sub>2</sub> emissions from our own operations (Scope 1 & 2) decreased by 70% compared to the 2019 level. This has been driven by increasing the share of renewable electricity at Group level and switching to renewable district heating at our distribution centre in Finland. As much as 91% of Oriola's total energy consumption now comes from renewable or carbon-neutral sources. We utilise carbon offset as a secondary means when further reducing our emission levels is not possible.

In addition to cutting CO<sub>2</sub> emissions, one of our main environmental goals is to decrease waste, use materials effectively and increase recycling. In 2022, our company-wide recycling rate increased to 83% (79% in 2021).

### Carbon footprint

The EU aims to be climate neutral by 2050 – an economy with net-zero greenhouse gas emissions. To contribute to this, we must reduce our operations' direct and indirect carbon dioxide emissions to zero. The primary tool in reducing our carbon footprint is to make changes in our operations and supply chain, for example, by switching to renewable energy sources.

Oriola has worked for years to reduce its carbon footprint with systematic targets and plans. Our performance in 2022 showed that we are on the right path with reducing our environmental impact. During the year, we managed to significantly decrease

the share of our direct emissions, coming from the refrigerants. By the end of the year, Oriola's direct emissions (Scope 1) accounted for 0.4% of the company's carbon footprint, which was 5.2 percentage points lower than the base year level.

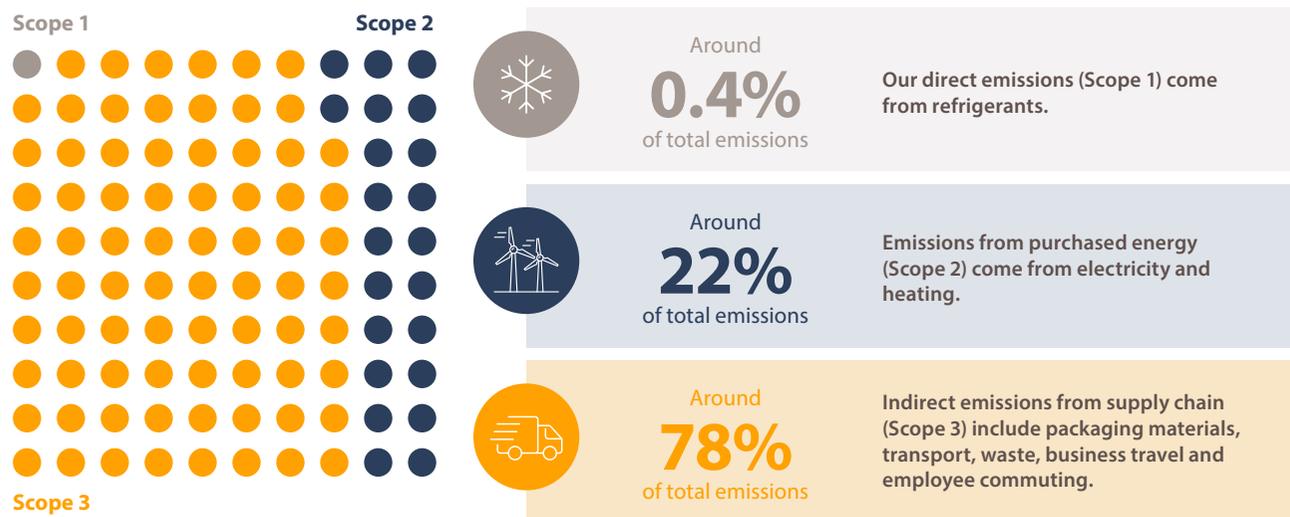
Our own operations (Scope 1 & 2) cover around than 22% of our total emissions. Around 78% of our emissions originate from the supply chain. Most of the emissions are generated in the emission category of upstream transportation and distribution. Greenhouse gas (GHG) emissions are being reduced mainly through energy efficiency measures and by utilising renewable energy sources.

Ensuring high-quality pharmaceutical distribution is one of the highest priorities for Oriola. One area in securing product safety is making sure that pharmaceuticals have the right conditions during storage and transport. Some products, such as insulin for diabetes and many vaccines, need cold conditions. However, the increasing demand for cooling contributes significantly to climate change, and actions to improve the cooling systems' energy efficiency together with the transition to climate-friendly refrigerants is much needed.

To achieve reductions in our direct emissions, we have introduced new low-emission options for refrigerants when increasing our cold storage capacity for products that require temperature-controlled storing conditions. For example, in 2022 a new cooling system based on climate-friendly CO<sub>2</sub> technology was installed at Oriola's distribution centre in Sweden. We have estimated that this will bring annual savings that equal 110 tons of CO<sub>2</sub>, and thus, decreased our Scope 1 and 2 emissions by 6% in 2022.

[Read more about environmental performance in the Data and GRI Index 2022 section on page 36.](#)

## Oriola's carbon footprint\*



\* The carbon footprint has been calculated in accordance with the Greenhouse Gas Protocol accounting principles and covers the whole company.

### Energies and efficiencies

Oriola's energy usage includes lighting and ventilation in warehouse and office facilities. Our energy consumption also includes specific cooling and heating requirements for pharmaceutical warehousing. We are aiming to use only renewable electricity and carbon-neutral heat by the end of 2023, and we systematically increase their share. By the end of 2022, 91% of the electricity and heat purchased in Oriola Group came from renewable sources. The renewable electricity and carbon neutral heat rate decreased slightly, which was mostly due to excluding Kronans Apotek's energy consumption from the calculation.

### Supply chain

Transport is Oriola's largest source of indirect emissions, as suppliers are responsible for the entire transport network. Engaging them to progress towards net-zero emissions is a major undertaking and calls for collaboration, as well as sharing of best practices. For us, close cooperation with transport partners makes it possible to reduce emissions by, for example, optimising routes, using capacity efficiently and expanding the use of alternative fuels.

Supplier climate strategy is an integral part of Oriola's supplier selection process. For example, Oriola requires transport companies to disclose their CO<sub>2</sub> strategy with targets for the short- (1-3 years) and long-term (5+ years) period. Along with that, the requirement for emissions reporting is added to the transport agreements and as part of the supplier selection. In 2022, we renewed our supplier evaluation process with a significant focus on risk assessment.

In addition, Oriola has held discussions with each transport supplier on how they can help us to achieve our environmental goals and contribute to reduced CO<sub>2</sub> emissions. This has improved the delivery of emission data, covering data related to emissions calculation practices and resources needed to carry out Oriola's transport consignments. Also, Oriola supports its customers with emission data and helps them receive better visibility to their carbon footprint.

Transport emissions can also be impacted at our distribution centres, for example, by improving the filling rate of transport boxes, which reduces the number of boxes delivered to customers.

### Managing climate change risks

Environmental risks to our business, value chain, communities and the planet include transition risks related to climate change, such as changes in fossil fuel pricing or stricter environmental regulation causing increased operational expenses and changing consumer behaviour. Oriola assesses ESG risks, including climate-related risks, as part of the regular risk management process. The risk management team monitors the level of risks and ensures that the risks are mitigated appropriately by Oriola's businesses and shared functions. Monitoring and mitigating risks through open discussion with customers and partners as well as with decision-makers is an important part of the process. Since 2019, we have used the Task Force on Climate-related Financial Disclosures (TCFD) guidance to analyse and understand our key climate-related risks and opportunities.

With growing customer interest and gradually changing behaviour, we see increasing opportunities in pharmaceutical companies' search for sustainable service providers. Oriola can respond to this by setting high requirements for its own climate work. Secondly, with systematic management of climate-related matters we can respond to our customers' increasing expectations regarding ambitious sustainability work.

## EU policy developments

The sense of urgency to tackle climate change gathered pace throughout 2022 as the EU formally preserved in law its commitment to reduce CO<sub>2</sub> emissions by 55% by 2030 and to reach net zero by 2050. We closely monitor upcoming climate-related requirements and promote the need to formalise green transformation efforts. Especially, we consider the EU Green Deal related regulation, the EU's Sustainable Finance Disclosure Regulation and the proposal for a Directive on corporate sustainability due diligence important. To contribute to the sustainability transition and to act for impact, we have started the preparations for the upcoming obligations and taken steps to comply with upcoming non-financial reporting requirements.

The EU Taxonomy Climate Delegated Regulation is currently targeting sectors in which Oriola does not operate. Based on an assessment of Oriola's economic activities, zero percent of Oriola's revenue, Opex and Capex are associated with Taxonomy eligible economic activities. These are disclosed in more detail in [Oriola's Financial Review 2022](#). However, we recognise that the EU Taxonomy Regulation will keep evolving, and we will continue to consider its impact as well as future reporting obligations.

## Environmental management

Oriola's Environmental policy outlines our commitment to minimise our operations' environmental impact and steers decision-making. Our environmental work is based on the ISO 14 001 framework for environmental management, which, as part of Oriola's common management system, creates consistent ways of working for the entire company. In Sweden,

our functions Oriola Sweden AB and Svensk Dos AB have been certified according to the ISO 14 001 environmental management standard. In Finland, we have the certification for Oriola Corporation and Oriola Finland.

## Recycling and waste management

Enhancing waste recycling is one of the key initiatives of our environmental work. During 2022, Oriola continued the systematic work to reduce waste and increase recycling by, for instance, paying special attention to increasing employee awareness on the topic. Our efforts included recycling campaigns in both Sweden and Finland, training materials and sessions.

Oriola's capability to sort waste has been systematically increased in recent years, and currently there are over 10 different sorting categories available in the company's biggest warehouses in Finland and Sweden, with cardboard, plastic and waste to energy being the largest categories. During 2022, we introduced two new sorting categories at our Swedish distribution centre. In addition, new waste compactors to mitigate waste management were introduced. As a result of our efficient work, Oriola's Group-wide recycling rate increased to 83% (2021: 79%). Moreover, we achieved the annual recycling target set for the distribution centre in Espoo (recycling rate 85%). Our goal is to expand the recycling of non-pharmaceutical waste to 87% at Group level by 2023.

To reduce waste, Oriola delivers products from its distribution centres to recipients mainly in reusable transport boxes. Additionally, Oriola has improved the collection of wooden pallets and shipped over 108 tonnes of reusable pallets back to suppliers in 2022.



The waste flow chart shows the waste-related impacts associated with Oriola's business operations. The impacts extend to upstream and downstream in the supply chain, but most of the waste is generated in our own operations. Storage and delivery of pharmaceuticals and non-pharmaceutical products as well as dose-dispensing activities generate mainly packaging waste.

**Preventing medicine waste from ending up in the environment**

In Finland, all pharmaceutical waste from human or animal healthcare and households is classified as hazardous waste.

Returning unused medicines to a pharmacy prevents them from entering the environment through mixed waste or sewage systems. We promote sustainable and safe medicine use in our daily operations and encourage consumers to return unused or expired medicines to a pharmacy. To support this, we participated for the fourth year in the Finnish pharmaceutical sector's joint campaign to protect the Baltic Sea (Medicine free Baltic Sea) in 2022. The campaign aims to raise consumer awareness of the importance of the appropriate disposal of pharmaceutical waste.

Another part of waste handling is Oriola's collaboration with several charity organisations to which the company donates non-pharmaceutical products that can still be used but cannot be sold due to close or just passed expiration date. These actions have been implemented successfully earlier in Finland, and in 2022, Oriola started making donations through selected partners also in Sweden.

## Waste flow



# Board of Directors

31 December 2022



**Panu Routila**

Born 1964  
Finnish citizen  
Chairman  
Board Professional  
M.Sc. (Economics), PhD (Economics, h.c.),  
Doctor of Business Administration (DBA)  
Independent member of the Board since 2020



**Eva Nilsson Bågenholm**

Born 1960  
Swedish citizen  
Vice Chairman, Chairman of the Compensation  
and Human Resources Committee  
Board Professional  
Physician  
Independent member of the Board since 2015



**Juko Hakala**

Born 1970  
Finnish citizen  
Board Professional  
M.Sc. (Economics)  
Independent member of the Board since 2018



**Nina Mähönen**

Born 1975  
Finnish citizen  
CEO, Palmia Oy  
M.Sc. (Technology)  
Independent member of the Board since 2022



**Harri Pärssinen**

Born 1963  
Finnish citizen  
Chairman of the Audit Committee  
Board Professional  
M.Sc. (Economics)  
Independent member of the Board since 2019



**Lena Ridström**

Born 1965  
Swedish citizen  
CEO, Columbus Sweden AB  
M.Sc. (Economics)  
Independent member of the Board since 2016

# Oriola Management Team

31 December 2022



**Katarina Gabrielson**  
President & CEO  
Born 1969  
Swedish citizen  
M. Sc.



**Petri Boman**  
Chief Supply Chain Officer  
Born 1966  
Finnish citizen  
M.Sc. (Tech)



**Hannes Hasselrot**  
Chief Commercial Officer  
Born 1980  
Swedish citizen  
University studies in Chemical Biology



**Timo Leinonen**  
Chief Financial Officer  
Born 1970  
Finnish citizen  
M. Sc. (Admin)



**Elina Niemelä**  
Chief People Officer  
Born 1978  
Finnish citizen  
Ph.D HR management



**Petter Sandström**  
General Counsel  
Born 1976  
Finnish citizen  
LL.M

**Mikael Nurmi** commenced as Chief Digital Officer and member of the Oriola Management Team on 23 January 2023.

# Data and GRI Index 2022

This section provides information on Oriola's reporting principles, GRI content index 2022, as well as data charts and tables.

## Reporting principles

Disclosing information on how we manage our economic and environmental impacts, as well as impacts on people, is an integral part of Oriola's Annual and Financial Reviews. The disclosures aim to fulfil the requirements of the EU's Non-Financial Reporting (NFRD) directive while considering, where applicable, the Global Reporting Initiative (GRI) framework. Moreover, Oriola gives the non-financial information according to the Finnish Accounting Act and using the Nasdaq ESG Reporting Guide as appropriate in the Report of the Board of Directors.

Oriola has been reporting on its sustainability progress and data annually since 2017. Oriola's Annual Review 2022 has been prepared with reference to the GRI Universal Standards 2021. Therefore, our reporting covers the selected General Disclosures as well as the Topic Standards we deem material. The GRI 1: Foundation 2021 Standard's key concepts for defining report content have been taken into account in the preparation of sustainability information. The topic standards are year 2016 versions unless otherwise stated next to the standard number. Following the GRI reporting requirements, this report presents the sustainability information in a standardised way and focuses on the disclosures that best reflect our impacts on these topics.

Oriola's sustainability reporting includes the Annual Review 2022 (published on 27 February 2023), which contains information about Oriola's sustainability strategy and programme, policies, goals and performance data, as well as the Financial Review 2022 (published on 27 February 2023), including the Statement of non-financial information. This is complemented by interim reports, where Oriola additionally provides quarterly updates on selected sustainability topics and supporting web content. More information about Oriola's sustainability work can be found on our website [oriola.com/sustainability](https://oriola.com/sustainability).

Our sustainability work has also been guided by Oriola's commitment to the UN Global Compact. In addition, we have reviewed our sustainability strategy against the United Nations Sustainable Development Goals (SDGs) and identified four goals where our contribution is the most significant.

### Reporting scope and boundaries

Oriola Group's annual reporting follows the International Financial Reporting Standards (IFRS) approved for application within the European Union. The sustainability reporting is aligned with reporting on the financial year (calendar year 2022). Unless otherwise stated, the sustainability reporting of Oriola Group comprises the parent company Oriola Corporation and all the companies in which the Group holds over 50% of the voting rights directly or indirectly. The list of entities included in sustainability reporting is aligned with the financial report and are listed in the Financial Review 2022.

The content of this year's report was established based on the results of the materiality assessment. The assessment of the

economic, social and environmental impacts of Oriola's operations, as well as the impacts on stakeholders' decision-making, takes into account the strong connection between sustainability, strategy and business and its impact on Oriola's ability to create value, as well as the value-chain-wide requirements of the GRI reporting guidelines.

Oriola reports Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions from its operations according to the GHG Protocol standard. The scope 3 emission calculations use direct third-party emission data from our suppliers, measured data and estimates. Greenhouse gas emissions (GHG) under 305-1 and 305-2 are calculated based on direct and indirect energy consumption reported from the sites within the reporting boundary. The official base year for Oriola's energy and emission data is 2019.

Statistics on employees were compiled by the HR function from the HR system and refer to figures on 31 December 2022. Employee data is based on head counts and consists of members of staff in active employment, reported within the reporting boundary. When calculating a lost-time injury rate, accidents resulting in an absence of at least one workday are taken into account.

### Significant changes during 2022

During the year, Oriola completed the divestment of its pharmacy staffing service company Farenta Oy, as well as the combination of Oriola's Kronans Apotek and Apoteksgruppen into a new company. Despite of these changes we have evaluated that our materials disclosure topics are the same as in 2021.

Reported sustainability data for 2022 reflects Oriola's operating model and organisational changes. Kronans Apotek's operations are excluded from the data collection and reporting process of the financial year 2022, unless stated otherwise. Therefore, comparability of the figures on employees, emissions, energy consumption and waste between the years is limited. The following GRI indicators include historical figures, which contain data from Kronans Apotek AB, Sweden or discontinued operations: 2-7, 201-1, 302-1 (electricity consumption), 305-1, 305-2, 305-3, 306-3 (hazardous waste), 306-4 (hazardous waste), 306-5 (hazardous waste), 401-1, 401-3 and 405-1. The historical figures on employees include employees for continuing and discontinued operations. Farenta Oy, Finland is included in the figures until 30 March 2022 and Kronans Apotek AB, Sweden is excluded from the scope in 2022.

In the Financial Review 2022, reporting information for 2021 has been restated to reflect Oriola's operating model change announced in October 2021 and the framework merger agreement with Euroapotheca to combine the respective pharmacy businesses in Sweden, announced in February 2022. Additionally, some previously reported sustainability information and data has been restated due to internal data validation review or change in calculation method. Restated data is indicated for each reported information.

### Reporting developments

In line with Oriola's ongoing strategy work, we are reviewing our sustainability approach, materiality assessment and targets for the next strategy period. We will report sustainability information in accordance with the new materiality assessment once we have

updated the sustainability programme and its priorities. In addition to being committed to continuously improve our annual sustainability reporting, we are developing our reporting in line with the preparations to report in accordance with the EU's Corporate Sustainability Reporting Directive. The direct reporting obligation of the directive begins on 1 January 2024 for the company and applies to reports that will be published in 2025.

### External assurance

Ecobio Oy, as an independent third party, has provided limited assurance on the environmental information presented in this Annual Review, including the GRI Index, data charts and tables. The scope of assured information is indicated in the GRI Index. For more information, see the [independent assurance statement](#) by Ecobio Oy.

### Contacts

The Annual Review can be downloaded at [www.oriola.com](http://www.oriola.com), and any questions concerning the report should be addressed to [mikael.wegmuller@oriola.com](mailto:mikael.wegmuller@oriola.com). The next sustainability report will be published around the first quarter of 2024.

## GRI content index

Oriola's reporting has been prepared with reference to the GRI Standards. This means that the reporting covers the selected General Disclosures, as well as the Topic Standards Oriola has deemed material. This online GRI content index lists those disclosures with reference to the GRI Standards and refers to the locations where these issues are addressed in our annual reporting. The location references are complemented in the index with additional information, such as explanations on reasons for partially reported disclosures as necessary.

**Statement of use:** Oriola has reported the information cited in this GRI content index for the period 1 January 2022 to 31 December 2022.

**GRI used:** GRI 1: Foundation 2021

### Abbreviations

**SDG** United Nations Sustainable Development Goals

**UNGC** United Nations Global Compact

DISCLOSURE	CONTENT INDICATOR	LOCATION	EXTERNAL ASSURANCE	ADDITIONAL INFORMATION	CROSS REFERENCE
<b>GRI 2: General Disclosures</b>					
2-1	Organizational details	Annual Review 2022, Back cover, Financial Review 2022, Report of the Board of Directors: Information on Shares section, Financial Review 2022, Report of the Board of Directors: Business review			
2-2	Entities included in the organization's sustainability reporting	Annual Review 2022, p. 27 Reporting principles			
2-3	Reporting period, frequency and contact point	Annual Review 2022, p. 28 Reporting principles			
2-4	Restatements of information	Annual Review 2022, p. 28 Reporting principles			
2-5	External assurance	Annual Review 2022, p. 28 Reporting principles, p. 39 Independent Assurance Statement		The external assurance covers selected indicators under the specific standard disclosures.	
2-6	Activities, value chain and other business relationships	Annual Review 2022, p. 3 This is Oriola, pp. 8-9 Our transformation and key priorities, p. 10 We create value through healthcare for the society, Financial Review 2022, Report of the Board of Directors: Statement of non-financial information; Business model and value creation		Oriola's divestment of selling its pharmacy staffing service company Farenta Oy, as well as the merger of Oriola's Kronans Apotek and Apoteksgruppen into a new company, have impacted on Oriola's value chain. The significant changes include the exit of consumer interface and the supply chain contraction, as Oriola no longer provides pharmacy staffing services. With its new operating model, Oriola will focus on the distribution of pharmaceuticals as well as proving a wide range of high-quality expert services.	
2-7	Employees	Annual Review 2022, p. 20 People: Working towards a sustainable people journey, p. 28 Reporting principles		Partially reported this year (shares of non-guaranteed hours employees and part-time employees excluded) as Oriola's information has not yet been broken down by the categories mentioned. We will develop personnel-related reporting as well as our calculation method, targeting a more detailed reporting of Oriola's employees and workers who are not employees.	SDG 8 UNGC 6
2-9	Governance structure and composition	Annual Review 2022, p. 13 Our approach to sustainability, Financial Review 2022, Report of the Board of Directors: Governance section			
2-10	Nomination and selection of the highest governance body	Financial Review 2022, Report of the Board of Directors: Governance; General meeting of shareholders, Shareholders' Nomination Board, Board of Directors 2022–2023, Diversity on the Board			UNGC 10
2-11	Chair of the highest governance body	Financial Review 2022, Report of the Board of Directors: Governance; Board of Directors 2022–2023			

**Abbreviations****SDG** United Nations Sustainable Development Goals**UNGC** United Nations Global Compact

DISCLOSURE	CONTENT INDICATOR	LOCATION	EXTERNAL ASSURANCE	ADDITIONAL INFORMATION	CROSS REFERENCE
2-12	Role of the highest governance body in overseeing the management of impacts	Annual Review 2022, p. 13 Our approach to sustainability, Financial Review 2022, Report of the Board of Directors: Governance section		The Board of Directors is the highest governing body in the company, and Chairman of the Board of Directors leads the Board. The Board's primary duty is to confirm the Group strategy and objectives, including sustainability strategy, monitor their implementation, and review the main risks, including ESG-related risks, associated with the company's operations and the management. Moreover, the Board reviews and approves Group-level policies, e.g., the Code of Conduct and Group Environmental Policy, which sets the framework for the environmental work in Oriola. The Board regularly reviews company's sustainability targets and progress of the sustainability work. In addition, the Board signs the Financial statements release of the Board of Directors, which includes the Statement of non-financial information.	
2-19	Remuneration policies	Remuneration Report 2022		<p>☑ Oriola's Remuneration Policy describes the remuneration for the Board of Directors and the President and CEO and the considerations of determining and operation of the policy. The Remuneration Policy complies with the recommendations of the Finnish Corporate Governance Code (2020) for listed companies and the Shareholders' Rights Directive legislation. More information about remuneration policies available at the company's website.</p> <p>Oriola has a share-based long-term incentive plan for the company's key employees, including the CEO and the Management Team, in which compensation is partly linked to an environmental target (CO<sub>2</sub>).</p>	
2-20	Process to determine remuneration	Financial Review 2022, Report of the Board of Directors: Governance; Compensation and Human Resources Committee, Remuneration Report 2022		☑ More information about the process to determine remuneration available at the company's website.	
2-23	Policy commitments	Annual Review 2022, p. 34 Management of material topics, Financial Review 2022, Report of the Board of Directors: Statement of non-financial information; Responsible business conduct, Respect for human rights			
2-24	Embedding policy commitments	Annual Review 2022, p. 34 Management of material topics, Financial Review 2022, Report of the board of directors: Statement of non-financial information; Responsible business conduct, Respect for human rights, Financial Review 2022, Report of the Board of Directors: Governance; Descriptions of internal control procedures and the main features of risk management systems			
2-26	Mechanisms for seeking advice and raising concerns	Financial Review 2022, Report of the Board of Directors: Statement of non-financial information; Responsible business conduct			
2-29	Approach to stakeholder engagement	Annual Review 2022, p. 14 Our approach to sustainability			
2-30	Collective bargaining agreements			Oriola supports the freedom of association and the right to collective bargaining of all its employees. In 2022, in Finland 81% and in Sweden 100% of Oriola Group's employees were covered by collective agreements.	

**Abbreviations**  
**SDG** United Nations Sustainable Development Goals  
**UNGC** United Nations Global Compact

DISCLOSURE	CONTENT INDICATOR	LOCATION	EXTERNAL ASSURANCE	ADDITIONAL INFORMATION	CROSS REFERENCE
<b>GRI 3: Material Topics</b>					
3-1	Process to determine material topics	Annual Review 2022, p. 12 Our approach to sustainability, p. 28 Reporting principles		🔗 More information about the process to determine material topics available at the company's website.	
3-2	List of material topics	Annual Review 2022, p. 34 Management of material topics			
<b>Topic Standards</b>					
<b>GRI 201: Economic performance</b>					
3-3	Management of material topics, 201	Annual Review 2022, p. 34 Management of material topics			
201-1	Direct economic value generated and distributed	Annual Review 2022, p. 35 Data charts and tables, p. 28 Reporting principles			
<b>GRI 205: Anti-corruption</b>					
3-3	Management of material topics, 201	Annual Review 2022, p. 34 Management of material topics			
205-2	Communication and training about anti-corruption policies and procedures	Financial Review 2022, Report of the Board of Directors: Statement of non-financial information; Responsible business conduct		Oriola's anti-corruption principles are included in Oriola's Code of Conduct, which is available in Finnish, Swedish and English. Oriola has a Code of Conduct online training and it is included in onboarding process for employees. All employees are required to renew the mandatory training every three years. At the end of the year, 80% of targeted employees had completed the training. Oriola expects its business partners to follow the same ethical principles and to adhere to the Business Partner Code of Conduct.	UNGC 10
205-3	Confirmed incidents of corruption and actions taken	Annual Review 2022, p. 35 Data charts and tables, p. 28 Reporting principles, Financial Review 2022, Report of the Board of Directors: Statement of non-financial information; Responsible business conduct		Oriola has a confidential channel where violations of Code of Conduct can be anonymously reported. The Board of Directors monitors compliance with the Code of Conduct. A total of 8 (17 in 2021) potential non-compliance cases were reported in 2022. No corruption cases were reported. All reports were duly investigated, and necessary actions were taken accordingly.	UNGC 10
<b>GRI 302: Energy</b>					
3-3	Management of material topics, 302	Annual Review 2022, p. 34 Management of material topics			
302-1	Energy consumption within the organization	Annual Review 2022, p. 36 Data charts and tables, p. 28 Reporting principles	Yes		SDG 12, 13 UNGC 7, 8
<b>GRI 305: Emissions</b>					
3-3	Management of material topics, 305	Annual Review 2022, p. 34 Management of material topics		More information on climate risks and opportunities in the Statement of non-financial information, in Financial Review 2022.	
305-1	Direct (Scope 1) GHG emissions	Annual Review 2022, p. 36 Data charts and tables, p. 28 Reporting principles	Yes		SDG 12, 13 UNGC 7, 8, 9

**Abbreviations**

**SDG** United Nations Sustainable Development Goals  
**UNGC** United Nations Global Compact

DISCLOSURE	CONTENT INDICATOR	LOCATION	EXTERNAL ASSURANCE	ADDITIONAL INFORMATION	CROSS REFERENCE
305-2	Energy indirect (Scope 2) GHG emissions	Annual Review 2022, p. 36 Data charts and tables, p. 28 Reporting principles	Yes		SDG 12, 13 UNGC 7, 8, 10
305-3	Other indirect (Scope 3) GHG emissions	Annual Review 2022, p. 36 Data charts and tables, p. 28 Reporting principles	Yes		SDG 12, 13 UNGC 7, 8, 11
<b>GRI 306: Waste (2020)</b>					
3-3	Management of material topics, 306	Annual Review 2022, p. 34 Management of material topics			
306-1	Waste generation and significant waste-related impacts	Annual Review 2022, p. 24 Planet: Towards carbon neutrality			SDG 6, 12 UNGC 7, 8
306-2	Management of significant waste-related impacts	Annual Review 2022, pp. 23-24 Planet: Towards carbon neutrality			SDG 6, 12 UNGC 7, 9
306-3	Waste generated	Annual Review 2022, p. 36 Data charts and tables, p. 28 Reporting principles	Yes		SDG 6, 12 UNGC 7, 10
306-4	Waste diverted from disposal	Annual Review 2022, p. 36 Data charts and tables, p. 28 Reporting principles	Yes		SDG 6, 12 UNGC 7, 11
306-5	Waste directed to disposal	Annual Review 2022, p. 36 Data charts and tables, p. 28 Reporting principles	Yes		SDG 6, 12 UNGC 7, 12
<b>GRI 401: Employment</b>					
3-3	Management of material topics, 401	Annual Review 2022, p. 34 Management of material topics			
401-1	New employee hires and employee turnover	Annual Review 2022, p. 37 Data charts and tables, p. 28 Reporting principles		New hire rate by age, gender and region excluded due to the unavailability of information caused by the HR-system change.	SDG 8 UNGC 3, 6
401-3	Parental leave	Annual Review 2022, p. 37 Data charts and tables, p. 28 Reporting principles		Partially reported this year (total number of employees that were entitled to parental leave, employees that returned to work in the reporting period after parental leave ended, employees that returned to work after parental leave ended that were still employed 12 months after their return to work and return to work and retention rates of employees that took parental leave excluded) as Oriola's information has not yet been broken down by the categories mentioned.	SDG 8 UNGC 1, 6
<b>GRI 403: Occupational health and safety (2018)</b>					
3-3	Management of material topics, 403	Annual Review 2022, p. 34 Management of material topics			
403-1	Occupational health and safety management system	Annual Review 2022, p. 20 People: Working towards a sustainable people journey		Data reported in 403 disclosures includes only employees. Calculation method will be developed to cover other workers, e.g. facility services' workers.	SDG 8 UNGC 1
403-2	Hazard identification, risk assessment, and incident investigation	Annual Review 2022, p. 20 People: Working towards a sustainable people journey			SDG 8 UNGC 2
403-3	Occupational health services	Annual Review 2022, p. 20 People: Working towards a sustainable people journey			SDG 8 UNGC 3

**Abbreviations**

**SDG** United Nations Sustainable Development Goals  
**UNGC** United Nations Global Compact

DISCLOSURE	CONTENT INDICATOR	LOCATION	EXTERNAL ASSURANCE	ADDITIONAL INFORMATION	CROSS REFERENCE
403-4	Worker participation, consultation, and communication on occupational health and safety	Annual Review 2022, p. 20 People: Working towards a sustainable people journey			SDG 8 UNGC 4
403-5	Worker training on occupational health and safety	Annual Review 2022, p. 20 People: Working towards a sustainable people journey			SDG 8 UNGC 5
403-6	Promotion of worker health	Annual Review 2022, p. 20 People: Working towards a sustainable people journey			SDG 8 UNGC 6
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Annual Review 2022, p. 20 People: Working towards a sustainable people journey			SDG 8 UNGC 7
403-9	Work-related injuries	Annual Review 2022, p. 38 Data charts and tables		Rental workers are excluded due to availability of information. Working hours are not published. Calculation method will be developed to cover also total recordable injuries.	SDG 8 UNGC 8
<b>GRI 404: Training and education</b>					
3-3	Management of material topics, 404	Annual Review 2022, p. 34 Management of material topics			
404-3	Percentage of employees receiving regular performance and career development reviews			All Oriola employees are in the scope on annual development discussions, in which personal goals are set to guide work, and individual development goals and measures are mapped. More information about learning and development at Oriola in the section People: Working towards a sustainable people journey section in the Annual Review 2022.	SDG 8 UNGC 6
<b>GRI 405: Diversity and equal opportunity</b>					
3-3	Management of material topics, 405	Annual Review 2022, p. 34 Management of material topics			
405-1	Diversity of governance bodies and employees	Annual Review 2022, p. 38 Data charts and tables		☞ See also chapter 'Diversity on the Board' in the Financial Review 2022.	SDG 8 UNGC 6
<b>GRI 406: Non-discrimination</b>					
3-3	Management of material topics, 406	Annual Review 2022, p. 34 Management of material topics			
406-1	Incidents of discrimination and corrective actions taken	Annual Review 2022, p. 20 People: Working towards a sustainable people journey, p. 35 Data charts and tables		During 2022, no discrimination-related incidents were reported.	SDG 8 UNGC 1, 6
<b>Oriola's own topic: medicine availability and promoting health</b>					
Own indicator	Medicine availability and promoting health	Annual Review 2022, p. 16 Our approach to sustainability, p. 17 Society: Securing health for life			SDG 3, 12 UNGC 1

## Management of material topics

(GRI 2-23, 2-24, 3-2, 3-3)

Oriola's sustainability work is based on material topics gathered under three themes: Society, People, and Planet. This table describes the management of material topics identified in the material assessment, including their key impacts and actions taken to manage the topic and related impacts.

SOCIETY	DESCRIPTION
GRI Standards	Oriola's own topic: medicine availability and promoting health, GRI 201: Economic performance, GRI 205: Anti-corruption
Material topics	Safe and timely delivery of medicines, Sustainable usage of medicines, Advancing health and wellbeing in the society, Cooperation with ethical partners
Targets	Key performance indicators (KPIs) and targets, Annual Review 2022
Policies, processes, management model	Code of Conduct, Oriola Common Management System, Quality management, Business Partner Code of Conduct, Purchasing Policy, The United Nations Global Compact, People Policy, Privacy Policy, The Sustainable Development Goals (SDGs)
Impacts on the economy, environment, and people	The most significant impacts include external and internal impacts on people (customers, employees and suppliers), economy (authorities) and planet (suppliers). These are described in more detail in the section Society: Securing health for life, in the Annual Review 2022.
Actions taken to manage the topic and related impacts	Sustainable cold chain technology development, Oriola's supplier climate strategy requirements, Good Distribution Practice requirements for partners, Scheduled risk-based re-evaluations to ensure continued compliance of direct non-pharmaceutical suppliers, ISO 9001 certification, Risk-based approach for managing the supply network, Active work with the authorities and other stakeholders, Supporting sustainable healthcare infrastructure, Medical information and patient support services (e.g., medication review), Customer-oriented services throughout the product lifecycle, Real World Evidence (RWE) studies, Code of Conduct trainings, Commitment to respect and act in accordance with all internationally recognised human rights principles, Whistleblowing channel
PEOPLE	DESCRIPTION
GRI Standards	GRI 401: Employment, GRI 403: Occupational health and safety, GRI 404: Training and education, GRI 405: Diversity and equal opportunity, GRI 406: Non-discrimination
Material topics	Competence and development of personnel, Promoting health, wellbeing and safety as an employer, An equal and fair workplace supporting diversity
Targets	Key performance indicators (KPIs) and targets, Annual Review 2022
Policies, processes, management model	Code of Conduct, People strategy, People management process, People Policy, The Sustainable Development Goals (SDGs)
Impacts on the economy, environment, and people	The most significant impacts include internal impacts within operations on people (employees). These are described in more detail in the section People: Working towards a sustainable people journey, in the Annual Review 2022.
Actions taken to manage the topic and related impacts	Employees sounding board, Employee engagement system, Employee satisfaction surveys, People Plan, Leadership development, Performance management and onboarding processes, Continuous learning and development, Promoting equality, Annual salary reviews, Whistleblowing channel, Preventive healthcare and maintaining the ability to work, Health and safety trainings, Assessing, mitigating and monitoring site-specific risks and incidents, Commitment to respect and act in accordance with all internationally recognised human rights principles
PLANET	DESCRIPTION
GRI Standards	GRI 302: Energy, GRI 305: Emissions, GRI 306: Waste
Material topics	Minimise environmental impact of pharmaceutical waste, Minimise waste and increase recycling rate, Energy efficiency, Reduce CO <sub>2</sub> emissions
Targets	Key performance indicators (KPIs) and targets, Annual Review 2022
Policies, commitments, processes and management model	Environmental policy, Oriola Common Management System, The United Nations Global Compact, The Sustainable Development Goals (SDGs)
Impacts on the economy, environment, and people	The most significant impacts include external impacts on the economy, environment and people within the value chain (customers, authorities and suppliers) and internal impacts on the environment within the operations. These are described in more detail in the section Planet: Towards carbon neutrality, in the Annual Review 2022.
Actions taken to manage the topic and related impacts	Climate Disclosure Project's (CDP) reporting, Commitment to achieve carbon neutrality by 2030 (in own operations by 2025) in line with the 1.5 degrees ambition of the Paris Agreement, GHG emissions reporting according to the Greenhouse Gas Protocol, Energy efficiency measures, Utilising renewable energy sources, Carbon offset (as a secondary means), Low-emission options for refrigerants, Supplier climate strategy as a part of supplier selection process, Emissions reporting requirement in the transport agreements, Supplier evaluation process, Climate change risks and opportunities management, Climate-related Financial Disclosures (TCFD) guidance, ISO 14 001 environmental management, Recycling and waste management, Preventing medicine waste from ending up in the environment, Collaborations

## Data charts and tables

This section provides information on the topic-specific disclosures that are not reported in the Financial Review or Annual Review.

### Economic performance

#### Direct economic value generated and distributed, MEUR (GRI 201-1)

Direct economic value generated and distributed, MEUR	2022	2021	2020
<b>Economic value generated, total</b>	<b>1,521.2</b>	<b>1,893.4</b>	<b>1,810.2</b>
Revenues <sup>1</sup>	1,521.2	1,893.4	1,810.2
<b>Economic value distributed, total</b>	<b>1,520.5</b>	<b>1,865.6</b>	<b>1,793.9</b>
Operating costs <sup>2</sup>	1,438.7	1,665.4	1,597.3
Wages and benefits <sup>3</sup>	62.7	185.3	172.3
Payments to providers of capital <sup>4</sup>	7.6	9.6	20.7
Income taxes <sup>5</sup>	1.7	5.3	3.6
Donations <sup>6</sup>	0.0	0.0	0.0
<b>Economic value retained</b>	<b>10.5</b>	<b>27.8</b>	<b>16.2</b>

The reported figures for year 2022 include continuing operations. Kronans Apotek AB is excluded from the data collection and reporting process of the financial year 2022. The reporting information for 2021 and 2020 has not been restated.

<sup>1</sup>Revenues include income from the sale of goods, distribution fees and the sale of services as well as other operating income. Sales are adjusted with indirect taxes, discounts and currency translation differences resulting from sales in foreign currencies.

<sup>2</sup>Operating costs include purchases of goods and services from suppliers, rental costs as well as other operating expenses.

<sup>3</sup>Wages and benefits include wages, salaries and bonuses paid to employees as well as share-based payments, pension benefits and social costs for the financial year.

<sup>4</sup>Payments to providers of capital include interest paid and other financial expenses less interest received and other financial income as well as dividends distributed to the parent company shareholders during the financial year.

<sup>5</sup>Income taxes include income taxes based on the taxable profit for the financial year as well as prior period adjustments to the income taxes. Changes in deferred taxes are excluded.

<sup>6</sup>Donations include contributions to non-profit organisations.

### Anti-corruption and non-discrimination

#### Confirmed incidents of corruption and discrimination (GRI 205-3, 406-1)

Breakdown of reported incidents	2022
HR matter	4
Categorised as not relevant	4
<b>Total</b>	<b>8</b>

Oriola reports the reported incidents of potential non-compliance with Oriola's Code of Conduct, which includes reported corruption and discrimination cases. In 2022, no cases related to corruption or discrimination were reported.

In 2021, the channel received 17 reports and in 2020, 16 reports. Kronans Apotek AB is excluded from the data collection and reporting process of the financial year 2022. Comparability of the totals is limited.

## Energy

### Energy consumption within the organisation, MWh (GRI 302-1)

	2022	2021	2020	2019
Electricity <sup>1</sup>	11,865	23,223	22,114	22,990
Heat	4,282	5,584	5,086	5,423
<b>Total energy consumption</b>	<b>16,148</b>	<b>28,807</b>	<b>27,200</b>	<b>28,413</b>

<sup>1</sup>Kronans Apotek AB is excluded from the data collection and reporting process of the financial year 2022. Comparability of the historical figures is limited.

## Emissions

Oriola reports Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions according to the GHG Protocol standard. Kronans Apotek AB is excluded from the data collection and reporting process of the financial year 2022. Comparability of the historical figures is limited.

### Direct (Scope 1) GHG emissions and energy indirect (Scope 2) GHG emissions, tCO<sub>2</sub> (GRI 305-1, 305-2)

	2022	2021	2020	2019
Scope 1 -emissions <sup>1</sup>	21	376	860	473
Scope 2 -emissions (location based) <sup>2</sup>	942	1,258	1,166	1,527
Scope 2 -emissions (market based) <sup>2</sup>	143	139	917	1,635

<sup>1</sup>Scope 1 emissions include fugitive emissions. Source for emission factors is EPA.

<sup>2</sup>Sources for Scope 2 emission factors are AIB, Fingrid and energy suppliers.

### Other indirect (Scope 3) GHG emissions, tCO<sub>2</sub> (GRI 305-3)

	2022	2021	2020	2019
Category 1: Purchased goods and services <sup>1</sup>	789	974	875	846
Category 4: Upstream transportation and distribution <sup>2</sup>	2,497	3,213	3,218	2,498
Category 5: Waste <sup>3</sup>	302	315	310	327
Category 6: Business travel <sup>4</sup>	230	565	628	1,116

<sup>1</sup> Category purchased goods and services covers purchased packaging materials. Source for emission factors is DEFRA database for material use.

<sup>2</sup> Category upstream transportation and distribution covers transportation and distribution of goods. Emission data is obtained from the suppliers.

<sup>3</sup> Category waste covers non-pharmaceutical waste generated in everyday business operations and collected from Oriola Group facilities. Emission factors: GHG emission factors for waste components produced, treated and recovered in the HSY area, Julia 2030 project.

<sup>4</sup> Category business travel covers business travel by air, car and use of leasing cars. Emission data obtained from travel agencies, leasing companies and Oriola payroll department. Calculation method changed in 2022. Calculations based on refueling litres.

## Waste

### Waste generated, waste diverted from disposal and waste directed to disposal (GRI 306-3, 306-4, 306-5)

	2022	2021	2020	2019
<b>Non-hazardous waste, tons</b>				
Recycling	1,872	1,652	1,354	1,303
Energy recovery	375	448	473	543
Landfill	0	0	0	0
<b>Total</b>	<b>2,246</b>	<b>2,100</b>	<b>1,827</b>	<b>1,846</b>

	2022	2021	2020	2019
<b>Hazardous waste<sup>1</sup>, tons</b>				
Recycling	0	0	0	0
Energy recovery	452	662	603	631
Landfill	0	0	0	0
<b>Total</b>	<b>452</b>	<b>662</b>	<b>603</b>	<b>631</b>

Non-hazardous and hazardous waste is managed offsite by waste handling operators.

<sup>1</sup>Hazardous waste is pharmaceutical waste that is used for energy. Kronans Apotek AB is excluded from the data collection and reporting process of the financial year 2022. Comparability of the historical figures is limited.

## Employment

The historical figures on employees include employees for continuing and discontinued operations. Farenta Oy, Finland is included in the figures until 30 March 2022 and Kronans Apotek AB, Sweden is excluded from the scope in 2022. Comparability of the historical figures is limited.

### New employee hires and employee turnover (GRI 401-1)

		2022			2021			2020		
Category	Indicator	Number of new hires	% of total new hires	New hire rate %*	Number of new hires	% of total new hires	New hire rate %	Number of new hires	% of total new hires	New hire rate %
New hires by age group	< 30	51	29		137	33	25	123	35	21
	30 - 49	96	55		218	53	12	191	54	11
	> 50	26	15		59	14	7	40	11	5
New hires by gender	Female	84	49		317	77	13	239	68	10
	Male	89	51		97	23	13	115	32	15
New hires by region	Finland	90	52		138	33	18	97	27	12
	Sweden	83	48		276	67	11	257	73	11
<b>Total new hires</b>	<b>Total</b>	<b>173</b>	<b>100</b>	<b>17.4</b>	<b>414</b>	<b>100</b>	<b>12.9</b>	<b>354</b>	<b>100</b>	<b>10.9</b>

Category	Indicator	Number of leavers	% of total no. of leavers	Turnover rate %	Number of leavers	% of total no. of leavers	Turnover rate %	Number of leavers	% of total no. of leavers	Turnover rate %
Leavers by age group	< 30	50	27	5	123	27	4	96	29	16
	30 - 49	100	54	10	260	58	8	182	55	10
	> 50	35	19	4	69	15	2	54	16	6
Leavers by gender	Female	112	61	11	330	73	10	239	72	10
	Male	73	39	7	122	27	4	91	27	12
	Undeclared	0	0	0	0	0	0	1	0	N/A
Leavers by region	Finland	89	48	9	147	33	5	115	35	14
	Sweden	96	52	10	305	67	10	217	65	9
<b>Total leavers</b>	<b>Total</b>	<b>185</b>		<b>19</b>	<b>452</b>		<b>14.4</b>	<b>332</b>	<b>100</b>	<b>10.2</b>

New hires are calculated as new permanent employees per total number of permanent employees during the reporting period.

Leavers are calculated as resigned permanent employees per total number of permanent employees during the reporting period.

\*New hire rate figures for 2022 are only partially reported due to the unavailability of information caused by the HR-system change.

### Parental leave (GRI 401-3)

		2022		2021		2020	
Category	Indicator	Number of employees	% of total no. of employees	Number of employees	% of total no. of employees	Number of employees	% of total no. of employees
Number of employees that took parental leave.	Female	46	5	491	15	479	14
	Male	22	2	106	11	102	11

Part-time and hourly parental leaves are not included in the calculation.

## Diversity and equal opportunity

### Diversity of governance bodies and employees (GRI 405-1)

Category	Indicator	2022	2021	2020
Board of Directors	<b>By gender %</b>			
	Female	50	50	57
	Male	50	50	43
	<b>By age group %</b>			
	< 30	0	0	0
	30 - 49	17	0	14
	> 50	83	100	86
Oriola Management Team	<b>By gender %</b>			
	Female	30	70	60
	Male	70	30	40
	<b>By age group %</b>			
	< 30	0	0	0
	30 - 49	45	50	50
	> 50	55	50	50
Employees	<b>By gender %</b>			
	Female	57	78	78
	Male	43	22	22
	<b>By age group %</b>			
	< 30	20	24	26
	30 - 49	54	50	48
	> 50	25	26	26

## Occupational health and safety

Kronans Apotek AB is excluded from the data collection and reporting process of the financial year 2022. Comparability of the historical figures is limited.

### Work-related injuries (GRI 403-9)

	2022	2021	2020
Number of fatalities and high-consequence work-related injuries	0	0	0
Number of lost-time injuries	11	5	5
Lost-time injury rate*	5.49	2.61	3.19

Main injury types: Overexertion and bodily reaction, working with hand-held tools and movement

\*Lost-time injury rate reflects the number of injuries resulting in an absence of at least one workday per million hours worked.

# Independent Assurance Statement

## Oriola Corporation's Environmental Performance Data in 2022

### To the Management and Stakeholders of Oriola Corporation

Ecobio Oy (hereafter Ecobio) has been commissioned by Oriola Corporation (hereafter Oriola) to perform a limited third-party assurance engagement regarding selected topics of environmental performance disclosed in the Oriola's Sustainability Report in the Annual Review for the period of January 1st to December 31st 2022.

### Oriola's Responsibility

Oriola was responsible for the collection, preparation and presentation of the environmental information according to the reporting guidelines of Global Reporting Initiative's (GRI) Standards. Ecobio, as an independent assessor, was not involved in the preparation of any disclosures, apart from the independent assurance engagement. The Management of Oriola has approved the information provided in the Sustainability Report.

### Assurance provider's Responsibility

Ecobio's responsibility was to present an independent conclusion on the environmental performance disclosures subject to the limited assurance engagement.

The scope of work included assurance of completeness and correctness of the following information presented by Oriola in the Sustainability Report as part of Oriola's Annual Review:

### Our opinion is based on the following procedures performed:

- Direct (Scope 1) GHG emissions
- Energy indirect (Scope 2) GHG emissions
- Other indirect (Scope 3) GHG emissions in categories:

- 1 Purchased goods and services
- 4 Upstream transportation and distribution
- 5 Waste
- 6 Business travel
- Renewable energy and carbon neutral heat

Ecobio disclaims any liability or responsibility for any third-party decision based upon this assurance statement.

### Methodology

Ecobio based the assurance process on the following guidelines and standards: the Global Reporting Initiative (GRI) Standards, the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and Oriola's internal reporting instructions (the Reporting principles in the Annual Review).

Concerning limited assurance engagements, the evidence-gathering procedures are more limited than for a reasonable assurance engagement, and therefore less assurance is obtained. This assurance engagement was conducted from November 2022 to January 2023.

The assurance process included:

- Interviewing employees responsible for data collection and reporting at Oriola.
- Evaluating procedures for gathering, analysing, and aggregating quantitative data as well as performing cross-checks and calculations on a sample basis.
- Performing cross-checks on a sample basis concerning the reported data.
- Performing cross-checks on a sample basis on background data.

- Evaluating internal guidelines for data collection.
- Evaluating the sufficiency of documentation of the data gathering process.
- Checking the consistency of the reported data compared to the guidelines.

### Conclusions

Based on the work described in this statement, nothing has come to our attention that would cause us to believe that the information presented by Oriola on its environmental performance is not fairly stated, or that it would not comply with the reporting guidelines stated before.

### Assurance provider's Independence and Qualifications

Ecobio is an independent sustainability consulting company with more than 30 years of history. Ecobio's assessors are skilled and experienced in environmental and corporate responsibility assurance and have good knowledge of industry related sustainability issues.

Ecobio has no financial dependencies on Oriola beyond the scope of this engagement. Ecobio has conducted this assurance independently and impartial from Oriola, and there has been no conflict of interest.

Helsinki, 27th of January 2023

### Ecobio Oy



Taru Halla (M.Sc.)  
Managing Director



Terhi Valtonen  
Senior Consultant (M.Sc.)

# Information for shareholders

The main mission of investor relations at Oriola is to support the correct valuation of Oriola's shares by providing information on matters concerning Oriola's operations and operating environment, strategy, objectives and financial situation, so that capital market participants can form a balanced view of Oriola as an investment.

## Annual General Meeting and financial reporting in 2023

Oriola's Annual General Meeting (AGM) will be held on Tuesday, 21 March 2023. More information about the AGM is available [here](#).

The company publishes financial reports in 2023 as follows:

- Financial statements release 2022: 16 February 2023
- Interim report January–March 2023: 27 April 2023
- Half-year financial report January–June 2023: 21 July 2023
- Interim report January–September 2023: 27 October 2023

## Analysts

The following investment banks and brokerages covered Oriola in their research in 2022.

- Carnegie
- Inderes (commissioned research)
- Nordea
- OP Cooperative

The views and estimates presented by the analysts are their own and the company takes no responsibility for any of their statements.

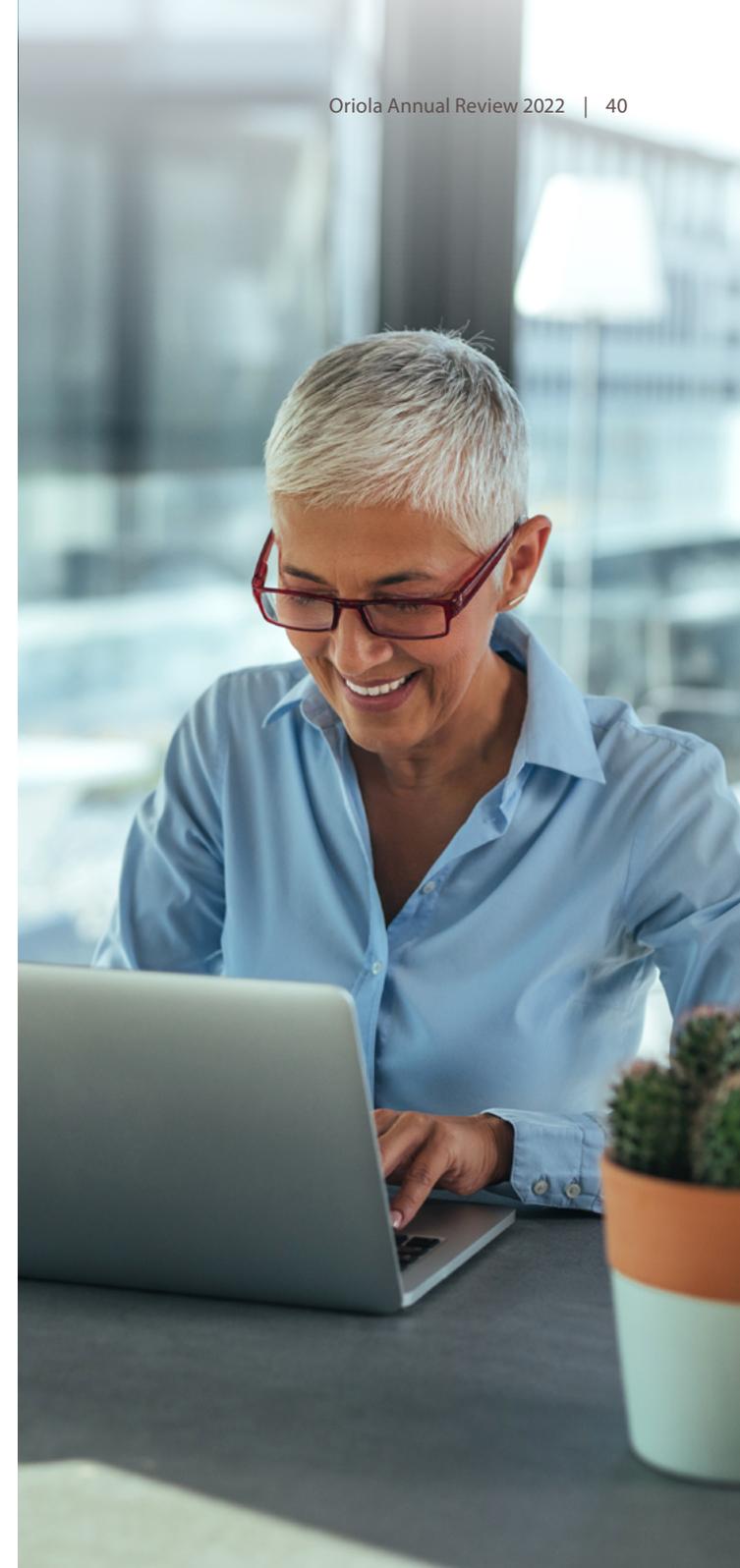
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