



Sustainability Report

2023

Abacus Medicine A/S, Kalvebod Brygge 35,
1560 Copenhagen V, Denmark, CVR no. 28 11 15 76



ABACUS MEDICINE

Contents

Introduction

- 3 Letter from the CEO and Chairman
- 4 At a Glance

Better Access. Better Healthcare

- 6 Business Model
- 10 Solutions for Shortage Markets
- 10 Supporting Treatments of Rare Diseases
- 11 Access to Safe Medicine

Our Contribution to the UN SDGs

- 13 Supporting Sustainable Development
- 14 A Significant Social Impact
- 16 Our Contribution to SDG 8 and 12

Driving Sustainability

- 18 Our Approach to Sustainability
- 19 The Sustainability Steering Committee



Driving Sustainability

In 2023, sustainability and ESG became an important part of our 2026 Strategy to drive our sustainability efforts

[Read more from page 17](#)



Better Access. Better Healthcare

Abacus Medicine provides access to medicine in shortage markets.

[Read more on page 10](#)



Annual Report 2023

Read our Annual Report for 2023.

People and Community

- 22 The Abacus Medicine Group as a Workplace
- 23 Leadership, Development and Collaboration
- 24 Culture
- 25 Diversity and Inclusion
- 27 Community Engagement

Supply Chain and Production

- 29 Impact from our Business Model

Governance

- 33 Compliance and Ethics in the Abacus Medicine Group

ESG Reporting

- 37 ESG Data
- 38 Framework and Accounting Principles

Accounting Period: 01.01.2023-31.12.2023



People and Community

We want to be the employer of choice. Read about what we do to achieve that from [page 21](#)



Letter from the Chairman and CEO

The Abacus Medicine Group provides better access to medicine. This is our most significant contribution to society. It is the purpose our employees work towards every day and something we are proud of.

Through our range of pharmaceutical services and parallel distribution business, we are continually able to deliver on this purpose in new and innovative ways. We are aware of the contribution and impacts we have as a company, both the positive and negative.

Our increased focus on sustainability is reflected in our new corporate strategy, which was launched in 2023. Sustainability and Environmental, Social, Governance (ESG) are a key part of this strategy and part of all other strategic initiatives and ambitions. We believe that working strategically with sustainability and ESG will create the highest value for us and our community.

In 2023, we continued our sustainability efforts throughout the Group. As part of this, we changed the structure of our Sustainability Steering Committee (SSC), which also meant focusing more intensely on the different aspects of ESG rather than our previous Focus Programme setup. The broader orientation towards ESG will also be reflected in this report. The aim of restructuring the SSC is to ensure a deeper integration of sustainability and ESG aspects in all our processes and decision-making as well as to prepare for increasing EU legislation around sustainability.

As part of our preparations for the upcoming Corporate Sustainability Reporting Directive, we have



Niels Smedegaard
Chairman of the Board

Flemming Wagner
CEO and Co-founder

conducted a Double Materiality Assessment with the support of an external consultancy. This allows us to gain a better understanding of the sustainability matters that are material for the Abacus Medicine Group. We believe that it is crucial to use the gained insights to further inform our strategic approach to sustainability and use the outcomes to identify value creating opportunities.

Our purpose of providing better access to medicine holds a substantial positive social impact, yet we are aware of the negative effects our business model may have. Thus, we work continuously to improve and mitigate these effects to the extent possible.

Another key focus area in 2023 has been People and Culture. With the roll-out of our global Diversity and Inclusion Strategy last year, we have started implementing activities and working consciously with diversity and inclusion. Caring for our people and further building on our company culture is central for our continued growth, which is why we are working on several initiatives to become the employer of choice, enabling development and ensuring a safe, collaborative and friendly workplace for all.



At a glance

The Abacus Medicine Group supplies prescription medicine to millions of patients across the world. **We improve global healthcare by giving people better access to medicine** and are among the 100 largest Danish companies.

We are established as one of the market leaders in **pharma trading** in Europe. We are growing within **pharmaceutical services** and also operate as a **pharmaceutical wholesaler**.

In 2023, we supplied more than

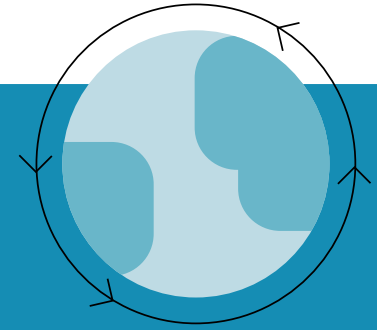
28,000,000

packs of medicine

We delivered medicine to

40

countries around the world in 2023



The number of employees in the Group increased by 3.5% to

1,324

at year-end

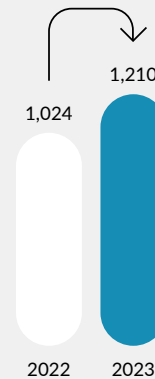
The Employee Engagement score improved to

3.2

out of 4 in overall score

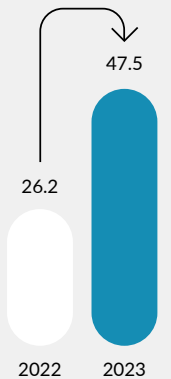
Revenue
EURm

18%



EBITDA
EURm

82%





ABACUS MEDICINE

Better Access Better Healthcare

→ Business Model	6
→ Solutions for Shortage Markets	10
→ Supporting Treatments of Rare Diseases	10
→ Access to Safe Medicine	11



Business Model

Better access to medicine. Physically and financially. In many different ways.

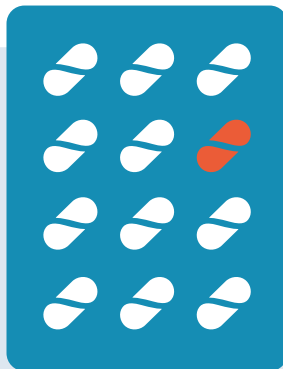
Insufficient access to medicine is a large and growing problem. In some countries, patients wait years before innovative new medicines are launched. In other countries, patients regularly experience shortages of pharmaceuticals that are nominally available but in practice out of reach.

The contributing factors can be complex and are often interconnected: supply chain disruptions, manufacturing issues, regulatory hurdles or demand exceeding supply. Regardless of the cause, the problem is real.

The Abacus Medicine Group strives to be part of the solution. We provide a range of services that create better access to medicine for wholesalers, hospitals, pharmacies, pharmaceutical companies and, ultimately, patients.

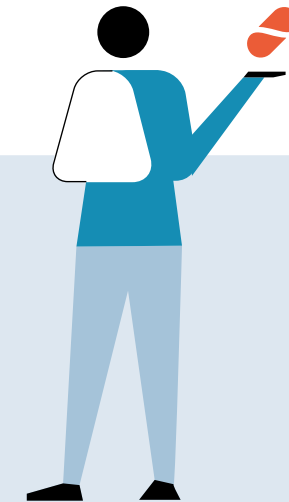
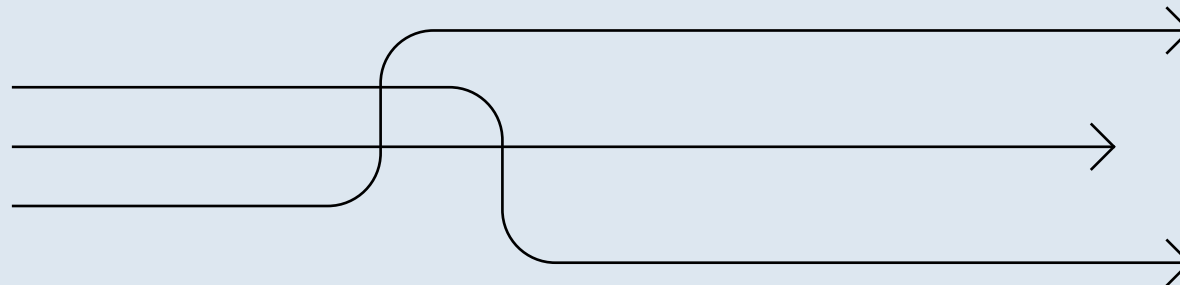
The Group's activities are organised in three divisions: Pharma Trading, Pharma Services and Pharma Wholesale. Each has distinct core capabilities that are supported by shared, cross-company competencies such as logistics, data analytics and a specialised sourcing network.

Depending on the needs of our customers, our business operates in many different ways. We are united by the fact that all of our activities support the common purpose of improving global healthcare through better access to medicine.



Connecting products ...

Access to medicine



... to patients



Pharma Trading

Providing access to medicine at a lower cost.

Pharma Trading is the largest of the three divisions in the Abacus Medicine Group. At the heart of the business model lies arbitrage trading of medicine, also known as parallel distribution, based on price differences across Europe.

By trading medicine between European countries where prices are different, we help lower the cost of expensive prescription medicines. The result is significant savings for public and private healthcare providers.

We parallel distribute medicine to 14 European markets, which makes us the parallel distributor with the widest geographical footprint. This ambitious, multi-market strategy has firmly established us among the market leaders and differentiates us from most of our competitors, who tend to focus on only one or a few markets.

From 2024, the Pharma Trading division also includes the activities of Abacus Medicine Clinical Trial Services, which helps pharmaceutical and biotech companies source comparator medicine for their clinical trials.

Our dynamic trading business rests on a carefully designed operating model:

- **Data analysis:** We monitor and analyse thousands of products every day. We consider our trading expertise and systems for data analysis to be industry-leading.
- **Sourcing:** We purchase products worth millions of euros each month through our network of more than 200 certified suppliers across 27 EU countries. We consider this specialised network, built over many years, an important competitive advantage.
- **Production:** More than 700 employees in Operations & Quality Assurance in Hungary and the Netherlands ensure compliance when we repack and trade medicine across borders.
- **Logistics:** Together with our transport partners, we operate a pan-European supply chain.
- **Sales and Business Development:** Our successful multi-market strategy requires in-depth knowledge of each national market's healthcare system, including mechanisms for pricing and reimbursement.

Price differences

The national healthcare systems in Europe are highly regulated, but organised in very different ways. This can lead to substantial price differences for identical pharmaceutical products, even between neighbouring countries.

The map shows a snapshot of the pharmacy purchase price of a single tablet of a specific prescription medicine. The pricing landscape is likely to look quite different for other pharmaceutical products.

- The highest price
- The lowest price





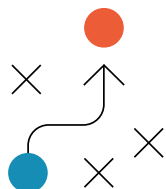
Pharma Services

Making new medicine available faster in more markets.

Abacus Medicine Pharma Services specialises in the commercialisation of treatments for Orphan, Rare and Ultra-rare diseases. These are diseases that affect only a small or even extremely small part of the population. Treatments for these rare diseases often come with a high price tag, because small patient groups make it harder to recoup the research and development costs.

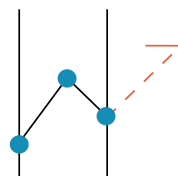
We support pharmaceutical companies with a range of commercial and operational services to help them navigate complex regulatory landscapes and bring their innovative medicines to market faster in more countries in the EU. Such services include Market Access Solutions, Product Strategy, Medical Engagement, Quality Assurance, Secondary Packaging and Supply Chain Management.

Rapid launches in more markets are not just good for business; they also give more patients quicker access to better treatments. Partnering with Abacus Medicine Pharma Services helps pharmaceutical companies maximise the clinical and commercial potential of their assets.



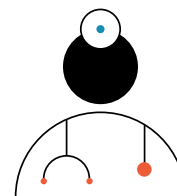
Market Access solutions

European reimbursement systems are inherently complex and different from country to country. An experienced partner can support regulatory approval and make pricing and reimbursement processes less risky and costly.



Product Strategy

We conduct product-specific primary and secondary research to provide market insights, future trends and competitive dynamics that influence strategic decision-making.



Medical Engagement

Through our engagement with medical specialists, we give a voice to our stakeholders and provide our partners with the opportunity to gain valuable real-world insights on clinical practice, unmet medical needs and user sentiment, affecting the success of their product.



Supply Chain Management

Our integrated approach allows our partners to achieve full European distribution coverage through a single point of delivery. From our GDP-certified warehouses, we work with our network of trusted, third-party logistics partners and wholesale agents to ensure continuity of supply for life-saving medicines.



Pharma Wholesale

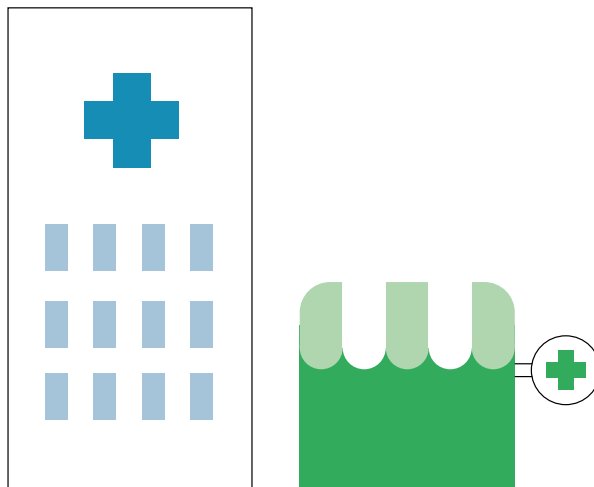
Supplying medicine and services to pharmacies and hospitals.

The majority of the activities of the Pharma Wholesale division are managed under the brand name Pluripharm. Today, this is mainly a business in the Netherlands. We supply medicine, medical devices, and services to pharmacies and hospitals.

Pluripharm is the dedicated partner for independent pharmacies. Other leading Dutch medicine wholesalers primarily serve their own pharmacy chains. Pluripharm also supports hospitals with a full range of medicines and through a close coordination of logistics.

The wholesaling operation is the main revenue driver, but it further gives us a platform for offering independent pharmacies a range of other services, such as handling contract negotiations with health insurers.

Pharma Wholesale is also the home of our business in the growing European market for direct-to-patient deliveries. Our certified online pharmacy ThuisApotheek offers an end-to-end online proposition able to serve customers directly at their home address in the Netherlands and increasingly abroad.



After completing a successful turnaround in 2023, the Pharma Wholesale business is now profitable again and ready for further, profitable growth.

We are working on the first stages of a large-scale programme to renovate and extend more than 2,000 square meters of our wholesaling warehouse and distribution centre in Alkmaar in the Netherlands. The project will include refurbished office spaces more suitable for a modern world of working.



Solutions for Shortage Markets

Several times the past year, Abacus Medicine has contributed positively to solving the shortage issue in different countries by making products available through parallel import.

Throughout 2023, several European countries have been hit by medicine shortages. There are many causes to medicine shortages, such as capacity issues in production, distribution problems and delays due to compliance and quality assurance matters. Also, some original manufacturers do not sell in all markets.

Medicine prices are negotiated individually in EU member states, which sometimes has the effect that pharmaceutical companies prioritise to sell in larger markets that simply have more patients. This can cause smaller countries to experience so called artificial shortages. The situation has been called concerning by pharmacist associations and wholesalers and has caused the EU to initiate action on the matter.

Abacus Medicine has a large European market footprint within parallel imported medicines and has, throughout the year, contributed to making medicines available that were otherwise in shortage. Thus, we both believe and see that our multi market efforts entail better access to life critical or life improving treatments for patients and thus better healthcare in Europe.



Supporting Treatments of Rare Diseases

In Abacus Medicine Pharma Services, we provide a wide range of innovative services for pharmaceutical and biotech companies internationally – also for those developing medicines for diseases where the patients are few.

An estimated 300 million people live with a rare disease. There is a vast number of different conditions that all require different treatments, and where the individual disease has very little prevalence in a population. More than 7,000 diseases are identified to be rare.

Still, pharmaceutical companies continue to develop new medicines, improving the quality of life for people living with a rare disease and their carers. However, this requires that the patients have access to the medicine.

In 2023, Abacus Medicine Pharma Services kept working with pharmaceutical companies looking to market their medicine either for the first time ever, or for the first time in a given market.

Our unique distribution capabilities, as well as our extensive market knowledge, allows us to support pharmaceutical companies in their pursuits to treat even more patients. We see this work as a prime example of the positive social impact of our business.

During the year, we expanded an existing partnership with French pharmaceutical company Theravia to further market and distribute Siklos®. Siklos® is used in the treatment of people with sickle-cell syndrome - a rare but painful blood disorder. In our enhanced collaboration, we will launch the medicine in more countries where it has not yet been available and help build awareness about the medicine in the relevant communities.



Access to Safe Medicine

With our vigorous quality management, we work every day to help patients around the world get access to their medicines at affordable prices without compromising on quality.

Steady access to safe medicine is at the core of our business model and a constant and non-negotiable focus in all our operations.

As a company that purchases, stores, repacks and distributes pharmaceutical products, we are obligated to comply with and operate in accordance with pharmaceutical regulations and legislation. These requirements are also known as Good Manufacturing Practices (GMP) and Good Distribution Practices (GDP). We have vigorous and strict processes in place for handling all production and transport operations as well as a Quality Management System (QMS) to set a standard and encourage continuous improvement.

Furthermore, we have standard operating procedures in place to generate compliant and consistent output. Should we receive any complaints, they will be registered, investigated and communicated to relevant parties. However, the majority of incoming complaints are deemed outside our control.

Providing access to safe medicine at affordable prices is what we do best and what we value as our biggest contribution to our society. In 2023, we sold more than 28 million packs, vials and syringes of medicine - a number that continues to grow every year, increasing our positive impact on the European healthcare systems and patient access.



Packs sold

28,000,000

In 2023, we sold more than 28 million packs, vials and syringes of medicine

Production recalls

2

In 2023, we received 2 production recalls

Complaints

429

In 2023, only 7% out of 429 received complaints were related to an internal cause, excl. Pluripharma Group



Better Access. Better Healthcare

Our Contribution to the UN SDG

Driving Sustainability

People and Community

Supply Chain and Production

Governance

ESG Reporting

Our Contribution to the UN SDGs

- Supporting Sustainable Development 13
- A Significant Social Impact 14
- Our Contribution to SDG 8 and 12 16



Supporting Sustainable Development

In the Abacus Medicine Group, we strive to contribute to the international community we are part of and acknowledge the responsibility and impact we have on society and the environment.

We recognise and support the UN Sustainable Development Goals (SDGs) to contribute to solving some of our major global challenges. The Abacus Medicine Group's sustainability efforts focus on pursuing three SDGs which are related to our core business and hold particular influence on our business:

- SDG 3: Good Health and Well-being
- SDG 8: Decent work and Economic Growth
- SDG 12: Responsible Consumption and Production

Within these areas, we can deliver most impact through the knowledge, products and solutions we provide to our customers and society at large. We believe that adopting sustainable practices, whether large or small, can have a significant impact in the long run.

This report constitutes the Abacus Medicine Group's compliance with the statutory disclosure on corporate social responsibility in accordance with the Danish Financial Statements Act, section 99a.





A Significant Social Impact

Our contribution to SDG 3

3 GOOD HEALTH AND WELL-BEING



The main focus of our business model and our strongest contribution to society lies within SDG 3: Good Health and Well-being, as it is directly connected to our purpose of providing better access to medicine by making it more affordable. Our business model and purpose assist in addressing global and national medicine shortages as well as helping to solve the increasing pressure on national healthcare systems brought on by an aging population and increases in healthcare spendings. Here, we see the positive impact of our business by creating real value for our customers, hereunder patients, wholesalers, pharmacies and hospitals.

The Abacus Medicine Group offers a broad range of services, which result in various benefits to our customers. As a Group, we cover services within parallel distribution, commercial partnerships, medicine wholesale and clinical trials solutions. These services combined help to address shortages of critical medicine and create value for our customers through lower prices and better access.

Abacus Medicine has been the main engine of our growth and has for many years provided a positive impact on society through parallel distribution by bringing significant savings to society. By being able to offer medicine at lower prices, we are not only providing savings but also ensuring that a broader range of patients can access critical pharmaceutical products.

Abacus Medicine Pharma Services contributes with value adding services and benefits from its synergies with our other businesses. Abacus Medicine Pharma Services supports pharmaceutical companies with a range of commercial and operational services to help them bring their innovative medicines to market faster in more countries in the EU.

Through this division, we improve access to specialty medicines and medicines that treat rare diseases. We partner with the original manufacturer to commercialise their products in markets where they are not



Abacus Medicine provides medicine at a lower cost. In 2023, we have sold medicine for more than EUR 800 million in 14 markets, which helps governments, customers and patients to save money that can instead be used for other healthcare improvements. As a consequence of our new strategy, which was launched in 2023, we have taken the first steps in increasing our market presence significantly to create access to life improving and -critical medicines for even more patients.

With our solutions for clinical trials, we support the development of new therapies and the improvement of the use of current therapies globally. In supporting the clinical development of biosimilar drugs, we are helping to significantly advance access to these expensive medicines and provide significant savings for public healthcare spending.





Read the Annual Report for more details on the individual divisions



With Abacus Medicine Pharma Services, the Abacus Medicine Group is able to serve an even wider variety of stakeholders with better access to medicine.

In 2023, through our work in the Pharma Services division, we supported better access to medicines by providing access to many new therapies in markets where they were not previously available, ensuring that patients had the chance to access the treatments they need.



physically present. Through our work, we enable patients to get access to new treatments in markets where these medicines may not be available. We work with a range of stakeholders to ultimately provide more treatments to more patients in the markets in which we operate. We view the Abacus Medicine Pharma Services business as a driving force in increasing our positive social impact.

Lastly, our Pharma Wholesale division, where the majority of activities are managed under the brand name Pluripharm, offers a full range of medicine, medical devices and value-added services. Pluripharm gives us access to the Dutch market, where we can provide better access to medicine for pharmacies and hospitals through utilising the extensive sourcing network of the Abacus Medicine Group. Offering a full range of medicines and our efficient in-night delivery network, we deliver all the medicines a pharmacy, hospital or healthcare facility needs in one delivery every working day within 24 hours. Every year, this involves 9 million medicine orders. The one-stop service relieves healthcare staff and contributes to a more sustainable distribution of medicine.

Moreover, Pluripharm offers digital solutions in form of the certified online pharmacy Thuisapotheek, which improves access to medicine for a broad range of patients. Through this solution, we are able to reach patients who otherwise might not be able to receive critical medicine. To ensure added value through direct-to-patient deliveries, Thuisapotheek works closely with pharmacies and dispensing doctors.

With the broad range of services offered through our divisions, we ensure that we reach a lot of patients and improve their access to pharmaceutical products, while at the same time providing savings for our customers and the wider society. We are able to reach numerous countries and thereby thousands of patients through our successful multi-market strategy. With our continuously growing parallel distribution activities, our reach within Europe is unrivaled and continues to provide value and better healthcare for all. With this, we see

In the Netherlands, Pluripharm's home market, medicine shortages have been an increasing and worrying problem. In 2023, approximately 2,000 medicines were unavailable. This has mainly been due to local policies making suppliers either withdraw their products from the market or choose not to distribute in the Netherlands. Through intensive collaboration with Abacus Medicine, Pluripharm has regularly managed to prevent shortages in 2023 by importing medicines from other EU countries, resulting in satisfied pharmacy customers and patients.

The online pharmacy Thuisapotheek delivers medicines to customers across the Netherlands. Through the secure Thuisapotheek app, patients have full control over their medicine use. The app offers access to the medication they are taking, options to request new (prescription) medicines, track orders and digitally schedule an appointment for a consultation. Patients are able to get expert advice from the pharmacists of Thuisapotheek over the phone in the privacy and tranquility of their own homes.

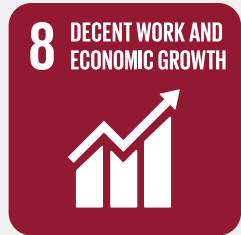
our positive and significant social impact and thereby our contribution to SDG 3.





Our Contribution to SDG 8 and 12

While the core contribution of the Abacus Medicine Group's business model lies in SDG 3, we also support SDG 8 and 12. Both are tightly connected to our values, operations, and processes.



We aspire to create decent work and economic growth by promoting our core values of dedication, innovation, and care. We value diversity in all its forms as we strongly believe that creativity and innovation are driven through the individual identities of our employees, including gender, age, personalities and experiences.

To ensure that our values are followed by our employees and suppliers, the Abacus Medicine Group has a Compliance Framework and Supplier Code of Conduct. The Supplier Code of Conduct ensures that our suppliers create a productive and decent working environment for everyone working for and with the Abacus Medicine Group.



[Read more about our Diversity & Inclusion strategy on page 25](#)



[Read more about our Governance from page 32](#)



While our business has a positive social impact, we recognise the environmental impact that comes as a natural consequence of repacking and distributing medicine. Thus, supporting SDG 12 is closely tied to improving our operations and processes and thereby reducing our environmental footprint.

We continuously improve our efforts regarding recycling, reuse and reduction of materials related to our sourcing and production processes. Especially in our main production site we have an extensive waste management system.

Another important area is identifying opportunities to reduce our emissions from transportation. Transportation of medicine is a critical part of our business model and an area in which we work closely with our transportation suppliers to move towards more sustainable solutions and processes. In 2023, we started the process of calculating our Scope 3 Emissions from transportation.



[Read more about our Waste and Transportation initiatives from page 28](#)



Better Access. Better Healthcare

Our Contribution to the UN SDG

Driving Sustainability

People and Community

Supply Chain and Production

Governance

ESG Reporting

Driving Sustainability

-
- ➔ Our Approach to Sustainability 18
 - ➔ The Sustainability Steering Committee 19



Our Approach to Sustainability

The Abacus Medicine Group constantly evolves, and so does our external environment. In addition to implementing sustainability in our Access26 Strategy, we have also prepared for upcoming EU legislation and an increased demand for sustainability from our stakeholders.

While upcoming EU legislation will require companies to comply with extensive reporting requirements, we believe that driving our sustainability efforts and increasing the amount of non-financial data is an opportunity to create real value for the Abacus Medicine Group. Thus, it is important for us to take a proactive stance towards sustainability, as we believe that ESG performance is closely connected to our business performance. We continuously work towards implementing sustainability and ESG into our processes and operations to ensure a deep and strategic integration which creates value for the Abacus Medicine Group and the society we operate in.

In 2023, we took major steps to prepare for increased stakeholder demands and upcoming EU legislations, especially the Corporate Sustainability Reporting Directive (CSRD). We work closely with an external consultancy to prepare for our CSRD reporting well in advance. We believe that this is not only about compliance, but also about identifying value creating opportunities throughout the process. To further ensure that sustainability is deeply integrated in the company and our decisions making, sustainability and ESG is an enabler of our 2026 Strategy.



We believe that proactively driving our sustainability efforts will create real value for our company and community.

Kathleen Lameter
ESG & Sustainability Specialist

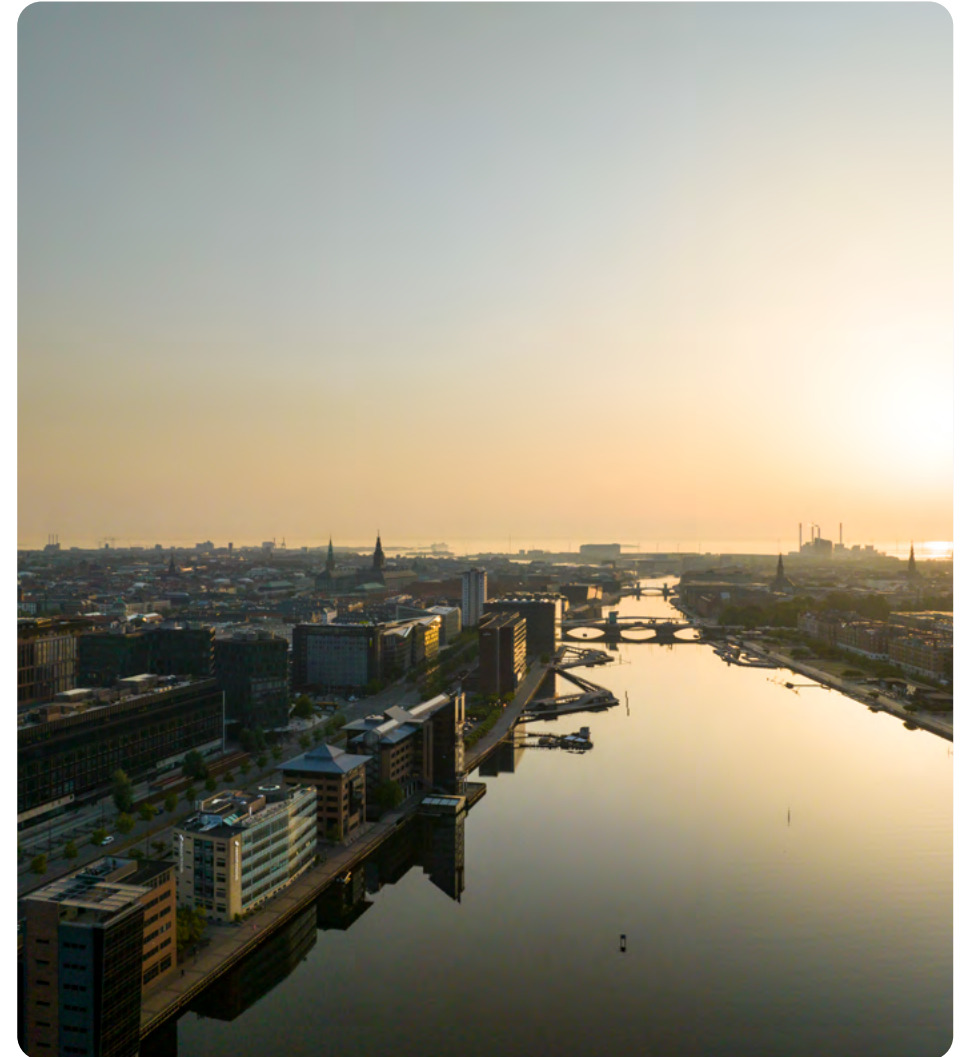


The Sustainability Steering Committee

As a part of our strategic approach to sustainability and ESG, we restructured our Sustainability Steering Committee (SSC) to ensure a broader representation of business functions across the Abacus Medicine Group.

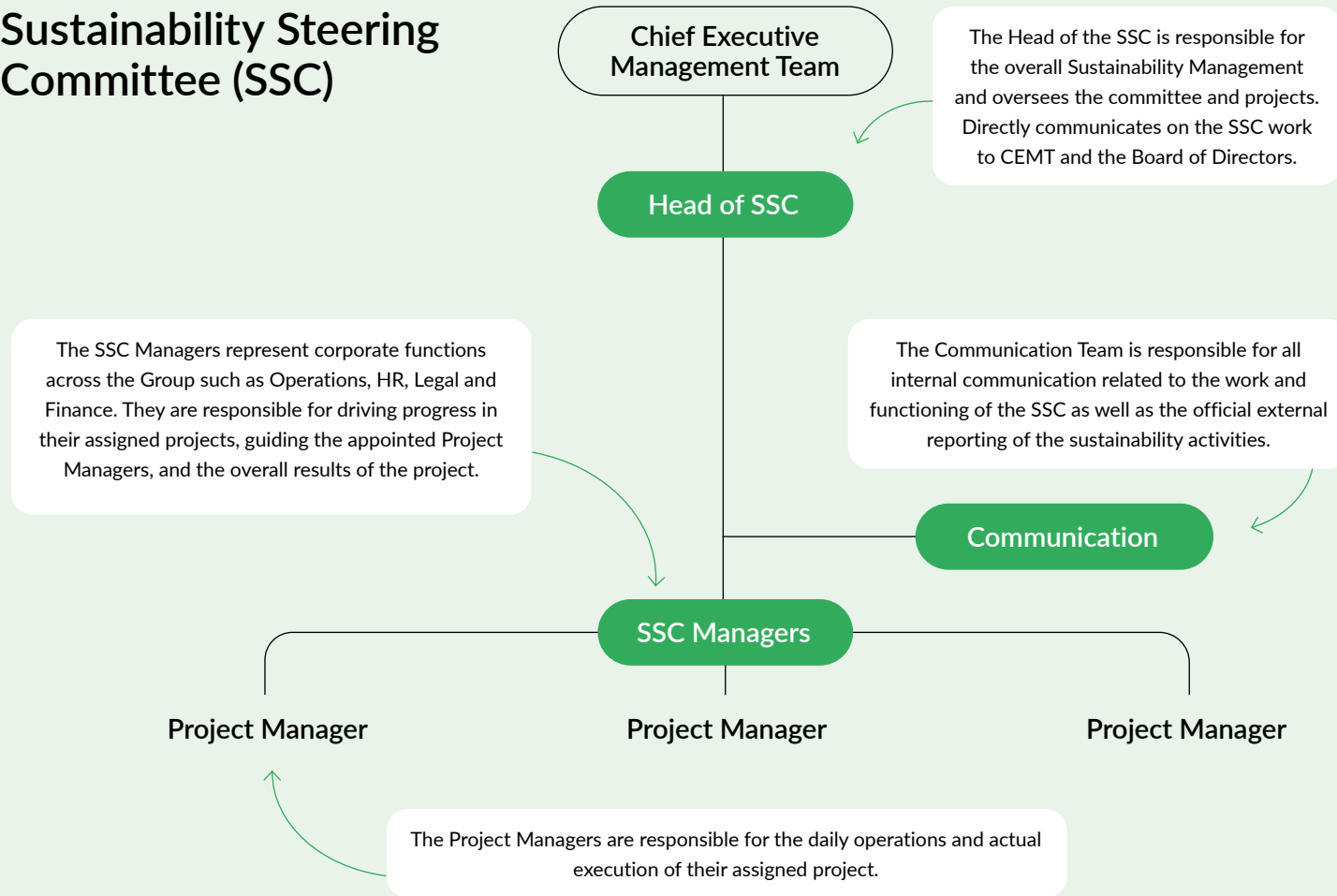
The SSC is responsible for driving our sustainability and ESG efforts and sets the strategic direction for our work. While we have worked with Focus Programmes in the past, we have decided to remove the programmes and instead take a project based approach. The different projects will be structured around Environmental, Social, and Governance, which ensures that we do not limit ourselves by Focus Programmes. We see this change as a vital step towards compliance with upcoming EU legislations and towards defining projects which drive our company specific ambitions. The SSC will moreover play a crucial role in our target setting process, which is planned to start in 2024.

The SSC is composed of the Head of the SSC, the Communication Team, SSC Managers and Project Managers. As part of the restructuring of the SSC, the Head of the SSC now reports to the Chief Executive Management Team (CEMT) and Board of Directors. Another step taken for the restructuring is that more Managers were added to the SSC to ensure that a broad range of corporate functions across the Abacus Medicine Group is represented. This ensures that key stakeholders from across the Group are involved in our sustainability and ESG activities and can thus educate employees and prepare the company for our initiatives and compliance with upcoming legislation.





Sustainability Steering Committee (SSC)





People and Community

→ The Abacus Medicine Group as a Workplace	22
→ Leadership, Development and Collaboration	23
→ Culture	24
→ Diversity & Inclusion	25
→ Community Engagement	27





The Abacus Medicine Group as a Workplace

In the Abacus Medicine Group, we are innovative, dedicated, and we care. These strong and well-established Group values are carried out in all our operations and in the way we work with those we cherish the most: Our employees.

80%

of our employees responded in the Employee Satisfaction Survey.

3.3/4

was the average score for "Relationship with immediate manager" in our employee satisfaction survey.

In 2023 we welcomed 221 employees globally, and as we keep growing, we need to ensure that our employees continue to feel that the Abacus Medicine Group is a good and meaningful place to work.

We have always had a strong focus on employee satisfaction and well-being. Historically, we have had high scores and response rates for our annual global satisfaction surveys, and 2023 was no exception. 80 % of all employees chose to respond the survey, and the result was very positive with a high score of 3.3 out of 4 on the topic related to relationship with leaders and 3.2 out of 4 for engagement and commitment.





Leadership, Development and Collaboration

Employee development

We invest in our leaders, and invite leaders to join our Global Leadership Development Programme. We believe in empowerment, and in the concept that you will be a better leader if you know yourself first. Our Global Leadership Development Programme is therefore a programme where leaders will start by exploring themselves before working with the toolbox of leadership and change management. 54 leaders finished their leadership programme in 2023.

Further, a course on inclusive leadership was introduced to all leaders this year, which is described under our diversity and inclusion efforts from page 25.

It is of very high priority to keep developing our employees in ways that lift the motivation and help the Abacus Medicine Group grow in the direction set in the overall strategy. Therefore, we implemented a new Performance Management Process in 2023 to help and guide both employees and leaders in development dialogues.

We also continued to work with the employee onboarding efforts we introduced in 2022, which include a Global Onboarding Day covering presentations from all our locations. We host these four times a year. In addition, newcomers attend local onboarding days in order to get a better understanding of the departments they are in close contact with and to help build relationships between colleagues.

In November 2023, we introduced a Global Mentor Programme aimed at early career employees. The Global Mentor Programme has been established with the purpose of providing a space for colleagues to realise their opportunities and to build on their personal as well as professional development. The Abacus Medicine Group is a group of diverse employees with different skills and personalities who are good at what they do and truly care about the people around them. The programme will be of value not only to the mentor and mentee, but also for the company, because we live our core values and further build on our culture.

Collaboration

With the rapid growth of a company such as the Abacus Medicine Group, it is a risk that collaboration and internal communication is affected negatively. We have seen room for improvement in previous employee satisfaction surveys and have chosen to act on our employees' feedback.

In 2023, we continued the collaboration workshops that were initiated in 2022. The collaboration workshops are an ongoing programme and will be held annually. This is to ensure that all current and new employees from all sites participate in the workshops to secure inclusion and prepare the ground for even better cross-border collaboration. As we grow and cover more markets, this will continue to be of great importance for our company.

Evaluations from the workshops were very positive and have created a better understanding of differences between departments and locations.



The Abacus Medicine Group Collaboration Framework:

In the Abacus Medicine Group, we work together in a constructive and respectful way, with a shared understanding of our business goals, roles, responsibilities and tasks.



Culture

We believe that having a strong company culture is key to employee engagement, satisfaction and achieving great business results. Our culture sets us apart from other companies and helps us attract new people as we continue to grow.

Building Abacus Medicine Group's employer brand

To help meet our goal of being the employer of choice for our current and future employees, we initiated a widespread project focusing on strengthening our culture and employer brand. Because of our rapid growth in many different countries, we needed to find common ground and equip our people with a language about what the Abacus Medicine Group, and not just the individual business units, can offer as an employer.

With help from external consultants, an extensive cultural analysis was conducted. Employees from all over the company were involved and gave their input to what best describes the Abacus Medicine Group as a workplace. This input was then combined with an analysis conducted externally among potential employees as well as our overall business strategy.

Thus, in true Abacus Medicine Group style, the creative work that will help build our employer brand takes its point of departure in data.

It was identified that the Abacus Medicine Group has the following three strength positions as an employer;

- Personal development and career opportunities
- Colleagues and culture
- What we do and why (our company purpose)

These strength positions will be the main focus of our employer branding strategy and will help us attract and engage people and enhance our organisational culture.

'Friendly' is the most used word by our employees when describing our workplace

Employer Promise

Moving Healthcare.
Moving You.

Employer Value Proposition

Drive Meaningful
Change

Realise your Opportunities

Enter a Caring Community



Diversity and Inclusion

Diversity and Inclusion continues to be a key focus for the Abacus Medicine Group as we strive for business success and thriving employees.

In 2022, we developed and launched a dedicated strategy on Diversity and Inclusion. Since then, we have worked actively on creating awareness about it throughout our company. Therefore, the Diversity and Inclusion Strategy has not changed for 2023 – instead, the focus has been to take the first steps in implementing conscious inclusion, which is at the very heart of our Diversity and Inclusion Strategy, in our ways of working.

Conscious inclusion is not only a strategic point for leaders and HR to think about - it is an everyday practice that all employees should apply for us to achieve and maintain a truly inclusive work environment.

Working towards that means developing mindsets and skills, as well as systems and processes that support a culture of inclusion where our diverse colleagues feel motivated, valued and contribute their best.

The other focus areas in our Diversity and Inclusion Strategy contribute to conscious inclusion in different ways: Diverse workforce and leadership, work-life integration and intercultural competence. To succeed with our Diversity and Inclusion Strategy and bring the focus areas of the strategy closer to our employees, we held inclusive leadership courses for managers and celebrated the Diversity Month in 2023.



Implementing a Diversity and Inclusion Strategy is a long-term journey that the Abacus Medicine Group embarked on in 2022. A year later, we start to see progress through the employee satisfaction survey results, as well as the conversations we have with our managers in the inclusive leadership workshops.

Aniko Kis
Diversity & Inclusion Officer



Having leaders who acknowledge that each employee brings their own unique experiences and perspectives to the table is key to our continued development as a business and workplace.

Marianne Juhl Christensen
Global HR Director

Inclusive Leadership Training

To help us succeed with our Diversity and Inclusion Strategy and become a truly inclusive workplace, an inclusive leadership programme was rolled out in 2023. The programme was developed and delivered in partnership with an external business psychologist and aims to equip all managers in the Abacus Medicine Group with a better understanding of what inclusive leadership means and develop the skills needed to ensure it.

Participation in the two day workshop was arranged for all managers, as making people feel included at all levels of our organisations should be a natural part of leadership in the Abacus Medicine Group.

Diversity and Inclusion Month

May is celebrated as diversity month in the European Union. We chose to celebrate it too, making it a global event to include all the locations of the Abacus Medicine Group.

The purpose for the month was to bring the focus areas of our Diversity and Inclusion Strategy closer to our employees, offering information and activities for them to learn, get involved and engage in dialogues about diversity and inclusion topics.

The main theme of the month was "Conscious inclusion" which takes the center stage of the Abacus Medicine Group Diversity and Inclusion Strategy. We had several activities across sites providing employees

with the opportunity to learn about what conscious inclusion means in practice. In addition, there was an extensive internal campaign with articles and employee stories covering topics such as employees' different life stages and cultural differences as well as interviews with diversity and inclusion ambassadors.

Other activities

In 2023, we continued the successful Summer Childcare Programme in Hungary, which was introduced in 2022, to support employees managing the long school break.

Moreover, the Abacus Medicine Group was represented at the WeAreOpen Campaign in Hungary. Our Managing Director in Hungary was among 33 leaders advocating the importance of diversity and inclusion.





Community Engagement

We foster connections through local social clubs and global initiatives that bring us closer together. We care about the community – both our own and the ones we are a part of outside our company.



Global Sustainability Week 2023

In 2023, we held our second Global Sustainability Week. We focused on educating all employees on the Corporate Sustainability Reporting Directive and the process we follow in the Abacus Medicine Group to ensure that we not only comply with the directive, but also create value. This educational focus was supported by different local activities which aimed at inspiring our employees to be more sustainable with small changes in their daily life, such as reducing food waste and energy consumption.



SEISMIC Awards

In 2023, we continued our sponsorship of SEISMIC Awards, formerly known as #impaktWISE. Through our engagement with SEISMIC, we continued to support dedicated students and entrepreneurs who have new, innovative ideas on how to solve social issues. Further, we engaged our employees in the process by making our own jury that would ultimately inform the decision made by the SEISMIC jury on which project should win the 20,000 DKK prize.



Rare Disease Day

In February 2023, Abacus Medicine Pharma Services was showing support for Rare Disease Day 2023. Taking place every year on the last day of February, Rare Disease Day is a global initiative focusing on raising awareness and generating change for 300 million people worldwide living with a rare disease, their families and carers.

Abacus Medicine Pharma Services is actively working on providing better access and better healthcare by bringing lifesaving medicine to patients with unmet needs. We used the day to create awareness about this among our employees.



Health at Work

In 2023, we held our first Health Week at our headquarters in Denmark with a focus on physical and mental health. The aim was to inspire our employees to follow healthy habits and thus we organised activities such as yoga and provided inspiring recipes for a well-balanced diet.

We also participated in the Copenhagen DHL Run again, partnering with Conscious Warrior for circular t-shirts. The t-shirts are made from recycled materials and are reused and reprinted every year, so our employees can use their t-shirts for future DHL Runs. We are proud to be part of the Run for Zero Front-runners.



Better Access. Better Healthcare

Our Contribution to the UN SDG

Driving Sustainability

People and Community

Supply Chain and Production

Governance

ESG Reporting

Supply Chain and Production

→ Impact from our Business Model

29



Impact from our Business Model

We acknowledge the environmental impact of our business model, and are continuously looking into ways to minimise our impact and optimise our processes in more sustainable ways.



The Abacus Medicine Group provides better access to better healthcare. Due to the nature of our business model, transportation and repackaging lie at the heart of our operations and are two areas which come with an environmental impact. Thus, transportation and waste are two main areas which we address to minimise our environmental impact through optimising our processes.

Transporting medicine to patients

Being a parallel distributor and providing better access to medicine and better healthcare across Europe, transportation is an inevitable part of our business model. The Abacus Medicine Group delivers thousands of packs of medicine to patients, pharmacies, and hospitals every day.

While we positively contribute to Good Health and Well-being (SDG 3) by securing better access to safe and affordable medicine, we also acknowledge that this comes with an environmental impact. As our company continues to grow, we are able to increase

our social impact and improve access to medicine even further, however, it also means that our need for transportation increases. Thus, increasing our social impact inevitably comes with increasing our footprint from transporting medicine around Europe.

We are aware of this impact and take actions to continuously work on finding opportunities to reduce the environmental impact. We continuously improve our efficiency and optimise transportation, to keep this impact as low as possible. Moreover, the Abacus Medicine Group closely works with our transportation suppliers to investigate alternatives, improve transportation routes and gather data to understand our impact better.

In 2023 we collected data from our transportation suppliers to start the process of calculating our Scope 3 emissions. This data provides us with a foundation for identifying further optimisation opportunities in our supply chain and for setting reduction targets in the near future.



We are very conscious about circularity and handling our waste responsibly. Therefore, we implemented specific waste management systems for our production back in 2019, years before new directives and guidelines came into force, to secure our long-term goals.

Nóra Komondi
Environmental Protection Specialist, Hungary

Responsible Waste Management

As a parallel distributor, a main part of our processes includes repackaging of medicine. While this is a crucial step for our business, it also comes with an amount of waste produced.

Since we introduced a highly effective waste management system in our main production site in Hungary in 2019, we have improved continuously. As we operate in a highly regulated industry, we are able to offer recycling companies high quality paper and cardboard waste produced during the repackaging process, which is then used to produce napkins, toilet paper and other consumer goods.

To improve our recycling efforts, we have in 2022 started a testing phase for a plastic baler in Hungary, which was successfully completed in 2023. This was an important step in our recycling efforts regarding plastics.

In 2023, we also rolled out a repurposing system in our largest production facility in Hungary. It is an additional step we implemented in accordance with our waste hierarchy. Prevention, recycling and recovery of waste was already implemented before. Throughout 2023, we were able to successfully introduce and develop the reusing system for materials such as wooden and plastic pallets, paper and

plastic filling materials, and paper shipping boxes which are re-used for storage.

As part of the pharmaceutical industry, medical waste cannot be avoided as products reaching expiry must be destroyed. However, we are actively working on reducing the amount of expired products through efficient inventory management and a focus on products approaching expiry. We also collaborate with our suppliers and customers to reduce medical waste whenever possible.

Sustainable Procurement

In October 2023, we introduced our Sustainable Procurement Policy, which is an internal guideline for employees who are directly or indirectly connected with procurement activities. The purpose of the policy is to encourage responsible and ethical procurement practices, by addressing the environmental and social impact of our procurement activities.

The Sustainable Procurement Policy is closely connected to other policies and guidelines in the Abacus Medicine Group, such as our Compliance Framework and Codes of Conduct to ensure that we support sustainable practices not only within the Abacus Medicine Group but also across our supply chain.

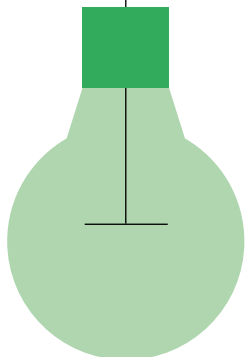
We believe that sustainable procurement is an ongoing journey and will continue to work on

improving our sustainable procurement practices. By implementing this Policy, the Abacus Medicine Group commits to contributing to a more sustainable and responsible future by promoting social responsibility, upholding ethical standards and reducing the environmental impact of its activities.

91%

of our 192 tonnes of Paper and Cardboard waste was recycled in Hungary in 2023.





Energy Efficiency

In addition to working on reducing the environmental impact from transportation, waste and sourcing, we also take steps to reduce our energy consumption across all Abacus Medicine Group's sites. In 2022, the Abacus Medicine Group formed a global Task Force which investigates energy reduction opportunities. We believe that change can already be made through small steps and changes of behaviour in our everyday lives. Thus, during 2023, we had a focus on increasing awareness of small changes, such as switching off screens when leaving the office and installing timers in meeting rooms, kitchens and certain office areas. Moreover, while we have 100 % LED lighting in most of our locations and we are actively working on lighting modernisation where needed, such as installing LED lights and motion sensors to reduce our electricity consumption.



The Task Force allows us to actively work together across our locations to exchange ideas and best practices for improving our energy efficiency.

Peter Mohn
Facility Management, Denmark





Governance

➔ Compliance and Ethics in the Abacus Medicine Group

33



Compliance and Ethics in the Abacus Medicine Group

The Abacus Medicine Group's Compliance Framework ensures that we are transparent and accountable both towards our employees and our external stakeholders.

Core values: We are innovative, dedicated and we care

General business standards

Internal policies

Laws and regulations

Our Compliance Framework is built in order to comply with relevant laws and regulations. We have added our own internal rules and policies and follow accepted standards for the conduct of business. The Framework reflects two of our core values: We are dedicated, and we care. All new employees sign the Compliance Framework at the same time as they sign their employment contract. Compliance is part of our onboarding programme and can always be found on our intranet. All employees have awareness training in the Compliance Framework via e-learning and/or in-person training.

The Compliance Framework applies to all employees and representatives of the Abacus Medicine Group.

The Board of Directors reviews the policies in the Compliance Framework on an annual basis to ensure that all policies are up to date and reflect the regulations and the changing environment. For our corporate governance please read our Annual Report 2023.

Any employee who believes that we do not live up to our policies should contact their nearest manager or a member of the Executive Management Team. Should someone wish to make a report of non-compliance anonymously, the Abacus Medicine Group's Whistleblowing Scheme provides a platform for both internal and external stakeholders to report if we do not live up to any relevant regulation or the Compliance Framework. The Whistleblowing Scheme can be found on our website and on our intranet.

Structure of policies

General policies

Whistleblower Scheme

Sustainability Policy

Specific policies



The Compliance Framework consists of the following policies:

Policy overview

Policy	Implemented first time	Last updated
General policies		
Sustainability Policy (Former "CSR Policy")	2017	2023
Whistleblower Policy	2018	2023
Specific policies		
Anti-Discrimination Policy	2020	2023
Diversity Policy	2019	2023
General clauses related to working environment and employment	2020	2023
Anti-Human Trafficking and Anti-Human Slavery Policy	2020	2023
Supplier Code of Conduct for Transporters	2021	2023
Supplier Code of Conduct for Medicinal Suppliers	2020	2023
IT Security Policy	2019	2023
Personal Data and Privacy Policy	2018	2023
Guidelines for Handling Personal Data	2022	2023
Trade Sanctions Policy	2019	2023
Anti-Corruption and Conflict of Interest Policy	2019	2023
Trade Secrets Policy	2020	2023

People

Anti-Discrimination

The Abacus Medicine Group is proud of having a very diverse workforce. We are committed to providing a work environment that is free of unlawful discrimination, including harassment.

Harassment by co-workers, supervisors, or any third parties ruins our work environment and undermines the integrity of the employment relationship. The Abacus Medicine Group will not tolerate any form of discrimination or harassment that violates our Anti-Discrimination Policy.

Therefore, we expect all employees and representatives to show respect for all of their colleagues, customers, and vendors. In the past year we have had a strategic focus on diversity and inclusion, please refer to page 25.

Ethics

Modern Slavery

The Abacus Medicine Group has zero tolerance regarding slavery and human trafficking. Our Modern Slavery Policies (Anti-Human Trafficking Policy and Anti-Slavery Policy), supplemented by our Code of Conduct for medicinal suppliers and transporters, are implemented to continuously eliminate our participation in any human rights abuses.

We mainly operate in the EU, and trading of medicine in the EU is extremely regulated. The stakeholders in our supply chain are regularly controlled by the authorities. Therefore, we believe that the risk of slavery, human trafficking and the violation of human rights is minimal. We have not identified any incidents of violation of human rights in our supply chain.

Anti-Corruption and Trade ethics

The Abacus Medicine Group operates mainly in the EU, but also globally and with many different stakeholders. We realise the risk this entails and therefore we have an Anti-Corruption and Conflict of Interest Policy that applies to all employees. This policy, along with our Trade Secrets and Trade Sanctions Policies, supports our employees and representatives in making the right decisions and ensures that we conduct business in a fair and ethical way.

Just as we set standards for ourselves, we have implemented a Supplier Code of Conduct for both medicinal suppliers and external transport partners. We expect our suppliers to share our focus on ethics, human rights and protecting the environment. We believe this is important for keeping the trusted relationship we have with them.

Data Ethics

We protect fundamental rights in relation to personal data. Our Personal Data and Privacy Policy and Guidelines for Handling of Personal Data can be found on our website. They ensure that we comply with laws and regulations in relation to the protection of personal data.



In 2023 the Abacus Medicine Group has included data ethics in our Personal Data and Privacy Policy, because we believe that it is important to consider the ethical dimension of fundamental human rights when we use technology.

Tax Policy

In the Abacus Medicine Group, we look to the UN Sustainable Development Goals to guide us on responsible corporate citizenship and ensure that we meet stakeholder expectations to a sustainable business. By adhering to our Tax Policy and paying our fair share of taxes, we believe that we contribute both directly and indirectly to the UN Sustainable Development Goal 16.6 on the development of effective, accountable and transparent institutions.

Codes of Conduct

We acknowledge that the Abacus Medicine Group's responsibility extends beyond the letter of the law. Thus, with our Codes of Conduct (for suppliers and transporters), we expect that all our suppliers comply with the given set of legal, ethical, regulatory and moral guidelines that we put forward.

It is our aim that our Codes of Conduct ensure a productive, ethical and safe cooperation between the Abacus Medicine Group and our suppliers, and that the suppliers treat their workforce according to certain standards.





Better Access. Better Healthcare

Our Contribution to the UN SDG

Driving Sustainability

People and Community

Supply Chain and Production

Governance

ESG Reporting

ESG Reporting

→ ESG Data	37
→ Framework and Accounting Principles	38



ESG Data

Environment	Unit	Target	2023	2022	2021	2020	2019
Direct Greenhouse Gas Emissions (Scope 1)	Metric tonnes CO ₂ e		216.9	213.7	239.0*	155.2	109.4
Electricity Consumption	kwh		2,449,906	2,425,815	2,094,133	1,296,230	821,385
Renewable Electricity Share	%		31	32.0	31.0	29.0	20.0
Indirect Greenhouse Gas Emissions (Scope 2)							
Market-based	Metric tonnes CO ₂ e		642.6***	601.3	548.7	-	-
Location-based	Metric tonnes CO ₂ e		632.9***	715.1	664.4	-	-
Social							
Employee Headcount	Number of employees		1,324	1,279	1,148	1,073	770
Full-time Equivalents	Number of FTEs		1,196	1,140	1,052	912	618
Gender Diversity All Employees	%		60	60	59.0	59.0	61.0
Gender Diversity Senior Mgmt.	%		23.1	21.4	20.5	-	-
Gender Diversity Executive Mgmt.	%		30.0	30.0	22.0	8.0	11.0
Employee Turnover Rate	%		13.8	18.2	16.4*	10.6*	15.4*
Sickness Absence	Days per FTE		12.6	13.6	14.8	11.2	11.3
Employee Survey Participation Rate	%	85.0	80	81.0	82.0	87.0	83.0
Employee Engagement Score	Index 1-5 (2019-22), Index 1-4 (2023-)	>3.5**	3.2/4	3.9/5	4.0/5	3.9/5	3.9/5
Governance							
Gender Diversity, Board	%		14.0	14.0	14.0	0	0
GDPR breaches	Number		2	1	1	2	2
Whistleblower cases	Number		0	0	0*	1	0

Sickness absence includes COVID-19 related absence. Historical data is not available for all metrics for all years. The ESG data has not been subject to an audit. Please note that the diversity numbers in this table cover the entire Abacus Medicine Group. Gender Diversity Targets in compliance with ÅRL 99b can be found in our Annual Report 2023.

* The number has been adjusted subsequently.

** Target for 2026 has been adjusted to new Index. The comparable target for the previous years (2019-2022) is 4.0/5.

*** Most recent Emission Factors published by AIB in 2022 are used. For increased accuracy, the calculation method for Emission Factors has been revised by AIB for 2022 and upcoming years. Thus, 2023 emissions might not be comparable to the previous years. The reduction in location-based emissions is mainly attributed to lower emission factors published by AIB for the production mix in 2022.



Framework and Accounting principles

For all metrics Pluripharm Group is included from August 2020 which represents the time of acquisition.

Environment	Accounting Policy	Entities
Scope 1 emissions	The calculation of scope 1 emissions is based on the Greenhouse Gas Protocol and includes the direct greenhouse gases from gas base heating and company cars. Emission factors for 2023 are based on DEFRA's newest publication of emission factors.	Abacus Medicine Group
Electricity Consumption	The electricity consumption data is taken from invoices, and if needed, based on estimates on a monthly basis.	Abacus Medicine Denmark, Netherlands, and Hungary, Pluripharm Group
Renewable electricity share	The renewable electricity share is calculated as the renewable electricity consumption divided by the total electricity consumption.	Abacus Medicine Denmark, Netherlands, and Hungary, Pluripharm Group
Indirect GHG emissions (Scope 2)	The calculation of scope 2 emissions is based on the Greenhouse Gas Protocol and includes indirect greenhouse gases from electricity consumption. The Emission factors for the electricity consumption are obtained from AIB 2022. Renewable energy certificates have been included for calculating market-based emissions.	Abacus Medicine Denmark, Netherlands, and Hungary, Pluripharm Group
Social	Accounting Policy	Entities
Employee headcount	Number of headcounts at year end.	Abacus Medicine Group
Full-time Equivalents	Number of headcounts converted into average Full-time Equivalents (FTEs) over the year.	Abacus Medicine Group
Gender Diversity All Employees	The distribution of the entire workforce, excluding external consultants, measured by headcount. Calculated as end of year female workforce divided by total workforce.	Abacus Medicine Group
Gender Diversity, SMT	Consists of members of the Senior Management Team. Calculated as female members divided by total members.	Abacus Medicine Group
Gender Diversity, EMT	Consists of members of the Executive Management Team. Calculated as female members divided by total members.	Abacus Medicine Group
Employee Turnover Rate	The employee turnover rate is calculated as the number of headcounts who left the company over a year divided by the average number of headcounts over the year.	Abacus Medicine Group
Sickness Absence	Sickness absence days are calculated as total number of sickness absence days for all FTEs divided by the average FTEs in the financial year. The calculation is based on 4 entities representing 96% of the total number of FTEs.	Abacus Medicine Denmark, Netherlands, and Hungary, Pluripharm Group
Employee Survey Participation Rate	Based on the yearly employee survey and included in the year where the survey took place.	Abacus Medicine Group
Employee Engagement Score	Based on the yearly employee survey and included in the year where the survey took place.	Abacus Medicine Group
Governance	Accounting Policy	Entities
Gender Diversity, Board of Directors	Consists of members elected at the general assembly. Calculated as female members divided by total members.	Abacus Medicine Group
GDPR Breaches	Number of GDPR breaches registered.	Abacus Medicine Group
Whistleblower Cases	Number of whistleblower cases registered.	Abacus Medicine Group



ABACUS MEDICINE

Abacus Medicine A/S, Kalvebod Brygge 35,
1560 Copenhagen V, Denmark, CVR no. 28 11 15 76