

Sustainability Report 2024



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About the report's purpose and scope

This sustainability report aims to provide a comprehensive overview of Nomeco's sustainability initiatives and outcomes of FY2024/25. Following the introduction, the report delves into how we integrate sustainability across our company, processes, and services. We focus on key areas aligned with the Ten Principles of the UN Global Compact, as reflected in our EcoVadis disclosure. The report is structured to offer transparency and accountability, which are essential for driving progress.

Report content

The report primarily covers 2024 data, with additional information from 2022 and 2023 to ensure consistency and comparability. It addresses topics of significant interest to our stakeholders, identified through a materiality assessment.

Statement on UNGC CoP

This document serves as Nomeco's Communication on Progress, referencing our alignment with the UN Global Compact's ten principles. Detailed information on our progress can be found in the relevant sections of the report and on our website at www.nomeco.dk.

Reporting period: 01.02.2024 to 31.01.2025

Reporting standard: This report is in accordance with GRI Universal Standards 2021 (Core Option). Furthermore, we take as a reference and report according to SDGs, ISO 26000 guidelines, UNGC & GHG Protocol

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Company profile

Nomeco in numbers

- 3 distribution centers in Denmark
- Approximately 950 employees
- DKK 11.468.065.000 in revenue in 2024/25

Denmark's biggest pharma wholesaler

Our distribution centers ensure the supply of pharmaceuticals to pharmacies in Denmark and the Faroe Islands. The efficient geographic placement guarantees that all pharmacies can be accessed within a two-hour timeframe.

Nomeco HealthCare Logistics




Nomeco HealthCare Logistics provides essential healthcare logistics services within pre-wholesale, hospital service, clinical trial supply management, business intelligence, pharmaceutical sampling, and marketing material distribution.

We deliver medicine for hospitals

Our hospital service is a committed partner for the hospital pharmacies. We make sure that medicines of the highest quality are delivered in the safest and fastest way possible.

A part of PHOENIX group

While we are proud to be rooted in Denmark, we are part of something larger; the family-owned German company PHOENIX group, which is represented in 29 European countries, has 224 distribution centres and 48,000 employees. This makes them the leading pharmaceutical wholesaler in Europe.

<h3>Nomeco in numbers</h3>	 <p>Part of PHOENIX group present in 29 European countries</p>	<h3>Denmark's largest pharmaceutical wholesaler</h3> 
 <p>Approximately 950 employees in Denmark</p>	 <p>3 distribution centers in Denmark</p>	<p>DKK 11.4 billion in revenue in 2024/25</p> 

The history of Nomeco

Nomeco's roots date all the way back to 1882.

1882

Danish pharmaceutical wholesaler **Bang & Tegner A/S** is established.



1903

Danish pharmaceutical wholesaler **Nordisk Droge & Kemikalie A/S** is established.

1959

Danish pharmaceutical wholesaler **Mecobenzon A/S** is established.



1991

Nomeco A/S is founded in Copenhagen from a merger between **Nordisk Droge & Kemikalie A/S** and **Mecobenzon A/S**.

1991

Nomeco A/S was introduced on the **Copenhagen Stock Exchange** in 1991 with **Monberg & Thorsen Holding** as the main shareholder.



1992

Bang & Tegner A/S also merges with **Nomeco**.



1998

Nomeco A/S was sold to the largest Nordic pharmaceutical wholesaler, the **Finnish Tamro Group**.



2012

Tamro is acquired by the German **PHOENIX Group**, the world's fifth largest pharmaceutical wholesaler; **Nomeco** is now a wholly owned subsidiary of PHOENIX.

Highlights and achievements

Highlights

- EcoVadis Platinum rating achieved for the second consecutive year (81/100)
- Reduced total Scope 1 & 2 emissions with -6,61% (location based) and -2,09% (market based)
- 33% reduction in CO2 (37 tons) in plastic wrapping
- 80% reduction in CO2 (27 tons) with circular temperature loggers
- 89% recycling rate
- 24 tons plastic retrieved and recycled in Returpen project
- 100% of our electricity usage is covered by Danish wind through Power Purchase Agreements (PPA)
- Energy and climate audit completed
- Commitment to the UN Global Compact (UNGC)
- First scoring with CDP (Carbon Disclosure Project)
- Palm oil policy in place



Highlights and achievements

Re-won the EcoVadis Platinum medal

We are proud to have once again achieved the Platinum medal from EcoVadis - a recognition that places us among the top 1% of companies globally in sustainable and responsible business practice. EcoVadis is one of the world's leading sustainability and social responsibility assessment platforms. With a score of 81/100, we are placed in the 99th percentile of more than 130,000 evaluated companies across more than 220 industries and 180 countries.

We are evaluated on different levels including 1) policies and procedures (what we say, we will do), 2) Actions (what we actually do), and 3) Results & documentation (how well we did and how well we have documented it).

The EcoVadis submission also encouraged us to make our first sustainability report as Nomeco. You are now reading our second sustainability report, and we expect to continue these reports annually.

Energy and climate audit

In November 2024, we conducted a comprehensive energy and climate audit across all our sites. This was done by an external third party, fulfilling a legal requirement that occurs every four years. This year marked the first inclusion of a climate audit, providing us with a detailed assessment and a long list of recommendations for both the energy and climate areas. This process is crucial as it not only ensures compliance but also equips us with valuable insights to enhance our energy efficiency and climate resilience, paving the way for more sustainable operations.

Getting ready for CSRD

We will fall under the CSRD from FY25/26 with PHOENIX group, but already in FY24/25, we did our first CSRD-compliant reporting, in preparation for next year.

Power Purchase Agreement

100% of our energy consumption is covered by Danish wind energy through PPAs.



Highlights and achievements

CO2 data

You can find all our emissions data, as well as other ESG data, at the end of this report.

Committed to UNGC

In 2024, we committed to the United Nations Global Compact (UNGC), the world's largest corporate sustainability initiative. The UNGC is an initiative with 10 principles promoting sustainable and responsible business practice on human rights, labor, environment, and anti-corruption. By joining this global initiative, we are not only enhancing our dedication to sustainable and responsible business practices but also contributing to a broader movement that seeks to create a more equitable and sustainable world. We will make an annual Communication on Progress (CoP) starting in 2025.

Disclosed in CDP

In 2024, we disclosed to the CDP (Carbon Disclosure Project), using the full questionnaire for large companies for the first time, marking an important step in our commitment to environmental transparency and action. This aligns us with global efforts to address climate change, enhances

our corporate responsibility, and drives sustainable practices that benefit both our company and the planet.

Phoenix Climate Fund

In 2024, Nomeco was granted support from PHOENIX group's climate fund to implement a large-scale upgrade of the lighting systems at our headquarter warehouse next year. The initiative is part of our broader commitment to improving energy efficiency across operations and reducing Scope 2 emissions. PHOENIX group sets the overall sustainability targets for the group, while it is the responsibility of each subsidiary, including Nomeco, to bring these values to life. To support this decentralized approach, the fund was established specifically to finance sustainability projects.

Producer responsibility for packaging waste

As part of the EU Directive on Packaging and Packaging Waste, Nomeco will be compliant to report under the Danish law which takes effect in 2025. The law marks a significant shift in how businesses manage packaging waste. Under this law, companies are held accountable for the en-

vironmental impact of their packaging, promoting sustainable practices and waste reduction.

Already in August 2024, we reported on the expected amounts of packaging waste for 2024, preparing for compliance and demonstrating our commitment to promoting recycling and reuse.



Statement from the CEO

The ending of FY2024/25, marked some new beginnings for Nomeco. After 12 years as Nomeco's CFO, I took on the role of the company's CEO. I am pleased that sustainability remains part of my responsibility area, as I believe it deserves our full attention.

At Nomeco, our commitment to sustainability continues to shape how we operate and how we serve our partners in the healthcare sector. In 2024/25, we advanced our efforts to reduce environmental impact, strengthen social responsibility, and ensure transparent, ethical governance.

This was reflected in our second consecutive EcoVadis Platinum rating, which we are very proud of.

We recognize that our long-term success depends on our ability to deliver value not only to customers and shareholders, but to society at large.

That's why sustainability is not just a compliance exercise for us - it's a mindset that influences the decisions we make.

Nomeco's role in the healthcare supply chain places us at the intersection of critical systems - medicine, distribution, and sustainability.

It's a responsibility we take seriously, and I am confident that the steps we take today will help build a more resilient, sustainable future for all.

Ken Rasmussen

Chief Executive Officer, Nomeco A/S



Mission, vision and values

Mission:

To deliver health.

Vision:

Our goal is to be the preferred partner in healthcare logistics and ensure easy and direct access to healthcare products - both in Denmark and across borders.

Values:

As part of the PHOENIX group, we are part of a strong European collaboration in healthcare logistics. Our vision and mission therefore extend beyond Denmark's borders. Our international perspective makes us a strong partner that values knowledge sharing, partnerships and a long-term approach.

- We focus on the customers
- We operate efficiently
- We think forward
- We embrace collaboration
- We create value
- We are one team



Sustainability



Sustainability at Nomeco

Sustainability approach

Our focus on a future-proof business is an integrated part of Nomeco. We continuously work to learn and to implement long-lasting initiatives - and we constantly implement new workflows that benefit society and our stakeholders. Now and in the future.

But we are not working alone. We collaborate with our suppliers to create framework agreements that make our workflows and processes more sustainable.

At the same time, we collaborate with our mother company PHOENIX group, who also works purposefully with sustainability. We prioritise partnerships across countries with the goal of contributing to a future-proof supply chain beyond borders.

Our sustainability goals

- **CO2 neutral:** We aim to be carbon-neutral in our own operations (Scope 1+2) by 2030, meaning that none of our processes contribute negatively to climate changes.
- **Procurement with care:** We want to source all our products and materials as sustainably as possible by 2030, based on a range of KPIs. This means that we not only consider price, but also other sustainability factors.
- **Common health and diversity:** We want to take responsibility for our employees' mental and physical health. And we want everyone who has the will and talent to have the opportunity to develop in our company - regardless of gender and professional and ethnic background.

Roles and Responsibilities

- Chief Executive Officer (CEO): Overall responsibility, overseeing the Sustainability Department, ensuring alignment with the company's financial and strategic goals.
- Sustainability Manager: Responsible for the daily management and execution of the company's environmental policy.

Governance structure

- The Sustainability Manager reports directly to the CEO, ensuring that environmental initiatives are integrated with the company's overall financial strategy.
- Regular meetings are held between the CEO and the Sustainability Manager to review progress, address challenges, and plan future actions.

New leadership in Nomeco with sustained commitment to sustainability in 2025

In connection with recent organizational changes, Ken Rasmussen has been appointed as the new CEO of Nomeco. While leadership has changed, sustainability remains a strategic priority and continues to fall under the CEO's area of responsibility. Under Ken Rasmussen's leadership, Nomeco reaffirms its strong commitment to ESG and sustainability efforts.

Sustainability strategy 2024

CLUSTER	SHORT LIST MATERIAL TOPIC	NOMEKO POLICY & PROCEDURES	TARGETS	SDGS ALIGNMENT	UNGC
ENVIRONMENT	Energy consumption & GHG	Environmental policy	Reduce energy consumption by 10%. -1.2% scope 1 & 2 from 2021	SDG 7	Principle 6-9
	Materials, chemicals & waste	Environmental policy	Zero waste to landfill	SDG 7	Principle 6-9
	Customer health & safety	Environmental policy		SDG 7	Principle 6-9
	Environment services & advocacy	Environmental policy		SDG 12	Principle 6-9
SOCIAL	Employee health & safety	HR Handbook	0 incidents & accidents	SDG 3	Principle 3-6
	Working conditions	HR Handbook	100% health coverage conditions	SDG 3	Principle 3-6
	Social dialogue	HR Handbook		SDG 3	Principle 3-6
	Career management & training	HR Handbook	100% employees trained	SDG 3	Principle 3-6
	Diversity, equity & inclusion	HR Handbook	40% woman	SDG 3	Principle 3-6
ETHICS	Corruption	Code of Conduct	0 corruption cases	SDG 12, 8	Principle 10
	Sustainable information management	Code of Conduct	0 Breaches ITC	SDG 12, 8	Principle 10
SUSTAINABLE PROCUREMENT	Supplier environmental practices Supplier social practices	Sustainable procurement policy	100% target supplier to have signed code of conduct	SDG 12, 8	Principle 1-2

Stakeholder engagement and materiality assessment

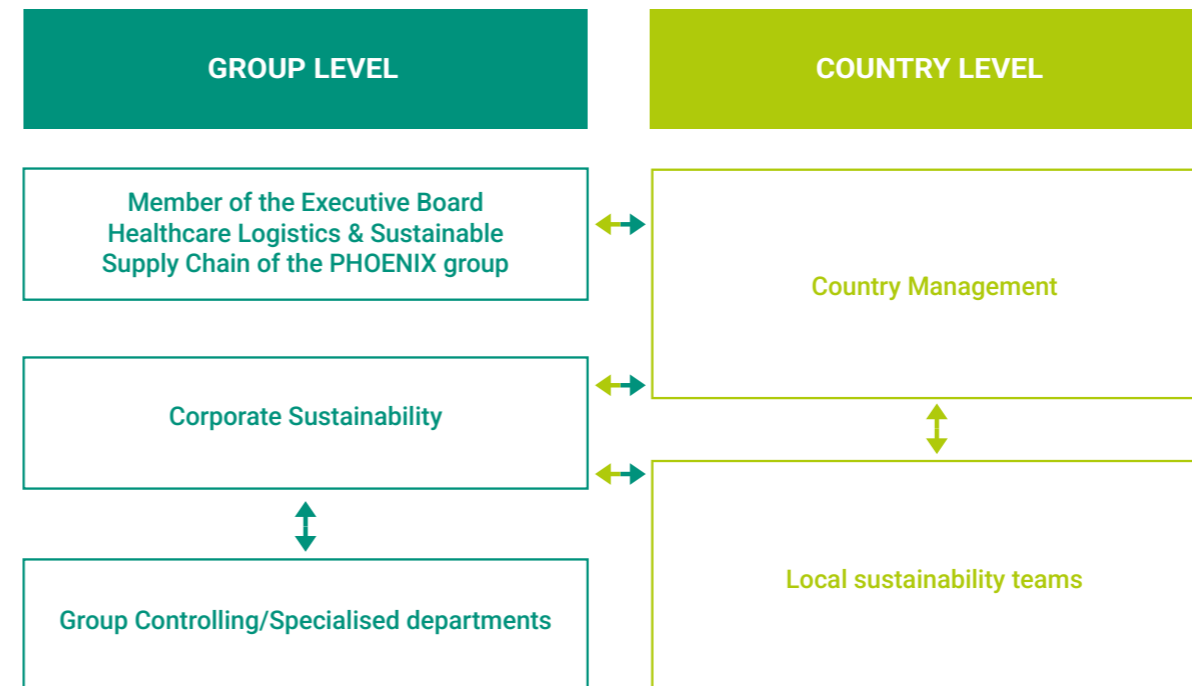
As part of the PHOENIX group, Nomeco works closely with corporate sustainability within their framework, to implement the group's sustainability management system.

The framework outlines responsibilities, roles, and tasks, related to guidelines, reporting, and stakeholder engagement.

To ensure relevance and effectiveness, we regularly conduct a (double) materiality analysis in line with the Global Reporting Initiative (GRI) Standards. Latest in FY2023/24 as preparation for the EU Corporate Sustainability Reporting Directive (CSRD), and we intend to update it again in FY2025/26.

The topics are evaluated based on their significance to stakeholders and their economic, environmental, and social impacts on our business operations.

Sustainability organisation



Stakeholder engagement and materiality assessment

MATERIAL TOPICS	GRI TOPICS	LOCATION OF THE IMPACTS
Responsible and ethical supply chain	Procurement Practices	External
Product safety	Customer Health and Safety, Marketing and Labelling	Internal and external
Access to high-quality pharmaceuticals and healthcare	Indirect Economic Impacts	External
Responsible production of own brands	Customer Health and Safety	Internal and external
Customer satisfaction	Customer Health and Safety, Marketing and Labelling, Customer Privacy	Internal and external
Resource consumption	Energy	Internal and external
Emissions and climate impacts	Energy, Emissions	Internal and external
Energy use	Energy	Internal and external
Waste management	Waste	Internal and external
Employee health, safety and well-being	Occupational Health and Safety	Internal
Diversity, equity, and inclusion	Employment, Diversity and Equal Opportunity, Non-Discrimination	Internal
Long-term talent retention	Employment, Diversity and Equal Opportunity, Training and Education	Internal
Staff development	Training and Education	Internal
Fair working conditions	Employment, Non-Discrimination, Diversity and Equal Opportunity	Internal
Community engagement	Indirect Economic Impacts	External
Compliance	Anti-Corruption, Anti-Competitive Behaviour	Internal and external

Commitment to the Sustainable Development Goals

We are proud to work actively with the UN Sustainable Development Goals, with a special focus on goals 3, 7, 8 and 12. At the same time, we integrate the principles of the Paris Agreement in our efforts to create a sustainable future.

SDG 3 - Health and well-being

As a pharmaceutical wholesaler, our primary mission is to deliver health. We contribute to SDG 3 by ensuring reliable access to medicines and healthcare products, which is essential to promote health and well-being in society. Our work supports one of the central pillars of the SDGs by improving quality of life and ensuring that everyone has access to the resources needed for a healthy life.

SDG 7 - Sustainable energy

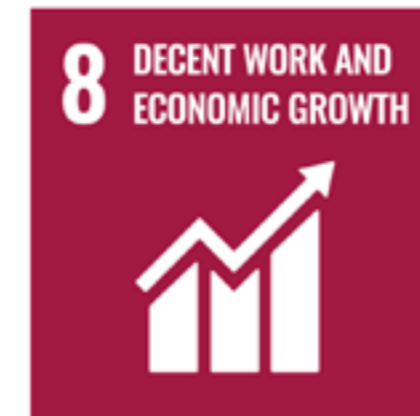
We want to play an active role in the future of climate-friendly business. We work to optimise our energy consumption and invest in renewable energy sources. This is not only in line with the SDGs, but also with the Paris Agreement goals to reduce greenhouse gas emissions and limit global warming.

SDG 8 - Decent work and economic growth

We promote a safe and inclusive work environment that supports employee development while contributing to economic growth. A strong economy is necessary to finance and implement the climate initiatives that are essential to the Paris Agreement. We therefore work for economic growth and technological development while respecting sustainable development and safeguarding the diversity of our employees.

SDG 12 - Responsible consumption and production

We are committed to minimising our environmental impact through sustainable practices throughout the value chain. This supports both the SDGs and the ambitions of the Paris Agreement. We promote future-proof solutions in our procurement and resource consumption and stimulate waste recycling in all parts of the company. Our commitment is an important part of our long-term strategy, which aims to fulfil our business goals while having a positive impact on society and the environment.



Memberships, endorsements and certifications

2024 memberships & endorsements to sustainability organisations



2024 certifications & assessments



EcoVadis Platinum Nomeco: 81/100



Energistyrelsen
Energy and climate audit

UN Global Compact - Putting principles into practice



UN Global Compact - Putting principles into practice

Nomeco is fully committed to the UN Global Compact and its Ten Principles, which guide our efforts to embed sustainability into our core operations and strategy. Through our annual Communication on Progress (CoP), we report transparently on our actions in the areas of human rights, labor, environment, and anti-corruption - ensuring that our sustainability efforts are measurable, aligned with international standards, and reflect responsible business conduct.

Human Rights

Principle 1: *Businesses should support and respect the protection of internationally proclaimed human rights.*

Principle 2: *Make sure that they are not complicit in human rights abuses.*

We are committed to fulfil our responsibility to respect human rights as defined by the UN Guiding Principles on Business and Human Rights. Our responsibility is thus to respect all internationally recognised human rights in our own activities and business relationships.

New Human Rights Policy Statement

As part of PHOENIX group, we are deeply committed to upholding internationally recognized human rights across our operations and supply chain. This includes compliance with local labour legislation, respect for freedom of association, and active support for environmental protection.

In January 2025, **we formally introduced our updated Human Rights Policy Statement**, reinforcing our commitment and aligning with international standards and expectations.

Human rights due diligence is an integrated part of our overall risk management framework. We continuously refine our efforts based on the key risks identified within our own operations and among our direct suppliers.

Our employees play a central role in this work. Our measures are designed to safeguard individual rights and to promote a safe, inclusive, and compliant workplace. We expect all employees and partners to act with integrity, follow legal requirements, and engage in defined due diligence processes – such as supplier evaluations and risk assessments.

To ensure transparency and accountability, we have clear mechanisms for reporting concerns or suspected violations, whether they affect employees directly or occur within the supply chain. Employees who engage with external stakeholders or suppliers are encouraged to actively communicate our human rights standards and support constructive dialogue.



Human Rights

Sustainable procurement

Nomeco received the EcoVadis Platinum medal for the second time in a row, ranking in the top 1% of evaluated companies. General Procurement played a crucial role in this achievement by implementing policies with quantitative objectives, supporting Nomeco's commitment to responsible practices.

Supplier Code of Conduct

In 2024, Nomeco continued to uphold responsible business practices through our Supplier Code of Conduct. This code enforces ethical standards, health and safety compliance, anti-corruption measures, and environmental responsibility. We emphasize transparent relationships and data protection, requiring all suppliers to adhere to these standards consistently.

CSR risk analysis

In 2024, Nomeco conducted CSR risk assessments for all new suppliers using the Phoenix Business Partner Due Diligence platform. Suppliers exceeding a EUR 1,000 purchasing threshold undergo mandatory screening to identify sustainability and compliance risks. Our top 50 suppliers are also assessed, ensuring robust risk management.

Supplier assessment on environmental or social practices

Nomeco's broader focus on sustainability-driven procurement played an increasingly important role in FY2024/25. Throughout the reporting year, sustainability considerations were a decisive factor in several key purchasing decisions.

Strategic or high-risk suppliers must complete a self-assessment questionnaire on environmental and social practices. This process helps us mitigate CSR risks and ensure compliance with sustainability standards.

Social or environmental clauses in supplier contracts

Nomeco integrates social and environmental clauses into supplier contracts, aligned with the PHOENIX group standards. Suppliers must comply with ethical, safety, anti-corruption, and environmental guidelines, confirming adherence during evaluation and selection.



Labour

Principle 3: *Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.*

Principle 4: *The elimination of all forms of forced and compulsory labour.*

Principle 5: The effective abolition of child labour.

Principle 6: The elimination of discrimination in respect of employment and occupation

Nomeco's Code of Conduct

Nomeco requires all suppliers to uphold internationally recognized human rights and ensure fair, ethical treatment of workers. This includes a strict ban on child labor, forced labor, and discrimination. Suppliers must respect workers' rights to fair wages, reasonable working hours, freedom

of association, and collective bargaining. Equal opportunities and diversity must be promoted, with clear and fair employment practices in place.

Social responsibility

At Nomeco, we recognize that social sustainability is a core element of responsible business conduct. Our efforts focus on ensuring safe, fair, and inclusive working conditions while fostering continuous development and well-being among our employees.

Key areas of our social responsibility include employee health and safety, working conditions, social dialogue, career management and training, and diversity, equity, and inclusion.

One clear sign of **our strong workplace culture is the high level of employee retention – 16.5% of our staff have been with Nomeco for at least 15 years**, a milestone that reflects

long-term commitment, mutual trust, and a positive working environment. We see this as a testament to our continuous efforts to create a safe, inclusive, and engaging workplace.

As part of PHOENIX group, we are committed to upholding human rights throughout our operations and supply chains. Each PHOENIX country has appointed a **local Human Rights Officer** to strengthen the implementation of human rights and environmental risk management.

At Nomeco, this responsibility is held by our Sustainability Manager - Lærke Lykke Grønnebæk (lagro@nomeco.dk), who can be contacted for any questions or concerns regarding these matters.

Employee satisfaction survey

In November 2024, we conducted our annual Employee satisfaction survey

(MTU Listen), with a **79% participation rate**, representing 714 employees who shared their experiences and perspectives. To ensure that the feedback leads to meaningful change, HR is organizing workshops to support leaders in translating survey results into actionable strategies.

We are committed to making this process transparent and focused, so that employees can clearly see how their input is driving improvements within the organization.

Employee stories



Sune: From Driver to Commercial Affairs Manager

Sune's 27-year journey at Nomeco is a strong example of long-term employee retention and internal career development. Starting as a part-time driver in 1998, he has since held various roles across operations and sales, gaining deep insight into the business. Today, he leads our B2B team and manages key pharma partnerships.

His leadership is built on trust, clear direction, and employee empowerment values that reflect our commitment to a strong and supportive workplace culture.

Helene: From Trainee to Logistics Consultant

Helene began her career at Nomeco in 2011 as a finance trainee – but quickly made her mark by leading a major digitalization project in the quality department. She helped phase out paper-based systems with smarter, greener digital workflows.

For Helene, it wasn't just about efficiency – it was about **doing things better and more sustainably.**

Over the years, she has taken on various roles across the company. Today, she serves as a Logistics Consultant, where she continues to support teams, systems, and people.

Her journey reflects how Nomeco empowers employees to grow, take initiative, and stay connected – not just through roles and tasks, but through lasting relationships and shared purpose.



Celebrating women's career journeys in Nomeco – International Women's Day

On International Women's Day, **we internally shared the career journeys of three inspiring women colleagues** across different areas of Nomeco - from warehouse operations and supply chain management to digital development in IT.

In Nomeco, we are committed to fostering **a workplace where everyone has equal opportunities to grow and contribute regardless of gender.**

One of the colleagues expresses:

"I have never for a second wondered whether my career would have been different if I were a man, as I have never encountered any form of prejudice."

Nomeco has many women leaders, and I only see that we all have the same opportunities regardless of gender."

By creating space for these personal success stories, we not only honour the women behind them but also reinforce our commitment to a workplace that embraces equality and career empowerment.

Labour

Gross salary deduction

We have been working on a new gross salary deduction scheme, also known as a flexible salary package. This scheme allows Nomeco's employees to save up to 60% compared to the market price on items and services such as electronics, massage programmes, etc. The scheme takes effect on 1 February 2025.

Creating broader impact – within Nomeco and beyond

Donation to BørneTelefonen

Nomeco has donated DKK 30,000 to BørneTelefonen (Children's Telephone), a vital service provided by Børns Vilkår, to make a difference for children in challenging situations.

BørneTelefonen offers children and young people the opportunity to receive advice, support, or simply a listening ear. In 2023, they received over 63,000 inquiries, highlighting the invaluable work they do. We hope our contribution can help provide the security and support that children need.

Blood donation with the mobile blood bank

Nomeco has partnered with Den Mobile Blodbank (The Mobile Blood Bank) to provide employees with the convenient opportunity to voluntarily donate blood close to our Copenhagen location.

Through this initiative, Nomeco contributes to supporting accessibility of blood supply in the country, while encouraging a culture of responsibility and social awareness among our employees. It represents a small but meaningful way in which workplace engagement can positively support the wider community.

Flu vaccine

In late autumn, employees could receive a flu vaccine, ensuring both community support and personal health are prioritized. We offer this to underline our commitment to fostering a healthy workplace and contributing to vital healthcare services.

Recognition relay

In November 2024, we implemented a recognition relay (anerkendelsesstafet) initiative to promote a

culture of appreciation and community within our organization. This initiative encouraged employees to share thoughtful acknowledgments and kind words across teams and departments, reinforcing the value we place on mutual respect and support. The relay served as a powerful reminder of the impact small gestures can have on enhancing workplace well-being and organizational resilience.

Innovation and technology

AI Frontrunners

2024 brought many exciting steps in the AI journey, integrating artificial intelligence as a key component of our strategy to drive innovation and efficiency. With our established **AI Frontrunner network, AI will be leveraged as a tool to achieve concrete efficiencies and smarter workflows.**

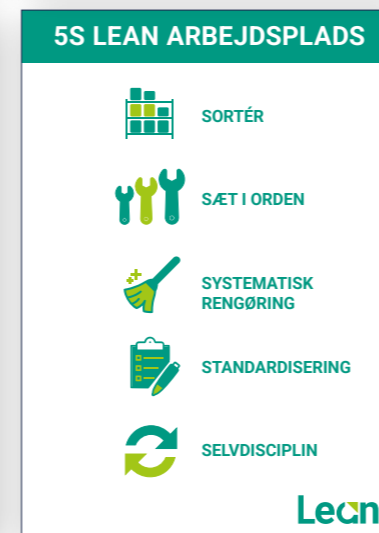
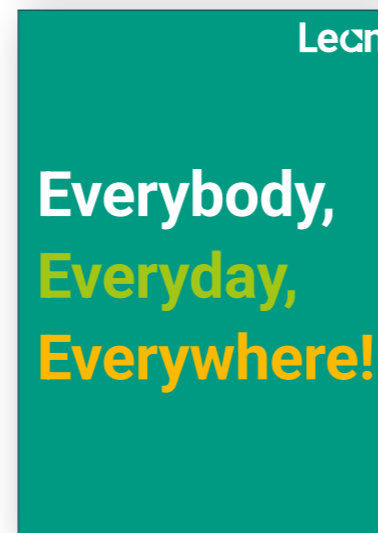
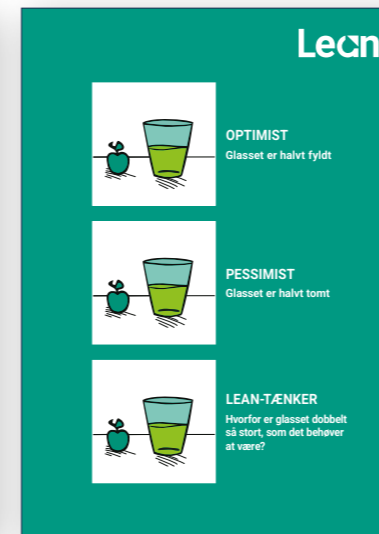
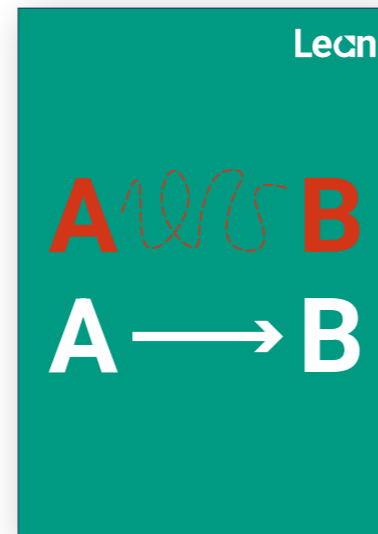
Our frontrunners have been deeply engaged in exploring and testing generative AI, achieving promising results. They continued to share their insights and unlock AI's vast potential for the entire organization.

Labour

Nomeco goes LEAN

At the end of Q3, Nomeco embarked on a transformative LEAN journey across our operations, using LEAN methodologies to enhance efficiency and streamline operations. LEAN is a powerful tool focused on eliminating waste, optimizing processes, and maximizing value for both the organisation and its customers. This initiative supports our sustainability goals while driving cost savings and efficiency improvements.

Through different key LEAN activities and workshops, we have dedicated resources to understand, analyze, and redesign specific areas and parts of the warehouse process. In the coming year, we expect to see increased productivity, saved hours, and better work environment for employees.



Labour

Testimonials from stakeholders and partners

Our company is rooted in strong partnerships with Danish pharmacies through collaboration, trust, and innovation. A key example of this is the development and implementation of our VMI (Vendor Managed Inventory) solution - an approach that continues to create value across the sector.

The VMI journey began in the year 2000 with a collaboration with one of our partner pharmacies. From the very start, the pharmacy played an active role in demonstrating the potential of shared inventory management. Despite early challenges and skepticism, the collaboration between Nomeco and the pharmacy set a foundation for what would become a long-term success. The early results showed clear improvements in efficiency, stock accuracy, and everyday workflows.

We recently spoke with a pharmacy that has just implemented the VMI system and is already seeing the value. Since switching to Nomeco as wholesaler, the pharmacist and the team have experienced smoother operations, fewer returns, and more precise stock management. The ability to adapt to demand fluctuations and reduce waste has supported both operational goals and sustainability efforts.



Across these partnerships, a common thread is evident: the success of VMI is not just rooted in the technology itself, but in the trust-based cooperation between Nomeco and the pharmacies. This alignment enables continuous improvement and contributes to more sustainable, data-driven logistics in the healthcare sector.



Environment



Environment

Principle 7: *Businesses should support a precautionary approach to environmental challenges.*

Principle 8: *Undertake initiatives to promote greater environmental responsibility.*

Principle 9: *Encourage the development and diffusion of environmentally friendly technologies.*

Environmental sustainability is central to Nomeco's ESG strategy. As a key player in the healthcare supply chain, we are committed to reducing our environmental impact and promoting sustainable practices. Our goal is to achieve CO₂ neutrality by 2030 (Scope 1 and 2), enhance operational efficiency, and drive innovation in green technologies. These efforts are vital for long-term success and meeting stakeholder expectations, ensuring a more sustainable future for the healthcare industry and the communities we serve.

Milestones: Environmental achievements in FY2024/25

Climate impact

2025 started with a major achievement for Nomeco when we obtained **the EcoVadis Platinum status** for the second consecutive year. This places us among the top 1% of companies globally in sustainable and responsible business practices.

Where EcoVadis rates companies on a broad spectrum of sustainability related topics, **our first full CDP disclosure** focused specifically on the CDP-issues climate change and water.

Service with sustainability related offer

Nomeco has successfully **integrated circular temperature loggers** into our operations, enhancing sustainability and meeting client requirements. Our collaboration with our partner has led to reusable loggers, maintaining high precision and quality while advancing our eco-friendly practices.

The take-back programme allows used loggers to be repurposed, aligning with our EcoVadis goals and reducing our carbon footprint by up to 27 tons annually. This initiative reflects our commitment to circular solutions and reducing electronic waste and emissions.



Environment

Energy

Nomeco's entire **energy consumption is covered by 100% renewable energy**, coming from Danish wind. This is secured through a Power Purchase Agreement (PPA), supporting our transition to low-emission energy.

We also completed a comprehensive energy and climate audit to identify further opportunities for efficiency and CO₂ reduction.

To address emissions from transportation, we laid the groundwork for the transition towards electrifying our fleet. Where the first delivery vans are expected to be electric from next year, 33% of our company cars are now electric.

Electrification of heavy transport (trucks) is more complex, and technological developments are progressing at a slower pace compared to passenger cars and delivery vans. However, we are closely monitoring advancements in the sector and remain committed to integrating sustainable solutions as they become viable. Nomeco aims to lead the way in adopting innovative technologies that align with our sustainability goals and reduce our environmental impact.

Transportation optimization

Nomeco launched a **new carrier tender** aimed at supplier diversification to minimize dependences, improve quality, and increase cost competitiveness.

This tender resulted in **enabling dual sourcing, ensuring risk mitigation and improved sustainable initiative** in a new strategic partnership with an alternative supplier.

This initiative underscores the importance of strategic planning and collaboration in achieving operational excellence and financial success. An umbrella agreement, incorporating incentive programmes to benefit other PHOENIX group companies is in the making, starting with Nordics countries.



Environment

Waste

Nomeco has an **89% recycling rate** in our waste handling. Although we consider this a good result, we strive to make the rate even higher.

We have started the comprehensive preparations for the EUs new Packaging and Packaging Waste Regulation (PPWR), which will go into force in 2025. This requires **close contact with our suppliers**, both in pharmaceutical and general procurement.

Strategic partnership in our supply chain

Nomeco has collaborated with packaging solutions partner, Boxon, since 2015. The strategic partnership has enabled us to **effectively minimize packaging materials and enhance efficiency**. Boxon provides us with complimentary data for reporting, sustainability indicators, and insights into market developments.

They play a proactive role in suggesting optimization ideas and activities that unlock value and synergies for Nomeco.

For example, **transitioning from 15 to 10 µm stretch film has resulted in material savings, reduced CO2 emissions, and improved warehouse efficiency.**

With this initiative, we have achieved:

- 33% less plastic use
- 37 tons CO₂ emissions avoided
- Fewer roll changes and operational efficiency gains

“We are very satisfied with the new stretch film, which reduces our plastic consumption and roll changes – all without impacting our automatic film machines. Sustainability is a key focus for Nomeco, and together with Boxon, we are confident in further reducing plastic consumption in the future.”

– Michael Grønning, Process Specialist, Nomeco.

The next opportunity we are exploring is vendor-managed inventory, which aims to reduce administrative burdens and inventory holding costs.



Environment

Environmental risk management assessments

As part of our environmental risk management, we have expanded our risk assessment framework to include **climate-related risks**, in line with the Task Force on Climate-related Financial Disclosures (TCFD).

This includes the analysis of both physical risks, such as extreme weather events, and transition risks related to the shift toward a low-carbon economy, as well as their potential financial implications.

While physical climate risks are currently assessed as low due to the geographical positioning of **our sites, we remain fully aware of our critical role in the healthcare supply chain.**

Delivering medicine is a vital responsibility, and we recognize the growing impact of climate change on the resilience and security of global supply systems.

Financial performance and risk

The intersection of financial performance and sustainability is crucial for long-term business success.

By investing in energy-efficient technologies and sustainable products, we want to solidify our position as a forward-thinking company dedicated to responsible growth.

Integrating sustainability into our financial planning is a key strategy for risk mitigation. By proactively **addressing regulatory compliance, rising costs of traditional options, and reputational risks**, we seek to safeguard our operations against potential disruptions. We take this approach to ensure that Nomeco remains resilient and adaptable in a rapidly changing business environment.

Investments in sustainable technologies and practices

In 2024, Nomeco took strategic steps to improve both sustainability and operational cost-efficiency by preparing for **targeted investments in green technologies** and smarter working methods. By integrating sustainability into the financial planning in our CAPEX budgeting process, we assess whether investments contribute to areas such as energy efficiency.

One key initiative was the **implementation of LED lighting in our warehouse** site in Odense, which demonstrated clear benefits in terms of energy savings and operational efficiency. Next year, we will move forward with implementations at other Nomeco sites.

As part of this process, we submitted an application to PHOENIX group's internal climate fund, which provides financial support for local sustainability initiatives within the group. The application focused on securing funding to install energy-efficient **LED lighting in Nomeco facilities**. Alongside this, we began internal assessments of the potential use of electric vans and vehicles for logistics purposes - evaluating technical feasibility and operational fit.

Environment

Stakeholder engagement

We actively promote knowledge sharing and stakeholder engagement on topics such as energy use, sustainable services, and waste management. These efforts are key to driving progress both internally and across our broader network.

In November 2024, **Nomeco hosted two sustainability MasterClasses** for groups of pharmacy staff including potential future pharmacy owners.

The MasterClass zoomed in on sustainability and governance within the health care sector with a particular focus on pharmacies. Initiatives like this help create early awareness and interest in ESG among the next generation of pharmacists - something we see as crucial in shaping a more sustainable future for the healthcare industry.

Another example of our stakeholder engagement involves **regular meetings with our pharmaceutical suppliers**. These meetings are often half- or full-day sessions, where sustainability in 2024 was a central topic. Both parties share best practices, examples and challenges, and engage in dialogue

to explore new opportunities for more sustainable collaboration across the value chain.

Preparing for the Green Ambassadors initiative in Nomeco

In 2024, Nomeco began the process for the upcoming **Green Ambassador initiative, set to launch in 2025**. The initiative is designed to strengthen our sustainability efforts across all sites by building a network of engaged employees who can help bridge the gap between our strategic ESG goals and everyday operations. The aim is to empower colleagues - whether working in offices, warehouses, or customer-facing roles - to inspire and support Nomeco in making more environmentally responsible choices.

Although still in its early stages, the initiative has already sparked interest and engagement across the organisation. As one employee expressed:

"It's great that we now have a way to share green ideas like this – I'm really happy about it! It would be fantastic if this opportunity were open to everyone in the future, also if you are not a Green Ambassador."

This enthusiasm underscores the strong desire among employees to contribute actively to Nomeco's sustainability journey. With this momentum, the Green Ambassador initiative is well positioned to become a meaningful and lasting driver of positive change when it launches in 2025.

Promoting green mobility

As part of our internal focus on sustainable transportation, **Nomeco launched several green mobility initiatives** in 2024. In May, we hosted a Bike Day, where all employees were invited to **bring their bicycles for a free check-up** ahead of a **month-long cycling campaign** where teams of employees competed in who could bike the most to work during May. The initiative concluded with another dedicated cycling week in November, which saw enthusiastic participation across the company.

To further employee green mobility, our Sustainability Manager chose to **travel by train** to Prague in October for PHOENIX group's annual Sustainability Managers' Meeting. This experience underlined the value of low-emission travel alternatives while setting an example of inspiration for colleagues.

Ethics



Anti-Corruption

Anti-Corruption

Principle 10: *Businesses should work against corruption in all its forms, including extortion and bribery.*

In line with our commitment to UN Global Compact Principle 10, which calls on businesses to combat corruption in all its forms, we are taking concrete steps to **strengthen ethical conduct and transparency**.

As part of PHOENIX group, all Nomeco's employees are subject to PHOENIX group's anti-corruption policy. The policy is designed to raise awareness in order to avoid bribery and corruption.

Throughout the year, our compliance team keeps Nomeco's employees updated on important issues and sends out reminders, for example in combination with the **International Anti-Corruption Day** on 9 December 2024. Here, the compliance team refreshed the rules for giving and receiving gifts and pointed out our anti-corruption guideline.

Likewise, the compliance team updated Nomeco's **compliance e-learning course**, which all employees had to take and pass before the end of the reporting year.

Risk management

Nomeco has, together with PHOENIX, implemented a **robust risk management** system to identify, assess, and mitigate risks related to human rights and environmental violations. **Local Human Rights Officers** have been appointed in each country to support implementation, and suppliers are subject to pre-engagement screening and ongoing assessments. Business partners are expected to comply with legal and ethical standards, including anti-corruption, fair labour practices, and environmental stewardship.

Whistleblower system

To ensure transparency and accountability, companies within PHOENIX group including Nomeco, have an anonymous whistleblowing system accessible to employees, partners, and third parties. Reports are handled confidentially and impartially, with findings feeding directly into risk analysis and continuous improvement efforts.



Anti-Corruption

Enhancing compliance and reporting

Alongside PHOENIX group, we have revised our "Compliance Principles and Reporting & Investigations Guideline". This update mandates the reporting of cases involving the following employee rights violations:

- Misconduct regarding the rights and protection of employees, particularly unequal treatment, harassment, and discrimination;
- impairments by security forces;
- disregard of national occupational health and safety laws and risks of work-related health hazards;
- disregard of freedom of association and collective bargaining rights;
- violations of national minimum wage and social benefits;
- or any other violation of national labor law.

To ensure consistency and compliance with local and EU laws (including the CSRD), all HR-related cases must be documented on our established reporting platform. This system has been a central resource for years.

Nomeco Digital Investment Request Approval Flow Tool

In line with the ambition to **optimize processes, enhance transparency and enable fact-based decisions**, Nomeco has recently launched a digital approval process and tool for investment requests.

General Procurement has been instrumental in defining and implementing this digital process. The new process requires active involvement from General Procurement in decision-making, ensuring compliance with policies and standards.



Sustainability indicators



2024 sustainability KPIs

TOPIC & SUBTOPIC	UNIT	2024	2023	2022
ENVIRONMENT				
ENERGY CONSUMPTION				
Total consumption of district heat (MWh)	MWh	2.191	2.346	2.164
Total consumption of electricity (MWh)	MWh	7.677*	7.393	7.277
Total energy consumption in MW	MWh	9.868	9.739	9.441
MWh/revenue (MWh/bDKK)	MWh	860	911	1.128
District heat from renewable sources	MWh	1.515	1.453	-
Electricity from renewable source	MWh	6.323**	7.155	-
Total renewable energy consumption (MWh)	MWh	7.853**	8.608	-

* Note that two sites have been added to the total as of FY2024/25, namely Aalborg and Skanderborg. These sites have not previously been included in this KPI.

** Note that we have a Power Purchase Agreement covering 100% of our electricity consumption, which comes from 100% renewable sources. These numbers therefore reflect the actual energy mix from the energy provider.

2024 sustainability KPIs

TOPIC & SUBTOPIC	UNIT	2024	2023	2022
Total Scope 1 GHG emissions (fuel-based method)	tCO2e	1.334	1.413	1.404
Total Scope 2 GHG emissions (location-based). Emission factor provided by each supplier, adheres to GHG Protocol	tCO2e	2.699	2.906	2.834
Total Scope 2 GHG emissions (market-based). Emission factor provided by each supplier, adheres to GHG Protocol	tCO2e	527	488	890
Total gross Scope 3 GHG emissions (GHG protocol)	tCO2e	3.058	3.057	1.269
Total gross Scope 3 Downstream GHG emissions (GHG protocol)	tCO2e	-	-	-
Total gross Scope 3 Upstream GHG emissions (GHG protocol)	tCO2e	3.058	3.057	1.269
Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2 (fuel-based method)	tCO2e	1.215	1.766	329
Category 4: Upstream transportation and distribution (fuel-based method)	tCO2e	1.766	1.177	831
Category 6: Business travel (spend-based method)	tCO2e	77	114	109

2024 sustainability KPIs

TOPIC & SUBTOPIC	UNIT	2024	2023	2022
WASTE				
Total weight of hazardous waste	kg	5.684	25.631	24.338
Total weight of non-hazardous waste	kg	888.276	806.316	798.230
Organic waste	kg	25.740	21.831	20.990
Paper and cardboard waste	kg	671.804	617.519	598.150
Electronic waste	kg	1.507	2656	990
Metals, scrap	kg	15.329	774	5650
Wood	kg	7.495	2397	1110
Plastic waste	kg	70.168	50.509	45.550
Glass waste	kg	4.051	560	12.790
Textile waste	kg	-	70	-
Other waste	kg	92.182	110.000	113.000
Total weight of waste recovered	kg	764.536	737.342	-
Waste management services % offices	%	100	100	100

2024 sustainability KPIs

TOPIC & SUBTOPICw	UNIT	2024	2023	2022
LABOUR				
Health & Safety				
Number of hours worked	Number	1.462.558	1.450.144	1.362.707
Number of days lost to work-related injuries, fatalities and ill health	Number	141	847	-
Number of work-related accidents	Number	36	21	-
Lost time injury (LTI) frequency rate for direct workforce - (total number of lost time injury events) x 1,000,000 / total hours worked company wide	Number	24,61	14,48	18,50
Lost time injury (LTI) severity rate for direct workforce - umber of days lost due to injuries) x 1,000 / total hours worked	Number	0,096	0,584	0,014
TRAINING & CAREER DEVELOPMENT				
Average hours of training provided per employee	Hours	7,4	5,2	-
Percentage of employees provided with skills training	%	100	100	100

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2024 sustainability KPIs

Continued from previous page

TOPIC & SUBTOPIC	UNIT	2024	2023	2022
DIVERSITY & INCLUSION				
Ratio of the annual total compensation for the highest paid individual, to the average annual total compensation for all employees	%	10,95	8,06	6,18
Percentage of women employed in the whole organization	%	93	41	38
Percentage of women in top executive positions (excluding boards of directors)	%	22	22	22
Percentage of women within the organization's board	%	17	17	17
Average unadjusted gender pay gap	%	-0,05	235	-
WORKING CONDITIONS				
Percentage of employees with flexible working conditions included in contract	%	79	75	-
Percentage of employees with access to health insurance	%	100	100	100
SOCIAL DIALOGUE				
Percentage of employees covered by employee representation, working councils...	%	100	100	100

2024 sustainability KPIs

TOPIC & SUBTOPIC	UNIT	2024	2023	2022
ETHICS				
% of the total workforce across all locations who received training (e.g. e-learning) on business ethics issue	%	100	100	100
% of all operational sites that follow information management system ISO 27001 (or other equivalent/similar standard) (please specify)	%	100	100	100
CMMI maturity rate	CMMI maturity rate	3	3	-
Number of confirmed information security incidents (official breaches into the system-Hacker)	Number	10	15	79

2024 sustainability KPIs

TOPIC & SUBTOPIC	UNIT	2024	2023	2022
PALM BASED OIL				
Percentage of palm and/or palm-based products traceable to plantation (We currently do not have the percentage of palm and/or palm-based products traceable to the plantation level because we are not the producers. We rely on our suppliers' certification and traceability systems.)	%	-	-	-
Percentage of certified palm and/or palm-based products out of the total amount of products	%	6	7	-
Percentage of certified palm and/or palm-based products out of the number of products we know contain palm oil	%	73	75	-
Percentage of products containing both certified and non-certified palm oil out of total amount of products	%	1,5	2	-
Percentage of products containing both certified and non-certified palm oil out of the number of products we know contain palm oil	%	18	19	-

2024 sustainability KPIs

TOPIC & SUBTOPIC	UNIT	2024	2023	2022
SUSTAINABLE PROCUREMENT: Target TOP 10 by spend base				
% of all targeted suppliers who have signed the sustainable procurement charter/supplier code of conduct / have an own code of conduct which we checked	%	80% (8 out of the top 10 suppliers)	70% (7 out of the top 10 suppliers)	-
% of all targeted supplier contracts that include clauses on environmental, labor, human rights, and ethical requirements	%	50% (5 out of the top 10 suppliers)	40% (4 out of the top 10 suppliers)	-
% of all buyers across all locations who received training on sustainable procurement: training on supplier code of conduct	%	90	0	0
% of total procurement spend (targeted suppliers) which has gone through a CSR assessment or audit	%	100	100	33
% of all new suppliers which has gone through a CSR assessment (e.g. questionnaire)	%	100	100	-