

Belimed's Approach to Sustainability

Belimed Sustainability
Report 2023

Belimed
Infection Control



Foreword

A commitment to operating in a responsible and sustainable manner has been deeply integrated into Belimed's strategy and culture. Belimed, along with our holding company the Metall Zug Group, has a strong focus on sustainability and has implemented an ongoing program of sustainable activities for our employees, society and the environment.

Dear readers,

According to current estimates, the resources needed for producing goods and managing waste have led to a demand for natural resources that is equivalent to 1.7 times what the planet can sustain. This overuse of resources is a significant challenge as we are consuming them at a faster rate than they can be renewed, which could lead to serious consequences if not addressed promptly.

The progress made in global economic development in the last six decades has significantly improved the quality of life and the well-being of billions of people worldwide. However, it has also become a major threat to the environment. The ecosystems are being damaged and natural resources are depleting, while greenhouse gas levels are rising. Several reports and statistics have highlighted the exponential growth in global and social trends since 1950. These trends include population growth, greenhouse gas emissions, telecommunications, fertilizer consumption and surface temperature. If these sectors continue to grow at the current pace, it could lead to significant problems for us all.

Everyone has a role to play: governments, financial institutions and, of course, businesses such as Belimed. This is why Belimed is launching its own sustainability initiatives to make us the global leader in sustainable infection control by 2025.

Working in the healthcare business we are well aware of the challenges this sector is facing. Due to their round-the-clock operation, hospitals consume a large amount of power, water and consumables, which creates a significant environmental challenge in terms of carbon emissions, waste products and chemicals.

Over recent years, all the regions in which Belimed operates have seen a sharp increase in the number of projects requiring environmental or corporate sustainability information at the design or tender stage (including examples of where equipment and solutions can benefit the environment). This shows a growing need for energy-efficient equipment and sustainable services. This growing awareness of sustainability is now starting to impact the choice of suppliers and service providers.

At Belimed, we are concerned about the future of our planet and closely monitor and track our carbon footprint. Where possible, any waste product that cannot be recycled is systematically being replaced by material that can be. We have an active program to bundle transportation routes and involve major suppliers in sustainability programs to reduce CO₂ emissions wherever possible. We are also investing heavily in sustainable products and digitalization.

We hope you enjoy reading our 2023 Sustainability Report. We invite all Belimed customers and partners to join us on our sustainability journey!

Philippe Heim

Executive Vice President,
Sales and Marketing

Daniel Steiner

Executive Vice President,
Operations

The key challenges for business

At present, the natural resources necessary for the production of goods and the disposal of waste are such that humanity needs resources equal to 1.7 planets.

Business and industry have continually faced the challenge of balancing long-term sustainable policies with competitiveness. Fortunately, in recent years there has been a **noticeable increase in environmental initiatives** in the healthcare sector.

Hospitals are now requesting corporate sustainability commitments during the design or tender stage of projects, with an emphasis on solutions and equipment that benefit the environment. Despite this progress, **selling the value of energy-efficient equipment and sustainable solutions** in a highly competitive market remains a challenge. Traditionally, procurement costs have been the main factor in awarding projects, whereas today customers are increasingly using a points system that considers the sustainable footprint of vendors and solution providers, as well as energy-efficient equipment and sustainable services throughout the lifecycle of a facility.

Belimed has joined this wave of sustainable businesses by implementing long-term business policies. Our manufacturing plants in Switzerland and Slovenia are constantly introducing new ways to reduce resources and to 'green' our supply chain. Our **sustainable message** is communicated throughout the Belimed organization, from manufacturing teams to sales and field service technicians; every Belimed employee is invited to buy into this initiative.



Belimed sustainability goals

As part of our corporate strategy and Vision 2025 program, Belimed has set a number of corporate sustainability goals for our business. Our SMART Sustainability goals are tracked regularly.

Climate and energy



Reduce CO₂ emissions at production sites, based on greenhouse gas absorption.

Optimize Belimed **warehouse and office** areas and reduce waste.

More **efficient** instrument reprocessing based upon performance data.

Employees



Increase the **internal promotion** rate in all Belimed locations (and promote diversity).

Provide **leadership training** and measure employee engagement.

Promote **well-being** of staff and encourage flexible working conditions.

Products and services



Implement energy and water saving features in all **new product developments**.

Increase **customer service satisfaction** (NPS) in all regions.

Promote **Total Cost of Ownership** (TCO) by life-cycle methods and digitalization.

Society and value creation



Instill in all staff basic values and key principles in all staff (**Code of Conduct**).

Promote locally-sourced materials and promote **recycling** methods.

Involve **major and local suppliers** in new sustainability programs.

Communication



Launch training and education (**e-Learning**) for staff and customers.

Regular updates and metrics for sustainability initiatives

Interact with customers via **social media** (tutorials, best practice, innovation).

Products and Services

Due to their 24/7 operation, hospitals are one of the most energy-intensive types of building. Data suggests they typically consume 2.5 times more energy than regular office buildings. Therefore, there are incentives to reduce operational and maintenance costs.



The energy consumption of hospitals can vary widely depending on a variety of factors. However, in general, hospitals tend to use more energy than regular office buildings due to the specialized equipment and services they provide.

According to a 2016 report published by the European Commission, hospitals are among the most energy-intensive types of building, consuming up to three times more energy per square meter than office buildings. In 2019, researchers at Northeastern University and Yale University found that hospitals are the second-most energy intensive commercial buildings in the United States.

By reducing energy, water and consumables, as well as optimizing machine operation and cycle times, Belimed is improving the environmental impact of hospital equipment. Belimed has installed over 50,000 machines worldwide and incorporates sustainable features into its washing, disinfection and sterilization machines. The latest Belimed WDs and MSTs, such as the WD 290 IQ and MST-H, contribute significantly to energy and water savings compared to older models. Belimed also prioritizes total cost of ownership (TCO).

Products and Services

Belimed WD 290 IQ

Belimed's WD 290 IQ is the most environmentally friendly and cost-effective washer-disinfector on the market, offering customers a solution that is efficient from planning to disposal. With the lowest consumption of power, water and chemicals in the industry, it is the ideal choice for customers looking to reduce their environmental footprint and operating costs.



Belimed MST-H sterilizer

The Belimed MST-H sterilizer comes with energy-efficient process technology. It reduces the consumption of power and water, including steam, leading to cost savings for customers throughout the product's life cycle. Additionally, the sterilizer offers a 15-year chamber guarantee.



CS 750

Our CS 750 cart washer comes with highly efficient tank system, coupled with an on-demand rinse water heater, which reduces the use of water – which in itself is 90% recycled – to about 20.83 liters per cycle. This unique combination also eliminates the need to cool drain discharge water, thus conserving water and reducing operating costs..



Preventative service and maintenance

The costs to maintain and repair hospital equipment can typically be broken down into four categories:

- Breakdown
- Preventive
- Predictive
- Remote diagnostics / support

The costliest form of repair is usually **breakdown**, as this includes emergency repairs, time and materials. The equipment in sterile processing departments must be brought back online quickly to ensure instruments and equipment can be reprocessed and prevent facility downtime.



- **Preventive** maintenance reduces hospital costs by scheduling maintenance at periodic intervals (i.e. by equipment cycles or seasonal schedules) in order to prevent system failures.
- **Predictive** maintenance takes prevention a step further by using digital data to identify the unique characteristics of the equipment and operation of the Central Sterile Supply Department (CSSD) before problems occur, then alerting operators and managers that equipment performance has changed and maintenance is required.
- One of the major differences in the technology for hospitals and healthcare today is the availability of information and data about the systems and services. **Remote diagnostic / support** allow the operator to diagnose the problem with the support of our SmartHub Orbit Cloud solution. Consequently, the equipment uptime is increased. If a callout is required, the field service engineer can arrive much better prepared, thus significantly reducing the downtime.



Belimed Prevent™ Preventive and Predictive Maintenance Services enables customers to prevent small issues, which can result in possible downtime, from becoming major points of failure.

In addition, where deemed possible and if such process is requested, **a product life cycle can be extended** and the equipment can return to its original operational readiness and be resold or rented as a pre-owned or second-hand device.

For all machines, **spare parts are also available up to 10 years** after discontinuation of the sales initiatives for any product from the Belimed Infection Control portfolio. Belimed thus protects its customers' investments in addition to promoting the sustainable use of resources.



Climate and energy initiatives

At Belimed, we are concerned about the future of our planet.

SMART goals, a realistic project plan, defined roles and tasks and clear reporting guidelines are required to deliver sustainable business practices and efficiencies for our customers and our business. Sustainable innovation can be an attractive impact investment as our solutions address high demand and cost pressures within healthcare (environmental and social returns). By making a commitment to sustainability and driving energy-efficient and sustainable solutions, Belimed addresses the challenges of growing demand and rising costs within healthcare.



Monitoring carbon footprinting


Belimed's main production sites are powered by **low-carbon power sources**: In Sulgen, Switzerland we operate with hydro-electric power and in Grosuplje, Slovenia the power is sourced from nuclear energy. By many definitions, nuclear energy is not 'renewable' but in terms of climate change it is considered as a low carbon fuel because its production does not release greenhouse gases.

At Belimed, we are concerned about the future of our planet and closely monitor and track our **carbon footprint**. We have a rolling program to be more sustainable in our production areas and to continuously make improvements to reduce greenhouse emissions. At our manufacturing centers in Grosuplje, Slovenia and Sulgen, Switzerland, Belimed has achieved some important milestones to mitigate climate change and reduce energy consumption as well as improve the overall well-being of our employees.

ECO-Sticker

In 2021 we introduced an 'ECO-sticker' concept, this was developed to promote the re-use and recycling of cardboard boxes for Belimed spare parts. This simple yet effective program is reducing the quantity of packaging (and associated costs) and the associated carbon footprint.



An aerial photograph of a dense forest. A light-colored, curved road or path winds through the trees, creating a distinct arc across the middle of the image. The forest is composed of various types of trees, with some showing lighter green foliage and others appearing darker. The overall scene is lush and green.

It takes the Earth 18 months to regenerate what is used in **1 year.**

Climate and energy initiatives

Recycled paper and packaging

We use 100% **recycled paper**, which is produced with 60% less energy than paper from fresh wood pulp. This allows us to save 1 to 1.7 trees by using 100kg of recycled paper.

Other initiatives include the use of padded envelopes for small parts (reducing freight costs and CO₂ emissions), dedicated recycling stations and the use of shock-absorbing paper-padding.

Small torn pieces of cardboard used for separation of metal parts are now replaced with **reusable foam pads**. Belimed uses 100% FSC (Forest Stewardship Council) certified sawn wood and wood chips within our equipment packaging.



Sustainable transport

Belimed has an active program to **bundle transportation routes** and involves major suppliers in sustainability programs to reduce the CO₂ emissions wherever possible. Examples include the bundling of equipment and spare parts deliveries to the same address per day. Due to this consolidation, there will be a reduction in absolute shipments of approximately 10% compared to 2021 and 2022. The resulting reduction in weight and volume has a direct reduction in CO₂. Belimed only works with sustainable logistics partners for our shipments, spare parts and chemistry warehousing. DHL Group, for example, tracks all Belimed shipments and measures our carbon footprint annually, and by product categories to ISO 14064 – Greenhouse Gas Certification.

In 2022, Belimed US made a consolidation of the administrative facilities and now have one US office in Charleston, South Carolina. The new setup resulted in less carbon emissions (and less travel between facilities) with an expected saving of 2,000kg of CO₂ per year. In addition, the relocation of our consumables warehouse in the USA in 2022 has reduced transportation costs by \$100k per year and estimated an annual saving of 30,000 kg of CO₂.

Digitalization

Digitalization has revolutionized the way we work, communicate and live. It has brought tremendous benefits to businesses and individuals alike, making our lives simpler, faster and more efficient. The healthcare industry is no exception. We believe that a digitalized, smart hospital needs a data-driven CSSD, which allows modern and digital work processes, creates higher work efficiency and makes work in CSSDs easier and safer for everyone.

Digitalization has made it possible for us to move towards more sustainable and smarter CSSDs of the future. Belimed's washer-disinfectors and sterilizers produce up to two million data points per cycle, including program selection, chemical dosing quantities, temperature, water volumes, operating times and water conductivity. **SmartHub** is a software solution that ensures that all relevant machine data is captured in real-time from any Belimed machine. We even went a step further in developing a **SmartHub Orbit** Cloud application, the features of which include alarm history, troubleshooting videos, analytics and E-learning. By using SmartHub Orbit, a CSSD can save office space due to digitalized machine manuals and batch reports, thus saving trees, water used for growing trees, and money. While a paper folder on average costs EUR 8, digitalizing a CSSD can save up to EUR 1,500 a year just on paper.

Sustainable advantages of SmartHub Orbit:

- 100% overview of the system from anywhere to optimize workflow and collaborate better
- Directly view and analyze data in SmartHub Orbit with the Analytics functions to save time and optimize resources
- Digital manuals and batch reports
- E-Learning
- Troubleshooting videos



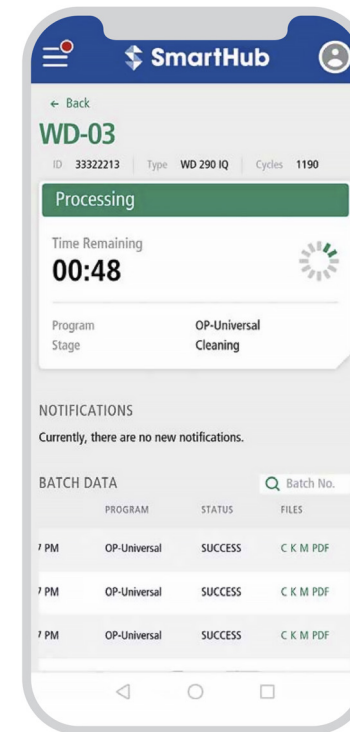
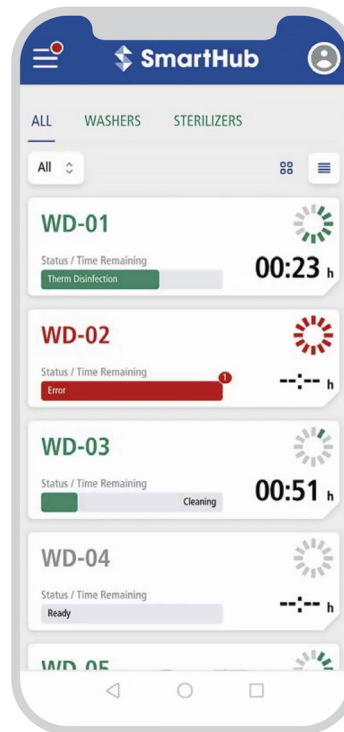
1. Simple transparency for your CSSD with machine statuses for washers and sterilizers available in real-time.



2. Stay up to date with your batch documentation and machine notifications anytime, anywhere.



3. Ensure your team is always up to date and fully trained on the machine to ensure smooth operation.



Sustainable consumables

In the global healthcare industry, safety and security in the workplace (as well as taking care of the environmental impact) are paramount.

In 2023, Belimed launched a new Belimed Protect Range of cleaning and disinfecting solutions. Belimed's new range of chemicals includes chemicals for all stages of the reprocessing and decontamination process, from those for automated and manual use to maintenance and care products.

The entire range has been designed to ensure the safe and effective cleaning and disinfection of instruments and equipment.

We deliver **innovative infection prevention solutions** that dramatically raise the level of health care and safety for those who matter most.





Engineers of Confidence.



Belimed is headquartered in Zug, Switzerland. With 10 Belimed companies throughout Europe, North America and China and many authorized partners, Belimed is represented worldwide by a strong network in over 80 countries.

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