



MTD SUSTAINABILITY REPORT 2019

MTD

Medical Technology and Devices

MTD

Sustainability Report 2019

Contents

Message to our stakeholders	3
1 We are MTD.....	4
1.1 The Group identity.....	5
1.1.1 MTD Story	6
1.1.2 The Group	7
1.1.3 MTD products	7
1.1.4 MTD value chain	10
1.1.5 The Group Corporate Governance	11
1.2 The Group sustainability path	11
1.2.1 MTD sustainability identity.....	11
1.2.2 Stakeholders	12
1.2.3 Material topics.....	13
1.2.4 Scope of the report.....	15
2 We are side by side with patients	16
2.1 Designing innovative products	16
2.2 Ensuring continuity of care.....	22
2.3 Guaranteeing compliance and transparency	23
3 We are partner of the healthcare system	25
3.1 Protecting healthcare professionals.....	25
3.2 Sharing health education.....	28
3.3 Guaranteeing access to MTD devices.....	29
4 We are close to MTD people	31
4.1 Guaranteeing the welfare of MTD employees	31
4.2 Boosting the skills of our employees.....	34
4.3 Strengthening the MTD culture of health and safety.....	35
5 We are responsible for the environment.....	37
5.1 Recognizing our climate impact	37
5.2 Reducing materials, packaging and waste.....	40
6 Methodological Note.....	42
6.1 GHG calculation methodologies	43
6.2 Contacts.....	44
7 GRI Content Index.....	45

Message to our stakeholders

Dear Stakeholders,

It is with great pleasure that I share with you the first “2019 Sustainability Report” of the MTD Group. It represents an important milestone in the MTD sustainability path, whose aim is to present the Group’s sustainability identity, as well as to guarantee external disclosure of performance and targets.

During the last couple of years we have worked hard to achieve this goal, but going forward we will intensify our efforts to define our sustainability strategies and objectives, in confirmation of our desire to continue our sustainability journey and maintain a solid and trusting relationship with our stakeholders. Although the journey has just begun, we want to emphasize the Group’s stable and ongoing commitment to playing a pivotal role in the well-being of its customers and to maintaining a position as a partner of the healthcare system, always taking care of its employees and respecting the environment.

In fact, due to the nature of the business in which MTD operates, sustainability for us means first of all taking into consideration the outcomes that our products have for patients, particularly diabetics, allowing them continuity of care through simple and easy-to-use products and ensuring the safety of healthcare professionals, through innovative medical devices. This focus allows the Group to help reduce barriers towards therapy adherence and contribute to the sustainability of healthcare systems globally, reducing severities for patients and injuries for healthcare professionals.

Our people embody the values and spirit of a group that boldly stands at the center of health and well-being markets through human and technological progress. Thus, people’s care and the development of internal know-how have always represented a priority for the Group, since they ensure the continuous improvement of the internal skills and competencies that allow MTD products to stand out.

In the same way that we care for our people, we are committed to ensuring the health and well-being of future generations as a key driver of our choices, while remaining mindful of the impact we have on our planet. For this reason, we have a strong motivation to monitor and minimize environmental externalities, as well as disclose them, as from now, through this Sustainability Report.

This report represents an important step forward on our sustainability path but certainly not the last. As a demonstration of this, in 2020 we will become proud members of the United Nations Global Compact, confirming our full commitment to its ten principles on the protection of human and labor rights, the environment, and anti-corruption.

We are very proud of our achievements of the year and we look to the future always aware of the important contribution we can give to addressing the challenges that affect our industry, our society and the whole planet, as we seek to create value for all.

1 We are MTD

“We are strongly committed to enhancing the future of the healthcare sector by shaping a world in the near future where healthcare will become more approachable, safer and easier for all.”

Giving a meaningful contribution to this purpose, offering its consumers and healthcare professionals a range of solutions to facilitate every-day healthcare activities in diabetes and other medical conditions is the **mission** MTD pursues day after day. More specifically, MTD aims to improve safety, quality and comfort of use for products while lowering the cost of healthcare solutions globally.

In its operations, MTD embodies the values and spirit of a company that boldly stands at the center of health and well-being markets through human and technological progress, addressing the challenges that affect the healthcare sector, broader society and the entire planet, always to create value for all.

OUR VALUES



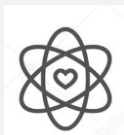
Innovation & Quality

Constant improvement of quality, innovation and new technologies are at the heart of our heritage with HTL and Pikdare continuously investing in research to offer state-of-the-art solutions.



Lifelong learning

The understanding of different local needs, thanks to our global presence, successful innovations over the years, continuous fine-tuning of existing products, as well as the many lessons learnt in the process, all help to build the unique know-how that is our main asset and which is strengthened by the desire to continue to do and to learn.



Passion

Our engine is constantly fueled by a passion for excellence and a commitment to the improvement of our talented people, steadily engaged in a creative and innovative work process.



Reliability

We meet or exceed expectations – continually fulfilling our pledge of quality, safety, innovation and integrity towards customers, markets and all other partners / stakeholders.



Sustainability

Environmental, social and governance concerns are deeply embedded in our corporate culture with sustainability representing a key element in our business model and ethical management being at the core of every corporate decision.

1.1 The Group identity

MTD (Medical Technology and Devices SA) is a leading med-tech group based in Switzerland, designing, developing and providing globally a full range of diabetes medical devices for home and professional care, safety sharps, electro-medical equipment, wound care products and more.

MTD came into being in 2018 through the merger of two historically well-established leading players in the healthcare industry: Pikdare and HTL-Strefa, with a combined experience of more than 80 years.



Pikdare, with its recognized brand Pic, is a leading designer, manufacturer and distributor of products for **diabetes**, including **pen needles, venipuncture, blood pressure and temperature monitoring, nebulizer treatment and dressings**. A cutting-edge **production facility based in Italy** allows Pikdare to leverage unique Italian design and manufacturing quality while offering solutions tailored for international clients.

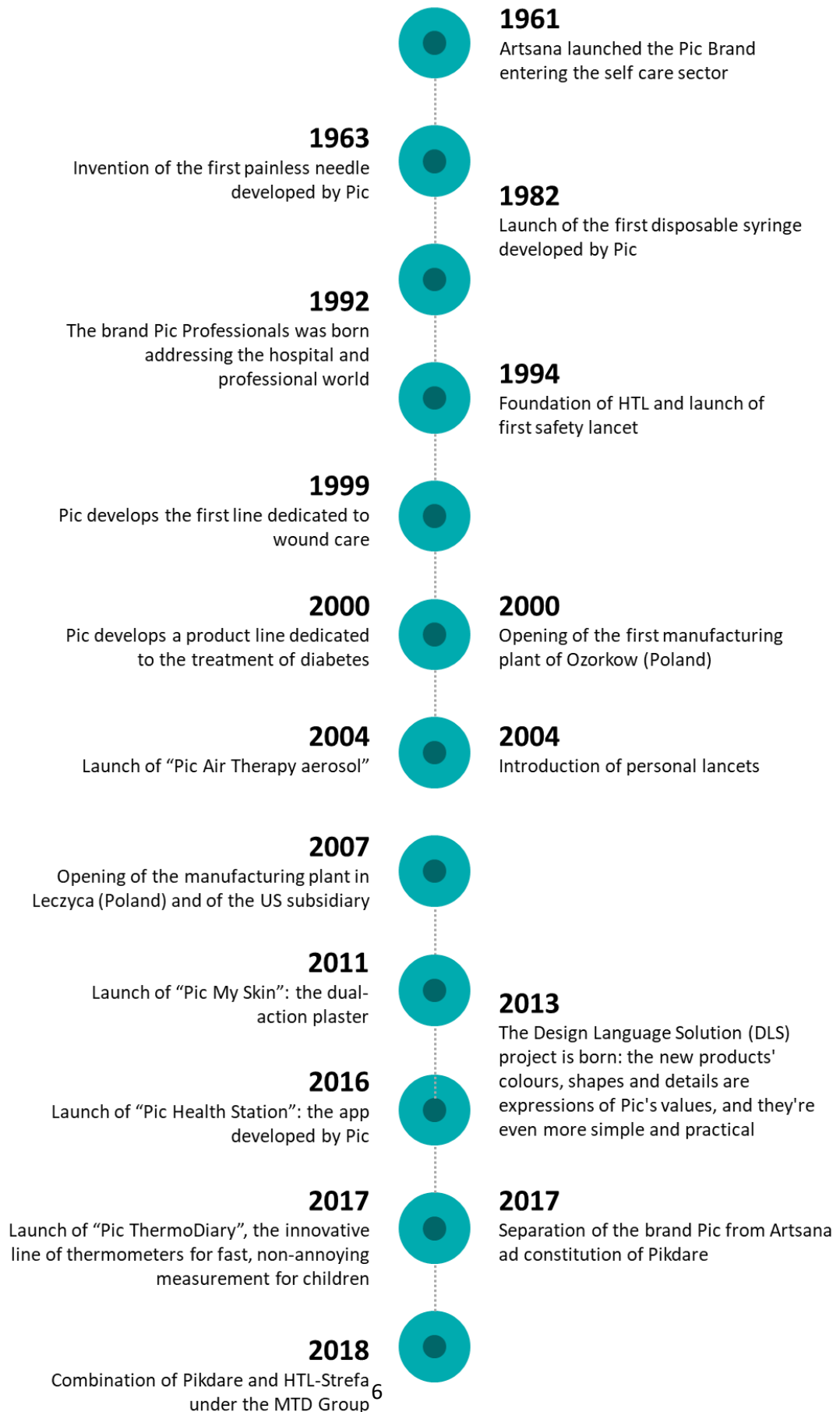


HTL-Strefa is a leading global designer, developer and provider of **diabetes products for drug delivery and capillary blood sampling, with core expertise in safety sharps**. Since, in medical terms, it can be considered the inventor of the “safety lancet” product category and boasts two high-technology production facilities in Poland, HTL-Strefa is the **global standard for diabetes and safety medical sharps**.



Both areas of MTD excellence - diabetes and safety sharps on the one hand and self-care medical devices on the other – are nurtured equally by the long-standing heritage and expertise of Pic and HTL, and steadily enhance the Group's globally recognized leadership.

HISTORY



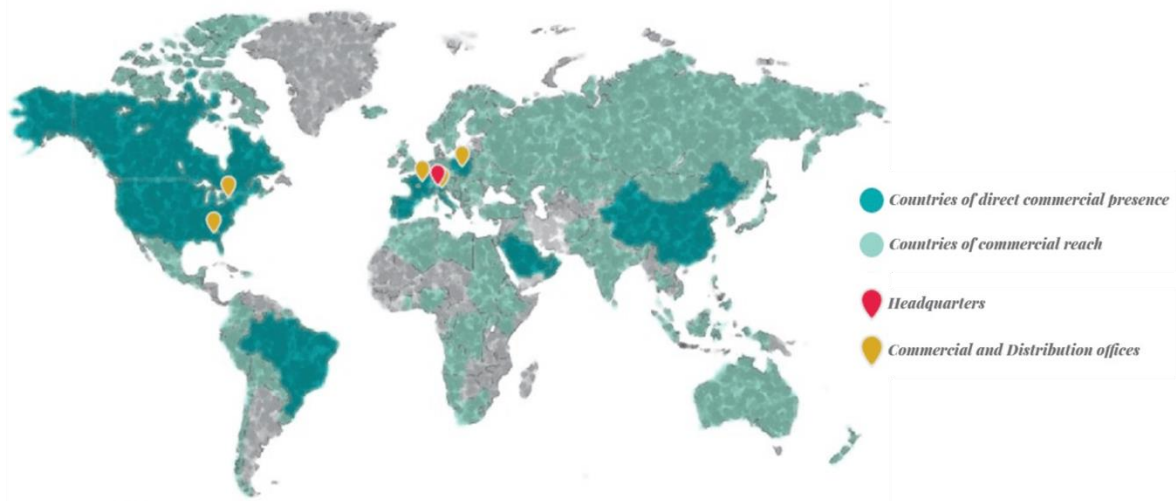
1.1.2 The Group

The MTD group is composed of Pikdare S.p.A., which was spun off from Artsana S.p.A. in 2017, and HTL-Strefa, which was acquired in 2018. The MTD Group is currently under the ownership of a fund managed by Investindustrial, a leading European group of independently management investment, holding and advisory companies and Catelli S.r.l. (a holding company owned by the Catelli family).

As of December 31, 2019, the MTD Group employed more than 1900 people, distributed mainly between Poland, Italy, France and the USA, generating revenues of € 225 million.

The Group has in total three production plants, two in Poland (owned by HTL Strefa) that manufacture lancing devices (personal and safety) mainly used in diabetes field and one in Italy (owned by Pikdare) dedicated to the production of pen needles and sharps. MTD has also two commercial subsidiaries in France (Pikdare) and the USA (HTL). Devices manufactured by the Group are intended for personal and professional use.

In its sites, the Group has best-in-class R&D capabilities, producing a portfolio of 40 patent families with an excellent manufacturing scale and technology (16 million products produced daily).



HEADQUARTERS

Lugano (CH) **MTD**
Medical Technology and Devices

Casnate con Bernate (Como, IT) **PIKDARE**

Warsaw (PL) **HTL STREFA**

PRODUCTION PLANTS

Casnate con Bernate (Como, IT) **PIKDARE**

Ozorkow (PL) **HTL STREFA**

Leczyca (PL) **HTL STREFA**

EMPLOYEES

1,952 people at 31st December 2019

REVENUES

225 Million € in 2019

1.1.3 MTD products

As a recognized global leader, the MTD Group offers a wide range of highly specialized diabetes management devices across consumer and professional healthcare channels and is also expanding in venipuncture, electro medicals, wound care and consumer health products.



DIABETES

Pen needles, safety pen needles, personal lancets, safety lancets, lancing devices, insulin syringes, pen injectors & key electromedical for diabetes



VENIPUNCTURE

Syringes, hypodermic needles, scalp vein sets (standard and safety), I.V. cannulas, safety blood collection system



ELECTROMEDICALS

Blood pressure monitors, digital and infrared thermometers, nebulizers, humidifiers, multi-functional digital scales



WOUND CARE

Individual plasters, post-op plasters, gauze and fixing, disinfectants



CONSUMER HEALTH

Heat therapy, cold therapy, eye pads and eye patches, pregnancy tests, personal hygiene

COMPANIES



KEY BRANDS



MTD LEADERSHIP

- ✓ **Global market leader** in safety lancets
- ✓ **3° manufacturer** of pen needles worldwide
- ✓ **2° player** in personal lancets market worldwide
- ✓ **Italian market leader** across key medtech categories

Within the field of diabetes, the Group has a broad medical device range to support patients at home and healthcare professionals in diagnostics and drug delivery. Both HTL and Pikdare operate in this category, with HTL being a pioneer in safety sharps.



DIABETES



Pen Needles

Pen needles are intended to be used with a pen injector device for the subcutaneous injection of insulin. They are commonly used by people with diabetes who often require multiple daily insulin injections.



Safety pen needles

Safety pen needles are single-use needles intended for use with pen injector devices for the injection of drugs, provided with a shield that reduces the risk of infections or injuries. Safety pen needles are mainly addressed to professional health care users.



Personal lancets

Personal lancets are intended to be used with a lancing device by lay users for capillary blood sampling. Pricking the fingers is an integral part of self-monitoring of blood glucose and part of everyday life for millions of people with diabetes.



Lancing devices

The lancing device is a medical device for multiple use with single-use lancets intended for capillary blood sampling by a lay person. It is a convenient and effortless device for home diagnostic and treatment, specially designed for the highest comfort in daily diabetes management.



Safety lancets

Safety lancets are single-use devices intended for capillary blood sampling, provided with a mechanism that ensure the needle is hidden before and after use to prevent sharps injuries.



Insulin Syringes

Insulin syringes are high quality solutions for insulin delivery during diabetes treatment, design to be used by healthcare professionals.



Pen injector

Pen injectors are automated and reusable solutions for insulin injection intended to be used with pen needles or safety pen needles.

Within other categories Pikdare, with its well-recognized brand Pic, offers a full range of Italian-designed electromedical, venipuncture, wound care and consumer care products for pharmacies.



VENIPUNCTURE

Comprehensive selection of **needles** and **syringes**.

The main product lines are:

- traditional syringes;
- safety syringes;
- needles;
- first injection kit;
- veterinary.



ELECTROMEDICALS

Complete set of:

- medical instruments for both home and professional treatment of respiratory diseases (**aerosol therapy**);
- **thermometers**, both electronic digital thermometers and infrared;
- **blood pressure monitor**, including digital equipment, digital sphygmomanometers, and stethoscopes.



WOUNDCARE

Comprehensive range of easy-to-use, safe and painless products for self-medication, including a wide selection of **pads**, **plasters**, **bandages**, **cotton wool** and **disinfectants**, which are first aid essentials.



CONSUMER HEALTH

The health products range comprises a vast number of products aimed at both the professional market and home users. They aim to offer a solution to every need, whether in the operating theatre or at home.

The main product lines are:

- **hot/cold therapy**;
- **disposable diagnostics**;
- **intimate hygiene**.



The Group is constantly looking for products that can meet the needs of society and patients. In fact, in the first days of the Covid-19 outbreak, MTD started to actively work to provide essential tools to help healthcare professionals and patients cope with Covid-19 worldwide.

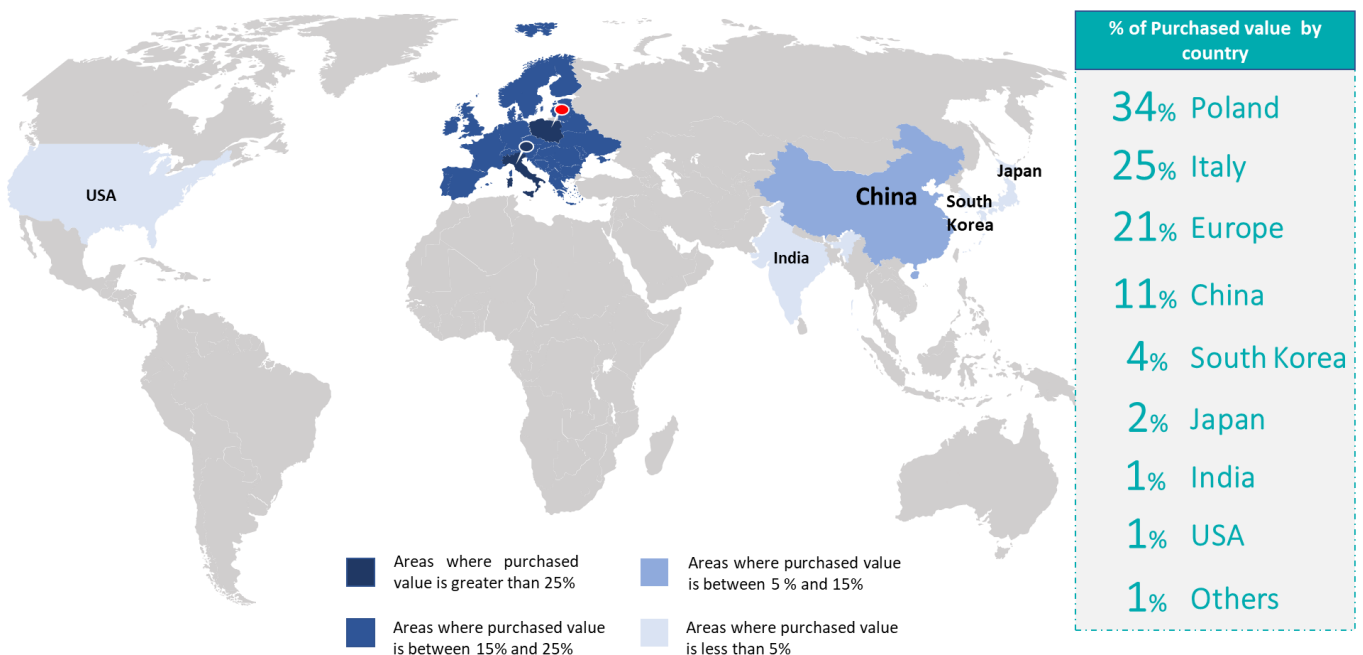
PRODUCT	PICTURE	KEY PARAMETERS
Surgical Masks		Non-woven single use face masks with three PLY High filtration capacity BFE ≥98%
Disinfectant		Effective and rapid disinfectant action against Gram-positive and Gram-negative bacteria, mycobacteria and fungi.
Infra-red no contact thermometer		Infrared thermometer for measuring body, environmental and liquids temperature.
COVID-19 IgG/IgM rapid test		Rapid immunochromatographic test for detection of IgG and IgM antibodies to 2019-nCoV in human whole blood, serum or plasma specimens. For professional use only.
Safety lancets for COVID-19 rapid testing		Clinically proven sample size sufficient to conduct COVID-19 rapid tests (10-20uL of whole blood sample required)

1.1.4 MTD value chain

As of December 31st 2019, the MTD Group had generated **direct economic value** equal to more than € 226 million, of which around 187 million were distributed as shown in the table below.

Direct Economic value generated and distributed	2019 (k€)
Economic value generated	226,302
Economic value distributed	186,695
<i>Operating cost</i>	111,520
<i>Value distributed to Employees</i>	53,798
<i>Value distributed to providers of capital</i>	20,802
<i>Value distributed to Government Authorities</i>	446
<i>Value distributed to the Community</i>	128
Economic value retained	39,607

In particular, in 2019 the MTD Group spent more than **€ 100 million** on **1948 suppliers**. The majority of the purchased value was spent on suppliers from Europe (80%) and, as evidence of the strong connection that HTL and Pikkare have with the territory, 59% was from Italy and Poland, countries where the Group has its production sites. In contrast, 19% of the purchased value was from Asia, in particular China (11%), where Pikkare primarily sources finished products.



In Pikkare the purchased value was mostly attributed to finished products (47%), raw materials used for daily production and packaging (23%) and logistics suppliers (11%). In Poland, the purchased value was mostly related to suppliers of raw materials (33%), production equipment (16%) and building services associated with the renovation and expansion of the production sites (12%).

Pikkare and HTL are committed to constantly engaging with their suppliers in ethical and fair practices. In fact, all of them are required to sign the respective Code of Ethics. The Group is also committed to enhancing

suppliers' performance by adopting selection and evaluation procedures based on quality criteria, with the aim of future integration of social and environmental criteria as well.

1.1.5 The Group Corporate Governance

As a Group, MTD believes that a solid governance structure is the founding element to guarantee responsible and fair practices based on transparency and reliability.

Upon its inception in 2018, MTD established its own Board of Directors, the highest governing body, comprising nine board members (seven men and two woman), three of whom are independent members.

Although no episodes of corruption were reported in the Group during 2019, MTD is constantly engaged in improving internal practices on topics relating to anti-corruption and whistleblowing. In fact, although Pikdare and HTL-Strefa each adopt their own Code of Ethics to formally establish a set of fundamental ethical values that underpin the conduct of their activities, MTD will strive for a unified Code which embraces the whole Group's ethical principles.

The Corporate Governance structure allows each operating subsidiary to be independent and autonomous in any decision, while the holding company MTD provides the strategic guidelines to be followed.

1.2 The Group sustainability path

Since the recent formation of the Group, sustainability has been a key element of MTD's business, being one of the key drivers of corporate decisions. In order to further enhance the corporate sustainability culture and to create a common approach between Pikdare and HTL-Strefa, MTD has decided to pursue a definition of MTD's identity also in terms of sustainability.

This path actually began to take root a long time ago, as both HTL and Pikdare have always integrated the concept of sustainability into their businesses, considering the outcomes that their products have for **patients**, in particular diabetics, allowing them continuity of care through simple, easy-to-use products and also ensuring the safety of **healthcare professionals**, through innovative safety sharps.

In order to achieve such challenging goals, **people** have always been a key element of MTD's strategy, which is driven by people care and development of internal know-how. Those aspects are a priority for the Group, insofar as they maintain and enhance the skills and competencies that allow MTD products to stand out.

MTD also pays great attention to the changes that are affecting our planet: for this reason, it is constantly committed to minimizing the **environmental** externalities arising from its operations. For this reason, MTD has planned to install in 2021 a trigeneration plant in the Pikdare production site, which will significantly reduce energy consumption and related GHG emissions.

1.2.1 MTD sustainability identity

This sustainability report, the first for the MTD Group, is a milestone in the MTD sustainability path and is also a first step towards the external disclosure of what sustainability means for MTD, as well as of sustainability performance and targets. Indeed, it includes key non-financial information and data, thus meeting stakeholders' needs for transparency. In the coming year, MTD will set objectives and targets for future improvements related to the environmental, social and governance matters.

As a demonstration of this commitment, in 2020 MTD will also join the United Nations (UN) Global Compact, formally confirming its commitment to the Ten Principles on human rights, labor rights, the environment and anti-corruption.

UNITED NATION GLOBAL COMPACT

The Global Compact is one of the world's largest corporate sustainability initiatives. It provides a universal language for corporate responsibility and a framework to guide all companies and organizations regardless of size, complexity or location, aligning their strategies and operations with the Ten Principles listed below. Launched in 2000, the initiative today includes more than 9,000 company members and 3,000 non-business organizations around the world and relies on a platform with global reach and multi-stakeholder connections to help businesses cooperate in shaping the sustainability agenda and becoming a force for good.

THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT

Human Rights

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 Make sure that they are not complicit in human rights abuses.

Labour

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 The elimination of all forms of forced and compulsory labour;
- 5 The effective abolition of child labour; and
- 6 The elimination of discrimination in respect of employment and occupation.

Environment

- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 Undertake initiatives to promote greater environmental responsibility; and
- 9 Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

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

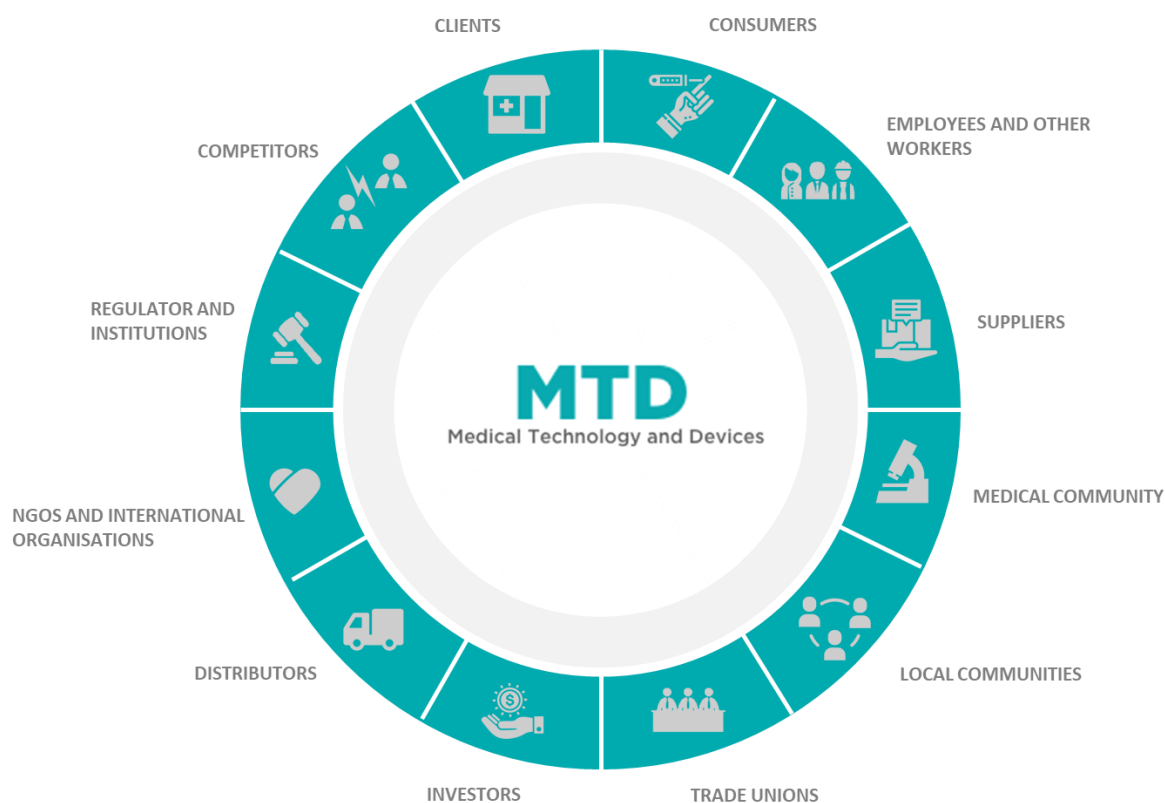
The UN Global Compact's Ten Principles are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

The drafting of the sustainability report is a process shared with the company's stakeholders, as are the most relevant sustainability issues, in the belief that they will increasingly become the drivers that guide MTD's daily choices.

1.2.2 Stakeholders

Stakeholders' identification is a fundamental principle for the creation of a sustainability strategy. MTD's stakeholders could be defined as the entities or individuals significantly influenced by MTD's activities, products and services or those parties whose actions could influence MTD's ability to successfully implement its strategies and achieve its objectives.

The MTD group has mapped the major stakeholders, taking into consideration their influence and their dependency on the MTD group in order to identify the correct engagement channels to understand and collaborate with them.



1.2.3 Material topics

Pursuant to the GRI Standards (“Core Option”), MTD has developed a materiality analysis to define report contents. Material topics are those that can reasonably be considered important to reflect the economic, environmental and social impacts of the company or to influence stakeholder decisions.

The prioritization of topics from the company’s perspective was carried out through **interviews with top management figures** of MTD, HTL and Pikdare who were asked to identify the sustainability issues that may positively or negatively influence MTD’s ability to implement its strategy and create value over time.

From an external standpoint, in order to define the most relevant topics, the following activities were carried out:

- **Benchmarking analysis:** analysis of sustainability topics reported by other companies operating in the medical devices sector;
- **Sector trends analysis:** analysis of the main documents produced by associations, NGOs and organizations in the medical devices sector, with the aim of identifying their sustainability topics;
- **Macro-trend analysis:** analysis of documents and reports of the most relevant government organizations, policy makers and major stock exchanges, in order to identify the main sustainability topics at global level (e.g. World Economic Forum, United Nations, European Union, Dow Jones Sustainability Index, etc.).

From the internal and external analyses described before, a list of material topics was identified.

Material topic	Definition
Consumer health and wellbeing	Ability to guarantee patients' health and safety and to meet their needs, especially by favoring therapy continuity and developing products that relieve pain and that are easy to use.
Healthcare professionals' safety	Protection of healthcare workers through innovative and safe product design and the promotion of the correct management and disposal of medical waste.
Product development and innovation	Promotion of innovative products and processes in order to guarantee the health and safety of consumers and healthcare workers, as well as to reduce their environmental impact through the development of eco-friendly solutions.
Marketing and labeling	Provision of accurate and adequate information to consumers in order to guarantee the correct and simple use of products.
Health and safety in the workplace	Adoption of processes and management systems to safeguard workers' health and safety, including employees and other workers.
Client and consumer education	Enhancement of client education through training courses at pharmacies and/or hospitals and development of consumer awareness through the spread of informative materials, with the aim of teaching the correct use of products and of promoting a healthy lifestyle.
Access and affordability of medical devices	Offer of medical devices that meet the needs of society, with transparent and fair pricing aimed at increasing medical devices affordability.
Sustainable supply chain	Ability to ensure responsible behavior of suppliers along the supply chain, through supplier assessment based also on sustainability criteria.
Employee care and development	Enhancement of welfare initiatives focused on employee wellbeing and training courses in order to attract and retain highly qualified employees.
Anti-corruption	Effective management of corruption episodes and actions taken.
Energy consumptions and climate change	Reduction of energy consumption and of the related GHG emissions.

1.2.4 Scope of the report

The scope of the Sustainability Report refers to MTD, Pikdare and HTL-Strefa. It includes the commercial and production sites in Italy and Poland, and the commercial subsidiaries in France and USA.

As regards time frames, this Sustainability Report comprises information referring to the period from January 1st 2019 to December 31st 2019. Information referring to 2018 has also been included, when relevant, to provide a broader understanding of MTD's sustainability performance and trends. In addition, the initiatives and events of particular relevance relating to 2020 have been included if already known at the closing date of the writing of this document.

2 We are side by side with patients

“We accompany patients in their care, representing a trusted partner for them with the aim of breaking down psychological barriers that prevent them from taking care of themselves”

MTD believes that ensuring **continuity of care** for specific pathologies, and especially in relation to diabetes, is the essential element of its business. For this reason, it designs **innovative, simple and easy to use products**, with the ultimate goal of reducing the pain and anxiety often associated with medical treatments.

At the heart of all its choices, the group ensures the **full compliance and safety** of its products and business processes, as well as the transparency of its brands, in order to guarantee long-lasting reliability for patients and for the whole healthcare sector.

2.1 Designing innovative products

MTD, with its R&D centers, has always been focused on vertical innovation, directly integrated into its manufacturing facilities with the aim of delivering solutions for unmet needs.

Since the beginning, indeed, medical sharps are intrinsic to the heritage of both Piktare and HTL. With Piktare, under its former Pic brand, the Group was pioneered syringes and cannulas in Italy in the 60s/70s and in the 80s it successfully designed and launched the single-use "no pain" syringe. As for HTL-Strefa, the Group was the first globally to deliver a safety lancet in 1994.



28 people working in R&D

- 7 people in Italy 
- 21 people in Poland; 



147 patents registered

- 55 product patents and 17 design patents in Italy 
- 54 product patents and 21 design patents in Poland 



Over 100 ongoing R&D projects

Throughout the years, Piktare and HTL R&D continued to deliver innovations, such as the new thinner safety pen needle launched in 2014, and breakthrough products such as the advanced dressing “MySkin” for speeding up the healing process of wounds and the new thinner personal lancet 33G, which allows comfortable and pain-free injections, launched respectively in 2011 and 2014.

To date, MTD owns two R&D centers with over 100 active R&D projects, one located in Piktare and one in HTL, which respectively employ 7 people in Italy, mostly R&D technicians, and 21 people in Poland, divided into 9 R&D technicians and 11 project managers. The Group, thanks also to the development of new synergies between the two companies, is growing its intellectual property portfolio with almost 150 product and design patents registered as at 31st December 2019, consistently confirming its aim to stand out for its continuous innovation and ambition to be a pioneer in the diabetes and self-care markets.

A strong commitment to innovation allows MTD to maintain a long-lasting history of collaboration and partnerships with leading pharma corporates, as well as innovative start-ups and creative, talented professionals, and to jointly develop innovative medical device solutions with current and new partners by leveraging its capabilities and experiences.

With its comprehensive portfolio of products, the Group accompanies patients during the **diagnosis** and **treatment of diabetes**, respectively through blood glucose self-monitoring by personal and safety lancets,

and therapy by insulin administration devices, such as pen needles and safety pen needles, as well as during diagnosis and treatment of **many other diseases**.

Regarding diabetes diagnosis, MTD has developed a wide range of **personal lancets**, which are single-use medical devices intended to be used with a lancing device by lay users for capillary blood sampling.

HTL: Personal lancet

Pricking the finger is an integral part of self-monitoring blood glucose and part of everyday life for millions of people with diabetes. Testing blood sugar levels helps people with diabetes to make proper decisions about diet, activity and treatment requirements.

HTL, through **safe, comfortable** and **easy-to-use** personal lancets provided by its brand Droplet, tries to make this daily gesture safe and less painful¹.

DROPLET® PERSONAL LANCET

	droplet® personal lancets	33G needle
	droplet® personal lancets	30G needle
	droplet® personal lancets	28G needle

Safe

- needles are equipped with a protective needle cap
- needles are sterilized with Gamma radiation

Comfortable

- electro-polished, silicone coated needle designed to cause less pain
- 3-beveled needle tip designed for greater comfort of users

Easy to use

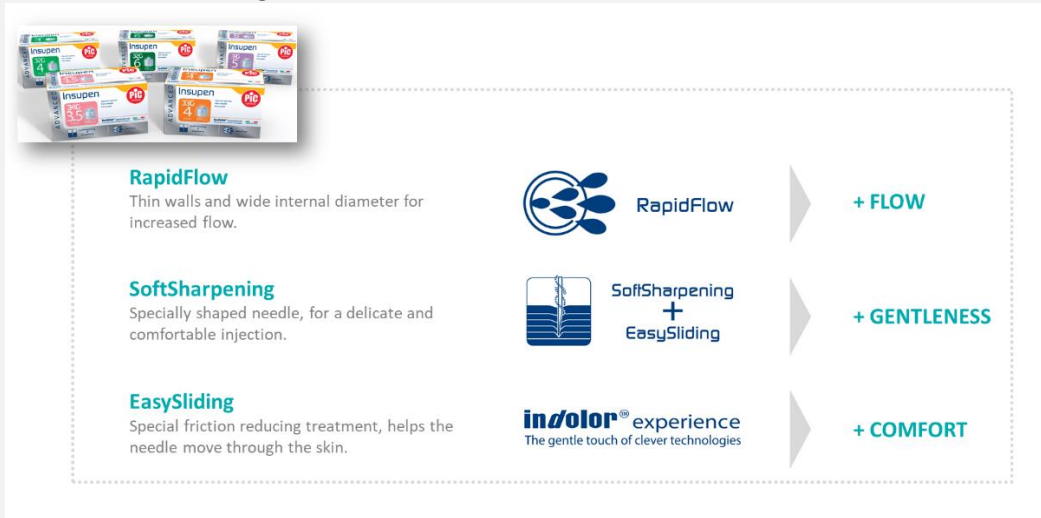
- user-friendly design, easy to handle

The most relevant innovation in the diabetes treatment area, on the other hand, is the **G34 needle**: a medical device, available mainly through the "Insupen Advanced" product of the Pic brand, intended to be used for the subcutaneous injection of insulin and aimed at further minimizing the pain and anxiety related to the jab. It should be noted that MTD, in its intent to develop synergies between the two companies, is also introducing the G34 into the US market through the HTL Droplet brand.

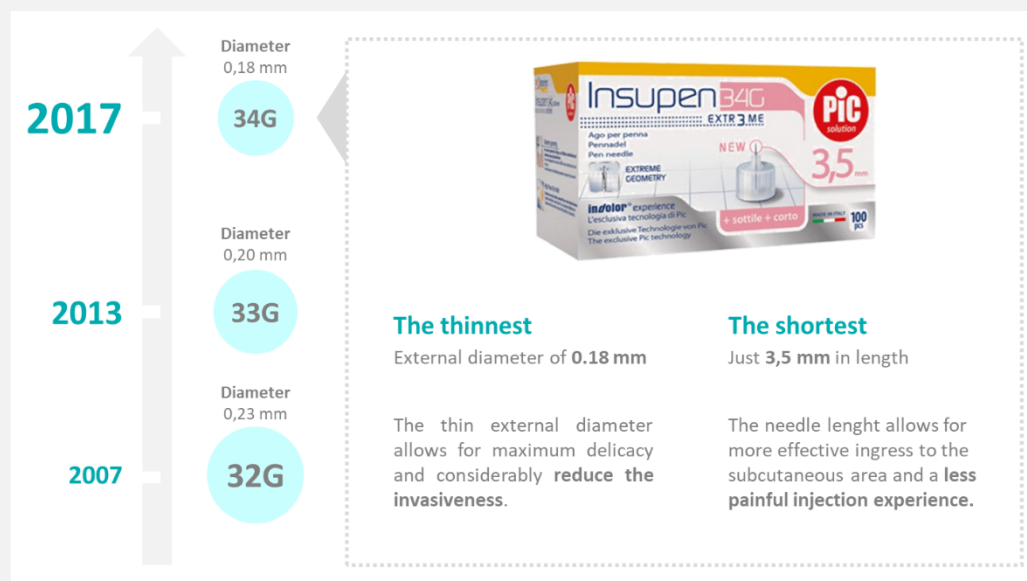
¹ Zurawska G. Single-blind, Randomized, Singlecentre Study to investigate the Characteristics of Different Personal Lancets on Blood Volume and Perceived Pain in Patients with Diabetes Mellitus. *Diabetes Manag.* (2016) 6(3). 066-070.

G34: the thinnest and the shortest needle of the PIC range

In its Pic-branded "Insupen Advanced" line, Pkdare includes all the most innovative technological features: a large internal diameter, obtained thanks to the extremely thin walls, increases the flow; the special triple-sharpening of the needle allows gentle and comfortable injection and the anti-friction treatment facilitates the sliding of the needle into the skin.



The last innovation in the line is the **G34 needle – the thinnest and the shortest needle in the PIC range** by diameter and length, aimed at reducing the psychological discomfort perceived by the patient.



In order to test the performance of the G34, Pkdare carried out a scientific study entitled “Penetration force and cannula sliding profiles of different pen needles: The PICASSO study”², published in an international peer-reviewed medical-devices scientific magazine, “Medical Devices: Evidence and Research” in 2019. The results of the study demonstrated that the G34, when compared to other needles with a larger diameter, can represent a significant improvement in reducing the amount of force required to penetrate tissue. It is well known that reduced penetration force leads to positive patient acceptance.

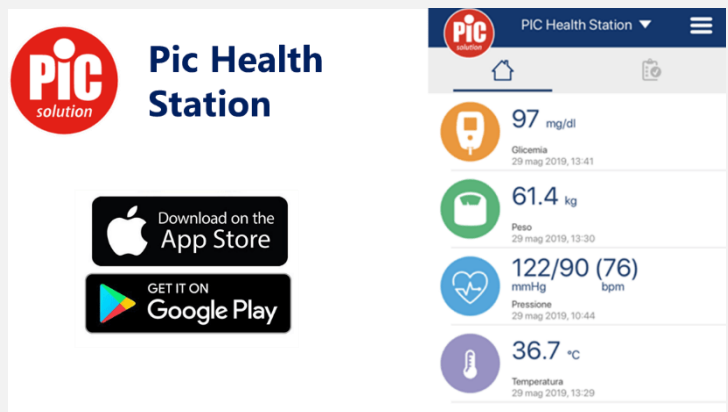
² Leonardi et al., Penetration force and cannula sliding profiles of different pen needles: the PICASSO study. Medical Devices: Evidence and Research, 2019 Aug 28;12:311-317

MTD, especially with its brand Pic, is also focused on improving simplicity and comfort-of-use products in its **electromedical** and **wound care** products.

Regarding the electromedical area, the Pic's most innovative products were digital medical devices, such as the **Pic Mobile Rapid** and **Pic Body Station**, and the **animal-shaped nebulization therapy devices**. Mobile Rapid is Pic's first all-in-one blood pressure arm meter, which is equipped with Rapid-Tech technology for a fast and comfortable detection experience and can be synchronized with a smartphone through the **Pic Health Station App**. Similarly, the **Pic BodyStation** is Pic's first 6-in-1 multifunction digital scale that can be synchronized with your smartphone, or used as a normal bathroom scale.

PIC HEALTH STATION APP

The Pic health station app is a platform created with the aim of supporting patients in collecting and storing their medical data. It allows the patient to measure and correlate different indicators (temperature, weight, pressure), some of which could also be indicative of the presence of diabetes. This app not only allows patients to create a digital medical diary, but also lets them share it with their doctor.



According to Apple's collection systems, it was used **43,832 times** during 2019. Google's collection systems indicated that **active users** as of 31st December 2019 totaled about **3,700**.

The app fulfils all the requirements in terms of personal data collection; customer data is used in full compliance with applicable law and regulations.

NEBULIZATION THERAPY DEVICES FOR CHILDREN

Another example of Pic's ability to combine the efficiency of its products with the welfare of its consumers is the launch of a line of **animal-shaped nebulization therapy devices**.

Their child-friendly design with the unusual animal shape, subtle colours and mischievous expression makes nebulising more appealing to children. Moreover, the reduced noise and duration of the therapy session guarantee higher performance.



Similarly to electromedical devices, Pic has always been careful in making the use of its products comfortable also in the wound care area. In this field, a new example of Pic innovation is the new **“Si-Silicon” dressing**, a line of patches that ensures safe and painless removal.

“SI SILICON” PROJECT




Pic's technological evolution has always been the result of in-depth and careful listening to people's needs, translated into comfortable, simpler and safer solutions.

In line with this goal, 2020 saw Pic launch the **“Si Silicon” dressing**, a line of patches that uses silicone technology to ensure safe and painless removal.

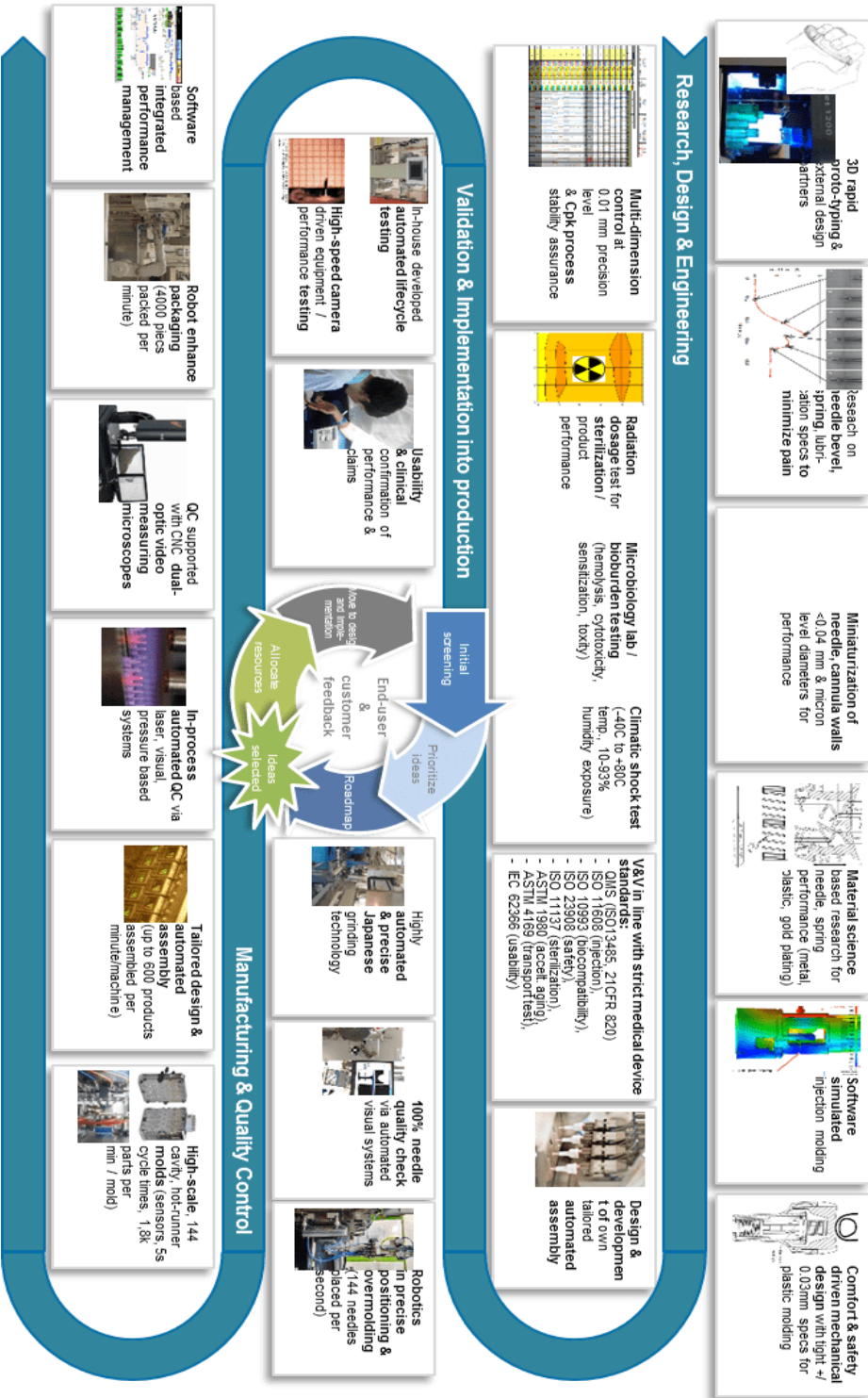
This line of products responds to a specific demand for attention to the skin of children, the elderly and people with skin hypersensitivity.

The new Si Silicon is presented on the market with a line comprising three specific solutions, designed to offer a complete solution to any need for hypersensitive skin medication:



	<p>POST-OPERATIVE PATCH</p> <p>For wound medication</p>	<p>sizes</p> <ul style="list-style-type: none"> 5x7 cm 10X8 cm 10X15 cm
	<p>BOBBIN PATCH</p> <p>For fixing primary medications</p>	<p>sizes</p> <ul style="list-style-type: none"> cm 2,5x3 m cm 5x3 m
	<p>STRIP PATCH</p> <p>For small wound medication</p>	<p>sizes</p> <ul style="list-style-type: none"> 2,5x7,2 cm 4x8,6 cm

All new products are implemented leveraging advanced technology, in accordance with the highest medical devices standards. The MTD Group R&D department adopts the following process.



3D rapid proto-typing & external design
additively manufactured parts

Research on needle bevel, spring, lubrication specs to minimize pain

Miniaturization of needle, cannula walls <0.04 mm & micron level diameters for performance

Material science based research for needle, spring performance (metal, plastic, gold plating)

Software simulated injection molding

Comfort & safety driven mechanical design with tight +/- 0.03mm specs for plastic molding

Research, Design & Engineering

Multi-dimension control at 0.01 mm precision level & CpK process stability assurance

Radiation dosage test for sterilization / product performance

Microbiology lab / bioburden testing (hemolysis, cytotoxicity, sensitization, toxicity)

Climatic shock test (-40C to +80C temp., 10-93% humidity exposure)

V&V line with strict medical device standards:
- QMS (ISO13485, 21CFR 820)
- ISO 11608 (injection),
- ISO 10993 (biocompatibility),
- ISO 23908 (sterility),
- ISO 11137 (sterilization),
- ASTM 1980 (accel. aging)
- ASTM 4189 (transport test),
- IEC 62366 (usability)

Validation & Implementation into production

In-house developed automated lifecycle testing

High-speed camera driven equipment / performance testing

Usability & clinical confirmation of performance & claims

Highly automated & precise grinding technology

100% needle quality check via automated visual systems

Robotics in precise positioning & overmolding (144 needles placed per second)

Manufacturing & Quality Control

Software based integrated performance management

Robot enhanced packaging (4000 pieces packed per minute)

OC supported with Cl/C dual-video measuring microscopes

In-process automated QC via laser, visual, pressure based systems

Tailored design & automated assembly (up to 600 products assembled per minute/machine)

High-scale, 144 cavity, hot-runner molds (sensors, 5s cycle times, 1.8K parts per mold)

2.2 Ensuring continuity of care

MTD, through the continuous innovation of its products, has always committed to providing a wide range of simple and comfort-of-use products to fully meet the specific requirements of people, whilst helping improve the quality of their everyday life.

This is especially true in the case of diabetic people; an area in which MTD takes special care, considering that poor adherence to the therapy can cause serious health damage. As affirmed in several articles published by the most authoritative scientific journals, needle phobia is in fact very common in children with type 1 diabetes³ and a great percentage of type 2 diabetic patients with poor control do not start insulin therapy at the appropriate time because of fear of injections and associated pain⁴.

DIABETES: A GLOBAL DISEASE

According to the definition given by the World Health Organization (WHO), diabetes is a chronic disease related to insulin, the hormone that regulates blood sugar, which occurs when the pancreas does not produce enough insulin or when the body cannot effectively use the insulin it produces. As defined by WHO, there are **two main types of diabetes**:



Type 1 diabetes is characterized by **deficient insulin production** and requires daily administration of insulin.

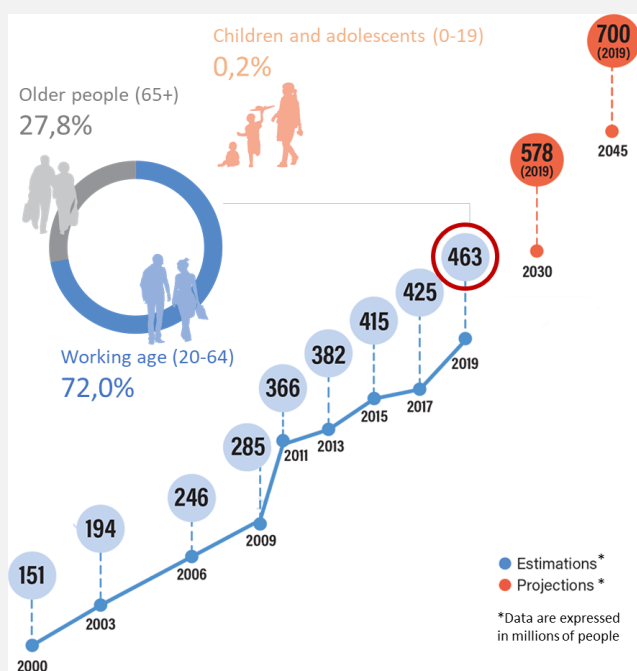


Type 2 diabetes is the most common type of diabetes and results from the **body's ineffective use of insulin**. It is mainly related to lifestyle (e.g. excess body weight or lack of physical activity) and requires daily monitoring of blood glucose levels, and, if the condition deteriorated, daily insulin injections.

In 2019, it is estimated that **463 million** people worldwide⁵ have diabetes and it is estimated that this number will reach 578 million by 2030, and 700 million by 2045.

In particular, three in four people living with diabetes (352 million people) are of working age (i.e. between 20 and 64 years old), while one in five people over 65 years is estimated to have diabetes. Moreover, an estimated 1.1 million children and adolescents (aged under 20) have type 1 diabetes.

Globally, therefore, the number of deaths resulting from diabetes and its complications in 2019 is estimated to be 4.2 million, confirming diabetes as one of the **top 10 causes of death around the world**⁵.



³ Cemeroglu AP, Can A, Davis AT, et al. Fear of needles in children with type 1 diabetes mellitus on multiple daily injections and continuous subcutaneous insulin infusion. *Endocr Pract* 2015; 21:46-53

⁴ Benroubi M. Fear, guilt feelings and misconceptions: barriers to effective insulin treatment in type 2 diabetes. *Diabetes Res Clin Pract* 2011; 93 (Suppl1):S97-S9

⁵ IDF Diabetes Atlas - 9th Edition 2019

PSYCHOLOGICAL BARRIERS TO DIABETES TREATMENT

According to the International Diabetes Federation, to date, about **150-200 million people** require insulin therapy worldwide, and, according to the most recent studies, insulin use is estimated to be on the increase.

Conventional insulin administration involves subcutaneous injection with syringes marked in insulin units. Insulin was first discovered in the early 1920s. For at least the next 50 years, vials and syringes remained the only delivery options available for routine clinical use. The first manufactured insulin pen was introduced in 1985⁶ but the original needles for subcutaneous injections were of a much larger diameter (25G) and longer than today. Furthermore, although hypodermic needles are effective, they could be associated with pain, anxiety, needle phobia and difficulty of use⁷. Consequently, there is poor compliance in initiating and adhering to needle-dependent therapies such as insulin administration⁸.

For this reason, most of the manufacturers around the world responded by introducing thinner, shorter pen needles, leading to a reduction in necessary injection force, skin trauma and pain⁹. For many patients (e.g. especially those who are neurologically impaired and those dependent on multiple daily injection regimens), these devices have been demonstrated to improve insulin administration and adherence¹⁰. With the same purpose, MTD has committed to designing innovative products that reduce pain and promote greater compliance with diabetes self-treatment, thus preventing acute and chronic complications and optimizing quality of day-by-day life.

For these reasons, MTD has always designed products with the intent of breaking down psychological barriers to diabetes treatment. With its portfolio of products, the Group accompanies patients during the various treatments, including **therapy** by insulin administration devices, such as pen needles and safety pen needles, and **blood glucose self-monitoring** by personal and safety lancets, lancing devices and glucometers.

The continuous focus on making life easier for these patients is well represented by the Insupen Advanced pen needle range, with its flagship G34 needle, and by a very complete portfolio of lancets and lancing devices, which has resulted from the unbroken commitment to innovation and research in diabetes care demonstrated by MTD through the years.

2.3 Guaranteeing compliance and transparency

Since the foundation of MTD, and considering the sector in which it operates, aspects such as quality, safety and innovation have always been the cornerstone of its products and processes.

For MTD, respect for the highest standards of product quality does not indicate mere compliance with the law, but is a key element of the Group's value proposition. In fact, all MTD products are designed, developed and tested to meet and eventually exceed the most stringent safety and quality standards.

Both Pikdare and HTL-Strefa express such commitments each within its own **Quality Policy**, defining internal and external quality commitments, especially towards customer and suppliers, in order to fulfil regulatory and system requirements.

To monitor and oversee product quality and safety issues, both HTL and Pikdare have an **ISO 13485:2016** certified management system, specifically related to the medical devices sector. Pikdare is also certified

⁶ Selam J-L. Evolution of Diabetes Insulin Delivery Devices. *J Diabetes Sci Technol*. 2010; 4(3):505-513.

⁷ Zambanini A, Newson RB, Maisey M, et al. Injection related anxiety in insulin-treated diabetes. *Diabetes Res Clin Pract*. 1999; 46:239-46

⁸ Gill HS, Prausnitz MR. Does Needle Size Matter? *J Diabetes Sci Technol*. 2007; 1(5):725-729

⁹ Magwire ML. Addressing Barriers to Insulin Therapy: The Role of Insulin Pens. *Am J Ther*. 2011; 18(5): 392-402

¹⁰ American Diabetes Association. Insulin administration. *Diabetes Care*. 2003; 26(Suppl1): S121-S124.

according to **ISO 9001:2015**, the standard applicable to any organization, regardless of its type or size, or the products and services it provides. Finally, Pikdare has also recently signed up to the “Medical device single audit program” (MDSAP), a program that allows a single regulatory audit of the medical device manufacturer’s quality management system to satisfy the requirements of multiple regulatory jurisdictions. At present, the program validates Pikdare for three different markets: Australia, Canada and USA.

ISO 13485:2016 - MEDICAL DEVICES - QUALITY MANAGEMENT SYSTEMS

The ISO 13485 is an International Organization for Standardization (ISO) standard that sets out comprehensive quality management system requirements for the design and production of medical devices. The standard was updated in 2016 to meet the latest quality management system practices, including changes in technology and regulatory requirements. In particular, the new version has a greater emphasis on risk management and risk-based decision-making, as well as changes to meet the increased regulatory requirements for organizations along the supply chain.



MTD guarantees the fulfilment of the highest quality standards by continuously monitoring quality objectives, thus allowing Quality Policy goals to be measured. In particular, as a demonstration of the MTD Group's commitment to this issue, in 2018 and 2019 there were no material incidents of non-compliance concerning health and safety impacts of MTD’s products and there were no cases of product recalls. However, it should be noted that in 2019 Pikdare transmitted to the competent authorities nine minor warnings related to intrinsic issues of the devices, for which no further action was needed.

Moreover, MTD continuously supervises quality and safety aspects through periodical internal audits in order to evaluate compliance with the certified quality management system in all company departments. Measured against the provisions of the annual audit program, 35 audits were carried out compared to the 40 initially planned (88%), from which no serious non-conformities emerged. During 2019, the Group was also subjected to 27 audits by MTD customers, especially in relation to product quality and safety, and by third parties, with the aim of assessing quality management system compliance with the standards (e.g. ISO 13485, ISO 9001, MDSAP).

Product quality and safety are also guaranteed along the supply chain through a specific supplier audit program, which examines their qualifications and performs continuous monitoring through direct inspections. The number of these controls in 2019 amounted respectively to 8 for Pikdare and 16 for HTL-Strefa. Audits are carried out both by external advisors, which make local audits of the suppliers’ plants periodically and before the shipments of different products, and by the internal quality control department, which makes detailed investigations before the release of the different product batches.

MTD is aware of the importance of its products on the health of consumers and is therefore committed to developing responsible communications and labelling in order to ensure maximum transparency for final consumers. As evidence of this commitment, in the 2018-2019 two-year period there were no cases of non-compliance with the legislation on product marketing and labelling.

3 We are partner of the healthcare system

“MTD is a proven, reliable and trusted partner of many healthcare providers. To be close to healthcare professionals by offering them a range of solutions aimed at facilitating daily healthcare activities is one of the pillars of our daily operations.”

MTD is aware that it can play an important role in supporting and contributing to the development of the healthcare system. In fact, the Group not only makes life easier for patients, guaranteeing continuity of care, but also strives to protect the health of professional workers in the healthcare sector.

MTD aspires to be a point of reference in the health sector by carrying out education and information activities aimed at healthcare workers, customers and consumers with the final objective of promoting the dissemination of knowledge and good practices in the medical field.

As evidence of the important role that MTD wants to play in the medical sector, the Group is also committed to increasing access to medical devices through philanthropic donations as well as the continuous development of products that meet society's needs.

3.1 Protecting healthcare professionals

The **protection of healthcare professionals** is an ethical duty for MTD and helps reduce costs for hospitals and therefore for national healthcare systems. The USA Center for Disease Control (CDC) estimates that about 385,000 injuries connected with sharp devices occur every year among healthcare professionals. Sharps injuries are primarily associated with occupational transmission of hepatitis B virus (HBV), hepatitis C virus (HCV), and human immunodeficiency virus (HIV), but they have been implicated in the transmission of more than 20 other pathogens. In this context, MTD provides a wide range of safe, comfortable and simple products, designed primarily to minimize the associated health risks.

Moreover, MTD is committed to guaranteeing **continuity of care**, which not only brings benefits to the patient, but also **helps contain healthcare sector costs**. As an example, poor adherence to treatment by people with diabetes on the one hand causes serious damage to the health of these patients, but also has a significant economic impact on the healthcare system. Indeed, premature death and disability due to diabetes are often associated with a negative economic impact on countries, often called the "indirect costs" of diabetes.

In this context MTD, through its subsidiaries Pkdare and HTL (the latter being a global standard for safety medical sharps) is committed to manufacturing products that look after the safety and comfort of their users.

HTL-STREFA: GLOBAL LEADER FOR SAFETY SHARPS

HTL-Strefa is recognized as a pioneer in the development and manufacturing of safety sharps, which are devices designed to minimize the risk of injury and consequently the risk of exposure to blood borne pathogens. With 20 years' experience on the global market, HTL-STREFA is the world's leading provider of blood micro-sampling medical devices with an approximately 46% global market share by volume in safety lancets. It also provides a wide range of products that successfully ensure safety and comfort, such as pen needles, safety pen needles, personal lancets and lancing devices.

Safety lancets are single-use devices for capillary blood sampling. They are an integral component to sharps-injury prevention programs in hospitals, clinics, laboratories, doctor's offices and wherever patients and professionals need to feel safe. By using safety lancets, needle-stick injuries and infections can be minimized.

SAFETY LANCET PORTFOLIO



KEY FEATURES FOR HTL-STREFA SAFETY LANCETS

SAFE

- All needles are **gamma-sterilized** and protected with a sterility tab
- **Fully enclosed needle housing** ensuring that needle is hidden before and after use to prevent sharps injuries
- **Self-destructing mechanism** preventing reuse of the device

COMFORTABLE

- **Silicone-coated**, ultra-sharp needles, ideally positioned during skin penetration
- **Various, color-coded product versions** to meet specific blood sample applications and address the variety of patient skin types
- **Wide range of designs** providing simple, comfortable and secure puncture

SIMPLE

- **Easy to handle**, intuitive activation in 2 steps only with no pre-loading, for both push button and contact activations
- **Wide and long safety cap** for easy removal – simply twist and pull to remove the needle cover
- **Precise designs** for convenient finger positioning and ideal blood sample collection

HTL also guarantees safety in the healthcare sector by providing **safety pen needles**, single-use needles for use with pen injector devices for the injection of drugs by professional healthcare users and lay users.

SAFETY PEN NEEDLE



KEY FEATURES FOR HTL-STREFA SAFETY PEN NEEDLES

SAFE

- **100% safety:** needle safely contained behind shield, preventing accidental exposure.
- **Lock-out confirmation:** red stripe appears when needle is locked out.
- **Needle locking system:** needle is automatically locked after use.

SOFT

- **Gentle touch:** table sliding shield surface may disperse and reduce pressure on the injection site.
- **Comfort of use:** special and unique "in-house" lubrication method Droplicon™ designed to cause smooth and less painful injection.
- **Hidden Needle:** the needle remains hidden from view, which can increase patient comfort.

SIMPLE

- **Easy attachment:** DropSafe® safety pen needles work with most pen injectors available on the market.
- **Intuitive use:** just twist on, inject and dispose.
- **Needle lengths:** two needle sizes to meet your individual needs (31Gx6mm, 31GX8mm)

SMART

- **Needle viewing window:** for easy confirmation of drug flow (priming).
- **High quality:** thin wall allows easy & optimal drug delivery.
- **Ergonomy:** DropSafe® safety pen needles has a special wing-shaped design for a comfortable and secure grip.

HTL-Strefa is also committed to establishing effective communication channels with healthcare professionals in order to encourage the spread of good practices in the use of its products and to better understand the needs of healthcare workers.

In fact, HTL-Strefa periodically organizes **focus groups** with nurses with the goal of collecting their experiences, expectations and needs regarding products and solutions. This type of activity can help MTD to identify and understand the most important product safety issues. Nurses' feedback is also used for orienting product development towards solutions that meet the needs of healthcare professionals and patients. As an example, a focus group conducted in 2019 with seven experienced nurses working mainly in public hospitals showed how important professional safety is for nurses; in fact they consider it as a rule, and this drives the adoption of proper internal procedures and applies to every stage of their work, especially where there is physical contact with a potentially contagious patient and the biological risk is higher.

For this reason, HTL-Strefa has developed **clinically proven lancing procedures** that are distributed to healthcare workers and that describe the steps required for the proper use of safety sharps (e.g. lancing procedures for capillary blood sampling). In addition, it prepares further educational materials for healthcare professionals and patients, such as Injection Technique Recommendations and Injection Techniques Practical guidelines. All these training materials aim to reduce sharps injuries and increase treatment efficacy, increasing expected blood volumes and minimizing the pain of the patient receiving treatment.



3.2 Sharing health education

MTD organizes **training sessions for pharmacists and distributors** to educate them on the correct use of MTD products. While the training offered to distributors is mostly commercial, as it helps them to optimally place the product on the market, the training for pharmacists aims to ensure that the consumer receives correct information regarding the use of the products to guarantee continued safety.

Pikdare, whose main sales channel is pharmacies, has developed the **Pikdare Academy**: a program offering continuous training that includes in-store courses and evening training events. In particular, in 2019, Pikdare organized one 9-day international event in Miami, 2 Canvas events, the first-ever event in Matera and the second in Madrid, one in-store course and 12 evening meeting events that involved between 40 and 100 people depending on the evening. The Academy allows Pikdare to share with local clients the experience it has accumulated in over 50 years of activity in the self-medication sector.

PROUD TO DARE

PASSION TO DARE

INTERNATIONAL EVENTS
An exceptional moment of comparison, learning and inspiration in **Miami and Bahamas** (November 2019) through visits and formative moments of the highest level

INNOVATION TO DARE

CANVAS EVENTS
Two exceptional moment of comparison in **Matera** at Parco Nazionale del Pollino on brand Pic and PluriVis (June 2019) and in **Madrid** (September 2019) on brand Control

KNOW-HOW TO DARE

PHARMACY TRAINING
In-store courses to support professional preparation which included **product training**, positioning and support **techniques to sell-out** and specialized programs for **customer management**.

EVENING MEETINGS
Evening training events with the release of **FAD** (Formazione a distanza) **ECM** (Educazione continua in medicina) **certificates**.

MTD is also committed to promoting the spread of information and good practices to final consumers with the objective of raising people's awareness on health issues.

PIC IT EASY

Pic it easy is a web multi-channel educational platform that gives people free tips to help them deal with minor health problems. It has been developed to meet people's need for a reliable online healthcare information. Pikdare ultimately wants to be seen as an authoritative source that is also able to create empathy by providing simple, well-mediated information. The initiative has been very successful, considering that the Facebook page has more than 90,000 followers, the YouTube tutorial videos have reached 4.5 million views and the Pic site has about 150,000 hits monthly.



3.3 Guaranteeing access to MTD devices

MTD has always been aware of the importance of guaranteeing access to medical devices for everyone. For this reason, it has launched a partnership with NGOs to promote the donation of medical devices for philanthropic purposes. In particular, HTL-Strefa supports the International Federation of Medical Students' Associations (IFMSA) by donating safety lancets to support the "Health Under Control Campaign". The campaign is an initiative that offers voluntary free tests and raises awareness about the risks posed by lifestyle diseases. In 2018 and 2019, HTL donated more than 25,000 safety lancets.



Another significant HTL-Strefa partnership is with the "Global-Med" organization in Poland, promoter of the "Ambulance from the heart" initiative, which offers free glucose screenings. HTL donated around 17,000 safety lancets to the scheme in 2018.

Finally, both HTL-Strefa and Pikdare have recently partnered with the Yorghas Foundation for the donation of diabetes care products.

YORGHAS FOUNDATION

The Yorghas Foundation is an NGO operating in Africa and committed to defending women's and children's rights not only to safe childbirth and proper healthcare, but also to education, personal development and a dignified life.

The partnership with the Yorghas Foundation is promoted by HTL-Strefa and consists of the supply of glycemic detection products to be distributed in Uganda. This partnership involves both HTL-Strefa and Pikdare respectively for the supply of sting devices and glucose meters. In 2019, HTL-Strefa donated safety lancets while Pikdare contributed glucose meters.



In 2020, in the context of Covid-19 diseases, MTD has demonstrated that MTD's product development has always been oriented towards solving people's problems and responding to society's dynamic needs. In fact, with the advent of the **Covid-19 diseases** that became a **pandemic** at the beginning of 2020, MTD took action to provide medical devices that, in view of the surge in global demand, were recognized to be crucial to contain the pandemic.

MTD ACTION VERSUS COVID-19 PANDEMIC

MTD Group, as a market leader in safe, self-care medical devices, actively works to provide healthcare professionals and patients all over the world the tools they need to cope with Covid-19.

Since the first days of the Covid-19 outbreak, the MTD Group has made every effort to ensure a continuous supply of the most urgent products (such as disinfectants and sanitizing gels) and to ensure a timely response to the numerous requests received by its global network.



During the first half of 2020, MTD created a complete line of products to combat the challenges of Covid-19 including;

- Covid-19 IgG/IgM rapid tests together with safety lancets;
- masks;
- sanitizing gels;
- disinfectants ;
- gloves;
- IR no-contact thermometers.

4 We are close to MTD people

“The people of MTD are one of the main pillars of the Group, which is committed to fostering their personal development, protecting their safety and increasing their welfare.”

MTD is aware that its employees are the driving force of the Group’s success. For this reason, MTD is committed to creating a healthy working environment with a strong focus upon the wellbeing of employees. In order to allow the group to evolve and adapt to the market, continuous training activity takes place to foster personal development, which is also crucial for ensuring talent retention.

Moreover, health and safety in the workplace is crucial for the Group, which is committed to ensuring high safety standards in the manufacturing plants in Poland and Italy.

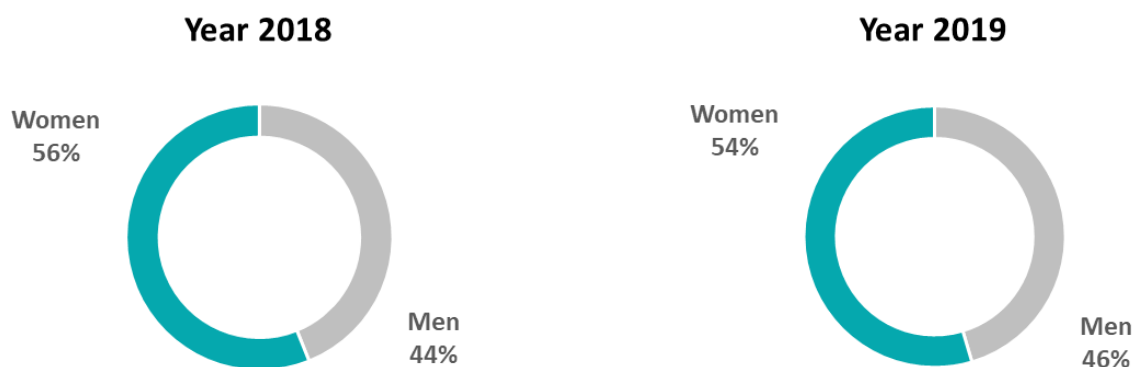
4.1 Guaranteeing the welfare of MTD employees

As at 31st December 2019, MTD employed a total of **1,952 people** (0.5% more than in 2018). In addition to that, the workforce also included interns (4), agency workers (3) and other workers (100). In Italy, the latter group is made up of workers of the cooperatives that take care of warehouses and cleaning, while in Poland it includes white-collars workers contracted through service agreement contracts, mostly from Ukraine.

Total workforce	Unit	2018	2019
Employees	n.	1,942	1,952
Agency workers	n.	19	3
Interns	n.	3	4
Other	n.	73	100
Total workforce	n.	2,037	2,059
<i>...of which men</i>	n.	885	927
<i>...of which women</i>	n.	1152	1132

More than half of MTD’s employees are women (54% of the total), representing a slight decrease (-2%) from 2018.

Employees by Gender	Unit	2018	2019
<i>Men</i>	n.	853	886
<i>Women</i>	n.	1,089	1,066
Total employees	n.	1,942	1,952



Most of the employees are in Poland (77%) and in Italy (20%), where the manufacturing plants are located, while only a small number are in France (1%) and the USA (1%), in the commercial units, which are, however, growing materially. With respect to the type of contract, in 2019 almost 72% of MTD employees had a permanent contract, compared to 69% in 2018.

Employees by contract and by region	Unit	2018	2019
<i>Permanent Italy</i>	n.	377	381
<i>Permanent Poland</i>	n.	921	970
<i>Permanent France</i>	n.	22	25
<i>Permanent USA</i>	n.	19	27
Total permanent employees	n.	1,339	1,403
<i>Temporary Italy</i>	n.	16	9
<i>Temporary Poland</i>	n.	587	539
<i>Temporary France</i>	n.	0	1
<i>Temporary USA</i>	n.	0	0
Total temporary employees	n.	603	549
Total employees	n.	1,942	1,952

Employees by contract and by gender	Unit	2018	2019
<i>Permanent male</i>	n.	624	648
<i>Permanent female</i>	n.	715	755
Total permanent employees	n.	1,339	1,403
<i>Temporary male</i>	n.	229	238
<i>Temporary female</i>	n.	374	311
Total temporary employees	n.	603	549
Total employees	n.	1,942	1,952

With regard to employment type, 2.2% of employees had a part-time contract in 2019, 86% of which were women. Part-time work is in fact an option that provides greater flexibility, particularly for new mothers.

Employees by employment type	Unit	2018	2019
<i>Full-time male</i>	n.	848	880
<i>Full-time female</i>	n.	1,054	1,029
Total Full-time	n.	1,902	1,909
<i>Part-time male</i>	n.	5	6
<i>Part-time female</i>	n.	35	37
Total Part-time	n.	40	43
Total employees	n.	1,942	1,952

The Group aims to ensure the wellbeing of its employees through the implementation of **welfare initiatives**. In particular, Pikdare offers employees in Italy reduced-price access to the company canteen (€0.50 for blue-collar workers, €1 white-collar, €1.5 for middle managers and €3 for executives) and to the company kindergarten, enabling employees with children to gain a better work-life balance. In addition, HTL has schemes to enhance labor conditions, for example expanding the leisure areas in production plants. It also has a set of benefits to complement salaries, such as the funding of sports activities and private medical care.

In addition, both companies' manufacturing plants are located in areas that are difficult to reach via public transport, so a free shuttle service has been made available (in the case of Pikdare, from Grandate train station, and in the case of HTL, from towns near the production facilities).

In addition to the above, the MTD Group has organized benefits for workers with chains and shops that offer favorable deals.

In 2019, MTD had a hiring rate of 21%, equal to the employee turnover rate. The latter figure was down from 2018 (-2%), mainly due to the Polish labor environment, which has a dynamic employment market.

Total workforce	Unit	2018	2019
Employees	n.	1.942	1.952
<i>Hiring rate</i>	n. hirings/ n. employees	26%	21%
<i>Turnover rate</i>	n. terminations/ n. employees	23%	21%

In order to increase employees' sense of belonging to the company, in 2019 MTD began running focus groups in manufacturing plants both in Italy and Poland. The objectives of these meetings were to increase people engagement, to explore their perceptions regarding the company and to boost dialogue. These focus groups also sought to create a sense of unity as a Group. In addition, MTD also introduced a continuous stream of internal communications in the form of periodical newsletters, town halls and mails aimed at keeping people aware of ongoing business and targets.

4.2 Boosting the skills of our employees

MTD promotes the development of its employees by offering training activities to encourage their personal and professional growth, aware that such growth also allows the Group to remain competitive in the market. In general, training is organized through a bottom-up approach that allows for the appraisal of employees' training needs, to be then able to offer them a full and complete range of courses.

At the moment, there is no centralized training plan at Group level; instead, provision is managed independently by Pikdare and HTL. However, cross-country courses with mixed attendees will be organized in the near future. In 2019, 4,617.5 hours of training were provided to MTD employees, significantly less compared to 2018 (-12%) due to the fact that, especially in Italy, some courses that were held online in 2018 were delivered in the classroom in 2019, with the aim of ensuring fuller and more complete engagement.

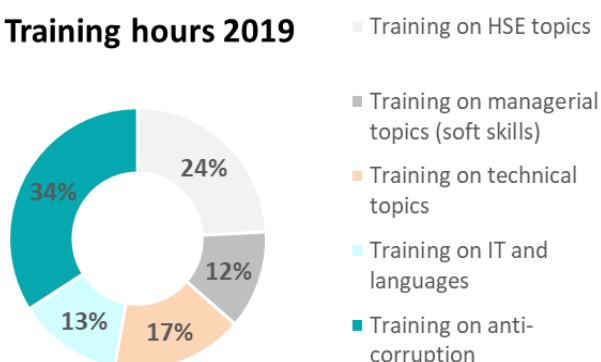
Average training for employees	Unit	2018	2019
Training provided to men	h	2,892	3,051
Training provided to women	h	2,360	1,567
Total training hours provided to Employees	h	5,251	4,618
Average training hours	h/n. employees	2.7	2.4

Annual training hours by topics	2018	2019
Training on HSE topics	643	1,117
Training on managerial topics (soft skills)	734	562
Training on technical topics	668	764
Training on IT and languages	1,644	603
Training on anti-corruption	1,563	1,572
Total training hours provided to Employees	5,251	4,618

The courses consist mainly of anti-corruption training (34%), followed by HSE training (24%), demonstrating the importance the Group attributes to these two topics.

Training is not limited to compliance; there are also courses on employee development, which are also useful in the personal sphere. The main beneficiaries of the training offer are white-collars (48%) and blue-collars (38%).

Training hours 2019



Annual training hours by employee category and gender	2018	2019
Training provided to EXECUTIVES	165	67
Training provided to MANAGER	633	591

Training provided to WHITE COLLARS	2,838	2,227
Training provided to BLUE COLLARS	1,616	1,733
Total training hours provided to Employees	5,251	4,618

In pursuit of its ongoing purpose to foster people's development and stimulate improvement of performance, MTD has implemented incentive tools such as MBOs, which can leverage improvements in sustainability performance. In particular, in 2019 HTL implemented MBOs related to health and safety in the workplace.

4.3 Strengthening the MTD culture of health and safety

The health and safety of its employees is considered a fundamental requirement that guides the activities of MTD. The two principles on which HTL and Pikdare base the protection of health and safety of employees, specifically of those working in manufacturing plants, are **monitoring** and **education**.

With regard to monitoring, both HTL and Pikdare organize internal health and safety audits to ensure compliance with good health and safety practices within production facilities. In particular, HTL organizes monthly health and safety “walk arounds” of about 1.5 hours’ duration, aimed at involving the majority of managers. The latter are encouraged to offer potential suggestions for improvement of health and safety practices. Moreover, the company in 2019 underwent two external health and safety audits: one by Investindustrial and the other by the notified body. On the other hand, regarding the Italian side, Pikdare implemented the B.O.S.S. project, a peer-to-peer assessment of compliance with health and safety requirements.

THE B.O.S.S. PROJECT

The project B.O.S.S. (Behavior Observation Safety System), is a behavioral safety project started in 2017 and based on a peer-to-peer assessment of adherence to health and safety best-practices. The project not only aims to improve safe behavior and consequently reduce injuries, but also to involve the whole organization, thereby strengthening the safety culture. In particular, the project involves almost 30 nominated "observers" every



year among the employees, who are offered specific training with the final aim of helping their colleagues to improve their performance regarding health and safety matters. The “observers” are required for a six-month period to observe health and safety behaviours of colleagues at work, using a checklist specific to each department. The number of observations made is monitored (as a minimum, each observer has to carry out at least 75% of the observations to be made) and those observations are used by the health and safety department to implement improvements. A reward system has been implemented to stimulate the participation of employees appointed as “observers” (e.g. coffee keys or vouchers for e-commerce).

With regard to education, both HTL and Pikkare are committed to do comprehensive training on health and safety issues, well beyond compliance. In 2019 HTL provided 263 hours of training, while Pikkare did 835.5 hours. “Field” education is included in addition to the formal training hours monitored. For example, during daily production meetings, HTL dedicates 3 minutes to reinforcing health and safety practices.

MTD also carries out other health and safety initiatives, such as HTL Safety Week: a week-long event, organized once a year to raise awareness on health and safety issues among personnel, including employees based in the headquarters.



In 2019 there were 33 injuries, one less than in 2018, and only one injury had serious consequences, with absence from work of more than six months. In line with the injury trend, it should be noted that the frequency rate of men’s injuries decreased by 9%, while that of women remained stable. With regard to external workers working at Group’s plants, only one injury occurred in 2019.

Work-related injuries	Unit	2018		2019	
		men	women	men	women
Total number of work-related injuries	n.	16	18	15	18
...of which high-consequence injuries (> 6 months’ absence)	n.	0	0	0	1
...of which fatalities	n.	0	0	0	0
Total hours worked by employees	h	1,511,258	1,774,286	1,559,797	1,765,910
Frequency of injury rate	n./h x 200,000	2.12	2.03	1.92	2.04

The majority of accidents involved mechanical risk, which sometimes cannot be eliminated (e.g. bumps, slips, stumbles) and may be due to carelessness of the operators. A potentially frequent cause of injury for employees working in production facilities is needle cutting. For this reason, HTL in 2019 developed the “Needle project” with the goal of mapping risks related to needle cutting and identifying possible measures to reduce these risks.

Finally, the advent of Covid-19 at the beginning of 2020 represented and will continue to represent a challenge for the Group, which was able to implement a plan to reconcile continuity of production and protection of employees' health. In particular, MTD has adopted a regulated and effective smart working regime for white collars. Such a solution was not possible while for blue-collars, so preventive measures were put in place, such as: measurement of employees’ temperatures before entering production plants, distribution of individual production equipment (PPE), adherence to safety distancing during production shifts and continuous educational campaigns among employees.

5 We are responsible for the environment

“We are aware of our environmental impact and we are committed to addressing the challenges that affect our planet, with special attention to climate change”

MTD is aware that evaluating and monitoring its own performance is a fundamental step towards the identification of the Group’s relevant environmental impacts and the starting point for their reduction. In fact, the Group pays special attention to the environmental impacts of its production facilities, mainly related to energy consumption and related greenhouse gas (GHG) emissions, raw materials usage and waste management.

Pikdare and HTL-Strefa express their commitment towards the reduction of environmental impacts respectively in the **Environmental Policy** and in the **Quality Policy**, which also includes and describes environmental aspects. In order to proactively manage environmental issues, Pikdare and HTL have appointed their own HSE managers and, in addition to this, Pikdare has developed an environmental management system designed in accordance with ISO 14001. The process towards attainment of certification is ongoing and the certificate is expected to be issued before year end.

5.1 Recognizing our climate impact

MTD’s energy consumption is mainly related to the electricity purchased from the national grid (78%) and to the consumption of natural gas (20%); the former is used for lighting in all production units and offices and for operating industrial machinery, while the latter is used for heating purposes in all production units and offices and for operating industrial machinery. Energy consumption from the company fleet accounts for around 2% of the total energy consumed and is mainly related to travel by sales agents.

In 2019, the total energy consumption increased by about 6% with respect to 2018, due to a rise in production, with consequent increased energy demand.

ENERGY CONSUMPTION	Unit	2018	2019
Energy consumption for buildings and operations	GJ	232,204	246,481
<i>Of which electricity</i>	GJ	191,670	196,444
<i>Of which from natural gas</i>	GJ	39,996	49,494
<i>Of which from GPL</i>	GJ	538	543
Energy consumption for company car fleet	GJ	5,433	5,240
<i>Of which gasoline vehicles</i>	GJ	676	1,462
<i>Of which diesel vehicles</i>	GJ	4,757	3,779
Total	GJ	237,637	251,722

In order to reduce energy consumption, in recent years both Pikdare and HTL-Strefa have begun to replace existing lighting systems with LED lighting. In particular, from 2016 Pikdare was able to install LED lighting in over 40% of its production plant's surface area, leading to savings of more than 250,000 kWh from 2018. HTL is planning the modernization and transition to LED lighting lamps at the production plant in Leczyca.

As evidence of the Group's commitment to reduce the energy consumed in its operations, during the second half of 2019 MTD began planning the installation of a **trigeneration plant** in the Pikdare production site in

the coming years. The plant will become operative from the first quarter of 2021, allowing cost savings and a reduction in energy consumption and related GHG emissions.

TRIGENERATION PLANT

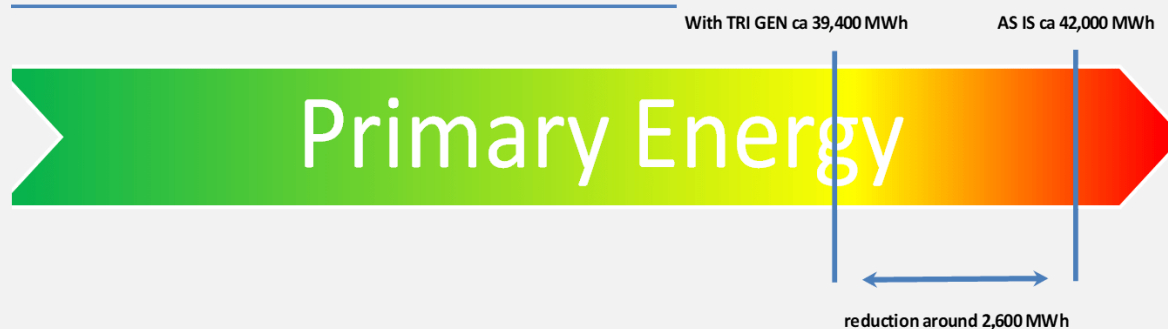
The plant will be able to produce combined **electricity, thermal energy** (hot water for heating) and **cooling energy** (chilled water for air conditioning or refrigeration) with a consequent high saving of primary energy and greenhouse gas emissions. In particular, the thermal waste will be used throughout the year for the production of high temperature hot water for winter heating and for fueling the absorption refrigeration unit for the summer air conditioning / cooling molding process.

Thus, the main benefits of the trigeneration plant will be:

- reduction of electricity purchased from the national grid for feeding the electricity cabin;
- in winter, reduction of natural gas used for activating boilers for heating, since the hot water from the plant is used to pre-heat water entering the boilers;
- in summer, reduction of electricity used for activating the chillers, since the hot water from the plant feeds a lithium bromide absorber that produces cold water that pre-cools the water entering the chillers.

On the basis of the preliminary studies conducted, the trigeneration plant will lead to a primary energy reduction of 6% (around 2,600 MWh) and related GHG emission reduction of 14%.

PRIMARY ENERGY REDUCTION -6%



CO2 EMISSION REDUCTION -14%: - 1,650 TON

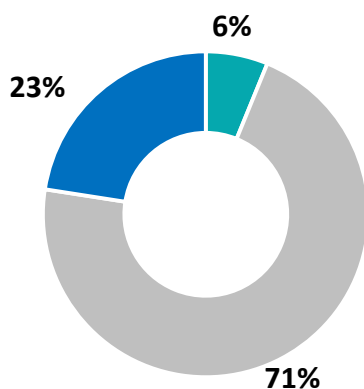
In 2019 MTD calculated its first carbon footprint according to the Greenhouse Gas Protocol, one of the most important internationally-recognized standards for the accounting and reporting of greenhouse gas emissions. MTD included in this calculation all relevant direct GHG emissions (**Scope 1**) deriving from sources owned or controlled by the company (e.g. emissions from combustion of natural gas for boilers), indirect emissions resulting from electricity purchased (**Scope 2**) and indirect emissions occurring outside the group perimeter (**Scope 3**), in particular those resulting from business travels, employee commuting and outbound and inbound logistics.

GHG EMISSIONS	Unit	2018	2019
Direct emissions (Scope 1)	tCO _{2eq}	2,973	3,060
<i>emission from fuels for heating and other purposes</i>	tCO _{2eq}	2,090	2,559
<i>emission from fuels used for Company car fleet</i>	tCO _{2eq}	371	352
<i>emissions from refrigerant gases for refilling of air-conditioning systems</i>	tCO _{2eq}	512	149
Indirect Emissions from energy purchase (Scope 2 - location-based)	tCO _{2eq}	34,336	35,306
Indirect Emissions from energy purchase (Scope 2 - market-based)	tCO _{2eq}	35,327	35,931
Other indirect Emissions (Scope 3)	tCO _{2eq}	10,858	6,636
<i>emissions from employee business travel</i>	tCO _{2eq}	1,094	705
<i>emissions from logistics¹¹</i>	tCO _{2eq}	8,878	5,047
<i>emissions from employee commuting</i>	tCO _{2eq}	885	884
Total (with location-based)	tCO _{2eq}	48,166	45,002
Total (with market-based)	tCO _{2eq}	49,158	45,627

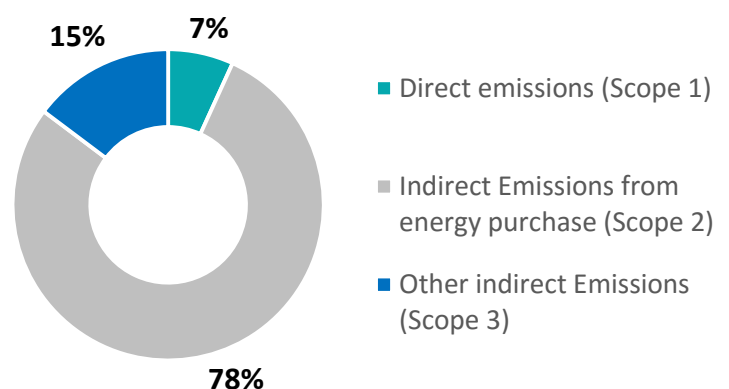
The GHG emissions resulting from electricity purchased from the national grid have been calculated by two alternative methods: the **location-based method**, which reflects the average emission intensity of the grids from which electricity is purchased, and the **market-based method**, which takes into account the share of certified electricity purchased from renewable sources and at zero emissions.

It should be noted that MTD market-based Scope 2 emissions are slightly higher than the location-based Scope 2 emissions. In fact, the admittedly small amount of electricity purchased from renewable sources (13%), is not sufficient to balance the contribution from the increase in market-based emission factors with respect to location-based ones. In particular, the renewable energy contribution is due both to HTL-Strefa in Poland, which in 2019 purchased 18.5% of its electricity from renewable sources in compliance with Polish law, and to HTL in the US, which has a small photovoltaic system capable of meeting the entire electricity requirements of the US office (102,029 kWh).

GHG emissions (2018)



GHG emissions (2019)



In 2019 MTD's carbon footprint is mainly related to Scope 2 emissions for purchased electricity (78%) and to Scope 3 emissions from business travel, employee commuting and logistics (15%). The contribution of direct

¹¹ The reported logistics emissions refer to Pkdare inbound logistics and Pkdare and HTL outbound logistics (with the exception of the United States).

emissions (Scope 1), mainly concerning natural gas combustion, Company car fleet fuel consumption and refrigerant gas refilling, is around 7%.

In line with MTD's energy consumptions, the related Scope 1 and Scope 2 emissions both increased slightly (around 3%) from 2018 to 2019 due to the production increase. However, 2019 total GHG emissions decreased about 7% from 2018 because of a significant reduction in Scope 3 emissions (around 39%) from business travel and logistics emissions, with respective individual decreases of 36% and 43%. In particular, the reduction in business travel was due to fewer flights as a result of the consolidation of the Group in 2019, while the reduction in emissions from logistics was due to the reduction in air freight.

MTD is also aware of the potential environmental impact from its use of two different sterilization systems, the Ethylene oxide (ETO), mainly used in Pikdare, and the Gamma-Ray, used in HTL-Strefa. In particular, the ETO sterilization process could have potential negative effects on environmental media such as air, soil, or water due to ETO emissions or accidental spills. Therefore, the Group has started a process to validate an alternative sterilization system in Poland based on X-Ray technology to reduce environmental and public health risks.

5.2 Reducing materials, packaging and waste

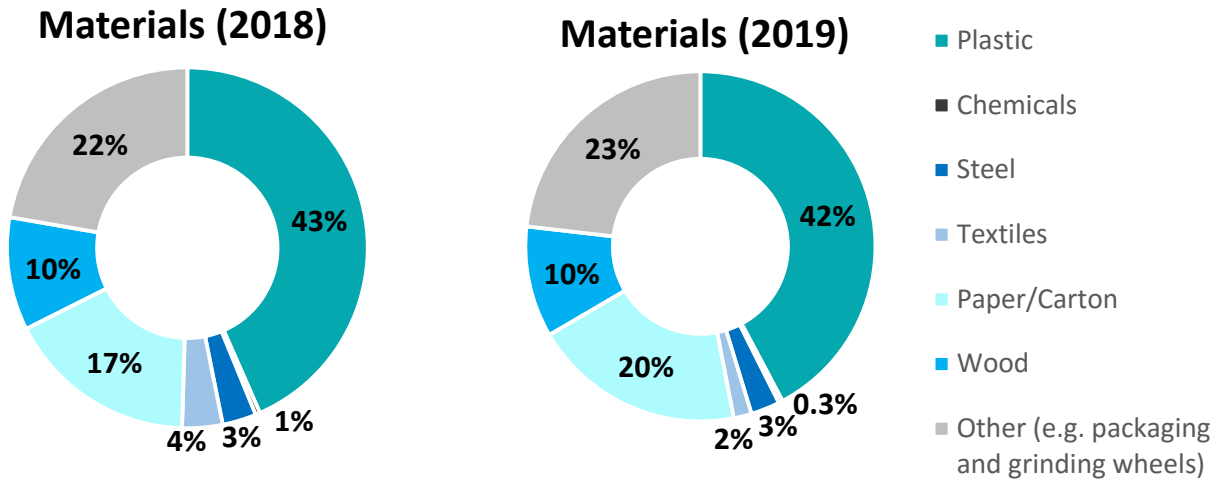
Although the use of raw materials and waste management are not material issues for MTD, the Group is committed to monitoring their impacts and reducing them where possible.

The main materials MTD uses in its production facilities are:

- **plastics:** mainly used for final products, such as safety sharps, and primary packaging;
- **paper/carton:** used for packaging and warehousing;
- **wood:** mainly consisting in pallets for logistics activities;
- **steel:** used for components in final products such as needles and lancets;
- **textile:** used for components in final products, such as patches and bandages produced by Pikdare.

MATERIAL USED	Unit	2018	2019
<i>Plastics</i>	ton	10,022	10,151
<i>Chemicals</i>	ton	95	91
<i>Steel</i>	ton	701	644
<i>Textiles</i>	ton	836	401
<i>Paper/Carton</i>	ton	3,953	4,716
<i>Wood</i>	ton	2,340	2,465
<i>Other (e.g. packaging and grinding wheels)</i>	ton	5,143	5,572
Total	ton	23,088	24,039

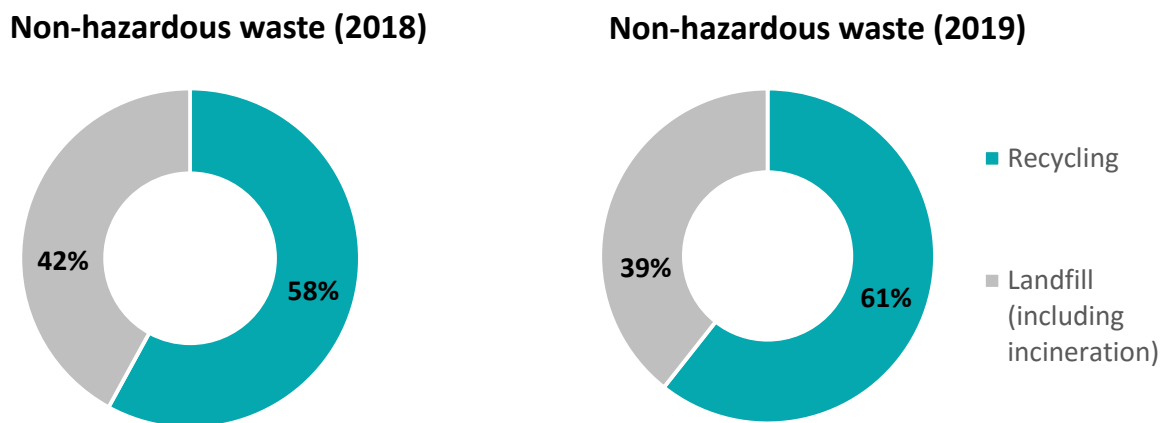
Materials use increased from 2018 to 2019 by around 4% due to upward production trends. The main material used by MTD in its operations is **plastics** (44% of the total materials used). Despite the fact that the Group is aware of the global pressure to reduce the use of this material, it considers plastic to be crucial in the manufacturing of medical devices, as it ensures the quality and safety of products, especially regarding the sterilization process, and protects the health of the final consumer. Two other significant materials for MTD operations are **paper/carton** (20% of the total) and **wood** (11% of the total). It should be noted that, regarding the use of paper and carton, all secondary packaging provide by suppliers of the MTD group are FSC certified. Moreover, all primary packaging paper used by Pikdare is recycled.



MTD is not only careful to select its raw materials in a responsible way and to reduce their usage within the factories but is also committed to decreasing waste scraps generated in the manufacturing process in order to reduce the total amount of waste. MTD waste produced by the industrial processes is mainly non-hazardous (92%); consequently only a small fraction of the waste is hazardous (8%). In line with the other environmental performance indicators, the total increase in waste production (around 9%) is mainly due to the increase in the manufacturing activities.

WASTE PRODUCED	Unit	2018	2019
Hazardous waste	ton	310	271
<i>Recycling</i>	ton	11	9
<i>Landfill (including incineration)</i>	ton	299	262
Non-hazardous waste	ton	2,696	2,991
<i>Recycling</i>	ton	1,563	1,813
<i>Landfill (including incineration)</i>	ton	1,133	1,177
Total	ton	3,006	3,262

As regards waste disposal methods, in 2019 MTD recycled around 61% of non-hazardous waste, an increase of 3 percentage points respect over the previous year.



6 Methodological Note

MTD’s Sustainability Report has been prepared in accordance with the GRI Standards (“Core option”) and its content reflects the results of the materiality analysis. The Report refers to the MTD Group, which includes Pikdare and HTL Strefa, and considers:

- production sites in Italy and Poland;
- commercial subsidiaries in Italy, Poland, France and USA.

Data and information included in the MTD Sustainability Report refers to 2019 and 2018 (where possible).

The following table links the identified material topics with the related GRI standard topics with boundaries indicated.

MATERIAL TOPIC	GRI STANDARD TOPIC	TOPIC BOUNDARIES	
		WITHIN THE ORGANIZATION	OUTSIDE THE ORGANIZATION
Consumer health and wellbeing	GRI 416: Customer Health and Safety	MTD Group	-
Healthcare professionals’ safety	GRI 416: Customer Health and Safety	MTD Group	-
Product development and innovation	-	MTD Group	-
Marketing and labeling	GRI 417: Marketing and Labeling	MTD Group	-
Health and safety in the workplace	GRI 403: Occupational Health and Safety	MTD Group	Suppliers
Client and consumer education	-	MTD Group	-
Access and affordability of medical devices	-	MTD Group	-
Sustainable supply chain	GRI 308: Supplier Environmental Assessment	MTD Group	-
	GRI 414: Supplier Social Assessment	MTD Group	-
Employee care and development	GRI: 401 Employment	MTD Group	-
	GRI 404: Training and Education	MTD Group	-
Anti-corruption	GRI 205: Anti-corruption	MTD Group	-
Energy consumption and climate change	GRI 302: Energy	MTD Group	-
	GRI 305: Emissions	MTD Group	Suppliers

6.1 GHG calculation methodologies

For the calculation of GHG indicators included in our Sustainability Report, we have used the methodologies of the GHG Protocol Corporate Accounting and Reporting Standard. The details are showed in the table below:

GHG EMISSIONS SCOPE 1			
SOURCE	ACTIVITY DATA	EMISSION FACTOR	GWP
Diesel, natural gas and LPG for heating and other purposes	Fuel consumption	DEFRA (Department of Environment, Food & Rural Affairs), Conversion factors - Full set, 2019 and 2018	-
Company car fleet	Fuel consumption	DEFRA (Department of Environment, Food & Rural Affairs), Conversion factors - Full set, 2019 and 2018	-
Leakages from air-conditioning systems of refrigerant gases	Leakage	-	Global Warming Potentials (GWPs) are taken from IPCC Fourth Assessment Report (AR4)
GHG EMISSIONS SCOPE 2			
SOURCE	ACTIVITY DATA	EMISSION FACTOR	GWP
Electricity purchased from national grid – location-based method	Electricity consumption	Terna, Confronti Internazionali, 2017 (Total gross production)	Only CO ₂ emissions were considered
Electricity purchased from national grid – market-based method	Electricity consumption	For Poland, Italy and France: AIB - European Residual Mixes, 2018 For USA: Green-e Energy Residual Mix emission factors 2018	Only CO ₂ emissions were considered
GHG EMISSIONS SCOPE 3			
SOURCE	ACTIVITY DATA	EMISSION FACTOR	GWP
Business travel by air	Distance per passenger	DEFRA (Department of Environment, Food & Rural Affairs), Conversion factors - Full set, 2019 and 2018	-
Business travel by train	Distance per passenger	DEFRA (Department of Environment, Food & Rural Affairs), Conversion factors - Full set, 2019 and 2018	-
Logistics (trucks, train and cargo ships)	Distance/Distance per weight transported	DEFRA (Department of Environment, Food & Rural Affairs), Conversion factors - Full set, 2019 and 2018	-
Commuting ¹²	Distance per passenger	DEFRA (Department of Environment, Food & Rural Affairs), Conversion factors - Full set, 2019 and 2018	-

It should be noted that the Fuel density and NCV (Net Calorific Value) was taken from DEFRA (Conversion factors - Full set, 2019 and 2018).

¹² Employees commuting emissions are estimated based on the basis of available data.

6.2 Contacts

For further information about this Sustainability Report, please contact:

MTD Medical Technology and Devices S.A

Via Nassa, 5

6900 Lugano (CH)

Email: arrigo.bendi@mtdgroup.ch

7 GRI Content Index

GRI STANDARD	DISCLOSURE	PARAGRAPH	OMISSION/NOTES
GRI 102: General Disclosures 2016			
102-1	Name of the organization	1.1.2 The Group	
102-2	Activities, brands, products, and services	1.1. The Group identity 1.1.3 MTD products	
102-3	Location of headquarters	1.1.2 The Group	
102-4	Location of operations	1.1.2 The Group	
102-5	Ownership and legal form	1.1.2 The Group	
102-6	Markets served	1.1.2 The Group	
102-7	Scale of the organization	1.1.2 The Group	
102-8	Information on employees and other workers	4.1 Guaranteeing welfare on MTD employees	
102-9	Supply chain	1.1.4 MTD value chain	
102-10	Significant changes to the organization and its supply chain	1.1.2 The Group 1.1.2 MTD value chain	
102-11	Precautionary Principle or approach	1.2 The Group sustainability path	
102-12	External initiatives	3.2 Sharing health education 3.3 Guaranteeing access to MTD devices	
102-13	Membership of associations		There are no memberships of associations
102-14	Statement from senior decision-maker	Message to our stakeholders	
102-16	Values, principles, standards, and norms of behavior	1.2.1 MTD sustainability identity	
102-18	Governance structure	1.1.5 The Group Corporate Governance	
102-40	List of stakeholder groups	1.2.2 Stakeholders	
102-41	Collective bargaining agreements		21%
102-42	Identifying and selecting stakeholders	1.2.2 Stakeholders	
102-43	Approach to stakeholder engagement	1.2.2 Stakeholders	
102-44	Key topics and concerns raised	1.2.3 Material topics	

102-45	Entities included in the consolidated financial statements	1.2.4 Scope of the report 6. Methodological note	
102-46	Defining report content and topic Boundaries	6. Methodological note	
102-47	List of material topics	1.2.3 Material topics 6. Methodological note	
102-48	Restatements of information	Not applicable being the first Sustainability Report published by the MTD Group.	
102-49	Changes in reporting	Not applicable being the first Sustainability Report published by the MTD Group.	
102-50	Reporting period	1.2.4 Scope of the report 6. Methodological note	
102-51	Date of most recent report	Not applicable being the first Sustainability Report published by the MTD Group.	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	7.2 Contacts	
102-54	Claims of reporting in accordance with the GRI Standards	6. Methodological note	
102-55	GRI content index	7. GRI Content Index	
102-56	External assurance	This report is not subject to external assurance.	
GRI STANDARD	DISCLOSURE	PARAGRAPH	OMISSION/NOTES
GRI 200 Economic Standards Series			
GRI 205: Anti-corruption 2016			
103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	2.3 Guaranteeing compliance and transparency	
103-3	Evaluation of the management approach	2.3 Guaranteeing compliance and transparency	
205-3	Confirmed incidents of corruption and actions taken	1.1.5 The Group Corporate Governance	
GRI 300 Environmental Standards Series			
GRI 302: Energy 2016			
103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	

103-2	The management approach and its components	5.1 Recognizing our climate impact	
103-3	Evaluation of the management approach	5.1 Recognizing our climate impact	
302-1	Energy consumption within the organization	5.1 Recognizing our climate impact	

GRI 305: Emissions 2016

103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	5.1 Recognizing our climate impact	
103-3	Evaluation of the management approach	5.1 Recognizing our climate impact	
305-1	Direct (Scope 1) GHG emissions	5.1 Recognizing our climate impact	
305-2	Energy indirect (Scope 2) GHG emissions	5.1 Recognizing our climate impact	
305-3	Other indirect (Scope 3) GHG emissions	5.1 Recognizing our climate impact	

GRI 308 Supplier Environmental Assessment 2016

103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	1.1.4 MTD value chain	
103-3	Evaluation of the management approach	1.1.4 MTD value chain	
308-1	New suppliers that were screened using environmental criteria	1.1.4 MTD value chain	

GRI 400 Social Standards Series

GRI 401: Employment 2016

103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	4.1 Guaranteeing the welfare of MTD employees	
103-3	Evaluation of the management approach	4.1 Guaranteeing the welfare of MTD employees	
401-1	New employee hires and employee turnover	4.1 Guaranteeing the welfare of MTD employees	

GRI 403: Occupational Health and Safety 2018

403-1	Occupational health and safety management system	4.3 Strengthening the MTD culture of health and safety	
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403-2	Hazard identification, risk assessment and incident investigation	4.3 Strengthening the MTD culture of health and safety	
403-3	Occupational health services	4.3 Strengthening the MTD culture of health and safety	
403-4	Worker participation, consultation, and communication on occupational health and safety	4.3 Strengthening the MTD culture of health and safety	
403-5	Worker training on occupational health and safety	4.3 Strengthening the MTD culture of health and safety	
403-6	Promotion of workers' health	4.3 Strengthening the MTD culture of health and safety	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3 Strengthening the MTD culture of health and safety	
403-9	Work-related injuries	4.3 Strengthening the MTD culture of health and safety	Total hours worked and frequency injury rate only available for employees

GRI 404: Training and education 2018

103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	4.2 Boosting the skills of our employees	
103-3	Evaluation of the management approach	4.2 Boosting the skills of our employees	
404-1	Average hours of training per year per employee	4.2 Boosting the skills of our employees	

GRI 414: Supplier Social Assessment

103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	1.1.4 MTD value chain	
103-3	Evaluation of the management approach	1.1.4 MTD value chain	
414-1	New suppliers that were screened using social criteria	1.1.4 MTD value chain	

GRI 416: Customer health and safety 2016

103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	2.3 Guaranteeing compliance and transparency 3.1 Protecting healthcare professionals	
103-3	Evaluation of the management approach	2.3 Guaranteeing compliance and transparency 3.1 Protecting healthcare professionals	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.3 Guaranteeing compliance and transparency	

GRI 417: Marketing and labeling 2016

103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	2.3 Guaranteeing compliance and transparency	
103-3	Evaluation of the management approach	2.3 Guaranteeing compliance and transparency	
417-2	Incidents of non-compliance concerning product and service information and labeling	2.3 Guaranteeing compliance and transparency	

OTHER NON-GRI TOPICS

Product development and innovation

103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	2.1 Designing innovative products	
103-3	Evaluation of the management approach	2.1 Designing innovative products	

Client and consumer education

103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	3.1 Protecting healthcare professional 3.2 Sharing health education	
103-3	Evaluation of the management approach	3.1 Protecting healthcare professional	

		3.2 Sharing health education	
Access and affordability of medical devices			
103-1	Explanation of the material topic and its Boundary	1.2.3 Material topics 6. Methodological note	
103-2	The management approach and its components	3.3 Guaranteeing access to MTD devices	
103-3	Evaluation of the management approach	3.3 Guaranteeing access to MTD devices	

MTD

Medical Technology and Devices

PIKDARE

HL STREFA
high tech lab



droplet