

INTERVIEW

In this interview, Dora Rio of SHL Medical discusses various aspects of the company's approach to sustainability, including how SHL interacts with other players up and down the value chain, whether reusable or single-use devices are more sustainable and how SHL addresses sustainability concerns beyond CO₂.



DORA RIO,
SHL MEDICAL

Dora Rio is Head of Sustainability at SHL Medical, where she is responsible for leading the company's aspiration to have a positive societal impact by leading company's global sustainability strategy and sustainability efforts. Ms Rio has over 20 years of experience in sustainability across the healthcare, medtech, research and consultancy industries. She provides thought leadership on global environmental, social and governance policies and practices, namely environmental sustainability. Ms Rio has an MBA in Sustainability Management and MSc in Environmental Engineering.

Q When developing a strategy for sustainability, it is important to consider the environmental impact of both upstream suppliers and downstream clients and partners, how does SHL interact with other companies in the supply chain to improve sustainability as a whole?

A When it comes to sustainability, companies need to collaborate across the supply chain to address climate and circularity challenges. SHL Medical holds a critical position in the supply chain as a designer and manufacturer of goods. Therefore, we have the opportunity and responsibility to influence upstream and downstream supply chains to transform into more circular models. That includes working closely with suppliers to find alternative materials, designing and manufacturing based on circularity principles, and

collaborating with our customers to develop the most sustainable versions of drug delivery devices that meet their needs and expectations. We aim to further partner with customers in the establishment of take-back programmes that support the industry in "closing the loop". To accomplish these missions, we have set clear expectations for upstream and downstream partners (Box 1).

Q When did SHL first start to think about including sustainability considerations in the development and manufacture of its products?

A Sustainability considerations have always been integrated in the development and manufacturing of our devices since, in many cases, such consideration lead to operational efficiencies and, ultimately, cost reductions. However,

"Whether a device should be reusable or single use is a challenging question; it can be difficult to determine whether one is better than the other."

in recent years, we have seen the need to formalise our ambition by setting a strategy with clear goals and plans, and to ensure sustainability considerations are integrated in our processes and applied systematically.

Our targets provide a clear framework towards far more sustainable products and processes.

By 2025, 100% of our new products will adhere to eco-design principles and we aim to reduce 30% of the environmental impact (CO₂ emissions) of our devices by 2030.

By 2030, we aim to reduce 42% of our greenhouse gas emissions Scope 1 & 2 and reduce 51.6% of greenhouse gas emissions Scope 3 per units sold. In addition, we will achieve 100% renewable electricity. Furthermore, we aim to reduce 20% waste generated and achieve more than 80% waste recycled. All targets are compared with our 2022 performance.

An important mark has been setting our sustainability principles that are applicable to all phases of development and manufacture of products and processes.

Q Is switching to a reusable device always the answer for increasing sustainability?

A Determining the most sustainable option is always related to understanding the type of treatment we are addressing. A very complex device with a substantial environmental impact, such as one that uses a significant quantity of plastics, metals and electronics, needs to be designed to have a longer lifetime and, therefore, reusability should be considered. It would not be environmentally or economically feasible for such a device to be single use. However, simple single use devices that involve fewer materials and do not contain electronics can be an excellent and user-friendly solution for some therapies.

Whether a device should be reusable or single use is a challenging question; it can be difficult to determine whether one is better than the other. Therefore,

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BOX 1: SUSTAINABILITY CONSIDERATIONS FOR UPSTREAM AND DOWNSTREAM PARTNERS

Expectations for Suppliers (Upstream)

- SHL requests suppliers to meet sustainability standards as set by our suppliers' Code of Conduct
- SHL engages with suppliers to find more innovative raw materials and services with lower environmental footprint
- SHL collaborates with its suppliers to innovate for circularity, such as providing materials with lower CO₂ emissions and good recyclability properties.

Expectations for Pharma Partners and Others (Downstream)

- SHL understands its role in the customer's decarbonisation journey. Therefore, SHL is focused on improving its processes. For such, we expect customer to support such improvements.
- SHL shares a mutual expectation with pharma that sustainable devices should allow adequate and efficient use – quality and safety are not negotiable
- SHL aligns with pharma partners towards more sustainable devices by discussing device design and features, including the processes, packaging and transport involved – these considerations are critical and are not always in SHL's hands
- SHL includes considerations from additional stakeholders when examining the impact of product end of life, including pharmacies, hospitals, patients, recycling centres and resin makers
- SHL expects logistic carriers to make available more sustainable modes of transportation, including sustainable fuel and optimisation of routes and shipments.

we focus on understanding not only the environmental footprint of a device but also the impact per treatment. By assessing the environmental impact of a specific device technology across its entire lifecycle, we can put ourselves in a better position to develop the most environmentally friendly version of each of our device solutions possible.

At this moment in time, there is a need to bring both reusable and single-use solutions to market across various therapy areas. However, considerations need to be made to ensure that each device is aligned with the patient group it serves. While single-use devices are a must to ensure that some therapies reach patients, the question is always the same – for single-use and reusable devices alike – “Can we make it more sustainable?”

Q In the development of its disposable autoinjectors, how does SHL balance materials, cost, performance, reliability, shelf life and end of life?

A Firstly, the quality and safety of our devices is never negotiable. Secondly, we critically reflect on the science behind the materials – the type of materials, the quantity required and the nature of the materials, such as bio-based, recycled or recyclable, required to produce a device.

End of life in particular is a complex topic. There is a common industry wish to implement take-back programmes, and there are already some very important and transformative examples in the healthcare market. However, establishing

a take-back programme means changing an ecosystem, with many implications, such as the adequacy of channels to collect the devices, facilities to recycle the materials, and the willingness of patients and hospitals to collect the device and ship it back.

Finally, and most importantly, is the regulatory context of each region. I am fully confident that, while take-back programmes will still take some years to be implemented on a wide scale, the medtech industry as a whole should consistently design devices with considerations towards product end of life. “Can the device in question have fewer parts?” and “Can it use more recyclable materials?” are just two of the questions medtech device manufacturers should ask themselves.

Q Please can you go into more detail about SHL's sustainable design principles?

A SHL's sustainable design principles (Figure 1) serve as our guiding compass to developing genuinely eco-friendly products. Given that we design and develop drug delivery devices that go on to become combination products, there is a need to support our pharma partners in creating products with the lowest possible environmental impact throughout their lifecycles without compromising performance, patient safety, functionality or quality. We use these principles as a foundation to design products following a circular approach. In the context of single-use devices, this entails designing and producing products that can be recovered and reused after disposal. This also means reshaping our operations to minimise raw material consumption and eliminate waste by turning it into new resources.

Q Given that improving sustainability requires going beyond thinking about CO₂ emissions alone, what does sustainability mean to SHL Medical overall?

A Decarbonisation is a global challenge that everyone needs to support, and we at SHL Medical are committed to doing our part. Therefore, we have set ambitious greenhouse gas emissions targets, which have been approved by the Science Based Targets initiative.

We also understand that sustainability requires going beyond. Therefore, we are focused on contributing to more circular

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Figure 1: SHL's sustainable design principles.

business models in the medtech and pharma industries. We put circularity at the core of what we do. This means designing and manufacturing our products so that they have the lowest possible environmental footprint across the lifecycle.

At SHL Medical, sustainability goes even beyond. As a world-leading solutions provider of self-injection solutions that reach the hands of patients across many therapy areas, sustainability has always been part of our mission. We could not have a better societal mission than enabling patients' independence through our self-injection devices.

We fully understand our responsibility to constantly deliver our products while always ensuring responsible business practices. We are conscious of our responsibility to our employees, our suppliers, our local communities and our stakeholders. Therefore, we have committed to several sustainability goals that we're

striving to meet by 2030, including a commitment to reducing accidents across our locations, fostering a diverse, inclusive and equitable workplace, and assessing and supporting our suppliers to match our environmental, social and governance ambitions.

Most importantly, we understand the potential we have to create a lasting impact on society and are therefore focused on uninterruptedly delivering devices to more and more patients who need self-injection therapies. We are committed to supporting our pharma partners and the healthcare industry to reach more than 8 million patients through our self-injection solutions.

ABOUT THE COMPANY

SHL Medical is a solutions provider in the design, development and manufacturing of advanced drug delivery devices,

such as autoinjectors and pen injectors. The company also provides final assembly, labelling and packaging services for leading pharmaceutical and biotech companies across the globe. With locations in Switzerland, Taiwan, Sweden and the US, SHL Medical has successfully built a strong international team of experts that develops breakthrough drug delivery solutions for pharma and biotech customers. These include advanced reusable and disposable injection systems that can accommodate large-volume and high-viscosity formulations – and connected device technologies for next-generation healthcare.



SHL MEDICAL

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We reduce our ecological footprint and drive patients' independence



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%

New products adhering
to eco-design principles
by 2025

Reduction of
environmental impact
per device by 2030

30

%

SHL Medical is committed with a near-term company-wide emission reductions in line with the Science Based Targets initiative (SBTi).