



Building well-being

ORION GROUP

Sustainability Report 2022



ACTIVE WORK FOR A BETTER ENVIRONMENT
Expanding on our climate target

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ETHICS AT THE CORE OF OUR BUSINESS
A new language version of the Code of Conduct Policy published

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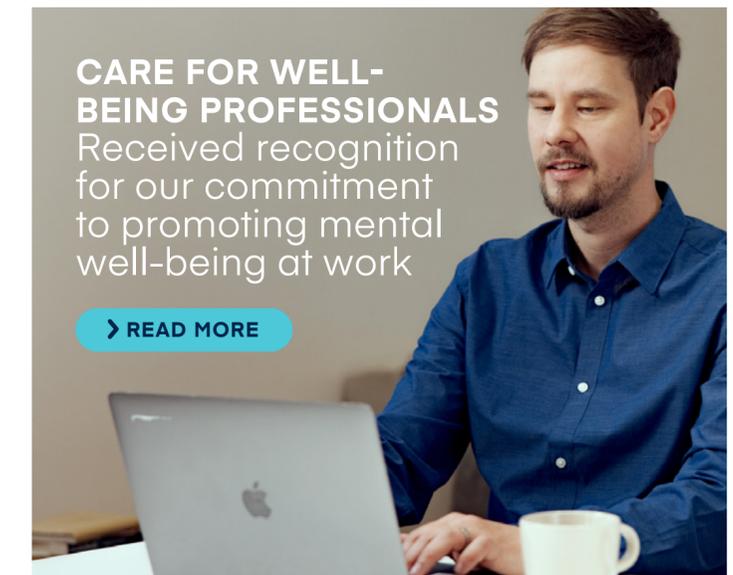
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CARE FOR WELL-BEING PROFESSIONALS
Received recognition for our commitment to promoting mental well-being at work

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Orion – Building well-being

Orion is a globally operating Finnish pharmaceutical company – a builder of well-being. We innovate, develop, manufacture, sell and market human and veterinary pharmaceuticals, as well as active pharmaceutical ingredients. We also serve as a contract manufacturer to other pharmaceutical companies.

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This is Orion

Orion is a globally operating Finnish pharmaceutical company – a builder of well-being. We develop, manufacture and market human and veterinary pharmaceuticals and active pharmaceutical ingredients. Orion has an extensive portfolio of proprietary and generic medicines and self-care products.

The core therapy areas of our pharmaceutical R&D are oncology and pain. Proprietary products developed by Orion are used to treat cancer, neurological diseases and respiratory diseases, among others.

Our mission is to build well-being by providing high-quality pharmaceuticals and self-care products that help people take good care of themselves every day. Pharmaceuticals provide patients with help and effective treatment for their illnesses. An effective drug also creates added value for patients by improving their quality of life.

Orion has developed from a shop founded by three pharmacists more than a century ago into an international company that carries out medical research at the highest international level. We are now the leading pharmaceutical company and one of the oldest and most financially sound companies in Finland.

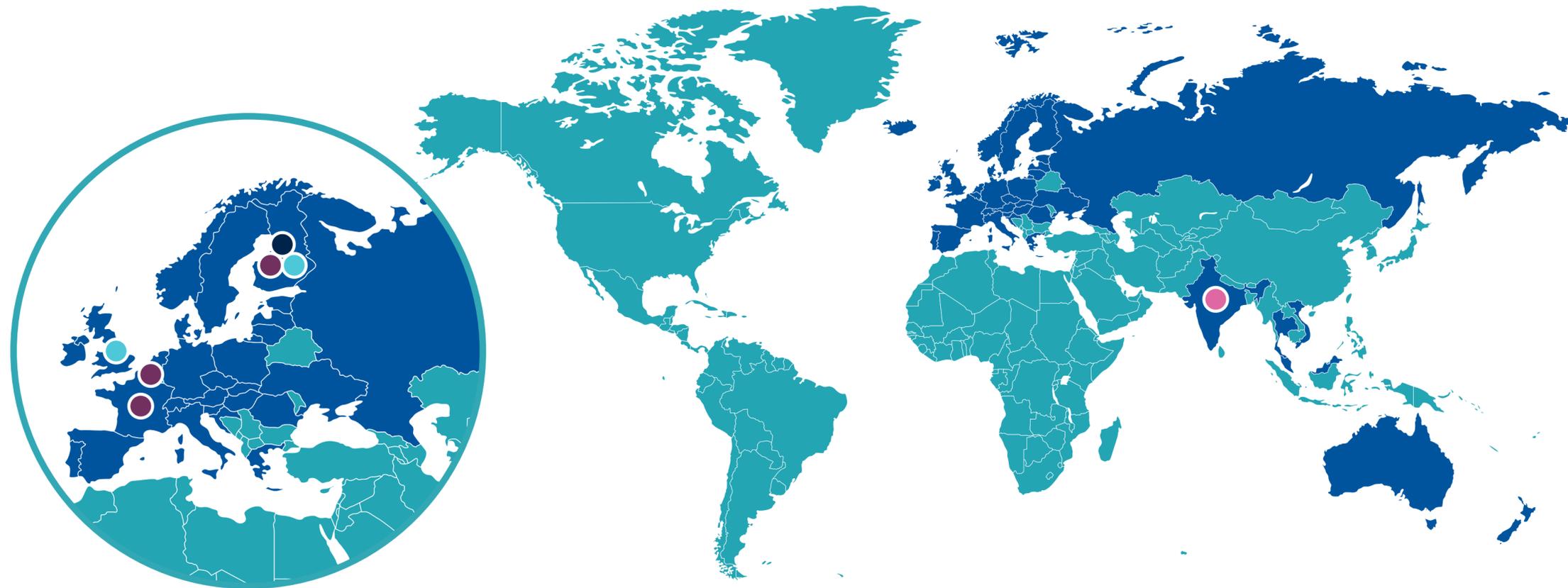
The Groups Business Divisions as on 31 December 2022

	<p>PROPRIETARY PRODUCTS Drugs developed in-house and other drugs with product protection.</p>		<p>SPECIALTY PRODUCTS Generic prescription drugs, self-care products and biosimilars.</p>
<p>ANIMAL HEALTH Medicine and well-being products for animals.</p>		<p>FERMION & CONTRACT MANUFACTURING Active pharmaceutical ingredient (API) production for Orion. API and pharmaceutical manufacturing for other companies.</p>	

Our customers include healthcare providers and professionals, consumers and other pharmaceutical companies. In healthcare, our customers are primarily specialist doctors and general practitioners, veterinarians, nurses, pharmacies, hospitals, healthcare centres, clinics and laboratories and their respective procurement organisations. Orion's products are available in pharmacies and hospitals in over 100 countries.

Read more: orion.fi/en

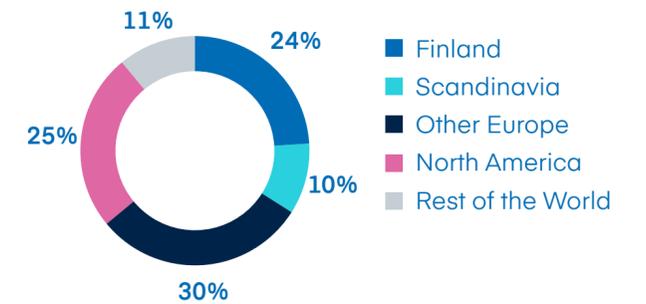
ORION'S PRODUCTS ARE AVAILABLE IN OVER ONE HUNDRED COUNTRIES



- Head office in Finland
- R&D: Finland and UK
- 6 production sites in Finland, 1 in France, 1 in Belgium*
- Support functions in India
- Own sales organisation
- Global sales partner network

* Production sites include packaging and warehouse operations in Salo, Finland and in Arendonk, Belgium.

Net sales by market area



NET SALES, MEUR

1,341

CEO's review

For Orion, 2022 was an eventful, successful as well as challenging year. Sustainability is an overarching theme which must be rooted in everything we do. Our company values steer the way we carry our responsibility for the people and the environment and maintain our financial responsibility, even in times of crisis. Many crises had an impact on our operations during the past year and these challenges force us to continuously define our position as a responsible company.

As a pharmaceutical company, our responsibility is a complex topic with several aspects, as our purpose is to ensure the reliable supply of medicines to patients who need them, while also being responsible for the environment, people and economic sustainability. Through Orion's Sustainability Agenda, we are systematically progressing towards our sustainability targets. However, continuous improvement is necessary and we are constantly enhancing our understanding of where we can be even better than before. We want to be ready to raise the ambition level for ourselves and also for our partners when there is a need for it. This Sustainability Report 2022 is one tool for us to share our sustainability work, its progress and our results with our stakeholders.

Dependence on nature

We are all dependent on nature and its balance. The living conditions close to us and globally, raw materials extracted from nature, and how the changes in natural

habitats impact our health, are only a few reasons why we must continuously work to protect and restore the environment. Climate change has permanently impacted the environment and taking action rapidly and driving our operations in the right direction is a must. Expanding on Orion's climate targets and committing to aligning our business with the 1.5 °C world is a path we have taken the first steps towards. In combatting climate change, the pace and positive impact of our actions needs to be more rapid than the negative impact of climate change itself, and this is why we raised the bar for ourselves again in 2022.

In addition, halting biodiversity loss is a goal close to Orion, as medicines – during the many phases of their lifecycle - impact biodiversity in many ways. We have defined our commitment to working towards zero biodiversity loss caused by our business or our value chain, and commenced the initial mapping of our company's biodiversity impacts throughout our value chain in 2022.

The way we treat people

In June 2022, close to 200 new colleagues joined Orion through the business acquisition of V.M.D. NV (Inovet). We warmly welcomed our new colleagues and initiated the integration process of Inovet, also from sustainability perspective.

How we treat our co-workers, customers and people in general says a lot about who we are. As this

report is being published in April 2023, Russia's war against Ukraine continues. My thoughts are with all the people affected by the war, but especially with Orion's employees and their loved-ones.

I want everybody working at Orion to feel themselves as Orionees and a part of this working community we share – no matter what their background is. Maintaining a working community where we can all be true to ourselves and thrive is something that should not be taken for granted. Continuous dialogue on many critical topics that include diversity, equity and inclusion, is the way to create and maintain an inclusive working environment.

Economic resilience

One of our greatest achievements in 2022 was how we were able to keep our business vibrant in the face of current crises. The war in Ukraine, the energy crisis and growing inflation collectively impacted our business and supply chain. Despite this challenging environment, we were successful in providing medicines to patients who needed them, grew our business according to our targets and delivered a strong economic performance.

Our performance during 2022 is thanks to our competent and committed employees, as well as our valued business partners. I want to thank all Orionees and our partners for achieving so much during 2022 and wish us all better years to come!



Liisa Hurme
President and CEO

Orion's impact in the society

Orion's primary role is to ensure the availability of pharmaceuticals to patients who need them. By supporting people's health, Orion creates indirect positive impacts to the society, for example through supporting people's participation to the society and economy, and by contributing to the healthcare system.

Orion as a company also makes a major contribution to the society by paying taxes and employing people.

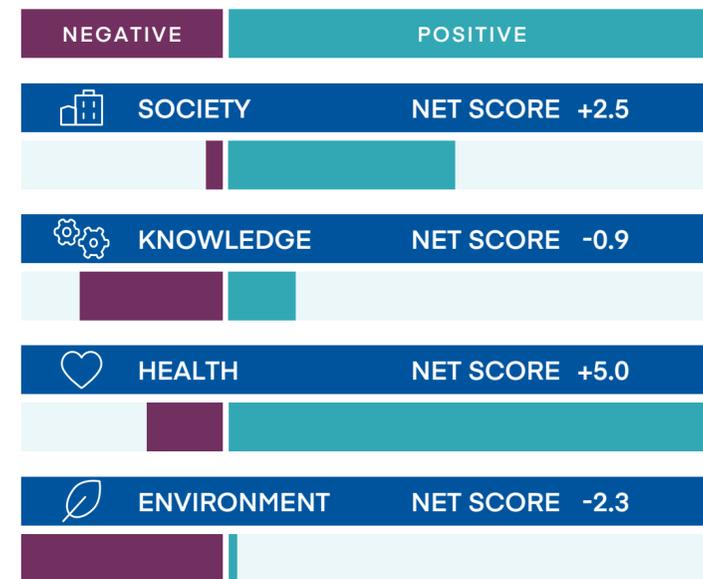
In Finland, Orion is a part of the healthcare chain with an important role in Finland's security of supply. Orion maintains security stocks of medicines in Finland and also strengthens the Finnish manufacturing of pharmaceuticals. Orion is the only Finnish producer of commercial APIs, a major producer of medicines with the largest portfolio in the country, and the sole producer of several medicines.

Orion's research and development operations creates information and knowledge of medicines and therapies. Orion also promotes world-class drug development by cooperation with universities.

Net impact

Orion is a company with a significant positive impact on the world.

The value that Orion's business creates for the world is encapsulated by the net impact profile. Here, the bars to the left represent resources used and the negative impacts created, while the bars to the right balance the profile out with the positive impact achieved with those resources. The profile has been produced by the Upright Project's net impact quantification model.



NET IMPACT RATIO +45%

Overall, Orion's business is highly net positive. The pursuit of our mission to build well-being is visible as our highly positive impact on improving both physical, as well as mental health. Through R&D efforts, Orion also creates a wealth of knowledge on new drugs and therapies.

The Upright model

The Upright quantification model uses machine-learning based technology to process the knowledge contained in millions of scientific articles and create net impact profiles of companies. Read more about the model at uprightproject.com

THE PHARMACEUTICAL PRODUCT AVAILABILITY IN FINLAND

97%

R&D INVESTMENTS, MEUR

136

HOW ORION CREATES VALUE

INPUTS

FINANCIAL CAPITAL

- Equity, debts and cash

HUMAN CAPITAL

- Over 3,000 professionals

INFRASTRUCTURE & FACILITIES

- 8 production facilities in Finland, France and Belgium
- R&D operations in Finland, UK & India

INTELLECTUAL CAPITAL

- Patents, trademarks

NATURAL CAPITAL

- Energy
- Fresh water

SOCIAL & RELATIONSHIP CAPITAL

- Suppliers in over 50 countries
- Global partner network for sales

OUR BUSINESS

WE ARE A GLOBALLY OPERATING FINNISH PHARMACEUTICAL COMPANY WITH A MISSION TO BUILD WELL-BEING.

OUR PRODUCTS:

- Human pharmaceuticals
- Self-care products
- Veterinary pharmaceuticals
- Active pharmaceutical ingredients

OUR CORE THERAPY AREAS IN R&D:

- Oncology
- Pain

OUTPUTS & IMPACTS



PATIENTS AND CUSTOMERS

- Effective treatments for illnesses and improved quality of life – in Finland and globally
- Self-care products support overall well-being



PERSONNEL

- Wages and benefits
- Employee safety & well-being
- Competence development



SHAREHOLDERS

- Total shareholder return



SOCIETY

- Security of supply of medicines in Finland
- Taxes
- Donations for purposes of public interest
- Investments to R&D and production capacity in Finland
- Medicinal innovations
- Research studies



ENVIRONMENT

- Emissions to air
- Waste
- Carbon neutral Orion by 2030
- Best available technologies for wastewater management in own production plants



VALUE CHAIN PARTNERS

- Purchases in over 50 countries
- Sustainability requirements for suppliers and partners
- Supplier engagement



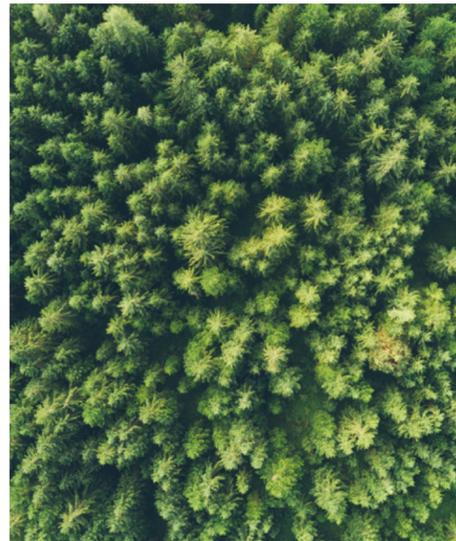
Sustainability highlights 2022



Patient safety as a top priority

We were able to meet the market's need for medicines and ensure a reliable supply in 2022, despite the challenging global environment.

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Active work for a better environment

We extended our existing climate targets to also cover our value chain and are aiming to reduce our scope 3 emissions to align with 1.5 °C warming.

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Care for well-being professionals

We included diversity, equity and inclusion (DEI) topics in Orion's Safety Sessions to facilitate dialogue on DEI and to engage our employees to promote the topic within Orion.

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Ethics at the core of our business

We increased the focus on sustainability topics within our supplier relationship management process with the aim to strengthen the sustainability culture within our supply chain.

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WE WILL CONTINUE TO IMPROVE

In 2023, we plan to map the carbon emission reduction targets within our supplier base and further improve our competence within the area of Scope 3 emissions reduction.

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We will launch Orion Safety Value Creation program during 2023 to achieve the company's long-term safety objectives.

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Our approach

Orion's Sustainability Agenda sets the guidelines for the development of our comprehensive sustainability work in the short and long term. The Sustainability Agenda comprises four themes: Patient safety as a top priority, Active work for a better environment, Care for well-being professionals, and Ethics at the core of our business. It aggregates the Company's defined sustainability commitments, targets, actions, and metrics of the four key themes.

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Sustainability at Orion

We are committed to continuous improvement of our performance in sustainability.

Orion’s Sustainability Agenda sets the guidelines for the development of our comprehensive sustainability work in the short and long term. The Sustainability Agenda comprises four themes: Patient safety as a top priority, Active work for a better environment, Care for well-being professionals, and Ethics at the core of our business. It aggregates the Company’s defined sustainability commitments, targets, actions, and metrics of the four key themes.

We are committed to operating in a responsible and sustainable manner and enhancing ethical working practices. Our Code of Conduct (CoC) determines the basic principles that our employees are expected to follow in their interactions with one another and with the stakeholders of our company, as well as with society and the environment. Each of our employees should be committed to the high ethical standards and business practices as outlined in our CoC.

In addition, our operations and ways of working are subject to specifically determined company policies and numerous mandatory guidelines concerning our practices. All of our policies have been approved by the Group’s executive management, and they are applied throughout the Group. Good Practices (GxP) are required to be followed by healthcare industries worldwide in the development and manufacturing of

pharmaceuticals. Standard Operating Procedures (SOPs) are detailed internal guidelines, based on the GxP, providing details of the procedures to be applied in work phases as well as the related requirements and responsibilities.

In addition to the regulatory requirements from healthcare authorities, pharmaceutical companies are bound by numerous commonly agreed industry rules and codes concerning marketing, research and development, and collaboration with healthcare professionals and patient organisations. Orion is committed to the principles of codes of practice of the European Federation of Pharmaceutical Industry Association (EFPIA). Orion is not a member of EFPIA’s central organisation but is a member of a few national associations.

Our corporate strategy emphasises a strong culture of collaboration, based on significant work that creates value for our customers. We want to be an excellent workplace and a responsible and attractive employer that continuously develops the well-being and skills of its employees.

OUR SUSTAINABILITY COMMITMENTS



Patient safety as a top priority

Patient safety has been a priority for us for a hundred years and it continues to be the cornerstone of our daily operations. We play a significant role in ensuring reliable supply of medications – even in the wake of a crisis.



Active work for a better environment

We want to be the environmental leaders in our industry. We continuously raise the bar in climate and environmental responsibility, and we challenge others to follow. We are strongly heading towards achieving carbon neutrality in our own operations by 2030.



Care for well-being professionals

We want to take care of Orionees – professionals who put their heart and expertise in everything they do. Our workplace is inspiring. We want our people to feel well.



Ethics at the core of our business

We maintain strict ethical standards and act responsibly in all situations. Together with our partners we are building a transparent and sustainable business.

TARGETS AND PERFORMANCE

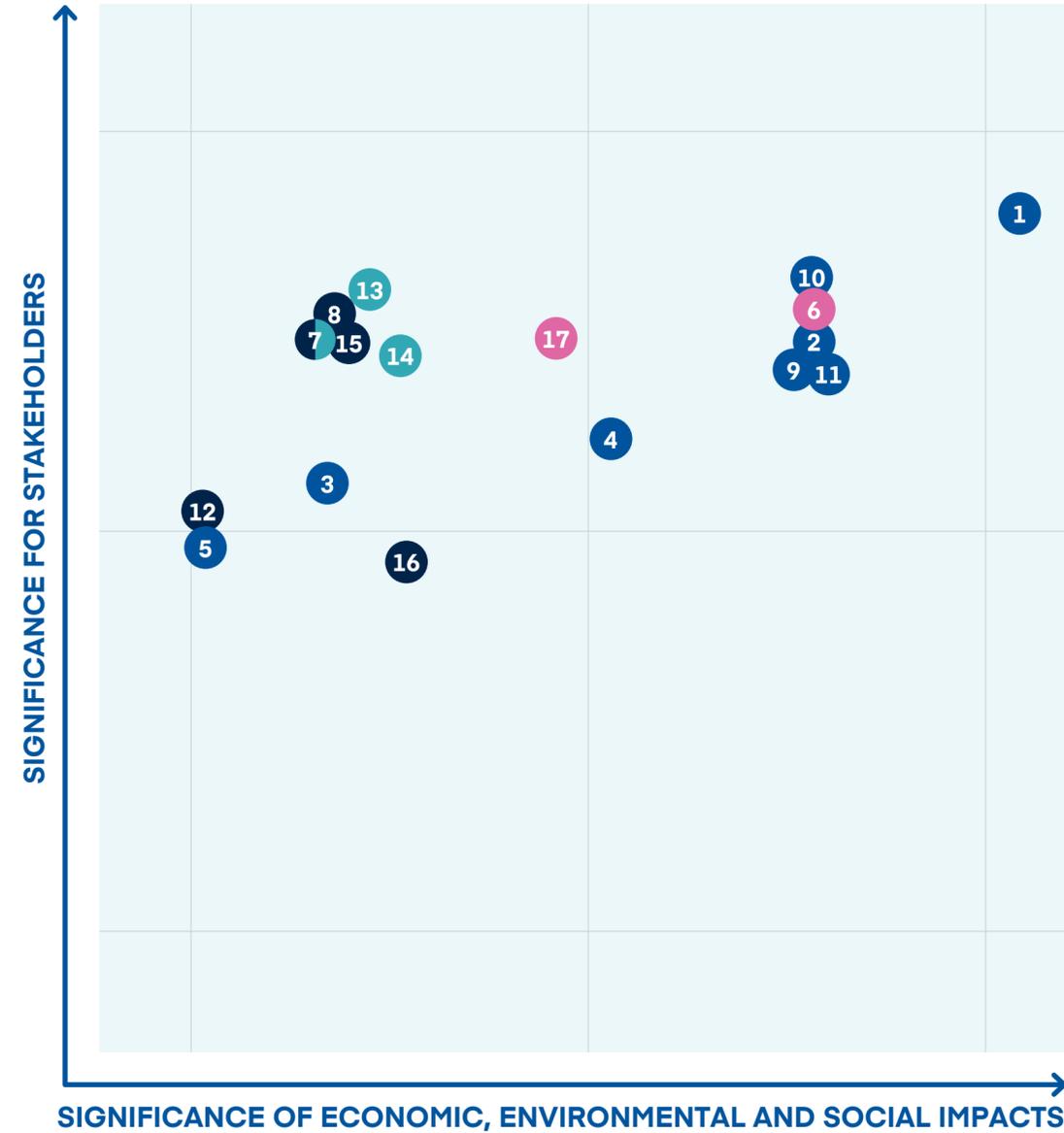
CORPORATE RESPONSIBILITY FOCUS AREA

	TARGET	2022 PERFORMANCE	PROGRESS	ACTIONS TAKEN AND PLANNED
<p>PATIENT SAFETY AS A TOP PRIORITY</p>	Orion ensures reliable supply of medications	97% pharmaceutical product availability in Finland	●	<ul style="list-style-type: none"> Systematic supplier management and risk management. Establishing alternative suppliers to mitigate risk.
	Orion ensures patient safety, which is the fundamental priority in everything we do	6 quality related product recalls	●	<ul style="list-style-type: none"> Continuous evaluation of quality and safety to ensure optimal benefit-risk balance of our products and to protect patients.
<p>ACTIVE WORK FOR A BETTER ENVIRONMENT</p>	Improving energy efficiency by 7.5% (12,000 MWh) by 2025 (baseline 2016)	121% of Energy Efficiency Programme targets achieved	●	<ul style="list-style-type: none"> Several energy efficiency projects made in 2022. Having reached the Energy Efficiency Programme targets, Orion set a higher target of 15% improvement in energy efficiency by the end of 2025.
	Carbon neutrality of our own operations (scope 1 and 2) by 2030	GHG emissions (scope 1 and 2) -60% compared with 2016 baseline	●	<ul style="list-style-type: none"> Orion has committed to align its business – including its full value chain – with limiting global warming to 1.5 °C. In 2022, further developed the calculations of scope 3 GHG emissions and started to define a roadmap to reduce value chain greenhouse gas emissions. Orion continues actions according GHG emission reductions roadmap 2020–2030.
	Reduction of share of hazardous waste per total waste	Hazardous waste per total waste 83%	●	<ul style="list-style-type: none"> Orion continues development projects based on findings from analysis conducted and continues identifying improvement opportunities.
<p>CARE FOR WELL-BEING PROFESSIONALS</p>	LTIF 1 ≤ 3.0 by 2022	LTIF 1 3.7	●	<ul style="list-style-type: none"> Several initiatives to promote safety culture and strategic themes for Orion's long-term safety development defined. Plan to launch Orion Safety Value Creation program during 2023 to achieve the Company's long-term safety objectives.
	Decrease absences due to illness	Absence rate due to illness 4.1%	●	<ul style="list-style-type: none"> Orion received Supporting Mental Health at Work label. Continued to apply the Mental Support operating model. Implementation of Empowered Personnel Chart in wider use during 2023. Workability management refresher trainings for line managers during 2023.
<p>ETHICS AT THE CORE OF OUR BUSINESS</p>	Orion ensures that all employees receive mandatory Code of Conduct e-learning	682 Orionees trained in 2022	●	<ul style="list-style-type: none"> Rolled out the Code of Conduct for the new VMD employees. An additional language version of the policy and e-learning published in 2022. Continue to develop reporting with HR system renewal.
	Orion ensures that all salaried and senior salaried employees are regularly trained on anti-corruption and anti-bribery matters. All new employees are trained.	1,800 Orionees trained in 2022	●	<ul style="list-style-type: none"> A comprehensive retraining for targeted personnel organised in 2022. Continue to develop reporting with HR system renewal.
	100% of active packaging material, raw material and product suppliers confirm adherence to Orion Third Party Code of Conduct	97% of active packaging material, raw material and product suppliers confirmed adherence	●	<ul style="list-style-type: none"> Actions to support sustainable procurement process continue. Sustainability trainings to procurement organisation and suppliers.

Materiality assessment

Orion’s materiality assessment, reassessed in 2018, identifies corporate responsibility topics that impact our stakeholders and are particularly relevant for us and our business, both today and in the future. The materiality analysis was used as the basis for defining Orion’s Sustainability Agenda. Both internal and external key stakeholders were consulted during the materiality assessment process.

The materiality matrix presented in this report includes all the issues that are relevant for Orion. The priority of the topics differ - the vertical axis represents the significance for stakeholders, and the horizontal axis represents the significance of Orion’s economic, environmental and social impacts.



PATIENT SAFETY AND RELIABLE SUPPLY	ENVIRONMENTALLY SUSTAINABLE MANUFACTURING	RESPONSIBILITY OF ORIONEES	BUSINESS ETHICS AND TRANSPARENCY
<p>1 Patient safety is the cornerstone of Orion’s corporate responsibility</p> <p>2 We invest in the early research and development of new medicines</p> <p>3 In addition to developing medicines, we take part in developing new treatments</p> <p>4 We develop medicines specifically for national chronic diseases</p> <p>5 We actively develop products and solutions for self-care</p> <p>9 We bring cost-effective medicines to the Finnish market</p> <p>10 We ensure the availability of medicines in unexpected situations</p> <p>11 We educate healthcare professionals about the effects of medicines</p>	<p>6 We manufacture medicines in an environmentally sustainable way, taking care of material and energy efficiency and wastewater treatment</p> <p>17 We act to reduce environmental impacts caused by the use of medicine (e.g. packaging, production, logistics, wastewater)</p>	<p>7 We take care of occupational health and safety and human rights in the whole supply chain</p> <p>13 We are a responsible employer and taxpayer</p> <p>14 We invest in the well-being and constant development of our staff</p>	<p>7 We take care of occupational health and safety and human rights in the whole supply chain</p> <p>8 Our supply chain is transparent and we are open about it: we communicate consistently about both positive and negative matters</p> <p>12 We produce information and take part in social dialogue</p> <p>15 Our marketing and communications are ethical and they are based on facts and research</p> <p>16 Our management systems and our corporate responsibility reports are verified by a third party (e.g. ISO14001, GRI)</p>

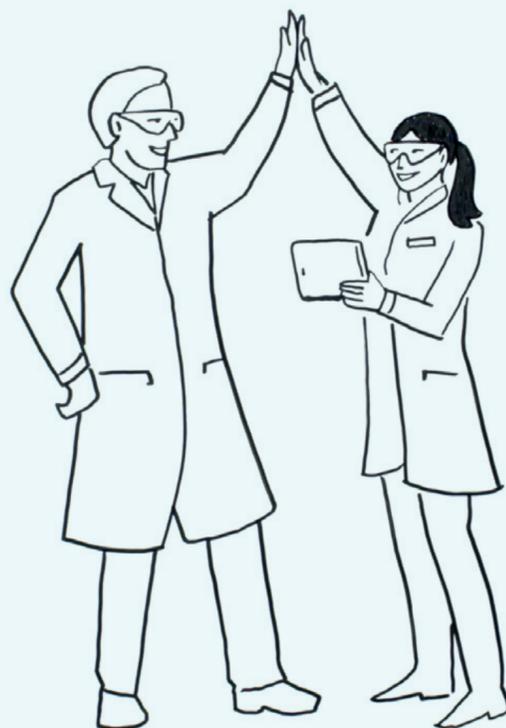
Values and principles

Our values are the foundation for Orion’s operations, and they characterise our way of working within the Orion Group.

Our values are:

Appreciate each other

We succeed, face challenges and learn together. We build in all collaboration on mutual trust, appreciation and diversity.



Strive for excellence

We aim at high performance in everything we do. We embrace safety and quality. We actively develop our operations and work in sustainable way.

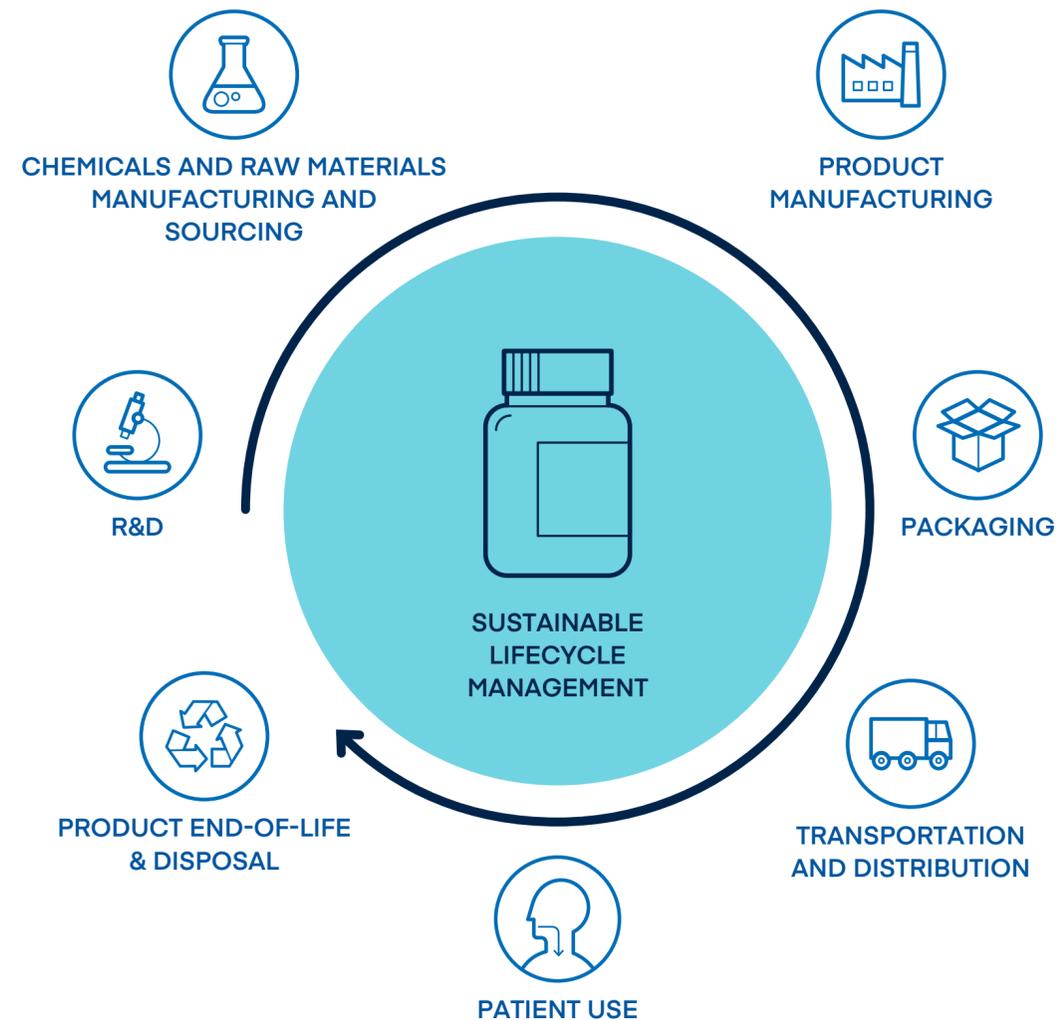


Build the future

We create solutions for the future together with our customers. We fight diseases by innovative treatments to improve quality of lives.



Product lifecycle management



Sustainability at Orion means balancing social, economic and environmental factors, and is a principle built into our common values. We consider these aspects over the entire lifecycle of a product, from research and development through to manufacturing, to patient use, and product end-of-life disposal.

Research and development

In our research and development activities, our commitment to building well-being means that we develop efficacious and safe (i.e. benefits outweigh the risks) medicinal treatments for unmet medical needs, representing innovation and the highest quality standards. We are committed to high ethical standards concerning pharmaceutical research and development.

We conduct environmental, health and safety risk assessments for all new products before manufacturing starts.

Manufacturing and sourcing of chemicals and raw materials

Suppliers are required to comply with Good Practices (GxP) requirements. In addition to this, as we have stated in our Third-Party CoC and Supplier Sustainability Requirements, we expect our suppliers to demonstrate their commitment to sustainable and ethical practices. We only purchase our materials from suppliers whose qualifications

we have confirmed. We conduct GxP audits into the operations of our GxP-critical business partners and suppliers. We always take and analyse samples of raw materials before approving them for production.

We have a global sustainable procurement process, through which we manage and monitor our suppliers' compliance on matters related to ethical business practices, labour, health and safety, environment and management systems related to these.

Product manufacturing/our own factories

We have identified the most significant environmental aspects of our company, and we continuously improve our performance in this regard. Among other things, particular emphasis has been placed on continuously improving our wastewater handling and focusing on occupational health and safety at our factories.

Orion aims to achieve carbon neutrality in its own operations (scope 1 and 2) by 2030. In 2022, we committed to align our business – including the full value chain – with limiting global warming to 1.5 °C. To that end, we are committed to setting science-based emission reduction targets for all its emission scopes to reach alignment with 1.5 °C by 2030. In addition, we are committed to reaching our energy savings target for 2025, which is 15% of energy consumption in 2016.

Our products are manufactured using qualified production equipment in a controlled production environment using validated production and quality control methods to ensure that each batch fulfils predetermined quality specifications. The data integrity of all manufacturing and quality control activities is reviewed in detail before a batch is released to market. We take immediate action if any deficiency concerning product quality is detected.

Packaging

We minimise waste through package design, and optimise shelf life, package sizes and material flows. Optimising shelf life is of particular importance to ensure that all the resources needed in manufacturing, packaging and transportation are not wasted.

Safety is also an important aspect in packaging. Packaging plays an important role in protecting our products. Packaging includes several safety measures: serialisation and anti-tampering features to improve safety and traceability even further.

Transportation and distribution

In logistics, we use specialist service providers to meet our strict quality and reliability requirements. Our partners have measures in place to reduce their own environmental impact.

Patient use

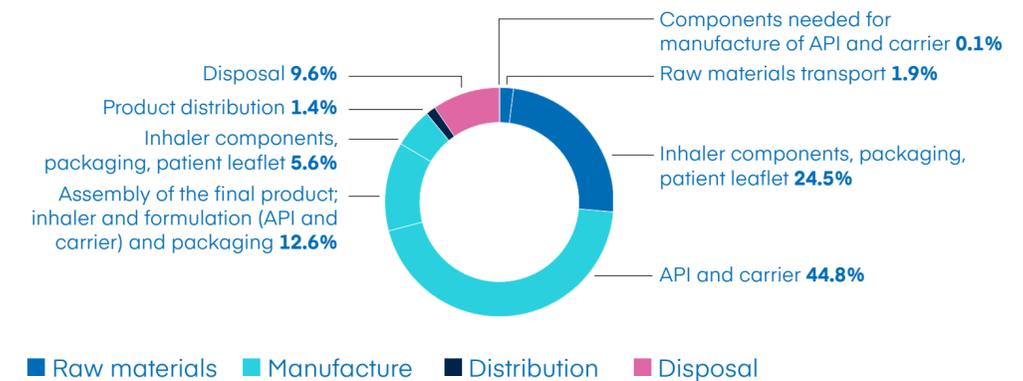
We conduct continuous safety monitoring, collect customer feedback and carry out benefit-risk evaluations throughout the entire lifespan of a product.

We also provide healthcare professionals with information on the appropriate use of our medicinal products.

Product end of life and disposal

We make sure that waste materials from our own operations are appropriately treated. Medicines that are expired or no longer needed should be returned to pharmacies to be disposed of appropriately, and packaging materials should be taken to dedicated collection points for recycling. Guidance on the proper disposal of pharmaceutical waste may be accessed on our webpages. For local information it is advisable to consult the local pharmacy, as medication disposal schemes preventing pharmaceuticals from ending up in the environment may vary from country to country.

Product environmental impact

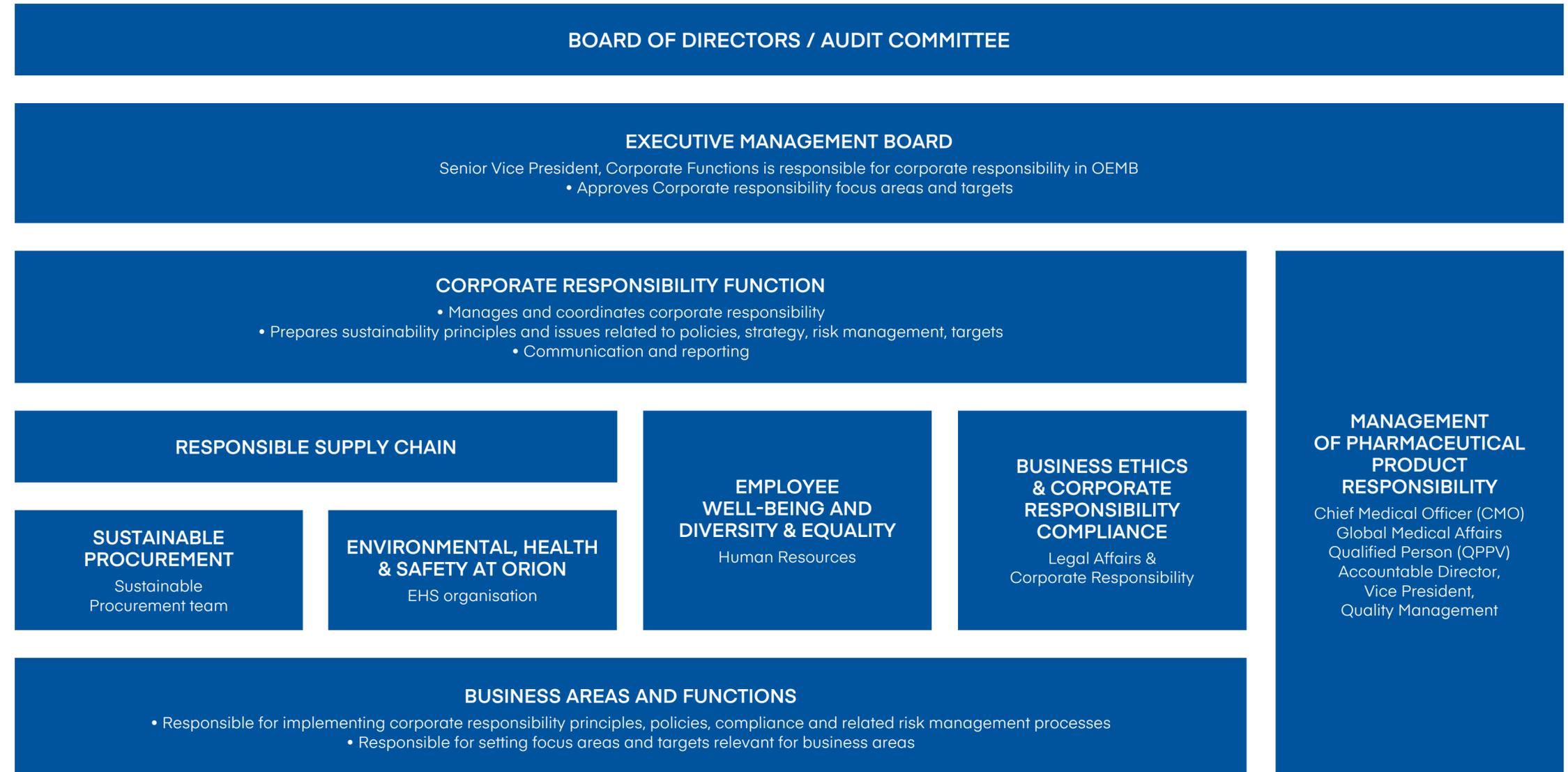


Based on a carbon footprint and a cradle-to-grave life cycle assessment conducted for four different Easyhaler products. Carbon footprint for one Easyhaler = 0.588 kg CO₂e. API: Active Pharmaceutical Ingredient.

Corporate responsibility governance

Orion’s corporate responsibility governance model provides a solid foundation for managing and developing sustainability throughout the company. The Board of Directors oversees all matters concerning sustainability and approves the annual statutory reporting on matters related to the environment, social and employees, respect for human rights as well as anti-corruption and bribery. The statutory reporting is based on a materiality assessment. Sustainability Report is reviewed by the Audit Committee. Sustainability is led by the CEO and Orion Executive Management Board, and all Orionees have a role to play in ensuring that sustainability is embedded into the business. Key responsibilities and internal stakeholders are presented in the chart beside.

The corporate responsibility function, which belongs to the Corporate Functions organisation, is managed and coordinated by the Head of Corporate Responsibility. The Head of Corporate Responsibility reports to the Senior Vice President of Corporate Functions, who is a member of the Orion Group’s Executive Management Board and reports to President and CEO.



ORION'S STAKEHOLDER INTERACTION

STAKEHOLDER GROUP	EXPECTATIONS	ENGAGEMENT CHANNELS	ACTIONS
PATIENTS AND CONSUMERS 	<ul style="list-style-type: none"> • Effective, high-quality and cost-efficient products • Reliable supply • Product information and guidance to appropriate usage • Improved usability • Responsible production and recyclable packaging materials 	<ul style="list-style-type: none"> • Digital information channels and non-digital forms • Product information, adverse events and quality information channels via Orion website • Orion call center • Consumer studies and clinical studies 	<ul style="list-style-type: none"> • Development of new medications • Development of new features and instructions for existing products • Supply chain management to ensure reliable supply and sustainability through the value chain • Prioritising production of critical products during COVID-19
CUSTOMERS AND PARTNER SALES 	<ul style="list-style-type: none"> • Good and sustainable business relationships • Effective, high-quality, responsibly produced and cost-efficient product • Reliable supply • Sustainable operations through the value chain 	<ul style="list-style-type: none"> • Interactive partner sustainability engagement process • Digital portals to share information • Stakeholder questionnaires 	<ul style="list-style-type: none"> • Meetings, trainings and dialogue to share sustainability and product knowledge • Responding to customer surveys on sustainability topics • Being an active participant in different networks • Ensuring sustainability through the whole value chain
INVESTORS 	<ul style="list-style-type: none"> • Value creation • Strong financial performance, growth and commercial success • Effective and high-quality products • Sustainability compliance 	<ul style="list-style-type: none"> • Investor meetings and events • Investor communications • Financial and sustainability reporting 	<ul style="list-style-type: none"> • Reliable, transparent, comprehensive and timely communications • Development of R&D processes to support growth • Sustainability risk management and compliance
SUPPLY CHAIN PARTNERS 	<ul style="list-style-type: none"> • Good and sustainable business relationships • Financial performance and ability to meet contract obligations • Sustainable operations through the value chain 	<ul style="list-style-type: none"> • Supplier relationship management process: meetings and liaison between supply chain partners and Orion • Interactive partner sustainability engagement process 	<ul style="list-style-type: none"> • Comprehensive supplier management process • Transparent and timely communications • Development of R&D processes to support growth • Sustainability risk management and compliance • Meetings, trainings and dialogue to share sustainability knowledge and agree on common actions • Supporting the development of our partners' sustainability competencies

STAKEHOLDER GROUP

EXPECTATIONS

ENGAGEMENT CHANNELS

ACTIONS

HEALTHCARE PROFESSIONALS



- Effective, high-quality and responsibly produced products
- Reliable supply
- Reliable and up-to-date information about products and the related diseases
- Latest research and development process of medicines and medical treatments

- Collaboration with healthcare professionals via meetings and trainings
- Digital portals to share information

- Offering information about our products, their appropriate use, and the latest research
- Educating healthcare professionals and healthcare students
- Participating in and supporting research projects
- Supply chain management to ensure reliable supply and sustainability through the value chain

PHARMACIES



- Reliable, balanced and understandable information about our products, their use and disposal
- Effective, high-quality and cost-efficient products
- Reliable supply

- Digital portals to share information
- Face-to-face meetings and dialogue
- Communication and product information materials

- Educating pharmacists, pharmacy staff, and pharmacy students
- Ensuring product availability
- Producing reliable information

AUTHORITIES



- Effective, high-quality and cost-efficient products
- Reliable supply
- Improving public health and legal compliance

- Participating in different boards and working groups, and interacting with authorities to understand their expectations
- Inspections by authorities

- Acting in compliance with laws and regulations and ensuring the reliable supply of medications
- Participating in and supporting research projects

PATIENT ORGANISATIONS



- Cost-efficient and high-quality medicines that are available when needed and improve patients' quality of life
- Supporting and co-innovating with patient organisations
- Improving patient compliance and adherence to treatment

- Collecting patient insight and feedback from patient organisations
- Participating in different boards and working groups

- Supporting and collaborating with selected patient organisations to develop innovative and meaningful solutions that improve patients' quality of life
- Offering knowledge and material about our products, as allowed by local laws and guidelines

EXISTING AND POTENTIAL EMPLOYEES



- Meaningful work opportunities and personal development
- Working for the well-being of the environment, people, and society
- Occupational safety and well-being in work
- Fair and equal treatment

- Collecting employee feedback regularly with Pulse Survey
- Collecting expectations and needs on individual competence and career development in an annual review process
- EHS platform to collect safety observations and improvement suggestions

- Setting targets, development plans and actions based on Pulse Survey results
- Various training opportunities for personal development
- Continuous development of sustainability
- Programme to develop safety culture in Orion
- Actions to support work well-being

Memberships and commitments

Our memberships in industry associations and advocacy organisations

- Chemical Industry Federation of Finland/Confederation of Finnish Industries, EK
- International Chamber of Commerce, Finnish Section
- Helsinki Region Chamber of Commerce
- The Association for Finnish Work
- Excellence Finland
- CEFIC (European Chemical Industry Council) and its sub-organisation APIC (Active Pharmaceutical Ingredients Committee – Cefic)
- FIBS, sustainability network in Finland
- Pharmaceutical Supply Chain Initiative, PSCI
- AnimalHealthEurope

Our commitments to external initiatives

- Responsible Care programme of the chemical industry
- Finnish Energy Efficiency Agreement for Industries 2017–2025
- PSCI Principles

External recognitions

We have been a member of the globally recognised FTSE4Good Index since 2016. The companies in the index have been independently assessed to meet the FTSE4Good criteria. The FTSE4Good Index Series is designed to measure the performance of companies with strong environmental, social and governance (ESG) practices.

Orion reports to CDP, a not-for-profit charity running the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. In 2022, Orion received ratings B for Climate Change and B- for Water Security on a scale of A to D-.

Orion Group was awarded with a silver medal recognition of sustainability achievement and was rated among the top 13% of all companies in the EcoVadis rating in 2022. EcoVadis is one of the world’s leading sustainability ratings, which covers holistic sustainability topics including environmental, labour and human rights, ethics and sustainable procurement impacts.



Patient safety as a top priority

Patient safety is our guiding value at Orion and a fundamental priority in everything we do. It is integrated into all our processes throughout the value chain because patient safety is something we do not compromise on.

We provide patients with products that are effective, safe to use and of high quality. We ensure patient safety through the rigorous management of our operations, our upstream and downstream supply chain, and by continuously monitoring adverse effects or quality issues over the course of a product's life cycle.

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PATIENT SAFETY AS A TOP PRIORITY 2022



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AUDITING PROGRAMME...24

The COVID-19 pandemic continued to impact Orion's auditing programme in 2022, and restricted access to certain geographical areas. Some of the audits to our suppliers and partners in 2022 were conducted remotely. Similarly, some of the audits of Orion's operations were conducted remotely.

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MEDICINE INFORMATION...25

Healthcare professionals are an important link in terms of informing patients about the proper use of medicine. We provide them with comprehensive training and information related to the use of our products.

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RELIABLE SUPPLY...27

We were able to meet the market's need for medicines and ensure a reliable supply in 2022, despite the challenging global environment. We follow the development of the global environment closely and adjust our operations accordingly and promptly, when needed.

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Quality management

We give the highest priority to safety, quality and sustainability in our everyday work and throughout the entire product life cycle—from R&D through manufacturing to distribution and patient use. The guiding principles of the quality standards of our entire supply chain are based on full compliance with EU-regulated good operating practices in all operations. When marketed outside the EU area our products also fulfil the local requirements.

Compliance with applicable regulations, health, safety and environmental standards, ethical principles and Orion values, is maintained in all operations. This is ensured through the responsible sourcing and procuring of goods and services, as well as regular monitoring, auditing, measuring and analysing of Orion’s operations and those of third parties.

A quality management system provides the framework for establishing and reviewing quality objectives. Our management is committed to comply with the requirements and maintain effectiveness. Orion’s Quality Policy is communicated and implemented through a comprehensive Standard Operating Procedure system in everyday work.

Patient safety and pharmacovigilance operations

Our duty is to monitor the safety of our products throughout their life cycles, from the early stages of R&D until the product is no longer available on the

market. This is done via pharmacovigilance activities. They relate to monitoring the effects of medicinal products to identify, evaluate and prevent previously unidentified adverse reactions and safety concerns. The purpose is to ensure safe use of the products by mitigating potential risks.

Several functions of our company are involved in the pharmacovigilance processes, coordinated by the Global Pharmacovigilance and Patient Safety unit, which is located at our headquarters. Trained and qualified experts are responsible for assessing and managing the benefit-risk balance of our products. Our pharmacovigilance operations and quality management system comply with international regulatory requirements and guidelines.

We prepare a Risk Management Plan (RMP) for all new medicines. It describes what is known and unknown about the medicine’s safety and states what measures will be taken to prevent or minimise its risks. The measures are product-specific and may include additional materials or educational programs for healthcare professionals, patient alert cards and risk-specific additional product information to ensure the safe and correct use of the product. A RMP is maintained throughout the product’s life cycle.

All data concerning the safety of our products is collected into a centralised assessment, and continuously monitored and reported to regulatory

authorities. Information is collected from various sources throughout the product life cycle, such as from clinical trials, spontaneous reports and feedback from healthcare professionals, the literature, regulatory authorities and patients, regarding any adverse effects, medication errors, and interactions or overdoses.

Alongside the regulatory authorities, we evaluate the collated information to detect safety signals that may affect the benefit-risk balance of our products. In addition to continuous signal detection procedures, we periodically review the cumulative data. These Periodic Safety Update Reports are prepared and submitted to the regulatory authorities.

We work closely with authorities to evaluate the safety of our products and the balance between risks and benefits. When necessary, we take action to ensure patient safety, for example by updating the information in the product summary and package leaflet, providing information or training to healthcare professionals, adding contraindications, precautions or warnings to the product information, or discontinuing sales. These processes ensure that both prescribing physicians and patients always have up-to-date information on the safe use of our products.

One part of the pharmaceutical quality system is that there is an effective recall process in place.

“A quality management system provides the framework for establishing and reviewing quality objectives.”

Whenever a product defect is detected or suspected, a proper medical risk assessment is performed to evaluate the necessary measures. The most important driver for the assessment is to ensure the patient's safety. Based on the assessment, a recall may be proposed to authorities who make the final decision on the recall.

The COVID-19 pandemic continued to impact Orion's auditing programme in 2022, and restricted access to certain geographical areas. Some of the audits to our suppliers and partners in 2022 were conducted remotely. Similarly, some of the audits of Orion's operations were conducted remotely.

Regulatory environment and continuous improvement

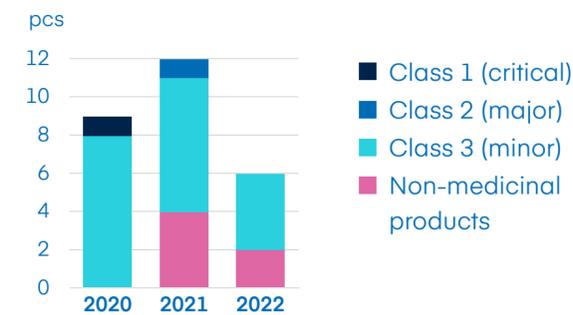
The new European Medical Device Regulation (Regulation (EU) 2017/745) became applicable in May 2021. As part of its implementation, Orion's post-market vigilance has been reviewed and updated to meet the new requirements. The purpose of the Medical Device Vigilance System is to improve the protection of the health and safety of patients, healthcare professionals, and other users of medical devices, by reducing the likelihood of reoccurrence of incidents related to the use of a medical device.

The Veterinary Medicinal Products Regulation (Regulation (EU) 2019/6 adopted in December 2018) modernised the rules on the authorisation

and use of veterinary medicines in the European Union when it entered into force on January 28, 2022. It contains several new measures to increase the availability and safety of veterinary medicines. In 2021, several safety and regulatory processes were updated and further improved by Orion to comply with the changing requirements. At the EU level, the implementation of the new regulation will further improve the processes for evaluating and protecting the safety of animals and veterinary medicinal products.

The EU Clinical Trials Regulation (Regulation (EU) 536/2014) entered into application on January 31, 2022. Starting from January 31, 2023, all new clinical trials must follow this regulation. This regulation harmonises the processes for assessment and supervision of clinical trials throughout the EU. Its purpose is to foster innovation and research in the EU, facilitating the conduct of larger clinical trials in multiple EU Member States/EEA countries. Other key benefits of the regulation include improved information-sharing and collective decision-making on clinical trials, increased transparency of information on clinical trials and the ensuring of high standards of safety for all participants in EU clinical trials. All the requirements of this regulation are integrated into Orion's processes.

Product recalls



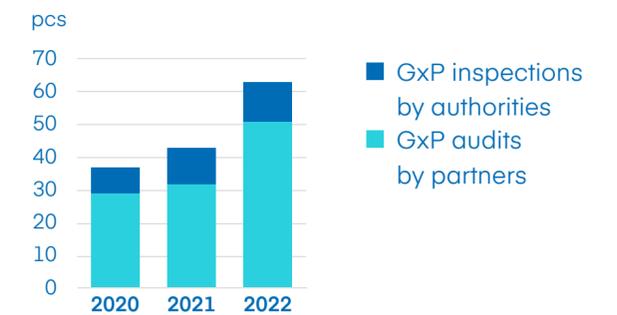
Defects identified in medicinal products are classified as critical, major or minor, depending on the degree of severity.

Class 1 (critical): product defects that are or may be life-threatening or pose a serious health hazard to users.

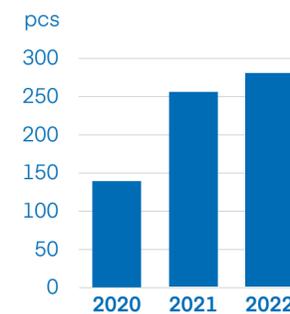
Class 2 (major): product defects which may be harmful to the users or may affect medical treatment but which are not included in Class 1.

Class 3 (minor): product defects which are not likely to pose a significant health hazard to the users, but where the removal of the defective product from the market is otherwise justified.

GxP audits conducted to Orion



GxP audits conducted by Orion



Information to support patients

Orion seeks to ensure that its products are always used correctly by providing up-to-date information and training to our stakeholders and channels to engage with us. Also, by monitoring and encouraging reporting of adverse effects, Orion can enhance patient safety. By combatting falsified medicines on the market, we do our own part in ensuring that the medicines available are safe for their users.

Medicine information

At Orion, we enhance patient safety by sharing accurate and up-to-date information on the use, storage and safety of our products via our marketing and corporate communication channels. This is done by adhering to laws and the commonly adopted industry codes.

Pharmaceutical products may only be sold and used under a product-specific marketing authorisation granted by a pharmaceutical regulatory authority. A summary of the product's characteristics determines the facts that are shared with healthcare professionals and included in product-specific package leaflets. The package leaflets provide instructions and information for patients using the medicine. Our regulatory teams work closely with authorities and Orion's experts to ensure that our product information is accurate and up to date.

Besides informing patients about the contents of the product, the main role of pharmaceutical product

packaging is to protect the product on its journey from the manufacturer to the patient. Usability is also an important part of our packaging solutions. Examples of improving the usability of packaging are child-proof closures, or closures that help the opening process for elderly and rheumatic patients.

The drug and health authorities maintain national and international drug databases, which contain up-to-date information for every product with a valid marketing authorisation. The information and arguments presented by the manufacturer or the marketer in any communication about the product must always fully conform to the registered product information for a valid marketing authorisation.

Healthcare professionals are an important link in terms of informing patients about the proper use of medicine. It is therefore important that healthcare professionals have the most relevant information about our products. We provide them with comprehensive training and information related to the use of our products. Orion also provides a helpline and other channels where healthcare professionals and users of the products can contact us should they have questions. In those channels, we provide the appropriate information which is in line with the information approved by the authorities in that particular country. We are continuously developing our digital channels to ensure that

consumers have easy access to up-to-date information about our products.

Adherence to treatment is an important aspect of ensuring the effectiveness of medication. In addition to collaborating with healthcare professionals and patient organisations to encourage and instruct them in the proper use of medications, we are looking into new ways to support adherence to treatment.

Adverse effects

In addition to their intended effects, all medicines have adverse effects – that is, unintended and harmful effects – on some users. Adverse effects range from mild to severe, and information about them is provided in the package leaflet, for example.

In the most serious cases, the use of a medicine can be limited or even prohibited if the risks related to the medicine outweigh its benefits. For patients and professionals, safety data management is an important way to convey information about adverse effects or other aspects. This also improves patient and medication safety and the accuracy of product information.

For healthcare professionals and consumers, the reporting of adverse effects to pharmaceutical companies or the authorities is voluntary. It is carried out by doctors and healthcare and pharmacy staff, as well as patients and their families and carers.

"We are continuously developing our digital channels to ensure that consumers have easy access to up-to-date information about our products."

Orion's employees have an obligation to immediately report if they become aware of any adverse effects related to our products. We encourage consumers and healthcare professionals to report any adverse effects, for example through Orion's digital channels, so that the overall picture of the safety of a medicine is as comprehensive as possible.

Falsified medicine

Counterfeit medicines pose a serious challenge globally as they have not been checked for quality, safety or efficacy, and they involve severe health risks that may even prove to be fatal in some cases. Counterfeit medicines are often disguised as authentic but may be contaminated, contain wrong or substandard-quality ingredients or come in the wrong dosage. As a responsible company, it is also in Orion's interest to fight by all applicable means against the increasing availability of fake drugs.

Serialisation helps to mitigate falsified medicine on the market. Serialisation requirements in Europe mean that all individual prescription human medicines must be traceable throughout the value chain. In practice, all pharmaceutical packaging must include a unique identifier so that a sales package can be traced all the way back to the production plant and production line. In addition to including a serial number and a product code, prescription medicine packaging is also sealed so that the customer can be sure its contents have not

been compromised. Serialisation requirements are also in force in countries outside Europe.

Orion combats falsified medicine with a robust trademark portfolio and other protective legal measures. We have protected our main products in countries where counterfeit medicines are known to be widespread. This helps the authorities and people handling medicines to identify authentic Orion products and to legally intervene in the sale of falsified products. We cooperate closely with the authorities around the world to ensure the safety of all medicines.

We also prevent counterfeit medicines by addressing the issue in our communications and by training our internal and external stakeholders on the topic. All our employees are expected to take the initiative and execute rapid action if alerted by any evidence of counterfeit versions of Orion's products.

Reliable supply

One of the key aspects of patient safety is that consumers have access to medicines when they need them. Also, at the local level, the most critical medicines for public health should always be available. In the most serious situations, medicines should be available nearby.

Orion aims for a high service level at all times and a secure supply throughout the value chain, starting with the drug precursor. In the era of globalisation, we must be prepared for exceptional circumstances if pharmaceutical production is interrupted, or materials are not available. A disruption in one part of the global chain may jeopardise the availability of medicines.

Our selection includes products manufactured by other pharmaceutical companies, as well as our own products, for which other companies supply active pharmaceutical ingredients or other ingredients. Because of our extensive product selection, risk management related to security of supply is crucial for us, as any problems in this respect may affect our delivery capability.

We were able to meet the market's need for medicines and ensure a reliable supply in 2022, despite the challenging global environment. The prolonged COVID-19 pandemic and the volatile geopolitical environment caused disruptions in the supply chain and affected the availability

and pricing of logistics and raw materials. We follow the development of the global environment closely and adjust our operations accordingly and promptly, when needed. Availability of our products and reliability of supply are closely monitored and these metrics are also included to management remuneration programmes. Personal objectives of the President and CEO included a sustainability indicator related to reliable supply of products globally in 2022.

We proactively evaluate risks throughout the value chain and build collaborative relationships with our suppliers to ensure that risks to the whole supply chain are minimised beyond tier-1 suppliers. The collaboration with suppliers aims to reduce risks and ensure an expected service level in accordance with targets that have been commonly agreed on with suppliers. Securing alternative suppliers of products and materials is also part of our risk management meant to guarantee an uninterrupted supply of medicines. We also minimise the risk of capacity shortage in the distribution of medications by ensuring the availability of alternative means of distribution.

As we see an increased risk with the availability and consistent supply of selected raw materials, Orion is looking into alternative materials and suppliers of all our secondary packaging materials. Overall performance and sustainability aspects are

considered when selecting alternative materials. Lead times and availability are secured with the efforts to identify and supply alternative secondary packaging materials.

We engage in continuous interaction with the authorities in different countries to ensure that they have accurate information about stock levels, capacity and future needs for changes in production. We also produce some medicines with lower sales and profitability that are critical for patients but do not attract other companies because of their small markets.

Orion is an important part of the healthcare chain in Finland and has an important role in Finland's security of supply. We are the only Finnish producer of commercial APIs, a major producer of medicines with the largest portfolio in the country, and the sole producer of several medicines. Through our own production and mandatory reserves, we seek to ensure the availability of critical medicines for Finnish households in all circumstances. In the year 2022, the pharmaceutical product availability in Finland was 97% (98%).

"In the year 2022, the pharmaceutical product availability in Finland was 97%."

MANAGEMENT OF PATIENT SAFETY

MANAGEMENT APPROACH	Patient safety is our guiding value and fundamental priority. Integrated into all functions and processes throughout the value chain.
MATERIAL DISCLOSURE TOPICS	<p>Material Orion topics:</p> <ul style="list-style-type: none"> • Pharmaceutical product availability in Finland • GxP audits/inspections of Orion's operations • GxP audits undertaken by Orion • Product recalls
POLICIES AND COMMITMENTS	Relevant legislation and regulatory authorities' instructions. Guidelines and principles determined in our Pharmaceutical R&D Ethics Policy and internal guidelines (conform to the WMA Declaration of Helsinki and internationally adopted codes of our industry).
GOALS AND TARGETS	To ensure patient safety and the reliable supply of medications.
RESPONSIBILITIES AND RESOURCES	<ul style="list-style-type: none"> • Chief Medical Officer: carries the primary responsibility for the Company's medical governance and medical ethics. • Global Medical Affairs, in collaboration with the global Commercial Operations: responsible for our compliance with the legal requirements concerning the marketing of pharmaceuticals in all countries where we are present. • Qualified Person responsible for pharmacovigilance (QPPV) (in Orion Director, Global Pharmacovigilance and Patient Safety): responsible for the establishment and the maintenance of the pharmacovigilance system of the marketing authorisation holder. • The Accountable Director (in Orion Vice President, Quality Management): primarily responsible for our medicinal products being manufactured the correct way and that the quality requirements are being met. Qualified Persons in our Quality Assurance organisation: responsible for reviewing all data for each product batch before product release, as well as the certification, to ensure that the batch fulfils all requirements as defined in the marketing authorisation and the GMP. • The Accountable Director at Fermion: primarily responsible for active pharmaceutical ingredients being manufactured the correct way and that the quality requirements are being met. Active pharmaceutical ingredient batches released for sale by independent Quality Assurance departments at each of Fermion's production sites.
GRIEVANCE MECHANISMS	<p>Monitoring of the safety of products, feedback collected from customers, benefit-risk assessments carried out throughout the product life cycle.</p> <p>Adverse events, quality complaints or other product related safety problems reported through Orion's global pharmacovigilance and quality operations at HQ, locally through subsidiaries and wholesalers and through licensing partners globally. All employees obliged to inform the Global Drug Safety function about any adverse events they have become aware of.</p>
EVALUATION OF MANAGEMENT APPROACH	<p>The health authorities monitor and assess our R&D, supply chain and pharmacovigilance operations. Our operations frequently inspected in the countries our products are used.</p> <ul style="list-style-type: none"> • Our customers and partners audit us • We audit our subcontractors and suppliers • Internal inspections • Management reviews as an integral part of our quality system

Active work for a better environment

At Orion, we want to take an active part in tackling the biggest challenges of our time: climate change and biodiversity loss. We apply life cycle thinking to gain understanding of our products' impact throughout our value chain and to guide all our environmental sustainability actions. We focus on the efficient use of materials and energy, the mitigation and management of adverse environmental impacts, both in our own operations and with our suppliers and partners, and we strive to limit the amount of pharmaceuticals in the environment. We want to continuously increase our knowledge and develop our actions throughout our value chain.

[➤ READ MORE](#)

ACTIVE WORK FOR A BETTER ENVIRONMENT 2022

CLIMATE CHANGE MITIGATION...31

We extended our existing climate targets to also cover our value chain and are aiming to reduce our scope 3 emissions to align with 1.5 °C warming. To support and guide our work, in 2022, we committed to set a science-based target with the Science Based Targets initiative.

[▶ READ MORE](#)

ENERGY EFFICIENCY...31

Having reached the Energy Efficiency Programme target, Orion set its own, higher target of 15% improvement in energy efficiency by the end of the year 2025. In 2022, Orion achieved energy savings by investing in LED lighting and by decreasing the temperature of the supply air in production facilities in Oulu.

[▶ READ MORE](#)



60%
OF ORION'S NEW
ENERGY EFFICIENCY
TARGET ACHIEVED



18,044
tCO₂e
GHG EMISSIONS
(SCOPE 1 & 2)

PROTECTION OF BIODIVERSITY AND ECOSYSTEMS...37

Biodiversity loss is the twin crisis along with climate change, global problems that need to be tackled with urgency. Orion is committed to working towards no biodiversity loss caused by our business or our value chain. We want to be part of this critical journey towards a more positive future even though we do not have all the answers yet.

[▶ READ MORE](#)

MATERIAL EFFICIENCY...38

In 2022, the material efficiency of processes was developed by enabling material efficiency indexes, based on information analysed from 2021. The indexes were added to the products' EHS report updating process.

[▶ READ MORE](#)

Climate change mitigation

Climate change is one of the biggest challenges of our time and Orion wants to take an active part in mitigating it. Orion has worked for years to reduce its carbon footprint through the strict adherence to systematic goals and plans. In 2021, Orion set an ambitious target of achieving carbon neutrality in its own operations (scope 1 and 2) by 2030. Now we are working to reach even higher. In 2022, Orion decided to expand on its climate target and commit to align its business - including its full value chain - with limiting global warming to 1.5 °C. To that end, Orion has committed to setting science-based emission reduction targets for all its emission scopes to reach alignment with 1.5 °C by 2030.

Our intermediate target, a reduction of our own greenhouse gas (GHG) emissions by 75% by 2025 compared to our 2016 baseline, already steers our own business operations towards alignment with global carbon mitigation goals, and it is progressing well.

Orion is working towards carbon neutrality in its own operations

To reach our carbon neutrality 2030 target, Orion is tackling the GHG emissions in its own operations through energy efficiency measures, utilising renewable energy sources, and by moving towards implementing electric solutions in the future. A large part of our planned emission reduction measures focus on increasing the proportion of renewable

energy in our scope 2 partnerships. Our emission reductions call for future investments that will deliver changes in steam production for example, especially concerning electrification of the process.

To maintain systematic progress towards our 2030 carbon neutrality goal, we have ensured that our electricity is purchased from carbon-free sources. In the short term, this will mean a slight decrease in the share of purchased energy from renewable sources.

In 2022, 29% of our purchased energy (electricity, district heat and steam) came from renewable sources and a total of 68% purchased energy came from carbon-free sources. We are working to further reduce our dependence on non-renewable energy sources through emission reduction measures. For years, Orion's diesel-powered cars and factory machinery, forklifts, tractors, and reachers, have been refuelling with renewable diesel, the carbon footprint of which is approximately 90% smaller than that of fossil-derived diesel.

In 2022, Orion acquired Inovet, which in the short term increased our energy use as well as carbon emissions across all scopes. Orion is committed to also incorporating these new operations into our climate commitments as the organisations' integration progresses. The work was started in 2022 with the calculation of Inovet's baseline data

for energy use and emissions in its own operations (scopes 1–2).

Energy efficiency is at the centre of our climate work

We continue to systematically implement energy efficiency projects meant to reduce our use of purchased energy and GHG emissions. We intend to apply the best solutions from across the Group and to find new innovative methods to further improve energy efficiency.

During 2022, we successfully initiated a heat pump plant project in Espoo, and the plant will be fully operational in 2023. The plant will produce half of the heat required at the site and make it possible to recover waste heat from our processes, thereby improving our energy efficiency and reducing our emissions.

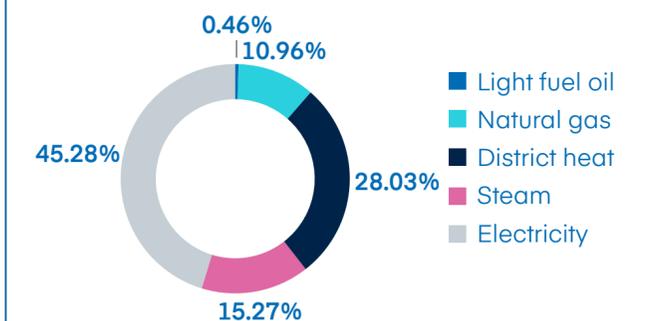
In cooperation with our energy partner in Hanko, we have made a switch from the use of heavy fuel oil to the utilisation of liquefied natural gas (LNG). This will help us reduce our scope 2 emissions in the future and is part of our carbon neutrality plan. The switch made in 2022 was an intermediary process in a move towards the use of biogas in the future.

Orion is committed to the joint Energy Efficiency Programme for the members of the Confederation of Finnish Industries (EK) for the years 2017–2025.

Greenhouse gas (GHG) emissions



Energy consumption, %



The Energy Efficiency Programme target to improve energy efficiency by 7.5% was reached in 2021. Having reached the target, Orion decided to set its own, higher target of 15% improvement in the Company's energy efficiency by the end of the year 2025. Of this target, Orion has reached 60%. In 2022, the Company achieved energy savings by investing in LED lighting in Espoo and Turku and by decreasing the temperature of the supply air in production facilities in Oulu, among other things.

Orion is raising the bar, aiming to limit its emissions in alignment with 1.5 °C warming throughout its value chain

Life cycle assessments (LCA) allow us to identify the key stages in the product life cycle, where the largest environmental impact occurs and helps us to minimise these impacts. According to an LCA conducted in 2019 on Orion's dry powder inhaler, a large part of our total emissions stem from our value chain outside of the company's own operations. We are currently in the process of conducting an LCA on another product category to further understand where we can best make a positive impact.

In 2022, Orion continued work related to these indirect (scope 3) emissions with an increase in ambition. We extended our existing climate targets to also cover our value chain and are aiming to reduce our scope 3 emissions to align with

1.5 °C warming. To support and guide our work, in 2022, we committed to set a science-based target with the Science Based Targets initiative. We also took a deeper dive into our baseline calculations, upgrading the data quality and calculations methods concerning the largest emission sources recognised during the assessment in 2021. This affected the amount of emissions in scope 3 categories in 2022. However, there were no significant changes to the relative sizes of the scope 3 categories. See the **Key Figures** section of the report for a full breakdown of our scope 3 emissions.

There are now 10 charging points for our employees' own electric cars in front of our headquarters, and 60 further charging points will be completed at the same time as the renovation of the headquarters is carried out.

"We extended our existing climate targets to also cover our value chain and are aiming to reduce our scope 3 emissions to align with 1.5 °C warming."

CARBON FOOTPRINT OF ORION



PURCHASED RAW
MATERIALS, APIS,
PACKAGING, PRODUCTS

58.6%



EMISSIONS FROM
THE LIFECYCLE
OF USED FUELS

1.3%



WASTE
GENERATED IN
OUR OPERATIONS

5.2%



EMPLOYEE
COMMUTING

0.9%



END-OF-LIFE
TREATMENT OF
SOLD PRODUCTS

1.4%



INVESTMENTS
IN OUR OWN
OPERATIONS

5.7%



TRANSPORTATION
AND DISTRIBUTION

25.7%



BUSINESS
TRAVEL

0.2%



PROCESSING
OF SOLD PRODUCTS

0.3%

Pharmaceuticals in the environment

Pharmaceuticals may end up in the environment in various ways due to effluents from manufacturing facilities, medicines consumed by patients and then excreted, or the improper disposal of unused and expired medicines. Limiting the amount of pharmaceuticals in the environment is one of the main focus areas of our environmental work. We want to continuously increase our knowledge and develop our actions in this area throughout our value chain.

Our comprehensive approach to understanding the potential environmental impact of our products is based on life cycle thinking. We evaluate the effects of our products' life cycle from R&D and manufacturing to distribution for use and proper waste management. Starting with the product development stage, we make an environmental risk assessment of all new proprietary products, as required for market access. The environmental risk assessment identifies any risks that the substances in the products may cause when they are released into nature and ways to prevent these risks in our operations. We constantly evaluate the environmental impact of our production; when manufacturing active pharmaceutical ingredients, green chemistry is the goal.

Reducing the environmental impact of the production of pharmaceuticals and controlling risks at factories is essential. We have succeeded in

significantly reducing our pharmaceutical residues from production following the development of our wastewater management system a few years ago. This process is based on a separate drainage system, where wastewater containing compounds unsuitable for a biological treatment plant or posing a risk of environmental impact, is separated from the rest of the wastewater. The high-risk wastewater is directed to special tanks and treated appropriately. The excess water is evaporated as efficiently as possible, and the hazardous waste residues are incinerated responsibly.

Being responsible does not only mean always improving our operational processes on site but also being committed to rigorously managing the sustainability of our global supply chain. We have set strict requirements ensuring that materials are only purchased from responsible suppliers. Pharmaceutical residues in the environment are a criterion considered in the procurement process. We do this via self-assessment questionnaires, risk-based sustainability audits, and corrective actions that suppliers agree to and that will be followed up on and verified at a later date. We also require that suppliers quantitatively assess their active pharmaceutical ingredient (API) releases in effluents or otherwise ensure that they do not cause harmful effects to the environment (e.g., by implementing zero liquid discharge). Further information on our responsible supply chain management is available in

the [Environmental impact management section](#) and [External supply chain section](#) of this report.

Most pharmaceutical residues in the environment are the result of the use of medicines. The residues end up in the environment as excretion and via wastewater from showers. The issue is complex: medicines are an integral part of human and animal well-being, but they clearly impact the environment. Our main focus is to provide patients with effective and safe medicines, and medicines only help patients if taken by prescription.

Proper use of medicine

Guidance on the proper use of medicines is an important part of environmental responsibility in the pharmaceutical industry as it entails reducing the misuse of medicine. Our sales professionals and other personnel advise healthcare professionals to ensure products are used correctly. They also advise healthcare professionals to prescribe new medicines using smaller packages to minimise leftover medicines which would otherwise end up as pharmaceutical waste. Orion aims to use its influence to reduce pharmaceutical waste by increasing awareness on and encouraging the responsible use of medicines.

In addition, Orionees who focus on package design take package size and product shelf life into account to reduce the amount of unused or

“Our comprehensive approach to understanding the potential environmental impact of our products is based on life cycle thinking.”

expired medicines. The packaging protects the product and prevents the drug from being released into the environment. It also contains important information about the drug, including instructions on how to use, store and dispose of it. Our goal is to continuously improve the sustainability performance of our product packaging. Read more about our sustainable packaging development and sustainable packaging strategy in the [Promoting circular economy while ensuring patient safety section](#) of this report.

Expired or unwanted products should be returned to the pharmacy to be disposed of properly. Improper disposal can lead to an adverse environmental impact. To minimise the environmental impact at this stage of the product life cycle, we cooperate with pharmacies and other healthcare professionals. We aim to continuously increase awareness among consumers and healthcare professionals on the appropriate ways to recycle and dispose of packages and proper disposal of medicines. In 2022, we reran the local Lääkkeitön Itämeri (Drug-free Baltic Sea) campaign in Finland together with other stakeholders, to raise awareness of the importance of returning expired or unwanted medicines to pharmacies for proper disposal.

Medication disposal schemes used to prevent pharmaceuticals from ending up in the environment may vary from country to country. To ensure the safe,

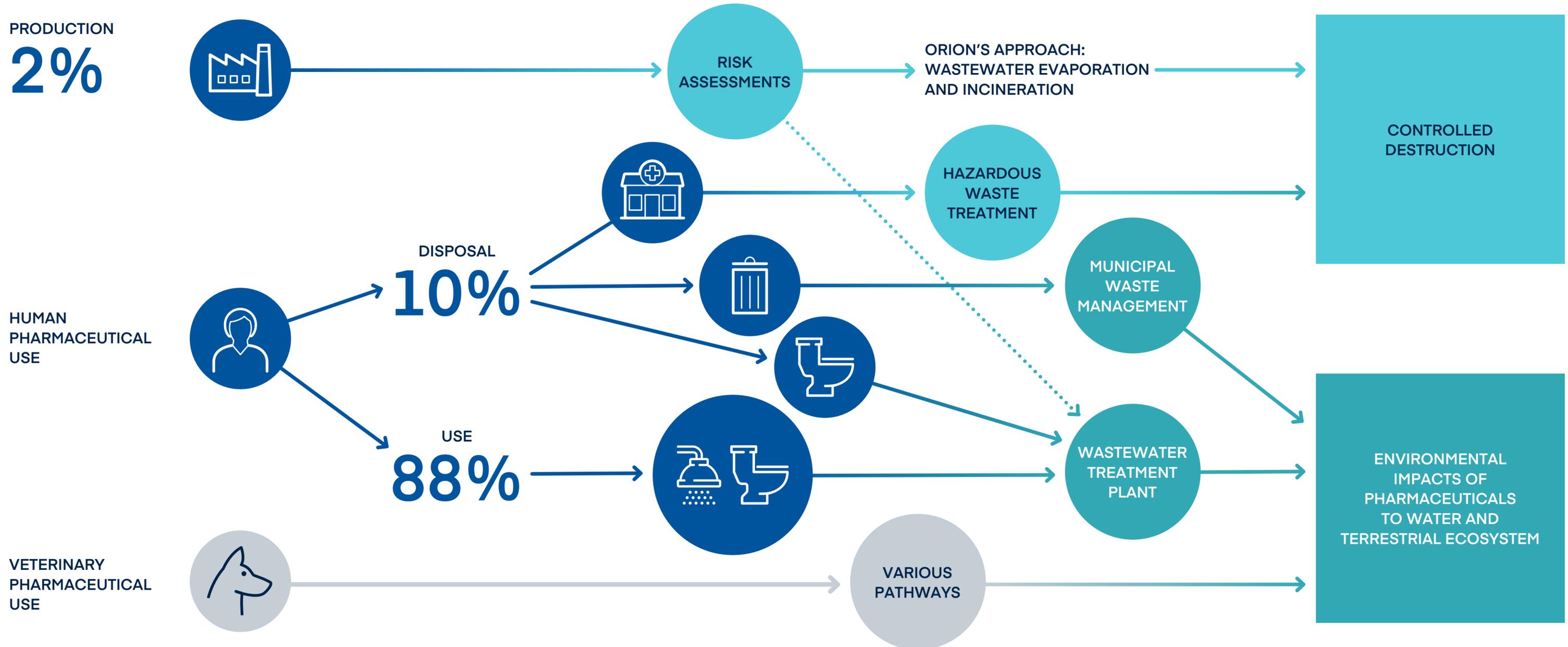
effective and compliant return of our products in the US, Orion is a member of the Pharmaceutical Product Stewardship Work Group and is participating in several Medication Education and Disposal (MED) projects in different states. MED-projects develop, implement and operate take-back programs for unwanted household medicines and provide public education on proper usage, storage and disposal of medicines.

Veterinary use is also another source of pharmaceuticals entering the environment. Antibiotics are life-saving medicines and the cornerstone of managing bacterial infections but remain widely overused and misused in both people and animals. The inappropriate use of antibiotics leads to antimicrobial resistance (AMR). As a result, antibiotics can become ineffective, and it has become increasingly difficult to cure previously treatable infections. The WHO characterises AMR as one of the world's biggest threats to public health. Our work to reduce drug residues in the environment applies to antibiotics as well. We understand routes to influence and manage risks as well as the impact on operations. It is important to also work on the optimal use of antibiotics, where illness prevention is also optimised, but as not all illness can be prevented, these medicines therefore remain necessary. We raise awareness through EPRUMA for example, and we cooperate with several stakeholders to promote appropriate

use, i.e., by promoting the correct use and correct dosage. In addition, we explore avenues to find out new possibilities that will help to reduce the need for antibiotics. In this context, a useful product to fight antimicrobial resistance in Orion's portfolio is Broilact® for poultry.

We collaborate with stakeholders to share knowledge, learn from others and develop solutions. In addition, we are currently taking part in the Sustainable Drug Discovery and Development with End-of-Life Yield (SUDDEN) project, a multidisciplinary research consortium dedicated to reducing the environmental impact of pharmaceuticals and supporting sustainable growth in the pharmaceutical industry.

PHARMACEUTICALS IN THE ENVIRONMENT



Protection of biodiversity and ecosystems

Biodiversity loss is the twin crisis along with climate change, global problems that need to be tackled with urgency. Orion is committed to working towards no biodiversity loss caused by our business or our value chain. We want to be part of this critical journey towards a more positive future even though we do not have all the answers yet.

While much of the impact of the pharmaceutical industry on biodiversity remains unclear, we are actively looking for ways to understand and reduce the environmental pressures in our own operations and in our value chain. Building visibility into our entire ecosystem is an essential first step in identifying and prioritising the actions to take in addressing the impact. In 2022, we started an initial assessment of our most material biodiversity impacts beyond our own operations and highlighted the need for further competence-building. We have also actively participated in the biodiversity working group of The Chemical Industry Federation of Finland and endorse its Nature Positive Chemical Industry 2045 commitment.

Our work will continue in 2023, as we proceed with building a greater understanding on the extent of our impact on biodiversity. Biodiversity loss is often location-specific and dependent on the point of occurrence in the value chain, which is why a new approach to assessing the environmental impact and cooperating in its reduction is needed.

The pharmaceutical industry is in many ways dependent on the raw materials provided by nature. Therefore, we find it vital to also chart our risks in addition to our impact.

Pharmaceuticals in the environment are a growing problem, and are tightly linked to biodiversity loss, as medical residues may cause a negative impact on living organisms when they get into nature. We are continuously working to minimise the amount of pharmaceutical residues that end up in the environment during the life cycle of a medicine. In addition, we are utilising and developing our green chemistry practices. These both play important roles in tackling biodiversity loss.

[Read more about this topic in the pharmaceuticals in the environment section of this report.](#)

“Orion is committed to working towards no biodiversity loss caused by our business or our value chain.”

Promoting circular economy while ensuring patient safety

We follow strict quality requirements while manufacturing pharmaceuticals to ensure patient safety. Since existing cleaning technologies in many cases cannot yet remove impurities in recycled material flows sufficiently rigorously, we are often limited to using virgin materials in the production of pharmaceuticals and packages. Similarly, reusing pharmaceutical materials in production processes is not possible.

However, we believe that a lot can be achieved within these limitations. It is important that we utilise materials as efficiently as possible, and that we prevent material and energy losses. We continuously seek ways to succeed in this, for example by optimising production processes.

Materials efficiency is at the core of our operations

We map the flow of materials throughout our production to identify opportunities for improvements. We also work closely with our partners to identify opportunities to reuse or recycle our materials. Active pharmaceutical ingredient manufacturing in Fermion accounts for most of our material usage. Of the materials used, solvents represent the largest volume. Some solvents utilised in Fermion’s processes can be reused in our operations after being regenerated by a distillation process. Regenerated solvents can be reused in steam generation and in certain production processes. Reusing solvents contributes

to material efficiency and thus helps us reduce the environmental impact of our operations. In 2022, Fermion was able to recycle 2,113 (2,174) tonnes of used solvents and reuse them in production, accounting for 41% of the Group’s total production solvent consumption and 18% of total material usage.

In 2022, the material efficiency of processes was developed by enabling material efficiency indexes, based on information analysed from 2021. The indexes were added to the products’ EHS report updating process. The accumulated data of material efficiency indexes work as an effective tool for comparing processes and their efficiencies with each other.

Sustainable packaging takes into account the principles of circularity

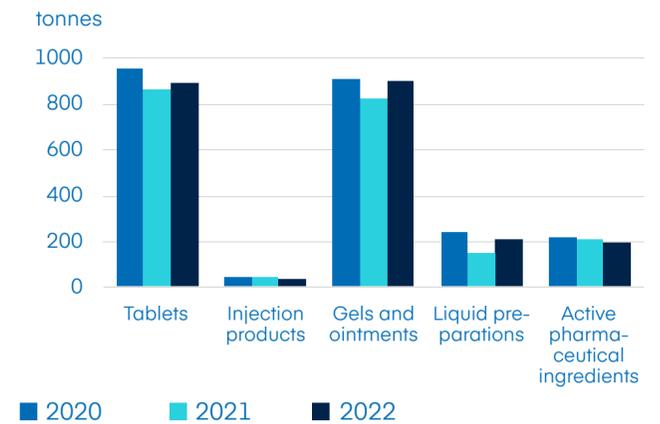
The two main purposes of packaging are to protect products from the point of manufacture to the pharmacy or end user, and to provide product information. The aim of sustainable packaging is to deliver a lower environmental impact while ensuring the same functions, balancing various environmental criteria with other functional and commercial considerations. Product life extension is one of the key concepts of circular economy; for Orion, optimising product shelf life is of particular importance to ensure that all the resources needed in manufacturing, packaging and transportation are not

wasted. Sustainability aspects are considered in the packaging development; we optimise performance, costs, raw materials and energy use by harmonising carton sizes and reducing the space used for transport and warehousing.

Orion’s sustainable packaging design principles offer guidance on how to take into consideration the sustainability aspects of packaging development throughout the value chain and product life cycle. They help to define concrete actions and rank different solutions from a sustainability viewpoint. These include ensuring the recyclability of the packaging material in the intended market, providing patients and consumers with easy-to-understand recycling instructions, using less material if possible and making decisions based on science and data on environmental impacts.

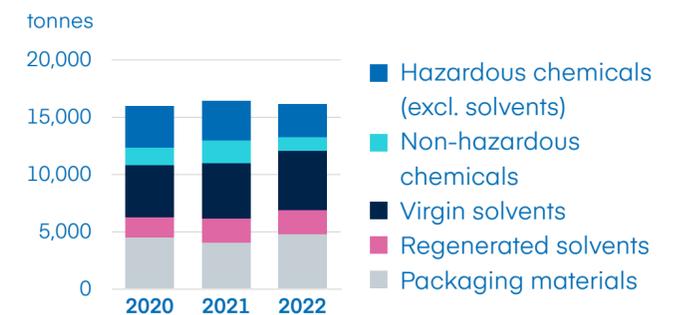
In 2022, we further developed our actions in the key areas of Orion’s packaging sustainability strategy. To secure the availability of packaging materials as needed, we selected alternative secondary materials for our packaging, while ensuring their sustainability through the adherence to our design principles. In addition, we conducted development work for the design of easy-to-understand recycling instructions for our packaging. We also continued the implementation of our sustainable packaging design principles by enhancing internal training and communication to stakeholders.

Production volumes



The production volumes of the product portfolio may vary from year to year, which causes variations in the reporting.

Materials use



Environmental impact management

Our environmental impact management is guided by life cycle thinking and analysis of our value chain

Life cycle thinking is a particularly important tool and approach for Orion since it gives us a comprehensive understanding of our impact throughout our value chain. Life cycle thinking guides our environmental management and all environmental sustainability actions. It helps us to identify where in our value chain the largest environmental impact lies and where we should focus our actions in order to create the most positive impact.

The underlying integrity of Orion-branded products is fundamental to our overall operations. Orion’s environmental responsibility covers the entire supply chain, regardless of where the raw materials and products are manufactured. We ensure that we meet the requirements of the environmental management principles by undertaking training, systematic implementation and improvement, continuous monitoring of our progress in addressing potential impacts, and more. We also engage with our partners to create positive effects throughout our value chain.

We are investing in environmental improvement efforts. In 2022, our environmental investments totalled around EUR 2.3 (3.4) million, of which the majority were energy efficiency investments. We also

invested in lighting improvement, the management of wastewater and charging points for electric cars. The decrease in total investments was caused by the benefit produced by the investments in 2021. The most significant return was achieved with the utilization of zonal heat from production waste heat.

Environmental responsibility relies on solid management processes

Orion’s environmental efforts in our own operations are guided by our Environmental, Health and Safety Policy (EHS) and management practices determined in the Group’s EHS management system built upon the principles set out in the ISO 14001, ETJ+ and ISO 50001 standards. The operating model for our environmental management and energy efficiency activities follows the principle of continuous improvement.

Our factories must comply with Orion’s policy and regulatory requirements. EHS professionals evaluate environmental risks, provide subject matter expertise and assess the design and effectiveness of our environmental management. EHS risk assessments, internal EHS audits and annual management reviews are used to ensure continuous improvement. The EHS information system enables Orionees to report environmental observations for which appropriate corrective action may be taken. The execution and progress of corrective actions are monitored via the EHS information system.

We also expect our partners to commit to high standards and to take the initiative in promoting environmental responsibility. [Learn more about this topic in the External supply chain section of this report.](#)

In 2022, we continued developing our environmental management structure to strengthen the management of our environmental responsibility across the value chain. We addressed the identified main challenges, expectations and points of development of the management of environmental responsibility throughout the product life cycle and will continue the development work in 2023.

Environmental disclosure is an important part of our commitment to transparency. Data is an asset which enables continuous improvement. Monitoring and measuring our environmental performance are vital elements in managing sustainability. In 2022, we continued to streamline and upgrade our EHS-reporting processes and tools.

Pollution control is one of our most important areas of environmental management

Wastewater must be appropriately managed because they represent a potentially severe environmental risk in the pharmaceutical industry. We want to ensure that the wastewaters from our own operations, or that of our suppliers, do not

Water consumption in reporting units



Wastewater discharges

	2020	2021	2022
Volume, m ³	306,222	267,888	254,061
BOD, tonnes	433	449	437
COD, tonnes	677	683	689
TSS, tonnes	20	16	12
Nitrogen, tonnes	10	13	14
Phosphorous, tonnes	0.8	0.6	0.7

become a gateway for pharmaceuticals to enter the environment. [Read more about pharmaceuticals in the environment here.](#)

We know the quality of our wastewater, and we are fully committed to reducing the environmental burden on waterways caused by our operational facilities by minimising the residues of harmful chemicals in our wastewater. We monitor our factories and our suppliers water management practices and wastewater compliance to ensure water risks are minimised. We carry out continuous work based on risk assessments to ensure the separation of wastewater streams that include non-biodegradable, or otherwise environmentally harmful substances, and treat them in accordance with Best Available Techniques Reference Documents (BREFs).

The non-collectable wastewater from our own operations is directed to municipal water treatment plants either directly or after neutralisation, where solids and substances with biochemical oxygen demand (BOD) or chemical oxygen demand (COD) are reduced.

Our BOD and COD amounts directed to the wastewater treatment plants are currently higher than the amounts created before 2020 due to our cooperation with the local wastewater treatment plant at Fermion’s Hanko site. The water leaving the process areas of Fermion’s Hanko plant is treated

in our partner’s adjacent biological wastewater treatment plant, from where the treated water is directed to the sea via the local municipal discharge pipe. We feed distilled ethanol streams to the released process wastewater, which increases the efficiency of the microbial activity in the treatment process, and thus reduces nitrogen emissions to natural waterways.

No wastewater from our sites is directly led to natural waterways, and no water is being recycled or reused by another organisation. There were no significant incidents of non-compliance with discharge limits during 2022.

Orion also works together with its suppliers to reduce pollution via wastewater in its supply chain. Orion’s sustainable procurement process includes an assessment of suppliers’ impact on water areas. This evaluation is done according to a risk-based analysis via either a self-assessment questionnaire or an on-site audit.

Our most material air emissions are volatile organic compound (VOC) emissions, which we control in our operations. The biggest impact is created by Fermion’s operations because the scale of materials – especially solvents causing VOC emissions - used in active pharmaceutical ingredient (API) production is much larger in volume than that of the production of pharmaceutical products.

In Oulu, VOC emissions are treated in a facility that operates according to cryogenic principles, and the vaporised solvents are recondensed into liquid form with the help of liquid nitrogen. In Hanko, VOC emissions are treated by our partner in a VOC treatment plant by incinerating them to create energy. In Espoo and Turku, VOC emissions from our pharmaceutical manufacturing operations are processed by gas scrubbers, where most of the VOC emissions are absorbed into water.

In 2022, our VOC emissions totalled 46 tonnes (75 tonnes), of which Fermion’s operations account for around 82%.

Hazardous waste management is critical to mitigating our environmental impact

Waste management is a critical part of our efforts to reduce our environmental impact. Our goals are aligned with the priority targets in the EU’s waste strategy, which are incorporated in the Finnish Waste Act. These priorities include reducing waste generated and increasing waste recycled. Waste that cannot be reused in our operations is delivered to a carefully selected third party who finds an alternative use for the waste, including energy recovery whenever possible. The amount of waste sent to landfill is kept to a minimum.

In the manufacturing of pharmaceuticals, the tolerance for errors and defects in our products is zero. A batch that fails to meet the specified requirements concerning quality and standard operating procedures is therefore deemed hazardous waste, and all input resources consumed in its production — materials, energy, time and labour — are lost. Thus, it is essential that we manufacture our products correctly the first time.

Most of the Orion Group’s waste is hazardous, and most of it comes from Fermion, due to the production of active pharmaceutical ingredients at their plants in Hanko and Oulu using synthetic methods of organic chemistry, as well as their handling of large quantities of raw materials. From Orion Pharma, typical materials from the manufacture of medicines that are treated as hazardous waste include drug waste, organic and inorganic chemicals, and mixtures classified as hazardous or harmful, cytostatic and carcinogenic, for example.

In the pre-treatment processes, our partner sorts out the fractions of our hazardous waste that can be recycled for further use, such as accumulators, batteries, refrigerating equipment and electronic equipment. Our partner incinerates our hazardous waste at its treatment facility, which specialises in the destruction of hazardous waste at extremely high temperatures. Most of our hazardous waste generates heat in the incineration process that is

Waste, tonnes

Waste diverted from disposal	2020			2021			2022		
	Onsite	Offsite	Total	Onsite	Offsite	Total	Onsite	Offsite	Total
Hazardous waste									
Preparation for reuse ¹	1,950	0	1,950	1,822	0	1,822	1,954	1	1,955
Recycling	0	47	47	0	56	56	0	40	40
Total	1950	47	1,997	1,822	56	1,878	1,954	40	1,994
Non-hazardous waste									
Preparation for reuse	0	263	263	0	291	291	0	209	209
Recycling	0	1,803	1,803	0	5,064	5,064	0	1,698	1,698
Total	0	2,066	2,066	0	5,355	5,355	0	1,907	1,907

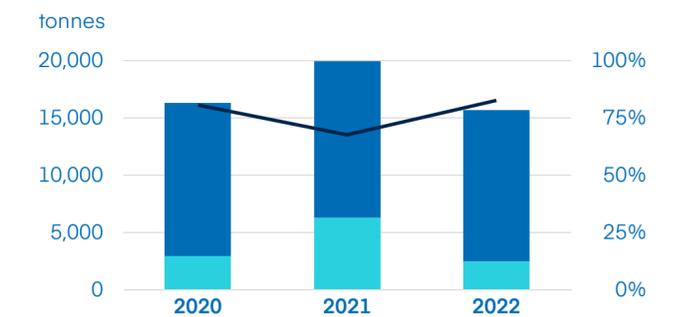
Waste directed to disposal	2020			2021			2022		
	Onsite	Offsite	Total	Onsite	Offsite	Total	Onsite	Offsite	Total
Hazardous waste									
Incineration with energy recovery ^{2,3}	774	13,057	13,831	651	13,550	14,201	567	13,053	13,620
Landfilling	0	177	177	0	81	81	0	2	2
Total	774	13,234	14,008	651	13,632	14,283	567	13,055	13,622
Non-hazardous waste									
Incineration with energy recovery	0	790	790	0	956	956	0	712	712
Landfilling	0	169	169	0	0	0	0	0	0
Total	0	959	959	0	956	956	0	712	712

¹ Onsite: Regenerated solvents are reused in production processes and waste ethanol is utilised in the water treatment circulation.

² Offsite: Hazardous waste incineration includes waste streams that are pre-treated by evaporation before incineration.

³ Onsite: Regenerated solvents are used as fuel in the VOC combustion facility.

Waste



- Hazardous waste, tonnes
- Non-hazardous waste, tonnes
- Hazardous waste per total waste, %

utilised as energy for the district heating system in the surrounding region. These fractions are reported as part of the category of “incineration with energy recovery” of hazardous waste.

The manufacturing processes of pharmaceutical products and active pharmaceutical ingredients (APIs) differ greatly from each other, as do the amount and types of waste generated. Our pharmaceutical manufacturing facilities in Espoo, Turku, Kuopio and Salo mainly generate harmless fractions that are recovered either as materials or as energy. A considerable part of our non-hazardous waste consists of different types of packaging materials.

One of our strategic key performance indicators is the proportion of hazardous waste compared to our total waste. Above all, our primary aim beyond reducing total waste, is to reduce hazardous waste in particular. In 2022, the proportion of hazardous waste was 83% (68%). In 2021, due to building renovations the amount of hazardous waste was lower compared to previous years or 2022. The overall amount of hazardous waste has remained at the same level as earlier and we are continuing to search for feasible ways to reduce hazardous waste.

Water use may become an increasingly material topic for us

We measure and report our water consumption and manage the related risks to our environmental footprint. The different characteristics of our facilities and operations cause significant differences in the volumes of water consumed between our units and locations. Our own production plants in Finland are not located in high water risk areas, and the water we consume is taken from local municipal water supply systems. One of our Finnish sites also uses seawater recycled as cooling water. The water use at our Finnish sites is calculated either from direct measurement from water meters or is estimated based on pump usage hours. In 2023, we will assess any significant water risks in our own operations at our Belgian and French sites, acquired in 2022, and will begin collecting related water use and source data.

MANAGEMENT OF ENVIRONMENTAL PERFORMANCE IN OWN OPERATIONS

MANAGEMENT APPROACH	Aim for the highest environmental standards in the industry. Identify the most significant environmental aspects of our business, mainly related to the consumption of raw materials, energy and water, emissions into the air and wastewater, and the waste arising from our operations.
MATERIAL DISCLOSURE TOPICS	<ul style="list-style-type: none"> • Energy: GRI 302-1, 302-4 • Emission: 305-1, 305-2, 305-3, 305-7 • Waste: GRI 306-1, 306-2, 306-3, 306-4, 306-5 • Material Orion topic: Hazardous waste per total waste • Water and effluents: GRI 303-1, GRI 303-2, GRI 303-3, 303-4, 303-5 • Environmental compliance: GRI 307-1
POLICIES AND COMMITMENTS	Orion's EHS policy, Responsible Care programme by the Chemical Industry Federation of Finland, Motiva Energy Efficiency Programme.
GOALS AND TARGETS	<ul style="list-style-type: none"> • Orion's operations are carbon-neutral by end of 2030. • Intermediate target to reduce GHG emissions (scope 1 & 2) of 75% by end of 2025. • Commitment to set science-based emission reduction targets to reach alignment with 1.5 °C by 2030. • Improve energy efficiency by 15% by end of 2025. • Less hazardous waste per total waste. • Reduce the environmental burden on waterways by reducing the residues of harmful chemicals in our wastewater.
RESPONSIBILITIES AND RESOURCES	<p>EHS affairs and services are managed and coordinated as follows:</p> <ul style="list-style-type: none"> • Executive Management Board: responsible for EHS operating principles being followed at Group level. • EHS steering (headed by the Director, EHS): approves action plans and conducts management reviews for Orion Corp. • EHS organisation: a group-wide forum of EHS-professionals. • Operational managers: responsible for operations in each location to be carried out according to the EHS management system and regulatory and legal requirements.
GRIEVANCE MECHANISMS	Online EHS information system for filing reports on environmental issues (available for all employees, enables anonymous reporting).
EVALUATION OF MANAGEMENT APPROACH	Systematic audits and management reviews of our own operations.



Care for well-being professionals

Orion is an organisation of over 3,000 highly educated professionals. Our goal is to offer meaningful work in a well-managed and safe working environment where people are treated fairly and equally. Appreciating each other is one of our values that helps us create a more open and psychologically safe environment. Other values are Strive for excellence and Build the future. Our employees are encouraged to further their personal development. We believe that well-being at work results from motivated employees, interesting work tasks, an open workplace environment and clear targets.

[➤ READ MORE](#)

CARE FOR WELL-BEING PROFESSIONALS 2022

MENTAL WELL-BEING AT WORK...46

Orion was granted the MIELI Mental Health Finland's Supporting Mental Health at Work-label. The label is a recognition for the company's commitment to the systematic promotion of mental health.

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LONG-TERM SAFETY DEVELOPMENT...51

Strategic safety development themes and focus areas were set for long-term improvement initiatives. The themes were safety leadership, safety performance management, risk awareness and learning organisation.

[▶ READ MORE](#)

2,871
SAFETY
OBSERVATIONS

1,703
SAFETY
SESSIONS



DIVERSITY, EQUITY AND INCLUSION (DEI)...54

To facilitate dialogue on DEI topics and engage our employees in the process, DEI topics have been included in Orion's Safety Sessions, which are a tool for all departments in Orion to maintain regular and open discussions within their department.

[▶ READ MORE](#)

PROMOTING CONTINUOUS LEARNING...50

A new Learning Week -concept was introduced to all Orionees to promote the importance of continuous learning in this constantly changing and networked business environment. Almost 1,300 Orionees attended the twenty different sessions held virtually.

[▶ READ MORE](#)

Employee well-being

Orion has invested in supporting its employees' well-being with a focus on factors such as the management's promotion of mental health, sound everyday workplace practices and a sustainable work-life balance. Work to support the employees' mental well-being has remained in the focus of cooperation between the Occupational Health (OH), Environmental, Health and Safety (EHS) and Human Resources (HR) organisations and has become even more systematic than before. Orion applied for the right to use the MIELI Mental Health Finland's Supporting Mental Health at Work-label and was granted the right in the summer of 2022. The purpose of the label is to encourage workplaces to promote mental health. It is also recognition for the company's commitment to the systematic promotion of mental health.

Over the past year, Orion has done many things to support mental well-being, such as creating online material to support mental well-being. In 2022, the online material, EHS Annual Review, focused on mental well-being, covering topics such as values and daily choices, rest and sleep, nutrition and eating, emotions and relationships, exercise and listening to the body, leisure, creativity and recovery. The target is that all Orionees participate in the training to learn more about how to take care of their own mental well-being.

At Orion, we encourage open discussion around mental well-being. When mental well-being is discussed openly, support and help can be provided as early as possible. Well-being actions at work aim to promote and support the well-being and work capacity of employees. One of our Group-level targets is, therefore, to decrease absences due to illness. The absence rate due to illness (as a percentage of total theoretical working hours for our own personnel) in 2022 was 4.1% (3.1%).

We offer early support activities to support work ability and well-being in a preventive and solution-oriented way. The Mental Support operating model has continued to be implemented and made familiar in organisations in 2022. The goal of the Mental Support operating model is to identify mental well-being challenges at an early stage and to work together to find individual solutions to support recovery and work capacity.

Our employees are encouraged to identify and assess the signs of threats to their well-being at work. Our employee benefits include financial compensation for sports and cultural activities, and we offer several hobby-club activities to support work ability. In addition, there is a low-threshold mental well-being service available for all Orionees and in total about 30 employees used the service during 2022 with good results.

Actions to ensure employee health and safety during pandemic

The pandemic continued to impact our way of working in 2022. From the beginning of the pandemic, we have aimed to prioritise the safety of our employees and the continuation of normal and safe daily operations without interruptions. Occupational healthcare has helped to ensure that production and laboratory operations continue as smoothly as possible. Occupational healthcare also vaccinated Orion's employees with COVID-19 vaccinations at the beginning of 2022. Despite careful precautions, the coronavirus disease continued to cause a significant amount of sick leave at Orion during 2022.

Occupational healthcare services have supported the well-being of employees working remotely in various ways, and this has included, for example, the help of an occupational psychologist. Occupational healthcare has supported our personnel's safe return to onsite or hybrid work. Managers have also been supported by providing webinars on hybrid work leadership and encouraging teams to formulate their own principles for hybrid work.

Occupational healthcare services

The goal of occupational healthcare is to promote the well-being of employees and to support their ability to cope at work. The key is to identify threats to well-being and work ability at the workplace as early as possible, and to strengthen work ability in

Personnel by reporting unit¹



¹ at Dec 31

Information on employees by gender

	Female	Male	Not disclosed ¹	Total
Number of employees	1,983	1,465	5	3,453
Number of permanent employees	1,825	1,348	5	3,178
Number of temporary employees	158	117		275
Number of non-guaranteed employees	81	59		140
Number of full-time employees	1,791	1,384	5	3,180
Number of part-time employees	111	22		133

Calculations are based on employee headcount at Dec 31.

¹ Information not available.

Information on employees by region

	Finland	Scandinavia	Other Europe	North America	Rest of the World	Total
Number of employees	2,760	76	380	0	237	3,453
Number of permanent employees	2,546	74	327	0	231	3,178
Number of temporary employees	214	2	53	0	6	275
Number of non-guaranteed employees	140	0	0	0	0	140
Number of full-time employees	2,504	76	365	0	235	3,180
Number of part-time employees	116	0	15	0	2	133

Calculations are based on employee headcount at Dec 31.

cooperation with managers, employees, and other internal stakeholders.

In Finland, occupational healthcare services are managed and coordinated by the occupational healthcare unit of the HR department, which also supplies occupational healthcare services in the Helsinki metropolitan area and Turku. In other locations, similar services are provided by private medical centres. Operations are carried out throughout Finland following the joint occupational healthcare action plan and the occupational healthcare agreement. Outside Finland, occupational healthcare services are organised in line with the country's legislation, guidelines, and recommendations.

In addition to the statutory preventative activities of occupational healthcare, the employer may provide medical care services to employees. Everyone working at Orion is eligible for work ability-oriented medical care, which supports work ability management, and broad contracts enable good research and treatment opportunities when needed.

Occupational healthcare participates in the design and development of workplaces, work processes and tools, and contributes its own distinct perspectives to the issues. Occupational healthcare communicates its services through Orion's internal channels. Information about occupational healthcare

services is also provided as a part of Orion’s general onboarding programme. New Orion employees are informed of occupational healthcare practices during the pre-employment health check. In Finland, the information on occupational healthcare services is available in Finnish and English.

Employee’s health-related information is always treated as strictly confidential. Orion’s occupational healthcare services operate in accordance with healthcare laws and the principles of professional ethics regarding the protection of privacy and GDPR. The patient systems used by the occupational healthcare services are separate from Orion’s other information systems.

Employee experience at Orion

Orion regularly surveys employee experience through an employee satisfaction survey Pulse Survey. In spring 2022, we conducted an even broader employee survey, which aimed to identify factors that influence employee experience more deeply than the regular Pulse Survey. Based on the results of the survey, line managers develop their own team’s employee experience and operations. With the help of regular surveys, the line manager can also monitor the effectiveness of the agreed development measures.

An individual annual review is also held with every Orioneer twice a year. The aim of the review

discussions is to review the achievement of individual level targets and to plan short- and long-term career development. The goal is also to identify the individual’s current strengths, development opportunities and needed key competences. The review includes at least one annual follow-up discussion in addition to the continuous dialogue between the team member and line manager.

Collective bargaining agreements

Orion respects the freedom of association of our employees, including their right collective bargaining and to form trade unions. According to the Group’s general principle of legal compliance, Orion follows the legislation and binding collective agreements. This is also recorded in our Human Resources Policy, which is part of the Group’s Corporate Governance Manual.

Overall, 84% of Orion’s employees are covered by collective bargaining agreements. Bargaining agreements are handled according to local legislation and customs in all operating countries. Local HR handbooks are applied in countries where relevant collective agreements don’t exist, are not applied or are not a common practice.

In Finland, Orion adheres to current employment legislation and applicable collective bargaining

agreements valid in the chemical industry. Collective bargaining agreements cover all our employee groups, which are employees, salaried employees and senior salaried employees in our Finnish locations.

Coverage of pension obligations

Orion has pension plans compliant with each country’s regulations and practices. In the defined contribution plans, we pay fixed contributions to separate entities such as pension insurance companies managing the pensions in Finland. We have no legal or constructive obligations to pay further contributions if the recipient of the contribution is unable to pay the employee benefits. Our most important defined benefit pension plans are in Finland, where statutory insurance under the Employees’ Pensions Act (TyEL) is arranged through the Orion Pension Fund for the Group’s salaried employees, as well as supplementary pension security for some of the salaried employees.

Our pension obligations are listed under Note 4.2 “Pension assets and pension liabilities” of the Financial Statements 2022. At the end of 2022, our pension obligations totalled EUR 374.3 million (437.1 million) from the Pension Fund and EUR 16.5 million (18.7 million) from other units. We had a pension net asset of EUR 56.2 million (asset of 15.0 million) from the Pension Fund and a net liability of EUR 3.0 million (liability of 4.9 million) to other units.

Competence development

Orion’s success is based on the expertise of all Orionees. It is vital for our competitiveness that competences are kept up to date, skills are developed, and knowledge is shared. We are therefore focusing on continuous competence development. Organisational level strategic capabilities are reviewed every autumn and these show the direction for competence development activities for the following year. Strategic capabilities for year 2022 included, for example, utilising data, gaining a deeper understanding of customers and therapy areas, as well as building and sustaining winning networks.

On an individual level we see that strong competence increases motivation, brings a sense of accomplishment and supports well-being. Also, the importance of learning in teams is heightened. We have a competence development network at Orion whose goal is to identify competence areas vital for our success and which systematically supports the development of these areas. In addition, our cross-functional learning designers’ network shares best practices and insights on how to design impactful learning solutions.

Our aim at Orion is to ensure that our employees have the competences and skills necessary to implement our strategy. Managers are in a key position in supporting the development of organisational and individual capabilities. However,

every Orionee is responsible for developing their own competence.

Trainings and on-the-job learning

We provide a wide range of trainings to support continuous learning and development of our specialists’ competencies. In 2022, we invested EUR 2.0 million (1.4 million) in personnel training activities. Different trainings designed for specialists cover topics including good manufacturing practices, leading projects and improving presentation skills. Furthermore, virtual learning methods support Orionees’ onboarding process and business understanding for example, as well as understanding Orion’s early support model. In 2022, we also provided Alliance management training courses to further develop our strategic capability regarding building and sustaining winning networks.

Environment, health, safety and quality-related trainings ensure that we operate according to strict standards and regulations. Our training data system helps us manage the competence requirements of individual tasks in our Global Operations and Quality Management operations. Currently, we are renewing our Learning Management System to allow easy access to all relevant training offerings and also to improve the reporting of these offerings. This project is part of a companywide program to develop Orion’s current processes and work methods assisted by new technology.

New employee hires

	Number of new employee hires	% of new hires	New hire rate
By age group			
Under 30	229	49.7	6.6%
30–50	174	37.7	5.0%
Over 50	58	12.6	1.7%
By gender			
Female	254	55.1	7.4%
Male	201	43.6	5.8%
Not disclosed ¹	6	1.3	0.2%
Total	461	100	13.4%

Calculations are based on employee headcount at Dec 31 2022.

¹ Information not available.

Employee turnover

	Number of leavers	% of leavers	Turnover rate
By age group			
Under 30	146	32.8	4.2%
30–50	180	40.4	5.2%
Over 50	119	26.7	3.4%
By gender			
Female	276	62.0	8.0%
Male	169	38.0	4.9%
Not disclosed ¹	0	0.0	0.0%
Total	445	100.0	12.9%

Calculations are based on employee headcount at Dec 31 2022.

Employee turnover includes temporary employees, such as summer employees.

¹ Information not available.

During 2022, we also launched a new mentoring program. We have utilised mentoring as a learning method successfully for years but wanted to increase networking after the pandemic and widen the perspective beyond one's own role. The goal was also to boost career development, share skills and tacit knowledge. The pairs started their mentoring relationship in September 2022 and at the mid-term meeting in December, the pairs reported having gained very positive learning experiences and new insights.

One of the year's highlights was introducing a new Learning Week -concept to all Orionees. This was an event dedicated to reminding Orionees of the importance of continuous learning in this constantly changing and networked business environment. We see that a strong learning culture helps us renew ourselves, overcome challenges and implement our growth strategy. Almost 1,300 Orionees attended the twenty different sessions held virtually during the Learning Week. Topics ranged from the importance of empathy at work and understanding diversity, equity and inclusion (DEI), to workplace learning, job rotation and therapy area understanding.

Learning takes place largely by working together with others. Trying new things, as well as sharing lessons learned from situations speeds up learning processes in the team. Active searching for information and learning new things are inevitable and essential skills

every one of us needs in this rapidly changing work life. Trying new things can be successful or can be a failure, but failure should always be seen as an opportunity to grow and develop further. It's all about having a growth mindset and cherishing a working culture which supports this. At the heart of the annual Succeeding together -discussions is the discussing of career aspirations and the planning of each individual's competence development. The goals are followed up throughout the year.

Leadership development

Leadership is one of our strategic competences and, therefore, is in continuous development. We organise 'As a leader in Orion' trainings to instil our leadership culture, policies, and principles throughout the company. The training is mandatory for new managers. We aim for value-based leadership, encourage coaching leadership, and offer many trainings to enhance our managers' coaching skills and ability to promote company values. Orion's leadership trainings are based on our leadership principles: Appreciative Leadership, Brave Leadership, and Collaborative Leadership. We believe everyone can signal good leadership with their own behaviour. The principles, born out of a collaborative effort, are for all Orionees, and not just for directors and managers. Leadership principles help all Orionees to do their best and take Orion forward.

Our strategic leadership development program 'Orion Horizon' kicked off in spring 2022 for the seventh time. Orion Horizon is designed for the experienced Orion leaders and specialists, and the aim is to develop both participants' and the organisations' leadership capabilities and produce real improvement in our business results. The journey is designed with, and delivered by our partner, the Executive School of the University of St. Gallen. The first module focused on VUCA (volatility, uncertainty, complexity and ambiguity) leadership. The second module handled how to lead change and develop strategic and operational processes. The program continues in 2023 with two modules, one focusing on customer understanding and one on innovation and growth.

"Almost 1,300 Orionees attended the twenty different sessions held virtually during the Learning Week."

Health and safety

We want to ensure that every Orioneer can go home after the workday both safely and healthy. We want to provide our employees with a safe and healthy work environment and a fully functioning work community, supported by an inspiring working atmosphere and good management. By managing the health risks, we ensure that each employee is fit for work and not exposed to occupational diseases.

In 2022, strategic safety development themes and focus areas were set for long-term improvement initiatives. The themes were safety leadership, safety performance management, risk awareness and learning organisation. The themes will give guidance for long-term safety development throughout the entire Orion Corporation. In addition, the EHS department of Orion Group was reorganised with the main goal of streamlining Orion's EHS operations. EHS operations aim to create the basis for continuous improvement towards always safe work and environmentally responsible operations at Orion.

In accordance with our EHS Policy, our occupational health and safety activities are managed with the guiding principle of continuous improvement. The practices applied in the management and development of occupational health and safety are determined in the Group's EHS management system, built upon the principles set out in the ISO45001 standard. In the EHS management system, procedures are determined for identifying,

predicting, and preventing nonconformities and situations potentially hazardous to the environment, occupational health or safety, and corrective actions to be taken.

We have an occupational health and safety committee at every site. Each committee consists of representatives of the employer and the employees, whose role is to promote occupational health and safety at the workplace. Occupational health and safety representatives in the occupational safety cooperation have the right to attend and speak at committee meetings. Each committee can suggest improvements concerning working conditions, occupational healthcare, occupational safety, and health training, as well as management. Meeting four to five times a year, committees also help to organise activities aimed at maintaining employees' work ability. The occupational health and safety representatives can report any weaknesses identified by employees to the employer to find solutions and ensure safety.

New drug molecules are usually very effective, and their active doses are small. Medicinal substances are chemicals, but at the same time substances whose purpose is to cause a certain beneficial effect in a person or animal at a certain dose. The aim is that no one is exposed to the drug in the course of their work in such a way that the exposure would cause adverse effects to them.

The risk of exposure is eliminated and reduced by technical and organisational measures. Where not all exposure to workers can be eliminated or prevented, workers use personal protective equipment. At Fermion, the manufacturing processes of new highly active pharmaceuticals are designed and implemented in such a way that technical measures are taken to control the risk of exposure. The same principle is applied with Orion during the manufacture of medicinal products. During the past year, technical containment solutions were introduced in the manufacturing phases of a new medicinal product to reduce the risk of exposure.

The occupational health and work safety organisation have continued conducting systematic risk assessments of workplaces, processes, working conditions and methods. Such assessments help us develop safe working conditions. There are different types of risk assessment tools at our disposal, for example chemical exposure and machinery safety risk assessments and analyses of potential risks. We continue to improve our risk management by developing our own processes and operating model.

One of our tools for engaging employees and managers is regular safety walks with safety talks. Such rounds are used for creating a safety dialogue among our managers and employees.

All workers have the right to refuse unsafe work and will inform their manager or onsite contact immediately of all concerns. Change management is applied to occupational and environmental safety, and the impact of Good Manufacturing Practices (GMP) related changes on safety is regularly assessed.

Health and safety training

The general guidelines and principles concerning corporate safety and safe work are provided in our Corporate Governance Manual and Orion Security Guide, as well as in more detailed function- and location-specific guidelines. Task-specific aspects of safety are observed in the standard operating procedures defined in detail for individual tasks and work phases. All EHS guidelines are supported in our internal information platform, which is accessible to all our employees.

We emphasise the importance of each employee to be aware of occupational health and safety risks, as well as how to manage the risks. Every new Orioneer conducts a basic training that includes EHS orientation e-learning training. Every Orioneer participates in a mandatory health and safety training annually to update their competences on work safety matters. In 2022, we also organised regular safety sessions with a total of 23,160 attendants and 1,703 sessions. Health and safety trainings have been divided into four levels: basic

training for all Orionees, training for specific tasks, training for specialists, and training for managers. EHS trainings are an important part of maintaining our safety culture. In 2022, we organised 173 (170) training courses, focusing on health and safety, with a total of 2,729 (2,410) attendants and 19 e-learning trainings with a total of 4,423 (2,600) attendants.

Occupational well-being coaching started at Fermion in 2021 with the results from coaching obtained in 2022. The results were good, and topics that focused on the feeling of urgency and disconnecting from work were especially perceived as positive. In addition, tips for a good sleep were important in employee training. We will continue the discussion within the company on how to improve well-being in shift work by giving more flexibility to the planned working hours.

Safety performance and culture

We are committed to improving our safety performance and our long-term target is zero accidents. To monitor our progress towards this target, we have set a Group-level key performance indicator of lost time incident frequency (LTIF 1). Unfortunately, the short-term target for lost time incident frequency for 2022, $LTIF\ 1 \leq 3.0$, was not achieved. The company will launch Orion Safety Value Creation program during 2023 to achieve the company's long-term safety objectives.

In 2022, the company conducted safety culture key activity improvement initiatives. Safety culture improvement activities included strengthening the use of current EHS-tools: Instilling the Skills to Care course of action and development measures for the STOP last minute risk assessment tool.

We encourage employees and contractors to report safety observations including deviations, positive safety observations and near-misses via our online EHS platform. The observations, which can be easily recorded into the database via our intranet, are accessible to those responsible for carrying out corrective actions. Safety observations can be reported anonymously. All observations are investigated, and some observations serve as learning material to prevent future accidents. Employees can also follow the progress of the corrective actions through the EHS platform. There were 2,871 (2,427) safety observations recorded in 2022.

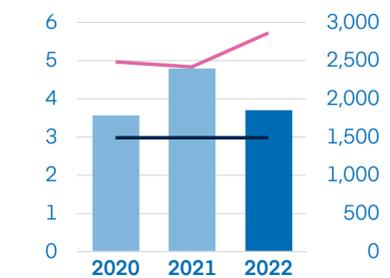
We investigate all injuries with a root cause analysis, and the analyses are then utilised to suggest corrective actions. Learning from incidents took a significant improvement step through the implementation of a new tool, EHS bulletin. EHS bulletin is reported and published within 24 hours of the lost time incidents or critical near misses. In addition, the safety discussions protocol following a severe injury were updated. Discussions are to be

held immediately with managers up to the head of the function and the goal is to get the organisation more committed to safety promotion and improve the root cause investigation. Most workplace injuries occur in production departments, and typically consist of injuries to feet and hands caused by tripping, falling, and the pinching of fingers.

Our employees reported a total of 25 commuting injuries in 2022, namely injuries that occurred on their way to and from work. Most of these injuries were sprains caused by slipping on icy roads.

To increase the safety of commuting, we have started cooperation with the Finnish Road Safety Council to decrease the number of commuting injuries. In 2022, an annual calendar was drawn up with scheduled campaigns, and subject areas were related to safe commuting by foot, by bicycle and by car. The topics included, amongst others, visibility in the dark and the use of reflectors. In 2022, a proactive cycling course was piloted, as several commuting accidents occur on a bicycle every year.

Injury frequency rate and safety observations



- Injury frequency rate LTIF 1
- Target injury frequency rate LTIF 1
- Safety observations

Injury frequency rate, LTIF measures the number of workplace injuries per million working hours.

LTIF 1 includes workplace injuries, which led to an absence of 1 or more days. 2022 reporting includes Orion Group employees globally. VMD employees of production sites in France and Belgium are included as of July 2022. 2020–2021 reporting includes Orion Group employees in Finland.

Number of injuries and rate of employees¹

	2020	2021	2022
Total number of injuries	21	26	27
of which lost time injuries (LTI) ²	16	20	17
of which high-consequence injuries	0	0	0
of which fatalities	0	0	0
Total injury rate	4.7	6.3	5.1
of which lost time injuries (LTI) ²	3.6	4.8	3.2
of which high-consequency injury	0	0	0
of which fatalities	0	0	0
Hours worked³	4,431,474	4,142,821	5,322,526

¹ 2022 reporting covers Orion Group operations excl. VMD units. 2020–2021 reporting covers Orion Group operations in Finland.

² Excluding fatalities and high-consequense injuries.

³ Hours worked include actual working hours. For Orion Pharma subsidiaries in Europe, Southeast Asia and Asia Pacific working hours are used.

Number of injuries and rate of contractors¹

	2020	2021	2022
Total number of injuries	5	5	1
of which lost time injuries (LTI) ²	4	5	1
of which high-consequency injury	0	0	0
of which fatalities	0	0	0
Total injury rate	3.6	3.3	0.7
of which lost time injuries (LTI) ²	2.9	3.3	0.7
of which high-consequency injury	0	0	0
of which fatalities	0	0	0
Hours worked	1,373,243	1,521,193	1,458,407

¹ Reporting covers operations in Finland.

² Excluding fatalities and high-consequense injuries.

Injuries



- Commuting injuries
- Workplace injuries causing no absence
- Workplace injuries causing absence of less than 3 days
- Workplace injuries causing absence of 3 or more days

Injuries include injuries caused by accidents which require medical treatment from the doctor or sick leave.
Workplace injuries include injuries that occur during working time.
Commuting injuries include injuries that occur when employees are travelling between home and work.
 Reporting covers Orion Group operations, excl. VMD units. 2020–2021 reporting covers Orion Group operations in Finland.

Diversity, equity and inclusion (DEI)

At Orion, we see that a diverse, equal and inclusive workplace fosters both well-being at work and innovation. Although we are still at the beginning of our DEI journey at Orion, we want to increase our understanding and seek ways to build a more diverse, equal and inclusive corporate culture. We recognise the need for dialogue and visible actions to make progress on this topic. Orion is committed to engaging its employees in activities that advance diversity, equality and inclusion at work.

Orion’s Human Resources Policy provides the framework for equal opportunities plans in all countries where we have operations, while observing local legislation. Our sites in Finland comply with our equality plan designed to promote equality at the workplace in terms of recruitment, payroll systems, work-life balance and educational opportunities. We observe the aspects of equality when we develop workplace conditions and operational practices. The working group for the development of equality at our Finnish sites consists of representatives from all employee groups and the employer. We take our employees’ opinions into consideration in the decision-making process on human resources and when implementing decisions. Moreover, our managers and HR have regular informal meetings with employees and their representatives at mandatory employer-employee forums.

Orion’s Diversity, Equity and Inclusion Employee Resource Group, consisting of employees interested in advancing DEI work in Orion, actively discusses experiences and ideas, and identifies topics that could move Orion’s DEI work forward. Topics have included the representation of minorities in Orion’s working environment, recruitment and career development and work-life balance, among other issues.

Monitoring the current status and progress is important. Inclusion was included as one of the theme indices of Orion’s extensive Employee Survey conducted in April 2022. The results gave us a better understanding of the current employee experience of the inclusiveness of our corporate culture and everyday work environment.

Raising awareness on DEI is seen as one of the priorities in Orion’s DEI actions. A DEI lecture was organised during Orion Learning week in November. Also, a DEI discussion event for all interested employees in Finland was organised during August.

We want to facilitate dialogue on DEI topics and engage our employees in the process. Therefore, DEI topics have been included in Orion’s Safety Sessions, which are a tool for all departments in Orion to maintain regular and open discussions within their

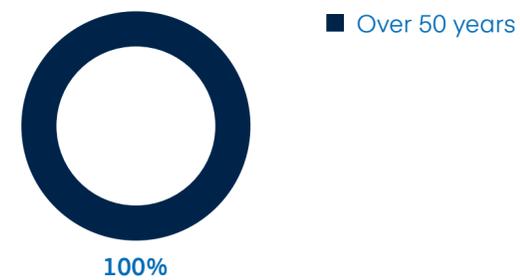
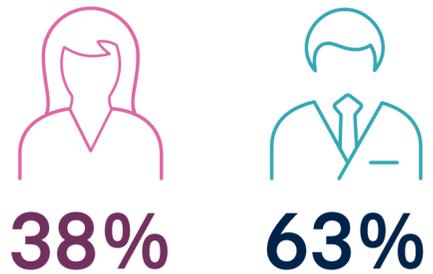
department. Supportive materials for Safety Sessions on DEI were created during 2022 to facilitate the dialogue in all teams across the company.

We recognise the importance of DEI for not only our own personnel, but for the wider stakeholder base as well. Therefore, we conducted a case study on social inclusion of diverse customers in the marketplace. The study has widened our understanding on the areas where DEI topics are present and provided practical recommendations on where Orion could improve in this field.

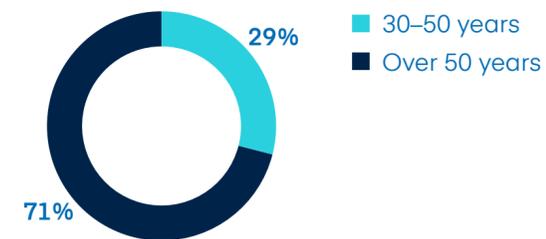
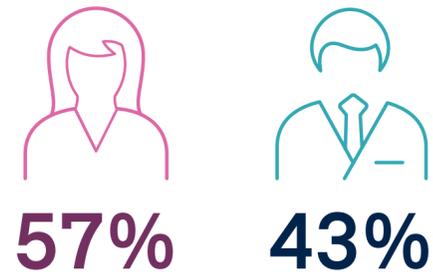
In Finland, we assess salary equality with a salary mapping method as specified in the Act on Equality between Women and Men. Orion’s management and employee representatives review and assess the outcome of the mapping and recommend, when necessary, corrective measures agreed upon.

DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES AS ON 31 DECEMBER 2022

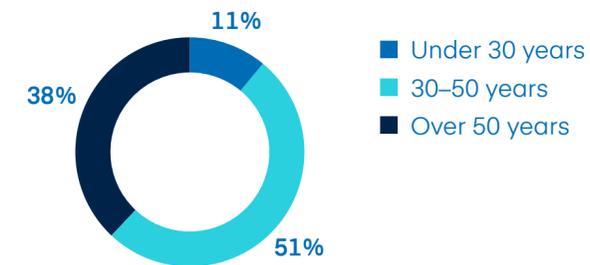
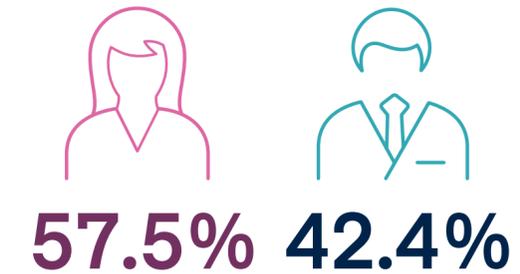
BOARD OF DIRECTORS



EXECUTIVE MANAGEMENT BOARD



PERSONNEL



Diversity of employees by gender and age

	Female, %	Male, %	Not disclosed ¹ , %	Under 30, %	30–50, %	Over 50, %	Total, %
Employees	8.4 (8.4)	14.3 (13.5)	0	4.3 (4.0)	11.2 (10.9)	7.2 (7.0)	22.7 (21.9)
Senior salaried employees	25.8 (25.3)	15.9 (15.7)	0.1 (0)	3.3 (3.3)	24.1 (23.9)	14.4 (13.8)	41.8 (41.0)
Salaried employees	23.3 (25.0)	12.2 (12.1)	0	3.4 (3.7)	16.2 (17.8)	16.0 (15.7)	35.5 (37.1)
Total	57.5 (58.6)	42.4 (41.4)	0.1 (0)	11.0 (11.0)	51.4 (52.6)	37.6 (36.4)	100.0 (100.0)

Calculations are based on employee headcount at Dec 31.

¹ Information not available.

MANAGEMENT OF HUMAN RESOURCES AND OCCUPATIONAL HEALTH AND SAFETY

MANAGEMENT APPROACH	Aiming for the highest health and safety standards in the industry. Great place to work, a responsible employer committed to building well-being and enthusiasm together in the workplace.
MATERIAL DISCLOSURE TOPICS	<ul style="list-style-type: none"> • Occupational health and safety: GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-9 • Employment: GRI 401-1 • Training and education: GRI 404-2 • Diversity and equal opportunity: 405-1 • Material Orion topic: Absence rate due to illness
POLICIES AND COMMITMENTS	Orion’s EHS policy, HR Policy, CoC. Responsible Care sustainability programme by the Chemical Industry Federation of Finland.
GOALS AND TARGETS	<ul style="list-style-type: none"> • Long-term target: zero accidents. • Short-term target: LTIF 1 ≤ 3.0 by 2022. • Goal: decrease absences due to illness.
RESPONSIBILITIES AND RESOURCES	<p>EHS affairs and services are managed and coordinated as follows:</p> <ul style="list-style-type: none"> • Executive Management Board: responsible for EHS operating principles being followed at Group level. • EHS steering (headed by the Director, EHS): approves action plans and conducts management reviews for Orion Corp. • EHS organisation: a group-wide forum of EHS-professionals. • Operational managers: responsible for operations in each location to be carried out according to the EHS management system and regulatory and legal requirements. <p>HR affairs and services managed and coordinated by the HR Department:</p> <ul style="list-style-type: none"> • The Vice President, HR. • Occupational Health Services part of the HR services.
GRIEVANCE MECHANISMS	Online EHS information system for filing reports on environmental issues (available for all employees, enables anonymous reporting).
EVALUATION OF MANAGEMENT APPROACH	Systematic audits and management reviews of our own operations. Pulse survey is used to regularly monitor personnel’s feedback, perspectives and progress of actions.



Ethics at the core of our business

Doing business in a responsible manner means that we are a good corporate citizen with high ethical standards, solid corporate governance, and strong financial performance. We maintain strict ethical standards and act responsibly in all situations. Together with our partners we are building a transparent and sustainable business.

[▶ READ MORE](#)

ETHICS AT THE CORE OF OUR BUSINESS 2022



CODE OF CONDUCT ROLL-OUT TO NEW EMPLOYEES IN VMD...59

In 2022, we rolled out the Code of Conduct for the new VMD employees and published an additional language version of the policy and related e-learning to ensure accessibility to all new employees.

[▶ READ MORE](#)

SUSTAINABILITY IN SUPPLIER RELATIONSHIP MANAGEMENT...60

We increased the focus on sustainability topics within our supplier relationship management process. Through common discussions with our suppliers, we have aimed at strengthening the sustainability culture within our supply chain.

[▶ READ MORE](#)



SUPPLIER SUSTAINABILITY AUDITS...60

We had a total of 27 sustainability audits. We were able to return to having the majority of our sustainability audits as on-site audits in 2022. Some remote audits were still held in areas where onsite audits weren't allowed due to the pandemic.

[▶ READ MORE](#)

97%

THIRD PARTY CODE OF CONDUCT ADHERENCE



Ethical business practices

We believe responsibility is everybody's business. Orion Group's Code of Conduct (CoC), publicly available in Orion's corporate website in 15 languages, sets out the operating principles of our company and guides our daily work. Our CoC is centred on three themes: compliance with laws and regulations, integrity, and responsibility. A Code of Conduct e-learning course, also available in 15 languages, is mandatory for all Orionees. In 2022, Orion rolled out the Code of Conduct for the new VMD employees and published an additional language version of the policy and related e-learning to ensure accessibility to all new employees. The majority of the Group employees completed the mandatory Code of Conduct e-learning in 2020, when the training was published. During 2022, 682 (653) Orionees, including new VMD employees, completed the CoC e-learning course.

The principles concerning anti-corruption are included in our CoC and our Anti-Corruption Policy, which clearly instruct our employees to refuse to offer or take a bribe or any comparable benefit. Our employees are educated and trained regularly and systematically to understand the purpose and importance of our anti-corruption principles. Anti-corruption and anti-bribery training is mandatory for all salaried and senior salaried employees. Orion provides the training regularly and in 2022, we carried out a comprehensive retraining for the targeted personnel groups. In 2022, 1,800 (532) employees completed the training.

Identifying and assessing risks of corruption is a part of our comprehensive Group risk management. Training and raising awareness are the most critical actions to mitigate these risks. Assessing bribery risks is also a standard part of preparing for all collaboration agreements, among other things.

Additionally, we have defined specific guidelines concerning competition law that all employees are expected to follow. We arrange training on competitive legislation and agreements for all the relevant employees.

To report misconduct, we have a public whistleblowing channel. As a tool to improve our processes after reported incidents, the channel promotes good governance and ethical activities. We encourage employees and other stakeholders to report in good faith any concerns or suspected misconduct in violation of our company's policies. We take such reports seriously, investigate them carefully and take appropriate, case-specific measures to stop any behaviour and activity that violates our policies. Failure to comply with our policies may lead to a dismissal from employment or termination of our relationship with third parties.

Orion has an established privacy framework, and we continuously develop our data protection practices. We offer our employees GDPR e-learning, and it is mandatory for employees managing personal

data. No significant personal data breaches were observed in 2022.

There were no significant instances of non-compliance with laws and regulations or material fines paid related to anti-corruption, human rights violations in our own operations, health or safety impacts of our products, provision and use of our products, marketing of pharmaceuticals, environment, or anti-competitive behaviour in 2022. Related to compliance with laws and regulations in marketing and medical affairs, some deficiencies were identified in 2022 with no significant consequences, and the appropriate corrective actions have been initiated.

We are promoting the company's interests by taking part in public dialogue and influencing decision-makers. We mainly influence political decision-making via relevant industry associations. All promotion of interest is done in accordance with Orion's general business policy, as well as national and EU regulations. We do not support political activities.

Our sales and marketing organisations for pharmaceuticals follow local legislation concerning medicinal products, marketing, consumers, and competition. We also follow the International Code on Advertising and Marketing Communication Practice and the Orion Group's Code of Conduct

and internal guidelines, both of which adhere to the principles of the European Federation of Pharmaceutical Industries and Associations (EFPIA) Codes of Practice.

The management responsibilities in our pharmaceutical sales and marketing operations have been arranged to meet the requirements of the relevant legislation in their respective countries, as well as Orion's relevant standard operational procedures and internal codes. We regularly organise training on the industry codes and Orion's principles for our sales and marketing organisation. Close collaboration with global and local medical affairs experts further ensures the compliance of the contents in the promotional and non-promotional materials, as well as in the interactions with external stakeholders for different purposes.

When preparing communications and materials, we follow the procedures determined by healthcare authorities for checking and confirming the legal, regulatory and ethical compliance of the content before the material is released for use and publication.

External supply chain

Orion has a vast network of suppliers in over 50 countries. Our supplier base provides us with packaging materials, raw materials (for example, active pharmaceutical ingredients), and products. In addition, we rely on external partners for the supply of services and materials to support our core businesses.

Our goal is to promote best-in-class responsible practices in our procurement processes together with our partners. We recognise the importance of ensuring and developing sustainable practices with our partners, as our own activities only affect a part of our value chain. For example, the majority of environmental impacts stem from our external supply chain.

Besides our own efforts, we see that a common vision and shared responsibility is an effective way to improve best practices in sustainable supply chain management. As a full member of the Pharmaceutical Supply Chain Initiative (PSCI), we endorse the PSCI principles and standards for suppliers on ethics, human rights and labour, health and safety, environment, and management systems.

Requirements for third parties

We expect our suppliers, distributors and other partners to commit to Orion’s Third Party Code of Conduct, which defines our minimum sustainability requirements. Besides regulatory requirements, it

states the key principles for business operations concerning sustainability and ethics. Third Party Code of Conduct is publicly available in Orion’s corporate website and the policy is communicated to suppliers as part of Orion’s sustainable procurement process, which includes suppliers confirming their adherence to the policy requirements. By the end of 2022, 97% (92%) of our active suppliers of packaging materials, raw materials and products had confirmed their adherence to the Third Party Code of Conduct. Regarding indirect suppliers, 93% (96%) of key suppliers confirmed adherence to the Third Party Code of Conduct in 2022.

Furthermore, we expect our product and raw material suppliers to acknowledge and adhere to Orion’s Supplier Sustainability Requirements, which sets our minimum requirements from suppliers as per our Third Party Code of Conduct. We also expect them to comply with all other requirements for management systems, safe working practices, as well as environmental, health and safety protection.

On top of these requirements, we have a risk-based approach for managing our global supply chain. Our suppliers are assessed based on their industry, location, and business criticality. We use either self-assessments or onsite audits as risk mitigation tools.

In 2022, we had a total of 27 sustainability audits. After the COVID-19 pandemic forced us to conduct

SUSTAINABLE PROCUREMENT PROCESS

REQUIREMENT	RISK		
	LOW	MEDIUM	HIGH
Third Party Code of Conduct			
Self-assessment Questionnaire			
Audit			

our sustainability audits as remote audits in the previous two reporting periods, we were able to return to having the majority of our sustainability audits as on-site audits in 2022. Some remote audits were still held in areas where onsite audits weren’t allowed due to the pandemic.

During 2022, we continued to offer capability building opportunities for our suppliers through the training sessions arranged by PSCI. Of Orion’s suppliers, 33 participated to these.

In 2022, we increased the focus on sustainability topics within our supplier relationship management process. Through common discussions with our suppliers, we have aimed at strengthening the sustainability culture within our supply chain. We

have also focused on enhancing the sustainability expertise of our personnel involved in procurement through various trainings and materials.

In 2023, we plan to map the carbon emission reduction targets within our supplier base and further improve our competence within the area of Scope 3 emissions reduction. Our aim is to proactively meet the increasing customer and market requirements now and in the future.

More information about sustainable procurement at Orion is available on Orion’s corporate website.

Human rights

At Orion, we respect internationally recognised human rights in all our activities and promote them in practice. We are committed to the principles of the Universal Declaration of Human Rights and the core conventions of the International Labour Organization (ILO) and expect the same from our partners. We do not accept activities violating human rights or participate in any such activities. We do not tolerate the use of child labour or forced labour in our own, or our suppliers or partners operations. We do not accept discrimination in any form.

The life cycle of a pharmaceutical, from R&D to patient use, is long and involves a large number of people whose rights must be protected. Significant rights holders in the value chain include Orion's own employees, the people employed in Orion's extensive supply chain and patients who use pharmaceuticals. We also recognise our responsibility for the impacts to people that come indirectly from the environmental impact of production and use of pharmaceuticals.

Human rights are integrated into our corporate governance practices and our supplier management due diligence procedures. Our Code of Conduct outlines our way of operating with regard to respecting human rights. Human rights matters are included in mandatory manager training, which, among other things, focuses on our Human Resources Policy. In line with our Human Resources Policy, employee rights are regularly

discussed in company-wide human resources information sessions.

We have conducted a corporate level human rights impact assessment in addition to our due diligence practices, which are used as a continuous process of evaluating the human rights impacts in our operations and value chain. Our sustainable procurement process includes carrying out corrective actions, when needed, and monitoring their completion. Access to remedy will be provided in cases of negative human rights impacts.

The most severe human rights risks in Orion's value chain relate to the global supply chain. We seek to promote human rights in our supply chain primarily by requiring our business partners to commit to Orion's Third-Party Code of Conduct and by applying our sustainable procurement process.

Orion has identified that the salient human rights issues in our value chain include labour rights, work safety, privacy and patient safety topics. These are the areas where we focus our human rights work on. We continuously aim to develop our human rights approach and also improve our communications on human rights to our stakeholders. Dialogue and active communications with stakeholders across our value chain that include our suppliers, partners and peers, is a way for us to carry out human rights due diligence and also to promote human rights.

In 2022, we continued to apply human rights due diligence practices with a risk-based approach. We were not made aware of any human rights violations in our own operations through the whistleblowing channel in 2022. We report on our practices on respecting human rights and the prevention of corruption and bribery as a part of the non-financial reporting in our Financial Statement documents.

"We continued to apply human rights due diligence practices with a risk-based approach."

Collaboration principles

Doctors and other healthcare professionals, as well as the organisations they work for, are important collaboration partners for the pharmaceutical industry. They supply valuable clinical expert knowledge for the development and improvement of medicinal treatments. They also may participate in Research and Development (R&D), for example in clinical trials or as advisors. Such a contribution will be under specific agreements and protocols including the clauses and instructions on the ethical ways of working. Healthcare professionals can, in turn, benefit from further education and the exchange of information offered by the pharmaceutical industry in different forums. Orion is a part of the healthcare system in Finland and each year we provide training to 13,500 healthcare professionals, including doctors, nurses, pharmacists and medical students. The more specific collaboration agreements with R&D include the appropriate compensation for their services for Orion. To increase the transparency of the different forms of interaction and the related financial compensation, Orion publicly discloses the details of its compensation to the healthcare professionals with the right to prescribe and deliver medicines. We disclose all the payments made to healthcare professionals based on the work done for all the countries in which we have our own operations. We do not make any payments to healthcare professionals for promotional purposes. Disclosure reports are available on Orion's corporate website.

The information we share with doctors, pharmacies, and patients on medicinal products follows the product characteristics confirmed by regulatory medicinal authorities based on the results of the research and the data collected in clinical use.

Collaboration with patient organisations

Patient organisations are formed around a particular disease or disability, and they support patients in many ways, for example by providing information, training, lobbying, peer support, rehabilitation, and organising events. Orion is committed to partnering with the patient organisations and the community from the early R&D phase to make a difference where it truly matters.

Orion supports patients, families, caregivers and healthcare professionals through the journey of diagnosis, treatment and the care of people impacted in any of Orion's core therapeutic areas. We participate in diverse initiatives by, for example, supporting awareness days and family days, as well as running surveys, publications and educational programs that help patients and communities to gain a voice and get peer support.

Additionally, we facilitate advisory boards and working groups to bring together patient organisations, patient representatives, and

healthcare professionals to better understand the needs and everyday life of patients. This helps us to develop products and solutions that truly meet the patients' needs and result in better patient outcomes.

During collaborations, we are committed to the commonly agreed codes of practice on the relationships between pharmaceutical companies and patient organisations. The codes ensure ethical, compliant, and transparent collaboration with patient organisations. They emphasise the patient organisations' integrity and the independence of pharmaceutical companies. Direct and indirect support to patient organisations must be transparently disclosed and provided, without any terms restricting competition or the supported organisation's freedom of activity.

More detailed information on our collaboration with patient organisations is reported annually on our corporate website. The reports provide details of each collaboration and cover all the countries in which we have our own marketing organisation for pharmaceuticals.

“Orion supports patients, families, caregivers and healthcare professionals through the journey of diagnosis, treatment and the care of people impacted in any of Orion's core therapeutic areas.”

Economic responsibility

We create value to our stakeholders and society, and our aim is to ensure the economic sustainability of our operations over the coming years. We have set objectives for our profit development and financial position to ensure economic stability, create a solid foundation for long-term profitable growth, and enable operations and profitability even in economically challenging times.

Through the financial objectives, we aim to develop the Group’s shareholder value and ensure financial stability and profitable growth. Our financial objectives are:

- Growing net sales more rapidly than growth of the pharmaceuticals market. Achievement of this objective requires continuous investment in development of the product portfolio.
- Maintaining profitability at a good level. The aim is operating profit that exceeds 25% of net sales.
- Keeping the equity ratio at least 50%.
- Distributing an annual dividend that in the next few years will be at least EUR 1.30 per share and increasing the dividend in the long term.

Events that occur in the short term may cause a deviation from the objectives.

According to our dividend policy, we consider the distributable funds, the capital expenditure, and other financial requirements in the medium- and long term.

Despite the challenging economic situation and the changing business environment in recent years, we have been able to grow, operate profitably, and pay good dividends to our shareholders.

We are committed to paying all legally due taxes and meeting all disclosure requirements in the countries where we operate. We have paid the taxes due on our good and stable financial results regularly and on time. In 2022, our taxes and withholding taxes amounted to EUR 165 million (131 million).

Our largest direct economic impacts come from the employment opportunities we provide.

Our shareholder base is diverse, with 79,426 registered shareholders at the end of 2022. The largest shareholder group consists of private Finnish households, which held about 38% of our total shares and 61% of the total votes at the end of 2022.

Donations

Most of the annual donations made by the Orion Group are based on the Annual General Meeting and its decision to donate a part of Orion’s distributable funds to medical research and other purposes of public interest. The Board of Directors decides on the allocation of the donations, and they are granted in accordance with our Donations Policy.

The John Nurminen Foundation, which works to protect the Baltic Sea and its heritage, has been the prioritised charitable organisation receiving financial support from us. Orion has been one of the main partners of the John Nurminen Foundation since 2018. In 2022, we supported the foundation’s operations by donating EUR 50,000 and by raising awareness on protecting the Baltic Sea in many ways. We also called on our customers in Finland to take action through campaigns in pharmacies and raised our employees’ awareness by internal communications campaigns.

Orion continues to support Ukraine in the country’s fight against Russian invasion. In February 2022, we donated EUR 51,000 to aid relief efforts in Ukraine through the Finnish Red Cross.

Orion share dividend per share, 2011–2021



Donations for purposes of public interest, EUR¹

	2020	2021	2022
Donations	250,000	350,000	350,000

¹ Most of the annual donations made by the Orion Group for purposes of public interest are based on the decisions of the Annual General Meeting (AGM). Therefore the reporting period is from AGM to AGM, not a calendar year.

MANAGEMENT OF BUSINESS ETHICS AND TRANSPARENCY

MANAGEMENT APPROACH

We maintain strict ethical standards and act responsibly in all situations. Together with our partners we are building a transparent and sustainable business.

MATERIAL DISCLOSURE TOPICS

Material Orion topics:

- CoC training.
- Anti-corruption and anti-bribery training.
- Human rights violations in our own operations reported in the whistleblowing channel.
- Active packaging material, raw material and product suppliers confirmed adherence to Third Party Code of Conduct (CoC).
- Supplier environmental and social assessment: GRI 308-1, GRI 414-1.

POLICIES AND COMMITMENTS

Respecting internationally recognised human rights, the principles of the Universal Declaration of Human Rights and the core conventions of the ILO. Expecting the same from our partners.

CoC, Anti-Corruption Policy, Corporate Governance Manual, Third Party CoC, Supplier Sustainability Requirements.

GOALS AND TARGETS

- All employees trained on CoC principles.
- All salaried and senior salaried employees regularly trained on anti-corruption and bribery matters. All new employees trained.
- 100% of active packaging material, raw material and product suppliers adhere to Third Party CoC.

RESPONSIBILITIES AND RESOURCES

- Executive Management Board (EMB): reviews and approves the CoC and other policies and operating principles.
- The CFO: member of the Group’s EMB. Heads financial affairs, incl. financial reporting.
- The Legal Affairs function: monitors current legislation, proposes changes and incorporates them into practice. Responsible for providing advice and training on the CoC and other related matters.
- The Corporate Responsibility function: Group-level sustainability expert, responsible for driving sustainability initiatives, supporting processes and practices and coordinating reporting. Developing human rights due diligence processes.
- The Global Medical Affairs function and the Medical Affairs in subsidiaries: coordinates marketing communication. Confirms its compliance with national and transnational regulations.
- The Group’s Procurement and Quality Assurance organisations: responsible for following up and monitoring suppliers’ ability to meet our requirements.

GRIEVANCE MECHANISMS

Process for reporting misconduct. All reports are investigated and if appropriate, case-specific measures will be taken to stop activities violating our policies.

EVALUATION OF MANAGEMENT APPROACH

Monitoring compliance with legal and regulatory matters, internal guidelines, and human rights principles, according to our corporate governance practices. Supply chain risks managed and monitored through due diligence practices.

Reporting principles and key figures

The Orion Sustainability Report 2022 includes information about Orion's sustainability performance and major milestones during 2022. The report refers to the Global Reporting Initiative (GRI) Standards. GRI content index and sustainability key figures are located at the end of the report.

[➤ READ MORE](#)

Reporting principles and key figures

Orion has reported on its sustainability performance since 2009. In addition, non-financial information has been included in Orion’s Financial Statements documents since 2017. A materiality analysis conducted in 2018 is the basis for defining our reporting scope and indicators. Materiality is assessed continuously based on stakeholder feedback from several channels and modes of interaction.

Orion Corporation has reported in accordance with the GRI Standards for the period 1.1.–31.12.2022. Supporting the material GRI indicators, we have also established some Orion-specific indicators that reflect our practices and processes to ensure the quality of our products and their safety for patients.

The reports contents, material topics and topic boundaries have been defined in accordance with the GRI 101 Foundation standard and principles for defining report content. A list of material topics can be found on the GRI content index in this report on pages 67–74.

The materiality, principles and boundaries used in this report, as well as the key stakeholder groups, have been confirmed by Orion’s Executive Management Board, which also approves this report for publication.

The scope of our reporting

Entities included in the organisation’s sustainability reporting

Our sustainability report principally covers Group-wide operations. The data represents all our operational locations and is reported according to the Group structure. A list of Orion Group entities can be found on page 92 of the Financial Statement Documents 2022. Data is consolidated on the Group level. Reporting is conducted according to materiality principles and therefore insignificant units may be excluded from reporting if there is no material impact on the Group-level figures.

In June 2022, Orion acquired animal health company V.M.D. NV (“VMD”). Entities included in Orion’s sustainability reporting deviates from the Financial Statements Documents 2022 when it comes to the new VMD units. Orion is in the process of integrating the new VMD business units into Orion’s sustainability policies and risk management practices. This integration will continue during 2023 and once completed, Orion will include the new business units in its sustainability reporting indicators and results. This will include a description of the VMD business units’ impact on Orion Corporation’s value chain and business relationships. The new business units

have been partially included in the 2022 reporting indicators and this is described on an indicator-by-indicator basis and the new units are referred to as VMD units.

Environmental management data, except for energy and greenhouse gas emissions (scope 1 and 2) data, only includes Orion’s sites in Finland. Energy and greenhouse gas emissions (scope 1 and 2) data also includes VMD production units in France and Belgium. Other operational units outside of Finland are primarily marketing or liaison offices that market our pharmaceutical products and operate in leased offices. Greenhouse gas emissions from Orion’s operations (scope 1 and 2) and value chain (scope 3) are reported according to the GHG Protocol.

Selected occupational health data includes only employees located in Finland.

Personnel data and data on Orion-specific topics covers the entire Orion Group with the exception of the VMD units, which are under an integration process as described above. Personnel data is collected according to local legislation. This includes data on personnel diversity characteristics, such as gender.

Reporting period, frequency and contact point

Our sustainability reporting is published annually and the reporting period is 1 January 2022 to 31 December 2022, unless otherwise specified, and this is aligned with the reporting period of Orion Corporation’s financial reporting. The previous fiscal year’s figures are shown in brackets for selected indicators. The Orion Group Sustainability Report 2022 is published on 27.4.2023.

The contact point for questions about the report:

Orion Corporation
Orionintie 1A, P.O. Box 65
FI-0210 Espoo, Finland
Phone: +358 10 4261

www.orion.fi/en

GRI content index

STATEMENT OF USE	Orion Corporation has reported in accordance with the GRI Standards for the period January 1–December 31, 2022.
GRI 1 USED	GRI 1: Foundation 2021
APPLICABLE GRI SECTOR STANDARD(S)	n/a

Abbreviations: Sustainability Report 2022 = SR, Corporate Governance Statement 2022 = CG, Financial Statement documents 2022 = FS, Remuneration Report 2022 = RR

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION				COMMENTS	ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
GENERAL DISCLOSURES							
GRI 2: General Disclosures 2021	2-1 Organizational details	See comments. For countries of operation, see SR 5 .				Orion Corporation is a public company and its shares are listed on the Nasdaq Helsinki. Orion's headquarters is located at Orionintie 1 A FI-02200 Espoo, Finland	
	2-2 Entities included in the organization's sustainability reporting	SR 66					
	2-3 Reporting period, frequency and contact point	SR 66					
	2-4 Restatements of information	See comments. SR 77				Restatements of information are described indicator-by-indicator basis alongside with the reported information.	
	2-5 External assurance	SR 79					
	2-6 Activities, value chain and other business relationships	SR 4–5 , 60 , 66					
	2-7 Employees	SR 47					
	2-8 Workers who are not employees	See comments				In addition to Orion's own employees, agency workers are working in Orion's operations. Agency workers are mainly working as sales representatives and some as office employees. In 2022, there were 128 agency workers working in Orion's operations globally. Reporting includes agency workers and is based on worker headcount at Dec 31.	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION				COMMENTS	ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	<u>CG 2-4, 6-10; SR 55</u>	2-9-c-vi; 2-9-c-vii	Information unavailable/ incomplete	Information is not collected. All personal data is collected within according to the local legislation.		
	2-10 Nomination and selection of the highest governance body	<u>CG 2</u>					
	2-11 Chair of the highest governance body	<u>CG 6</u>				Chairman of the Board of Directors is not a senior executive of Orion Corporation.	
	2-12 Role of the highest governance body in overseeing the management of impacts	<u>SR 17-19; CG 2-3</u>				Stakeholder engagement is partially delegated to the organisation.	
	2-13 Delegation of responsibility for managing impacts	<u>SR 17</u>					
	2-14 Role of the highest governance body in sustainability reporting	<u>SR 17</u>					
	2-15 Conflicts of interest	<u>CG 6, 19-21</u>				Orion Corporation follows the rules laid out in the applicable laws and regulations (inter alia, the Finnish Corporate Governance Code) on disclosing conflicts of interests. Cross-board memberships are reported in Board of Directors' resumés in Orion Corporation's website.	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION				COMMENTS	ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	SR 59; FS 27	2-16-b	Not applicable	<p>Orion Corporation follows the rules laid out in the applicable laws and regulations (inter alia, in the Finnish Companies Act, the EU Market Abuse Regulation and the Finnish Corporate Governance Code) on disclosing critical concerns to the highest governance body and on external disclosures regarding both its corporate governance and the disclosure obligation on the securities markets.</p> <p>See also FS 27 for the number of human rights related violations reported through the whistleblowing channel.</p>		
	2-17 Collective knowledge of the highest governance body	SR 17				Sustainability topics are regularly discussed in the Board of Directors and committees' meetings.	
	2-18 Evaluation of the performance of the highest governance body	CG 6-7					
	2-19 Remuneration policies	RR 2-3; Remuneration on corporate website	2-19-a-ii; 2-19-a-v	Not applicable	<p>Sign-on bonuses or recruitment incentive payments are not used.</p> <p>Senior executives have no supplementary pension arrangements as on 31 Dec 2022.</p>		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION				COMMENTS	ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	CG 2; Remuneration Policy; AGM				Results of votes of stakeholders (incl. shareholders) on remuneration policies, reports and proposals of remuneration of the Board of Directors are reported at AGMs, if applicable.	
	2-21 Annual total compensation ratio	RR 4	2-21-a; 2-21-b; 2-21-c	Information unavailable/ incomplete	The development of the President and CEO's as well as Orion employees' average remuneration incl. salary and performance-based bonuses are reported as per the Finnish Corporate Governance Code.		
	2-22 Statement on sustainable development strategy	SR 6					
	2-23 Policy commitments	SR 59; FS 20, 26; CG 12–21; Code of Conduct; Third Party Code of Conduct					
	2-24 Embedding policy commitments	SR 59, 60; FS 20, 26					
	2-25 Processes to remediate negative impacts	SR 59, 60; FS 20, 26					
	2-26 Mechanisms for seeking advice and raising concerns	SR 59, 60; FS 20, 26					
	2-27 Compliance with laws and regulations	SR 59					
	2-28 Membership associations	SR 20					
	2-29 Approach to stakeholder engagement	SR 18–19					
2-30 Collective bargaining agreements	SR 48						

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED			COMMENTS	ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
MATERIAL TOPICS							
GRI 3: Material Topics 2021	3-1 Process to determine material topics	<u>SR 13, 66</u>					
	3-2 List of material topics	<u>SR 28, 43, 56, 64</u>					
Anti-corruption							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>FS 26–27; SR 59</u>					
GRI 205: Anti- corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	<u>FS 27; SR 59</u>					
Materials							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 38</u>					
GRI 301: Materials 2016	301-1 Materials used by weight or volume	<u>SR 76</u>					
Energy							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 31–32, 43; FS 20–21</u>					
GRI 302: Energy 2016	302-1 Energy consumption within the organization	<u>SR 76</u>					x
	302-4 Reduction of energy consumption	<u>SR 76</u>					x
Water and effluents							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 39–43</u>					
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	<u>SR 39–40</u>					
	303-2 Management of water discharge-related impacts	<u>SR 39–40</u>					
	303-3 Water withdrawal	<u>SR 39, 76</u>					
	303-4 Water discharge	<u>SR 39, 76</u>					
	303-5 Water consumption	<u>SR 39, 76</u>					

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION				COMMENTS	ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
Emissions							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 31–32, 43; FS 20–21</u>					
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	<u>SR 77</u>					x
	305-2 Energy indirect (Scope 2) GHG emissions	<u>SR 77</u>					x
	305-3 Other indirect (Scope 3) GHG emissions	<u>SR 77</u>					
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	<u>SR 77</u>				Reporting incl. VOC emissions.	
Waste							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 40–43</u>					x
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	<u>SR 40–42</u>					x
	306-2 Management of significant waste-related impacts	<u>SR 40–42</u>					x
	306-3 Waste generated	<u>SR 41, 76</u>					x
	306-4 Waste diverted from disposal	<u>SR 41</u>				Onsite waste not within assurance scope.	x
	306-5 Waste directed to disposal	<u>SR 41</u>				Onsite waste not within assurance scope.	x
Supplier environmental assessment							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 60, 64</u>					
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	<u>SR 60</u>				Screening covers all active packaging material, raw material and product suppliers.	x
Employment							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 48–50, 56</u>					
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	<u>SR 49</u>					

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED			COMMENTS	ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
Occupational health and safety							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 51–52, 56</u>					
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<u>SR 51–52</u>					x
	403-2 Hazard identification, risk assessment, and incident investigation	<u>SR 51–52</u>					x
	403-3 Occupational health services	<u>SR 46–48</u>					x
	403-4 Worker participation, consultation, and communication on occupational health and safety	<u>SR 51–52</u>					x
	403-5 Worker training on occupational health and safety	<u>SR 51–52</u>					x
	403-6 Promotion of worker health	<u>SR 51–52</u>					x
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<u>SR 51, 59</u>					x
	403-9 Work-related injuries	<u>SR 52–53</u>				Number of injuries and rate of contractors not within assurance scope.	x
Training and education							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 49–50</u>					
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	<u>SR 46, 49–50</u>					
Diversity and equal opportunity							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 54; CG 7</u>					
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	<u>SR 55</u>					

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED			COMMENTS	ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
Supplier social assessment							
GRI 3: Material Topics 2021	3-3 Management of material topics	<u>SR 60, 64</u>					
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	<u>SR 60</u>				Screening covers all active packaging material, raw material and product suppliers.	x
Orion specific topics							
Own indicator	Pharmaceutical product availability in Finland	<u>SR 75</u>					x
Own indicator	GxP audits undertaken by Orion	<u>FS 29; SR 75</u>					x
Own indicator	GxP audit/inspections of Orion's operations	<u>FS 29; SR 75</u>					x
Own indicator	Product recalls	<u>SR 75</u>					x
Own indicator	Hazardous waste per total waste	<u>SR 76</u>					x
Own indicator	Absence due to illness	<u>FS 26; SR 46</u>					x
Own indicator	Code of Conduct training	<u>FS 27; SR 59</u>					x
Own indicator	Anti-corruption and anti-bribery training	<u>FS 27; SR 59</u>					x
Own indicator	Human rights violations in our own operations reported in the whistleblowing channel	<u>FS 27; SR 61</u>					
Own indicator	Active packaging material, raw material and product suppliers confirmed adherence to Third Party Code of Conduct	<u>SR 75</u>					x
Own indicator	Sustainability audits to suppliers	<u>SR 75</u>					x

Key figures

PATIENT SAFETY AS A TOP PRIORITY	2020	2021	2022
Product recalls total, pcs	9	12	6
Product recalls, medicinal products, pcs	9	8	4
Class 1 (Critical)	1	0	0
Class 2 (Major)	0	1	0
Class 3 (Minor)	8	7	4
Product recalls, non-medicinal products, pcs	0	4	2
Number of GxP inspections/audits conducted to Orion's operations¹	37	43	63
Inspections by authorities	8	11	12
Audits by collaboration partners	29	32	51
Critical observations in authority inspections	0	0	0
Non-compliances from authority inspections	0	0	0
Number of GxP audits undertaken by Orion¹	141	256	281
Critical observations	2	7	1
Rejections	3	3	1
Number of customer complaints about the Pharmaceutical business (ppm²)	76	65	60
Pharmaceutical product availability in Finland	96	98	97

¹ Inspections and audits of Good Practices (GxP). ISO 13485 audits included from 2021 onwards.

² ppm = parts per million packages sold.

ETHICS AT THE CORE OF OUR BUSINESS	2020	2021	2022
Code of Conduct training, number of participants ^{1,2}	3,410	653	682
Anti-corruption and anti-bribery training, number of participants ¹	407	532	1,800
Active packaging material, raw material and product suppliers confirmed adherence to Third Party CoC, %	98	92	97
Sustainability audits to suppliers, pcs	6	20	27
Critical observations	0	0	0

¹ Participants in training: all individuals who completed the training in the course of the year, incl. those in part-time, temporary and past employment.

² VMD employees are included to training participants as of 2022.

FINANCIAL PERFORMANCE	2020	2021	2022
Net sales, EUR million	1,078.1	1,041.0	1,340.6
Operating profit, EUR million	280.1	243.3	439.6
% of net sales	26.0%	23.4%	32.8%
Profit before taxes, EUR million	278.3	242.3	440.3
% of net sales	25.8%	23.3%	32.8%
Income tax expense, EUR million	58.4	48.5	90.8
R&D expenses, EUR million	123.2	117.7	135.8
% of net sales	11.4%	11.3%	10.1%
Capital expenditure, EUR million ¹	48.5	85.4	109.6
% of net sales	4.5%	8.2%	8.2%
Assets total, EUR million	1,115.6	1,114.0	1,503.6
Equity ratio, %	66.7%	68.1%	60.9%
ROCE (before taxes), %	34.8%	28.8%	45.1%
ROE (after taxes), %	29.1%	26.2%	42.2%
Personnel expenses, EUR million	227.0	231.0	263.9

¹ Excluding acquired in business combinations.

ACTIVE WORK FOR A BETTER ENVIRONMENT	2020	2021	2022
Production volumes by type of product total, tonnes	2,372	2,088	2,249
Tablets	958	860	895
Injection products	45	42	38
Gels and ointments	908	822	905
Liquid preparations	244	154	211
Active pharmaceutical ingredients, API	217	210	201
Use of materials total, tonnes	16,131	16,445	11,439
Hazardous chemicals (excl. solvents)	3,714	3,387	2,960
Non-hazardous chemicals	1,435	1,953	1,178
Virgin solvents	4,689	4,889	5,189
Regenerated solvents	1,684	2,174	2,113
Packaging materials	4,610	4,042	4,821
Share of recycled materials (recycled solvents) of total materials	18%	17%	18%
Waste tonnes offsite, total¹	16,306	19,999	15,715
Hazardous waste tonnes (offsite)	13,281	13,687	13,096
Hazardous waste per total waste (offsite), %	81%	68%	83%
Construction waste total, tonnes	246	3,835	428
Hazardous construction waste total, tonnes	3	81	2
Water withdrawal and consumption total, 1,000 m³:	302	266	259
Orion Corporation	232	197	192
Fermion Oy	70	70	67

¹ Total generated waste (incl. waste diverted & disposed) that is directed offsite. Figure includes both process waste and construction waste.

ACTIVE WORK FOR A BETTER ENVIRONMENT	2020	2021	2022
Wastewater discharges			
Volume, m ³	306,222	267,888	254,061
BOD, tonnes	433	499	437
COD, tonnes	677	683	689
TSS, tonnes	20	16	12
Nitrogen, tonnes	10	13	14
Phosphorous, tonnes	0.8	0.6	0.7
Energy consumption total, MWh^{2,3}	151,303	156,707	154,832
Direct energy consumption total, MWh	15,126	16,197	17,709
Light fuel oil	486	495	711
Natural gas	14,640	15,701	16,959
Company-owned solar farm	0	0	39
Indirect energy consumption total, MWh	136,176	140,510	137,123
District heat	39,244	43,535	43,395
Steam	29,009	29,239	23,632
Electricity	67,923	67,735	70,096
Energy consumption by reporting unit, MWh²			
Orion Corporation	103,075	108,008	105,066
Fermion Oy	48,228	48,699	46,994
VMD	n/a	n/a	2,772
Energy savings, MWh^{2,4}	237	7,349	858
Electricity	237	-1,085	508
Heat	0	8,434	200
Fuels	0	0	150
Energy Efficiency Programme targets achieved ⁵	53%	114%	121%

² VMD production plants in France and Belgium are included to the figures as of July 2022.

³ Orion Group's properties that do not contribute significantly to the total and have no production operations, such as rented offices, are excluded from reporting.

⁴ Energy savings are estimates calculated in compliance with the guidelines of the Energy Authority.

⁵ Joint Energy Efficiency Programme 2017–2025 target for the members of the Confederation of the Finnish Industries (EK). The energy savings target for 2025 is 7.5% of the energy consumption in 2016.

ACTIVE WORK FOR A BETTER ENVIRONMENT	2020	2021	2022
CO₂e emissions total, tonnes	18,611	273,405	308,475
Scope 1, direct emissions ²	3,102	4,403	5,110
Scope 2, indirect emissions (market-based) ²	15,509	13,692	12,934
Scope 2, indirect emissions (location-based) ²	22,286	20,038	18,936
Scope 3:	n/a	255,310	290,430
Raw materials, active pharmaceutical ingredients, packaging (purchased goods and services)	n/a	168,510	170,280
Investments in our production facilities (capital goods)	n/a	14,920	16,690
Fuel and energy - related activities	n/a	3,470	3,910
Upstream transportation and distribution	n/a	23,800	53,710
Waste generated in operations	n/a	13,300	15,230
Business travel	195	170	660
Employee commuting	n/a	2,610	2,550
Downstream transportation and distribution	n/a	18,750	21,030
Processing of sold products	n/a	1,460	760
Use of sold products	n/a	5,260	1,210
End-of-life treatment of sold products	n/a	440	4,080
Downstream leased assets	n/a	2,620	320
Other significant air emissions, tonnes			
Volatile organic compounds (VOC)	95	75	46
Environmental expenditures and investments total, EUR 1,000	6,093	10,702	9,876
Environmental investments	1,064	3,412	2,303
Environmental protection expenses	5,029	7,290	7,573

² VMD production plants in France and Belgium are included to the figures as of July 2022.

Scope 1: Emission factors from Statistics Finland, DEFRA, ADEME and suppliers.

Scope 2 (market-based): CO₂ emissions only, no equivalents from other possible greenhouse gas emissions calculated. Emission factors from energy suppliers and ADAME. 2021 figures restated due to refinement of the calculation of the emission factor.

Scope 2 (location-based): CO₂ emissions only, no equivalents from other possible greenhouse gas emissions calculated. Emission factors from service provider, ADAME and VREG.

Scope 3:

Purchased goods and services: Emissions calculated based on spend and volume. Emissions factors from DEFRA, HSY and country specific proxy factors based on own operations. 2021 figures restated due to refinement of the calculation of the emission factors.

Capital goods: Emissions calculated based on spend. Emission factors from DEFRA. 2021 figures restated due to refinement of the calculation of the emission factors.

Fuel and energy – related activities: Emissions calculated based on fuel and energy usage. Emission factors from DEFRA and SYKE. Only operations in Finland are included.

Upstream transportation and distribution: Emission information provided by suppliers and calculated based on spend. Spend based emission factors from DEFRA.

Waste generated in operations: Emission information provided by supplier and calculated based on volume. Volume based emission factors from HSY. Only operations in Finland are included.

Business travel: Reporting 2020–2021 incl. CO₂ emissions only, no equivalents from other possible greenhouse gas emissions calculated. Emission information provided by supplier. Includes only air travel and covers over 80% of employees.

Employee commuting: Emissions calculated based on employee survey. Only considers operations in Finland, remote work is not considered.

Downstream transportation and distribution: Emissions calculated based on volume. Emission factors from DEFRA.

Processing of sold products: Emissions calculated based on volume. Emission factors are proxy factors based on own operations.

Use of sold products: Emissions calculated based on volume. Emission factors from DEFRA. Only direct use included.

End-of-life treatment of sold products: Emissions calculated based on volume. Emission factors are proxy factors based on own operations.

Downstream leased assets: CO₂ emissions only, no equivalents from other possible greenhouse gas emissions calculated. Emission information provided by supplier. Only operations in Finland.

All scope 3 emissions categories are calculated as CO₂e unless otherwise stated.

CARE FOR WELL-BEING PROFESSIONALS	2020	2021	2022
Absenteeism due to illness, hours ¹	172,188	153,459	206,381
Absence due to illness ^{1,2}	3.0%	3.1%	4.1%
Absenteeism due to injuries, hours ¹	2,272	3,040	4,448
Work time lost due to absenteeism, hours ¹	174,460	156,499	210,829
Absentee rate, all absences ¹	3.4%	3.1%	4.2%
Theoretical working hours ¹	5,187,059	4,968,424	5,006,753
Lost time incident frequency, LTIF 1, Orion Group ³	3.6	4.8	3.7
Working hours, Orion Group ^{3,4}	4,431,474	4,142,821	5,453,750
Target injury frequency rate LTIF 1, Orion Group	3.0	3.0	3.0
Lost time incident frequency, LTIF 1, Orion Group excl. VMD	n/a	n/a	3.2
Working hours, Orion Group excl. VMD ⁴	n/a	n/a	5,322,526
Injuries, total⁵	39	47	52
Workplace injuries causing absence of 3 or more days	9	14	15
Workplace injuries causing absence of less than 3 days	7	6	2
Workplace injuries causing absence, total	16	20	17
Workplace injuries causing no absence	5	6	10
Workplace injuries, total	21	26	27
Commuting injuries	18	21	25
Fatalities	0	0	0
Safety observations ⁵	2,492	2,427	2,871

¹ Reporting covers Orion Group employees in Finland.

² Hours of absence due to illness as percentage of total theoretical working hours of Company personnel.

³ VMD employees in production sites in France and Belgium are included as of July 2022. 2020–2021 reporting covers Orion Group operations in Finland.

⁴ For operations in Finland and in production sites in France and Belgium actual working hours are used. For Orion Pharma subsidiaries in Europe and Asia-Pacific estimated working hours are used.

⁵ Reporting covers Orion Group operations, excl. VMD units. 2020–2021 reporting covers Orion Group operations in Finland.

CARE FOR WELL-BEING PROFESSIONALS	2020	2021	2022
Personnel at 31 Dec ⁶	3,311	3,355	3,337
Average personnel during the year ⁶	3,337	3,364	3,361
Number of employees by region at 31 Dec⁶	3,311	3,355	3,337
Finland	2,615	2,617	2,648
Other Nordic countries	85	80	76
Germany	94	106	108
UK and Ireland	51	53	56
Russia	75	79	34
India	146	149	143
Other countries	245	271	272
Employees outside Finland total	696	738	689
Number of employees by reporting unit at 31 Dec⁶	3,311	3,355	3,337
Orion Corporation	2,275	2,266	2,286
Fermion Oy	364	374	381
Foreign subsidiaries	672	715	670
Number of employees by employee category at 31 Dec⁶	3,311	3,355	3,337
Employees	731	733	756
Salaried employees	1,229	1,241	1,181
Senior salaried employees	1,351	1,381	1,400
Average duration of employment, years ⁶	11.3	11.4	11.5

⁶ Full-time equivalent

Independent practitioner's limited assurance report

To the Management of Orion Corporation

We have been engaged by the Management of Orion Corporation (hereinafter also the "Company") to perform a limited assurance engagement on selected sustainability information for the reporting period 1 January 2022 to 31 December 2022, disclosed in the Non-financial reporting in the Report by the Board of Directors in Orion Financial Statement documents 2022 and in the Targets and performance table in Orion Sustainability Report 2022 (hereinafter the Selected sustainability information).

Selected sustainability information

The selected sustainability information within the scope of assurance covers the social and environmental sustainability indicators as identified in the GRI content index included in the Orion Sustainability Report 2022.

Management's responsibility

The Management of Orion Corporation is responsible for preparing the Selected sustainability information in accordance with the Reporting criteria as set out in Orion Corporation reporting instructions described in Orion Group's Sustainability Report 2022, and the GRI Standards of the Global Reporting Initiative (collectively Reporting criteria).

The Management of Orion Corporation is also responsible for such internal control as the management determines is necessary to enable the preparation of the Selected sustainability information

that is free from material misstatement, whether due to fraud or error.

Practitioner's independence, other ethical requirements and quality control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

PricewaterhouseCoopers Oy applies International Standard on Quality Control (ISQC) 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibility

Our responsibility is to express a limited assurance conclusion on the Selected sustainability information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information". This Standard requires that we plan and perform the engagement to obtain limited assurance

about whether the Selected sustainability information is free from material misstatement.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement. An assurance engagement involves performing procedures to obtain evidence about the amounts and other information in the Selected sustainability information. The procedures selected depend on the practitioner's judgment, including an assessment of the risks of material misstatement of the Selected sustainability information.

Our work consisted of, amongst others, the following procedures:

- Interviewing senior management of the Company.
- Visiting Salo and Oulu sites in Finland.
- Interviewing employees responsible for collecting and reporting the information presented in the Selected sustainability information at the group level as well as at the site level.
- Assessing how Group employees apply the reporting instructions and procedures of the Company.
- Testing the accuracy and completeness of the information from original documents and systems on a sample basis.
- Testing the consolidation of information and performing recalculations on a sample basis.
- Considering the disclosure and presentation of the Selected sustainability information.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Orion Corporation's Selected sustainability information for the reporting period 1 January 2022 to 31 December 2022 is not properly prepared, in all material respects, in accordance with the Reporting criteria.

When reading our limited assurance report, the inherent limitations to the accuracy and completeness of sustainability information should be taken into consideration.

Our assurance report has been prepared in accordance with the terms of our engagement. We do not accept, or assume responsibility to anyone else, except to Orion Corporation for our work, for this report, or for the conclusions that we have reached.

Helsinki, 9 February 2023

PricewaterhouseCoopers Oy

Mikael Niskala
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ESG Reporting
& Assurance

Tiina Puukkoniemi
Partner, Authorised
Public Accountant
ESG Reporting
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