



# SUSTAINABILITY REPORT

By conducting operations in a sustainable and responsible way, Surgical Science generates long-term value for the company's stakeholders; customers, shareholders and employees, as well as for society and the environment. A long-term business model requires a sustainability perspective where social, ecological and economic values are included in the value chain.

## Surgical Science's approach to sustainability

Surgical Science's mission is to assist in the challenges faced in the healthcare sector to reduce healthcare-related injuries in a way that is safe to patients. The company's overall purpose is to improve patient safety and outcomes in healthcare through validated, customized medical simulation training. The vision is that all patients who are on their way to the operating room should feel reassured that their physician has been trained

and objectively certified in a safe, simulated environment before the procedure. Surgical Science achieves this by offering unique products and simulation solutions where surgeons and other medical specialists can practice before operating on patients. Surgical Science works on an ongoing basis to improve the company's core technology, the design of the products, and the various production processes in order to maintain and improve the already high quality of the solutions.

The company's operations improve sustainability in society as medical simulation increases patient safety and improves control over healthcare costs as resource waste is reduced. Surgical errors can have serious consequences, in terms of both patient suffering and high costs in the healthcare economy. Computer-based simulation increases efficiency in healthcare, lowers costs in a patient-safe manner, and provides better outcomes which in turn improves patients' quality of life. Studies have found that training with simulation accelerates learning to make it nine times more likely that a procedure will be performed successfully.

In the business process of developing the simulators, sustainability is an ever-present concept from the outset of the design phase, throughout production and the supply chain, to the use and service of the products. The aim is to design products that have a long life and limited environmental impact, that consist of recyclable materials, and that have minimal climate impact during transport and use.

Surgical Science's structure is such that its various functions collaborate globally. Sustainability is a crucial issue in attracting and retaining the talent the company needs to run a successful business.

Surgical Science's head office is located in

For Surgical Science, sustainability is an important issue in attracting and retaining talent.

Gothenburg, Sweden and the company has operations in Tel Aviv, Stockholm, Seattle, and Cleveland. Within software development and sales, there are also staff in countries such as Germany and China. The company's employees work together on a global plane within the following functions:

- Purchasing, production and distribution
- Research and development
- Quality assurance and quality control
- Marketing and sales
- Administration (HR, IT, Finance)
- Service and support

Surgical Science's sustainability work is in line with the company's approach of being at the technological forefront and, in all respects, being a modern and responsible company. The company's products help to make society more



The benefits of simulation in medical training

Simulation prepares the surgeon without putting the patient at risk

Accelerates the learning curve<sup>1</sup>

More likely to perform a successful procedure<sup>2</sup>

9X

1. Christian Larsen - Effect of VR training – British Med J 2009  
2. Agha RA, Fowler AJ. The role and validity of surgical simulation. Int Surg. 2015

sustainable, and Surgical Science as a company must also be part of this transition. As the company grows, such as by way of acquisitions in recent years, so do the external sustainability demands placed on the company. Surgical Science's stakeholders have expectations when it comes to the company's sustainability efforts and information about these. The company will apply CSRD in its 2025 annual report, but is already preparing the report in order to comply with future standards.

### Operational and sustainability management

A sustainability perspective must permeate every function and component of the business. Representatives from production, HR, and finance are currently responsible for pursuing these efforts together with the rest of the business. This working group reports to the CFO who is part of the company's global management team. Ultimately, it is the board's responsibility to establish appropriate and effective risk management systems. During the year, the board underwent training in the new regulations that are being introduced. The CFO has been delegated responsibility for the ongoing work.

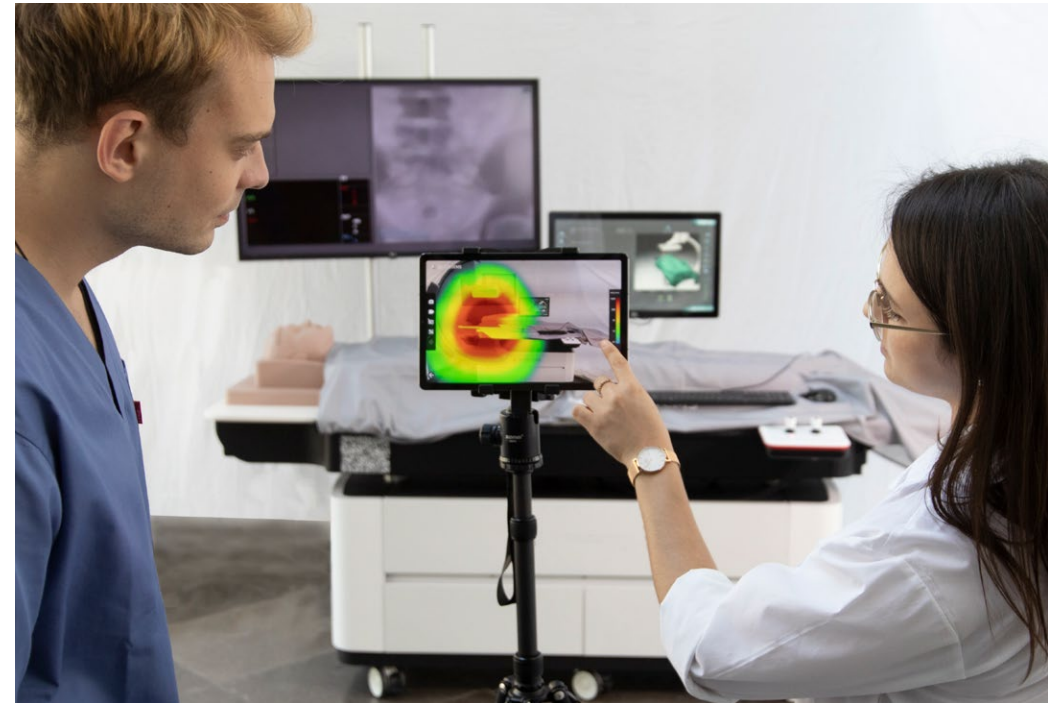
### Business model

Within Educational Products, Surgical Science sells turnkey products under its own brand

consisting of a hardware platform and software modules that are sold with basic training programs with add-ons available for specific areas. Sales of most of Surgical Science's products generate primarily a larger one-off income, however end customers (mainly hospitals) can rent some of the products. Surgical Science's simulators are sold in more than 60 countries both through distributors and in-house directly to end customers. The US is the largest direct market.

The Industry/OEM business model consists of development revenues for adapting Surgical Science's software to the medical device company's hardware platform, and license revenue that can be per unit or on a rolling basis. In addition to generating long-term cash flows, these projects mean that Surgical Science itself gains new experience that enables it to further develop its own software assets. In this area, Surgical Science can be both a development partner for simulation software that becomes embedded in the client's products, as well as a supplier of its own simulators to OEM customers.

In both business areas, the aim is to maximize the use of the hardware platforms with the help of software. A hardware platform is, in this context, a number of computers that, together with realistic imitations of medical instruments, hone technical skills using software that provides a realistic



The Swedish Radiation Safety Authority works to ensure that the harmful effects of radiation on humans and the environment are as small as possible. Observations have been made that demonstrate a large difference in the radiation dose during fluoroscopy conducted by an experienced surgeon compared to a novice (Systematic Review of Simulation Based Training in Vascular Surgery, Haiser et al, Journal of Surgical Research, 2022). Training is available thanks to the endovascular procedures that Surgical Science provides, which ultimately reduces the radiation dose during fluoroscopy.

Simulator training is positive for a lower radiation dose during fluoroscopy.

virtual experience of a patient procedure. Regular launches of new software for the same hardware platforms increase earnings for the company and improve sustainability.

More information about Surgical Science's business model can be found on pages [15-20](#).

### Agenda 2030

Surgical Science's sustainability work is based, among other things, on the UN's Agenda 2030, which provides a future vision for a better world by way of 17 global sustainable development goals (SDGs). Surgical Science has identified four SDGs for the company to work towards. These are:



**SDG 3**  
Good health and well-being



**SDG 8**  
Decent work and economic growth



**SDG 9**  
Industry, innovation and infrastructure



**SDG 12**  
Responsible consumption and production

Going forward, the company intends to develop operational goals linked to these four SDGs.

### Environment and climate

As a global company with the goal of improving the healthcare industry, the impact on the environment and climate is something that is naturally taken into account in the business. Sustainability as a concept is incorporated into Surgical Science's business processes, and the end result is products that are economically beneficial to the company and have a minimal impact on the environment.

Surgical Science's goal is to design components that are easy to manufacture and products that are stable, reliable, and have low weight and volume. This makes them less resource-heavy during delivery. The products are also resource-efficient in use due to their long lifespan, low electricity consumption, and often low need for service.

### Energy consumption

During the production process, energy consumption consists of the electricity used in the facility itself, such as for lighting, air conditioning, and the operation of various tools used in the manufacture of the simulators.

Surgical Science itself does not manufacture any parts or components, production consists of

assembling these to finished simulators.

Together with its suppliers, Surgical Science designs components that require minimal time for processing, which in turn minimizes energy consumption. Furthermore, the company strives to minimize energy consumption when assembling its products and aims to follow this up on an annual basis.

### Materials and chemicals

Surgical Science strives to minimize the use of hazardous chemicals in production and in its products, undertaking to comply with the directive on restricting the use of certain chemicals and metals in electronics and electronic equipment (RoHS Directive, Restriction of Hazardous Substances Directive). The company prioritizes materials that are either easy to recycle or have minimal environmental impact when disposed of. Metals such as aluminum and steel are easy to recycle at the end of the product's life cycle. Surgical Science limits the use of hazardous substances in the electronic components used in the company's products by actively working with suppliers who comply with the RoHS directive.

Surgical Science's assembly facilities are located in Israel, Sweden, and the US. A significant proportion of parts and components are purchased locally. In Israel, Surgical Science follows local

**Surgical Science works actively to collaborate with suppliers that comply with the RoHS directive.**

environmental and climate guidelines, such as for the wood used for transport boxes. Surgical Science endeavors to purchase wood from responsible suppliers to minimize the impact of the uncontrolled logging of forests.

The majority of the packaging used consists of wood by-products or chemically treated wood. If the packaging needs to be divided into compartments, these are made of cardboard. Sawdust and other by-products are what remains following product manufacturing in the wood industry, which is then processed into other products. Through treatment with various chemical preparations whose use is regulated by different standards, the properties of wood and wood products can be improved. There are various methods to alter the wood material's durability, hardness, shape, color, and moisture absorption. The use of plastic has, in respect of deliveries from Israel, decreased over time and now amounts to less than five percent of the total packaging.

## Annual training programs in safety issues and the work environment are mandatory for production employees.

The transport boxes are designed to be used multiple times and can be taken apart and folded up relatively easily with a minimal footprint when folded.

The production facility in Israel is certified according to ISO 9001 which is a standard for quality management for the production process. Employees are formally trained in the handling and storage of hazardous chemicals and what to do if they are accidentally exposed to a particular material. Hazardous but permitted materials such as glue and binding agents are used in production. Annual training programs in safety issues and the work environment are mandatory for production employees. When handling heavy objects or operating power tools, employees must wear safe and proper work clothing such as safety shoes and safety glasses.

### Waste management

Surgical Science strives to minimize its negative impact on the environment and to reduce its footprint by complying with the Waste of Electrical and Electronic Equipment Directive (the WEEE Directive), which stipulates targets for the collection, recycling, and recovery of electrical goods.

Waste from customers, standard materials used in production, and old, obsolete parts are sorted for collection by local contractors. Contracts have been established with certified local waste management operators, ensuring that there is a controlled process that provides regular waste reports.

The total collection of electrical and electronic waste materials in Israel, which includes materials from service and production as well as the reuse of old customer simulators, increased from 740 kilos in 2022 to just over 1,500 kilos in 2023. The amount of waste material from production in Israel has increased in recent years due to an increase in overall production.

The WEEE directive also holds retailers responsible for providing returns free of charge to end customers, and requires that collected electrical and electronic components be handled appropriately.

### Travel

During the year, a working group developed a group-wide travel policy that regulates how and when the company's employees can travel, and when virtual meetings are preferable to physical meetings. In connection with this work, the company has begun working with a global travel agency supplier.

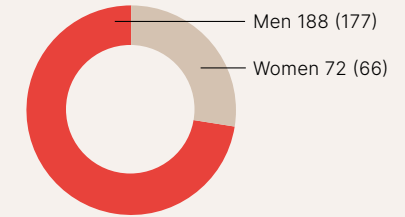
Overall, the company will gain better knowledge of its overall travel and environmental impact, which will facilitate continued positive development within sustainable travel.

### Employees and culture

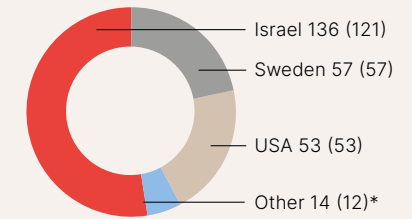
Surgical Science works actively to be an attractive workplace and sets targets to ensure a high degree of employee engagement and a good work environment. The company's employees are essential for its competitiveness and profitability and it is of the utmost importance that the company can attract personnel with appropriate skills and provide employees with opportunities for their ongoing development.

At group level, during 2023 Surgical Science has developed a leadership development program, a performance management process, and a common HR system, among other things. With these processes now in place, the company has a good foundation for the continued development

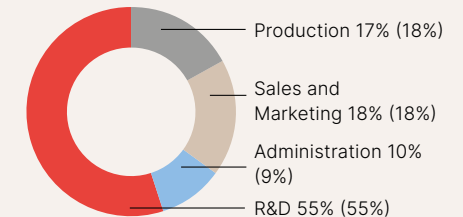
Employees 2023 (2022)



Employees per country 2023 (2022)



Employees by function 2023 (2022)



\* Mainly Germany and China

of Surgical Science as *one* company, through a strong culture, a sustainable organization, and a common value base.

In 2023, the number of employees at Surgical Science increased by 7 percent through new recruitment, primarily in software development. At the end of 2023, there were 260 employees (243).

### Strong and shared corporate culture

Fostering a strong and shared corporate culture is of great importance to the company's operations as this ensures a high level of employee commitment, facilitating the continued supply of high-quality and innovative products for better patient safety. In 2022, the core values of Respect, Curiosity and Perseverance were launched. These core values guide employees in how they should act and make decisions on a day-to-day basis and in long-term planning. In 2023, the application and observance of the core values has been a highly useful and effective tool in implementing the cultural process in different procedures and in every part of the organization.

Quarterly "all hands" meetings are held at which all employees have the opportunity to participate. In 2023, a project group has evaluated and adopted an additional internal communication option, with the implementation of a global intranet in 2024.

### Surgical Science's core values

The core of Surgical Science's business is the people and how the company acts. Surgical Science's core values of Respect, Curiosity, and Perseverance provide the guidelines for decision-making and unite Surgical Science as a global organization. The values and their meaning for the company can be found in Surgical Science's book of values, which is available on the company's website.

### Committed employees

Surgical Science is a knowledge-intensive company and its employees and their specific skills are a key asset for long-term competitiveness and profitability. Consequently, the company's efforts to be an attractive employer and a sustainable workplace characterized by commitment and well-being are focus areas. Surgical Science's operations provide opportunities to attract external talent and retain the company's employees as the company's work helps to add value to society through improved patient safety.

The company strives to have an organization that is characterized by expertise, entrepreneurial spirit, goal-orientation, and rapid decision-making paths.

Surgical Science offers several incentives to foster increased commitment and health among employees. The company's warrants programs

### Surgical Science's core values

#### Change-makers

Surgical Science's purpose is to give healthcare professionals the opportunity to train outside of the clinical environment, which has a positive impact on patient safety and ultimately saves lives. By creating solutions and pursuing change, the company makes a difference, with a constant focus on the customer and their patients.

#### Respect


Surgical Science is a company with colleagues who transcend borders and cultures in their work towards achieving a common goal. The day-to-day work is not only influenced by differences in attitudes and language, but also affected by it being performed in different time zones. Every position in the company is important, and trust and respect for every role and background is what unites the company.

#### Curiosity

Innovation adds value to the company's customers, and curiosity is at the heart of innovation. At Surgical Science, empowerment ensures the space and freedom to develop interesting solutions. Curiosity thereby creates new possibilities for healthcare and patient safety.

#### Perseverance

Dedication, passion, and focus are what define Surgical Science. The company's line of business brings meaning, as the products supplied save lives. However, product development takes time, which means that patience and persistence are important components for success.



The annual employee survey is very important to Surgical Science.

helps to increase motivation and commitment among employees and strengthens the bonds between the employees and the company.

Furthermore, warrants programs are considered to foster opportunities to recruit and retain knowledgeable and experienced employees, and are expected to increase employees' interest in the business and the company's performance trend.

In terms of other incentives, during 2023 Surgical Science began reviewing the benefits that exist in the countries where the company operates, and identifying benefits that could be implemented globally. One such example is Surgical Science's referral program, which rewards employees who recommend potential candidates that are subsequently being hired.

From 2023 onwards, Surgical Science will measure employee satisfaction through an employee survey (eNPS Employee Net Promoter Score). The method is easy to implement and provides knowledge about how the company is perceived by employees and the reason for their views. To assess and further develop Surgical Science as a workplace, employee satisfaction will be reviewed annually. The response rate for the 2023 employee survey was 86 percent. The results have been presented to all employees and also at team level. Various measures have been taken at

both the local and overall level to address what has been identified as potential for improvement.

### **HR strategy**

Surgical Science developed a global HR strategy in 2022. The strategy prioritizes focus areas for attracting external talent and engaging, retaining and motivating internal talent. In addition, it assists managers in their development and serves to build a shared culture. During 2023, Surgical Science implemented several of the strategy's proposed initiatives.

### **Leadership development**

The leadership development program is aimed at all managers and defines what is expected of a manager and how they can contribute to a common culture across the entire company as well as better business performance. The first step, which was carried out in 2023, relates to situational leadership. All managers have participated in the training, which has, for example, resulted in a common leadership language throughout the organization in order to contribute to the development of committed and productive employees. The next step, which will be implemented in 2024, is to train employees in situational leadership to ensure a common leadership language across the organization.

During the year, Surgical Science has established a process for conducting goal and development

discussions with employees, which helps to improve goal fulfillment and employee commitment. This performance management process is documented in the HR system.

### HR system

The new HR system is a control tool that gives Surgical Science a clearer overview of the organization, such as by documenting completed employee conversations and internal training. The system contains valuable information for resource planning and for safeguarding future skills needs. Additionally, the system contains a recruitment tool that provides knowledge about the company's efficiency when it comes to, for example, how long it takes to recruit for a specific role.

### Other HR activities

During 2023, Surgical Science has inventoried and harmonized employee roles and professional titles. This work has resulted in a global structure and forms the basis for a definition of each role which, in the next step, will be developed into more detailed job descriptions and facilitate continued career development.

### A healthy and safe work environment

As an overarching objective, Surgical Science seeks to provide a good working environment and to work systematically to minimize risks of occupational injuries and accidents. In production,

for example, employees are educated and trained in handling hazardous materials such as glue and cleaning solutions. The company strives to formulate meaningful duties that help employees develop and to involve them in designing their own work and in change and development processes in the workplace.

Working conditions must allow for variety, cooperation, and social contacts. All employees should feel appreciated and respected and be treated with kindness and respect, both by employer representatives and by colleagues. Surgical Science believes that different views and experiences strengthen and broaden the company and should be encouraged.

To provide space for recovery and a work-life balance, Surgical Science offers employees opportunities for flexible work arrangements, when possible. For example, the company offers flexibility in working from home or from the office in line with each country's local guidelines.

### Everyone's equal value

As an organization, Surgical Science operates globally, meaning that language skills and knowledge of different cultures play an important role in achieving success. All employees must be able to work and develop together, with no one being subjected to discrimination or harassment.



Input Interior, Anton Eriksson

Surgical Science moved to new premises in Gothenburg during the summer of 2023. Largely all the furniture in the new premises is either reconditioned and recycled, or comes from the company's previous premises. The company has bought quality and design products at a lower cost, and also made considerable environmental savings by reusing furniture that has already been produced.

Big environmental savings by reusing furniture that has already been produced.





The Code of Conduct lays the foundation for how the company views and will work on issues such as business ethics, the work environment, environmental considerations, and human rights.

Surgical Science firmly believes that different experiences, backgrounds, and perspectives among employees are decisive factors for the business's innovative, productive climate and success. As an international company, diversity is crucial for understanding customer needs and reaching the company's full potential. By diversity, Surgical Science means that the company's differences are its strengths. These differences include age, gender, gender expression or identity, ethnicity, physical conditions, religion or other beliefs, sexual orientation, and different ways of thinking and acting.

Everyone at Surgical Science must work actively to ensure an inclusive and non-discriminatory work climate where all employees are given equal opportunities and are treated with respect.

The company does not tolerate any form of discrimination, bullying, or harassment. Everyone must report behavior that they perceive as being discriminatory or harassing, either to themselves or others.

### **Business ethics and sustainable supply chain**

Surgical Science's code of conduct lays the foundation for how the company views and will work on issues including business ethics, the work environment, environmental considerations,

and human rights. The code of conduct contains important principles and guidelines for decision-making in day-to-day operations and comprises two areas: the work environment and how the company conducts business ethically and appropriately. The purpose of the code of conduct is to set standards and provide examples of how employees and partners are expected to behave, and to communicate to customers and other stakeholders what principles guide the company's operations. Surgical Science regularly reviews its code of conduct.

The code of conduct, which can be read in its entirety on the Surgical Science website, has been distributed to all employees. They then sign in the HR system that they have read, understood, and will comply with the code of conduct.

During the year, the company began work on developing a broader evaluation document for suppliers, with the aim of having this ready and putting it into use in 2024. The aim of the document is to map and define suppliers' skills in areas such as sustainability. In parallel, the company has produced a review document to be used during a physical audit.

Surgical Science established a whistleblower function in 2023. This is an external channel that allows employees, for example, who cannot

otherwise notify the company of deviations from good business ethics or the code of conduct in general, to anonymously report misconduct. The whistleblower function, which is available on the Surgical Science website, complies with EU legal requirements and the GDPR for reporting and follow-up. No reports have been received since Surgical Science established the whistleblower function.

### **Business partnerships and customer relations**

Surgical Science is committed to treating all business partners fairly. Surgical Science will only work with companies that have a good reputation and managerial integrity. The business partner's ability to fulfil the requirements of the company's code of conduct is regularly evaluated.

### **Fair competition**

Surgical Science believes that fair competition is essential for ensuring market efficiency. Surgical Science is committed to fully complying with competition laws and regulations and applicable competition rules in the countries where the company operates. The company is determined to compete fairly and without anti-competition agreements or contracts with competitors, suppliers, business partners, or customers.

**Trade compliance**

Surgical Science undertakes to comply with international trade regulations, including tax and customs laws and applicable export, import, transit, and trade laws in the countries where the company operates. Employees are responsible for complying with the trade laws and regulations that apply in the country in which they work.

**Anti-corruption and bribery**

Surgical Science has zero tolerance for corruption in its business and does not accept or solicit bribes, favors, or gifts in any form, regardless of their method or purpose. The company advocates free and fair trade and adheres to ethical standards. Surgical Science undertakes to comply with applicable anti-corruption and anti-bribery regulations in all countries where the company operates.

No employee may offer, solicit, or accept any gift (in any form) or personal benefit that may influence their business-related decisions, actions, or transactions or that contravenes applicable laws or customary business practices.

Surgical Science intends to measure corruption going forward using the whistleblower function established in 2023. In 2023, Surgical Science has not recorded any cases of suspected corruption.

**Money laundering**

Surgical Science does not accept or support money laundering and does not allow anyone to use money obtained illegally to support criminal activities such as trafficking, terrorism, or fraud. Employees must ensure that they are aware of this and pay attention to signs of money laundering.

**Human rights**

Surgical Science does not accept any form of forced labor or child labor in its business or among its suppliers, customers, or other business partners. The company applies fair working conditions and ensures compliance with applicable national and international labor standards. It respects employees' freedom of association and encourages employees to recognize and report working conditions that are not in line with company policies or applicable laws.

**Partners**

Surgical Science collaborates with a number of leading medical industry organizations and training centers to ensure that the company delivers solutions so that medical personnel are better prepared in their encounters with patients. Surgical Science's partners are listed on the company's website and include The Society of American Gastrointestinal and Endoscopic Surgeons (SAGES), The American College of Chest

Physicians (CHEST), and The World Federation for Interventional Stroke Treatment (WIST).

**Quality system**

Surgical Science's quality management system is the basis for the company's certifications and ensures that the company delivers high-quality products. The production unit in Israel is ISO certified in accordance with several standards, including ISO 9001, a quality management system that regulates business processes to improve and adapt operations to meet customer needs. The production unit in Israel also has three additional certifications within the ISO 27000 series covering information security: ISO 27001, ISO 27018, and ISO 27701. The products have CE marking in two main areas, both for safety of the product itself as well as for compliance with the EMC directive (electromagnetic compatibility) for electrical products.

Two corrective and preventive processes are implemented when a product or production process is faulty. Within a corrective and preventive action (CAPA) process, the problem is investigated, the cause of the problem is identified and addressed, and the solution is then verified and validated. A CAPA process can initiate an ECO process (engineering change order), which can result in changes in product design or packaging, or changes in the materials used.

Within production, there are a number of quality goals, including the year-on-year reduction in the number of customer complaints, minimizing cases that are open for more than six months, and that there should be no major deviations during inspections by controlling bodies.



**Surgical Science conducts annual internal and external audits for each of the standards, which are also reviewed annually by management.**

Surgical Science conducts annual internal and external audits for each of the standards, which are also reviewed annually by management. The company's production units in Seattle and Gothenburg are smaller units with local quality management systems where local staff provide quality assurance.

### Sustainability risks and risk management

Sustainability risks consist of various environmental, social, or governance-related events or circumstances that could have a negative impact on Surgical Science's operations and the company's selected goals in the area.

The identification, analysis, assessment, and management of risks linked to various sustainability issues is important in order to minimize the risk of a negative impact on the environment and people, and on financial performance. The primary, partly sustainability-related, risks related to Surgical Science's operations and sector are described on pages [65-66](#) and financial risks on page [96](#).

#### Surgical Science's identified sustainability risks, their impact, and how the company manages each risk are described below:

Area	Risks/Impact	Risk management
<b>Environment/ climate</b>	Today's society has both direct and indirect general climate risks that can have a financial impact on the company. Extreme weather changes, natural disasters, and changes in environmental legislation can affect the company's sales of products and solutions, as well as the purchase and transport of goods. Deficiencies in the company's operations and production could also have environmental consequences.	Active efforts to adhere to more stringent requirements and expectations for responsible and sustainable solutions. Stimulate and support the development and sale of sustainable products, and work to improve environmental awareness in respect of travel, transport/freight, material selection, etc.
<b>Social</b>	A lack of qualified personnel can have a negative impact on the company's operations, profits, and financial position. Risk of employees being injured due to an accident in the workplace in a production environment or suffering work-related stress due to stringent production requirements under time pressure.	New employees are introduced via an onboarding process and employee surveys are conducted annually to identify areas for improvement. Clear procedures for systematic work environment management that are implemented for preventive purposes. An external whistleblower function has been established.
<b>Governance</b>	Deficiencies in reporting and follow-up pose a risk of a lack of control of the business.	The management directs, controls, and follows up on the activities of subsidiaries by following the development in the companies by way of regular reporting.
<b>Business ethics</b>	Risk that business that violates laws and regulations is conducted with customers or suppliers. This includes violations of competition rules, anti-corruption, human rights, and trade rules as well as internal regulations such as the company's code of conduct. Illegal and unethical actions or unmanaged business ethics risks can damage Surgical Science and its brand and reputation among stakeholders and other market players.	A code of conduct is established to ensure that the organization adheres to the group's core values, including human rights, and does not participate in or cannot be linked to unethical business practices. In 2024, the code of conduct will be supplemented with a broader evaluation form to ensure supplier competence. An external whistleblower function is in place.



Surgical Science's operations lead to improved sustainability within society, as medical simulation results in increased patient safety and improved control over healthcare costs as resource waste is reduced.