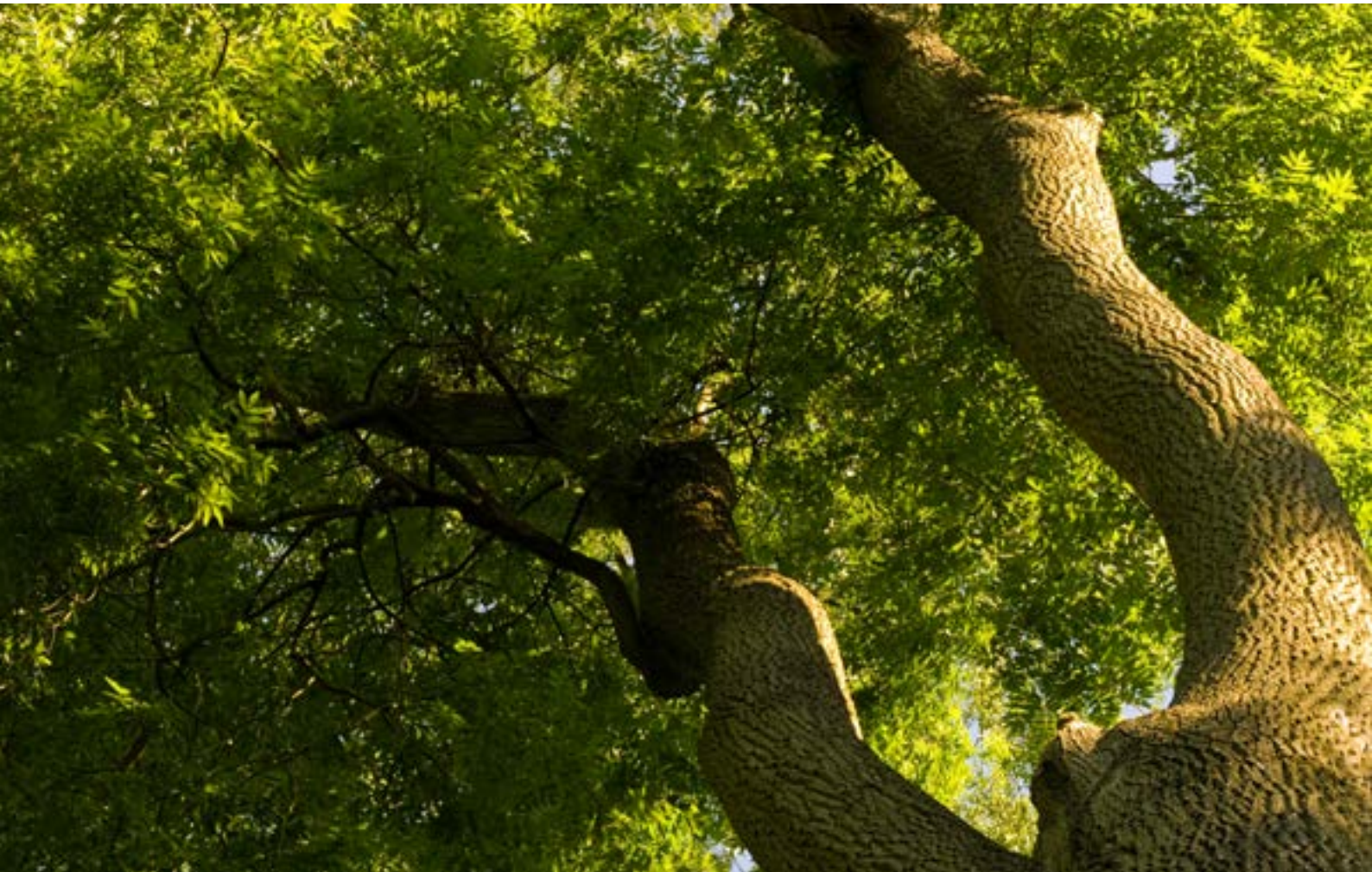


# Responsible Sourcing Policy

ASKER HEALTHCARE GROUP

# Asker Healthcare Group Responsible Sourcing Policy Overview

<b>BACKGROUND AND PURPOSE</b>	<b>3</b>	<b>POLICY STATEMENT</b>	<b>5</b>	<b>REFERENCE TO ASSOCIATED GOVERNING DOCUMENTS</b>	<b>12</b>
<b>SCOPE</b>	<b>3</b>	Group responsibilities	5		
<b>AUDIENCE AND ACCOUNTABILITY</b>	<b>4</b>	Local responsibilities	5		
<b>ROLES AND RESPONSIBILITIES</b>	<b>4</b>	Responsible sourcing process	6		
		Awareness and training	10		
		Reporting violations	10		
		Verification	11		



# Background and purpose

The background of this Responsible Sourcing Policy (“Policy”) for Asker Healthcare Group (“Asker” or the “Group”) is that responsible sourcing is a key focus area for Asker that needs to be managed through formal processes with clearly defined commitments and responsibilities.

The purpose of this Policy is to secure that Asker and its Subsidiaries only source from companies selling medical supplies, medical devices and medical equipment (“Suppliers”) that fulfil our requirements related to human rights, environment and ethical business conduct.

# Scope

**The Policy regulates the following:**

- The division of sourcing responsibilities between Group and Local Companies, and
- Asker’s management approach to environment, human rights and labour rights risks in the value chain.

All Asker employees and representatives are expected to read, understand and follow the standards and expectations that are set out in this Policy.

For the avoidance of doubt, this Policy is only applicable to Suppliers delivering medical supplies, medical devices and medical equipment to Asker and third-party manufacturers manufacturing products under Asker’s private label brands (“Third-party manufacturers”).

**The requirements of this Policy provide minimum, not maximum standards:**

- Where they differ from the provisions of national laws or regulations, the highest standard shall apply.
- Should they conflict with national laws or regulations, the Supplier or Third-party manufacturer should notify Asker without delay.

# Audience and accountability

This Policy applies to all entities within the Group (of which Asker Healthcare Group AB, directly or indirectly, controls 50% or more of the voting rights) and employees, managers, board members, consultants, trainees or similar within the Group. The Policy may be used as a frame for local governing documents.

In the event of any contradictions between this Policy and any other local governing documents, this Policy prevails (unless local legislation prescribes differently).

The Group CEO, the Business Area Directors and the Country Managers are responsible for ensuring that this Policy is implemented.

Violations of this Policy may be reported to your manager, Legal Department, Country Manager, Business Area Director, the Group CEO or any other appropriate corporate body. Asker's Whistleblowing system may also be used. Anyone reporting a violation shall, to the extent legally permissible, have the possibility to remain anonymous.

# Roles and responsibilities

The Board of Directors of Asker Healthcare Group AB (the "Board of Directors" or the "Board") reviews and approves this Policy.

The Group CEO has delegated to the Head of ESG to be the the owner of this Policy and is responsible for implementation and monitoring compliance with the Policy.

This Policy should be subject to annual review and approval by the Board.



# Policy statement

## Group responsibilities

The Group Support Function (ESG Team) has the responsibility to communicate and explain the requirements of this Policy to the Local Companies as well as provide training material, conduct trainings on responsible sourcing and support the Local Companies in their human rights due diligence work, including providing capabilities for social audits.

- The ESG Team should ensure that 90% of Asker's third party manufacturers of own brands get audited every 24 months.
- The Local Companies can request support for audits from the ESG Team if they identify Suppliers in high-risk areas.

This Policy is reviewed on an annual basis to ensure it stays up-to-date and relevant.

## Local responsibilities

Asker strives to maintain relationships with external parties built on common values and expected behaviours. The ethical behaviour of the external parties with which Asker engages can affect Asker's reputation and success. As such, it is essential that when contracting with an external party, Asker ensures that the external party understands the Supplier Code of Conduct ("Supplier Code").

The Supplier Code contains the relevant aspects of the Asker Code of Conduct with which the supply chain is expected to comply in its work with Asker. The Local Companies should engage with their Suppliers in constructive dialogue regarding the Supplier Code and conducting business together in an ethical manner.

Local Companies should secure that by 2030 100% of Suppliers and Third-party manufactures:

- a) comply with the requirements in this Policy by conducting due diligence according to the Asker supplier due diligence procedure (including the below risk evaluation); and
- b) have provided
  - a written confirmation of the undertakings in the Asker Supplier Code of Conduct, or
  - are listed on Asker's list of Suppliers with an already approved code of conduct, or
  - request approval from the ESG team by sending the Supplier's Code of Conduct to ESG@asker.com in case they introduce a new Supplier to the group that is not yet on the approved supplier list.

Risk evaluations must be carried out on all Suppliers and Third-party manufacturers following the due diligence procedure. Sanctions legislation should be considered in the evaluation. Consideration must be given to the risks associated with different types of external parties.

Parties should not be ignored on the basis that they are too large or small, or that Asker's relationship with them is long term or short term. It is, however, recognized that a pragmatic risk-based approach should be adopted, and therefore the level of detail with which the risk assessment is undertaken must be appropriate to be able to assess the risks of the various external parties.

The ESG Team may guide on the risk evaluation. However, the final assessment should always be done by the Local Company. Suppliers who are identified as high risk should be audited with the support of the ESG Team before the contract is concluded.

With regards to due diligence, monitoring and audit of external parties, the Local Company must ensure that these activities are carried out with the proper level of independence, ensuring that those involved are not themselves at risk of a conflict of interest.

Local Companies are responsible for conveying this Policy to their respective employees and ensuring that the standards are followed. Business Area Directors, Country Managers and Local Managing Directors are responsible for setting up the necessary structure to implement the principles of this Policy in their organizations. This may include developing relevant processes and allocating responsibilities to local process.

All Local Companies placing products on the market under their own brands shall make sure that their Third-party manufacturers located in high-risk countries or supplying high-risk categories should pass a social audit every 24 months in cooperation with the ESG Team.



## Responsible sourcing process

Local Companies shall make sure Suppliers and Third-party manufacturers commit to comply with the principles presented in the Supplier Code, also outlined in this Policy, the United Nations Universal Declaration of Human Rights and the ILO Conventions.

Furthermore, the Local Companies shall make sure all Suppliers and Third-party manufacturers fulfil and comply with the following requirements:

### 1. Compliance with laws and regulations

Suppliers and Third-party manufacturers shall comply with national laws, other applicable regulations as well as industry relevant standards in the conduct of their business operations. Goods and services should be produced under conditions that are in accordance with the labour protection and labour environment legislation in the country of production.

### 2. Sanctions

Suppliers and Third-party manufacturers are committed to comply with relevant sanctions regulations in all jurisdictions in which Asker operates. Therefore, Suppliers and Third-party manufacturers shall be transparent about real beneficial owners with whom it conducts business.

Suppliers and Third-party manufacturers shall not trade with partners that fall under the international sanction list or that have activities in countries where a trade boycott is imposed by the UN or European Union.

Any risk of breach shall be reported to Asker.

### 3. Fair competition

Suppliers and Third-party manufacturers shall practice fair competition and not participate in bid rigging by way of bid suppression, complementary or cover bidding, bid rotation, or other mechanisms that limit fair competition in tender situations.

Suppliers and Third-party manufacturers shall not participate in any other form of cartel practices with competitors, such as dividing or allocating markets or customers or price fixing.

### 4. The United Nations Universal Declaration of Human Rights (1948)

Suppliers and Third-party manufacturers have a responsibility to respect and support human rights, both within their own operations and in the supply chain, and shall ensure that they do not participate, directly or indirectly, in violations of human rights. This also includes situations when Suppliers or Third-party manufacturers fail to pose questions on violations of human rights or benefits from violations that are carried out by a third party.

Suppliers and Third-party manufacturers shall have routines in place to evaluate risks of participating in violations of human rights through its operations and should conduct due diligence for responsible business conduct. Due diligence involves: communicating requirements on responsible business conduct to subcontractors in the value chain; conducting risk assessments to identify potential negative impact on people, society and the environment; stopping, preventing and reducing such impact. If a Supplier or Third-party manufacturers are responsible for negative impact and/or damage, they shall provide remedy.

**5. Child labour & young workers  
(UN Convention on the Rights of the Child,  
ILO Conventions Nos. 138, 182 & 79, ILO  
Recommendation No. 146)**

The minimum age for workers shall never be less than 15 years old and comply with the national minimum age for employment or the completion of compulsory education, whichever of these is higher. There shall be no recruitment of child labour defined as any work performed by a child younger than the age(s) specified above. No person under the age of 18 shall be engaged in labour that is hazardous to their health, safety or morals, including night work. If young workers (under the age of 18) are employed, Suppliers and Third-party manufacturers shall ensure full compliance with all relevant regulations. Adequate support shall be provided to enable such children to attend and complete compulsory education. Suppliers and Third-party manufacturers shall implement appropriate measures to prevent the occurrence of child labour at their facilities or operations, including their sub-contractor's facilities and operations. Policies and procedures for prevention and remediation of child labour shall be established, documented, and communicated to personnel and other interested parties. If child labour is detected, Suppliers and Third-party manufacturers shall act based upon the best interests of the child and find suitable solutions in consultation with the child and the family of the child.

**6. Prevention of involuntary labour and  
human trafficking  
(ILO Conventions Nos. 29 and 105)**

Suppliers and Third-party manufacturers shall have zero tolerance of any form of illegal, abusive or forced labour or any kind of trafficking of human beings. Suppliers and Third-party manufacturers shall ensure that all work is voluntary. There shall be no use of forced labour, including

prison labour, indentured labour, bonded labour or other forms of forced labour. Workers shall be free to leave their employer after reasonable notice time.

It is not allowed to force personnel to continue working for the company by

- requiring workers to pay a deposit
- withholding workers' original government issued identification and travel documents
- withholding a person's salary, benefits, property or documents

Workers shall have free and complete access to their own passport, identity documents, and residency papers, and enjoy freedom of movement.

Suppliers and Third-party manufacturers shall not (nor allow other third parties to) hold workers' original identification documents (such as passports, travel papers, or other). The only exception is directly after workers' arrival in the receiving country if workers' original documents are required by government agencies to process visas, work permits, or other legally required items: in such case, the documents must then be promptly returned to the workers after processing.

Workers shall not need to go through any supervisor or management personnel to gain access to their passport.

It is the responsibility of Suppliers and Third-party manufacturers to ensure that each worker provided with accommodation is issued an individual, safe, lockable storage for the safekeeping of their personal documents and valuables.

Workers shall not be charged any fees to obtain their employment: the employer shall bear the full costs for recruitment or placement. Suppliers and Third-party manufacturers shall monitor potential fees charged to workers to obtain their job and make sure that no such fees are charged (including directly or indirectly, in whole or in part, costs associated with travel, agency fees, airfare, required training, legal document-processing in both home and host countries, government-required medical examinations).

Should workers be found to have incurred any such fees during their recruitment (outside of local travel from their hometown to the site of recruitment), they should be reimbursed.

Suppliers and Third-party manufacturers shall not impose unreasonable restrictions of movement within the workplace or upon entering or exiting company-provided facilities. Workers should not be denied freedom of movement, or confined to their living quarters. Personnel shall have the right to leave the workplace premises after completing the standard workday and to terminate their employment after reasonable notice time.

**7. Health, safety and well-being (ILO Convention No. 155 and ILO Recommendation No. 164)**

Workers in the Suppliers' and Third-party manufacturers value chain shall be provided with safe and hygienic working conditions, in line with national legislation and standards for occupational safety and with best industry practices.

Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in, the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Appropriate health and safety information and training must be provided regularly to all workers, and such training shall be repeated for new or reassigned workers.

Appropriate personal protective equipment shall be provided at the company's expense.

Fire precautions and firefighting equipment must include clearly marked and unblocked exits, emergency exits and evacuation plans on each floor, regularly tested fire alarm, evacuation drills and first aid equipment.

Hazardous chemicals and other substances shall be carefully managed.

Workers shall enjoy safe transport between the workplace and their accommodation.

Access to clean toilet facilities and to potable water at the workplace shall be provided.

Accommodation, where provided, shall be clean, safe and adequately ventilated, and shall have access to clean toilet facilities and potable water and, if appropriate, sanitary facilities for food storage shall be provided. The requirements regarding fire safety and cleanliness herein should also cover the dormitory. The dormitory must be separated from the workplace and have a separate entrance.

**8. Regular employment (ILO Convention No. 95, 158, 175, 177 and 181)**

Obligations to workers under international conventions, national law and regulations concerning regular employment shall not be avoided through the use of short-term contracting (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.

All workers are entitled to a written labour contract which clearly conveys the conditions of their employment in a language they understand.

The duration and content of apprenticeship programmes shall be clearly defined.





Should Suppliers and Third-party manufacturers employ workers through third-party employment agencies:

- the Suppliers' or the Third-party manufacturers' contract with such third-party employment agencies shall comply with applicable laws and regulations and the applicable terms of this Policy.
- third-party employment agencies' contracts with workers shall meet the same requirements as contracts signed directly between the Suppliers/Third-party manufacturers and workers. Suppliers and Third-party manufacturers shall obtain and verify the terms of the contracts between the third-party employment agency and workers prior to receiving the workers onsite.

## **9. Wages (ILO Convention No. 131)**

Wages and benefits paid for a standard working week shall as minimum meet national legal standards or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs, including some discretionary income.

All workers shall be provided with a written and comprehensible contract outlining their wage conditions and method of payments before entering employment. Wages and benefits composition have to be clearly detailed in writing for each pay period.

Wages shall be paid directly to the worker at agreed time and in full. Deductions from wages as a disciplinary measure shall not be permitted. Non-transparent salary deductions and overcharging for essential goods and services shall not be permitted.

## **10. Working hours (ILO Convention No. 1 and 14)**

Working hours shall comply with national laws and benchmark industry standards, but not more than prevailing international standards and the ILO convention.

Workers shall be provided with at least one day off following every six consecutive days of working.

Normal weekly working hours should not on a regular basis be more than 48 hours. Overtime shall be limited and voluntary. Recommended maximum overtime is 12 hours per week, i.e. that the total working week including overtime shall not exceed 60 hours. Exceptions to this are accepted when regulated by a collective bargaining agreement.

Workers shall always receive overtime pay for all hours

worked over and above the normal working hours shall always be paid in accordance with relevant legislation.

Laws and standards on public holidays and statutory leave have to be followed.

## **11. Freedom of association and collective bargaining (ILO Conventions Nos. 87, 98, 135 and 154)**

Workers, without distinction, shall have the right to form, join and organize trade union(s) of their own choosing and to bargain collectively with the employer.

The employer shall not interfere with or obstruct the formation of unions or collective bargaining and shall ensure that union members, representatives of workers are not subjected to discrimination, harassment, intimidation or retaliation for being union members or representatives of workers. Workers' representatives shall have access to carry out their representative functions in the workplace.

Where the right to freedom of association and/or collective bargaining is limited, Suppliers and Third-party manufacturers shall:

- Ensure that workers can meet with their management to discuss wages and working conditions without the risk of negative consequences.
- Facilitate, and not hinder, the development of alternative forms of independent and free workers representation and negotiations.

## **12. Discrimination (ILO Conventions Nos. 100 and 111, UN Convention on Discrimination Against Women)**

Discrimination refers to any distinction, which is not based on the merits or qualities of a particular job, but involves differential treatment based upon biased grounds. Suppliers and Third-party manufacturers shall support diversity and provide equal treatment and opportunities for employees and job applicants as well as embrace and promote an inclusive culture.

There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination or retirement based on ethnic background, caste, religion, age, disability, medical condition, gender, marital status, sexual orientation, union membership or political affiliation.

Measures shall be established to protect workers from sexually intrusive, threatening, insulting or exploitative behaviour, and from discrimination or termination of employment on unjustifiable grounds, e.g. marriage,

pregnancy, parenthood or HIV status.

Migrant workers shall have the same entitlements as local workers.

**13. Harsh or inhumane treatment  
(UN Covenant on Civil and Political Rights,  
Art. 7)**

Suppliers and Third-party manufacturers shall ensure that every employee is treated with respect and dignity. Physical abuse or punishment, or threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation or coercion, is prohibited. This may include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances or explicit remarks.

**14. Marginalized populations  
(UN Covenant on Civil and Political Rights,  
art. 1 and 2)**

Production and the use of natural resources shall not contribute to the destruction and/or degradation of the resources and income base for marginalized populations, such as in claiming large land areas, use of water or other natural resources on which these populations are dependent.

**15. Fraud, corruption and conflict of interest  
(United Nations Convention against Corruption)**

Suppliers and Third-party manufacturers shall not accept in any form fraud involving the use of deception, dishonesty and breach of confidence to gain unfair or dishonest advantage.

Suppliers and Third-party manufacturers shall not tolerate bribery (promising, offering, giving, accepting or soliciting of something of value for the purpose of influencing the actions of the recipient) or corruption (abuse of entrusted power for personal gain which can take the forms of bribery, extortion, kickbacks and improper private or professional benefits) in its business practices.

Suppliers and Third-party manufacturers shall not offer or make facilitation payments, nor permit others to offer or make such payments on your behalf. Facilitation payments are bribes – often small paid to public officials to speed up non-discretionary bureaucratic processes and access services to which the payer is lawfully entitled. Suppliers shall also ensure all reports, records and invoices are complete and accurate and not false or misleading. Suppliers and Third-party manufacturers shall be made

of aware that employees of Asker and its Subsidiaries are prohibited from giving, soliciting or receiving gifts, entertainment or any benefits that could raise questions about conflicts of interest.

**16. Animal welfare**

Suppliers and Third-party manufacturers shall respect animal welfare. Measures should be taken to minimize any negative impact on the welfare of livestock and working animals. National and international animal welfare legislation and regulations shall be respected.

**17. Environment**

Suppliers and Third-party manufacturers shall fulfil relevant environmental requirements set in law and regulations and shall maintain all relevant environmental test reports, permits, certificates and licenses required for its operations.

The local environment at the production site shall not be exploited or degraded and any negative impact on the environment shall be reduced throughout the value chain.

Measures shall be taken to minimize the use of harmful chemicals including pesticides and to ensure sustainable resource extraction, management of water, oceans, forest and land, and conserve the biodiversity.

If potentially harmful or dangerous substances and preparations need to be used, all necessary environmental, health and safety measures must be taken to protect workers, users of the products and the environment.

Suppliers and Third-party manufacturers must notify Asker and its Subsidiaries on the presence of Substances of Very High Concern (SVHC) or chemical substances on the Candidate List of the ECHA (<https://www.echa.europa.eu/web/guest/candidate-list-table>) that are in concentrations above 0.1% weight by weight (1000ppm), measured at component level, in supplied products.

Suppliers and Third-party manufacturers are expected to continuously improve their environmental performance by measuring and setting targets for reduction of greenhouse gas emissions, water usage and waste disposal and strive to obtain ISO 14001 certification.

## Awareness and training

It is mandatory for all the management teams and purchasers in the Local Companies to complete the responsible sourcing training available at the Asker Business School platform.

## Reporting violations

All Asker employees have an obligation to report any situation that involves a potential or actual violation of the Asker Code of Conduct or this Policy. In case a facilitation payment is offered to an Asker employee or representative this should be reported immediately.

Any Asker employee who suspects violations of this Policy is expected to speak up and raise the issue to their line manager, Country Manager, Business Area Director, Legal Affairs or the Group CEO. Asker's Whistleblowing system may also be used. Asker's Whistleblowing system is available on Asker.com.

Anyone reporting a violation shall, to the extent legally permissible, have the possibility to remain anonymous. At Asker, we do not accept any form of retaliation against someone who speaks up, expressing concerns or opinions.

## Verification

The Local Companies shall make sure all Suppliers and Third-party manufacturers are able to:

- Show how they, and any potential subcontractors, work to comply with the requirements in this Policy.
- Provide relevant documentation for auditing purposes as well as improvement action plans and monitoring the implementation of the plans.

# Reference to associated governing documents

Code of Conduct

Social Audit procedure

Asker Supplier due diligence procedure

Asker Supplier Code of Conduct

Approved by the Board of Directors April 2024