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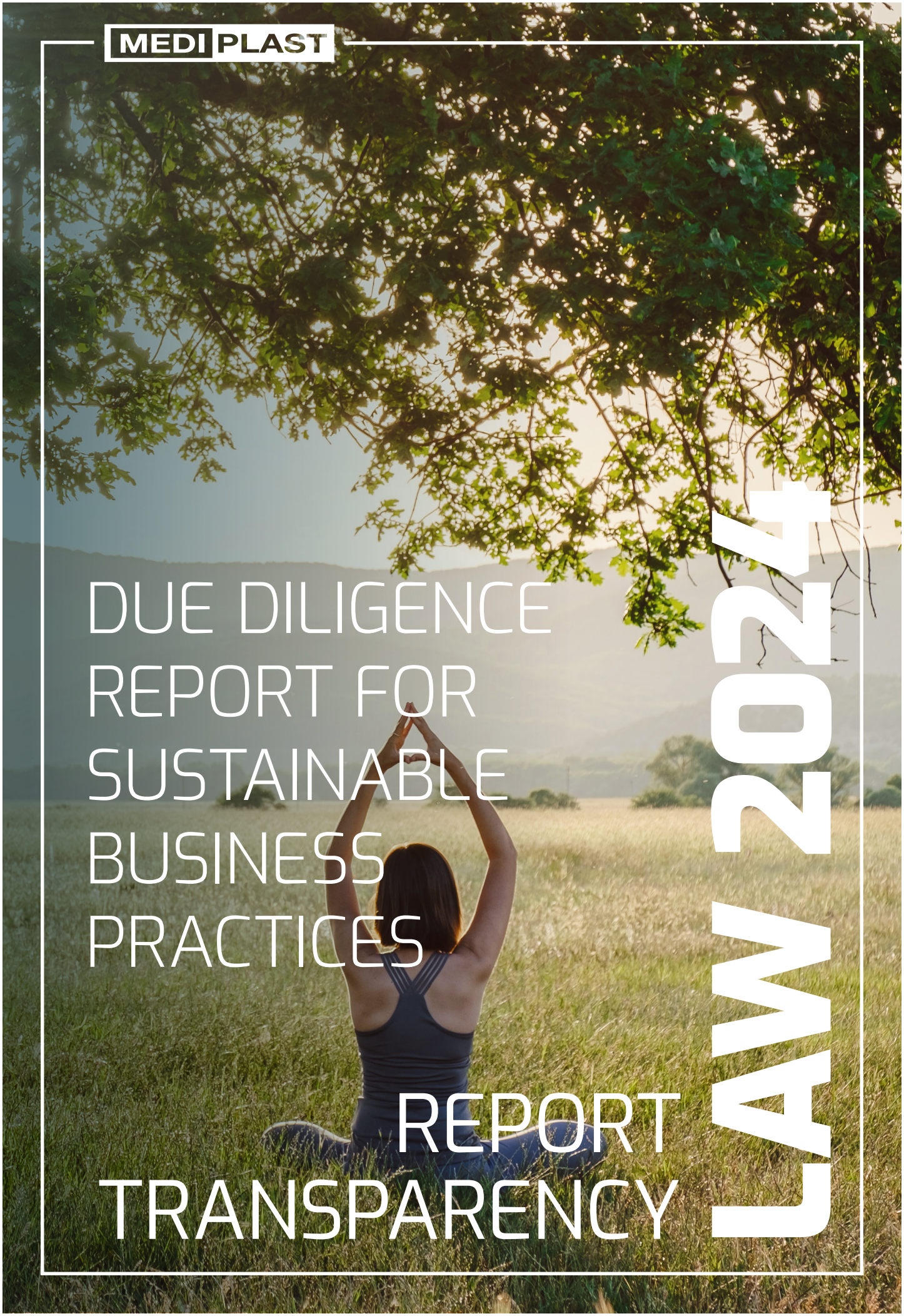

DUE DILIGENCE REPORT FOR SUSTAINABLE BUSINESS PRACTICES

LAW 2024

REPORT TRANSPARENCY

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1. INTRODUCTION

The United Nations' Sustainable Development Goals (SDGs) represent a global framework designed to ensure that current generations can meet their needs without compromising the ability of future generations to meet theirs. Mediplast Group is actively engaged with pertinent sustainability goals and adheres to the expectations set forth by Norwegian authorities. This includes mapping, preventing, limiting, and reporting on how we manage risks of negative impacts, as well as addressing any harm caused to people, society, and the environment through comprehensive due diligence.

At Mediplast Group, we cultivate business relationships founded on integrity and transparency, maintaining a strict zero-tolerance policy towards any conduct that violates our Code of Conduct and Sustainability Policy. We require our suppliers and their subcontractors to fully comply with our guidelines, which stipulate fundamental requirements for human rights, labour rights, anti-corruption measures, and environmental stewardship. These guidelines are rooted in internationally recognized standards, aimed at fostering social and environmental responsibility across our supply chain.

1.1 CONTACT INFORMATION

Name of the company
Mediplast Group

Address headquarters:
Bronsåldersgatan 2, SE-213 76 Malmö

Main products and services:
Our product portfolio encompasses a wide range of medical specialties, including thorax, neurology, orthopaedics, radiology, cardiology, wound care, intensive care units (ICU), ear, nose, and throat (ENT), and ostomy. It is important to note that our product offerings vary across different markets to meet specific regional needs and requirements.

Mediplast has 13 product areas:
- ICU
- Wound Care
- Urology
- Ostomy
- Enteral Feeding
- Ear, Nose & Throat
- Surgery
- CSSD
- Specialized Surgery
- Respiratory

Description of the company's structure
Mediplast Group, hereinafter referred as Mediplast, is owned by the Swedish group AddLife which is an independent European supplier within Life science. The day-to-day operations are led by the Managing Director, with the associated management team. The management team is made up of the Managing Director, Chief Financial Officer, Sales & Marketing Director, and Supply Chain Manager.

Management is responsible for ensuring the company's adherence to the board's guidelines on ethical trade and sustainable business practices. The Managing Director has delegated the daily execution of these responsibilities to the QA/RA Manager. As needed, the QA/RA Manager collaborates with experts from various business areas to uphold the company's commitments in alignment with established policies and guidelines.

Turnover in the reporting year (SEK)
1 066 988 000 SEK

Number of employees
172 employees

Name, title of contact person for the report
Marcus Thomasson, Quality Assurance Engineer

E-mail address for inquiries about the Transparency Act
QA@mediplast.com

1.2 OBLIGATION TO REPORT

It is our responsibility to publish our statement according to the Transparency Act by 30 June this year. The purpose of this report is to map our impact on human rights, labour rights, corruption and the environment.

The report must include:

1. a general description of the enterprise's structure, area of operations, guidelines and procedures for handling actual and potential adverse impacts on fundamental human rights and decent working conditions
2. information regarding actual adverse impacts and significant risks of adverse impacts that the enterprise has identified through its due diligence
3. information regarding measures the enterprise has implemented or plans to implement to cease actual adverse impacts or mitigate significant risks of adverse impacts, and the results or expected results of these measures

2. ABOUT OUR BUSINESS

2.1 ORGANIZATION AND OPERATIONAL AREA

Mediplast is owned by the AddLife (Nasdaq Stockholm) group, which is an independent European supplier within Life Science. AddLife has around 2,200 employees spread over around 85 subsidiaries, which operate under their own brands. The group has an annual turnover of approx. SEK 9 billion. AddLife is listed on the NASDAQ Stockholm stock exchange. This due diligence report only applies to Mediplast.

Mediplast is a Swedish supplier of medical technology products, with the Nordic region as the main market. Mediplast has an extensive product range in medical technology, which contains everything from disposable products to distribution of advanced equipment of an investment nature. Mediplast offers both high-quality in-house developed products, often developed in close collaboration with our healthcare partners, as well as distributed selected products from well-known suppliers.

Mediplast has sales offices in Denmark, Norway, Finland, Netherlands, and Australia. Further, own manufacturing by Hospidana, located in Maribo, Denmark, manufacturer of wound care products and own manufacturing by Mediplast S.r.l, located in Roncanova, Italy, manufacturer of infusion products. We also have contract manufacturing of our own products in Sweden, Estonia, Hungary, Belgium, China, Taiwan, Poland, and Japan. We are certified by Intertek Medical Notified Body AB within ISO 13485 Medical devices and ISO 14001 Environmental management system.

Vision:
Earning trust in Healthcare.

Main strategy:
- Mediplast's overall strategy is to further strengthen its market position within MedTech products and medical disposables, both within proprietary and distribution products.
- We offer a wide product range – as an answer to customers consolidation and increased tender sizes.
- We go to market in selective countries with our products and services, with dedicated sales and support teams.
- We will continue to look for unique distribution products and/or complete product programs from "world-wide" brands.
- Continue to offer flexible and unique products and solutions to quickly take advantage of trends and changes in customer behaviour.

Core values:

Put People in Healthcare First
We commit to excellent quality, value, and service in everything we do. As someone's life depends on it.

Make Business Personal
We all play a critical part and must do our personal best to deliver on our commitments.

Be Humble & Helpful
We must be quick to help, open to learn, and willing to share without regard for prestige, or position.

Respect Everyone Always
We must create a safe, respectful, and welcoming environment where each of us can thrive.

2.2 INTERNAL GUIDELINES AND PROCEDURES

Mediplast's internal guidelines and procedures are described in below chapters.

2.2.1 INTERNAL GUIDELINES

Mediplast is a part of AddLife which has signed the UN's Global Compact. As part of AddLife this means that Mediplast actively supports the 10 principles in the areas of human rights, labour law, environment, and combating against corruption. The principles are also based on the UN's Universal Declaration of Human Rights, the UN's Global goals for Sustainable Development which includes the 17 Sustainable Development Goals (SDGs), and the ILO Declaration on Fundamental Principles and Rights at Work.

Mediplast also acknowledge the rights presented in the OECD's Guidelines for Multinational Enterprises and the UN's Guiding Principles on Business and Human Rights (UNGPs), the general principles of the International Code of Human Rights, and the UN's Convention against Corruption (UNCAC). Any national law or regulation prescribing standards higher than the ones referred to in the code will have precedence.

Mediplast's Code of Conduct includes the parts; *Respecting Human rights, Freedom of association and the right to collective bargaining, The elimination of all forms of forced or compulsory labour, The abolition of child labour, The elimination of discrimination in the workplace, Safe and healthy work environment, Wages and working hours, Climate and environmental impact and Environmental rights, Anti-corruption, Fair competition, and Taxation, and Regulatory.*

2.2.2 INTERNAL PROCEDURES

Prior to initiating a collaboration with a supplier, a comprehensive assessment and evaluation must be conducted. This evaluation will focus on sustainability, encompassing quality, environmental, social, and ethical risks, contingent upon the location of production. A risk assessment is conducted at both the country and supplier levels to determine appropriate actions for risk mitigation. This risk identification process is carried out by a cross-functional team to ensure all relevant risks are thoroughly addressed.

A Supplier Questionnaire is completed by the supplier and must be reviewed and evaluated by Supplier Owner together with Sales & Marketing Director/ Marketing Manager. It is required that the supplier possesses and adheres to a certified Quality Management System (QMS). The supplier must also comply with national legislation, respect the UN Declaration of Human Rights and the Rights of the Child in accordance with the UN Declaration, and comply with national environmental legislation and promote anti-corruption by signing the Mediplast Supplier Code of Conduct. In a scenario where the supplier does not accept the Mediplast Supplier Code of Conduct, Mediplast will review and approve the supplier's Code of Conduct. Finally, agreements are established between Mediplast and the supplier.

When all activities according to the evaluation criteria have been performed, including risk assessment, a joint decision is made to approve the supplier.

Yearly evaluations are made on approved suppliers, and on-site Sustainability audits are performed at Own Brand suppliers, this is done every three years if nothing else is stated.

2.3 OBJECTIVES AND CORRESPONDING LEGISLATION

Objectives for the work with the Transparency Act in the reporting year:

- Map our main suppliers regarding sustainability (approx. 80% of our turnover).
  - Performed mapping of 37 suppliers.
- Create a Sustainability group at Mediplast
  - A cross-functional team has started to work with sustainability and have regularly meetings.

Objectives for the work with the Transparency Act for the coming year:

- Map the remaining suppliers regarding sustainability.
- Prioritize the most significant risk areas for more thorough mapping and handling of findings.
- Develop our Code of Conduct for Mediplast.
- Create a Sustainability policy for Mediplast.
- Map the other tiers of the supply chain for Mediplast brand products

Corresponding legislation such as the Transparency Act

We follow and live up to the requirements stated in:

- United Nations Universal Declaration of Human Rights (1948).
- The fundamental conventions of the International Labor Organization (ILO), no. 1, 14, 29, 79, 87, 98, 100, 105, 111, 131, 138, 148, 151, 155, 182, and 187.
- UN Convention on the Rights of the Child, Article 32.
- UN's Women's Convention: The Convention on the Elimination of All Forms of Discrimination against Women.
- UN Convention against Corruption.
- The occupational health and safety and working environment legislation applicable in the country of operation.
- Labor legislation, including minimum wage legislation, and applicable regulations for social welfare protection in the country of operation.
- Environmental legislation applicable in the country of operation.

3. DUE DILIGENCE ASSESSMENT

3.1 SUPERVISOR ON OUR IMPLEMENTATION OF DUE DILIGENCE ASSESSMENTS

Mediplast follows the OECD's guidelines for responsible business and the Norwegian Consumer Protection Authority's guidance for due diligence assessments.

We have mapped and assessed actual and potential negative consequences for basic human rights and decent working conditions that Mediplast has either caused or contributed to, or that are directly linked to Mediplast´s business operations, products or services through supply chains or suppliers. To assess risk in the due diligence assessment, Mediplast has used criteria mentioned in the following sources:

Source	What is measures
Countries' Risk Classification (Amfori)	The risk classification of countries depends on the "Worldwide Governance Indicators". There are 6 dimensions of governance identified by the World Bank: Voice and Accountability, Political Stability and Absence of Violence/Terrorism, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption.
Global Slavery Index (Walk Free)	The Global Slavery Index (GSI) provides national estimates of modern slavery for 160 countries.
Global Rights Index (ITUC)	Each year the International Trade Union Confederation (ITUC) rate countries on their adherence to collective labor rights and document violations by governments and employers of internationally recognized rights.
Gender Inequality Index (UN's Development Programme)	Gender Inequality Index (GII) is a composite metric of gender inequality using three dimensions: reproductive health, empowerment, and the labor market. A low GII value indicates low inequality between women and men, and vice-versa.
Control of Corruption (Amfori)	Amfori's Control of Corruption captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as 'capture' of the state by elites and private interests.

To contribute to uncovering risks/actual violations of human rights and decent working conditions in our own core business and in the supply chain, concerns or lack of compliance must be immediately reported through the group's whistleblower notification system. This makes it possible for external business partners to report objectionable conditions directly.

3.2 THE COMPANY'S SUPPLY CHAIN AND BUSINESS PARTNERS

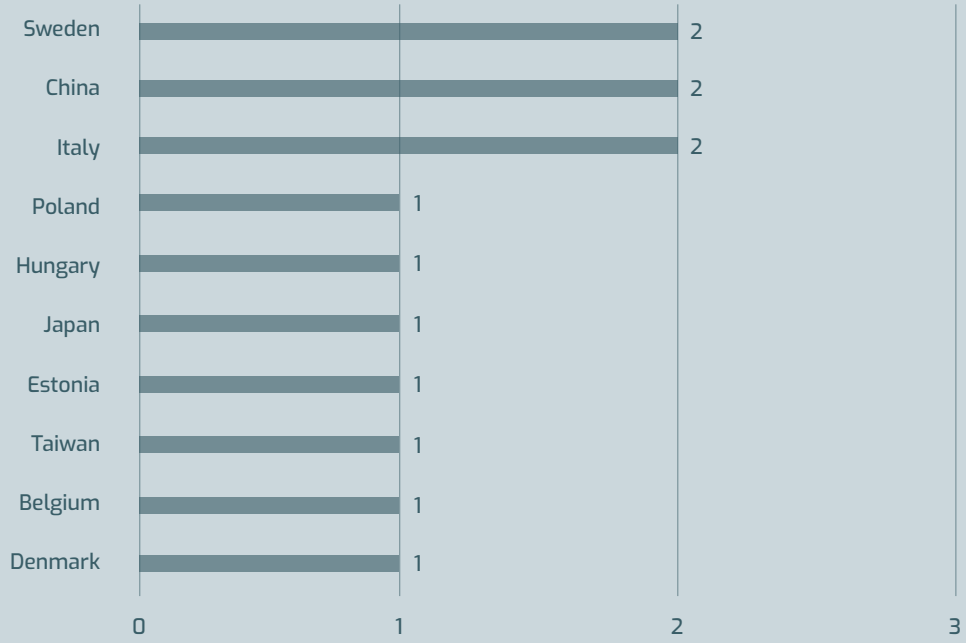
Mediplast has a Purchase department with purchasers with responsibility of different suppliers. The purchasers are, among other things, responsible for purchasing, circulation speed, level of service and capital tied up in stock. The supply chain for Mediplast consists of both manufacturers, distributors and importers.

Number of suppliers with whom the company has had commercial relations in the reporting year:
159 suppliers

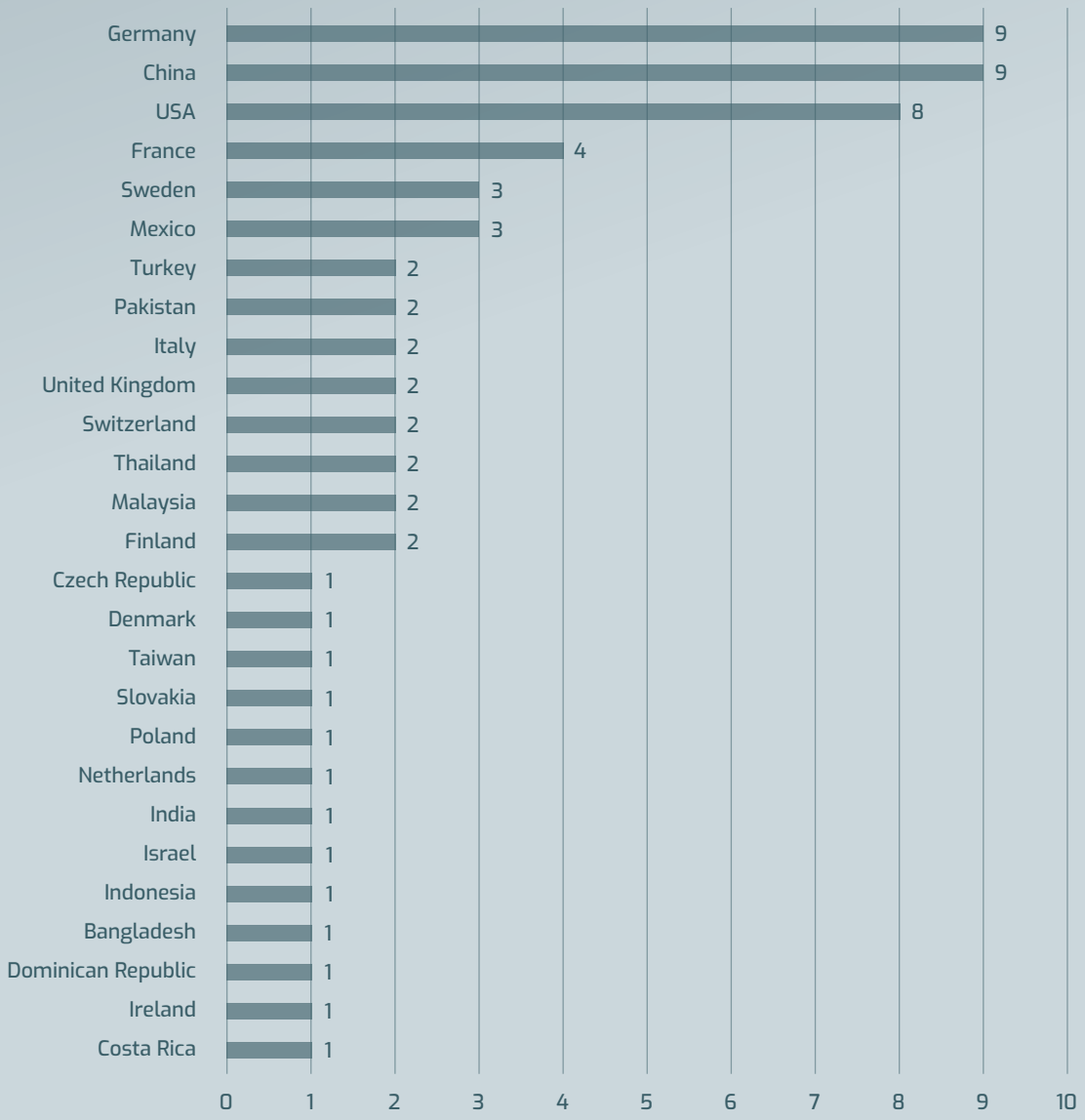
Number of established main suppliers (suppliers that Mediplast has long-term relationship with)
37 suppliers

Geographical distribution of main suppliers (One supplier can have several production sites which is reported in below diagrams):

Number of suppliers per country (Mediplast Own Brand)



Number of suppliers per country (Distributors)



Our 37 suppliers have totally 78 production sites around the world, for our Mediplast Own Brand there are 13 production sites, and for our Distributors there are 65 production sites.

Collection of information

We obtain relevant information about risks from our suppliers by requiring them to sign "Supplier Code of Conduct" and to fill in a Supplier Questionnaire on sustainability considerations in the areas of environment, social conditions, and governance. In this connection, we can uncover any risk areas that must then be further investigated by sending follow-up questions.

3.3 RESULT OF DUE DILIGENCE ASSESSMENTS

Mediplast has assessed that the greatest risk of negative impact on basic human rights and decent working conditions lies with suppliers in the supply chain. We have therefore chosen the due diligence assessment will deal with our main suppliers.

We carried out a risk assessment of the countries in which our main suppliers are located divided into Mediplast Own Brand suppliers and Distributors.

3.3.1 MEDIPLAST OWN BRAND SUPPLIERS

Mediplast Own brand	Amfori Countries Risk Classification	Global Slavery Index	Global Rights Index	Gender Inequality Index	Amfori Control of Corruption	Total risk per country
Country/Scale	0-100	0-100	1-5	0-1	0-100	1-5
Denmark	95,5	0,6	1	0,009	100,00	1,0
Hungary	67,0	0,6	4	0,23	60,58	2,6
Japan	88,5	1,1	2	0,078	90,38	1,2
Belgium	84,5	1,0	3	0,044	89,90	1,4
Italy	67,9	3,3	1	0,057	69,23	1,4
Taiwan	85,1	1,7	2	*	85,10	1,6
China	45,2	4,0	5	0,186	52,88	2,8
Sweden	94,7	0,6	1	0,023	98,08	1,0
Estonia	86,9	4,1	2	0,093	92,31	1,2
Poland	69,2	5,5	3	0,105	73,08	2,2

* – No data for Taiwan regarding Gender Inequality Index, to count total risk the middle risk (Yellow) was used.

Scale	Risk level
1,0	No risk country
> 1,0-2,0	Low risk country
> 2,0-3,0	Middle risk country
> 3,0-4,0	High risk country
> 4,0-5,0	Very high-risk country

Generally, for our Mediplast Own Brand suppliers the countries we operate in have low risk of violations of human rights, decent working conditions, equality, and corruption. We see that Hungary, Belgium, Poland, and China according to the Global Rights Index generally scores low on workers' rights. According to Amfori, China scores low on the degree of corruption and the overall index. Furthermore, Hungary scores low on the Gender Inequality Index.

The countries with highest total country risk are Hungary, Poland, and China, which are categorized as middle risk countries. Even if Belgium is categorized with middle risk for Global Rights Index, the overall risk is low. The remaining countries are categorized as no risk countries or low risk countries.

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3.3.2 DISTRIBUTORS

Distributors	Amfori Countries Risk Classification	Global Slavery Index	Global Rights Index	Gender Inequality Index	Amfori Control of Corruption	Total risk per country
Country/Scale	0-100	0-100	1-5	0-1	0-100	1-5
USA	77,5	3,3	4	0,180	82,69	2,0
Finland	96,5	1,4	1	0,032	99,52	1,0
Germany	88,6	0,6	1	0,071	95,19	1,0
France	80,7	2,1	2	0,084	84,62	1,2
China	45,2	4,0	5	0,186	52,88	2,8
Bangladesh	21,1	7,1	5	0,498	16,83	4,0
Switzerland	96,7	0,5	2	0,018	97,12	1,2
United Kingdom	86,1	1,8	4	0,094	94,23	1,6
Indonesia	47,0	6,7	5	0,439	38,94	3,6
Israel	68,3	3,8	2	0,092	70,67	1,6
India	47,6	8,0	5	0,437	46,63	3,4
Italy	67,9	3,3	1	0,057	69,23	1,4
Mexico	35,4	6,6	3	0,352	21,63	3,2
Malaysia	63,8	6,3	5	0,202	62,50	2,8
Netherlands	92,9	0,6	2	0,025	96,15	1,2
Pakistan	22,0	10,6	5	0,522	22,12	4,2
Poland	69,2	5,5	3	0,105	73,08	2,2
Slovakia	71,4	7,7	2	0,184	66,35	2,0
Thailand	44,8	5,7	5	0,310	38,46	3,4
Turkey	37,4	15,6	5	0,259	44,23	3,6
Taiwan	85,1	1,7	2	*1	85,10	1,6
Sweden	94,7	0,6	1	0,023	98,08	1,0
Czech Republic	79,7	4,2	2	0,113	71,15	1,8
Costa Rica	73,0	3,2	2	0,232	77,40	2,0
Denmark	95,5	0,6	1	0,009	100,00	1,0
Dominican Republic	45,2	6,6	2	0,433	26,92	3,0

*1 – No data for Taiwan regarding Gender Inequality Index, to count total risk the middle risk (Yellow) was used.

Scale	Risk level
1,0	No risk country
> 1,0-2,0	Low risk country
> 2,0-3,0	Middle risk country
> 3,0-4,0	High risk country
> 4,0-5,0	Very high-risk country

For the suppliers that are distributors, there is a high variety of risk countries. The countries that are categorized as middle risk countries or more are:

- Poland – Middle risk country
- Malaysia – Middle risk country
- China – Middle risk country
- Dominican Republic – Middle risk country
- Mexico – High risk country
- India – High risk country
- Thailand – High risk country
- Turkey – High risk country
- Indonesia – High risk country
- Bangladesh – Very high-risk country
- Pakistan – Very high-risk country

The other countries seen in table above is categorized as no risk country or low risk country and will not be evaluated further in chapter 5. Results.

4. MEASURES TO STOP, PREVENT OR LIMIT NEGATIVE CONSEQUENCES

For our own products we have the responsibility to secure the conditions, but for distributions products we have little impact on our largest suppliers. If we were to discover negative consequences, we must join forces with subsidiaries or the AddLife group to make demands to safeguard human rights, the environment and sustainability if we are to have an impact on the largest suppliers.

We work actively and continuously to contribute to sustainable business practices and to safeguard the environment. We will reduce the company´s/ group's direct and indirect environmental impact. Environmental promotion measures must be carried out as far as it is technically possible, economically sensible and environmentally sound.

According to our procedures mentioned in chapter 2.2 Internal guidelines and procedures, before approval of the supplier Mediplast performs a supplier evaluation which includes signing our Supplier Code of Conduct and filling in the Supplier Questionnaire. By signing our Supplier Code of Conduct and filling in the Supplier Questionnaire the supplier confirms that they take responsibility for social and environmental requirements.

Furthermore, every third year we performed an on-site audit regarding due diligence, including areas such as human rights, decent working conditions, equality, corruption, and environment. If findings are made that violates these areas, actions are required, and follow-ups are made to ensure compliance. If, after several inquiries from Mediplast, the business partner does not show the will or ability to follow our ethical guidelines or to restore identified deficiencies, the contract can be terminated.

We are fully transparent about our work to ensure basic human rights and decent working conditions. The due diligence report and our Code of Conduct are made available on our website where it is possible to request further information about our work in this area. Notification is possible if we directly or indirectly violate human rights, employee rights, corruption or the environment.

Our suppliers must operate in line with our ethical guidelines. Suppliers must also know and comply with the requirements according to national legislation, regulations and industry standards. As a minimum requirement, our suppliers must have safe handling of hazardous substances and waste, in addition to working in line with the International Labor Organization (ILO), which promotes basic human rights. Most of our suppliers are certified or have management systems corresponding to ISO 9001 Quality management, ISO 13485 Medical devices, and ISO 14001 Environmental management.

5. RESULTS AND FOLLOW-UP OF MEASURES

In below sections the results and follow-up measures will be presented.

5.1 MEDIPLAST OWN BRAND SUPPLIERS

The risk countries with the risk level of middle or high risk were Hungary, Poland, and China. All suppliers, in total 4 suppliers, have signed our Supplier Conduce of Conduct which states to follow human rights, decent working conditions, equality, and anti-corruption. Also performed the Supplier Questionnaire with several questions regarding human rights, decent working conditions, equality, and anti-corruption and provided us with proof in form of documents, procedures, and certificates. Further, a yearly supplier evaluation is performed for every supplier where one part is due diligence assessment.

From the due diligence audits that have been performed no findings have been found at the suppliers. Hence, we see no risks at our suppliers in neither Hungary, Poland nor China.

For now, we have not evaluated the other tiers of the supply chain for each supplier, but this will be prioritized, first for the countries (Hungary, Poland, and China) with higher risk where local sub-suppliers could be used but also for the other suppliers in the low-risk countries.

5.2 DISTRIBUTORS

The process for distributors is the same as for our Mediplast Own Brand suppliers, they need to sign our Supplier Code of Conduct and fill in the Supplier Questionnaire before we approve them as supplier. We also have early evaluation of our distributors where one part is due diligence assessment.

As for Mediplast Own Brand suppliers, distributor's production sites are not audited every third year. We ask for process/procedures regarding audit at

production sites and for proof of performed audits, but not all suppliers answer this requests. We will push to receive answers regarding performed audits especially for the production sites located in the high-risk countries.

6. SUMMARY

The requirements in the Transparency Act are followed up by the management, and the management is responsible for ensuring that these requirements are complied with and constantly improved through internal audits.

Mediplast continues the work with the due diligence assessment in accordance with the requirements of the Transparency Act and continues to work on implementing measures and objectives. Guidelines for carrying out due diligence assessments have been implemented as part of our management documents. Monitoring is carried out through annual supplier evaluation. Through periodic internal audits, our diligence work must be evaluated in relation to the achievement of objectives and any measures taken to implement improvements.

If further information is desired, Mediplast can be contacted at the e-mail address: QA@mediplast.com.

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– BY YOUR SIDE IN HEALTHCARE

SUSTAINABILITY IS IN OUR DNA

Everything we do also has sustainability at its core. We recognise the importance of operational consciousness and our role in ensuring the long-term viability of our planet and its resources. Not only do we embrace key ESG principles, including sound governance practices, compliant behaviour and the mindful use of resources, but we also work hard to deliver positive social impacts, maintaining strong relationships with our employees, customers and communities.

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