

Mölnlycke

Distributor Code of Conduct

INTRODUCTION

Mölnlycke operates in a complex legal and regulatory environment where ethical and social requirements evolve constantly. In this context, Mölnlycke is committed to operating and acting ethically and sustainably and expects its partners to work in the same ethical way and to impose similar requirements within their value chain.

Mölnlycke expects its distributors to abide by applicable laws and regulation and to always act with integrity. This Distributor Code of Conduct provides Mölnlycke's expectations related to distributors' way of conducting ethical business. The code requirements apply to all distributors irrespective of country and territory, but if local laws, regulation or standards are stricter than the Distributor Code of Conduct, the distributor must always follow the stricter regulation.

As part of Mölnlycke's Business Ethics programme, all Distributors will be subject to a due diligence process when engaging with Mölnlycke.

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1. Anti Bribery and corruption

Mölnlycke expects its distributors to act in a lawful and business ethical way when conducting activities and to take actions to prevent and detect any form of extortion, bribery and any other illegal, unethical or fraudulent activity. Distributors shall not offer, give, promise, authorise any facilitation payment, bribe, gift, loan, fee, reward or any other transfer of value to any government official, customer, Mölnlycke employee or any other person or entity to obtain any illegal or improper business advantage or to improperly influence any decision related to Mölnlycke's business. The distributor must comply with all applicable local and international anti-corruption laws and regulation (including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act) and ensure that its personnel and other persons working on its behalf are aware of and will take all necessary steps to comply with them.

2. Dealing with Government Officials (GOs) and Health Care Professionals (HCPs)

Distributors' relationship with GOs and HCPs shall be in strict compliance with applicable laws and regulations including industry codes in the particular country relating to GOs and HCPs. Distributors shall never offer government officials or health care professionals anything that could be perceived as an attempt to inappropriately influence their decisions to purchase, use, prescribe or recommend Mölnlycke's products or be perceived as an offer in exchange for any promise of influence or outcome or in any other way inappropriately influence their business activity.

Hospitality

Any hospitality to GOs and HCPs must observe local regulation, including transparency regulation, and shall always be kept modest in amount and in accordance with local standards.

Consultancy

Any consultancy arrangement related to Mölnlycke and/or Mölnlycke products shall be made in writing and any fee shall be based on fair market value for the services actually provided.

Samples

The distributor must only provide free products and samples in accordance with local laws and regulations, and free samples must be properly recorded in the books and records. The conditions applicable to the supply and clearly specified no-charge basis must be disclosed to HCPs and HCOs in writing. The provision of Samples must not improperly reward, induce and/or encourage HCPs and/or HCOs to purchase, lease, recommend, prescribe, use, supply or procure Mölnlycke products or services.

Educational support to HCPs

If permissible under national laws and regulations, the distributors may organize or sponsor events to inform healthcare professionals about Mölnlycke products, or to provide scientific or educational information relating to Mölnlycke care areas and products, but such educational support shall always be provided in compliance with local laws and regulation and shall never be offered to inappropriately influence any decision.

Transparency principle

Full transparency and proper documentation is required when interacting with GOs or HCPs. The overall objective of engagement with HCPs must always be to serve the patients in the best possible way and interactions must respect the independent decisions of the HCPs regarding treatment.

3. Trade compliance

Distributors shall conduct their business activities in compliance with trade laws such as sanctions, export controls, anti-boycott laws, customs laws and regulations etc. Distributors shall have reasonable knowledge about their supply chain, cross-border activities and proper risk mitigation mechanism in place in order to comply with existing trade laws.

4. Fair Competition

Distributors shall respect and comply with all applicable fair trade, competition and anti-trust laws and regulations. Distributors shall not have anti-competitive discussions, enter into anti-competitive agreements or engage in any other illegal restrictions on fair competition, such as illegal price-fixing, market sharing, customer allocation and/or abuse of market power.

5. Conflicts of Interest

Distributors shall identify, avoid and report any existing or potential conflict of interest when dealing with Mölnlycke. All potential situations shall be notified in writing to Mölnlycke accordingly and in a timely manner.

6. Books, Records and Fraud

Distributor shall ensure accurate accounting records and supportive documents incurred on behalf of Mölnlycke are authentic and maintained with honesty and in accordance with generally accepted accounting principles.

Mölnlycke has no tolerance to dishonest acts such as fraud. Fraud is incompatible with Mölnlycke's values and culture and all allegations will be investigated. Distributors shall report fraudulent acts when detected.

7. Intellectual property rights

Distributors shall ensure that Mölnlycke's intellectual property rights ('IPRs') are not misused or improperly disclosed. Distributor are expected to take appropriate measures to safeguard and maintain respect regarding Mölnlycke's intellectual property rights, and to comply with brand guidelines if applicable.

8. Confidential Information

Distributors shall ensure that confidential information, even if such information is not specifically identified as confidential, regarding Mölnlycke's business and products is handled with extreme care and only used for legitimate purposes. Distributors shall take appropriate actions to safeguard such information from intentional or unintentional misuse and from disclosure to any unauthorised internal- or external third party. Intentional misuse and negligent handling/use of confidential information will be investigated and referred to law enforcement or possibly subject to civil action.

9. Data Privacy

Distributor shall establish and maintain adequate personal data protection for the information that they, and any third parties acting on their behalf, process. They shall operate in a manner that is consistent with applicable data privacy laws and aligned with industry standards for the protection of all personal information.

10. Labour and Human Rights

Distributors shall comply with applicable labour laws and shall respect human rights and provide a safe and healthy working environment for all their employees.

In particular, they shall respect their employees' rights related to working hours, compensation and freedom of association. Distributors shall not utilize from forced, involuntary labour or bounded labour. Distributors shall only allow disciplinary measures which are necessary, legitimate and fully transparent and which are proportional to the offence committed. Distributor shall not use nor condone the use of bodily punishment, physical or mental compulsion or verbal abuse and/or threats.

The acceptable minimum age for employees is 15 years. If necessary and only if national law permits, children under the age of 15 are allowed to carry out light work that does not interfere with compulsory schooling. Employees under the age of 18 years are not to be involved in night work or work that is hazardous or likely to have a negative impact on the employee's physical or mental development. In addition, Distributors shall not employ children and shall respect the rules regarding youth labour to ensure that young workers are effectively protected.

The distributor must not engage in or support discrimination on the basis of race, colour, gender, language, religion, political or other opinion, caste, national or social

origin, property, birth, union affiliation, sexual orientation, health status, family responsibilities, age, and disability or other distinguishing characteristics.

11. Environmental standards

Distributors shall integrate environmental considerations in their activities and strive for continuous improvement by minimising any adverse effects of their activities on the environment. Distributors must comply with all relevant local and national environmental laws and regulations, as well as all requirements for environmental licences and permits. Distributors are expected to collect relevant data on their environmental impacts as well as sharing relevant emission data with Mölnlycke when requested.

12. Raising concerns

All employees of the Distributors are encouraged to report concerns or misconducts without the threat of retaliation. Distributor shall investigate and implement relevant corrective actions.

All employees of Mölnlycke's Distributors may also report their concerns about activities or behaviours of Mölnlycke and its employees through the Ethics Hotline. [LINK]

13. Failure to comply

Mölnlycke assess our Distributors compliance with applicable legislation and principles of this Code of Conduct through a combination of audits, self-assessments and documentation reviews. Distributors should address any gaps in the implementation of this Code by establishing and implementing a time-bound improvement plan in consultation with Mölnlycke.

Failure to comply with this Distributor Code of Conduct will be considered a material breach of the Distribution Agreement and may lead to termination of the Distribution Agreement with immediate effect and/or other actions/consequences including damages, in relation to which Mölnlycke reserve all its rights.

Distributor [Distributor's name] confirms that their own Code of Conduct or [if other documentation please specify] is equivalent or superior to this Code of Conduct.

OR

Distributor [Distributor's name] commits to following the principles set out in this code of conduct.

Date: [yyyy/mm/dd]

Signature: [Name/ Electronic signature of Distributor's representant]