

Breas Environmental Policy

Breas is committed to reducing the environmental impact of our operations and partners throughout the product lifecycle, aligning with the European Sustainable Development Goals, the Circular Economy Action Plan, and CSRD/ESRS principles. Sustainability remains a cornerstone of our mission 'Improve the quality of life and care of respiratory patients around the world through a personal commitment to innovation, quality, and customer focus'.

Environmental policy applies to the entire Breas Medical Group and all its legal entities, both domestic and foreign. It covers all employees, managers, contractors and business partners.

1. Objectives

We embrace a global approach to sustainability, driven by the precautionary principle and active collaboration with our stakeholders. Our commitments include:

- Continuously reducing our carbon footprint and achieving Net-Zero emissions by 2050.
- Developing sustainable products with long service lives, prioritizing customer health and safety while minimizing environmental impact throughout their lifecycle.
- Optimizing the use of raw materials and energy, minimizing reliance on non-renewable resources.
- Raising environmental awareness among employees and enabling them to act responsibly.
- Engaging business partners to meet environmental standards.

These commitments will be addressed through the following key environmental topics.

2. Breas' Key Environmental Topics

2.1 Climate Change

Breas is dedicated to addressing climate change by reducing greenhouse gas emissions, optimizing energy consumption, and improving resource efficiency. Our approach focuses on setting measurable goals and fostering collaboration to drive solid change. Key actions include:

- Verifying the CO₂ baseline for 2024, defining a Carbon Reduction Plan (CRP) in 2025, and integrating it into KPIs and the NPD process with sustainability gates.
- Reducing the footprint through energy-efficient operations and buildings, increasing renewable energy use to 60–70% by 2030, and reducing air cargo reliance by 15% by 2026.
- Enhancing climate-related data quality, setting science-based reduction targets, and aligning internal incentives and KPIs with climate goals by 2026.
- Assessing value chain emissions using a sector-specific approach to identify major emissions and implement mitigation strategies, with 80% of suppliers aligned by 2026.
- Minimizing carbon emissions from business travel by adopting alternative meeting technologies and transitioning to electrified company vehicles, aiming for a 10% annual reduction in emissions.
- Partnering with value chain stakeholders to decarbonize operations and continuously mitigate overall climate impact.

2.2 Pollution

Although Breas operations have minimal pollution impact, we are committed to maintaining this low level throughout our entire value chain. Key actions include:

- Minimizing air transport and prioritizing more sustainable shipping methods to effectively reduce air pollution, aiming for a 10% annual reduction in air transport emissions.
- Incorporating pollution risks into business risk assessments and ensuring transparency, with a target of assessing 80% of relevant suppliers for pollution-related risks by 2026.
- Collaborating with upstream and downstream partners to achieve minimal pollution levels.
- To investigate and take actions within our value chain to reduce toxic chemicals & use of plastic, with a goal of reducing plastic waste by 10% by 2026.

2.3 Water and Marine Resources

Breas has a minimal impact on water and marine ecosystems but remains committed to maintaining this low footprint. Key actions include:

- Collaborating with value chain partners to assess water usage, stress areas, and marine impacts while requiring them to disclose relevant data. By 2026, we aim for 80% alignment on water stewardship goals.
- Implementing water-efficient practices within our operations and promoting similar initiatives across the supply chain by 2026.

2.4 Biodiversity and Ecosystems

Breas has minimal negative impact on biodiversity, it is committed to responsible natural resource management to maintain and enhance this low impact. Key actions include:

- Embedding biodiversity considerations into risk assessments and targeting zero tolerance for deforestation and habitat loss in the supply chain by 2030.
- Requiring value chain partners to disclose data on biodiversity risks, mitigation efforts, and progress, with 80% alignment on mitigation measures by 2026.

2.5 Resource Use & Circular Economy

Breas is committed to advancing sustainable resource use and promoting a circular economy by optimizing material efficiency, reducing waste, and fostering recycling and reuse. By integrating circularity principles into our operations and product design, we aim to minimize environmental impact while delivering durable, energy-efficient, and recyclable solutions. Key actions include:

- **Waste Management:** Strengthen procedures and training to prioritize waste reduction, recycling, and energy recovery across operations and the value chain, aiming for all sites to achieve robust waste management practices by 2026.
- **Eco-Packaging Initiatives:** Reduce packaging waste and enhance recyclability by launching an eco-packaging pre-study project in 2025. Partner with suppliers to align with the ESPR framework and promote the use of recycled materials.
- **End-of-Life Services:** Introduce end-of-life services for product recycling and conduct a pre-study in 2025.

- Life Cycle Analysis (LCA) and Closed-loop Product Management: Conduct LCA to optimize product lifecycles. Implement a Digital Product Passport to ensure traceability, transparency, and sustainability in 2026, while integrating modularity and reparability in product designs for the medium to long term.
- Eco-Design & Sustainability Integration: Integrate circular economy principles into product design and ensure product portfolio compliance with ESPR (Ecodesign for Sustainable Products Regulation) by 2027.

3. Governance, Responsibilities and Review

In line with Breas' sustainability governance model, the ESG team oversees the implementation of this policy, measures and monitors environmental performance annually. The GHG Scope carbon accounting report must be submitted quarterly by regional managing directors and will be monitored by the ESG team. Starting in fiscal year 2025, our environmental disclosures will undergo external audits to enhance transparency and credibility.

We are committed to updating stakeholders regularly on our goals and progress, fostering transparency and shared responsibility for environmental sustainability. This policy will be reviewed annually and made accessible to all stakeholders through the Breas Medical Group website.

Our environmental management regulatory and compliance lists are listed in Appendix 1.

This statement and the actions herein have been approved by the Board of Directors of Breas Medical Holdings AB for the financial year ending 31 December 2024.

Appendix. Environmental Management Regulatory / Compliance Lists

Breas has established, documented, implemented, and maintains the effectiveness of an Environmental Management System in accordance with applicable regulations, laws, and directives. The following identifies the main top-level laws and regulations with the complete list provided below:

- Regulation (EU) 2017/745 on medical devices (MDR)
- Directive 2011/65/EU as amended by (EU) 2017/2102 on the restriction of the use of certain hazardous substances in electrical and electronic equipment (recast) (RoHS).
- Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)
- Directive 2012/19/EU of on waste electrical and electronic equipment (WEEE)
- Directive 2006/66/EC on batteries and accumulators and waste batteries and accumulators (Battery directive)
- Directive 2009/125/EC establishing a framework for the setting of eco-design requirements for energy-related products (EcoDesign directive)
- Directive (EU) 2022/2464 of the European Parliament and Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (CSRD)
- Lag (2021:600) med kompletterande bestämmelser till EU:s förordningar om medicintekniska produkter (Swedish law with supplementary provisions to the EU regulations on medical devices)
- Miljöbalken (SFS 1998:808) (Swedish Environmental Act)
- Arbetsmiljölagen (SFS 1977:1160, as amended) (Swedish Work Environment Act)
- Produktsäkerhetslag (2004:451) (Swedish Product Safety Act)
- Lag (2003:778) om skydd mot olyckor (Swedish act on protection against accidents)
- Lag (2006:263) om transport av farligt gods (Swedish act on transport of dangerous goods)
- UK Medical Devices Regulations 2002 (SI 2002 No 618, as amended) incorporating requirements from Council Directive 93/42/EEC concerning medical devices (MDD)
- UK REACH etc. (Amendment etc.) (EU Exit) Regulations 2020
- UK Waste Electrical and Electronic Equipment Regulations 2013 (as amended)
- UK Waste Batteries and Accumulators Regulations 2009 (as amended)
- UK Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment Regulations 2012 (as amended)
- UK Ecodesign for Energy-Related Products Regulations 2010 (as amended)