

Breas Sustainable Procurement Policy

Breas is committed to integrating sustainability into our procurement practices, ensuring ethical, responsible, and environmentally conscious sourcing across our supply chain. We prioritize suppliers who align with our values, adhere to our Code of Conduct, and demonstrate a commitment to sustainable practices.

The 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

Our objective is to foster collaborative, long-term relationships with suppliers that support sustainable practices and align with evolving standards. We focus on ethical sourcing, promoting the use of recyclable and biodegradable materials, and integrating circular economy principles. By evaluating the environmental impact across the lifecycle of products and services, we ensure procurement practices deliver mutual growth and long-term value.

To achieve these goals, Breas is focused on measurable actions that reinforce our sustainability standards. We aim to have the majority of suppliers adopt our Code of Conduct for Business Partners by 2025 and complete comprehensive supplier due diligence by 2026. Additionally, we plan to increase renewable energy sourcing to 60–70% by 2030. These initiatives will strengthen supplier relationships, proactively address potential risks, and create a transparent supply chain that supports broader sustainability objectives.

2. Breas' Strategic Priorities

Breas is committed to fostering a sustainable and ethical supply chain through strong supplier engagement. The following strategic priorities guide our approach:

2.1. Environmentally Conscious Sourcing

Environmental Management: Encourage suppliers to integrate environmental management systems to reduce energy consumption, carbon emissions, and resource use. Promote practices that enhance resource efficiency and reduce waste in the supply chain.

Waste Minimization: Prioritize suppliers who implement waste reduction strategies and support the recycling and reuse of materials wherever possible.

Responsible Materials: Source materials that are sustainably produced, recyclable, and have minimal environmental impact.

Circular Economy: Foster innovation in circular economy practices, focusing on product design that supports reuse, recycling, and reduced material waste.

2.2. Promoting Social Equity and Ethical Practices

Ethical Labor Practices: Require suppliers to adhere to fair labor practices, ensuring safe and healthy working conditions, fair wages, and respect for workers' rights. Encourage diversity, inclusion, and non-discrimination in the workplace to promote social well-being.

Conflict Minerals: Suppliers must commit to sourcing materials free from conflict minerals, ensuring that their supply chains do not contribute to human rights violations or unethical practices.

Community Engagement and Development: Encourage suppliers to contribute positively to the communities in which they operate by supporting local economic development, education, and social well-being initiatives.

2.3. Strengthening Governance and Transparency

Governance and Transparency: Breas ensures supplier transparency through clear sustainability reporting and alignment with our ethical and environmental standards. We reinforce governance via robust monitoring and compliance checks, guided by our sustainability governance model..

Anti-Corruption/Anti-Bribery: Require suppliers to comply with anti-corruption laws and implement measures to prevent bribery, fraud, and other unethical practices.

Fair Treatment and Supplier Diversity: Promote fair treatment, diversity, and equal by setting clear expectations for suppliers and evaluating their inclusivity and non-discrimination practices. Breas also provides opportunities for small businesses and values diversity in our supply chain.

3. Governance, Responsibilities and Review

This policy applies to all procurement activities, from raw materials to finished medical devices, ensuring sustainability principles are integrated at every stage of the supply chain.

The procurement team is responsible for executing the policy, setting annual objectives, and reporting to management. They also develop initiatives and tools to enhance sustainable procurement performance. The ESG team works alongside procurement to ensure alignment with sustainability goals and monitors progress against targets.

Both teams are tasked with identifying best practices, addressing policy violations, and implementing corrective actions as needed. Ongoing compliance monitoring includes clear protocols for managing violations and enforcing consequences to ensure adherence to Breas' sustainability commitments.

The policy is reviewed annually by the procurement and ESG teams and updated as necessary to remain aligned with best practices and regulatory requirements.

This policy has been approved by the Board of Directors of Breas Medical Holdings AB for the financial year ending 31 December 2024.