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COMPETITION POLICY

1. **BACKGROUND AND PURPOSE**

Vestum AB (publ), reg. no 556578-2496 (“**Vestum**”), has developed governing documents, including this policy, and processes to ensure that Vestum is complying with applicable laws and regulations and that Vestum’s values and desired ways of conducting business are communicated and followed throughout the entire organization.

The object of this policy is to secure compliance with competition regulations.

2. **AUDIENCE**

This policy applies to Vestum, and all legal entities controlled by Vestum (“**Vestum Group**”). Accordingly, the policy applies to all employees and temporary staff within Vestum Group and it is everyone’s responsibility to adhere to, and act according to, the principles set out in the policy.

3. **VESTUM’S COMMITMENT TO COMPLY WITH COMPETITION REGULATIONS**

Vestum Group is committed to fully comply with competition regulations. Accordingly, employees within Vestum Group are required to adhere to applicable competition regulations in all jurisdictions in which Vestum Group operates.

4. **THE USE OF COMPETITION REGULATIONS IN THE INTERNATIONAL COMMUNITY**

Competition encourages companies to offer customers goods and services at the most favourable terms. It encourages efficiency and innovation and reduces prices. To be effective, competition requires companies to act independently of each other, but subject to the competitive pressure exerted by the others.

To protect free competition, strict regulations apply regarding inter alia price fixing, market sharing, customer allocation, product limitations and abuse of a dominant position.

5. **VESTUM SHALL NEVER VIOLATE COMPETITION REGULATIONS**

Key Principles

Vestum Group believes in fair trade and honest competition based on integrity, product quality, price, and customer service. It is Vestum Group’s policy to ensure that its business practices comply fully with the competition laws of all countries in which it operates. Employees must be aware that:

- All contacts with competitors involve a risk that must be managed. It is prohibited for competitors to agree or discuss price, market allocation, sensitive information exchange, production, sales quotas, and bid rigging.

- Arrangements with suppliers and distributors can also restrict competition, for example imposing minimum resale prices on distributors is prohibited. Agreements with the value chain must be carefully assessed.
- In markets where Vestum Group hold a dominant position (which is typically a risk with a market share of 40 percent or more), there is a responsibility not to abuse that market power through practices that may exclude competitors or exploit customers or other parties.
- The rules on merger control apply to certain sales, acquisitions, or joint ventures, meaning that parties to such transactions must in some cases file a notification to relevant competition authorities for assessment and prior approval. These rules must be considered as soon as a transaction is contemplated.

Managing contact with competitors

Contacts with competitors are very sensitive from an antitrust perspective. Cooperation between independent companies that distorts the normal competitive process is illegal. This includes written, oral, formal and informal contacts. Illegal behaviour includes agreeing with a competitor to take part in:

- Price-fixing
- Market-sharing
- Bid-rigging
- Output or production limitation
- Collective boycott
- Sensitive information exchange

When interacting with competitors, specific and detailed discussions on the following are illegal:

- Prices and pricing policy
- Discounts, increases, rebates
- Profits and margins
- Customers
- Strategy
- Costs
- Capacity and sales volumes
- Market shares
- Bidding and procurement data

- HR info, e.g. benefits and compensation

Involvement in trade associations or similar (e.g., for networking or standard setting) must be carefully monitored since participation involves contacts with competitors. It is typically acceptable to have general discussions about:

- Public policy/new legislation
- Educational/scientific developments
- Regulatory matters of general interest
- Demographic developments
- Industry trends
- Public/historic information
- Compliant benchmarking exercises
- Compliant standard setting

However, it is not permitted to discuss how and when Vestum Group and others plan to react to such developments. The illegal activities listed above apply equally in a trade association context.

Managing contacts with the value chain

Competition problems can also arise in contacts with the value chain, such as in relationships with distributors, suppliers, and customers. If these arrangements have a negative impact on competition, competition authorities can impose penalties on the companies involved. The related agreements may also be unenforceable.

The main illegal activities that can arise in value chain arrangements are:

- Resale price maintenance
- Restricting the customers to whom a distributor may sell
- Restricting the geographic areas into which a distributor may sell
- Restricting passive (e.g. online) sales
- Indefinite or >5 year non-compete
- Manipulating downstream access to spare parts, servicing etc.

Some of these restrictions may be permitted when certain conditions are fulfilled.

Managing market power

It is illegal for a company to abuse its market power (or dominant position). A company with a market share of 40% or more in a relevant market may be considered dominant (although this ultimately depends on surrounding market features, such as strength and

number of competitors). Holding a dominant position is not itself a problem but it does trigger extra responsibilities intended to prevent abuse of market power.

When in a dominant position, this behaviour can be illegal:

- Discriminatory pricing
- Excessive pricing
- Predatory pricing
- Margin squeeze
- Exclusivity
- Certain types of rebates
- Refusing access to an essential facility/input
- Refusal to supply
- Bundling/tying

Managing M&A

Vestum Group frequently examines potential M&A opportunities. Vestum Group has a process in place for M&A transactions, which is detailed in Vestum's M&A Policy.

Vestum Group and any other parties to a transaction are subject to the legal prohibitions on pre-closing "gun jumping" and inappropriate coordination and information exchanges. Prior to closing (and especially prior to obtaining merger clearance), Vestum Group and any other party to the transaction must not coordinate their competitive behaviour, and must take particular care to:

- avoid effectively implementing the transaction (or giving the appearance to the outside world of having done so);
- not coordinate their competitive behaviour (such as coordinating bids or other strategies); and
- avoid sharing commercially sensitive information.

6. DAWN RAIDS / SEARCH WARRANTS

Vestum Group may be subject to on-site inspections (referred to as "dawn raids" or "search warrants") by investigators representing a competition authority. Such inspections generally occur without any warning. Competition authorities may conduct inspections when they have a suspicion of a violation or as a part of a wider market investigation. During inspections they have a far reaching right to review all non-privileged documents (including e-mails, phones, instant messaging, etc.). To confirm that Vestum Group's rights in such inspections are protected, but also that the competition authorities are treated in a proper

manner, the policy owner shall without delay be informed of any such actions being prepared or taken against Vestum Group.
