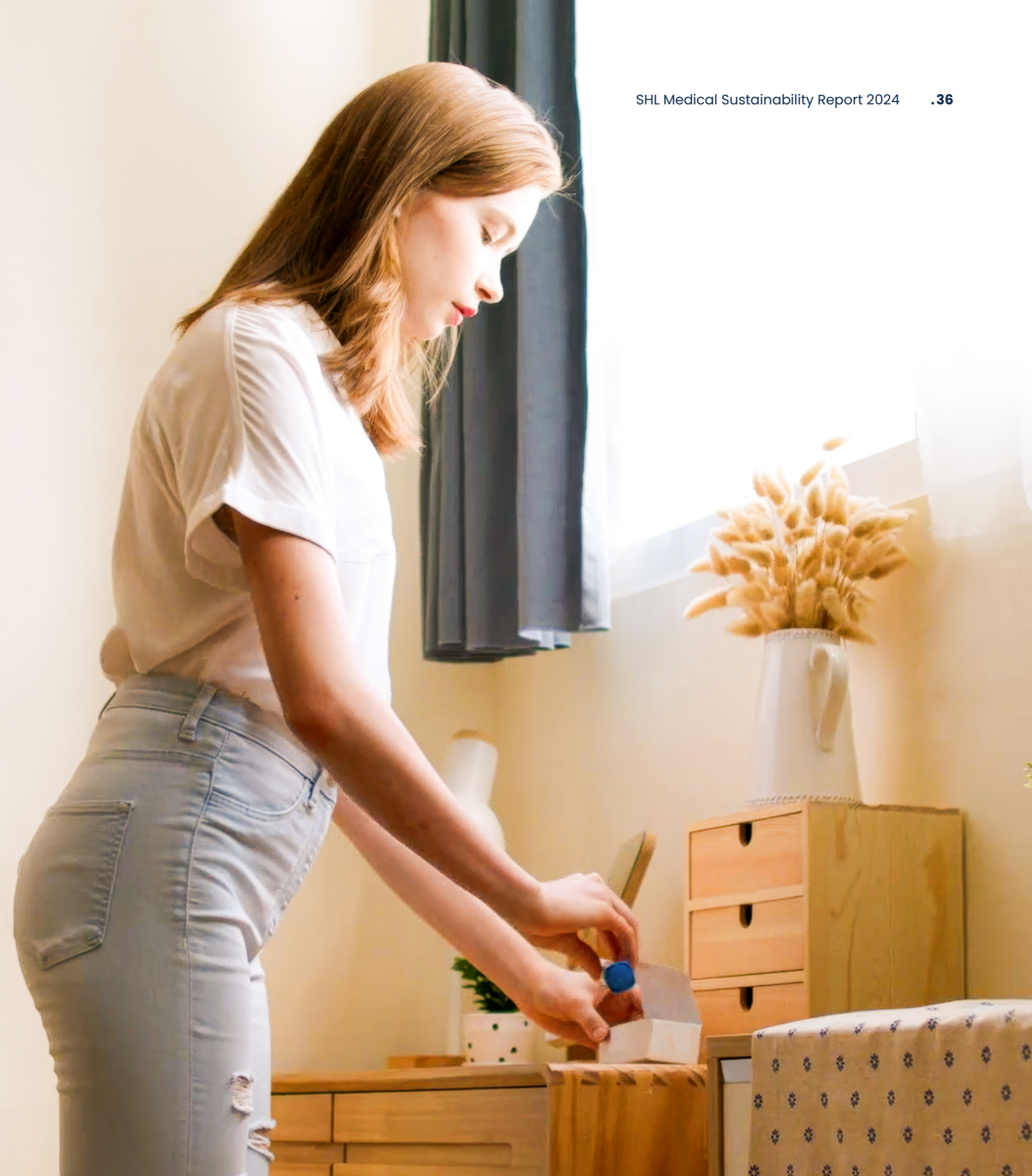


Driving patient health and independence

Reducing our ecological footprint

▾ Ensuring responsible business practices

Ensuring responsible business practices



Ensuring responsible business practices

▸ Diversity, equity, and inclusion

Health and safety

Employee recruiting, development, and retention

Corporate ethics

Sustainable supplier management

Diversity, equity, and inclusion

We are committed to building a workplace where everyone feels respected, supported, and valued for their uniqueness. We aim to remove barriers that may prevent individuals from accessing equal opportunities – including unconscious bias, systemic inequalities, and physical obstacles – while embedding fairness into everyday practices, from hiring to access to development opportunities to fair and competitive Rewards for all Team Members. DEI is firmly embedded into the way in which we operate: we are committed to steady progress – learning, adapting, and taking action, step by step, day by day – while honoring the fact that not every challenge can be anticipated or solved at once.

Inclusion serves as a guiding principle in the design of all of our people processes. We focus on accessibility in hiring, equity in pay, and fairness in career progression, while holding leaders accountable and listening to employee feedback.

🔄 **As part of our broader equity goals, we aim to achieve 30% representation of women in management positions by 2025 and are already making strong progress in this area.**

Impacts

As a global company, SHL Medical’s policies and decisions shape not only the experiences of our employees but also influence how equity and inclusion are understood and practiced across our industry and supply chain.

Our multicultural foundation gives us a strong starting point. At the same time, we understand that advancing genuine equity and inclusion is not a one-time achievement. It requires continuous learning and commitment – from ensuring fair access to opportunities and addressing unconscious bias, to applying consistent practices across all the locations in which we operate with diverse legal and cultural contexts.

Key impact areas:

- Equitable access to opportunities
- Inclusive leadership
- Gender representation
- Fair recognition and reward

Policies and approach

Business Code of Conduct

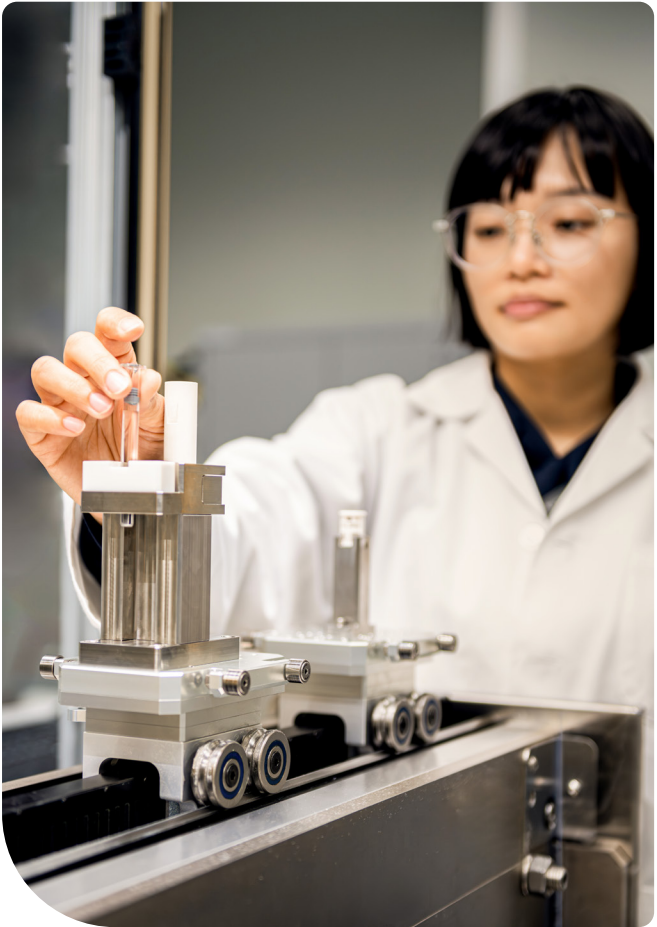
Signed by all employees upon employment, applies company-wide and prohibits discrimination based on personal characteristics. It promotes diversity of thought, background, and experience to support an inclusive and respectful workplace culture

Global recruitment policy

Integrates DEI principles by promoting inclusive hiring practices, using gender-and diversity-neutral job advertisements, encouraging diverse candidate shortlists, and supporting the use of inclusive interview panels where applicable.

Supplier Code of Conduct

Requires suppliers to prevent discrimination and foster diverse, inclusive, and respectful working environments.



Ensuring responsible business practices

Diversity, equity, and inclusion

Health and safety

Employee recruiting, development, and retention

Corporate ethics

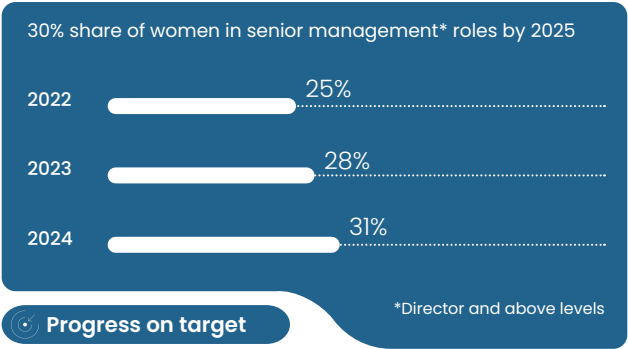
Sustainable supplier management

Progress

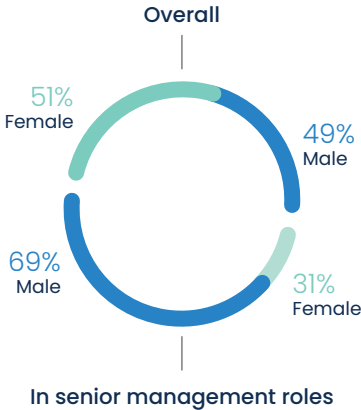
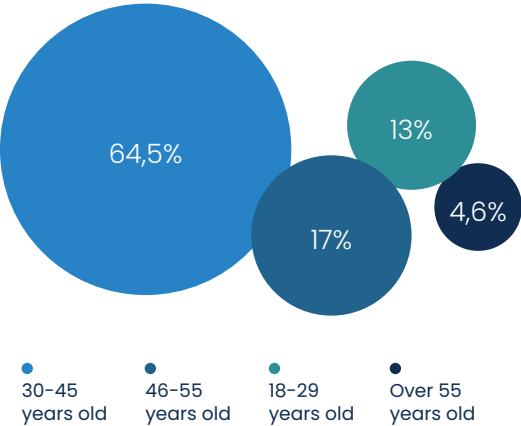
Women in management positions

In 2024, female representation in senior management increased, reaching 31%. Representation alone, however, is not enough – it must go hand in hand with empowerment, ensuring that women in leadership roles are equipped and supported to succeed.

That is why we are investing in inclusive succession planning, targeted training and resources, flexible work policies, leadership development programs, and local-level networking opportunities (e.g Advance network in Switzerland).



Insights



8.4

Diversity and inclusion score

Data source: Workday Peakon Employee Voice. Min 1, max 10. Industry average 8.2

>60

Nationalities across four countries



Ensuring responsible business practices

▸ Diversity, equity, and inclusion

Health and safety

Employee recruiting, development, and retention

Corporate ethics

Sustainable supplier management

Embedding DEI across the employee journey

Over the past year, we focused on strengthening the foundations of an inclusive work environment – where all individuals can grow, contribute, and feel valued. This included reflecting on how to identify and address structural barriers and bias across the employee journey. We established clearer, more objective criteria to promote fairer decision-making and support lasting inclusion throughout the end-to-end employee journey.

Our Employer Value Proposition is grounded in the belief that growth is possible for everyone, and that individuality is a strength.

Attracting, hiring, and retaining

To put this into practice in the hiring process, we implemented an Applicant Tracking System (ATS) and introduced a global interview guide to promote fairness and consistency in the hiring process that has been implemented at all SHL Medical sites. By tracking key metrics and applying standardized evaluation criteria, the system enables equitable candidate comparisons, and increases transparency across the different stages of the hiring process to ensure that all candidates are evaluated fairly and consistently. DEI principles were also integrated into onboarding to reflect the inclusive environment we are committed to building, starting from the first day.

Candidates’ accessibility has been improved through the launch of the SHL Medical career site, which has been designed

to reflect our commitment to diversity, equality, and inclusion. To improve access to information and support clarity for all employees, we updated our internal People Portal, enhancing transparency for all team members around SHL Medical’s people policies and processes.

Development and succession planning

We introduced a Personal Growth Plan (PGP) framework. This provides employees with structured opportunities to share their aspirations, engage in dialogue with their managers, and co-create development plans that reflect individual needs.

Succession planning was initiated for senior and business critical roles whilst proactively addressing representation and diversity at higher levels of the organization. Of course, data alone is not enough: that is why a Global Leadership Program was launched, aimed at building inclusive leadership capabilities and reinforcing accountability for equity and representation among current and future leaders.

What’s next: roadmap

Areas	→	Actions
Attracting, hiring, and retaining		Extending hiring guide to cover conscious inclusion
Pay equity		Equal pay review
Development and succession planning		Developing dedicated intervention for collaboration Introducing functional skill mapping to enable a more objective and consistent approach to evaluating promotion and development opportunities, helping to reduce bias in decision-making




Aligned with UN Global Compact Principle 6, we are committed to eliminating discrimination in employment and occupation. Our approach aims to contribute to SDG 10 (Reduced Inequalities) and to SDG 5 (Gender Equality), ensuring that our policies and actions contribute to fair treatment, equal opportunities, and the removal of systemic barriers to inclusion.

Ensuring responsible business practices[Diversity, equity, and inclusion](#)[▸ Health and safety](#)[Employee recruiting, development, and retention](#)[Corporate ethics](#)[Sustainable supplier management](#)

Health and safety

We are committed to advancing health and safety through three fundamental areas: plant, people, and processes. For the plant, we focus on creating safer equipment and workplace design by strengthening controls, integrating human factors and ergonomic principles, and aligning with best practices in machinery safety. When it comes to people, we enhance training and foster a safety-first culture by increasing leadership engagement and encouraging safe behaviors throughout our operations. On the process side, we aim to improve risk prevention, ensure compliance, and strengthen our incident management systems. We are also exploring technology-driven safety solutions to better anticipate and reduce risks over time.

 **Through these actions, we are committed to achieving a Lost Time Injury Rate (LTIR) of <1 per million working hours by 2030.**

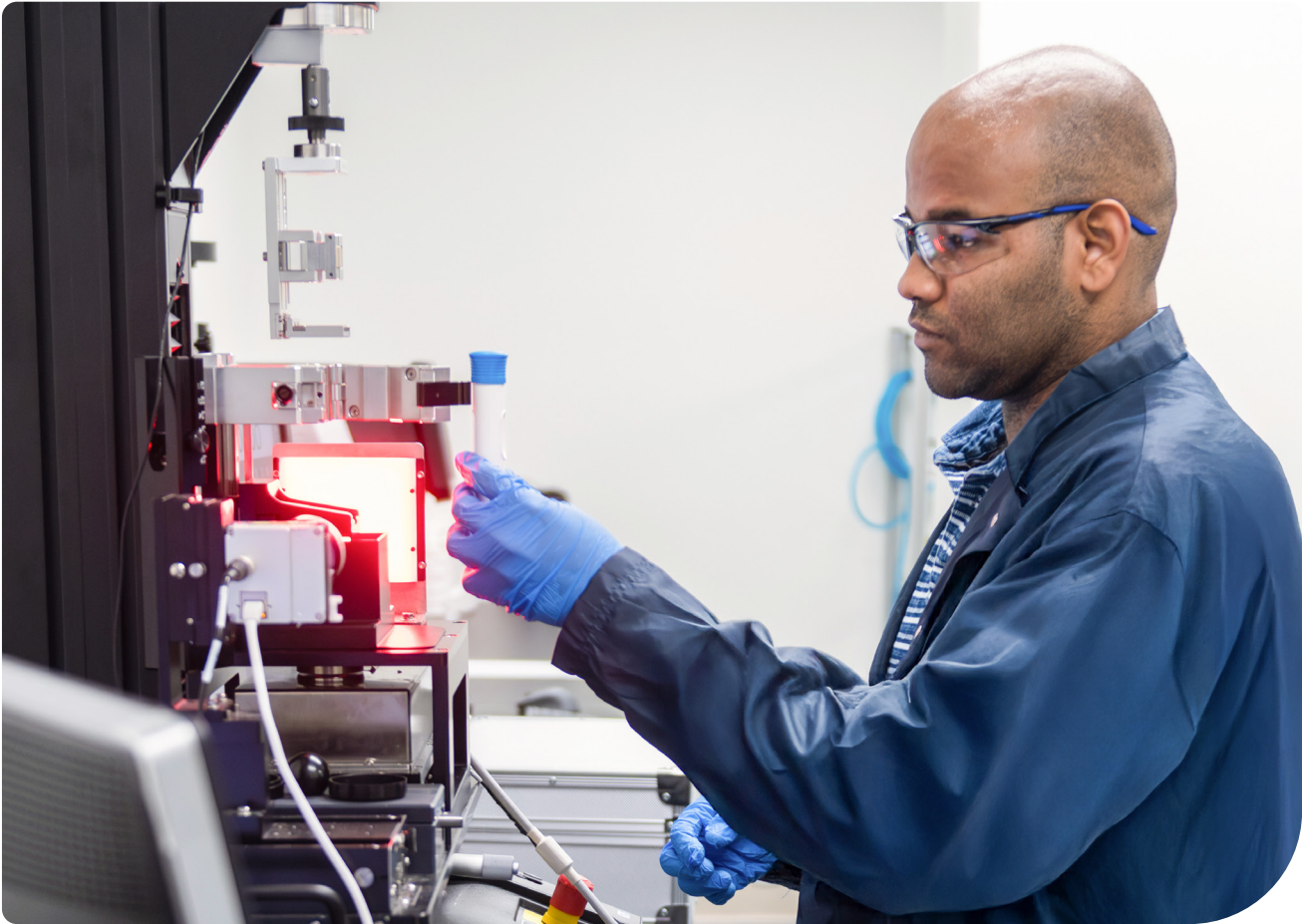
Impacts

Ensuring a safe and healthy work environment is a fundamental responsibility and a key pillar of our sustainability approach. Our operations involve a variety of workplace activities that must be properly managed to protect employees, contractors, and surrounding communities. Health and Safety (H&S) is integral for meeting regulatory expectations and fostering a culture of care and responsibility within our workforce.

A strong health and safety framework not only mitigates risks but also enhances operational efficiency, supports employee well-being, and reinforces reputation amongst customers, investors, and stakeholders. Regulatory compliance, peer benchmarking, stakeholder expectations, and our company values shape our approach, ensuring that we go beyond minimum legal requirements and embed best practices into our daily operations.

Key impact areas:

- Workplace safety
- Incident prevention and risk management
- Employee well-being
- Regulatory compliance



Ensuring responsible business practices

Diversity, equity, and inclusion

▢ Health and safety

Employee recruiting, development, and retention

Corporate ethics

Sustainable supplier management

Policies

Global EHS policy

Outlines SHL Medical’s commitment to a safe and healthy workplace, requiring compliance with regulations and emphasizing injury prevention, risk mitigation, and continuous improvement. The policy promotes employee well-being through hazard assessments and stakeholder engagement, with oversight by top management.

Business Code of Conduct

Defines expected behaviors and ethical standards across SHL Medical, including protecting employee health, safety, and well-being. It requires proper training, equipment, and risk awareness, and encourages employees to remain vigilant and report concerns.

Supplier Code of Conduct

Extends SHL Medical’s commitment to ethical practices across the supply chain. Suppliers are requested to protect workers from hazards and ensure adequate risk controls to maintain a safe and healthy work environment.

Management approach

We implement an integrated Environment, Health and Safety (EHS) management system designed to streamline processes, enhance operational efficiency, and reduce EHS-related risks.

A structured approach to workplace risk assessment – guided by the risk and opportunity assessment management procedure – is applied across all sites and adapted to the local risk context. These assessments support hazard identification, legal compliance, and continuous improvement, forming the foundation of our health and safety practices.

Our Taiwan manufacturing site, which accounts for approximately 85% of the total global workforce, follows this approach and is certified under ISO 45001.



Ensuring responsible business practices

Diversity, equity, and inclusion

▢ Health and safety

Employee recruiting, development, and retention

Corporate ethics

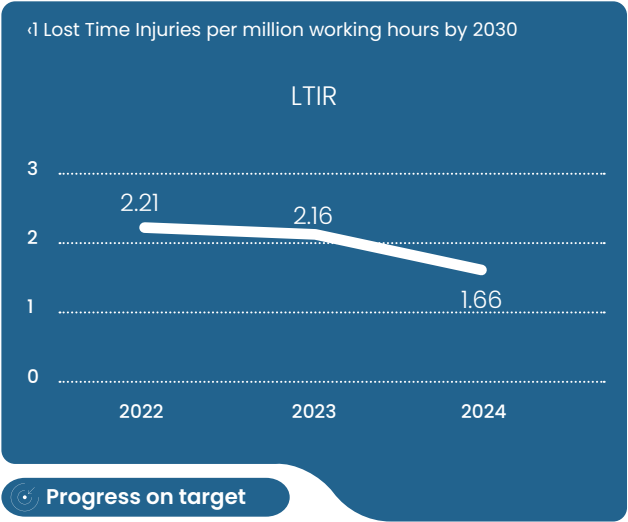
Sustainable supplier management

Progress

Employees are actively engaged in safety initiatives, including training sessions, near-miss reporting, risk assessments, and participation in Environment, Health and Safety (EHS) town halls and committees held regularly at the different sites. These committees – comprising employee representatives, management, and technical staff – serve as structured platforms for dialogue and collaborative problem-solving.

We track safety performance through the Lost Time Injury Rate (LTIR), which in 2024 was 1.66 per million working-hours, representing a 21% improvement compared to 2.16 in 2023. This improvement reflects our ongoing commitment to strengthening incident investigation processes, encouraging near-miss reporting, and taking preventive actions to protect the health and safety of our workforce.

We believe that building a strong safety culture starts with knowledge and awareness. That is why we offer regular health, safety, and environmental training to all relevant employees, tailored to their roles and responsibilities. Training is delivered through a combination of onboarding sessions, workshops, and online modules – making it accessible and easy to follow. Our aim is to ensure



that everyone feels informed, confident, and empowered to contribute to a safe and sustainable workplace.

Key topics include general EHS principles, safe work practices, environmental stewardship, and safety expectations for contractors. Training resources are available at all times through our internal systems, and we regularly track participation to support consistency and compliance across all sites. We foster a culture of safety and holistic wellbeing

through preventive initiatives and comprehensive support services. Our Employee Assistance Programs (EAPs) provide employees with confidential support for mental and physical health, including counseling for addiction, stress, legal, and financial challenges. These are complemented by broader health and wellbeing initiatives – such as ergonomic assessments, preventative health checks, guided relaxation, and company-sponsored sports – as well as annual awareness campaigns that reinforce understanding of workplace risks and hazards.



What's next: roadmap

Areas	→	Actions
Strengthening risk management and operational controls		Strengthening our global risk prevention approach to ensure full alignment with our updated EHS Risk Management Standard, while applying insights from incident investigations to continuously refine prevention strategies
Embedding safety leadership and culture		Continuing to embed a safety culture mindset within leadership by strengthening engagement and targeted development for key personnel, ensuring that safety remains a visible and shared leadership priority



Aligned with UN Global Compact Principles 1, 2, 7, and 8, we are committed to fostering a safe and healthy workplace by embedding human rights and occupational health and safety into our practices. Our efforts contribute primarily to SDG 8 (Decent Work and Economic Growth) and support SDG 3 (Good Health and Well-being).

Ensuring responsible business practices

Diversity, equity, and inclusion

▸ Health and safety [Focus]

Employee recruiting, development, and retention

Corporate ethics

Sustainable supplier management

Focus

Promoting health

Health and safety day

In April 2024, SHL Medical marked the World Day for Safety and Health at Work with dedicated events across all sites, reinforcing our commitment to employee well-being and a strong safety culture.

▸ **Zug (Switzerland):** A two-day Health Check offered employees professional screenings, including cholesterol, blood pressure, HbA1c, and abdominal circumference measurements, facilitated by licensed pharmacists.

▸ **North Charleston (USA):** The North Charleston site hosted its first EHS town hall, discussing the site’s safety vision, hazard recognition, the role of the Safety Committee, and the importance of a proactive safety culture.

▸ **Florida (USA):** An interactive event focused on hazard identification and the emerging impacts of climate change on occupational safety and health.

▸ **Stockholm (Sweden) and Florida (USA):** The SHL Medical Health Challenge 2024, a digital fitness initiative, encouraged employees to adopt healthier lifestyles through physical activity. Points were earned individually and counted toward team goals in a spirit of friendly competition.

▸ **Taoyuan (Taiwan):** The local EHS team organized an EHS Safety Fair, offering hands-on activities and awareness campaigns aimed at strengthening safety knowledge in a fun and engaging way.

Blood donation day

In celebration of the 20th anniversary of World Blood Donor Day, in June 2024 we launched a global blood donation initiative to raise awareness and encourage participation across our sites. This year’s event engaged employees worldwide in collaboration with local blood donation

organizations, reinforcing our commitment to community health and social responsibility. Blood drives were organized in Switzerland, Sweden, Taiwan, and the US, with each site coordinating logistics locally and offering employees the opportunity to give back through life-saving donations.



Breast cancer awareness

In Sweden, SHL Medical colleagues gathered for a dedicated company break-fast featuring an educational quiz to promote awareness and open dialogue around breast cancer. In Switzerland, employees participated in “Wear It Pink Day,” joining the international campaign to raise visibility and support for breast cancer awareness.

Men’s health awareness

Our colleagues in both Sweden and Switzerland took the time to understand and learn about the top three pressing issues of men’s health – mental health, prostate cancer, and testicular cancer. It was a meaningful event that spread joy and helped colleagues gain more understanding on this important topic.



Ensuring responsible business practices

Diversity, equity, and inclusion

Health and safety

▢ Employee recruiting, development, and retention

Corporate ethics

Sustainable supplier management

Employee recruiting, development, and retention

We commit to providing a high-quality work environment where employees receive fair compensation, competitive benefits, and access to professional development. Our strategies for engagement, retention, and promotion are designed to support a resilient and engaged workforce.

As we continue to grow, we aim to foster an even stronger culture of transparency and open feedback, where all employees feel empowered to share insights and raise concerns. Ongoing efforts focus on strengthening engagement processes, improving feedback mechanisms, and promoting inclusive collaboration across teams.

🔄 **As part of this commitment, SHL Medical aims to reach and maintain an average employee engagement score of 7.8 by 2030.**

Impacts

Employment practices, working conditions, and career development opportunities directly influence employee well-being, engagement, and long-term retention. As an employer, our operations impact several key areas:

Key impact areas:

- ▢ Secure employment and stable job conditions
- ▢ Work-life balance and flexible working arrangements
- ▢ Fair and competitive compensation
- ▢ Transparent working time policies
- ▢ Structured social dialogue and engagement mechanisms
- ▢ Training and skills development to enhance career, progression, and employability

Insights**30%**

Reduction time to hire compared to 2022

5.7%

Reduction in attrition rate compared to 2022

Policies**Global recruitment policy**

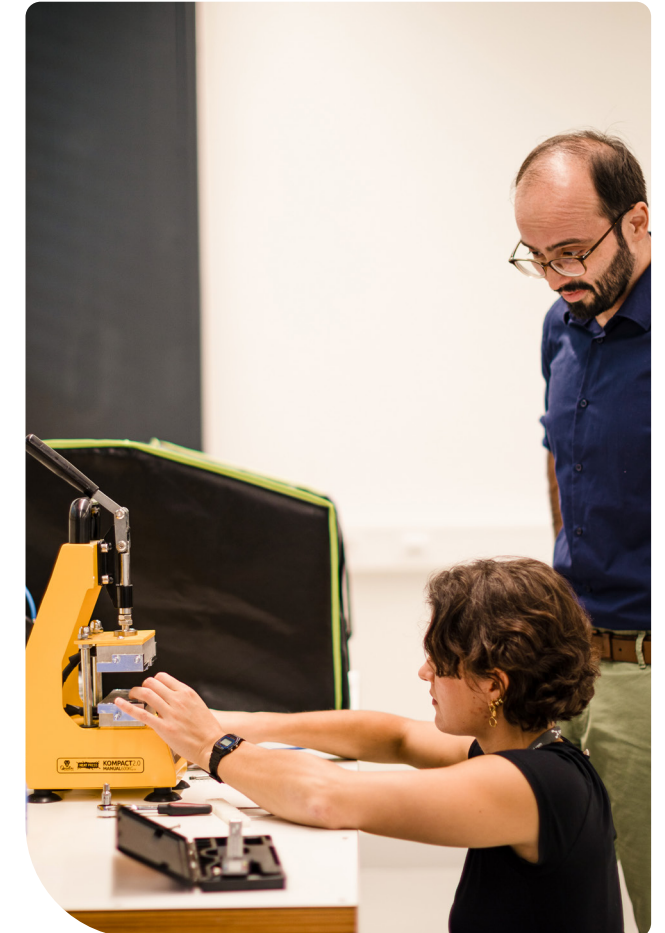
Outlines the principles and procedures for hiring talent across all regions. It ensures a fair, consistent, and effective process to attract and select qualified candidates, aligned with SHL Medical's operational needs and values. The policy applies to all permanent job vacancies.

Remote working policy

Defines expectations and responsibilities for employees working remotely or from home. It promotes flexible work arrangements to support work-life balance and applies to all eligible employees globally, based on local practices and role requirements.

Labor-management working instruction

In Taiwan, SHL Medical follows the Ministry of Labor's guidelines to ensure structured employee representation through Labor-Management Meetings. Representatives are elected every four years, with the current group of 15 labor representatives serving as an official channel for employee feedback and dialogue. This process supports constructive workplace relations and employee voice.



Ensuring responsible business practices

Diversity, equity, and inclusion

Health and safety

Employee recruiting, development, and retention

Corporate ethics

Sustainable supplier management

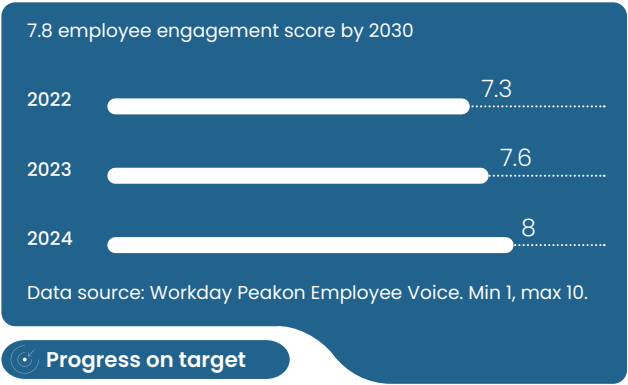
Progress

Employee engagement

As part of our commitment to fostering an inclusive and engaged workforce, we conduct regular engagement surveys to assess employee sentiment and identify areas for improvement.

In 2024, employee participation in the September Survey increased to 87%, marking a 4% rise from the previous year. Our overall engagement score improved from 7.6 to 8.0. These results highlight significant progress in key areas, including goal setting, leadership communication, and meaningful work. Employees reported a stronger sense of alignment with SHL Medical’s strategy and greater involvement in decision-making processes.

To strengthen employee engagement and foster meaningful dialogue, all managers have participated in training sessions designed to enable them to read the engagement results and to understand how to design action plans based on these results with the support of their HR Business Partner. This approach aims at building a systematic approach to gathering, acknowledging, and responding to employee feedback in a transparent and consistent manner.



People Core Processes

In 2023–2024, we formalized our People Core Processes to support employee engagement, growth, and retention. These include Performance Review, Personal Growth Plan (PGP), Goal Setting, and the Annual Salary Review, all integrated into the company’s technology platform with structured guidance, training materials, and end-to-end traceability.

At the heart of these processes is a commitment to shared responsibility and regular, meaningful conversations between team members and team leaders. These discussions are designed to promote openness, align personal development

with business goals, and empower employees to take an active role in shaping their career paths. The processes are supported by training, digital tools, and system tracking to ensure transparency, consistency, and accessibility across locations.

Fair and competitive compensation

In support of employee retention and fair compensation, a benefits overview has been implemented across all locations to promote transparency and fairness. The compensation of Team Members has been systematically adapted where needed to ensure that everyone at SHL Medical is rewarded fairly and competitively versus the external market. Global relocation guidelines facilitate fair mobility opportunities, while long-term value participation schemes and extended short-term incentive programs reinforce employee recognition and retention and support competitive market alignment across all SHL Medical locations.

Training and LinkedIn Learning

Annual training covers soft skills, leadership, compliance, and health and safety, tailored to employees’ roles and responsibilities. Following a review in 2023, new initiatives were

introduced in 2024, including the rollout of LinkedIn Learning to support continuous, self-directed learning. Access is currently offered to office-based employees after one month of employment. While there is no formal process yet for operational staff, licenses are made available upon request. Within the first months, over 2,300 employees were invited, with a 45% activation rate.

What’s next: roadmap

Areas	→	Actions
Fair and competitive compensation		Evaluating our benefits strategy
Training		Implementing new training programs and a new Learning Management System



Our approach aims to contribute to SDG 8 (Decent Work and Economic Growth) by fostering the development of our employees.

Ensuring responsible business practice

Diversity, equity, and inclusion

Health and safety

▸ Employee recruiting, development, and retention [Focus]

Corporate ethics

Sustainable supplier management

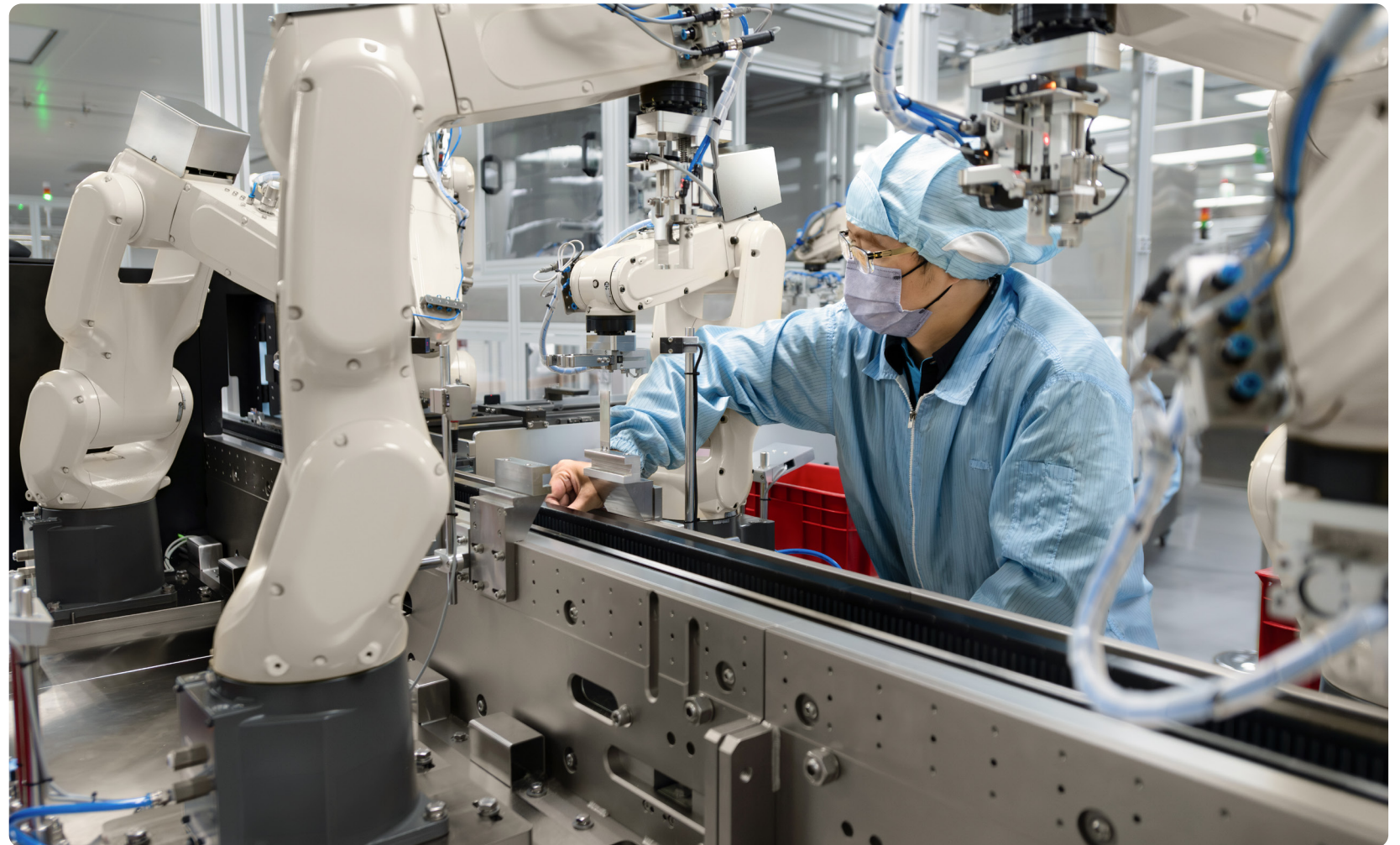
Focus

Building the next generation of engineering talent with 2024 apprenticeship cohort

In 2024, we strengthened our commitment to developing engineering talent by expanding our apprenticeship program to include the manufacturing department – further reinforcing our technician workforce. In August, we welcomed 26 new apprentices at the Taiwan site who will graduate in 2027. These students bring fresh perspectives and energy, enriching our workplace and inspiring cross-generational learning.

Our four-year program blends hands-on training with academic studies, offering a clear growth path from operator to technician. It fosters a culture of merit-based development and long-term career growth.

Supported by HR and guided by dedicated mentors, our program reflects our ongoing investment in Taiwan's MedTech talent pipeline. We are proud to help young professionals become skilled, career-ready, and aligned with our values and innovation-driven mission.



Ensuring responsible business practice

Diversity, equity, and inclusion

Health and safety

Employee recruiting, development, and retention [Focus]

Corporate ethics

Sustainable supplier management

Focus

Engaging with communities

At SHL Medical, we encourage and support our employees in giving back to the communities where we live and work. Across our sites, teams take part in initiatives supporting youth, LGBTQ+ groups, people facing health-related issues, and communities impacted by natural disasters. Their continued engagement reflects a shared commitment to making a positive difference.

Donation of two stations of bike sharings

In partnership with the Taoyuan City Government, Taiwan Railways, and YouBike Co., we launched a YouBike donation project to support low-carbon emissions commuting. Two new YouBike stations – SHL Medical Liufu and SHL Medical Nanshan – were activated near SHL Medical’s Taoyuan sites, offering a total of 64 bike stands.

As part of the initiative, SHL Medical donated 32 bicycles, providing both traditional and electric-assisted options for the community and employees.

Global Christmas Gift Drive

Each site collaborated with a designated local organization, offering employees the opportunity to donate gifts to people in need. In Sweden, the team collaborated with Stockholms Stadsmission, collecting gifts for children and teens up to the age of 18. In Switzerland, SHL Medical supported Caritas Zurich with gifts for disadvantaged children in the cantons of Zurich and Schaffhausen. SHL Medical in Taiwan continued the donation partnership with the Northern Region Children’s Home, Chensenmei Social Welfare Foundation and the World Vision. In the US, employees from North Charleston and Deerfield Beach contributed to the initiative by donating gifts to the Low Country Orphan Relief.

In addition to the initiatives outlined, several other smaller activities were carried out across our sites during the reporting year, some of which are listed below.

Event		Summary
Taiwan	SBC Marathon	40 SHL Medical runners joined the 2024 Standard Chartered Taipei Charity Marathon with British Chamber of Commerce in Taipei, promoting health, inclusion, and community connection.
	Chensenmei Foundation	Employees and families celebrated Lunar New Year with elders at Chensenmei Foundation, bringing warmth to those unable to return home.
	Food Bank	In partnership with ANDREW Charity Association, 50 employees and families packed 540 boxes of dry goods for people in need.
Sweden	Beach Clean-Up Day	Colleagues and families joined for a beach clean-up, showing shared dedication to environmental protection and teamwork.
	Volunteer Day	Eight employees volunteered with Stockholm Stadsmission, sorting and packing items to support those in need.
	Donation Drive	Employees donated hygiene items to support BoKlara and BoCenter shelters, reinforcing SHL Medical's commitment to local communities.
Switzerland	Clean-Up Day	Colleagues united for a clean-up in Nacka Strand, making a visible environmental impact through collective action.
	B2Run	SHL Medical employees participated in B2Run Zug, promoting well-being, movement, and team spirit in an inclusive way.
	National Future Day	SHL Medical Zug hosted young visitors for National Future Day, encouraging them to explore gender-diverse career paths.
Florida	Hearth Month	SHL Medical Florida marked American Heart Month by raising awareness and highlighting autinjector solutions for cardiovascular care.
	Wellness Day	Employees enjoyed chair massages during Wellness Days, promoting relaxation, health, and workplace well-being.



Ensuring responsible business practices

Diversity, equity, and inclusion

Health and safety

Employee recruiting, development, and retention

▾ Corporate ethics

Sustainable supplier management

Corporate ethics

We are committed to conducting business ethically, transparently, and in full compliance with applicable laws and regulations. Integrity is a core principle in both internal decisions and external relationships.

To support this, we work to strengthen our ethical framework through clear and accessible policies and training – helping to build awareness, support informed decision-making, and ensure consistent application of ethical standards in day-to-day practices within our operations and beyond, in our relations with external partners.

🕒 **By 2025, all employees globally will be trained on ethics.**

In addition, we are committed to identifying and mitigating potential human rights risk within our value chain.

Impacts

Operating with ethics and integrity is a core value at SHL Medical, forming the foundation of regulatory compliance, stakeholder trust, and reliable global operations.

A structured ethical framework helps prevent misconduct – such as bribery, corruption, conflicts of interest, and anti-competitive behavior – while reinforcing transparent, consistent decision-making and accountability throughout the organization. Beyond compliance, it drives responsible practices across the value chain and safeguards SHL Medical's long-term credibility and license to operate.

We also recognize the close connection between corporate ethics and human rights, and the need to embed both into daily operations.

Key impact areas:

- ▾ Regulatory compliance and legal risk mitigation
- ▾ Prevention of corruption and unethical conduct
- ▾ Fair competition and market integrity
- ▾ Ethical awareness and accountability across the organization
- ▾ Internationally recognized human rights

Policies**Business Code of Conduct**

Signed by all employees upon employment, sets expectations for ethical behavior, legal compliance, and responsible business practices. Covers key topics such as conflicts of interest, anti bribery, fair competition, trade compliance, and accurate record keeping.

Supplier Code of Conduct

Outlines the standards SHL Medical expects from its suppliers regarding ethical conduct and human rights. This includes anti-corruption, data protection, responsible sourcing, and respect for labor rights, including the prohibition of forced and child labor.

Global Speak-Up policy and mechanism

Defines procedures and protections for reporting concerns related to potential violations of the law, the company's code of conduct and other company policies. Ensures confidentiality, non-retaliation, and a fair investigation process. SHL Medical provides a dedicated reporting channel accessible to employees and external stakeholders, including anonymous reporting where legally allowed. All cases are handled through a structured case management process.



Ensuring responsible business practices

Diversity, equity, and inclusion

Health and safety

Employee recruiting, development, and retention

Corporate ethics

Sustainable supplier management

Progress

Ethics training

In 2024, we launched a new corporate ethics training course. While all employees are introduced to the Business Code of Conduct at the start of their employment, training reinforces expectations related to workplace behavior and reporting principles. The training was designed to strengthen awareness across the organization and to set the stage for further ethics-related activities and the development of an enhanced ethical framework.

100% of employees
trained on ethics
by 2025

100%



Progress on target

Human Rights Risk Assessment (HRRR)

The assessment

In the second half of 2024, we conducted a high-level Human Rights Risk Assessment (HRRR), aligned with the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, and upcoming regulations such as the EU Corporate Sustainability Due Diligence Directive (CSDDD).

We acknowledge that this assessment needs to be part of a broader human rights due diligence process to managing human rights risks — including the review of existing policy commitments and the implementation of mitigation actions and monitoring activities. We are working on the next steps to further strengthen our overall framework.

The assessment scanned the standard UNGP/OECD human rights risks that can arise across operations and value chains, including child labor, forced labor and modern slavery, occupational health and safety, working conditions (such as wages, working hours, and protection from harassment and discrimination), freedom of association and collective bargaining, land rights and impacts on local communities, environmental impacts with human rights implications, bribery and corruption, and the use of security forces.

The identified risks were mapped against internationally recognized human rights standards, with a focus on those most relevant to our operations and value chain.



Ensuring responsible business practices

- Diversity, equity, and inclusion
- Health and safety
- Employee recruiting, development, and retention
- ▾ Corporate ethics
- Sustainable supplier management

The results

Preliminary insights from our high-level human rights risk assessment suggest that while some topics (e.g. occupational health and safety, wage policies) appear to be well-managed within our own operations, potential risks may lie in upstream and downstream parts of the value chain.

These initial insights will be further validated through a more in-depth analysis to support the definition of targeted mitigation actions.



Building on existing measures and strengthening our response

We already have several practices in place to mitigate human rights risks across our operations. These include local EHS management systems, processes, and policies. These are complemented by corporate strategies in areas such as responsible sourcing.

In our own operations, for example, SHL Medical has implemented:

- ▾ Occupational health and safety management systems, particularly in Taiwan, with formal EHS departments, KPIs, and policy oversight
- ▾ Work instruction policies that regulate employee working hours and ensure transparent compensation processes
- ▾ A non-discrimination strategy, including a group-wide target to increase the share of women in senior management
- ▾ The “Employer Pays Principle” to ensure ethical recruitment, in place since 2021
- ▾ A labor committee system, ensuring that employees elect representatives every two years

- ▾ Structured healthcare benefits, including health checks, insurance, and wellness programs.
- ▾ Policies with effective mechanisms against sexual harassment and bullying

In the downstream value chain, the following measures are considered:

- ▾ Patient safety compliance, including patients’ health risk assessment

In the upstream value chain, measures are under development. These include:

- ▾ A responsible procurement process to improve supplier assessment
- ▾ The application of eco-design principles within product innovation and development

We acknowledge additional effort is required to address downstream risks and in broader indirect relationships.

What’s next: roadmap

Areas	→	Actions
Corporate ethics training (including anti-bribery and antitrust training)		Enhancing tailoring the training catalogue to address high-risk functions
Ethics policies		Revising as per need current SHL Medical’s ethics-related policies to align with latest ambition levels
Human rights		Setting governance and plan for action



Our approach aims to contribute to SDG 8 (Decent Work and Economic Growth) by fostering the development of our employees which in turn supports productive activities, decent job creation, entrepreneurship, creativity, and innovation.

Ensuring responsible business practices

- Diversity, equity, and inclusion
- Health and safety
- Employee recruiting, development, and retention
- Corporate ethics
- Sustainable supplier management

Sustainable supplier management

At SHL Medical we are committed to promoting responsible business practices and accountability along the supply chain. We expect our suppliers to uphold the same standards of environmental responsibility, labor practices, ethical conduct, and supply chain management that we apply within our own operations.

🕒 **By 2025, 100% of our strategic and other suppliers will have signed SHL Medical’s Supplier Code of Conduct, and 100% of our relevant suppliers will be covered by a sustainability-based assessment¹.**

¹ To enable target supplier engagement, suppliers have been segmented as follows: strategic: suppliers of direct materials used in the production or final goods. relevant: top 90% based on spend of strategic suppliers and indirect equipment suppliers. Other: top 75% based on spend of indirect suppliers.

Impacts

SHL Medical’s ability to manage environmental, social, and governance (ESG) risks extends beyond its direct operations and is closely linked to supplier performance. Integrating sustainability into supplier relationships is essential to uphold human rights and environmental responsibility, ensure regulatory compliance, and meet market expectations.

Given that a significant portion of our environmental and social impacts occur across our value chain, suppliers are critical partners in advancing our sustainability targets. Insufficient oversight can increase exposure to non-compliance risks, supply chain instability and reputational exposure. Conversely, clear expectations, continuous engagement, and strong supplier partnerships support responsible practices, supply chain resilience, and transparency.

Key impact areas:

- Sustainability risk exposure beyond SHL Medical’s direct operations
- Supplier alignment with ESG standards and expectations
- Resilience and sustainability of supply chain

Policies

Supplier Code of Conduct

Sets out the minimum requirements we expect from all suppliers, subcontractors, and business partners. It is designed to promote responsible business conduct, and strengthen sustainability across our value chain.

The Code was revised in 2023 to address evolving regulatory and stakeholder expectations and is available in English and Mandarin on our website. It covers six key areas:

- Human Rights and Labor
- Health and Safety
- Environmental Responsibility
- Ethics
- Management Systems
- Quality



Ensuring responsible business practices

Diversity, equity, and inclusion

Health and safety

Employee recruiting, development, and retention

Corporate ethics

➤ Sustainable supplier management



Progress

Engaging on the Supplier Code of Conduct

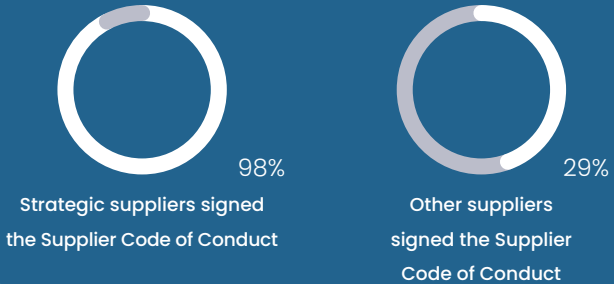
In 2024, we launched a structured supplier engagement campaign to advance responsible sourcing practices and strengthen sustainability risk management across the supply chain. SHL Medical’s Supplier Code of Conduct was distributed to all strategic suppliers and a selected group of other suppliers. Signature progress is actively monitored: by the end of 2024, 98% of strategic suppliers and 29% of other suppliers had already signed the Code. SHL Medical aims to achieve 100% coverage of both groups by 2025, in line with its sustainability commitments.

Sustainability risk monitoring

In 2024, we have developed our risk based approach and started to perform sustainability assessments of our relevant suppliers, 92.9% of relevant suppliers has been assessed as of the end of the reporting period.

In the near-term, these insights will inform prioritization and guide action planning in terms of auditing and improvement plans.

100% of strategic suppliers and other suppliers to sign our Supplier Code of Conduct by 2025



Progress on target

100% of our relevant suppliers covered by a sustainability assessment by 2025



Progress on target

What’s next: roadmap

Areas	→	Actions
Supplier engagement		Formalizing a supplier engagement approach to support alignment on sustainability expectations from suppliers
Supplier sustainability risk monitoring		Reinforcing current supplier assessment and monitoring processes to fully embed sustainability Continue conducting supplier assessments, including the roll-out of on-site audits for relevant suppliers identified as high risk through our sustainability desk reviews