

# Fair competition

This position statement sets out the scope and approach of Mölnlycke's fair competition ambition, taking into account the nature of our industry and stakeholders as well as relevant legislation.

Mölnlycke is committed to conducting business in compliance with all applicable laws and legislations and with integrity and focus on business ethics. Competition law is an inherent part of an ethical business, as competition laws monitor the distribution of economic power, to allow undistorted competition and healthy economies to grow.

Mölnlycke believes that fair competition is one of the essential principles of a well-functioning market, which benefits the development, progress and well-being of society. Mölnlycke's Code of Conduct reinforces this principle by stipulating that "Mölnlycke promotes and protects competition" and that Mölnlycke personnel "shall comply with all competition laws and demonstrate fair and correct behaviour in competition".

To further ensure fair competition we follow our guiding principles. The guiding principles are applicable to all entities that are part of Mölnlycke and compliance with the guiding principles is mandatory for all Mölnlycke personnel and third parties working for Mölnlycke, at all levels throughout Mölnlycke, in all activities related to their positions and functions.

## 1. We do not discuss commercially sensitive information

We do not discuss commercially sensitive information, market sharing or market allocation with our competitors. We are aware that sharing, receiving, or exchanging this type of information could be prohibited even when it is informal, such as in conversation with a former colleague or friend, or when it takes place during industry association meetings.

## **2. We respect fairness**

Vertical agreements affect business partners that are not acting at the same level of the value chain, such as a Mölnlycke relationship with a distributor or a supplier. We respect fairness and it is important to us to not exert undue influence over our distributors. For example, in the EU, we do not prevent passive sales (i.e., sales made in response to unsolicited orders) or impose resale prices on distributors.

## **3. We follow best practice in tender processes**

In tender processes, transparency must be maintained throughout the procurement cycle by adhering to all applicable procedures. It is therefore important that decision makers are provided with correct and transparent data. We do not exert any improper influence on the content of the tender documents, nor do we have undue contacts with decision makers in tender processes.