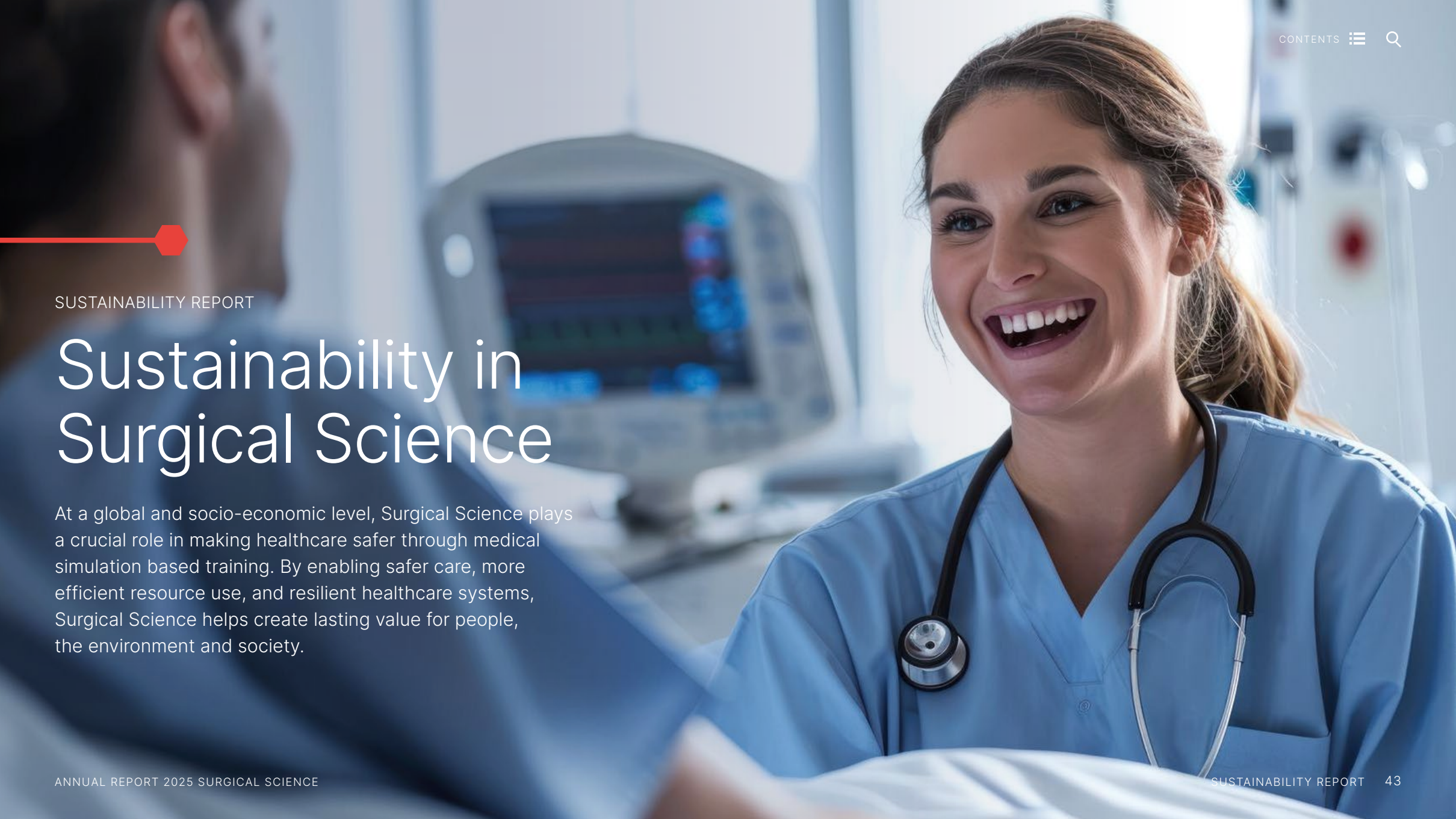


SUSTAINABILITY REPORT

# Sustainability in Surgical Science

At a global and socio-economic level, Surgical Science plays a crucial role in making healthcare safer through medical simulation based training. By enabling safer care, more efficient resource use, and resilient healthcare systems, Surgical Science helps create lasting value for people, the environment and society.

# Sustainability management

## Sustainability permeates every function and component of the business. Ultimately, it is the board's responsibility to establish appropriate and effective risk management systems and the Audit Committee serves as the guiding body for sustainability-related issues.

The Sustainability Report for 2025 has been prepared in accordance with the Swedish Annual Accounts Act (Årsredovisningslagen, ÅRL) and draws inspiration from the European Sustainability Reporting Standards ("ESRS") as well as EFRAG's Voluntary Sustainability Reporting Standard for SMEs ("VSME") and the aspects that are material that have been identified through the Double Materiality Assessment ("DMA").

The table on page 46 fulfils the disclosure requirements of the ÅRL, which requires companies to report on their approach to environmental impact, social conditions, personnel, human rights, and anti-corruption. It provides a summary of Surgical Science's position across each required area, with references to the pages in this report where each topic is covered in full. The table should be read alongside the detailed Environment, Social, and Governance sections in this report, which set out the company's policies, actions, and performance data in depth.

Following the European Commission's Omnibus 'stop-the-clock' directive decision, which delayed the application of CSRD Wave 2 by two years, this report represents an interim step towards full alignment with the CSRD and ESRS frameworks, which Surgical Science continues to closely monitor. The Surgical Science board is responsible for the statutory sustainability report and for ensuring that it is prepared in accordance with the Swedish Annual Accounts Act.

The Sustainability Report has been subject to limited assurance by KPMG Sweden, whose statement can be found on page 117.

## CEO statement

"Surgical Science's core business is contributing to making the broader healthcare system more sustainable, by reducing patient errors, improving patient outcomes and increasing healthcare efficiency. By growing our reach and customer base, we can increase this positive impact.

2025 was a year of foundation-building for sustainability practices at Surgical Science. The company completed its first Double Materiality Assessment, calculated its Scope 1 and 2 emissions for the first time and laid the foundations of a stronger policy framework to ensure that sustainability principles are embedded in how the company operates, sources and conducts itself. We are at the beginning of this journey, and I am committed to ensuring that each year brings greater transparency, more targets and demonstrable progress."

*Tom Englund, CEO*

# Sustainability strategy overview

| | | | | |
|---|---|---|---|---|
| **Sustainability purpose** | Unlock the full potential of every medical professional, to improve healthcare outcomes and save lives | | | |
| **Sustainability vision** | Create a world where all medical professionals have been trained and objectively certified in a safe and lifelike simulated environment | | | |
| **ESG ambition** | To be a responsible and sustainable business | | | |
| | **Environment** | **Social** | | **Governance** |
| **Sustainability ambitions** | **Climate change** | **People and patient outcomes** | **Responsible employer** | **Business integrity** |
| | • Low impact, energy efficient and durable products<br>• Sustainable packaging<br>• Reduce environmental footprint<br>• Reduce waste<br>• Use sustainable energy sources<br>• Increase energy efficiency | • Reduce preventable medical errors through better clinician competency<br>• Enhance healthcare quality<br>• Build resilient healthcare systems and improve long term population health | • Prioritise well-being, safety, engagement and development<br>• Inclusive culture and equal opportunities<br>• A culture of strong business ethics across the whole value chain<br>• Safe working conditions | • Strive for high ethical standards<br>• Perform business with integrity and honesty<br>• Set minimum standards and ethical principles through the Code of Conduct and other policies |
| **Material topics**<br>The sustainability issues identified through the Double Materiality Assessment as most significant to the business, stakeholders, people and the environment. | • Climate change mitigation<br>• Circular economy | • Product quality and safety<br>• Patient safety and healthcare outcomes | • Working conditions<br>• Equal treatment and opportunities for all<br>• Privacy | • Corporate culture<br>• Whistleblower protection<br>• Supplier relationships<br>• Corruption and bribery |
| **Link to strategic pillar** | **Insights drive performance**<br>• Using ESG and climate data to make informed decision-making and continuous improvement<br>**Authenticity and clinical accuracy**<br>• Hyper-realism of products reducing need for cadavers/synthetic consumables<br>• Sustainability in product design choices | **Amazing customer experience**<br>• Sustainability in customer support and product lifecycle<br>• Supporting the customer to make more sustainable decisions – supporting circular economy principles<br>**Authenticity and clinical accuracy**<br>• Hyper-realistic simulation reducing reliance on live patients for training, improving patient safety outcomes<br>**Simulation is core to medical training** | **Insights drive performance**<br>• Annual eNPS results and people data used to drive targeted improvements in engagement and working conditions<br>• Diversity and inclusion metrics monitored to track progress and to develop DEI policy framework<br>• Annual Performance Management Process data used to drive individual development and strenghten shared culture | **Insights drive performance**<br>• Double Materiality Assessment outcomes shaping governance structure and policy priorities<br>• Whistleblower data used to monitor and strengthen business conduct |
| **UN sustainable goals** |  |  | |  |

All underpinned by the core company values of **Respect, Curiosity, and Perseverance** guiding how the company collaborates, innovates and stays accountable

## General disclosures – Swedish Annual Accounts Act

The table below provides a summary of Surgical Science's position across each required ÅRL area, with references to the pages in this report where each topic is covered in full. The table should be read alongside the detailed Environment, Social, and Governance sections in this report, which set out the company's policies, actions, risks and data in more depth.

| ARL area | Outcomes and 2025 highlights | Page reference |
|---|---|---|
| **Material topics** | In 2025 Surgical Science concluded the DMA in accordance with CSRD and ESRS | 48 |
| **Environment** | Scope 1 and 2 emissions calculated | 51 |
| | Low carbon intensity in assembly and distribution of products | |
| | Renewable energy sources used where possible | |
| | Recyclable or reusable packaging | |
| | Local purchasing policies | |
| | Waste management directive compliance | |
| | Sustainable travel policies | |
| **Social conditions** | Commitment to safe and healthy working environments | 53 |
| | Health and safety policies across all sites | |
| | Hybrid and flexible working where role permits | |
| **Personnel** | HR strategy focused on attracting, retaining and developing talent | 53 |
| | Annual Performance Management Process (PMP) for all employees | |
| | Annual eNPS survey measuring engagement | |
| | Leadership development programme for all managers | |
| | Share warrants programme and employee referral scheme in place globally | |
| | Company intranet in development; expected launch Q2 2026 | |

| ARL area | Outcomes and 2025 highlights | Page reference |
|---|---|---|
| **Human rights** | Code of Conduct combats all forms of discrimination and promotes inclusion and equal treatment | 61 |
| | Zero tolerance for discrimination, bullying or harassment | |
| | Continued work for increased diversity, equality and inclusion across the business | |
| | Modern slavery and human rights policy in development | |
| | Supplier Code of Conduct policy in development | |
| **Anti-corruption** | Code of Conduct sets out anti-corruption principles | 61 |
| | Anti-corruption and bribery policy in development | |
| | Zero corruption incidents reported for third consecutive year | |
| | Whistleblower function | |
| **Business model** | Business model | 17 |
| | Value chain | 47 |
| **Risks** | Risks for each area are set out in the Environment, Social, and Governance sections | 51, 53, 61 |

# Value chain

Sustainability impacts, risks and opportunities originate throughout the value chain. Surgical Science's value chain connects electronics and component suppliers through purchasing, R&D and assembly activities to the healthcare institutions, medical device companies and end users who depend on Surgical Science products.

The illustration sets out the material sustainability impacts and risks generated at each stage of the value chain, as well as the positive contributions the company aims to deliver. It is not exhaustive. Each material topic – including the policies, strategic direction and actions in place – is addressed in detail in the Environment, Social and Governance sections of this report.

## Upstream

**Key stakeholders**

- Raw material suppliers
- Electronics/component manufacturers
- Freight and logistics companies

- Production of raw materials
- Production of hardware components
- Production of other goods and services that Surgical Science purchase
- Inbound logistics

**Impacts and risks**

- ⊖ Carbon emissions, labor practices, resource depletion, waste
- ⊕ Sustainable sourcing
- ! Supply chain disruptions, regulatory non-compliance

## Own operations

**Key stakeholders**

- Surgical Science employees

- Purchasing
- R&D
- Assembly
- Product management
- Service and support
- Sales and marketing
- Administration

**Impacts and risks**

- ⊖ Non-renewable energy use, e-waste, data privacy
- ⊕ Efficient assembly, inclusive workplace, renewable energy
- ! Climate change, cybersecurity, operational inefficiencies, health and safety

## Downstream

**Key stakeholders**

- Customers
- Freight and logistics companies
- End users
- Local community

- Outbound logistics
- Distribution
- Use of products and services
- End-of-life disposal

**Impacts and risks**

- ⊖ Improper end-of-life disposal, resource overuse
- ⊕ Improved patient outcomes, training efficiency
- ! Misuse of technology, reputational risks

⊖ Negative ⊕ Positive ! Risks

# Double materiality assessment

In 2025, as part of the CSRD compliance project prior to the Omnibus 'stop-the-clock' directive, the company completed the extensive DMA to serve as a guideline for the development of sustainability framework and the foundation for the identification of the most important sustainability topics across Surgical Science and its value chain.

The DMA process consisted of a number of stages, including:

- Due diligence preparation to identify potentially material topics, utilising the ESRS topics defined in the CSRD.
- Surveys, workshops, and interviews assessing the financial and sustainability impacts on the company, people, and environment, considering both risks and opportunities. The assessment involved internal and external stakeholders, including employees, suppliers, customers, subject matter experts and investors. The broad range of stakeholders brought a depth of expertise and a relevant mix of experiences on financial and sustainability topics.
- Defining the key material impacts (positive and negative), along with opportunities and risks, prioritising efforts based on assessment outcomes and adhering to relevant ESRS standards for transparent disclosure.

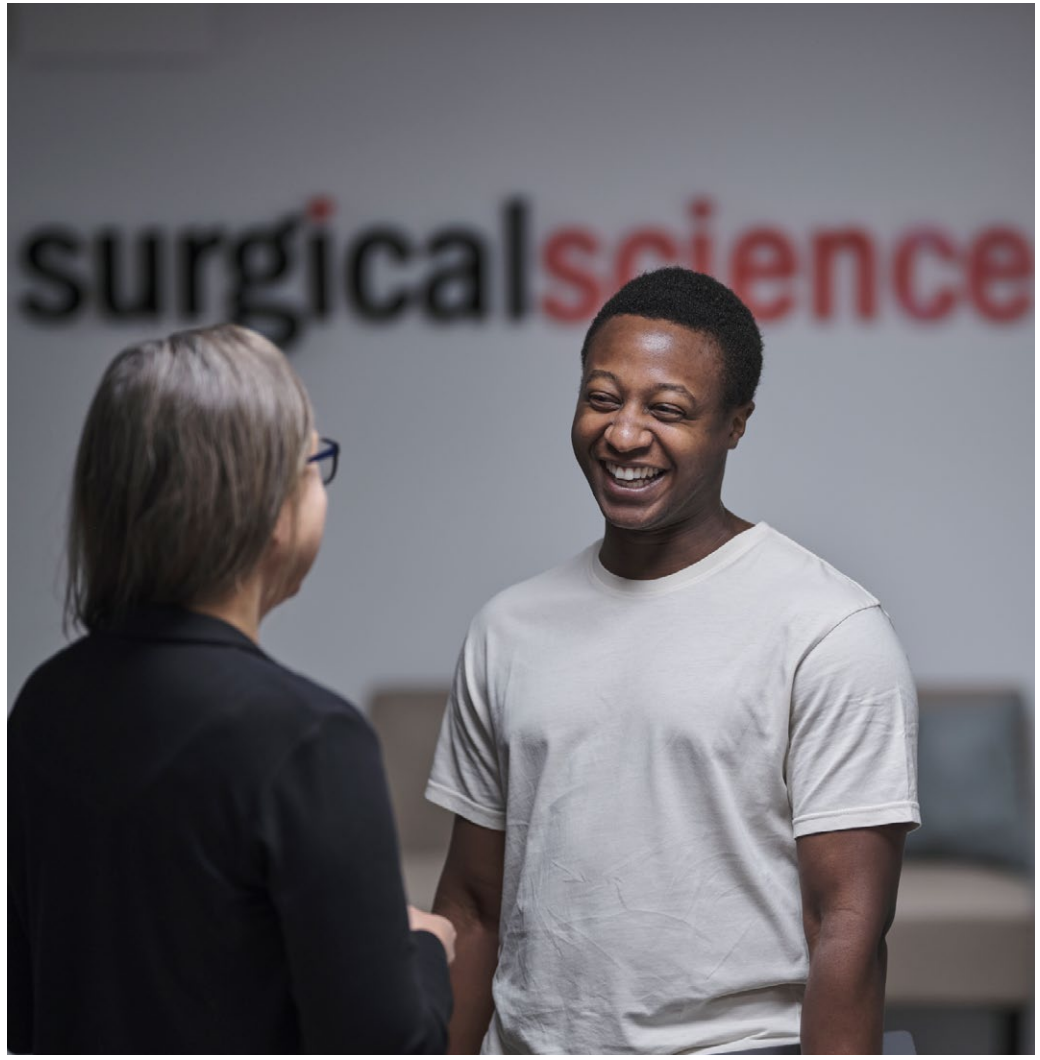
A DMA looks at sustainability from two perspectives:

- Impact materiality – how activities affect people and the environment
- Financial materiality – how sustainability issues may affect the business or financial performance

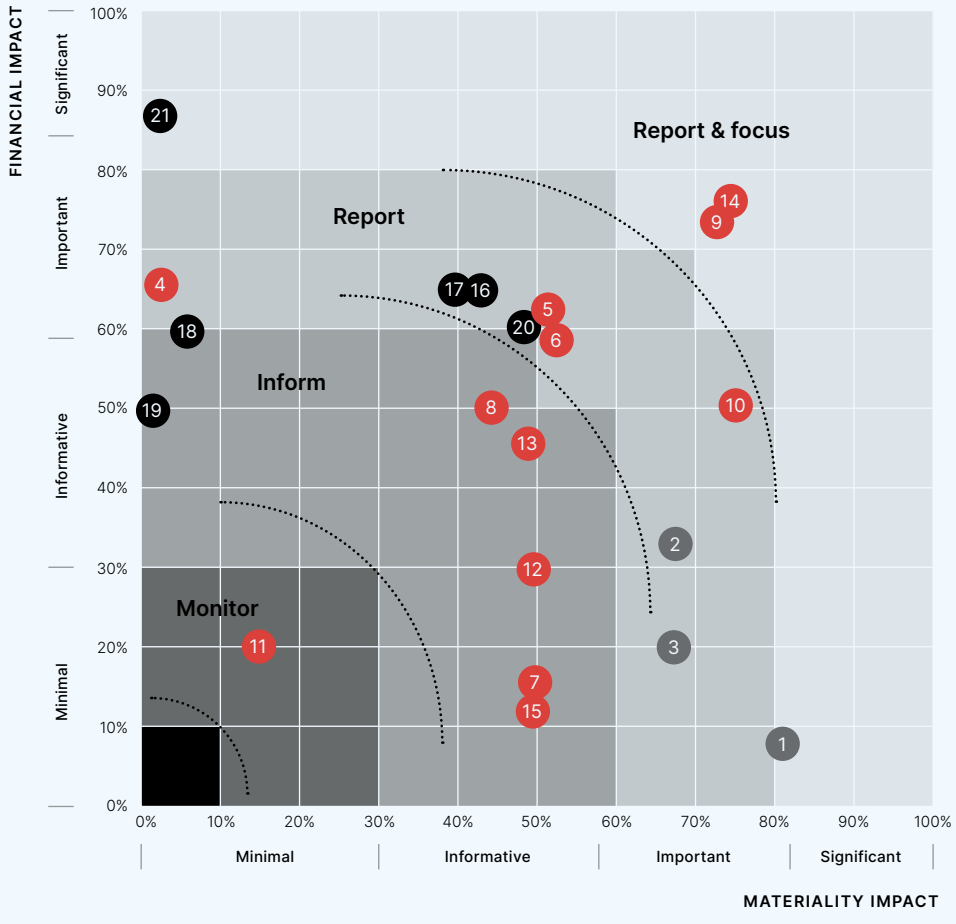
The topics are then mapped into the matrix, defined under the ESG pillars.

**The double materiality assessment stages**

| 1 | 2 | 3 | 4 |
|---|---|---|---|
| Understand the sustainability context | Identify impacts, risks, and opportunities (IROs) | Assess the significance of IROs | Prioritize IROs |



## Double materiality assessment outcome




| | IRO | | Topic |
|---|---|---|---|
| Environment | E1 Climate change | 1 | Climate change mitigation and energy |
| | E5 Circular economy | 2 | Resource use |
| | | 3 | Waste |
| Social | S1 Own workforce | 4 | Employee commitment |
| | | 5 | Training and skills development |
| | | 6 | Leadership and leadership development |
| | | 7 | Safe and healthy working conditions |
| | | 8 | Working conditions |
| | S4 Consumers and end users | 9 | Innovation and technology |
| | | 10 | Product quality |
| | | 11 | Product safety |
| | | 12 | Labor rights in the value chain |
| | | 13 | Human rights in the value chain |
| | | 14 | Patient safety and healthcare outcomes |
| | | 15 | Improve access to healthcare and health equity |
| Governance | G1 Business conduct | 16 | Corporate culture and values |
| | | 17 | Business ethics including anti-corruption |
| | | 18 | Corporate governance |
| | | 19 | Transparency of reporting |
| | | 20 | Responsible value chain management |
| | | 21 | Financial strength |

## Material impacts, risks and opportunities (”IROs”)

The table below shows the material topics identified from the DMA, their impacts across the value chain, and the time horizons over which they are expected to occur.

| | | | Value chain impact | | | Time horizon | | |
|---|---|---|---|---|---|---|---|---|
| **IROs** | **ESRS material topics** | **Link to DMA topic** | **Upstream** | **Own operations** | **Downstream** | **Short term** | **Medium term** | **Long term** |
| **Climate change (E1)** | Climate change mitigation | 1 | ✓ | ✓ | ✓ | | ✓ | ✓ |
| | Energy | 1 | ✓ | ✓ | ✓ | | ✓ | ✓ |
| **Circular economy (E5)** | Resource inflows | 2 | ✓ | ✓ | | | | |
| | Resource outflows | 2 | | ✓ | | ✓ | ✓ | ✓ |
| | Waste | 3 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| **Own workforce (S1)** | Working conditions | 7 8 | ✓ | ✓ | | ✓ | | |
| | Equal treatment and opportunities for all | 4 5 6 | | ✓ | | ✓ | | |
| | Other work-related rights - privacy | 4 5 6 | | ✓ | | ✓ | | |
| **Consumers and end users (S4)** | Product quality and safety | 10 11 | | | ✓ | ✓ | ✓ | |
| | Patient safety and healthcare outcomes | 14 | | | ✓ | ✓ | ✓ | ✓ |
| **Business conduct (G1)** | Corporate culture | 16 | | ✓ | | | ✓ | ✓ |
| | Supplier relationships | 20 | ✓ | ✓ | | ✓ | ✓ | ✓ |
| | Corruption and bribery | 17 | ✓ | ✓ | ✓ | ✓ | ✓ | |
| | Whistleblower protection | 19 | | ✓ | | ✓ | ✓ | |

# Environment

## Climate change

Surgical Science acknowledges its responsibility for addressing environmental challenges both within its own operations and throughout the entire value chain and is committed to setting ambitious and measurable reduction targets.

### Material impacts

Carbon emissions are produced at most stages of the Surgical Science value chain, with the majority of emissions estimated to arise from Scope 3 upstream and downstream operations through the production of its raw materials, inbound and outbound transportation of goods as well as business travel and energy consumption. In 2025, efforts have been focused on calculating Scope 1 and 2 emissions. This first step establishes the foundation for robust data collection, from which climate impact reduction targets can be set.

Surgical Science has a long-term ambition to align with net-zero expectations, subject to further data development and target setting.

### Principal risks

- Scope 3 emissions have not yet been quantified which likely represent majority of total carbon footprint
- Fossil fuel-based energy represent the majority of energy mix used across the business
- Plastic components generate end-of-life waste risk if they are not properly disposed of
- Supply chain disruptions and regulatory non-compliance risk if environmental standards are not met by suppliers

### Energy consumption

Energy use within Surgical Science comes from the purchase of electricity, heating and cooling for office and assembly facilities. Climate impact is largely driven by fossil fuel-based energy, which Surgical Science is striving to reduce by increasing the share of renewable energy in the energy mix where possible.

## Environmental metrics

**Energy consumption**

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | **Renewable** | **Non-renewable** | **Total** | **Renewable** | **Non-renewable** | **Total** |
| Electricity (kWh) | 209,123 | 383,218 | 592,341 | 105,374 | 399,469 | 504,843 |
| Fuels (gas, kWh) | 10,927 | 131,518 | 142,445 | - | 101,027 | 101,027 |
| **Total (kWh)** | **220,050** | **514,736** | **734,786** | **105,374** | **500,496** | **605,870** |
| | | | | | | |
| Fuels (diesel, litres) | - | 2,782 | 2,782 | - | - | - |
| Fuels (petrol, litres) | - | 103,167 | 103,167 | - | 101,088 | 101,088 |
| **Total** | **-** | **105,949** | **105,949** | - | **101,088** | **101,088** |

**Scope 1 and 2 Emissions**

| | **2025** | **2024** |
|---|---|---|
| **Carbon dioxide emissions (tonnes $CO_2$)** | | |
| **Scope 1** | | |
| Vehicle fleet | 249.03 | 237.05 |
| **Scope 2** | | |
| Purchased electricity for own use | 175.89 | 163.15 |
| Purchased heating, steam and cooling for own use | 25.83 | 18.31 |
| **Total Scope 1 and 2 emissions** | **450.74** | **418.51** |

Although quantification of Scope 3 greenhouse gas emissions has not yet been completed, the DMA has identified several categories expected to represent significant sources of indirect energy consumption and associated emissions, including:

- Raw material purchases involving air and sea freight
- Use of outbound air freight to ship products to customers globally
- Business travel - air travel remains a necessary part of maintaining customer relationships and supporting operations across markets.

### Climate change mitigation

Surgical Science is actively working on product development and operational improvements to minimise the carbon footprint where possible.

Initiatives include:

- Use of local suppliers to minimise inbound transportation
- Increased use of web-based demonstrations and training
- Switching to green energy suppliers
- Sustainable packaging
  - Biodegradable packaging protection
  - Reusable boxes and crates
  - Recycled pallets

Setting measurable targets for waste reduction, recycling rates, and packaging sustainability is a priority going forward.

## Circular Economy

### Material impacts

Resource use and waste generation present both challenges and opportunities in balancing operational efficiency with environmental responsibility. The extensive use of materials, plastics, and other resources can contribute to environmental degradation and resource depletion. As a manufacturer of capital goods, Surgical Science is also inherently energy- and resource-intensive, which contributes to emissions. Assembly sites in Israel, USA, Sweden and UK produce waste, a portion of which is recycled and the remainder sent to landfill, in compliance with local environmental management systems. Electrical waste is disposed of in accordance with the Waste of Electrical and Electronic Equipment Directive ("WEEE"). Plastic is an indispensable material in Surgical Science's products, given its role in ensuring the durability and clinical accuracy of simulation hardware. The company recognises the end-of-life challenge this presents and is actively reviewing options to work with customers on sustainable disposal guidance and to improve recyclability of packaging materials.

### Principal risks

- Plastic components in simulation hardware generate significant end-of-life waste if customers lack guidance on sustainable disposal options
- Assembly site waste currently partly directed to landfill; absence of quantitative waste data makes it difficult to set or monitor reduction targets

### Opportunity

Surgical Science recognises that the transition to a circular economy is essential to minimising its environmental impact, and that meaningful progress requires measurement as well as intention. In 2025, the company began formalising its approach to waste and resource data collection to support more structured reporting in future periods. By optimising material use, reducing waste and enhancing product lifecycle efficiency, Surgical Science strives to create value while preserving natural resources.

Product circularity is a material topic that impacts many processes and requires forward-thinking, innovative solutions and proactive collaboration with suppliers and customers.

As the company's understanding of its waste profile develops, opportunities to set appropriate reduction targets will be explored in future reporting periods.

> Surgical Science is actively working on product development and operational improvements to minimise the carbon footprint where possible

# Social

## Own workforce

### General information

Surgical Science actively seeks to be an attractive workplace and sets targets to ensure a high degree of employee engagement and a good work environment. Employees are one of Surgical Science's most important assets for the company's competitiveness and profitability. Their well-being, safety, engagement and development are fundamental to the company's success.

**A global organization**

Surgical Science's headquarters are located in Gothenburg, Sweden. The company also has operations in Tel Aviv, Stockholm, Cleveland, and since February 2025, in Cardiff. Software development and sales personnel are also based in a number of other countries, including Germany and China. The organization consists of various functions that collaborate and drive operations globally. The company strives for an organization characterised by competence, entrepreneurial spirit, goal-orientation and swift decision-making. During 2025, Surgical Science's headcount increased by 22% (5%) from an average of 256 to 312, through the acquisition of Intelligent Ultrasound and new hires hires in several functions. The total number of employees at the end of 2025 was 313 (274).

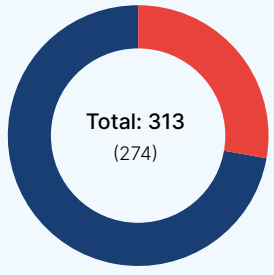
**Employee composition**

The graphs to the right presents the composition of Surgical Science's employees per country and per function.

**Corporate culture and values**

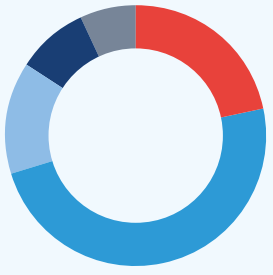
At the heart of Surgical Science's business is its people and how the company acts. Building a strong and shared corporate culture is of great importance, as it fosters high employee engagement and enables the continued delivery of high-quality, innovative products that contribute to improved patient safety. Surgical Science has articulated its core values through three value words: "Respect, Curiosity and Perseverance", which reflect the company's culture. The values and the stories behind what they mean for the company are set out in full in Surgical Science's Book of Values, available on the company's website. The values guide employees in their day-to-day work and in long-term planning. Adherence to the value words is evaluated for each individual as part of an annual Performance Management Process (PMP), where goals, performance and development are reviewed. The values are also integrated into other key processes, such as recruitment and strategic planning.

**Employees 2025 (2024)**



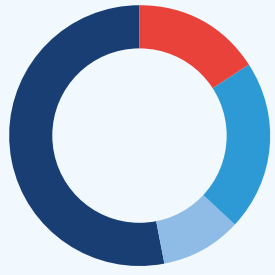

Female 87 (75)
Male 226 (199)

**Distribution of employees by country in 2025 (2024)**



Sweden 68 (64)
Israel 152 (138)
USA 44 (54)
UK 28 (1)
Others 21 (17)

**Employees by function 2025 (2024)**



Production 16% (16)
Sales and marketing 21% (19)
Administration 10% (10)
R&D 53% (55)

### Principal risks

- There is significant competition for software and engineering talent in the global labor market
- Integration of acquired Cardiff workforce (Intelligent Ultrasound) into shared culture
- Maintaining engagement and retention during a period of organizational growth

### Code of Conduct

Surgical Sciences' Code of Conduct forms the foundation for how the company views and addresses matters related to business ethics, the working environment, environmental considerations, and human rights. The Code of Conduct contains key principles and guidelines

for decision-making in day-to-day operations and consists of two parts: the workplace environment and how the company conducts business in an ethical and proper manner. Its purpose is to establish standards and clarify the behaviors expected of employees and partners, as well as to communicate to customers and other stakeholders the principles that govern the company's operations. Surgical Sciences reviews the Code of Conduct on an ongoing basis.

The Code of Conduct is available in its entirety on Surgical Sciences' website and has been distributed to all employees. Through the HR system, employees confirm by signature that they have read, understood, and will comply with the Code of Conduct. The Code is also included in the onboarding process for new employees.

**Employee engagement**

As a knowledge-intensive company, employee competence is one of Surgical Science's most important assets. The company strives to be a sustainable employer where engagement and well-being are the focus. The company's activities have a clear societal mission through improved patient safety, which facilitates both recruitment and employee retention. During the year, the company has further developed its employer brand to ensure access to the right competencies in a global labor market.

This work has included defining and packaging Surgical Science's employee value proposition, as well as developing guidelines for internal and external communication. This includes collaboration with universities and colleges, participation in career fairs and industry events, and an active presence on digital channels. Internally, the company prioritises a working environment that supports engagement and development. This involves investment in competence and leadership development, supported by programmes and global role descriptions.

Surgical Science offers a number of incentives to increase engagement. The share warrants programmes increase participation in the company's development and facilitate both recruitment and retention of key competencies. Another incentive implemented globally is Surgical Science's referral programme, through which employees who recommend candidates receive compensation upon a completed recruitment.

***Engagement Survey***

Surgical Science measures employee engagement annually through a global employee survey based on eNPS (Employee Net Promoter Score). The survey provides insight into how the company is perceived as an employer and identifies the factors that most influence engagement and satisfaction.

The response rate for the 2025 employee survey was 71% (78%). Results are presented annually to employees at group and functional level. Actions are taken at both functional and group level, and specific action plans are developed for areas with lower results in order to increase employee satisfaction. Implementation is monitored on an ongoing basis. The company aims to improve its eNPS score year-on-year as it continues to invest in its employee value proposition, working environment, and development programmes.

***Engagement channels***

Surgical Science maintains several channels for employees to raise concerns, provide feedback and stay informed. At least quarterly, company-wide meetings are held where all employees have the opportunity to participate. The implementation of a company intranet continued during the year, which is expected to launch in 2026. In addition, the annual PMP cycle provides a structured channel for individual feedback between managers and employees. Employees may also raise concerns through the whistleblower function (see Governance section).

**HR system**

Surgical Science's HR system provides a comprehensive overview of the organization and contains information including resource planning, roles, competencies, training, annual leave planning and completed development and remuneration reviews. In 2025, the implementation of a new recruitment system was completed. The system streamlines the process from advertising to employment, provides better support to recruiting managers and improves the candidate experience. It also enables a more dynamic career page and increased internal transparency regarding open positions, promoting internal mobility.

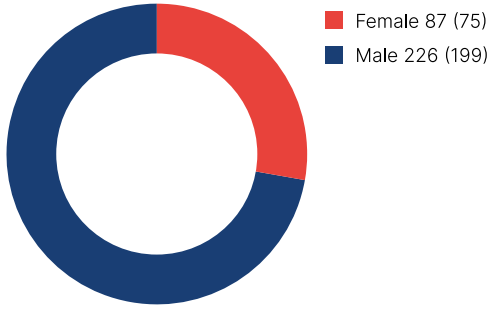
The global Recruitment Council has continued its work during the year. The Council conducts needs analyses ahead of new recruitments and internal transfers to ensure that resource allocation is aligned with the company's strategic competence requirements. During the year, work started on developing global and more detailed job descriptions to support career development and create clear expectations for employees.

> As a knowledge-intensive company, employee competence is one of Surgical Science's most important assets

## Equal treatment and opportunities for all

Surgical Science is a global organization where language skills and cultural understanding are important success factors. All employees should be able to work and develop without risk of discrimination or harassment. The company views different experiences, backgrounds and perspectives as a strength. Diversity in areas including age, gender, gender identity or expression, ethnicity, physical ability, religion or belief, sexual orientation, and different ways of thinking and working is central to understanding customer needs and reaching the company's full potential. Surgical Science does not accept discrimination, bullying or harassment. Employees are encouraged to report behaviour that contravenes these principles. The Code of Conduct serves as practical guidance and supports an inclusive and respectful working environment.

> Surgical Science is a global organization where language skills and cultural understanding are important success factor




**Gender diversity**

The gender split is influenced significantly by the composition of the workforce across different geographies and functions. In particular, a substantial proportion of Surgical Science's employees perform software development roles, a sector in which male representation is structurally high across the industry as a whole.

**Diversity, equality and inclusion policy**

Surgical Science is working towards the implementation of a separate Diversity, equality and inclusion ("DEI") policy which will apply to all employees, directors and contractors, covering all aspects of the employment relationship including recruitment, training, career development, pay, performance evaluation and promotion. The policy is expected to be structured around three pillars: diversity (valuing individual differences in background, culture, gender, age, ethnicity, nationality, religion, sexual orientation, gender identity or expression, disability and thinking styles); equity (fair treatment and equal access to opportunities, with decisions based on merit and capability); and inclusion (fostering a culture where every voice is heard and respected, consistent with the values of Respect, Curiosity and Perseverance). While primarily an internal policy, its non-discrimination principles set the standard that Surgical Science expects of its suppliers and partners.

**Gender pay gap**

Surgical Science strives to offer competitive, market-aligned remuneration across all locations. Gender pay gap data collation is required in Sweden but the company currently does not report a gender pay gap metric in the annual report for the group as a whole. The company intends to evaluate the feasibility of doing so in future reporting periods if required.

## Working conditions

Surgical Science's overarching objective is to create a good working environment and to work systematically and preventively to avoid occupational injuries and accidents. The company strives to create meaningful and developmental work tasks where employees themselves participate in shaping their own work situation and take part in change and development work in the workplace.

Working conditions should provide opportunities for variety, collaboration and social interaction. All employees should feel valued and respected through being treated with consideration and respect both by management and colleagues. Surgical Science believes that the company is strengthened and broadened when diverse perspectives and experiences are represented. To provide space for recovery and work-life balance, Surgical Science offers, where work permits, hybrid and flexible working arrangements, in accordance with local guidelines in each country.

## Material impacts

The DMA identified safe and healthy working conditions as a material topic for Surgical Science's own workforce, with relevance primarily within own operations.

The key material impacts identified are:

- Surgical Science's commitment to a safe, flexible and engaging work environment has a direct positive impact on employee wellbeing, productivity and retention, and contributes to the company's ability to attract and develop talent in a competitive global labor market
- Hybrid and flexible working arrangements, where role permits, support work-life balance and reduce commuting-related stress and emissions

- Assembly roles carry inherent physical health and safety risks that, if inadequately managed, could result in workplace injuries or ill-health
- A geographically distributed workforce across four countries with different regulatory frameworks creates complexity in maintaining consistent standards of working conditions.

## Principal risks

Failure to maintain safe working conditions could result in employee harm, regulatory sanctions, reputational damage and loss of talent. The physical nature of assembly operations at sites in Sweden, Israel, the USA and the UK means that health and safety risk management is an ongoing operational requirement.

### Health and safety

Each site has a health and safety policy with compliance monitored in accordance with local legislation in each country of operation. Occupational risks are identified through site-level risk assessments. Assembly roles are subject to specific operational safety protocols given the physical nature of the work. In 2025, no recordable workplace accidents were reported.

## Training and skills development

The HR strategy focuses on attracting and retaining talent, developing leaders and building a shared culture.

### Performance management

The annual Performance Management Process (PMP) is the primary mechanism through which Surgical Science identifies individual development needs and translates them into action. The PMP cycle covers goal-setting at the start of the year, a structured mid-year review, and a year-end assessment covering performance, development and values alignment. Adherence to the company's core values of Respect, Curiosity and Perseverance is evaluated as an integral part of this process, reinforcing the expectation that how employees work is as important as what they achieve.

### Leadership development

The leadership development program is aimed at all managers and defines what is expected of a manager and how the manager can contribute to a shared culture throughout the company as well as improved business performance. All managers at Surgical Science participate in this training. The program was expanded in 2025 to include new focus areas, which will be rolled out in 2026. In particular, the upcoming training will emphasize what it means to be a leader at Surgical Science,

> Surgical Science is committed to caring for not only its own employees, but also workers throughout its value chain

clearly articulating the expectations placed on leaders across the organization. It will also strengthen core capabilities in accountability and communication, ensuring that managers are equipped to lead with clarity, responsibility, and alignment to the company's values. By investing in leadership excellence, Surgical Science reinforces its commitment to building a resilient culture and driving sustainable business performance.

**Onboarding and integration**

Surgical Science's onboarding programme is designed to equip new employees with the knowledge and tools they need to contribute effectively from the outset. The programme covers the company's values and Book of Values, the Code of Conduct, role-specific introduction and introductions to key systems and processes. Completion of the Code of Conduct acknowledgement forms a mandatory part of onboarding for all new starters.

In February 2025, Surgical Science welcomed the team from Intelligent Ultrasound following the acquisition. A structured integration and onboarding programme was delivered for the Cardiff team with a dedicated integration working group from all key functions. The integration of new colleagues through acquisition underlines the importance of a well-structured onboarding experience as a vehicle for cultural cohesion as well as operational effectiveness.

The new recruitment system implemented in 2025 streamlines the transition from candidate to employee, improves the quality of support available to recruiting managers and creates a more dynamic and transparent internal career page – supporting both the candidate experience and internal mobility.

## Workers in the value chain

Surgical Science is committed to caring for not only its own employees, but also workers throughout its value chain. The company recognises that its operations and purchasing decisions can have direct and indirect impacts on the working conditions, safety and rights of people employed by its suppliers and business partners. Ensuring that appropriate processes are in place to identify, prevent and mitigate negative impacts on value chain workers is a core part of Surgical Science's approach to responsible business conduct.

### Value chain overview

Surgical Science's upstream value chain comprises direct suppliers who mainly manufacture products within electronics, plastics and mechanical components, as well as providers of consumables and packaging materials. The company's products are partly capital goods – medical simulation systems – which are assembled at sites in Gothenburg, Seattle and Tel Aviv, with Cardiff added in 2025 following the acquisition of Intelligent Ultrasound (now Surgical Science UK). Downstream, products are distributed via freight and logistics partners to hospitals, medical schools and training centres globally. The key groups of value chain workers who may be affected by Surgical Science's activities include workers at electronics and component manufacturers, workers in plastics and raw material production, freight and logistics workers (both inbound and outbound), and workers who may be engaged at customer sites during installation and training.

### Material impacts

The DMA identified working conditions in the value chain as a material topic from an impact perspective, with relevance primarily in the upstream part of the value chain.

The key material potential impacts identified are:

- Poor working conditions, inadequate health and safety standards, or violations of labor rights at supplier sites, particularly in electronics component manufacturing where supply chains can be complex and multi-tiered
- Excessive working hours, inadequate wages, or restrictions on freedom of association among workers in lower tiers of the supply chain
- Through its use of locally based suppliers, Surgical Science supports employment in regions with generally strong labor protections and regulatory oversight

### Principal risks

Non-compliance by suppliers with applicable labor laws or Surgical Science's own standards could result in supply chain disruptions, regulatory non-compliance and reputational damage. These risks are greater in electronics and component manufacturing, where multi-tiered supply chains can obscure conditions in lower tiers and where Surgical Science's direct leverage over sub-suppliers is limited. Currently visibility into supplier labor practices relies primarily on geographic risk proxies rather than direct assessment.

### Opportunities

The policy framework under development will position Surgical Science to engage suppliers more systematically on labor standards, reduce supply chain risk, and meet the growing expectations of customers and investors on responsible sourcing. The company's use of locally based suppliers already provides a degree of natural risk mitigation that will be built upon as the formal framework matures.

### Policies relating to workers in the value chain

Currently there are no separate policies in place relating to workers in the value chain. The company's approach is grounded in the Code of Conduct and its preference for locally based suppliers with generally strong labor protections and regulatory oversight. In 2026, Surgical Science intends to formalise this into a structured policy framework comprising a Modern Slavery and Human Rights policy and a Supplier Code of Conduct. These policies will build on the Code of Conduct and are aligned with the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the ILO Core Conventions, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the UK Modern Slavery Act (2015), and the EU Whistleblowing Directive. Once in place, they will provide a basis for structured supplier obligations, ongoing monitoring and engagement, and more transparent reporting.

**Modern slavery and human rights policy**

In 2026, Surgical Science expects to implement a Modern Slavery and Human Rights policy. The policy will cover the key areas expected of a policy aligned with internationally recognised human rights frameworks, including the company's position on forced and bonded labor, child labor, freedom of association, working hours, remuneration, equality of treatment, health and safety, and disciplinary standards. The policy will set out the expectation that business partners, suppliers, distributors and service providers respect and adhere to its principles.

The prevention, detection and reporting of modern slavery in any part of the business or supply chain will be the responsibility of all those working for or under the control of Surgical Science. The full policy will be published on the company's website upon implementation.

**Supplier Code of Conduct policy**

Surgical Science is developing a standalone Supplier Code of Conduct to set out minimum standards covering safe and healthy working conditions, fair wages and working hours, freedom of association, prevention of forced labor and child labor, non-discrimination, environmental responsibility, and anti-corruption. Once introduced, suppliers will be expected to acknowledge and commit to the Supplier Code of Conduct as a condition of doing business with Surgical Science.

## Consumers and End Users

Surgical Science's core commitment is to create a world where all medical professionals are trained and objectively certified in a safe and lifelike simulated environment.

### Product quality and patient safety

Product quality plays a direct role in developing the competency and confidence of medical professionals including surgeons, medical students and other practitioners. The quality of a simulation system determines the quality of the training it delivers. Surgeons, medical students and other practitioners develop competency and confidence by practising on systems that faithfully replicate real anatomical conditions and clinical decision points – meaning that any compromise in product quality directly compromises the training outcome, and by extension the safety of patients treated by those practitioners. Using simulators has a positive impact on the end-user because it allows them to practice complex procedures in a safe, controlled environment without the pressure of real-life consequences. This helps them refine their skills

Product quality plays a direct role in developing the competency and confidence of medical professionals

in a controlled environment before performing these skills on actual patients. Simulation allows for repeated practice, enabling trainees to gain confidence and proficiency, especially in procedures that are rare or difficult.

Product quality is reviewed on an ongoing basis through engagement with end users, clinical advisory relationships and academic partnerships, ensuring that simulation content remains aligned with current clinical practice and training needs.

The case for simulation-based medical training is well established. Research consistently demonstrates that simulator-trained practitioners achieve higher levels of procedural proficiency, make fewer errors, and reach clinical competency faster than those trained through traditional apprenticeship models alone. For complex minimally invasive procedures – including laparoscopic, robotic and endoscopic surgery – simulation training has been shown to translate directly into improved patient outcomes in the operating environment. Surgical Science's products are designed and validated against this evidence base, ensuring that training on its systems produces measurable, transferable competency rather than familiarity with a particular device. Product development is informed by an active network of clinical and academic partnerships with hospitals, medical schools and research institutions globally. These relationships serve a dual purpose: they provide the clinical intelligence needed to ensure that simulation content reflects current surgical techniques and evolving training standards, and they generate the independent evidence that supports the adoption of simulation training by healthcare institutions making procurement and curriculum decisions. Surgical Science's objective assessment and certification capabilities are a particularly significant clinical contribution. By enabling healthcare institutions to evaluate practitioner competency against standardised, reproducible benchmarks – rather than relying on subjective supervisor assessment – the company provides a more rigorous basis for determining when a practitioner is ready to operate independently. This reduces variability in practitioner readiness and gives institutions greater confidence in patient safety at the point of transition from training to practice.

> Product development is informed by an active network of clinical and academic partnerships with hospitals, medical schools and research institutions globally

Surgical Science's sustainability vision – to create a world where all medical professionals have been trained and objectively certified in a safe and lifelike simulated environment – contains an implicit equity commitment. The word "all" is significant: it acknowledges that the benefits of simulation-based training are not yet universally accessible, and that geography, institutional resource and economic development continue to shape which practitioners have access to high-quality training tools. This matters for patient safety at a global level, as healthcare systems in lower- and middle-income countries often face the greatest shortages of trained surgical and clinical staff while simultaneously having the most constrained access to the simulation infrastructure that could help address those shortages – meaning the skills gap that simulation is designed to close is most acute precisely where access is most limited. Surgical Science recognises this tension and its relevance to the company's stated purpose. While the current commercial model is primarily focused on established healthcare markets, the company is committed to exploring how its products and expertise can be made more accessible over time, and to developing its approach to healthcare access as a more explicit strategic priority.

This commitment connects directly to the UN Sustainable Development Goals that underpin the company's sustainability framework – in particular SDG 3 (Good Health and Well-being), which includes targets for universal access to safe surgical and clinical care, and SDG 10 (Reduced Inequalities), which recognises that improvements in healthcare outcomes must extend across geographies and income levels to be meaningful at a global scale.

## Material impacts

The DMA identified product quality and safety, and patient safety and healthcare outcomes, as material topics assessed primarily in the downstream part of the value chain over short and medium-term horizons.

The key material impacts identified are:

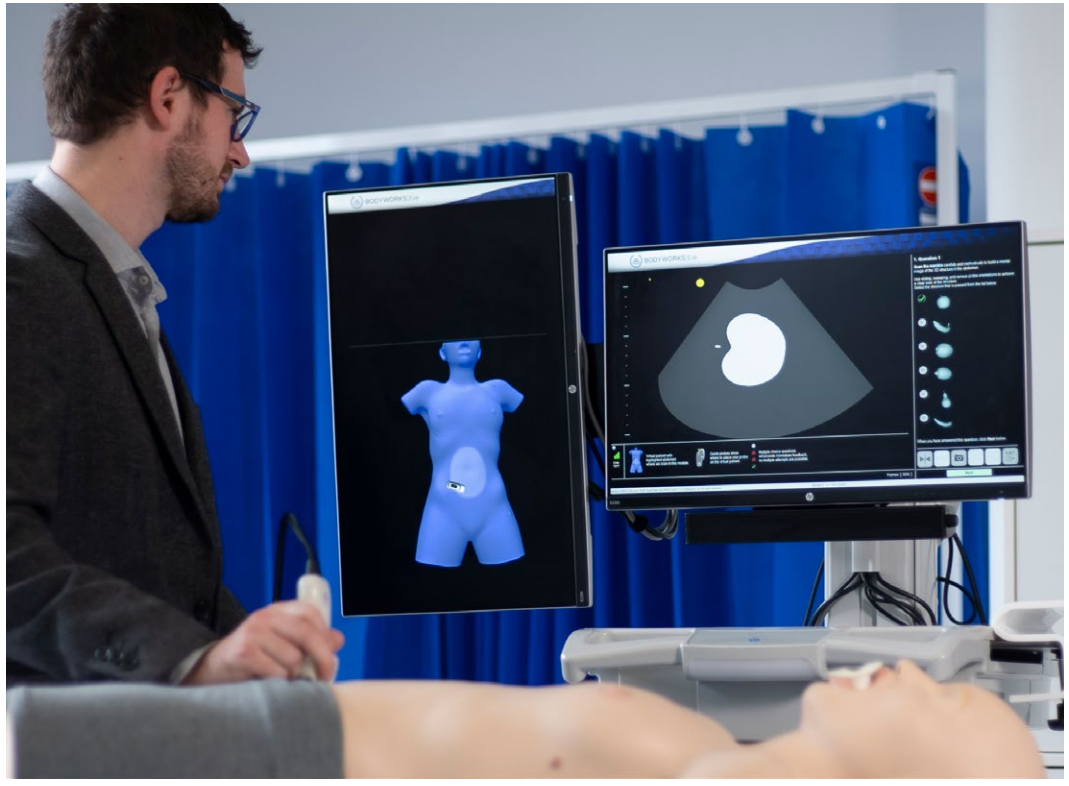
- High-quality, clinically accurate simulation training directly improves the competency of medical professionals, reducing the incidence of preventable errors and improving patient outcomes
- Simulation-based training reduces reliance on live patients for procedural practice, improving the experience and safety of patients involved in training contexts
- Objective, standardised competency assessment through simulation provides healthcare institutions with greater confidence in the readiness of practitioners
- If product quality standards are not maintained, simulators that do not accurately replicate clinical conditions could contribute to skill gaps rather than closing them

## Risks and opportunities

From a risk perspective, any failure of product quality or clinical accuracy – whether through manufacturing defects, inadequate validation or outdated clinical content – could result in reputational damage, regulatory action and, most seriously, indirect harm to patients treated by inadequately trained practitioners. These risks are managed through the company's quality checks, ongoing clinical engagement and product validation processes.

The growing global recognition of simulation as an essential component of medical training creates significant opportunity for Surgical Science. Healthcare systems facing workforce shortages, increasing procedural complexity and rising patient safety standards represent a structural long-term demand for the company's products and services - demand that Surgical Science is uniquely positioned to address through its combination of clinical accuracy, objective assessment capability and global distribution reach.

The growing global recognition of simulation as an essential component of medical training creates significant opportunity for Surgical Science



# Governance

## Business Conduct

### Sound corporate culture

Surgical Science is proactively committed to high ethical standards and operate the business with integrity and honesty. This creates a positive impact on society, builds trust among customers and stakeholders, and contributes to long term sustainability and success.

Conducting business with integrity is important to Surgical Science and is reflected in the way it connect with employees, end users, customers, third parties and other stakeholders. The business strives to act responsibly and is committed to operating in accordance with the laws in the countries of operations and the minimum standards set in the Code of Conduct and Book of Values.

The Code of Conduct sets out the principles and guidelines for decision making in day-to-day operations in both the work environment and in the conduct of business ethically and appropriately. The Code of Conduct is made available to all employees on the website and also in the HR system. All employees are required to electronically declare in the HR system that they have read, understood and comply with the Code.

Corruption, misconduct, or deficiencies in business conduct – whether in own operations or among suppliers and partners – can damage Surgical Science's reputation with customers, current and potential employees, suppliers, partners and the external environment. Breaches of laws and other regulations may also result in a negative financial performance due to the imposition of fines.

A sound corporate culture forms the foundation for corporate social responsibility and ethical conduct. Surgical Science's corporate culture is based on the core values set out in its Book of Values of Respect, Curiosity and Perseverance.

### Anti-corruption and bribery

Surgical Science has zero tolerance for corruption in its business and does not accept or solicit bribes, favors, or gifts in any form, regardless of their method or purpose. The company advocates free and fair trade and adheres to ethical standards. Surgical Science undertakes to comply with applicable anti-corruption and anti-bribery regulations in all countries where the company operates. No employee may offer, solicit, or accept any gift (in any form) or personal benefit that may influence their business-related decisions, actions, or transactions or that contravenes applicable laws or customary business practices.

Surgical Science has in place a whistleblower function to identify and measure potential cases of corruption. In 2025, as in the previous two years, no cases of suspected corruption have been recorded.

In 2026 the company expects to implement a standalone Anti-corruption and bribery policy. This new global policy will serve as a method and tool for ensuring that Surgical Science has adequate procedures in place, aimed at preventing the company from taking part in any corrupt business practices, including how to approach gifts and benefits, conflicts of interest and fair competition. All employees, internal consultants and board members within Surgical Science will be expected to comply with the policy.

### Whistleblower reporting

Surgical Science is committed to maintaining a culture where everyone feels safe and empowered to report suspected breaches of the Code of Conduct. The whistleblower function is an external channel that enables anonymous reporting of misconduct. The function is accessible via Surgical Science's website and complies with EU legislative requirements and the GDPR with regard to reporting and follow-up. During 2025, 0 (0) reports were received.

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Surgical Science's operations lead to improved sustainability within society, as medical simulation improves patient safety and control over healthcare costs as resource waste is reduced.