Global Policy
Sustainability and Corporate Social Responsibility (CSR)

1 April 2021
Principles

We are committed to managing the environmental, social and economic impacts of our business.
We ensure our activities are conducted in a manner that proactively protects the environment and maximises efficient use of resources.
We comply with relevant laws and regulations and take action to reduce risk.
We are committed to making a difference in the communities in which we operate.
We are committed to human rights and do not use any form or forced, compulsory or child labour.
We comply with the requirements of the UK Modern Slavery act and other relevant modern slavery regulations.
Scope and responsibilities

This policy applies to all Smith+Nephew employees. Our employees are responsible for ensuring that the applicable elements of this policy are cascaded to the third parties with whom we do business including without limitation distributors, consultants, logistics providers, subcontractors, sub-dealers, sales representatives, agents and service providers.

Our **Code of Conduct and Business Principles** provides the legal and ethical framework to guide what we do every day and this policy provides the respective principles and rules. If we fail to follow our code, we face fines, penalties, blacklisting, reduction in business and reputational damage. In addition, our employees face disciplinary action and potentially termination of employment.

Company management are responsible for ensuring that appropriate processes, procedures and documentation within their organisations are created and maintained to demonstrate compliance with this policy.

Additional tools, information and support on implementation of this policy are available on the **Company intranet**. Each employee should contact the Sustainability team if they require further guidance or support on the implementation of this policy.

Where local law is stricter or conflicts with this policy, local law takes priority.
Requirements

A. Charitable donations / Matching gifts

A.1 Charitable donations

We are committed to making a difference in the communities in which we live and work.
We may provide charitable donations to non-profits and/or charitable organisations that are entitled to receive donations under local laws.
We recognise the potential bribery risk associated with donations and follow the requirements of our Anti-Bribery Policy when reviewing requests for donations.
We conduct appropriate due diligence prior to making charitable donations to ensure the recipient organisation is legitimate and is engaged in its stated activities.
We ensure that donations are only made in our three priority areas:
1. Health and human services: organisations who increase access globally to healthcare and human services.
2. Education: organisations providing equal access to education opportunities and programmes, particularly those in STEM (science, technology, engineering, math) subjects.
3. Environment: organisations and programmes protecting and providing wider access to local natural resources and promoting sustainable initiatives.

We ensure additional oversight of grants or donations involving customers, potential customers and Government Officials.

Donations may only be made to the recipient organisation via electronic funds transfer.
Requirements

A. Charitable donations / Matching gifts

A.1 Charitable donations

We do not provide donations to organisations that:

• Are involved in the abuse of human rights or human trafficking.
• Discriminate on the grounds of age, race, sexual orientation, religion, national origin, gender, or disability.
• Are involved in the use or promotion of alcohol, recreational or illegal drugs, gambling, or armaments.
• Disseminate political or religious information; or,
• Engage in activities involving significant environmental damage.

We do not provide grants or donations to:

• Individuals
• Political candidates
• Fraternal, athletic and social clubs
• Gifts that result in a personal benefit or privilege to the donor, the donor’s family or anyone designated by the donor, such as admission tickets, entry fees, subscriptions and membership fees.

Refer to the Commercial Practices Policy for guidance on Free of Charge products.

A.2 Matching gifts

As a benefit to our employees and as part of our overall effort to lead in our communities as good corporate citizens, we offer matching gifts to charities and tax-exempt non-profit organisations on an annual basis.

Details are available on the company intranet page and may change annually.
Requirements

B. Volunteer time off (donating time)
We offer all full-time employees up to eight hours of paid volunteer time off each year. Additional volunteer time may be provided, as business needs allow.

C. Transparency
We ensure transparency in our interactions with charities/non-profit organisations.
We report charitable donations and matching gifts in accordance with applicable Transparency laws.

D. Supplier Management
We conduct due diligence on all potential suppliers to identify, assess and prioritise risks in relation to labour standards, sustainability and health, safety and environment (HSE). Additionally, we follow our Anti-Bribery policy to conduct risk-based due diligence of suppliers.
We conduct regular risk-based assessments on legacy suppliers for potential labour standards, sustainability or HSE risks. We partner with our suppliers to address, identify and mitigate risks; and off-board suppliers where risks cannot be appropriately mitigated.
We conduct due diligence of suppliers on origin, source and chain of custody of conflict minerals.
Reporting violations

We know that we shall report any breach of this policy that we discover. Failure to report is a violation of the Code of Conduct. By having the courage to raise awareness of potential issues, we help protect our reputation, our employees and our customers. Reports can be made by contacting:

- A Compliance Officer;
- The legal department;
- The HR department;
- A line manager; or
- Integrity line

We will make sure no action is taken against anyone who reports, in good faith, actual or suspected misconduct.
Definitions

Donations mean any gift, whether in cash or in kind (including our products), given to a non-profit organisation and/or for charitable purposes.

Gift means, unless otherwise defined by applicable local laws or industry codes, anything of value given without payment. Includes journal subscriptions, educational items and textbooks. Product samples are not generally considered gifts.

Government Official means:
• Any individual who holds a legislative, administrative or judicial position of any kind, whether appointed or elected, for a country or territory;
• Any person acting in an official capacity on behalf of a government or any department, agency or instrumentality of a government;
• Any officer, employee or agent of a public international organisation such as the World Health Organisation or the United Nations;
• Any officer, employee or agent of a political party or any person acting in an official capacity on behalf of a political party, and/or;
• Any candidate for political office.

An employee or consultant of a government-owned hospital or institution, including HCPs, may be considered a Government Official under some laws.

Supplier means a person or organisation who provides something needed such as raw materials, finished goods or other products and services.
Life Unlimited