

Commercial Practices policy

June 2025



Principles

We are committed to ensuring that our Commercial Practices globally comply with applicable laws and regulations, informed by industry codes and our Code of Conduct and Business Principles.

We promote fair competition globally and seek to earn customers and gain share through developing and improving our own products and services and distinguishing these from our competitors.

We deal fairly with customers, suppliers and competitors.

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 may face fines, penalties, blacklisting, reduction in business and reputational damage. In addition, our employees may 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 internal [Global Compliance Programme website](#). Each employee should contact their Compliance Officer or S+N Legal 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. Promotion of Fair Competition Officials

We promote fair competition and we do not engage in anti-competitive behavior which could include:

- Agreements or arrangements with competitors which breach competition.
- Discussing or agreeing bids, bid conditions, discounts, promotions or pricing information with competitors.
- Agreeing or requiring a distributor or other third party to sell products at prices or to customers in circumstances which would distort or negatively impact competition.

We only attend trade association meetings which are bona fide and reputable and we follow competition law guidelines for the association and retain copies of meeting minutes.

We advise our employees and contractors to make a **noisy departure** from trade association meetings if the meeting or discussions include inappropriate topics, such as pricing.

We participate in benchmarking surveys where:

- The reasons for the survey are proper, legitimate and documented.
- The survey is conducted by an independent organization.
- The survey involves more than two participants.
- The data used is historical and is presented anonymously and in the aggregate.

B. Pricing, Discounts and Rebates

We may offer customers rebates, discounts and pricing in accordance with applicable laws and regulations.

We ensure that all pricing, rebates and discounts are appropriately documented and approved in accordance with the Delegated Authority Matrix.

We don't use pricing, rebates or discounts to directly or indirectly make or facilitate an **Improper Payment**.

C. Tenders / RFPs

We do not improperly influence any third party (including HCPs, decision makers in the tender process, tendering authorities, members of tender committees and tender administrators) to award a contract to Smith+Nephew or our third-party partners.

We do not permit third parties acting on our behalf to improperly influence any third party to award a contract to Smith+Nephew. Each Third Party Seller must follow the requirements of this policy in respect of any tender bid they submit.

If a Third Party Seller is competing against us in a tender, we commit to act in a way which promotes fair competition, and we do not discuss the tender with the Third Party Seller.

We do not engage in bid rigging, collusion, or anti-competitive behavior.

We ensure that pricing submitted in response to a direct tender and/or discounts relating to indirect tenders are approved in advance in accordance with the relevant business unit or market pricing policy where applicable.

We exercise caution when assessing requests for **value adds** in tenders and refer to the **relevant Compliance Officer** any requests for value adds which are not directly related to the products involved in the tender or which are not pre-approved discounts and rebates.

D. Advertising and Exhibit Booths

We conduct due diligence before making exhibit or booth fee payments to ensure that the recipient organisation is legitimate and is engaged in its stated activities.

We fund advertising, exhibits or booths at third party events where the event has a robust educational agenda, takes place in an appropriate location, is organised by a legitimate organisation and complies with the requirements of local/regional industry codes for educational events (e.g. agenda, venue and location).

We don't pay exhibit or booth fees in exchange for past or potential purchases of our products or services.

We don't pay exhibit or booth fees to individuals.

E. Samples and Evaluations

We can provide products as **samples or for evaluation** to HCPs or healthcare institutions at no charge in accordance with applicable laws and regulations.

We do not provide products for sample or evaluation for uses that have not been approved or cleared by the local Regulatory authority in that market.

We limit the quantity of disposable product provided for sample or evaluation to no more than reasonably needed to evaluate the product.

We limit the no charge evaluation period for capital equipment to the time reasonably necessary to evaluate the product's performance.

At the end of the evaluation period, we ensure that evaluation equipment is returned to Smith+Nephew within a reasonable timeframe. If the evaluation equipment is not returned within the specified timeframe, the customer is required to pay for the ongoing usage of the equipment.

F. Products/services provided at no separate charge

We ensure that all arrangements which involve the provision of products or services at no separate charge comply with applicable laws and regulations and document such arrangements.

We monitor compliance with contractual obligations regarding the provision of products or services at no separate charge.



G. Behaviour in the Clinical Environment

We are experts in our products and in the use of our products.

We advise on technical questions related to mode of action, assembly and operational performance of products consistent with user manuals and instructions for use.

We do not provide medical advice or recommend treatment even at the direct request of a healthcare professional (HCP).

We do not provide any service for a facility that would eliminate an expense the healthcare provider would otherwise incur.

We do not have any hands-on contact with any patient in the operating room unless an exception is approved and documented.

We strive to follow the relevant policies and procedures of each healthcare facility that we visit. We wear required personal protective equipment and complete required training prior to entering a clinical environment.

In those markets where it is permissible for Smith+Nephew representatives to enter the sterile field in the operating room, we only allow our representatives to enter the sterile field at the request of and under the direct supervision of the HCP in charge.

In case the responsible HCP declares a situation as a life-threatening emergency during a procedure in which an employee is assisting, at the request of the HCP in charge and where local law allows, employees may render support in accordance with the instructions provided by the HCP.



H. Providing health economic & reimbursement information

We provide coverage and reimbursement information regarding our products that is current, objective, complete and accurate in accordance with applicable laws and regulations. This may include identifying coverage, payor policies/procedures, coding and billing options, and associated costs related to our products or the services and procedures in which they are used, and the economically efficient use of our products within the continuum of patient care.

We work with HCPs, patients, and organizations representing patient interests to advocate for government and commercial payor coverage decisions, guidelines, policies, and adequate reimbursement levels that promote patient access.

Within certain closely monitored programs, we can provide patients with pre-claim and post-claim administrative assistance to enable patient access. These activities include assistance with insurance verification, prior authorizations, and appeals of denied claims. We do not provide such assistance outside the confines of these programs.

Similar to the above programs, certain reimbursement activities, such as the development of reimbursement support materials and execution of reimbursement support programs, may only be conducted by designated employees in accordance with applicable laws and regulations.

We do not provide any information or materials that interfere with a HCP's independent clinical decision making. We do not recommend particular diagnostic or procedure codes for patient cases. We do not advise HCPs to bill for services that are not medically necessary or engage in fraudulent practices to achieve inappropriate payment. We do not suggest particular procedure codes so that an HCP can achieve higher reimbursement margins or more favorable reimbursement for a product / code.

We do not provide coverage, reimbursement or health economics services that eliminate an expense that an HCP would otherwise have incurred.

Reporting Violations

We know that we must 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
- [Speak Up Line](#)

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

Definitions

Healthcare Professional: Healthcare Professional or Healthcare Provider or HCP means those individuals or entities that are in a position to purchase, lease, recommend, use, arrange for the purchase or lease of or prescribe the Company's products or services. Examples include, but are not limited to, physicians, physician assistants, nurses, pharmacists, medical directors, investigators, researchers, account representatives employed by a customer, professional educators, hospitals, ambulatory surgical centers, group purchasing organisations, managed care organisations, insurers, employers, wholesalers and any individual employed by such entities with responsibility or authority to purchase, prescribe, recommend, influence or arrange for the purchase or sale of a Company product or service.

Improper payment: Improper payment means any financial payment or benefit improperly offered or made for the purpose of obtaining or retaining business or to gain any improper advantage for the person or entity making the payment for us. Improper payments may include anything of value, provided overtly or covertly, in cash or in kind, including bribes, kickbacks, gifts, donations, grants, hospitality, commissions or any sales arrangement, discount, rebate or equipment loan which is not made in accordance with the Code of Conduct or the policies adopted under the Code. You should assume that a financial or other benefit to a Government Official is improper unless it is permitted or required by the applicable written law.

Noisy departure: If topics which could be challenged as restricting or distorting competition are raised at a meeting, leave it in a memorable way (often referred to as a "noisy departure"). Before leaving, ensure that people know your name and company and ask for the record to show when you left. After leaving, keep a record of the meeting and notify the Legal department of what happened and the action you took.

Third Party Seller or TPS: third party that actively market, sell, distribute, promote or deliver Smith+Nephew products in some markets. This includes wholesalers; distributors; sales agents; Customer Designated Third Party Sellers that we have been instructed to use by an individual HCP, a Hospital, any other type of Health Institution, or GO; and Box Movers.

Sample or evaluation: Items provided to HCPs or healthcare institutions at no charge to enable them to evaluate the product and assess whether it meets their clinical needs or their patients' needs.

Value adds: Additional goods or services beyond the provision of product.

Two large, overlapping teal abstract shapes in the top left corner. The one on the left is a darker shade of teal, and the one on the right is a lighter shade.

Smith+Nephew

Life Unlimited

