

COMPETITION POLICY

The way we care

For our Patients, People and Environment



1. INTRODUCTION

The Competition Policy provides the guiding principles and outlines our policies which support EDG's efforts to comply with competition laws within the European Union and jurisdictions with competition regulation based on similar principles. Of course, applicable local law in this regard must also be followed. Where there is a discrepancy between the applicable national rules and regulations and with this Competition Policy, the strictest standard will apply. Competition law seeks to promote or maintain well-functioning markets by preventing or correcting anti-competitive behaviour. We want to ensure that the EDG's business complies with this and is conducted in a socially responsible manner based on the EDG core values. At EDG, we are strongly committed to quality and integrity.

This commitment is fundamental in meeting our responsibilities towards Patients, People and the Community. The Competition Policy expresses what we, as a group, define as the norm for expected behaviour and is applicable for all business relations and to everyone at EDG, all employees and contractors.

The Competition Policy primarily focuses on:
Managing contacts with competitors and other parties in the supply chain;
Managing market power-the risk of abuse of dominance, and
Communication guidelines.

Violations of Competition laws and regulations can lead to severe consequences for the EDG entities involved, such as high fines (up to 10% of EDG's global turnover) and legal action for damages. In some countries, individuals may face penalties, including director disqualifications, criminal fines and imprisonment for serious breaches of competition law.

1.1 Scope

The Competition Policy applies to everyone employed with or working for European Dental Group Holding B.V. and / or its subsidiaries (together referred to as the "**Group**") in whatever capacity; all employees, contractors / freelancers, managers, executive officers, and members of the board of directors and the supervisory board (all of whom are included in the term "**employees**" as used in the remainder of this manual). The management of each operating subsidiary of EDG is responsible for ensuring that this Competition Policy is implemented and adhered to in the Group's business activities.

All employees of EDG are responsible for ensuring that within their entity, they personally act according to these values, business principles and policies.

Integrity, honesty and fairness are fundamental parts of the way we conduct business and therefore we promote the same principles in our relationship with business partners and suppliers.

2. THE WAY WE CARE ABOUT MANAGING CONTACT WITH COMPETITORS

2.1 General overview

The main purpose of competition laws is to protect and foster the efficient operations of a free market by assuring the preservation of competition among companies at all levels of trade. Competition laws thus prohibit agreements, practices and conduct which have a damaging effect on competition, such as certain agreements between competitors or abuse of market power, both of which can lead to higher prices or lower quality or output on the market. This covers written, oral, formal and informal contacts. Whether an arrangement is anti-competitive is assessed on the basis of its objective or its effect on competition, rather than its wording or form. Illegal behaviour includes agreeing with a competitor to take part in:

- Price-fixing
- Market-sharing
- Bid-rigging
- Output or production limitation
- Collective boycott
- Sensitive information exchange

When interacting directly or indirectly with competitors, specific and detailed (current or future) commercially sensitive information exchange/discussions on the following are illegal:

- Prices and pricing policy
- Discounts, increases, rebates
- Profits and margins
- Customers
- Strategy
- Costs
- Capacity and sales volumes
- Market shares and sources of supply
- Bidding and procurement data
- HR info (e.g. compensation and benefits)

2.2 Trade associations and similar

Involvement in trade associations and similar (e.g. for networking or standard-setting) must be carefully monitored since, by its nature, participation involves contacts with competitors. It is typically acceptable to have general discussions about:

- Public policy/legislation
- Scientific developments
- Regulatory matters of general interest
- Demographic developments
- Industry trends
- Public/historic information
- Compliant benchmarking exercises
- Compliant standard-setting

It is necessary to seek approval from the Group General Counsel for membership of trade associations and similar.

3. THE WAY WE CARE ABOUT CONTACTS WITHIN THE SUPPLY CHAIN

3.1 General overview

Competition problems can also arise in contacts within the supply chain, such as suppliers and third parties. If these kinds of arrangements contain provisions that may have a negative impact on competition, the competition authorities may impose penalties on the companies involved.

The main illegal activities that can arise in so-called “vertical” arrangements with non-competitors are the following e.g.:

- Use the supply chain as a way of channelling information to competitors. Likewise, operate as a conduit between competing suppliers.
- Forget to respect the safeguards against inappropriate exchange of sensitive information.

4. THE WAY WE CARE ABOUT MANAGING MARKET POWER

4.1 General overview

In markets where EDG has market power, the prohibition against abuse of a dominant position may apply to the EDG's behaviour in the market. Under EU competition law, a market share above around 40 percent indicates dominance and a market share of 50 percent or more is strong evidence of a dominant position. When at risk of holding market power this behaviour can be illegal:

- Discriminatory pricing
- Excessive pricing
- Predatory pricing
- Margin squeeze
- Exclusivity
- Certain types of rebate
- Refusal to supply
- Bundling / Tying

5. COMMUNICATION GUIDELINES

5.1 General overview

The way EDG employees communicate in writing is very important as, in the event of an investigation, this material can be used as evidence. When illegal behaviour is suspected competition authorities have significant investigative powers.

Caution in writing both internally and external communications is key to avoid creating misconceptions.

It will be important to pay attention to:

- Create accurate records on markets and strategies
- Keep records to evidence legitimate reasons for competitor contacts
- Maintain discipline in oral and informal communications

6. MERGER CONTROL

6.1 General overview

While the merger control rules are not discussed in detail in this Policy, it should be noted that competition authorities are also tasked with investigating mergers and acquisitions which, due to their size or nature, have the potential to restrict competition. Where the Group wishes to acquire or sell a business, or even enter into a joint venture agreement or certain types of outsourcing arrangement with another company, it may be necessary to obtain the approval of one or more competition authorities before the deal can proceed. It is therefore important to seek legal advice whenever such a transaction is contemplated.

For example, legal input will be required in relation to (i) analysing if and where a transaction must be notified, (ii) the timing and likelihood of merger clearance; (iii) preparing and notifications required; and (iv) ensuring the transaction is not put into effect prior to clearance (applying the gun-jumping rules).

7. HOW TO REPORT ON MISCONDUCT

7.1. How to raise a concern

Employees or contractors who suspect that a violation of competition law has occurred at EDG are required to follow the standard reporting and in first instance report to their (direct) manager. There is also the possibility to raise any concern via the procedures of the EDG Whistleblower Policy, which can be found on EDG's website.

8. COMMITMENT AND ACCEPTANCE

8.1 Commitment

The Management Team of European Dental Group Holding B.V. has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all employees, contractors and third parties comply to it.

8.2 Acceptance

Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy. This policy will be available on EDG's website, together with relevant documents on Group Policies and Principles.



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