

Transparency Act Statement

1. Introduction

This statement is published pursuant to the Norwegian Transparency Act (Åpenhetsloven), which came into force on 1 July 2022 and summarizes our policies, risk analysis, and actions with respect to safeguarding fundamental human rights and decent working conditions in our operations and supply chain. These human rights include but are not limited to freedom of association, freedom from all forms of forced, coerced or enslaved labor, child labor, or human trafficking, elimination of discrimination, and providing a safe and healthy work environment.

This report covers the financial year 2024 and describes the Group's policies and due diligence processes conducted by Observe Medical to identify and manage actual and potential adverse impacts in our operations and supply chain in accordance with the OECD Guidelines for Multinational Enterprises with regards to fundamental human rights and decent working conditions in their own operations and supply chains.

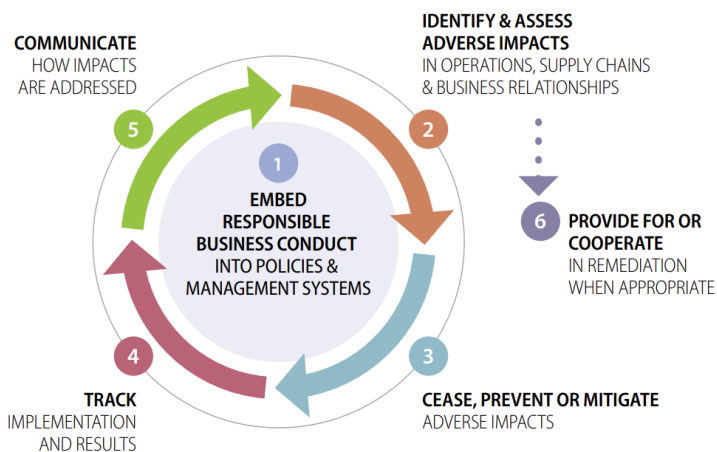


Figure 1: OECD due diligence process.

2. Company overview

Observe Medical ("the Company", "the Group" or "Observe Medical") is a Nordic medtech company that develops, markets and sells innovative medtech products for the global market. The Company is committed to improving patient welfare and patient outcomes, improving clinical data accuracy and promoting positive health economics. The Company seeks to drive growth by leveraging its expertise in sales and commercialization of its broad portfolio of medical technology products, mainly in urine measurement and ultrasound, in combination with targeted M&A and distribution. Observe Medical is working with a network of leading distributors to provide outstanding solutions for healthcare professionals globally. Observe Medical ASA is listed on the Euronext Expand Oslo under the ticker "OBSRV" and is headquartered in Oslo, Norway. The Company has the following subsidiaries:

- Observe Medical AB, Gothenburg, Sweden
- Observe Medical Nordic AB, Gothenburg, Sweden
- Observe Medical ApS, København, Denmark
- Biim Ultrasound AS, Oslo, Norway with subsidiaries Biim Ultrasound Inc, and Biim Ultrasound Oy.

Our value chain includes suppliers and partners based in Europe, Asia, and North America. We recognize our responsibility to respect human rights and promote decent working conditions across all levels of our operations.

As at 31 of December 2024, the Group had 5 employees. 2 in Norway, 2 in Sweden and 1 in Denmark.

3. Policies and Governance

Observe Medical will not tolerate any form of human rights violations in our operations or supply chains, including service providers and suppliers. Our existing policies and employment practices include freedom of association and a respect for human and labor rights. We forbid forced, coerced, bonded, indentured, involuntary or enslaved labor; child labor; and all forms of human trafficking. We are committed to providing a safe and healthy work environment void of discrimination. We expect our suppliers to do the same.

Policies

The Company has implemented the following policies to ensure responsible business conduct:

- Employee Handbook
- Corporate Social Responsibility Policy
- Code of Conduct for Business partners

The CEO of Observe Medical is responsible for the daily operations of the company, including policy implementation and ensuring that ESG impacts are taken into consideration as part of the company's daily work. This includes assessing and managing risks of adverse impact on human rights and decent working conditions related to Observe Medical's business activities. The CEO reports to the Board of Directors on a regular basis.

Observe Medical established a Code of Conduct for Business partners. The Group is committed to responsible business conduct that upholds the values of integrity, sustainability, and ethical practices. Our Code of Conduct serves as a guiding framework, aligning with the UN Sustainable Development Goals and emphasizing responsible purchasing, worker rights, safety, and environmental protection. We expect compliance from all stakeholders, fostering a culture of transparency, accountability, and continuous improvement in our global operation. The Code of Conduct is provided to suppliers via direct communication and is integrated into our quality system in partner approval and partner re-evaluation processes, including the option for audits.

Our Employee Handbook and Corporate Social Responsibility policy outline the Company's dedication to upholding ethical and integrity-driven conduct in all business dealings and employee interactions.

Governance

The Board of Directors oversees our compliance with the Transparency Act and oversees the Company's management, including risks related to adverse impacts on human rights and decent working conditions. The Board ensures that respect for these principles is systematically integrated into the Group's policies and decision-making processes. The Audit Committee assists the Board by reviewing ESG topics, including risks to human rights and working conditions, ensuring thorough handling of these areas and compliance with the Transparency Act. Responsibilities for implementing and complying with the Transparency Act were approved by the Board, with progress regularly reported to both the Audit Committee and the Board for monitoring.

The CEO of Observe Medical manages daily operations, ensuring policy implementation and the integration of ESG considerations into the company's routine activities. This includes assessing and managing risks of adverse impacts on human rights and decent working conditions tied to Observe Medical's operations, with regular updates provided to the Board.

Senior management team members handle detailed implementation processes, such as supplier screening, employment practices, control procedures, and sustainability/ESG initiatives. The CEO, supported by the CFO, also manages information requests under the Transparency Act as per the established Information Request Procedure and regularly reports on ESG matters to the Audit Committee.

Reporting of Concerns

The company encourages employees, contractors, or external parties to make reports of violations to the Chairman of the board.

4. Due Diligence Activities in 2024

We have conducted due diligence assessments throughout 2024, focusing on:

- Mapping of direct suppliers and business partners
- Identifying high-risk regions and sectors
- Engaging with suppliers through audits and site visits
- Implementing risk mitigation and remediation measures

To ensure compliance with our policies and procedures, and to identify and monitor risks of human rights violations in our supply chain, we have undertaken the following steps:

- As a part of our partner evaluation, acceptance of the Code of Conduct for Business Partners is ensured.
- The company has conducted assessments to the best of its ability to evaluate conditions at each supplier. In both 2023 and 2024, management representatives visited production facilities in China, including inspections of production lines to verify adherence to our standards.
- Management has not identified any breaches of human rights, corruption, labor rights violations, or environmental standards as outlined in the Transparency Act, but remains vigilant, with a focus on addressing risk areas to be followed up in 2025.

Our supply chain includes materials in the production of medical devices purchased by suppliers from subcontractors such as fabricated components. The supplier shall ensure that it does not participate, directly or indirectly, in violations of human rights. This also includes situations when the supplier fails to pose questions on violations of human rights or benefits from violations that are carried out by a third party.

Observe Medical purchases logistics services, primarily container freight by sea, and has contract with third party warehouse services. The Group also purchases other specialized labor services through subcontractor firms and staffing agencies, as well as services from insurance, financial services, information technology and utilities.

As a rapidly expanding start-up/scale-up company with a growing global footprint, we recognize that the risk of exposure to violations of human rights, labor rights, and environmental standards, as covered by the Transparency Act, increases. Due to currently limited resources, the company is progressively addressing these risks through regular risk assessments, with plans to strengthen efforts as it grows in revenue and gains access to additional resources. The company is committed to its obligation to assess and mitigate these risks in alignment with its responsibilities.

Right to Information

The Norwegian Transparency Act requires that covered companies respond to requests from the public on how the company is managing actual or potential human rights impacts across its organization and supply chain. The CEO is responsible for receiving and managing such requests, which should be submitted to jorgen.mann@observemedical.com.

This statement will be reviewed, updated and published annually, no later than 30 June each year in compliance with the Act.

This statement was approved by the board of directors on 28 May 2025.

28 May 2025

Observe Medical ASA



Jørgen Mann

CEO