

MODERN SLAVERY STATEMENT OF AOTI, INC.

INTRODUCTION

This statement is made pursuant to Section 54 (1) of the Modern Slavery Act 2015 (“the Act”) relating to Transparency in Supply Chains and constitutes the slavery and human trafficking statement, for the financial year ending 31 December 2024. AOTI, Inc (“AOTI”) (“Company”) recognises that it has a responsibility to take a robust approach to slavery and human trafficking and indeed takes a zero-tolerance approach to non-compliance with the Act in any part of its business or its supply chain.

We are taking the appropriate steps to ensure that everyone who works for AOTI benefits from a working environment in which their fundamental human rights are respected and anyone whom we do business with also upholds these principles.

This is the first such statement AOTI has made, and this will continue to be reviewed and updated annually in accordance with the Act.

OUR BUSINESS AND ORGANISATIONAL STRUCTURE

AOTI, INC, is a leading company in non-invasive topical oxygen wound healing solutions. The Company was established in the USA and also operates in the UK and the Republic of Ireland. AOTI’s therapy uses cyclical pressurised oxygen that can be applied directly to a wound site.

AOTI, INC, is a leading company focused exclusively on providing products to help heal acute and chronic wounds such as Diabetic, Venus and Pressure Ulcers to complete closure. The Company was established in the USA and also operates in the UK and the Republic of Ireland. AOTI’s products use both cyclical pressurised oxygen and negative pressure wound therapy solutions that can be applied directly to a wound site.

We are committed to our values, which place innovation, health equity and integrity at the centre of what we do. We are a People first business and are recognised as a global leader in wound care technology.

DEFINITIONS

The Company considers that modern slavery encompasses:

- Human trafficking;
- Forced work, through mental or physical threat;
- Being owned or controlled by an employer through mental or physical abuse of the threat of abuse;
- Being dehumanised, treated as a commodity or being bought or sold as property;
- Being physically constrained or to have restriction placed on freedom of movement.

COMMITMENT

The Company acknowledges its responsibilities in relation to tackling modern slavery and commits to complying with the provisions in the Act. The Company understands that this requires an ongoing review of its internal practices in relation to its labour force and its supply chains.

The Company does not conduct business with any other organisation which knowingly supports or is found to involve itself in slavery, servitude and forced or compulsory labour.

No labour provided to the Company in the pursuance of the provision of its own services is obtained by means of slavery or human trafficking. The Company strictly adheres to the minimum standards required in relation to its responsibilities under relevant employment legislation in the USA, UK and Ireland.

AOTI operates under a number of policies, all of which are signed off at Director level, which demonstrates our commitment to eradicating the risk of modern-day slavery and ensuring that business is conducted to the highest ethical standard including:

- Anti-Bribery Policy
- Equality & Diversity Policy

AOTI has an effective grievance and whistleblowing policy in place which encourages personnel to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously, investigated promptly and discreetly, consistent with adequate investigation and remediation. AOTI's policies are reviewed annually to ensure that they are fit for purpose. All new and existing AOTI employees are provided with, and have access to, a copy of the latest whistleblowing policy.

SUPPLY CHAINS

In order to fulfil its activities, the Company's supply chains include those related to the manufacturing of therapy devices, 80% of whom are based in Europe.

We operate in a highly regulated industry which is subject to complex laws, rules and regulations, and therefore all our suppliers go through a documented supplier approval process. As we expect all parties in our supply chain to comply with our values, we have begun the process of seeking confirmation from our supply chain partners that they comply with the UN Global Compact Ten Principles, which relates to Human Rights, Labor, Environment, and Anti-Corruption.

RISK MANAGEMENT

All contract risks, including potential human rights, modern slavery and human trafficking risks, are managed and monitored through their contract lifecycle. This requires rigorous assessment at pre-contract signing, business unit and divisional level and review at Director level.

To manage the potential risks relating to employee vulnerability, the well-being of all our colleagues (whether working in the field or in the office) has remained our priority.

At AOTI, our goal is to create working environments that protect, support and make our employees happy and healthy. Employee well-being is our priority, and we all have a responsibility to ensure we look after ourselves and each other. We continue to develop our culture, so that well-being becomes an intrinsic part of everything all of our employees do. We focus on helping to ensure the right working environments to support the safety and mental health of our people, which includes processes for colleagues to raise reasonable adjustment requests where required.

TRAINING, RECRUITMENT & COMMUNICATION

AOTI is committed to ensuring that all our people understand what modern slavery is, the circumstances in which it may occur and that they are equipped to identify instances of possible slavery and human trafficking and to report concerns.

To make employees aware of the Act and the drivers of modern slavery, as well as the possible indicators, we share this statement with all employees through our internal communication channels and a copy of this statement is available on the AOTI website.

To detect any modern slavery in our business or supply chains, we encourage for any concerns to be reported without delay or fear of detrimental treatment. Our modern slavery policy requires anyone who becomes aware of or suspects modern slavery in our business or supply chains to report it to their line manager, the Company's HR Manager or, if they wish to report anonymously, to do so as set out in the group's whistleblowing policy.

AOTI's employment policies and pre-employment screening processes ensure that all our employees have the appropriate right to work in the United Kingdom. As part of the onboarding process for joining AOTI, each employee is given an overview of the essential policies and information in relation to those policies, procedures and other matters such as whistleblowing.

POTENTIAL EXPOSURE

In general the Company considers its exposure to slavery / human trafficking to be limited, as we have taken steps to ensure that such practices do not take place in its business nor the business of any organisation that supplies goods/services to it. Exposure is also limited as the business acquires none of its products from high risk markets, with the majority of suppliers being based in the UK and the EU.

STEPS TAKEN

The Company is undertaking to update all contracts with substantial clauses which set out our expectations with distributors, their officers, employees, agents and sub-contractors, regarding full compliance with the Act and our zero tolerance to any form of slavery or human trafficking. They are required to advise AOTI, Inc. immediately of any possible breaches. Contracts with other customers also include a compliance requirement where possible.

All suppliers are required to ensure that they provide employees with good working conditions, fair treatment and reasonable rates of pay and that they respect workers' human rights and comply with local labour laws and regulations. Wherever possible supplier contracts include clauses requiring compliance with the Act. Serious violations will lead to the termination of the business relationship.

The Organisation carries out due diligence processes in relation to ensuring slavery and/or human trafficking does not take place in its organisation or supply chains, including conducting a review of the controls of its suppliers.

The Organisation has not, to its knowledge, conducted any business with another organisation which has been found to have involved itself with modern slavery.

In accordance with section 54(4) of the Act, the Organisation has taken the following steps to ensure that modern slavery is not taking place:

- reviewing its supplier contracts to include termination powers in the event that the supplier is, or is suspected, to be involved in modern slavery;
- measures in place to identify and assess the potential risks in its supply chains;
- undertaking impact assessments of its services upon potential instances of slavery;
- any actions taken to embed a zero tolerance policy towards modern slavery; and
- included in the induction training for new employees.

CURRENT AND FUTURE PLANS

The Company will regularly review and improve our internal and partner risk assessment processes. As the company expands, these will require regular re-assessment to ensure they remain relevant for the scale of the business and the complexity as we grow in terms of scale.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes AOTI's slavery and human trafficking statement for the financial year ending 31 December 2021. This statement applies to AOTI Inc and all of its subsidiary companies. The statement has also been approved by the Boards of Directors of the following group companies on today's date:

- AOTI Inc
- Advanced Oxygen Therapy Inc
- AOTI Ltd
- NEXA Medical Ltd

Adopted by the Board of AOTI, Inc on 11 June 2024.