



**POLICY**

**Owner**  
CEO

**Valid for**  
Axis Group

**Approved by**  
CEO

**Reviewed**  
2025-07-29

**Managed by**  
Environment & Supply Chain  
Sustainability

**Security**  
Public

# *Axis Policy on Battery Due Diligence*

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## Table of Contents

1 Purpose..... 3

2 Scope..... 3

3 Main principles..... 3

    3.1 Due Diligence Process..... 3

    3.2 Risk Management..... 4

4 Roles and responsibilities ..... 5

5 Compliance..... 5

    5.1 Remediation ..... 5

    5.2 Grievance Mechanism..... 5

6 Communication ..... 6

7 Supporting documents ..... 6

## 1 Purpose

This policy outlines Axis Group’s (referred to as “Axis”, meaning all entities directly or indirectly controlled by Axis AB) commitment to complying with the EU Battery Regulation (EU 2023/1542) and establishes the due diligence practices we implement to ensure that the sourcing and distribution of our batteries comply with legal and ethical standards, promoting sustainability and transparency.

## 2 Scope

This policy applies to all employees, contingent workers, and consultants (each an “Axis Representative”) in all of Axis’s operations and in all other activities and work connected to, or on behalf of, Axis related to batteries.

This policy also applies to all materials, components, and products associated with batteries that are imported or distributed within the European Union by Axis. This includes the raw materials cobalt, natural graphite, lithium and nickel, as specified in Annex X EU Battery Regulation (2023/1542) (the “Raw Materials”), and other hazardous substances based on the previously mentioned materials, that are necessary for manufacturing of active materials of batteries.

## 3 Main principles

### 3.1 Due Diligence Process

Axis due diligence process is risk-based, which reflects the audits performed on our battery suppliers and the due diligence process is in accordance with the OECD Due Diligence Guidance. All Axis battery suppliers must adhere to the applicable supporting documents listed in Section 7 in this policy, as well as the EU Battery Regulation (2023/1542).

All Axis battery suppliers shall provide the following information on their battery material supply chains. This information will be used by Axis to identify key aspects of the supply chain, including the origin of Raw Materials, and the smelters and refiners involved, in accordance with the EU Battery Regulation:

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1. A description of the Raw Materials<sup>1</sup>, including its trade name and type
2. The name and address of the supplier that supplied the Raw Material present in the batteries to the economic operator that places the batteries containing the Raw Material in question on the market
3. The country of origin of the Raw Material and the market transactions from the Raw Material's extraction to the immediate supplier to the economic operator that places the battery on the market
4. The quantities of the Raw Material present in the battery placed on the market, expressed in percentage or weight
5. Third-party verification reports issued by a notified body, where available, or additional information such as the mine of origin, locations where the Raw Material is consolidated, traded and processed, and taxes, fees and royalties are paid

### 3.2 Risk Management

Axis assesses its battery suppliers for Environmental, Social, and Governance (ESG) risks and require that all our material suppliers of batteries shall enforce the same ESG requirements and perform their own due diligence process of their supply chain according to the standards of the Battery Regulation.

If any of Axis battery suppliers use smelters or refiners that originate from conflict affected and high-risk areas (CAHRA) and that are identified as high risk according to OECD's guidelines on minerals they are required to demonstrate that necessary measures are taken to address risks and manage and prevent negative impacts from occurring. Suppliers using high-risk smelters or refiners may require an independent audit to verify their actions in managing and mitigating risks.

Axis also contractually reserves the right to suspend all business with a supplier that does not comply with these expectations, after they have been given the opportunity to remediate the impact. Suppliers are required to provide all available information connected to the manufacturing of the batteries, such as the location of their smelters and refiners, so that Axis can assess the risks in our supply chain. Suppliers shall also demonstrate that they are taking necessary steps to collect Chain of Custody information.

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<sup>1</sup> As specified in Annex X EU Battery Regulation (2023/1542)

## 4 Roles and responsibilities

It is every Axis Representative, working with batteries or hardware containing batteries, responsibility to comply with and contribute to the fulfillment of this policy as well as to apply it in good faith when operating on behalf of Axis.

It is the responsibility of every manager whose team members work with batteries, or hardware containing batteries, to promote awareness and compliance with this policy, and to ensure that all team members read and understand the policy.

The Axis Management Team has an overall accountability for the implementation, compliance with and review of this policy.

The Axis Environment & Supply Chain Sustainability Team is responsible for coordinating the due diligence and risk management processes.

The Axis Risk & Internal Audit Team is responsible for reviewing Axis compliance efforts related to this policy.

## 5 Compliance

### 5.1 Remediation

As part of our due diligence processes, we encourage affected stakeholders to raise concerns and help us identify actual or potential adverse ESG impacts. When we identify adverse ESG impacts that Axis has caused or contributed to, we are committed to taking appropriate actions and, if possible, to remedy the harm. In situations where we are directly linked to an adverse impact, we will engage relevant business relationships to determine the appropriate remedy. We prohibit any form of retaliation against anyone who raises an ESG-related complaint.

We reserve the right to end business relationships if it is demonstrated that our business partner has committed a material breach of this policy and is unwilling to address the situation.

### 5.2 Grievance Mechanism

Axis has an internal whistleblower program for all Axis representatives that can be used for anyone who wishes to raise concern regarding Axis operations. For external stakeholders and other externals who wishes to raise a concern regarding Axis suppliers, including suppliers of batteries, can contact Axis at [sustainability@axis.com](mailto:sustainability@axis.com).



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## **6 Communication**

The latest approved and valid version of this policy is available on the Group Policies page on Galaxis and on [axis.com](https://axis.com).

## **7 Supporting documents**

Axis Group Policy – Code of Conduct (For Axis employees and Representatives)  
Axis Group Environmental Policy  
Axis Group Human Rights Policy  
Axis Group Statement on Responsible Mineral Sourcing  
Axis Supplier Code of Conduct