

ELHURT EMS SP. Z O.O.

# BUSINESS CODE OF CONDUCT FOR SUPPLIERS



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EMS

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# INTRODUCTION

## PURPOSE

The requirements set out in this Business Code of Conduct for Suppliers (hereinafter: Code) apply to all suppliers of materials and/or services to Elhurt EMS Limited Liability Company based in Gdańsk (hereinafter: Elhurt EMS).

The purpose of the Code is to define the requirements and expectations of Elhurt EMS towards its suppliers in terms of compliance with legal regulations, labour laws, employment practices, and workplace conditions, as well as business and ethical conduct standards and environmental protection requirements, in order to ensure and maintain effective and professional relationships between Elhurt EMS and the Suppliers. Suppliers are responsible for fulfilling the requirements of this Code. Failure to meet these requirements may result in the loss of existing or future business relationships with Elhurt EMS.

## BUSINESS APPROACH AND STANDARDS

At Elhurt EMS, we view the Supplier as a direct extension of our company. Our success is based on strong, effective relationships and the ability to build responsible and honest business practices within the supply chain, as well as meeting a range of expectations and legal requirements.

Our goal is to maintain high ethical and business standards in our operations and to extend best practices to our business partners. We expect our partners to adhere to our requirements for socially responsible business practices and to have a positive impact on our colleagues, clients, and the communities in which we all operate.

We expect our Suppliers to ensure operational excellence and continuous improvement of their activities to meet our expectations, especially in terms of high-quality materials or services provided, on-time delivery, as well as complete and correct documentation (e.g., bills of lading, labelling, invoicing). We expect our Suppliers to be proactive and to anticipate any unexpected changes in demand.

# COMPLIANCE WITH REGULATIONS

Elhurt EMS requires all suppliers to comply with the legal regulations in force in each country where they operate, as well as all other statutory, administrative, and executive regulations applicable to the supply of goods, products, and services for Elhurt EMS, and to adhere to the provisions of this Supplier Code of Conduct ("CODE").

Furthermore, Elhurt EMS expects its suppliers not to engage in any activities, practices, or conduct that would violate the Code.

Suppliers are obligated to immediately take steps to investigate and address any suspected violations of the Relevant Requirements or signs of such violations, and to promptly notify Elhurt EMS of such occurrences.

Additionally, Elhurt EMS expects suppliers to have external Certifications based on ISO 9001 and ISO 14001 standards. While this is not a critical requirement, it may influence the final selection of the Supplier.

## ENVIRONMENTAL AND LEGAL REQUIREMENTS

Elhurt EMS's policy is focused on developing and maintaining steady relationships with Suppliers who share similar environmental protection goals. We recommend that our Suppliers comply with the requirements of ISO 9001, ISO 14001, and ISO 13485 standards, with the ultimate goal of certification.

According to the environmental policy of Elhurt EMS, our objective is to reduce waste through source reduction and recycling, in order to minimize the impact on the atmosphere, soil, and groundwater.

All materials used in production and supplied by the Supplier comply with applicable governmental and legal restrictions concerning prohibited, toxic, and hazardous materials, as well as environmental restrictions applicable in the country of production and sale.

The Supplier is responsible for ensuring compliance with all environmental legal requirements, both in relation to the region where the materials are produced and/or sold, and with respect to all additional requirements, including EU directives.

### ISO 9001

According to the definition indicated in the ISO 9001 standards, a quality management system is a set of interrelated or interacting elements used to establish policy and objectives, and then achieve those objectives through managing and monitoring the Organization with respect to quality. Quality management is presented as a totality of activities aimed at defining, shaping, and managing actions to meet specified requirements.

At Elhurt EMS, the quality management system compliant with ISO 9001 is based on 7 fundamental principles:

- 1) Customer focus,
- 2) Leadership,
- 3) Engagement of people,
- 4) Process approach,
- 5) Improvement,
- 6) Evidence-based decision making,
- 7) Relationship management.

## **ISO 14001**

The goal of Elhurt EMS in implementing an environmental system based on the ISO 14001 standard is continuous improvement and enhancement of the environmental performance of Elhurt EMS and preparing employees to properly respond in case of ecological threats. The system introduced at Elhurt EMS represents a leading standard for environmental management systems, operating based on international standards and confirming the consistent implementation of all elements aimed at maximizing the reduction of the negative impact of Elhurt EMS activities on the environment. The ISO certification awarded to Elhurt EMS confirms the company's environmental awareness and its commitment to raising ecological awareness among both employees and customers.

## **ISO 13485**

ISO 13485 is a set of principles that applies to manufacturers and distributors of medical devices, as well as other companies that introduce such products to the market. Its provisions include the basic requirements associated with a quality management system. The adoption of ISO 13485 by Elhurt EMS primarily involves considering key guidelines concerning medical devices, regulations, and obligations. Compliance with these requirements is confirmed by a certificate awarded to Elhurt EMS, which also guarantees the company's commitment to the safety and quality of devices used in Elhurt EMS's operations.

## **COMPLIANCE WITH RoHS, REACH, CONFLICT MINERALS DIRECTIVE**

Our goal is to comply with the requirements of RoHS (Restriction of Hazardous Substances), REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), and CONFLICT MINERALS.

Our Suppliers must demonstrate to us that their products are free from prohibited substances, in accordance with the European Union directives RoHS, REACH, and CONFLICT MINERALS.

Elhurt EMS may require the Supplier to provide declarations of compliance with these directives, along with test results.

The Supplier should take appropriate steps to mark the material with RoHS and REACH compliance labels on each package in the delivery and to inform about the compliance of the goods with conflict minerals requirements.

## **CBAM CSRD**

Our goal is to conduct conscious purchasing and sustainable development. We encourage a similar approach and inform our suppliers about the needs arising from the CBAM (Carbon Border Adjustment Mechanism) regulation and the CSRD (Corporate Sustainability Reporting Directive) directives, as well as ESG Environmental, Social, and Corporate Governance) reporting.

We expect assistance in providing the appropriate data and exchanging information in the aforementioned areas.

## **BUSINESS AND ETHICAL CONDUCT PRACTICES**

Suppliers are obligated to maintain a culture that promotes honesty and combats fraud and corrupt practices, while implementing a policy aimed at zero tolerance for any forms of bribery and/or corruption. In all business interactions, the highest standards of integrity must be upheld.

Under no circumstances should one propose or accept, directly or indirectly:

- a) cash, securities, or monetary loans,
- b) material benefits in the form of commissions, bonuses, or bribes,
- c) recreational or vacation trips,
- d) work that improves the personal situation of the person obtaining it or another person associated with them,

e) benefits that, due to their value or for other significant reasons, might typically be seen as influencing the professional duties of the recipient,

f) other benefits and arrangements that, if disclosed to the public, could generally be seen as unethical or could damage the good name or cast a negative light on Elhurt EMS or our customers.

It is important to note that the above list does not exhaust all possible scenarios. Depending on the circumstances, other types of benefits may be prohibited or even illegal. The term 'benefit' should be understood not only as gifts, rewards, or similar goods of a material or immaterial nature, but also as a promise of their delivery or obtaining another benefit by the person to whom it is directed.

The supplier must notify Elhurt EMS if a person holding a prominent political position (PEP) becomes directly or indirectly an owner, a member of the management, or an employee of the supplier or a controlling parent company.

## **ETHICAL STANDARDS**

### **COMPETITION**

The supplier has the right to support quality and price competition, acting in an open and honest manner. However, they must not engage in any practices or conduct any business activities that result in or could result in a breach of the relevant competition protection regulations applicable in the legal system of the country where the supplier, Elhurt EMS, or their clients operate.

In fulfilling obligations arising from antitrust law and norms concerning fair competition, Elhurt EMS suppliers must:

- Not enter into any agreements with competitive entities aimed at restricting competition,
- Not engage in discussions with competitive entities about sensitive commercial information concerning Elhurt EMS or disclose such information,
- Be aware of specific regulations that may apply in particular markets where Elhurt EMS, clients, or suppliers have a strong position,
- Seek legal advice in a timely manner if there is any uncertainty about the legality of any agreement made to achieve a business goal,
- Ensure that data concerning competitive offerings are not discussed with the competing party,
- Not restrict free competition by agreeing with competing parties on price levels, market divisions, etc.

### **CONFLICT OF INTEREST**

Suppliers must immediately notify Elhurt EMS if any of its employees responsible for making business decisions or influencing such decisions has familial ties or close relationships with the supplier that could confer some benefits to that supplier.

Elhurt EMS requires suppliers who have recently employed a former employee of any company within the ELHURT group, particularly ELHURT and ELHURT EMS, to inform them of this fact to ensure fairness in mutual relationships.

### **CORRUPTION AND BRIBERY**

The foundation of Elhurt EMS's relationships with business partners, officials, and other individuals is based on achievements, credibility, and the quality of products and services. Supplier employees and associates must never influence decision-makers through unlawful financing, giving gifts, or doing favours.

Supplier employees must not offer or give any financial, material, or other benefits, seek opportunities to make offers of any bribes or other behaviours that might encourage potential partners to engage in such activities, accept any kind of bribe or other inducement that would be prohibited or sanctioned by the organization in the normal course of business, accept gifts or other benefits personally or through relatives if they are intended to obtain business benefits or if they would create the impression that they influence business relationships between the

organization and the giver, or corrupt public officials or other individuals in order to gain favourable decisions or confidential information.

Donations and grants by the supplier may only be made officially and only to organizations authorized to receive such support (charitable institutions, nonprofit organizations, foundations, etc.), and support must be provided in accordance with applicable regulations. Donations and grants must be properly justified and documented, indicating the purpose and nature of the supported activity.

## **EMPLOYEE RIGHTS**

Elhurt EMS expects each supplier to respect the rights of Elhurt EMS employees, their own, as well as those employed through employment agencies, treating them with respect, dignity, and fairness. The use of corporal punishment, physical abuse, offensive language, and other unlawful harassment, as well as any threats or other forms of intimidation, is prohibited.

Elhurt EMS expects that no employee of the suppliers becomes a victim of bullying, subjected to discrimination based on race, skin colour, gender, age, origin, religion, sexual orientation, marital status, pregnancy, form of employment, union membership, or any other legally protected characteristic.

Elhurt EMS respects and supports all human rights established nationally and internationally and strives to ensure that its actions do not violate any of such rights.

### **PROHIBITION OF FORCED LABOR**

Elhurt EMS does not tolerate forced labour in any form. Supplier employees must be provided with the unrestricted right to terminate their employment, subject to the appropriate notice period stipulated by relevant regulations or arising from an employment contract.

Every supplier collaborating with Elhurt EMS must respect the right to freely associate (including the right to refuse to join unions), enter into collective bargaining agreements, and all other employee rights applicable in the workplace.

### **EMPLOYMENT CONDITIONS**

Every supplier of Elhurt EMS will ensure that their employees are aware of the employment conditions applicable to them. Suppliers must comply with all applicable regulations concerning working hours, wages, additional benefits, annual leave, workplace conditions, and overtime compensation for both their own employees and those employed through staffing agencies.

### **EMPLOYMENT OF MINORS**

Elhurt EMS requires that suppliers do not employ children. "Child" refers to any person who has not reached the age of 16, is below the age for completing compulsory education, or below the minimum age for employment in or outside the country, whichever age limit is higher.

Employees under the age of 18 must not perform work that endangers their health or safety, including night shifts and overtime.

Elhurt EMS supports the implementation of legitimate training programs for young workers in workplaces. Suppliers are obligated to provide appropriate support and training to each employee who continues to attend school. In the absence of local regulations governing wages for school-attending employees, interns, and apprentices, the compensation should be set at least at the same level as for employees just starting work in an identical or similar position.

# **OCCUPATIONAL HEALTH AND SAFETY REGULATIONS AT THE WORKPLACE**

Suppliers are required to ensure that all their employees in the facilities (including those employed through staffing agencies) have working conditions that comply with occupational health and safety (OHS) regulations at every workplace.

This obligation includes:

- Appointing a person with the competence to manage and improve safety and health programs as well as environmental protection,
- Establishing appropriate organizational structures and procedures that allow for effective risk management in terms of OHS and environmental protection (including subcontractors),
- Ensuring that every employee is properly acquainted with the hazards and appropriately trained in the use of control measures.

Suppliers must be aware of the hazards typical for the industry in which they operate, regularly conduct risk assessments, and take all reasonable precautions to ensure the safety and health of employees and the public.

Elhurt EMS reserves the right to verify the supplier's compliance with the above requirements.

## **PROTECTION OF PERSONAL DATA AND CONFIDENTIAL INFORMATION**

### **PERSONAL DATA AND PRIVACY PROTECTION**

Elhurt EMS undertakes all necessary measures to ensure the protection of personal data processed in connection with its operations. Personal data should be treated as personal property that requires appropriate and lawful protection.

In this context, a Security Policy is in place at Elhurt EMS, which covers all internal actions and applies to all individuals performing duties under employment or cooperation with Elhurt EMS. The provisions of this document also extend to suppliers and their employees or associates. The basis for the implementation and development of the above document is the Regulation of the European Parliament and of the Council (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) - hereinafter referred to as "GDPR", and the personal data protection act of 10 May 2018.

Elhurt EMS expects that each supplier collects, processes, and/or transfers personal data only to the extent necessary for a specific, identifiable, and lawful business purpose and in a manner that does not violate any legal regulations applicable in the markets where Elhurt EMS conducts business.

### **CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY**

Every supplier must adhere to the obligation of confidentiality regarding all information that constitutes a trade secret of Elhurt EMS and its clients, in accordance with applicable laws, and must remain loyal to Elhurt EMS as a supplier.



Every commercial transaction with Elhurt EMS must be conducted based on transparency principles, and then accurately recorded in the supplier's accounting books. Disclosing significant information about supplier employees, practices related to occupational health and safety, environmental protection, product details, business operations, organizational structure, financial situation, and outcomes must comply with applicable laws and generally accepted business practices.

Falsifying documents or making false statements about conditions or practices in the supply chain is unacceptable.

Elhurt EMS respects intellectual property rights.

Each supplier is obliged to keep information belonging to Elhurt EMS and/or its clients and suppliers strictly confidential and agrees to use it solely for the agreed-upon business purpose. Technology and know-how must be transferred in a manner that ensures the protection of intellectual property rights.

## **THE ROLE OF SUPPLIERS IN ENFORCING THE PROVISIONS OF THIS CODE**

Elhurt EMS requires suppliers to take actions that ensure both the suppliers and their employees are familiar with this Code of Conduct and that they adhere to its provisions. Throughout the period of cooperation, Elhurt EMS expects its suppliers and their employees to promptly inform about any breaches of this Code by their employees, or by employees of Elhurt EMS, as soon as they become aware of them.

Suppliers are obligated to take responsibility for their subcontractors and to ensure that the standards specified in this Code are upheld throughout their entire supply chain.

Furthermore, suppliers are required to ensure open dialogue with Elhurt EMS regarding further achievements, directions of actions, and opportunities for improvement.

To ensure and demonstrate compliance with this Code of Conduct, suppliers must maintain appropriate documentation and, upon request from Elhurt EMS, provide documents confirming such compliance. Elhurt EMS reserves the right to conduct audits and inspections of the supplier's operations and facilities, either independently or with the help of third parties, at its own expense and after prior notification to the supplier, solely to verify the supplier's compliance with this Code. If such an audit or inspection, or any other documented method, reveals that the supplier does not comply with this Code, Elhurt EMS will require the supplier to undertake the necessary corrective actions within a specified timeframe according to Elhurt EMS's recommendations. Should the supplier fail to adhere to this Code, Elhurt EMS may take specific actions against the supplier, including suspension or termination of cooperation.

If suppliers or their employees become aware of any circumstances that, in their opinion, may result in a violation of this Code, the person in possession of such information is obligated to report it to Elhurt EMS.

All violations reported in good faith will be treated with complete confidentiality and will in no way negatively impact the business relations with suppliers valued by Elhurt EMS.

Any questions regarding the requirements specified in this Code of Conduct should be directed to the designated contact person at Elhurt EMS by sending an email to [CoC@elhurt.com.pl](mailto:CoC@elhurt.com.pl).