

# **BUSINESS CODE OF CONDUCT FOR ELHURT GROUP**



elhurt

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# INTRODUCTION

## PURPOSE

The requirements outlined in this Business Conduct Code for the ELHURT Group companies (hereinafter referred to as the Code) apply to all entities capital-related and personally connected with Elhurt Limited Liability Company, headquartered in Gdańsk (hereinafter referred to as Elhurt), forming part of the ELHURT Group.

The purpose of the Code is to define the requirements and expectations of Elhurt towards these entities regarding compliance with legal regulations, labour law, employment practices and workplace conditions, as well as standards of business and ethical conduct and environmental protection requirements. This is to ensure and maintain an effective and professional relationship between these entities and Elhurt. These companies are responsible for meeting the requirements of this Code.

## BUSINESS APPROACH AND STANDARDS

At Elhurt, we view individual entities as direct extensions of our company. Our success is based on strong, effective relationships and the ability to build responsible and honest business practices among the various entities, as well as on meeting a range of expectations and legal requirements.

Our goal is to maintain high ethical and business standards within 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 positively impact our employees, customers, and the communities in which we all operate.

We expect ELHURT Group entities to ensure operational excellence and continuous improvement in their actions to meet our expectations, particularly regarding the high quality of materials or services provided, timely execution of assigned tasks, as well as complete and accurate documentation. We expect our collaborators to be proactive and responsive to any unexpected changes within the Group.



# COMPLIANCE WITH REGULATIONS

Elhurt requires all entities within the ELHURT Group to comply with the laws in force in each country where they operate, as well as with all other statutory, administrative, and executive regulations applicable to goods, products, and services provided to Elhurt. Additionally, they must adhere to the provisions of this Business Conduct Code for the ELHURT Group companies (hereinafter referred to as the Code).

Elhurt also expects these entities not to engage in any actions, practices, or conduct that would violate the Code. These entities are obliged to immediately take steps to investigate and address any instances of alleged violations of the Code or signs indicating such violations, as well as to promptly notify Elhurt of such occurrences.

Furthermore, Elhurt expects the entities to have external certification based on ISO 9001 and ISO 14001 standards. While this is not a critical requirement, it may impact the operations of the ELHURT Group.

## ENVIRONMENTAL AND LEGAL REQUIREMENTS

Elhurt's policy is aimed at developing and maintaining ongoing relationships with ELHURT Group entities that share similar environmental protection goals. We recommend that these entities operate in accordance with the requirements of ISO 9001, ISO 14001, and ISO 13485 standards, with the ultimate goal of certification.

In line with Elhurt's environmental policy, our goal is to reduce waste through source reduction and recycling to achieve minimal impact on the atmosphere, soil, and groundwater.

All materials used in production and supplied by ELHURT Group entities must 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.

Each entity is responsible for ensuring compliance with all environmental legal requirements, both in relation to the region where the materials are produced and/or sold, as well as with all additional requirements, including the EU RoHS directive.

## ISO 9001

According to the definition indicated in ISO 9001 standards, a quality management system is a set of interrelated or interacting elements for establishing policies and objectives, and then achieving those objectives through managing and supervising the organization concerning quality. Quality management is presented as a whole range of activities aimed at defining, shaping, and managing activities to meet specified requirements.

Elhurt's quality management system, compliant with ISO 9001, is based on seven 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

Elhurt's aim in implementing an environmental system based on the ISO 14001 standard is to continuously improve and enhance Elhurt's environmental performance and to prepare employees to respond appropriately in the event of an ecological threat. The system implemented at Elhurt represents a leading standard for environmental

management systems, functioning based on international standards and confirming the consistent implementation of all elements aimed at maximizing the reduction of Elhurt's negative impact on the environment. The ISO certificate awarded to Elhurt confirms the company's ecological awareness and its commitment to raising environmental awareness among both employees and customers.

## ISO 13485

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

## COMPLIANCE WITH RoHS, REACH, CONFLICT MINERALS DIRECTIVE

Our goal is compliance with the requirements of RoHS (Restriction of Hazardous Substances), REACH (Registration, Evaluation, Authorisation, and Restriction of Chemicals), and Conflict Minerals.

Products offered by ELHURT Group entities must be free from prohibited substances based on the European Union directives RoHS, REACH, and Conflict Minerals.

Elhurt may require entities to provide declarations of conformity with these directives, along with test results.

Each entity should take appropriate steps to label materials with compliance marks for RoHS and REACH directives and to inform about the compliance of offered goods with Conflict Minerals requirements..

## CBAM CSRD

Our goal is to engage in conscious purchasing and sustainable development. We encourage a similar approach and inform ELHURT Group entities about the needs arising from CBAM (Carbon Border Adjustment Mechanism) regulations, the CSRD (Corporate Sustainability Reporting Directive) directives, and ESG (environmental, social, and corporate governance) reporting.

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

## BUSINESS AND ETHICAL PRACTICES

ELHURT Group entities are obligated to maintain a culture that promotes integrity and prevents fraud and corrupt practices, implementing a policy of zero tolerance for any forms of bribery and/or corruption. In all business dealings, the highest standards of integrity must be maintained.

Under no circumstances should anyone offer or accept, directly or indirectly:

- a) cash, securities, or money loans,
- b) financial benefits in the form of price reductions, commissions, bonuses, or bribes,
- c) recreational trips or vacations,
- d) employment that improves the personal situation of the recipient or another person related to them,

e) benefits that, due to their value or other significant reasons, could be considered to influence the professional duties of the recipient,

f) other benefits and arrangements that, if disclosed to the public, could be widely regarded as unethical or could damage the reputation of Elhurt or our clients.

It should be noted that the above list does not exhaust all possible cases. Depending on the circumstances, other types of benefits may also be prohibited or even illegal. The term "benefits" should be understood not only as gifts, rewards, or similar material or non-material items but also as the promise of their delivery or the obtaining of another benefit by the person to whom it is addressed.

Each entity is obliged to notify Elhurt if a person holding a prominent political position (PEP) becomes directly or indirectly an owner, member of the management, or an employee of that entity.

## ETHICAL STANDARDS

### COMPETITION

Every entity within the ELHURT Group has the right to support quality and price competition by acting openly and honestly. However, they must not engage in any practices or undertake any business activities that result or may result in a violation of applicable competition protection laws in the legal systems of the countries where Elhurt or its clients operate.

In fulfilling their obligations under antitrust laws and fair competition standards, these entities:

- must not enter into any agreements with competitive entities aimed at restricting competition,
- must not engage in discussions with competitors about sensitive commercial information concerning Elhurt or disclose such information,
- must be aware of specific regulations that may apply in certain markets where these entities, Elhurt, clients, or their suppliers hold a strong position,
- in case of uncertainty about the legality of an agreement made to achieve a business objective, must seek legal advice in a timely manner,
- ensure that data concerning competitive offers are not discussed with competing parties,
- must not restrict free competition by agreeing with competitors on prices, market division, etc.

### CONFLICT OF INTEREST

Elhurt must be promptly notified if any of its employees responsible for making business decisions or influencing such decisions have family ties or close relationships with individuals from another entity that may benefit that other entity.

### CORRUPTION AND BRIBERY

The basis of Elhurt's relationships with business partners, officials, and other individuals is achievements, credibility, and the quality of products and services. Employees and associates of ELHURT Group entities must never influence decision-makers through illegal financing, gifting, or providing favours.

Employees of ELHURT Group entities must not offer or give any financial, material, or other benefit, seek opportunities to receive any bribe or engage in behaviours that encourage potential partners to offer bribes, accept any kind of bribe or other incentive that would be unauthorized or ratified by the organization in the ordinary course of business, accept gifts or other benefits, personally or through close associates, if they are intended to gain

business-related advantages for potential partners or create the impression of influencing professional relationships between the organization and the gift giver, corrupt government officials or other individuals to obtain a favourable decision or gain confidential information.

Donations and grants may only be made by entities officially and exclusively to organizations authorized to receive such support (charitable institutions, non-profit organizations, foundations, etc.), and support must be provided in accordance with applicable laws. Donations and grants must be appropriately justified and documented, indicating the purpose and nature of the supported activity.

## **EMPLOYEE RIGHTS**

Elhurt expects every entity within the ELHURT Group to respect the rights of Elhurt employees, their own employees, as well as those employed through employment agencies, treating them with respect, dignity, and fairness. The use of corporal punishment, physical abuse, offensive language, or any other illegal harassment, including threats or other forms of intimidation, is strictly prohibited.

Elhurt expects that no employee within the ELHURT Group will be subjected to bullying or discrimination based on race, colour, gender, age, origin, religion, sexual orientation, marital status, pregnancy, employment status, union membership, or any other legally protected characteristic.

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

## **PROHIBITION OF FORCED LABOR**

Elhurt does not tolerate forced labour in any form. Employees of ELHURT Group entities must be guaranteed the unrestricted right to terminate their employment, provided they give the appropriate notice period as required by applicable regulations or as stipulated in their employment contract.

Every entity within the ELHURT Group must respect the right to free association (including the right to refuse union membership), to engage in collective bargaining, and to exercise all other labour rights applicable in the workplace.

## **EMPLOYMENT CONDITIONS**

Every entity within the ELHURT Group must ensure that its employees are informed about their employment conditions. Entities must comply with all applicable regulations regarding working hours, wages, benefits, annual leave, workplace conditions, and overtime pay for both their own employees and those employed through employment agencies.

## **CHILD LABOR**

Elhurt requires that no entity employs children. A "child" is defined as anyone under the age of 16, below the age of compulsory education, or below the minimum age for employment in the country or beyond its borders, whichever age is higher.

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

Elhurt supports the use of reasonable training programs for young people in the workplace. Entities are required to provide appropriate support and training to any employee who is still attending school. In the absence of local regulations governing wages for school-attending employees, interns, and trainees, wages must be set at least at the same level as those for employees just starting in the same or similar positions.

## **WORKPLACE HEALTH AND SAFETY REGULATIONS**

Entities within the ELHURT Group are obligated to provide all their employees, including those employed through employment agencies, with working conditions that comply with health and safety regulations at all workplaces.

This obligation includes, but is not limited to:

- appointing a person with the competence to manage and improve occupational health and safety programs, as well as environmental protection,
- establishing appropriate organizational structures and procedures that allow for effective risk management in the areas of health and safety and environmental protection (including subcontractors),
- ensuring that each employee is properly informed about hazards and adequately trained in the use of control measures.

Each entity must be aware of the hazards specific to the industry in which it operates, regularly conduct risk assessments, and take all reasonable precautions to ensure the safety and health of employees and private individuals.

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

## **DATA PROTECTION AND CONFIDENTIAL INFORMATION**

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

Elhurt takes all necessary actions to ensure the protection of personal data processed in connection with its business activities. Personal data must be treated as personal rights that require proper and lawful protection.

Therefore, Elhurt enforces a Security Policy that includes all internal actions and applies to all individuals performing duties within the framework of employment or cooperation with Elhurt. The provisions of this document also extend to ELHURT Group entities and their employees or collaborators. The basis for the implementation and development of this document is Regulation (EU) 2016/679 of the European Parliament and of the Council 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) - referred to as "GDPR," as well as the Personal Data Protection Act of 10 May 2018, with subsequent amendments.

Elhurt expects each entity within the ELHURT Group to collect, process, and/or transfer personal data only to the extent necessary for a specific, identifiable, and lawful business purpose and in a manner that does not violate any applicable laws in the markets where Elhurt conducts business activities.



## CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY

Every entity within the ELHURT Group must adhere to the obligation of confidentiality regarding all information that constitutes Elhurt's and its clients' trade secrets, in accordance with applicable laws, and must remain loyal to Elhurt.

Each business transaction with Elhurt must be conducted based on principles of transparency and accurately recorded in the accounting books of each entity. Disclosure of significant information concerning employees, health and safety practices, environmental protection, product information, business activities, organizational structure, financial situation, and results must comply with applicable regulations and generally accepted business practices.

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

Elhurt respects intellectual property rights.

Every entity within the ELHURT Group is obligated to keep information belonging to Elhurt and/or its clients or suppliers strictly confidential and to use it solely for the agreed business purpose. Technology and know-how will be transferred in a manner that ensures the protection of intellectual property rights.

## ROLE OF ELHURT GROUP ENTITIES IN ENFORCING THE PROVISIONS OF THIS CODE

Elhurt requires all entities within the ELHURT Group to take actions to ensure that both these entities and their employees are familiar with this Code of Conduct and comply with its provisions. Throughout the collaboration period, Elhurt expects these entities and their employees to promptly inform Elhurt upon becoming aware of any violations of this Code of Conduct by their employees or by Elhurt employees.

Entities are responsible for their subcontractors and for ensuring that the standards outlined in this Code are upheld throughout their entire business relationships.

Entities are also obligated to maintain an open dialogue with Elhurt regarding further achievements, action directions, and opportunities for improvement.

To ensure and demonstrate compliance with this Code of Conduct, ELHURT Group entities must maintain appropriate documentation and provide supporting documents to Elhurt upon request. Elhurt reserves the right to conduct audits and inspections of the entity's operations and facilities, either independently or with the help of third parties, at Elhurt's expense and with prior notice to the entity, solely to verify compliance with this Code of Conduct.

If Elhurt, through such audits or inspections or any other documented means, finds that an entity is not complying with this Code of Conduct, it will require the entity to take necessary corrective actions within an appropriate timeframe as recommended by Elhurt. If the entity fails to comply with this Code of Conduct, Elhurt may take specific actions against that entity.

If ELHURT Group entities or their employees become aware of any circumstances that, in their opinion, may result in a violation of this Code of Conduct, the person possessing this information is obliged to report it to Elhurt.

All violations reported in good faith will be treated with complete confidentiality and will not negatively affect the business relationships between ELHURT Group entities.

Any questions regarding the requirements set forth in this Code of Conduct should be directed to the person designated by Elhurt to liaise with other entities within the ELHURT Group by sending an email to: [CoC@elhurt.com.pl](mailto:CoC@elhurt.com.pl).