

Code of Conduct

Euromedic Group

The Code of Conduct sets out the basic standards of conduct, operating conditions and rules, as well as the guidelines for conduct in which Euromedic Group operates and provides, inter alia, for

- · fairness of internal and external relations,
- · conflicts of interest and confidentiality,
- · prohibition of discrimination and harassment,
- key business norms, behavioural rules and standards of conduct,
- · rejection of corruption and anti-corruption rules.

In unified structure with amendments In force from: 20.10.2022.



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1 Introduction

Euromedic Group started its operation under the managing ownership of the Israeli businessman Joseph Priel Fromowitz in 1995. In the period since its establishment, to the satisfaction of Euromedic Group's partners (healthcare providers, pharmacies, pharmaceutical manufacturers, pharmaceutical wholesalers), it has become one of the key players in the sector in Hungary. Mr. Joseph Priel Fromowitz passed away in 2018, although Euromedic Group continued to operate under a new ownership structure, with unchanged operations, continuing and representing his philosophy and intellectual heritage that "The Patient is Always First".

For more than two decades, Euromedic Group has become one of the leading providers and suppliers of medicinal products and medical devices in the hospital market. Its current market position is due to its more than 20 years of experience in the pharmaceutical industry, customer focus, flexibility and commitment to growth. The key to its success lies in providing services that represent value to the customers. Over the years, it has gained the trust of public health institutions, but has also been able to serve the growing health care needs of the private sector, which are emerging year by year.

As an ethical and law-abiding company, it is extremely important for us to fully comply with external and internal expectations and regulations, to this end we follow all laws, guidelines and regulations applicable to us, and to achieve our goals in compliance with strict standards of conduct. Our effectiveness would be inconceivable without the diligent and conscientious work of highly qualified Employees acting under well-defined behavioural requirements. In order to achieve our long-term goals, it is essential that Euromedic Group operates in a transparent and accountable manner. Euromedic Group also aims to provide a work environment in which Employees show mutual trust, respect and attention to each other and to Business Partners, and where all Employees feel responsible for the Group's performance and reputation. We are committed to our behavioural values and strive to set an example by following rules and ethics.

This Code of Conduct is intended to provide guidance on adhering to the required corporate culture and to learn the principles of conduct and the most important norms of conduct, on the basis of which additional detailed expectations for the target group are formulated in the individual internal regulations. In cases where the Code of Conduct does not provide adequate guidance on compliance with the standards of conduct and any doubt arises in the Employees, a compliance officer with legal qualifications and outstanding professional experience in the field will be available at all times.

2 Definitions

The key terms used in this Code of Conduct have the following meanings:

"Compliance Program" means the compliance program established by Euromedic Group to ensure compliance.

"Euromedic Group" means all companies belonging to Euromedic Group:

- Euromedic International Hungária Befektetési Korlátolt Felelősségű Társaság (headquarters at: 1051 Budapest, Dorottya u 1.; corp.reg. No: 01-09-264946),
- Atlas Pharma Gyógyszernagykereskedelmi Korlátolt Felelősségű Társaság (headquarters at: 1051 Budapest, Dorottya utca 1.; corp.reg. No: 01-09-282616),
- EUROMEDIC-PHARMA Gyógyszernagykereskedelmi Zártkörűen Működő Részvénytársaság (headquarters at: 1051 Budapest, Dorottya u 1.; corp.reg. No: 01-10-042887),
- EUROMEDIC TRADING Szolgáltató Korlátolt Felelősségű Társaság (headquarters at: 1051 Budapest, Gerbeaud Ház, Dorottya u. 1.; corporate reg. number: 01-09-463541),



• Euromedic Preventative Solution Korlátolt Felelősségű Társaság (headquarters at: 1051 Budapest, Dorottya utca 1.; corp.reg. No: 01-09-397525).

"Company(ies)" means the above companies belonging to Euromedic Group.

"Concerned Persons" is a collective term for persons who come into contact with Euromedic Group in any way.

"Employees" means senior executives, employees, and contributors of the Companies, including subcontractors, agents, and other contributors to performance.

"Partners" - the suppliers, customers and service providers of the Companies.

"Part-Programs" means certain area-specific part-programs related to the Compliance Program, such as the competition law, data protection, quality assurance compliance program, that are constituted, announced and implemented in connection with the risks incurred by each Company, and the necessity to manage them.

"Compliance Policy" is the most important regulatory tool for compliance regulation to support the implementation of the Compliance Program and Part-Programs.

"Compliance Body" means the compliance body established for the development and implementation of the Compliance Program, the members of which are within the Euromedic Group: beneficial owner (s), managing directors (s), quality assurance director, procurement adviser (s), compliance and data protection officer, commercial director, logistics director, senior customer relationship manager, HR director, IT director; their responsibilities and tasks are defined in the Compliance Policy; the Compliance Body is responsible for overseeing the compliance activities of the members of the Compliance Body.

3 Vision, mission, values

The most important factor in public health is the PATIENT itself. Thanks to its professional and practical experience, Euromedic Group knows what kind of needs occur by healthcare institutions and thus by patients. It is not only our profession to help people, but also our mission to provide healthcare professionals and through them the patients themselves with a portfolio of medicinal products that can be legally marketed in Hungary, high-quality medical devices and medical aids, state-of-the-art medical technologies, technical devices and services in order to support them in creating a better quality of life.

Our goal is to provide the best quality services to the healthcare sector and thereby helping the health protection and healing treatment.

We consider it our main task to provide deliveries to hospitals and healthcare institutions at the highest professional level in all circumstances, thus contributing to the smooth and efficient patient care.

4 Our most important values

Cooperation and partnership

The long-term operation of Euromedic Group is established on the development of partnerships based on mutual satisfaction. Working with our Partners, we try to make people healthier by providing the best quality services.



Respect for the law and fairness

We comply with laws and regulations, including industry standards. In all cases, we conduct our commercial activities legally, fairly and transparently.

Demanding and professionalism

Euromedic Group strives to provide its Partners with the most reliable and versatile care. One of the most important resources of Euromedic Group is the high level professional knowledge and commitment of its Employees.

Consistency and reliability

Our internal and external relations are based on mutual trust and respect. We conduct our business fairly and transparently. Our operation is characterized by stability, which also provides security for our Employees and Business Partners. We communicate with honesty both outside and inside the company. We are loyal to the organization and our Employees. Euromedic Group is constantly working to strengthen its market position to the satisfaction of its partners and patients. Honesty and integrity are essential to building and maintaining trust.

5 Euromedic Group's relationship with its Employees

Euromedic Group respects their Employees' rights and private lives.

Euromedic Group places great emphasis on the health and safety of its Employees. It provides clean, healthy and modern workplaces to all its Employees, as well as it also provides fringe benefits to its Employees in order to maintain their health.

Euromedic Group supports the development of the skills and expertise of its Employees, as well as the continuous deepening and updating of their knowledge, in the form of external and internal training.

Euromedic Group does not discriminate against Employees in particular

- gender,
- race,
- skin color,
- nationality,
- mother tongue,
- disability,
- health condition,
- religious or philosophical belief,
- political or other opinion,
- marital status,
- motherhood (pregnancy) or fatherhood,
- gender identity,
- age,
- social origin,
- financial situation,
- the nature of their employment or other legal relationship aimed at working (part-time, fixed-term),
- membership in advocacy organization,
- according to other situation, attributes or characteristics.



6 Euromedic Group's expectations towards its Employees

- Being a dedicated Employee of Euromedic Group is a fundamental expectation. Employees shall
 avoid any activities or conduct outside of their employment that are contrary to Euromedic
 Group's economic interest or damage its good reputation. Where applicable, they are required
 to make a declaration of conflict of interest in accordance with the relevant regulations.
- Employees may not abuse their position at Euromedic Group or use that to gain any advantages; they shall reject all forms of corruption and bribery and carry out their work without corruption and bribery.
- Employees are expected to perform their obligations to the Euromedic Group's Partners, health
 care professionals and other persons working in the pharmaceutical wholesale industry with an
 enhanced level of diligence. Employees shall seek optimal business and working relationships
 and within this scope act with courtesy based on mutual trust. Employees shall avoid making
 any comments that damage or harm business or professional reputation or defame others.
- Employees are required to fill their working hours with efficient work.
- Euromedic Group may only oblige Employees to work overtime in cases permitted by law and for appropriate compensation (wages or leisure).
- Employees are obliged to perform their duties to the best of their knowledge, always in the interests of Euromedic Group.
- Euromedic Group expects Employees to always wear clean, well-groomed clothing that is appropriate for the occasion.
- All Employees are required to follow courtesy rules. Respect and esteem for each other is expected.
- Euromedic Group does not tolerate harassment, intimidation or retaliation in the workplace in any form.
- Employees have a duty of confidentiality with respect to business secrets and other confidential information relating to Euromedic Group. Violation of confidentiality may have serious civil, criminal, and competition law consequences. Employees may disclose non-public information in their relations with Euromedic Group only with the express legal or contractual authority to do so, with the approval of the managing director(s) or their professional supervisor. This prohibition shall also apply to the period after the termination of their legal relationship, without any time limit. Where applicable, Employees are required to make a separate confidentiality statement in accordance with the applicable regulations.
- The obligation to maintain business secrets and other confidential information must always be kept in mind when storing, transmitting and handling documents on paper or electronically, so Employees must strictly adhere to the requirements set out in various regulations for handling documents (e.g. securely locking documents containing business secrets, protection of electronic devices).
- Employees are obliged to treat the assets of Euromedic Group with the utmost care and to ensure the rational, efficient and cost-effective use of the resources of Euromedic Group.
- Employees are expected to use the IT system and IT tools of Euromedic Group professionally and up-to-date (with proper encryption and virus protection, protection against hacking and phishing) in order to ensure information security.
- Employees are required to comply with legal provisions related to data management and data protection.

7 Euromedic Group's relationship with government and public authorities

Euromedic Group is law-abiding and operates responsibly and transparently in accordance with the all-time legislation. It cooperates with governmental and public authorities and fulfils its obligations



in accordance with the law, in particular full compliance with the requirements of fair business conduct, fair competition, transparency and provisions excluding all forms of bribery and corruption.

8 Euromedic Group's relationship with other Concerned Persons and Partners

Euromedic Group places particular emphasis on maintaining business fairness, fair market conduct and unrestricted competition, compliance with transparency requirements and provisions prohibiting all forms of bribery and corruption, and considers it essential that Concerned Persons and their Partners also share a commitment to operating in accordance with the standards of conduct and complying with applicable law without compromise.

9 Euromedic Group's expectations towards the Partners

Euromedic Group expects from the Partners who come into contact with Euromedic Group to fully comply with all the requirements set out in this Code of Conduct, and each Partner undertakes to:

- Complies with legal regulations, professional and industry requirements during the performance of its legal relationship with the Euromedic Group.
- Learns and accept the relevant parts of the Euromedic Group Code of Conduct.
- Committed to meet certification and quality assurance requirements.
- Conducts its business in a fair manner (free of bribes and corruption and compatible with the operations of Euromedic Group) and in a transparent manner.
- Committed to business fairness and compliance with competition rules, in particular to protect and promote fair market conduct and unrestricted competition, and to conduct its business fairly.
- In the case of pharmaceutical manufacturing and distribution activities, it manufactures and distributes medicines only in compliance with legal regulations, with the necessary permits, through the legal supply chain.
- Don't intentionally come into contact with counterfeit, falsified, stolen, or otherwise illegal
 medicinal products and preparations, and if become aware of them, will use all available legal
 and professional means to prevent the product from reaching the patient.
- Places great emphasis on the protection of business secrets and only publishes non-public information about Euromedic Group that has come to its knowledge bearing statutory or contractual authorization, which prohibition applies even after the termination of the partnership, without any time limit.
- Prepared to make a declaration of conflict of interest and confidentiality on request, prior to the
 establishment of the legal relationship, if necessary at the discretion of Euromedic Group's
 professional manager (contact person) or senior executive, and acknowledges that this may be a
 condition of the partnership.
- In order to ensure information security, use its IT system and IT tools professionally and up-to-date (with proper encryption and virus protection, protection against hacking and phishing).
- Comply with the legal provisions related to data management and data protection, in case of a
 data processing contract, concludes a data processing contract with the relevant member of
 Euromedic Group.
- Refrain from infringing the intellectual property of any legal or natural person.
- Agree not to employ child labour or forced labour under any circumstances.
- Comply with all rules and regulations on working, occupational safety and work environment and environmental regulations.
- If in cooperation with any member of the Euromedic Group, experience any breach of Conduct or law, as well as a conflict of interest, or become aware of a breach of confidentiality, report it in accordance with the Reporting Rules.



10 Management conduct and responsibility

The managers of Euromedic Group are also obliged to set an example by their conduct and to strive for the development of a corporate culture in line with this Code of Conduct. It is their responsibility to provide their subordinates with training in understanding the rules of the Code and to clarify any issues that may arise with the involvement of the compliance officer.

Managers are required to ensure and monitor that Euromedic Group Employees use Euromedic Group resources as efficiently as possible.

11 Conflict of interest

All persons involved in establishing and maintaining business relationships are required to strive for objectivity. Business / professional decisions should be refrained from being influenced by private interests or personal relationships in a given matter. It is considered a key influencing factor if the person concerned, or his or her close relative, can gain a personal advantage as a result of the decision. Individuals may not use the property, assets or information of Euromedic Group for their own benefit. The existence or possibility of a conflict of interest shall be considered by the person concerned and, in the event of involvement, the immediate superior or senior official in case of Employees and the contact person in case of other persons shall be informed immediately.

12 Confidentiality

Persons in contact with Euromedic Group shall preserve the business secrets of Euromedic Group or any partner of Euromedic Group, as well as any non-public data and information the transmission or disclosure of which to third parties violates or may violate any law (in particular GDPR) or Euromedic Group's moral / economic interests. Data holders are obliged to protect data, information they become aware of, to prevent its unauthorized use, loss or theft, and to cooperate with Euromedic Group in the protection of the data and information. Prior to the relationship with Euromedic Group, in case of the governing regulations and the decision of the management, he is obliged to enter into a separate conflict of interest and / or confidentiality agreement or to make a statement.

Business secrets and confidential information about business Partners must be treated strictly by all concerned. Euromedic Group ensures that the information it creates or becomes in its possession is properly stored and that third-party access is regulated and unauthorized access is prevented.

13 Protection of corporate assets and intellectual property

Employees are responsible for the protection of the tangible and intangible assets of Euromedic Group. Employees are obliged to use the equipment and tools safely, as intended, in an environmentally conscious and cost-effective manner. Employees are also required to exercise the utmost care and diligence with respect to the incurrence of costs, in accordance with Euromedic Group's internal approval procedures.

Euromedic Group expects Employees to comply with regulations and guidelines regarding external threats like fraud, IT security issues. Employees are aware that all documents, data, plans, detailed descriptions and other information that come to their knowledge or are created by them are the property of Euromedic Group.

14 Data protection

Euromedic Group attaches great importance to the lawful and secure processing of the personal data of Employees and business Partners, and in this context, all Employees have a duty to work with special care with the data that comes to their knowledge and use in the course of their work.



The Employees of Euromedic Group who manage data are obliged to keep the personal data known to them a business secret and to handle such data in accordance with Data Management Regulations and other organizational instructions.

The duties and responsibilities of each organizational unit and person are determined by the internal regulations concerning the organization, operation and activities of Euromedic Group, as well as the job descriptions of the Employees. The heads of the departments of Euromedic Group are responsible for ensuring that the data management of the department headed by them is carried out in accordance with the legislation and the Internal Data Protection and Data Security Regulations.

Euromedic Group ensures the security of the data in proportion to the risk, as well as takes the technical and organizational measures and establishes the procedural rules necessary to enforce the GDPR, the Info Act and other data and confidentiality rules.

Euromedic Group ensures the enforcement of data security requirements through separate internal regulations and instructions. In all cases, the Employees of Euromedic Group and the persons acting in its field of interest shall act in accordance with the procedure specified in the separate internal regulations and instructions, ensuring a high degree of data security.

15 Legal compliance

During its operations, Euromedic Group act in full compliance with the legal regulations in force, take all measures to ensure that its operations are transparent and accurate, cooperate with the competent authorities and assist the work of supervisory organizations. As a public debt-free, reliable taxpayer, always complies with tax legislation, thus fulfilling the obligation to file a tax declaration and pay taxes.

Euromedic Group proceed in full compliance with all national and international regulations on human and personal rights.

Euromedic Group expects all Employees and other persons acting on its behalf to comply with the legal regulations in force, the sectoral and standards of conduct of the pharmaceutical wholesale industry and the contractual obligations undertaken.

In case of orders falling within the scope of Public Procurement Act, Euromedic Group or its Employees, during the performance of their duties, shall act in such a way that the public procurement legislation in force at any given time is fully enforced.

Through the continuous improvement of the quality assurance system, development of a state-of-the-art integrated logistics base and the application of modern process control methods, Euromedic Group aims to provide top-quality services to customers, fight against medicinal product counterfeiting and to offer pharmaceutical wholesale services that are completely transparent, controllable and traceable. To achieve these goals Euromedic Group enforces the relevant systems of rules and conditions. To this end, it supports and promotes the training of its Employees, continuously develops its system of regulations and optimizes its internal organizational structure.

16 Fair business conduct and fair competition

Euromedic Group refrains from violating business competition, respects its competitors and does not damage their reputation. All Concerned Persons must strive to maintain fair, ethical and unrestricted competition. Thus, the Concerned Persons may not engage in practices that are contrary to fair market conduct, nor may they enter into agreements restricting competition.



Maintaining unrestricted market competition, which is both economically and socially beneficial, is a common goal of all market participants, including Euromedic Group. Achieving the common interest presupposes lawful, fair and transparent competition between market participants, which Euromedic Group seeks to promote by all available and lawful means.

Euromedic Group does not engage in unfair or anti-competitive business agreements, and it always conducts its commercial activities legally and ethically.

Euromedic Group will only contact its competitors for reasons of advocacy or legitimate business interests and the consultation does not result in a restriction of competition.

Euromedic Group warrants, that it will not use its market position in any way to foreclose its competitors or to distort competition.

Euromedic Group seeks to gain a competitive advantage solely through legal and ethical means.

The membership and participation of Euromedic Group in any interest representation or professional organization shall take place only in accordance with the applicable legal regulations, it shall not in any way violate the rules of competition law, nor shall it be aimed at achieving the objectives restricting fair competition.

Euromedic Group pay particular attention to compliance with the provisions of public procurement law and take all necessary measures to avoid conflicts of interest and situations of unfair competition. Conflicts of interest that infringe the fairness of competition may lead to foreclosure, and an agreement that restricts competition is a criminal offense in public procurement and concession procedures.

It is incompatible and may not take part in the procedure the person or organization involved in the activities of the contracting authority or in the preparation of the procedure, or an organization whose senior official, owner, or his living relative has been involved by the contracting authority in the activities related to the procedure or its preparation, if his participation in the procedure may result in a violation of the purity of competition.

17 Anti-corruption rules

All Concerned Person are required to carry out their tasks by taking into account the fundamental requirements of fairness and lawfulness. Concerned Persons shall do their utmost to prevent and eradicate corruption.

All Concerned Persons shall comply with the applicable legal regulations in force and act ethically while carrying out their work duties, and accordingly respect the professional and economic integrity of health care professionals who come into contact with Euromedic Group, regardless of whether they are employed by budgetary or financing organizations, participate in legislation, or work in the private sector.

All Concerned Persons shall refrain from providing, offering or promising benefits of material value to receive favourable decisions, sign contracts, compensate for the disclosure of confidential information, encourage omissions, or to obtain any other undue advantage.

Within this scope, it is prohibited

- · to bribe, or
- regardless of value to incentivize healthcare professionals and government officials by giving or raising the prospect of providing any gifts, rewards, or any other benefits (gifts and hospitality).



It is also forbidden regardless of value in the sale and distribution of products to offer a thing with value or service of value to healthcare professionals and government officials.

Healthcare professional means a person who is authorized to procure, prescribe, dispense, recommend to a patient, arrange for the acquisition, use, sale or classification of medicinal products or medical devices for human use in a list of products or devices financed by insurance, and the employees, contributors, representatives of these persons. We also include individuals who can influence the activities of all of these individuals, influence their decisions, or give instructions (e.g., doctors, nurses, pharmacists, hospital managers).

A government official is a person who qualifies as a government official under local law (eg, customs officials, tax officials, product approval, licensing, and registration officials) or healthcare professionals who are employees of a state-owned or state-run hospital or institution, or they act on its behalf, such as healthcare professionals working in public hospitals or universities.

A thing with value

- · money in any form
- gifts, products or services
- hospitality
- non-occasional meeting places.

The Concerned Persons are allowed to accept or offer reasonable, modest, inexpensive gifts and not excessive or unjustified meal invitations provided that it is not intended to bribe or incite health professionals and government officials that do not exceed a small amount, are unsuitable for incentives. The purpose, extent and form of the transfer of these benefits, which are in no way in cash, may not violate the law or other requirements and contractual obligation. Furthermore, it should not be aimed at unfairly influencing business decisions.

If the contract concluded with the Partner provides for stricter requirements than the above, the provisions of the contract concluded with the Partner shall prevail, therefore the Company's obligations to the Partners shall be complied with in all cases.

In case of doubt, the management of Euromedic Group will assist the Concerned Persons as to whether the performance in question exceeds the scope and amount of legally available benefits.

All Concerned Persons are obliged to notify Euromedic Group immediately in writing if they become aware of data or information giving rise to suspicions of corruption.

18 Environmental and occupational safety

Euromedic Group provides Employees a safe, clean, healthy and modern workplace.

In addition to its legal obligation to create a safe and healthy work environment, the Euromedic Group also strives to meet the aesthetic and comfort needs of its Employees.

In the context of its activities, the Euromedic Group is committed to protecting the environment and strives to minimize the ecological footprint of its operations, as well as to opt for more environmentally friendly alternatives. Euromedic Group operates in such a way as to avoid, as far as possible, the use of hazardous substances, conserve natural resources and reduce emissions of waste and harmful substances.

It is strictly forbidden to consume or appear under the influence of alcohol, drugs, illegal and mindaltering substances at the workplace or while working.



Euromedic Group provides regular occupational safety and fire protection training for its Employees. Employees are required to comply with health and safety regulations related to their work.

19 Financial report

The basis of the financial reports is the accuracy and the realistic reflection of economic events in the registers and books of the Companies. The management of business transactions and financial records is strictly regulated. Employees record the data in the register (books) and manage the information in accordance with the applicable and relevant legislation. Euromedic Group prepares annual and monthly financial reports in compliance with ownership expectations and accounting and tax requirements. The statutory and mandatory annual accounts include the consolidated financial statements of Euromedic Group and the actual financial position and results of operations of each of its companies.

20 Reporting violations, irregularities and abuse

It is important for Euromedic Group that Employees report their ethical concerns, as well as possible violations, irregularities and abuses. All Concerned Persons are entitled and obliged to report to the Euromedic Group's compliance officer, at the following contact details, even anonymously, any breach of lawful and ethical conduct, or any suspected breach of law, regulation or misconduct, and to initiate any action or concern to Euromedic Group investigation of the activity, without the risk of retaliation and harassment, in accordance with the Reporting Regulations:

E-mail: compliance@euromedic-hungary.com

21 Legal consequences

Violation of the provisions of this Code of Conduct will be sanctioned by Euromedic Group in accordance with the rules applicable to the legal relationship.

Depending on the circumstances of the case, violation of regulations will result in verbal and written warnings, in severe cases, termination of employment and damages, as well as other civil and criminal liability.

22 Final provisions

The managing directors of the Companies belonging to Euromedic Group are obliged to ensure the publication of this Code of Conduct within 8 days.

If necessary, the Companies are entitled to supplement this Code of Conduct in accordance with their own organization and operation, provided that the supplement does not contradict the provisions of the Compliance Policy or this Code of Conduct.

Amended and consolidated with the changes: Budapest, on October 20, 2022.

At the request of Edna Priel Fromowitz managing director and owner

of Euromedic Group:

Tóth Zsuzsanna Company Manager Euromedic International Hungária Kft. on behalf of Euromedic Group