	QUALITY MANAGEMENT SYSTEM PROCEDURE QM.PR10.PB09	PAGE: 1 of 8
		ISSUE: 3
ISO 9001 ISO 13485	PROCEDURE OF NOTIFYING VIOLATIONS	EFFECTIVE DATE: 2021-12-20

	POSITION	NAME
THE PERSON WITH SUBSTANTIVE RESPONSIBILITY:	Legal Department Director	Łukasz Góralczyk
THE PERSON ULTIMATELY ACCEPTING:	Member of the Management Board	Mariusz Popek

TABLE OF CONTENTS

1. THE PURPOSE OF THE PROCEDURE
2. DEFINITIONS AND TERMINOLOGY
3. SCOPE
4. PERSONS RESPONSIBLE
5. COURSE OF ACTION
6. LIST OF ANNEXES
7. RELATED DOCUMENTS
8. CONTROL OF THE PROCEDURE
9. HISTORY OF CHANGE

1. PURPOSE OF THE PROCEDURE

The Employer introduces this Procedure in order to systematise the procedure for reporting identified violations of the law and the rules for dealing with such reports. This procedure does not apply if the violation of the law harms only the rights of the notifier or if the violation is reported only in the individual interest of the notifier.

2. DEFINITIONS AND TERMINOLOGY


Procedure - this Procedure of notifying violations;

Violation - an act or omission that is unlawful or intended to circumvent the law, in particular the following regulations:

- a) indicated in Article 3(1) of the Law of 14 June 2024 on the protection of whistleblowers concerning: (1) corruption; (2) public procurement; (3) financial services, products and markets; (4) anti-money laundering and terrorist financing; (5) product safety and compliance; (6) transport safety; (7) environmental protection; (8) radiological protection and nuclear safety; (9) food and feed safety; (10) animal health and welfare; (11) public health; (12) consumer protection; (13) protection of privacy and personal data; (14) security of information and communication networks and systems; (15) financial interests of the State Treasury of the Republic of Poland, of local self-government units and of the European Union; (16) the internal market of the European Union, including public law

COPY SUBJECT TO UPDATING

*** *Reproduction and distribution of the quality management system documentation in whole or in part without permission
Quality management system representative is prohibited****
The printed version of the document is valid only on the day of printing.

	QUALITY MANAGEMENT SYSTEM PROCEDURE QM.PR10.PB09	PAGE: 2 of 8
		ISSUE: 3
ISO 9001 ISO 13485	PROCEDURE OF NOTIFYING VIOLATIONS	EFFECTIVE DATE: 2021-12-20

- rules on competition and state aid and corporate taxation;
- b) the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies;
 - c) Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the Prospectus Regulation);
 - d) Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (MAR Regulation);
 - e) Act of 16 February 2007 on competition and consumer protection;
 - f) Act of 16 April 1993 on combating unfair competition;
 - g) Law of 1 March 2018 on the prevention of money laundering and the financing of terrorism;

Whistleblower - an individual who reports or publicly discloses information about a Violation obtained in a work-related context, being in particular: (1) an employee; (2) a temporary employee; (3) a person providing work on a basis other than employment, including under a civil law contract; (4) an entrepreneur; (5) a proxy; (6) a shareholder or partner; (7) a member of a body of a legal person or an organisational unit without legal personality; (8) a person performing work under the supervision and management of a contractor, subcontractor or supplier; (9) a trainee; (10) a volunteer; (11) an apprentice; (12) an officer within the meaning of Art. 1 item 1 of the Act of 18 February 1994 on pension provision for officers of the Police, the Internal Security Agency, the Intelligence Agency, the Military Counterintelligence Service, the Military Intelligence Service; the Central Anti-Corruption Bureau, the Border Guard, the Marshal Guard, the State Protection Service, the State Fire Service, the Customs-Treasury Service and the Prison Service and their families; (13) a soldier within the meaning of the provision of Art. 2(39) of the Homeland Defence Act of 11 March 2022;

Employer / Person concerned by the notification of the Violation - Mercator Medical S.A. with its registered office in Kraków, as well as, respectively, any subsidiary of Mercator Medical S.A. with its registered office in the Republic of Poland indicated in the notification or public disclosure as the person who committed the Violation or as the person with whom the person who committed the Violation is connected;


Designated Member of the Management Board - member of the Management Board of Mercator Medical S.A. / Chief Financial Officer appointed by the Management Board to supervise the implementation of the Procedure;

Internal Investigator - The Legal Department Director, unless for the reasons indicated in 5.1(b)(ii)-(iii)- (c) the report of the Violation has been directed to another person;

Person associated with the Whistleblower - an individual who assists the Whistleblower with reporting or public disclosure in a work-related context and whose assistance should not be disclosed;

COPY SUBJECT TO UPDATING

*** *Reproduction and distribution of the quality management system documentation in whole or in part without permission
Quality management system representative is prohibited***
The printed version of the document is valid only on the day of printing.*

	QUALITY MANAGEMENT SYSTEM PROCEDURE QM.PR10.PB09	PAGE: 3 of 8
		ISSUE: 3
ISO 9001 ISO 13485	PROCEDURE OF NOTIFYING VIOLATIONS	EFFECTIVE DATE: 2021-12-20

Person associated with the Whistleblower - an individual who may experience retaliation, including a co-worker or a person close to the Whistleblower within the meaning of the provision of Article 115 § 11 of the Act of 6 June 1997, Penal Code;

Information about a Violation - information, including a reasonable suspicion, concerning an actual or potential Violation that has occurred or is likely to occur at an Employer (with whom the Whistleblower has participated in the recruitment process or other pre-contract negotiations, works or has worked, or with whom the Whistleblower maintains or has maintained contact in a work-related context) or information concerning an attempt to conceal such a Violation;

Work-related Context - is to be understood as past, present or future work-related activities based on an employment or other legal relationship underpinning the provision of work or services, or the performance of a function in or for a legal entity, or the performance of a service in a legal entity, in the course of which information about the Violation has been obtained and the possibility of retaliation exists;

Retaliatory action - a direct or indirect act or omission in a work-related context that is caused by a report or public disclosure and that violates or is likely to violate the rights of the Whistleblower or causes or is likely to cause unreasonable harm to the Whistleblower, including the unwarranted initiation of proceedings against the Whistleblower.

3. SCOPE

This Procedure applies to the Employer and is applicable to reports of any Violation by the Whistleblower(s).

4. PERSONS RESPONSIBLE

Designated Member of the Management Board - member of the Management Board of Mercator Medical S.A. / Chief Financial Officer appointed by the Management Board to supervise the implementation of the Procedure;

Chairman of the Supervisory Board;

Legal Department Director;

Internal Auditor.


5. COURSE OF ACTION

5.1. Internal Reporting of Violations

- a) As soon as a report of a Violation is made under this Procedure (internal report) or as soon as an external report or public disclosure is made, within the meaning of the provisions of the Law of 14 June 2024 on the protection of whistleblowers, the notifier becomes a Whistleblower and is protected.


COPY SUBJECT TO UPDATING

**** Reproduction and distribution of the quality management system documentation in whole or in part without permission
Quality management system representative is prohibited***
The printed version of the document is valid only on the day of printing.*

	QUALITY MANAGEMENT SYSTEM PROCEDURE QM.PR10.PB09	PAGE: 4 of 8
		ISSUE: 3
ISO 9001 ISO 13485	PROCEDURE OF NOTIFYING VIOLATIONS	EFFECTIVE DATE: 2021-12-20

- b) The whistleblower may report a Violation:
- (i) Legal Department Director;
 - (ii) to the Internal Auditor only if the Violation was allegedly committed by an employee of the Legal Department;
 - (iii) to a Designated Member of the Management Board only if, due to the gravity of the Violation or other circumstances, the Employee deems it necessary.
- c) If the Violation was allegedly committed by a member of the Management Board, the Whistleblower may report the Violation to the Chairman of the Supervisory Board of Mercator Medical S.A. If the Violation was allegedly committed by a member of the Supervisory Board, the Whistleblower may report the Violation as an external report to the Ombudsman or to a competent public authority, pursuant to the provisions of the Law on the Protection of Whistleblowers of 14 June 2024.
- d) A Violation Report may be made orally, in writing or by any other form of remote communication, using the following channels:
- (i) in the form of an electronic message sent to: naruszenia@pl.mercatormedical.eu, and in the case of addressing the notification of Violation directly to the Supervisory Board of Mercator Medical S.A. - to the following address: pm@pl.mercatormedical.eu (with access to the email address naruszenia@pl.mercatormedical.eu being granted to the Legal Department Director, and to the address prn@pl.mercatormedical.eu to the Chairman of the Supervisory Board);
 - (ii) in the form of a traditional letter sent to the office address of Mercator Medical S.A., ul. Fabryczna 1A (building B), 31-553 Kraków, addressed to the correct addressee pursuant to the provisions of 5.1. b) - c);
 - (iii) by means of a recording on the telephone line on +48 544 169 699, open 24 hours a day and 7 days a week, whereby the use of this channel of notification presupposes the consent of the future Whistleblower to make the recording, and in the absence of such consent, another channel for contact must be used; access to the recordings of the hotline is held by the Legal Department Director;
 - (iv) in person, at a meeting with a competent person in accordance with the provisions of 5.1(b) - (c), the date and place of the meeting to be set as soon as the need for the meeting is known and the date of the meeting to be held within 14 (fourteen) days of receipt of the request.
- e) A report of a Violation may be made anonymously or by name. In the event that the Whistleblower has made a report orally or otherwise by providing personal (contact) information and wishes to remain anonymous, the person receiving the report shall ensure the Whistleblower's anonymity by making an anonymised note of the report. In any such case, the person who received the report and other persons involved in the proceedings after receipt of the report shall exercise due diligence and take appropriate measures to keep the identity of the Whistleblower confidential.
- f) The report should indicate the circumstances indicating the Violation, as well as any evidence to support the circumstances cited, the persons who the Whistleblower believes are the perpetrators of

COPY SUBJECT TO UPDATING


	QUALITY MANAGEMENT SYSTEM PROCEDURE QM.PR10.PB09	PAGE: 5 of 8
		ISSUE: 3
ISO 9001 ISO 13485	PROCEDURE OF NOTIFYING VIOLATIONS	EFFECTIVE DATE: 2021-12-20

the Violation and, optionally, the name of the notifier (not required). In the case of a report of a future Violation, the circumstances indicating a potential Violation that is likely to occur at the Employer must be stated.

- g) If the notification is made in person during a meeting, the Employer has the right to document the oral notification with the consent of the Whistleblower in the form of a recording of the conversation or an accurate record of the meeting made by the person receiving the notification. The Employer will provide the Whistleblower with the opportunity to review, correct and approve the minutes of the interview by signing them during the notification.
- h) A whistleblower may make an external notification without first making a notification under this Procedure. An external report will be accepted by the Ombudsman or a public body, 6 (six) months after the entry into force of the provisions of the Law of 14 June 2024 on the protection of whistleblowers, in accordance with the procedure for the acceptance of external reports developed by the Ombudsman and public bodies.
- i) No retaliatory action or attempted or threatened retaliatory action will be taken against the Whistleblower, provided that the Whistleblower had reasonable grounds to believe that the information that was the subject of the report or public disclosure was true at the time of the report or disclosure and that it constituted Violation information. In particular, the Whistleblower will not, for this reason, be subjected to reprisals, discrimination or other types of unfair treatment on the part of the Employer, such as, for example: refusal to enter into an employment relationship, termination of an employment contract, unfavourable change of working and pay conditions, omission from promotion, termination of a contract other than an employment contract to which the Whistleblower is a party, imposition of an obligation or refusal to grant, limit or withdraw an entitlement, etc. Persons who use reprisals, discrimination or other forms of unfair treatment against the Whistleblower are subject to disciplinary responsibility.
- j) A whistleblower against whom retaliation has been committed is entitled to compensation in an amount that is not less than the average monthly salary in the national economy in the previous year or to damages.
- k) The provisions of point (i) do not imply exemption of the Whistleblower from liability arising from the commission of a Violation by the notifier himself. However, reporting a Violation in such a case may constitute a mitigating circumstance for the consequences, provided that the Management Board or the Internal Auditor had no information of the Violation prior to reporting.
- l) The Employer shall ensure the confidentiality of persons making a report, including taking appropriate measures to keep their identity confidential, including where they have made a report by name or their identity is ascertainable, without prejudice only to the Employer's obligations under the relevant legislation.
- m) The prohibition on retaliation also applies, mutatis mutandis, to a Person assisting in the filing of a report and to a Person associated with the Whistleblower, as well as to a legal entity or other organisational unit assisting or associated with the Whistleblower, in particular one owned or employed by the Whistleblower.

COPY SUBJECT TO UPDATING

*** *Reproduction and distribution of the quality management system documentation in whole or in part without permission
Quality management system representative is prohibited****
The printed version of the document is valid only on the day of printing.


	QUALITY MANAGEMENT SYSTEM PROCEDURE QM.PR10.PB09	PAGE: 6 of 8
		ISSUE: 3
ISO 9001 ISO 13485	PROCEDURE OF NOTIFYING VIOLATIONS	EFFECTIVE DATE: 2021-12-20

- n) A person who has suffered damage due to the knowing reporting or public disclosure of false information by the Whistleblower is entitled to compensation or damages for violation of personal rights from the Whistleblower.
- o) The making of a report or public disclosure may not give rise to liability, including disciplinary liability, for damages for Violation of the rights of others, including personal rights, defamation, copyright, data protection rights, duty of confidentiality, provided that the Whistleblower had reasonable grounds to believe that the report or public disclosure was necessary to disclose the Violation.

5.2. Procedure in the event of notification of an Violation

- a) As a general rule, the head of the Legal Services Department shall be the conductor of the internal proceedings, unless the report of the Violation has been referred to another person for the reasons indicated in 5.1. b) - c).
- b) The Internal investigator is obliged to send an acknowledgement within 7 (seven) days of receipt of the report, provided that the Whistleblower has left contact details. Confirmation of acceptance of the report will be sent by email or letter.
- c) The internal Investigator is obliged to deal promptly with the report with due diligence, in particular to clarify whether a Violation has occurred, and to investigate it.
- d) It is understood that, in the course of verifying the validity of a report received, the Internal Investigator may make contact with the Whistleblower in order to obtain further necessary information.
- e) The Designated Member of the Management Board shall be informed of any internal proceedings, except in the case of internal proceedings concerning a member of the Management Board. In the case of an internal proceeding concerning a member of the Management Board, this information shall be communicated immediately to the Chairman of the Supervisory Board.
- f) Internal proceedings should be conducted in a manner that allows for the collection of evidence that can be the basis for decisions by the Employer's bodies and, in certain situations, further proceedings by the relevant state authority. In the course of an internal investigation, in particular:
 - (i) assess whether there has been an Violation,
 - (ii) identify the persons who committed the Violation,
 - (iii) assess the value of the evidence and, if necessary, take the necessary steps to supplement it,
 - (iv) prepare proposals for necessary actions to reduce the risk of similar Violationes in the future (e.g. by changing internal procedures, training, other measures).
- g) The Employer will provide the Internal Investigator with access to personal data, employee email inboxes or other documents or resources necessary to determine whether a Violation has occurred. The Internal Investigator may organise hearings and confrontations.
- h) Employees of other departments are required to cooperate with the Internal Investigator to the extent necessary to establish the circumstances and persons involved in the behaviour that may

COPY SUBJECT TO UPDATING

	QUALITY MANAGEMENT SYSTEM PROCEDURE QM.PR10.PB09	PAGE: 7 of 8
		ISSUE: 3
ISO 9001 ISO 13485	PROCEDURE OF NOTIFYING VIOLATIONS	EFFECTIVE DATE: 2021-12-20

constitute a Violation.


- i) In the event of doubt as to the assessment of the significance of the conduct that is the subject of the internal investigation, the Conducting Officer - with the approval of a duly appointed member of the Management Board or the Supervisory Board - is entitled to use the assistance of an external entity that guarantees confidentiality, in particular a law firm.
- j) Following the analysis of the notification, the Internal Investigator shall prepare a report containing a description of the facts, a reference to the allegation of Violation, conclusions and proposals for necessary actions. The report shall be drawn up immediately, but no later than 2 (two) months from the date of receipt of the report. The report should be communicated to the Designated Member of the Management Board immediately after its preparation. If, within 2 (two) months from the date of receipt of the notification, the report has not been drawn up and transmitted to the Designated Member of the Management Board, the Conducting Party shall, within this time limit, inform the Designated Member of the Management Board accordingly and state the reasons for the failure to meet the deadline.
- k) The Designated Member of the Management Board shall immediately decide on further action, which may in particular be:
 - (i) convening a meeting of the Management Board,
 - (ii) issuing work orders to the relevant Employees,
 - (iii) taking disciplinary measures against the person who committed the Violation,
 - (iv) reporting the possible criminal offence to the competent authorities.
- l) If the application concerns a member of the Management Board, it should be forwarded to the Supervisory Board and the Chairman of the Supervisory Board shall conduct the proceedings; the provisions of (a) - (g) shall apply mutatis mutandis.
- m) No later than 3 (three) months after receipt of the report, the Internal Investigator shall provide the Whistleblower with information on the follow-up of the report, provided that the notifier has left contact details.
- n) Internal Investigators and other persons who have participated in the analysis of the report or otherwise become aware of it are obliged to maintain absolute confidentiality as to all facts and circumstances learned in connection with the Violation Report and its investigation.
- o) The Internal Investigator shall maintain a register of Internal Reports, which shall include: (1) the number of the report; (2) the subject matter of the Violation; (3) the personal data of the Whistleblower and the person to whom the report relates, necessary to identify them; (4) the contact address of the Whistleblower; (5) the date on which the report was made; (6) information on the follow-up action taken; (7) the date on which the case was closed.

5.3. Reporting and training

- a) The Designated Member of the Management Board shall inform the Supervisory Board of the

COPY SUBJECT TO UPDATING

**** Reproduction and distribution of the quality management system documentation in whole or in part without permission
Quality management system representative is prohibited***
The printed version of the document is valid only on the day of printing.*

	QUALITY MANAGEMENT SYSTEM PROCEDURE QM.PR10.PB09	PAGE: 8 of 8
		ISSUE: 3
ISO 9001 ISO 13485	PROCEDURE OF NOTIFYING VIOLATIONS	EFFECTIVE DATE: 2021-12-20

applications received at least once a year, by the end of March of the following year.


- b) The information referred to in point (a) shall include data on the number of notifications, the outcome of the verification of the notifications and the action taken on the basis of the notifications. The information shall not contain personal data.
- c) The Employer shall conduct initial and periodic training of Employees on whistleblowing, in particular on this Procedure. Periodic training shall take place at least once every three years.
- d) An applicant for employment on the basis of an employment or other legal relationship providing work or services or a function / service, the Employer shall provide information on this procedure with the commencement of recruitment or pre-contractual negotiations.

5.4. Personal data

- a) Subject to the provisions below, if the Whistleblower voluntarily provides personal data it is processed in accordance with the Employer's data protection policy.
- b) The data of the persons indicated in the application will be processed within the framework of the existing legal relationship between these persons and the Employer, i.e. in particular in order to assess whether there are grounds for termination of the contract or for the application of other sanctions specific to the legal relationship.
- c) The Employer is the controller of the personal data collected in connection with the implementation of this Procedure, including in particular the register of internal notifications.
- d) The basis for the processing of the personal data voluntarily provided by the Whistleblower in connection with the application is Article 6(1)(c) of 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) (hereinafter the "GDPR"), i.e. the processing is necessary for the fulfilment of a legal obligation incumbent on the Controller of the personal data.
- e) Recipients of the personal data provided voluntarily by the Whistleblower in connection with the notification may be only authorised persons accepting the notification and conducting internal proceedings - pursuant to this Procedure, as well as entities providing IT and telecommunication services to the Administrator.
- f) Personal data and other information in the register of internal notifications shall be retained for a period of three (3) years after the end of the calendar year in which the follow-up actions have been completed or the proceedings initiated by those actions have been terminated.
- g) The person making a report has the following rights: the right to access the personal data provided; the right to rectify the data; the right to erasure; the right to restrict processing; the right to data portability; the right to object on grounds relating to a particular situation; the right to lodge a complaint with the President of the Office for Personal Data Protection if it is considered that the processing of the personal data provided concerning them violates the provisions of the GDPR.
- h) The personal data provided will not be processed by automated means, including profiling.

COPY SUBJECT TO UPDATING

*** *Reproduction and distribution of the quality management system documentation in whole or in part without permission
Quality management system representative is prohibited****
The printed version of the document is valid only on the day of printing.

	QUALITY MANAGEMENT SYSTEM PROCEDURE QM.PR10.PB09	PAGE: 9 of 8
		ISSUE: 3
ISO 9001 ISO 13485	PROCEDURE OF NOTIFYING VIOLATIONS	EFFECTIVE DATE: 2021-12-20

- i) The personal data provided will not be transferred to entities located outside the European Economic Area (EEA) or to international organisations.
- j) The Employer guarantees that the internal notification procedure and the processing of personal data related to the acceptance of internal notifications prevent unauthorised persons from gaining access to the information covered by the notification and ensure the protection of the confidentiality and identity of the Whistleblower, the person to whom the notification relates or the third party indicated in the notification. At the same time, the Employer ensures that persons with written authorisation have been allowed to receive and verify internal notifications, take follow-up actions and process personal data. These persons are obliged to maintain secrecy with regard to the information and personal data they have obtained in the course of receiving and verifying internal reports and taking follow-up action, even after the termination of the employment relationship or other relationship under which they performed these activities.

6. LIST OF ANNEXES

No

7. RELATED DOCUMENTS

No

8. CONTROL OF THE PROCEDURE

The Employer's Management Board supervises the correct and effective functioning of the above procedure.

9. HISTORY OF CHANGE

Issue 3 of November 05, 2024.

The amendments are intended to bring the procedure in line with the provisions of the Act of 14 June 2024 on the protection of whistleblowers (Journal of Laws 2024, item 928).

END

COPY SUBJECT TO UPDATING

**** Reproduction and distribution of the quality management system documentation in whole or in part without permission
Quality management system representative is prohibited***
The printed version of the document is valid only on the day of printing.*