



Code of Conduct in Contracting

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1. Purpose of the Code of Conduct in Contracting

This Code of Conduct in Contracting defines the necessary rules and measures that shall apply, in accordance with the Procurement Rules of the Extreme Light Infrastructure ERIC ("ELI ERIC") and its purpose is to ensure compliance with the principles set out therein, to effectively identify, prevent and remedy conflicts of interest arising from the procurement procedures conducted by ELI-HU Non-Profit Ltd ("Company") so as to ensure integrity, equal treatment of all suppliers and tenderers and to avoid any distortion of competition.

2. Applicability

Personal scope: The Code of Conduct applies to all persons employed by or otherwise engaged in an employment or service relationship with the Company (hereinafter collectively "Staff Members").

Material scope: The Code of Conduct applies to all procurement procedures carried out by the Company, irrespective of the type of procurement, the way in which it is carried out or the source of financing.

3. Publicity

Once approved and issued, this Code of Conduct in Contracting shall be made accessible to the public by the Company by publishing it on its website and will ensure its regular maintenance thereof.

4. Relevant References and Applicable Documents

[01] – ELI ERIC Procurement Rules

[02] – ELI ERIC Procurement Policy

[03] – Statutes of the Extreme Light Infrastructure ERIC (2021/C 230/01)

[04] – The Company's Code of Ethics in force at all times

[05] – The conflict of interest rules in force issued by the Company

5. General Rules

- (1) During the procurement process, it is mandatory for all Staff Members to fully comply with all relevant laws, internal binding regulations, and fundamental principles contained therein.
- (2) When involving third parties in the procurement process (e.g., consultants, service providers), the supervising Staff Members shall make all reasonable efforts to ensure that these third parties also adhere to this Code of Conduct.
- (3) All Staff Members shall strive for genuine, fair and transparent engagement with suppliers, using competitive procedures wherever practicable or feasible and applying the ELI ERIC Procurement Rules - or, where applicable, national procurement legislation - and the Company's own internal procurement rules. The Company maintains a strict zero-tolerance policy towards all forms of corruption.
- (4) If any Staff Member, whether through their actions or inaction, is found to be involved in any kind of corrupt behaviour, they will face internal disciplinary action or measures under the labour law. Depending on the situation, this conduct may also be reported to the relevant public authorities for further investigation.
- (5) Engaging in any corrupt conduct may lead to the disqualification of present or potential suppliers from doing business with the Company. Furthermore, suspicions of illegal conduct will be reported by the Company to the relevant public authorities for further investigation.

6. Confidentiality and personal data protection

- (1) All Staff Members shall protect sensitive information and trade secrets shared or provided by suppliers during the procurement process from unauthorised disclosure. Staff Members shall not use any confidential information obtained during the procurement process for personal gain or advantage, and shall exercise utmost care to prevent any unintentional or accidental disclosure.
- (2) All Staff Members shall ensure the secure handling of personal data and privacy-related information during the procurement process. Staff Members shall adhere to data protection laws and internal regulations when collecting, storing, or transmitting personal data during the procurement process.
- (3) Personal data obtained from suppliers shall only be used for legitimate procurement purposes and shall not be disclosed to unauthorised parties. Personal data shall be stored securely and accessible only to those involved in the procurement process with a legitimate need to access such information.

7. Conflict of interest

- (1) When conducting procurement, placing contracts or entering into any financial arrangement with third parties, Staff Members must declare any actual, potential or perceived conflicts of interest either of a financial or personal nature including any conflicting interest of a family member, or related to a personal (e.g., previous friendship) or business interest. In the event of an actual conflict, the Staff Member must either dispose of the conflicting interest or cease to have any involvement in the contract or the procurement process as is considered necessary. In case of doubt, the Staff Member should seek the advice of line manager prior to his/her involvement.
- (2) Staff Members should not use any information gained during the procurement procedure to further their own (including any related entity or person) financial or personal interests and should adhere to the terms of the ELI ERIC Procurement Rules.

8. Bribery

The Company strictly prohibits the offering, promising, giving, accepting, or soliciting of any advantage, whether directly or through third parties. This includes, but is not limited to, "kickback" payments and all other forms of inducement, such as political and charitable contributions, sponsorships, acceptance of benefits or business, and any other favours provided to a Staff Member or a member of their family. The timing of any payment or advantage is irrelevant in determining whether it constitutes a bribe. Such actions are forbidden both prior to, during, or after the outcome of the procurement procedure.

9. Facilitation payments

Facilitation payments, which are demands for money or benefits to make a contract happen faster or as a condition to get the contract, are considered corruption. If any Staff Member is asked for such a payment or any other favour in exchange for contract performance or faster processing, they should immediately report the matter to the Managing Director.

10. Gifts, rewards and other benefits

Unless differently specified below, Staff Members are prohibited from accepting any gifts, hospitality, or other forms of benefits, directly or indirectly, from current or potential suppliers, business partners, or any external entities. This includes, but is not limited to, monetary or nonfinancial gifts, loans, private business deals, credits, or similar benefits. The only exceptions to this rule are gifts of nominal value, explicitly defined as not exceeding 50 Euros or the equivalent amount in local currency per item. Also permitted are nonfinancial benefits provided directly by the employer, business-related meals, or participation in sports and cultural events. All gifts permitted according to the rules above are further subject to no expectation of influence on decision-making in return. Any acceptance of gifts or benefits outside these parameters must

receive prior consent from the employer to ensure it does not improperly influence, or could not reasonably be perceived to influence, procurement decisions, contract awards, contract management, or any related processes.

11. Coercion

Staff Members are required to report any instances of coercion, whether it comes from within or outside the Company. Coercion, which involves using force to intimidate someone into acting unethically, is strictly prohibited. If any Staff Member experiences intimidating behaviour, they should promptly report it to their line manager or to line manager's line manager (should the direct line manager be involved in the intimidating behaviour) according to Art. 16(1) hereof.

12. Collusion

Staff Members must not take part in any scheme amounting to collusion and should be alert to the possibility of collusion among tenderers and suppliers. Collusion is any agreement, direct or implicit, aimed at removing the element of competition from the process, with a view to obtaining an unfair advantage. If any Staff Member suspects collusion, they should promptly report it to their line manager or to line manager's line manager (should the direct line manager be allegedly involved in the intimidating behaviour) according to Art. 16(1) hereof.

13. Unusual business expenses

Staff Members should not approve or cause unusual business expenses. Unusual expenses may include (but are not limited to) fees or commissions that go beyond what is stated in a properly agreed contract, commissions paid without any valid or genuine service in return, inflated fees or commissions for a provided service, payments to recipients without clear identification, or payments to companies that seem to be acting as fronts. All forms of corruption are expressly forbidden.

14. Responsibilities within the organisation

All steps in the procurement process must be clearly documented. Once a procurement procedure is initiated, only contact between the nominated Procurement Officer, or otherwise delegated Staff Member, and the supplier or tenderer's nominated representative is permitted. No other member of Company's staff should have any independent contact with that supplier/tenderer throughout the duration of the procurement procedure up until conclusion of contract.

15. Raising concerns and seeking guidance/routines for reporting violations

- (1) If any Staff Member perceives or experiences behaviours or actions that go against this Code of Conduct in Contracting, he/she shall report that information immediately to his/her line manager, with the assurance on behalf of the Company that there will be no retaliation or other negative consequences for persons acting in good faith. If for some reason a Staff Member feels that he/she cannot confide in his/her line manager, the next step would be to report the situation to the line manager's line manager. For issues of a sensitive nature, which would be inappropriate to direct to line managers as stated above, the Staff Member may report this information directly to the Managing Director. If any Staff Member perceives or experiences behaviour or actions that go against this Code of Conduct, he/she may also report such information in accordance with the Company policy on the Company's internal whistleblowing system and the procedures for handling whistleblower reports. .
- (2) On receipt of a complaint, Company employees responsible are required to investigate and resolve the matter complained of and report on its progress and outcome to the Managing Director and the Compliance Officer in case required by the circumstances.

16. Closing provisions

- (1) The provisions of this Code of Conduct shall apply in conjunction with and in accordance with the provisions of the Code of Ethics and the conflict of interest rules issued by the Company. In the event of any inconsistency between the Code of Conduct and these internal regulations, the provisions of this Code of Conduct shall prevail in matters covered by the Code of Conduct.
- (2) This Code of Conduct shall enter into force following its approval by the Supervisory Board of the Company and on the day following its signature by the Managing Director, and the provisions of this Code of Conduct shall be applicable thereafter.