

CANDELA

Our Code of Conduct



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1. Introduction to our Code of Conduct

Candela was founded with the ambition to rethink waterborne transportation. Our purpose is to speed up the transition to fossil fuel-free lakes and oceans by building electric hydrofoil vessels that can make travel on water cleaner, quieter and more efficient.

At Candela, innovation and responsibility belong together. We care about doing something good for the planet and all its species, and we believe that kindness combined with deep knowledge in science can have real power. This should be visible in the way we work, and in the way we treat each other and the people we work with.

Trust is central to that standard. Candela depends on trust inside the company and from customers, suppliers, partners, authorities and the communities where we operate. How we act matters as much as what we build.

This Code of Conduct, the Code, sets out the standards expected from everyone who works for or represents Candela. It explains the principles that apply to our conduct and how Candela's other policies, procedures and guidelines support those principles in practice.

The Code is intended to be practical. It helps us understand what Candela expects, where to find more detailed rules, how to raise questions and how to report concerns. It also makes clear that ethical conduct, safety, quality, sustainability, respect for people, protection of information and compliance with law are shared responsibilities.

Candela should be an excellent place to work. We should accomplish great things together, treat each other and the people we do business with respectfully, and build a company that earns trust through both its products and its conduct.

Everyone covered by this Code is expected to read it, understand it, follow it and ask for guidance when something is unclear.



2. About this Code

2.1 Purpose and role of this Code

This Code is an umbrella document. It does not replace Candela's other policies or procedures. Instead, it sets the standard that applies across Candela and points to the more detailed documents that apply in specific areas.

Candela's policies provide specific rules for topics such as health and safety, personal data, whistleblowing, discrimination and harassment, recruitment and hiring, privacy, procurement and supply chain, and anti-corruption. Where a specific policy contains more detailed requirements, that policy must be followed.

This Code is built on a few basic expectations. We follow the law and Candela policies. We treat people with respect. We protect health, safety, information, assets and the environment. We act honestly in business. We make decisions in Candela's best interests. We raise concerns when something seems wrong.

The main related policies and other documents are listed in the Index of related policies and other documents at the end of this Code.

2.2 Who this Code applies to

This Code applies to all Candela employees, board members, advisors, consultants, agents, interns, temporary workers and other persons acting for or on behalf of Candela. It covers our work with customers, suppliers, investors, authorities, business partners, visitors and other stakeholders, and applies to everyday decisions as well as more difficult situations where legal, ethical, safety or reputational risks may arise.

Certain parts of this Code are also relevant to contractors, suppliers, visitors and other third parties when they interact with Candela, visit Candela premises, access Candela systems or act on Candela's behalf.

2.3 Roles and responsibilities

Everyone covered by this Code is responsible for understanding and following it. This includes following the policies, procedures and instructions that apply to the person's role, using good judgement, asking questions when something is unclear, reporting concerns through the appropriate channel and cooperating honestly in any review or investigation.

Managers and team leads have a particular responsibility to lead by example. They must explain Candela's standards within their teams, create a safe and respectful working environment, take concerns seriously and escalate matters to the right function when needed. A manager must never ignore, minimise or retaliate against a person who raises a concern.

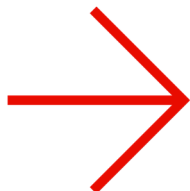
HR, Legal, HSE, Finance, IT and other relevant functions support the implementation of this Code by maintaining policies, providing guidance, conducting training, supporting investigations, following up incidents and helping Candela comply with applicable legal and internal requirements.

2.4 Legal compliance and policy hierarchy

Candela complies with applicable laws and regulations in the countries where we operate. Legal compliance is the minimum standard. In some cases, this Code or a Candela policy may set a higher standard than the law. Where that is the case, the higher standard must be followed unless doing so would violate applicable law. If documents appear to conflict, mandatory applicable law takes precedence, followed by the relevant employment agreement. This Code then sets the general internal standard, supported by Candela policies, procedures, instructions, handbooks and local routines.

If there is uncertainty about which document applies or how a rule should be interpreted, employees should seek guidance from HR or Legal before taking action.

3. Raising concerns



Raising concerns is part of acting with integrity. Candela encourages employees and other covered individuals to raise concerns early, especially where conduct may be unlawful, unsafe, unethical, discriminatory, harassing, or otherwise inconsistent with this Code.

No one needs to have complete evidence before raising a concern. A concern should be raised in good faith and based on reasonable grounds.

Depending on the nature of the concern, reports may be made to a manager or team lead, HR, Legal, HSE, IT, Finance or Candela's whistleblowing channel. Safety issues should be raised with the relevant manager, supervisor, HSE or safety representative. Suspected information security or personal data incidents should be raised promptly with IT, Legal or the relevant manager. Concerns relating to fraud, payments, accounting or expenses should be raised with Finance, Legal or management.

Candela's Whistleblowing Policy explains who can report through the whistleblowing channel, what types of irregularities may be reported, how reports are handled and what protections apply. The whistleblowing channel is intended for serious work-related irregularities where there is a public interest in the matter being resolved or where the report concerns certain violations of law.

Some matters should normally be reported through ordinary management or HR channels rather than the whistleblowing channel. This may include general dissatisfaction, minor workplace incidents or matters affecting only an individual employee. Where in doubt, employees may ask HR or Legal, or use the reporting route they consider safest and most appropriate.

Candela does not tolerate retaliation. No person may be punished, excluded, threatened, disadvantaged or treated negatively because they have raised a concern in good faith, supported another person in raising a concern, participated in an investigation or refused to take part in improper conduct. Retaliation is itself a violation of this Code.

Candela handles reports with discretion and respect for the privacy of the persons involved. Information is shared only with persons who need it to assess, investigate, support, decide or take action. A person with a conflict of interest must not handle or influence the case.

4. Human rights and responsible business

Candela respects internationally recognised human rights and expects its employees, suppliers and business partners to do the same. We do not tolerate forced labour, child labour, human trafficking, unlawful discrimination, harassment, abusive treatment, unsafe work practices or other serious violations of human dignity.

Respect for people must be part of how we operate and how we choose and manage business relationships. Employees involved in sourcing, purchasing, recruitment, production, logistics or business development should consider human rights, working conditions, safety and ethical business conduct as part of their work. Concerns about human rights risks in Candela's operations or supply chain should be reported and escalated.

Candela's Supplier Code of Conduct sets out the standards Candela expects from suppliers and business partners in relation to human rights, labour conditions, health and safety, environment and ethical business conduct.

Candela's Recruitment and Hiring Policy sets out additional requirements for recruitment agencies, labour agencies, contractors and third parties involved in recruiting, placing, transporting or employing workers connected to Candela.



5. Sustainability and the environment

Candela's purpose is to speed up the transition to fossil fuel-free lakes and oceans. That purpose must be reflected in how we design, build, operate and support our products, and in how we conduct our business.

We work to reduce environmental impact, use resources responsibly, prevent pollution and handle waste, chemicals, batteries, materials and production processes safely and responsibly. Candela's environmental responsibility is not limited to the impact of its products. It also applies to the standards we hold ourselves to while building them.

Employees must follow Candela's environmental, health and safety routines, including rules on waste management, chemical handling, spills, traffic, facilities, machinery, hot work and boat operation where relevant. Environmental risks, spills, incidents and improvement opportunities should be reported so that Candela can take appropriate action and keep improving.

More detailed requirements are set out in Candela's Health and Safety Regulations, Traffic Management Procedure and other applicable environmental, facility and operational routines.



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6. **People**, workplace and employment practices

6.1 Safe and healthy workplace

Candela aims to maintain a safe, healthy and stimulating working environment. Everyone is responsible for contributing to safe working habits and following applicable health and safety rules, instructions, training, PPE requirements, site rules and access restrictions.

Work must stop if a task appears unsafe or unclear. Accidents, incidents, near misses and risk observations must be reported so that Candela can investigate, correct and prevent recurrence. Employees working with higher-risk activities, including high voltage systems, machinery, hot work, chemicals, carbon fibre, epoxy, batteries or boat operation, must follow the specific instructions and training that apply.

Candela's Health and Safety Regulations and Traffic Management Procedure provide more detailed rules for workplace safety, risk assessments, incidents, facility safety, environmental risks, machinery, traffic movements and other higher-risk activities.

6.2 Respectful and inclusive workplace

Candela is committed to a workplace where every person is treated with dignity, respect and fairness. Discrimination, harassment, sexual harassment, gender-based violence, abusive behaviour, victimisation, bullying and retaliation are prohibited.

This applies in all work-related situations, including offices, production sites, business travel, customer or supplier visits, company events, recruitment, onboarding, digital communication and interactions with colleagues, managers, candidates, consultants, contractors, visitors, suppliers and customers.

Candela's Anti-Discrimination and Anti-Harassment Policy, Recruitment and Hiring Policy and related HR policies provide more detailed rules and guidance.



6.3 Fair recruitment and employment practices

Candela's recruitment and employment practices must be fair, lawful and transparent. Recruitment, hiring, promotion, compensation, training, working conditions and termination must be based on legitimate business needs, role requirements, qualifications, skills, performance and applicable legal requirements.

Candidates and workers must be treated honestly and respectfully. Candela does not accept recruitment practices that exploit workers, conceal material employment terms, discriminate, mislead candidates or expose candidates or workers to unsafe or disrespectful treatment. Recruitment agencies, labour agencies, contractors and approved third parties involved in Candela-related recruitment or employment must comply with Candela's Recruitment and Hiring Policy. Workers must not be charged recruitment-related fees, have their documents or wages controlled, or be controlled through threats, deception, debt, immigration status, accommodation or transport.

Working time, absence, vacation, parental leave, sick leave and related employment matters must be handled in accordance with applicable law, employment agreements, the Staff Handbook and Candela's applicable internal routines. Employees are expected to report time accurately, attend work as scheduled, communicate absences promptly and follow applicable approval processes.

Candela's Staff Handbook explains general rights, obligations and routines between Candela and employees. The Recruitment and Hiring Policy applies to recruitment agencies, labour agencies, contractors and approved third parties involved in Candela-related recruitment or employment.



7. **Product quality**, customer trust and safety

Candela's products combine advanced hardware and software, including hydrofoils, propulsion, batteries, and flight control systems. They are used on water, in real conditions, by people who rely on them. Quality and safety are therefore central to our work.

Everyone involved in the design, engineering, sourcing, manufacturing, testing, delivery, service or support of our products must follow applicable laws, standards, technical requirements and internal procedures.

Identified risks, incidents and non-conformities must be reported promptly. Test records, inspections, approvals and decisions must be accurate and complete.

Candela communicates honestly with customers, authorities and partners. Quality or safety issues must never be concealed. Trust in Candela depends on every boat, every system, every delivery and every decision.



8. Ethical business conduct

Candela is committed to acting ethically and responsibly, free from undue influence or the use of improper means to win, retain or influence business.

We compete through innovation, sustainability, quality and fairness. Candela complies with competition and antitrust laws and does not engage in cartel activity, abuse of market position or other conduct intended to distort fair competition. Employees must make business decisions independently and must not coordinate with competitors or exchange commercially sensitive information in a way that could restrict fair competition.

Candela has zero tolerance for bribery and corruption in all business dealings, whether involving public officials or private parties. No one acting for or on behalf of Candela may offer, promise, give, request, agree to receive or accept a bribe, facilitation payment or other improper benefit. Gifts, hospitality, travel and entertainment must be lawful, modest, transparent and appropriate, and must never influence, or appear to influence, business judgement.

Candela also prohibits fraud, theft, embezzlement, false accounting, false expense claims, money laundering, misuse of company assets and deliberate misrepresentation. Company assets, including funds, equipment, tools, boats, vehicles, materials, systems, data, confidential information and intellectual property, must be used responsibly and for legitimate business purposes.

Candela keeps accurate books, records and accounts that correctly reflect the true nature of transactions. Payments, expenses, approvals and business arrangements must be properly documented and handled in accordance with applicable finance, procurement and approval routines.

Candela conducts business with reputable customers, suppliers and business partners and complies with applicable laws on trade sanctions, export controls, import controls, customs and anti-money laundering. Employees must escalate concerns where a transaction, counterparty or payment arrangement appears unusual, unclear or inconsistent with legitimate business activity.

Our decisions must be based on Candela's best interests, not on personal gain or improper advantages for ourselves or others. Actual or potential conflicts of interest must be disclosed to the relevant manager, HR or Legal as early as possible.

Candela's Anti-Corruption Policy forms part of this Code and provides more detailed rules on bribery, corruption, facilitation payments, conflicts of interest, gifts, hospitality, and consequences of non-compliance.



9. Information, confidentiality, intellectual property and data protection

9.1 Confidential information and intellectual property

Candela's confidential information and intellectual property must be protected. This includes technical information, designs, source code, drawings, product plans, manufacturing methods, pricing, customer and supplier information, business plans, financial information, personal data, inventions, brands, software, documentation, trade secrets and know-how.

Employees must not disclose confidential information outside Candela unless authorised and protected by an appropriate agreement. Employees must also respect third party intellectual property and must not copy, use or share third party materials, code, designs, images, documents or technology unless permitted by law, licence or agreement.

9.2 Information security

Employees must follow Candela's information security rules and use company-approved systems. Passwords must be protected, multi-factor authentication must be used where required, and suspicious emails, attachments, links or system activity must be reported promptly. Company devices and systems must be used responsibly, and access rights must not be shared or misused.



9.3 Personal data

Candela processes personal data about employees, customers, suppliers, business partners, candidates, visitors and other individuals. Personal data must be processed lawfully, fairly, transparently and securely.

Employees must collect only the personal data needed, process it only for legitimate purposes, store it securely, share it only when authorised and necessary, and delete it when it is no longer needed. Suspected data breaches must be reported immediately to the relevant manager and IT or Legal. Data subject requests must be referred to the appropriate internal function.

Candela's Internal Guidelines on Processing of Personal Data provide practical instructions for employees who collect, use, share, store, delete or otherwise handle personal data.

Candela's Internal Privacy Policy explains how Candela processes employee personal data, including the purposes and legal bases for processing, HR and payroll systems, disclosures, transfers, retention, CCTV and employee privacy rights.

Candela's External Privacy Policy explains how Candela processes personal data relating to customers, website visitors, prospective customers, suppliers, business partners, job applicants, visitors and other external individuals.

10. Responsible sourcing and supplier relationships

Candela expects suppliers, contractors, consultants, recruitment agencies, labour agencies and other business partners to act lawfully, ethically and responsibly. Responsible sourcing is part of how Candela manages quality, cost, risk, sustainability and business integrity. Employees involved in procurement, supplier management, recruitment, logistics, production or business development must consider relevant risks when selecting and working with suppliers or other third parties, including risks relating to quality, safety, sustainability, human rights, labour conditions, anti-corruption, information security, confidentiality, environmental impact and data protection.

Procurement activities must be carried out with honesty, care and professionalism. Decisions must follow applicable approval requirements, delegation rules, segregation of duties and the four-eyes principle. No person may participate in the selection, award or administration of a contract where an actual or potential conflict of interest exists.

New suppliers must be assessed in accordance with Candela's supplier screening requirements where applicable. Supplier risks, audit findings, corrective actions and supplier status should be documented and followed up in accordance with Candela's procurement and supplier compliance routines.

Suppliers and relevant third parties must comply with Candela's Supplier Code of Conduct, Recruitment and Hiring Policy, contractual requirements and applicable laws. Where Candela identifies a supplier-related risk or non-compliance, the matter must be assessed and escalated. Depending on the issue, Candela may work with the supplier on a corrective action plan or take other appropriate action, including termination of the relationship.

Candela's Procurement and Supply Chain Policy provides more detailed rules on procurement approvals, supplier onboarding, supplier screening, risk management, conflicts of interest, supplier audits, corrective actions and supplier compliance monitoring.



11. Questions

No policy can answer every situation. If you are unsure what to do, ask before acting. Questions may be directed to your manager, HR, Legal, HSE, IT, Finance or another relevant function depending on the matter.

A simple test can also help: Is it legal? Is it consistent with this Code and Candela policies? Is it safe? Is it fair and respectful? Would I be comfortable if my decision were reviewed by Candela leadership, a colleague, a customer, an authority or the public?

If something is unclear, employees are expected to ask for guidance before acting.



Index of related policies and other documents

This Code should be read together with the following Candela policies, procedures, and other documents, as applicable:

- Staff Handbook
- Whistleblowing Policy
- Anti-Discrimination and Anti-Harassment Policy
- Health and Safety Regulations
- Traffic Management Procedure
- Internal Guidelines on Processing of Personal Data
- Internal Privacy Policy
- External Privacy Policy
- Procurement and Supply Chain Policy
- Anti-Corruption Policy
- Supplier Code of Conduct
- Recruitment and Hiring Policy