

RECOR MEDICAL, INC.

COMPREHENSIVE COMPLIANCE PROGRAM OVERVIEW & CALIFORNIA DECLARATION OF COMPLIANCE UNDER CAL. HEALTH AND SAFETY CODE §119400-119402

I. INTRODUCTION

Recor Medical, Inc. (“Recor Medical” or “Company”) is committed to conducting its business by the highest ethical and compliance standards. A key component of this commitment is our establishment and maintenance of a Comprehensive Compliance Program (CCP). We expect our employees to comply with our CCP, and we investigate and appropriately resolve potential violations of the CCP, applicable laws, regulations, and Company policies. Where appropriate, we will take disciplinary action, up to and including termination, and implement corrective measures to prevent future violations.

Our CCP is an evolving and flexible program that is designed relative to the size and risks of our Company. We seek to enhance our CCP in line with Company growth and to account for changes in our legal, regulatory, and industry obligations. We continually look for opportunities to further expand its reach and effectiveness. The fundamental elements of our CCP are described below.

II. COMPREHENSIVE COMPLIANCE PROGRAM (CCP) OVERVIEW

A. Leadership and Structure

- **Compliance Officer.** The Vice President, General Counsel has been designated to be the Compliance Officer for Recor Medical. The Compliance Officer is charged with developing, operating, and monitoring the CCP and is the Chairperson for the Compliance Committee.
- **Compliance Committee.** Recor Medical has established a Compliance Committee to advise the Compliance Officer and to assist in the implementation, evaluation, and monitoring of the CCP at Recor Medical. The Compliance Committee meets regularly to evaluate and monitor Recor Medical activities and compliance developments.

B. Written Standards

- Recor Medical has established its commitment to compliance through several policies and procedures. These policies and procedures apply to all Recor Medical employees, and adherence to them is a condition of employment. Recor Medical requires its officers, managers, and employees to review applicable policies and make every effort to ensure adherence to these policies and with all applicable laws and regulations.
- Recor Medical has also established a specific annual dollar limit that has been imposed on promotional materials, items, or activities provided by a Recor Medical employee to licensed Healthcare Professionals in California.

C. Education and Training

A critical element of our CCP is the education and training of relevant personnel to comply with applicable laws and regulations and internal policies and procedures. Recor Medical is committed to effectively communicating such laws and regulations and policies and procedures to all affected personnel. Moreover, Recor Medical will regularly provide, review, and update its training programs, as well as identify additional areas of training on an “as-needed” basis.

D. Internal Lines of Communication

Recor Medical employs a variety of internal communication tools to communicate with employees about compliance issues and concerns. In addition, we routinely respond to compliance questions from individual employees and regularly respond to compliance inquiries, and address compliance issues at Company meetings and through regular compliance communications. We instruct employees on their obligation to report actual or potential compliance violations, and we provide them with various resources including a toll-free hotline by which they can report compliance questions, concerns, or violations anonymously.

E. Auditing and Monitoring

Recor Medical’s CCP includes efforts to monitor, audit, and evaluate compliance with the Company’s compliance policies and procedures. The nature of our reviews and the extent and frequency of our compliance monitoring and auditing varies according to a variety of factors, including new regulatory requirements, changes in business practices, and other considerations. We will utilize ongoing assessment of compliance programs to identify new and emerging risk areas and address these risks.

F. Responding to Potential Violations

When potential violations are raised, they are reviewed and investigated appropriately. Although specific activities associated with an investigation may vary based on the nature and circumstances of the issue, each is conducted using a consistent framework

of principles. Disciplinary action, up to and including termination, will be taken when deemed appropriate.

G. Corrective Action Procedures

After investigation of a reported or detected compliance issue, Recor Medical assesses whether additional corrective action is appropriate. The assessment includes a determination as to whether a violation is due, in part, to any gaps in our policies, training, or internal controls. If a gap is identified, Recor Medical will take action to correct it.

III. CALIFORNIA ANNUAL DECLARATION OF COMPLIANCE:

As part of our continued compliance efforts, we developed a Comprehensive Compliance Program (CCP) that is reasonably designed to prevent and detect violations. Consistent with the HHS-OIG Compliance Program Guidance for Pharmaceutical Manufacturers, we tailored our CCP to the nature of our business as a medical device manufacturer. The medical device industry has established, and Recor Medical's CCP is designed by, a voluntary ethical code called the AdvaMed Code of Ethics on Interactions with Health Care Professionals (AdvaMed Code). The AdvaMed Code is substantially equivalent to the Pharmaceutical Research and Manufacturers of America Code on Interactions with Healthcare Professionals (PhRMA Code) but reflects the unique interactions between medical technology companies and healthcare professionals. Recor Medical continuously reviews and updates its CCP to improve it. Recor Medical has developed a CCP that we believe meets the compliance goals set forth by the State of California. The description of our CCP, provided above, reflects the plan we have implemented. To our knowledge, we are, in all material respects, in compliance with our CCP and applicable laws and regulations. A copy of our Comprehensive Compliance Program Overview and California Compliance Declaration can be obtained by downloading it directly from our website. Anyone wishing to report a potential compliance violation, may contact compliance@recormedical.com or call our toll-free integrity hotline at 1-855-809-3045.

Effective Date: November 1, 2023