

Milarex Anti-Corruption Policy

(April 14th, 2021)

1. Policy scope

The **Milarex Anti-Corruption Policy** sets out the mandatory rules and regulations in respect of Corruption (as defined below) for all entities in the Milarex Group. The purpose of the Milarex Anti-Corruption Policy is to secure all business operations of the Milarex Group to be conducted in an ethical manner and in compliance with applicable laws and regulations.

The owner of this Policy is the CEO of Milarex.

2. Operating Principles

2.1 Roles and responsibilities

Employees, officers, directors and board members, hired-in personnel and others, acting on behalf of Milarex shall comply with the Milarex Anti-Corruption Policy. Milarex will seek to obtain that suppliers, partners, consultants and all entities where Milarex, directly or indirectly, effectively have a majority control, adhere to anti-corruption rules or policies with similar content as the Milarex Anti-Corruption Policy.

Every employee, officer, director and board member and hired-in personnel are responsible to comprehend the Milarex Anti-Corruption Policy. If in doubt on how to solve a particular problem, the employee should contact his/her line manager and seek guidance. Milarex leaders are expected to actively lead, promote and implement the Milarex Anti-Corruption Policy and being role models. Each operational unit and business area have independent responsibility for adherence to the internal framework of the group and compliance with external laws and regulations at any given time.

2.2 Where to seek guidance and to report concerns

It is important that Milarex employees do not hesitate to seek guidance in case of uncertainty with respect to the compliance of this policy or any other Milarex policy. Employees should know various channels to use to seek guidance or to report concerns.

Milarex employees are always encouraged to raise questions, to report concerns or to report on possible violations on any company policy to their line manager. It is important that the employee report the matter as soon as possible.

If this policy does not answer the employee's questions, he/she should seek guidance from the line manager. If the employee experiences that the feedback from his/her line manager is not sufficient, or the employee does not want to approach the line manager, he/she may contact the line manager's leader ("grandfather principle") or the Head of HR.

Milarex employees may also report on a concern of non-compliance directly through the Milarex electronic Integrity Channel (whistleblowing) from WhistleB.com available in English, Polish and Ukrainian at URL <https://report.whistleb.com/milarex> where the person also may choose to be anonymous.

2.3 Possible violation - realised in hindsight

In case the employee realises in hindsight that a situation that he/she was involved in might have been a breach of law, the Code of Conduct, this policy or international recognised standards for ethical behaviour, the employee should report the situation to his/her line manager. The line manager shall then report it to the Group Management Team or the Head of HR.

2.4 Disciplinary actions

Milarex do not accept any violation of relevant laws, regulations or of the Milarex Anti-Corruption Policy. All allegations or evidence of violations of the Milarex Anti-Corruption Policy will be reported and acted upon within relevant laws and regulations.

Disciplinary sanctions will follow the guidelines described in the Milarex Code of Conduct.

3. Corruption and improper payments

3.1 Corruption: Definition

In this Policy, corruption is defined as follows: If a person or organization offers, gives, receives, or solicits something of value for the purpose of influencing - directly or indirectly - officials or private parties for an improper purpose, including to obtain or retain business or any business advantage ("**Corruption**").

3.2 Yellow flags

A “yellow flag” issue is a fact or circumstance out of the ordinary, which may be an indication of fraud and/or corruption. Such “yellow flags” shall result in further consideration and investigation by the person who observes a “yellow flag”. Unless the “yellow flag” is properly considered and the conclusion found to be acceptable to Milarex, the issue or business case shall cease to proceed. Typical yellow flags are:

- Activities based in a country with a low score on Transparency International’s Corruption Perception Index (CPI). The index may be found at www.transparency.org
- A business relation which refuse to adhere to the principles set out in the Milarex Code of Conduct and does not itself have ethical guidelines
- A business relation which refuses a disclosure requirement
- A business relation with a needlessly complicated corporate structure; or a business relation that make use of shell or holding companies, or a blind trust
- A business relation that requires payment through a third party or in a country with no connection to the transaction or operations. This includes tax havens
- A request for an unusual large commission, a success fee, or an irregular payment structure
- An inquiry for reimbursement of weak substantiated or questionable expenses
- A business relation facing financial difficulties
- Reliable reports of fraudulent behaviour

3.3 Laws and regulations

Milarex is subject to the corruption provisions of the legislation in countries where we do business. Although this Policy is intended to comply with all relevant laws and regulations, there is no guarantee that complying with this Policy automatically ensures compliance with all applicable laws and regulations. If in doubt, employees operating or conducting activities in jurisdictions where other laws and regulations are relevant should seek advice with regards to such regulation.

Corruption includes a wide variety of activities. The most common form of corruption is bribery, which is illegal in most countries. Milarex does not allow bribery in any form. Bribery can be defined as an offer or receipt of any gift, loan, fee, reward, or other undue advantage to or from any person as an inducement to do something that is dishonest, illegal or a breach of trust, in the conduct of the company’s business.

Corruption, as defined above, is prohibited in Milarex and violations will result in disciplinary actions. It is the responsibility of each legal entity, Milarex employee, and Milarex leaders to be sufficiently acquainted with applicable laws, including local laws, and to seek legal advice if needed.

Milarex employees should not, directly or indirectly, offer or receive, anything of value to influence the action or decision of any third party, private, public or legal duty employee. This also includes representatives acting on behalf of customers or subcontractors/suppliers, or any other third-party representative. This is to prevent any improper advantages in selling goods and services, conducting financial transactions, or attempting to emphasise the company's interests.

Milarex employees are under any circumstance prohibited from paying or receiving bribes regardless of country of business. No one should offer, authorize, pay or receive bribes in order to obtain unlawful advantages. The following groups would often be regarded as potential receivers of bribes:

- Customer or customer representative; and/or
- Government officials, political candidates or parties, who are aiming to obtain or retain business or secure any business advantages

It is important to note that laws and regulations constantly evolve, and that the national and international focus on combating corruption and bribery has resulted in a substantial legal tightening during the past 15 years. Custom practice and accepted behaviour from a few years ago might be prohibited according to today's standards.

3.4 Use of third-party representatives, including agents and lobbyists

By "**Third Party Representative**", this Policy includes any consultant or intermediary (individual or entity) that acts on behalf of a Milarex, such as third-party intermediaries, lobbyists, business agents, sales representatives, visa handling agents or actors with similar functions.

Milarex Companies endeavour to avoid the use of agents and intermediaries, also in the normal course of our business. If so occurs, the relevant agent or intermediary should in his/hers work for Milarex act in accordance with the Milarex Anti-Corruption Policy.

All hiring of third-party representatives and establishment of Joint Ventures requires prior approval from the CEO after a recommendation from the CFO. No work should commence and no binding commitment should be made until approval is given and signed by the CEO.

Before appointing a third-party representative, a pre-contractual investigation shall be carried out in order to confirm that the third-party representatives meet Milarex requirements; typically with respect to financial solidity, technical and commercial competence and integrity.

3.5 Facilitation payments

Facilitation payments, also called “speed” or “grease” payments, are payments made to secure the expeditious performance of an action, which the payer may already have a legal or other entitlement to e.g., the return of a passport at an airport or faster handling of material through the customs. These payments are mostly in small amounts but can also be substantially higher. Other examples include paying small amounts to officials to secure permission to leave or enter a country, to clear goods through customs, or to unload shipments within reasonable time (sometimes avoiding costly delays). Facilitation payments are normally cash payments, but could also comprise other favours. The requirement for payment or the payment may be modest, but the consequence for not paying might be significant.

Milarex employees should never give nor encourage facilitation payments unless an employee is a victim of extortion - where demands for facilitation payments are associated with expressed or perceived threats on health or life. For example if an employee is prisoned on a remote location with a demand for facilitation payment in order to be released. In such circumstances, the employee should if possible contact his/her line manager to have pre-approval of the payment, preferably before the payment take place. The payment will be recorded and reported to the Board of Directors. It is acknowledged that it may be difficult to assess the correct way of action in difficult and complex situations, or while one is under pressure. The important thing in such situations is that each individual situation is assessed properly, that the line management is consulted and that all facilitation payment is reported with an explanation of why the payment was deemed necessary in the specific situation.

3.6 Gifts

Milarex employees should not offer or receive gifts to achieve a result/an illegal advantage. Gifts to and from other parties, such as clients or partners, may be permitted if offered or received without any intention of obtaining an improper business advantage, and without any expectation of a return favour. As a general rule, Milarex will cover the expenses for our employees.. Certain nominal, tangible gifts of a relatively small value (up to EUR 50) may be given or accepted, and certain entertainment expenses may be paid, as long as they are legitimate and are given in an open and transparent matter or immediately after disclosed to the manager next in line.

Gifts in the form of cash or as promise of employment/assignment should never be given or accepted. The Milarex employee’s function should be considered when it comes to the number of gifts given or received. Gifts should never be given or received by Milarex employees during a bid or tender process.

To avoid insulting the donator, Milarex employees may refer to this mandatory policy when refusing a gift exceeding the above thresholds. It is important that all gifts are given and received in an open and transparent matter. Milarex employees are responsible for ensuring that all relevant taxation and

reporting regulations are complied with when offering or receiving a gift. If in doubt the employee should contact his/hers line manager for assistance.

3.7 Entertainment expenses

Entertainment expenses should be of a modest value and be related to Milarex business concept. If the cost is kept at an acceptable level, social gatherings and dining may be legitimate when the purpose is to maintain or create new business relations or to promote Milarex towards potential clients. Feeding in connection with a meeting, with a significant business content, is considered normal business conduct.

Participation in sponsored entertainment should always be approved by relevant line manger prior to the event (line manager may of course consult with the CFO). Milarex employees invited to an expensive event hosted by for example partners, suppliers, or clients, should always consult with his/her line manager before accepting.

If a company is in a tender competition, the attendance at social functions must be ethically justifiable, without ulterior motive to influence the result of the negotiations. The number of entertainment participations (per employee) is depending on the employee's function. Travel and hotel expenses in connection with meetings or social events should never be paid for by customers, partners, suppliers, subcontractors or any third parties. Any exception to this should always be pre-approved in writing (e-mail is sufficient) by the relevant line manager.

Milarex employees should always act according to this policy and avoid conflicts of business interest. Employees should never participate in any business transactions or other business management on behalf of Milarex if the employee have, or presumably have, directly or indirectly, personal, or financial interest in the matter. Neither should an employee participate in such activities if it could harm the reputation of Milarex.

In company with several other Milarex employees, the Milarex employee with the "highest rank" should sign the restaurant bill.

To avoid insulting the organiser (of an event), Milarex employees may refer to this mandatory policy when refusing an invitation. It is important that all entertainment contributions are given and received overtly.

3.8 Charitable donations and sponsorships

Charitable donations are defined as payments made or goods given for the benefit of a community. Typical areas for such donations are education, health, sports, culture, support to non-governmental

organisations and other welfare programmes. Such payments are made without demand or expectation of a business return, but it might result in goodwill for Milarex.

A sponsorship is a transaction where a sponsor makes a payment, in cash or in kind, to associate its name with an activity or an organization, in order to receive specific rights and benefits in return, such as the promotion of the sponsor's name, products and services. Documentation on tangible benefits for Milarex should be provided for on any sponsorship given. Benefits as commercial gain, professional development, extended profiling etc. All sponsoring relationships should be structured as a 'win-win situation' for both parties. Milarex criteria for sponsorships should be strategic and reflect Milarex values, quality and profile. The **Milarex Sponsorship Policy** provides the specific criteria for sponsorship.

Sponsorships longer than 12 months shall be approved by the CEO. In case of all forms of sponsorship other than those indicated in the preceding sentence, the decision will be made by the Head of HR after prior consultations or pre-approve by the CEO. If the responsible for sponsorships has personal interests in a sponsorship, the CFO will decide.

Full documentation and records should be kept for a possible review, including annual reports.

It is prohibited to use Milarex belongings (cash or other funds), to support religious or political groups or organisations. Milarex employees should always act according to this policy and avoid conflicts of business interest. If a conflict of interest occurs, the line manager should be informed in order to evaluate the situation and, if necessary, excuse the employee from any associated decision-making process.

3.9 Political contributions

Political contributions are defined as contributions, made in cash or in kind, to support a political cause or party. No Milarex employee is not authorised to make financial contributions to political parties or religious organisations on behalf of the company. This does not preclude Milarex from supporting political views in the interest of the company. Milarex acknowledge the employees right to participate in political and religious activities during their spare time, Milarex possessions and resources may not be used for such activities.

Whistle Blowing Procedure

(First approved April 14th, 2021, version 1)

Purpose

The purpose of this policy is to define roles and responsibilities related to WhistleBlowing in Milarex.

Application

WhistleBlowing in Milarex should be available for all – both employees, customers, contractors or others.

Responsibility

HR manager

WhistleBlowing set-up

Milarex has established a contract with a company called WhistleB. The purpose of this relationship is to create an anonymous channel where concerns and/or concrete observations regarding unwanted actions of behavior of Milarex employees and contractors can be reported (“whistleblowing”).

The Milarex WhistleB platform has been configured by the Milarex IT Department and is available in Polish, English and Ukrainian through the following URL <https://report.whistleb.com/milarex>

In WhistleB, there shall always be specified two recipients in order to prevent whistleblowing regarding one of the recipients to not be processed further. In Milarex, the two recipients shall be the Head of HR and the CFO. The main processor shall be the Head of HR unless the whistleblowing information regards the person holding this position. In that case, the process shall be handled by CFO.

Giving information to employees and accessibility to the WhistleBlowing channel

Information about the WhistleB platform shall be given to Milarex employees at least on an annual basis in the usual way of communication with employees (eg. mailing, notice board, leaflets) and a link to the platform shall be available from the Milarex homepage.

Handling of reported cases

All incoming whistleblowing cases shall be reviewed, processed and without unnecessary delay be reported to the Group Management Team (GMT) The GMT shall review the case and discuss next steps and actions together with the Head of HR, who will handle the follow-up. Each case shall be numbered, and the case handling and actions shall be documented in writing by the Head of HR.

If deemed relevant by the GMT, the Head of HR will set up a committee to consider the case. The committee shall consist of employees not directly involved in the case from at least two different departments and the Head of HR. The committee formulates conclusions and recommendations, the implementation of which is approved by the Head of HR.

In case the incoming report is concerning one or more members of the GMT, these persons should be omitted from receiving any information about the reported case, and the case be handled by the other members of the GMT. Should the case be regarding the CEO, the information about the reported case should be communicated directly to the Chair of the Milarex board and the further process shall be coordinated with the Chair.

Reporting

The Head of HR shall on a regular basis update the GMT on the status of reported whistleblowing cases. On an annual basis, before the end of June, the Head of HR shall present a detailed report to the GMT on all whistleblowing cases that have been received since the last annual review.