



THE CODE OF ETHICS OF FORTENOVA GROUP

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The Management Board of the company POSLOVNI SISTEM MERCATOR d.d., Dunajska cesta 107, 1000 Ljubljana, registration number 5300231000, tax number SI 45884595 pursuant to Articles 28 and 64 of the Statute of the company and Article 4 of the Rules of procedure of the Management Board and after prior coordination with social partners (union) adopts the Code of Ethics, which enter into force on first of October 2021 in company POSLOVNI SISTEM MERCATOR d.d. and its subsidiaries. Code of Ethics reads as follows:

POSLOVNI SISTEM MERCATOR d.d.:

- taking into account that Fortenova Group is one of the largest companies in South-eastern Europe and one of the leading regional companies; employing more than 50.000 people;
- acknowledging the need to adopt, implement and promote certain ethical principles and values in the course of the Group's everyday business operations as a way of upholding and strengthening Fortenova Group's corporate identity and organisational culture in a modern, highly competitive corporate environment;
- proactively aspiring to adhere to the highest possible business standards under the laws and regulations applicable in the European Union, the Republic of Croatia and other countries in the Region, in which the Group operates through its affiliates;
- with an aim to regulate and communicate in a clear manner the corporate responsibility of all the Group's stakeholders, especially with regards to the Group's employees, associates, business partners, and the general public;

hereby passes and declares the following

CODE OF ETHICS
of
FORTENOVA GROUP
(hereinafter: the Code)

1. AIM AND PURPOSE OF THE CODE

- 1.1. Under this Code, Fortenova Group establishes a basic set of rules and principles in the area of morals and professional ethics which apply to everyday operations of the Group in order to establish and maintain corporate responsibility and organisational culture among all the Group's stakeholders.
- 1.2. The Code is aimed at strengthening Fortenova Group's corporate identity by laying down its essential ethical principles and values, as well as the mechanisms under which these are to be effectively upheld and protected against any breaches.
- 1.3. The Code provides the stakeholders it applies to with general ethical guidelines to observe in their everyday business operations in relation to the Group; by establishing rights and obligations of the stakeholders regarding the ethical principles and values of Fortenova Group.

2. SCOPE OF THE CODE

- 2.1. The Code shall apply to all the persons, being natural persons or legal entities, which are in any kind of business relationship with Fortenova Group, including, but not limited to: the Group's employees, subsidiaries, business partners, consultants, suppliers, clients, etc.
- 2.2. Whenever used in this Code, the following terms shall have the following meaning:

- “*stakeholder*” shall be used as a general term for a person whom this Code applies to;
- “*employees*” shall mean natural persons who are employed by Fortenova Group and/or any of its subsidiaries, under an employment contract or provide services to Fortenova Group and/or any of its subsidiaries, under any other contract of a similar nature (e.g. personal service contract, contract on professional training without establishing an employment relationship, student services contract, etc.), as well as any natural persons who are in a managerial or similar position within Fortenova Group’s and/or any of its subsidiaries’ organisational structure;
- “*subsidiary*” shall mean any company which the Group is a member of or which the Group has voting rights in, in any way;
- “*business partner*” shall mean any person whom the Group has a business relationship with, in any way;
- “*consultant*” shall mean any person who provides the Group with consultancy services;
- “*consumer*” shall mean a natural person who is the end-user of goods and/or services provided by Fortenova Group and/or any of its subsidiaries;
- “*client*” shall mean any business or entity to which the Group and/or any of its subsidiaries provides goods and/or services;
- “*supplier*” shall mean any person whom the Group procures goods and/or services from, including financial and advisory services;
- “*shareholder*” shall mean the person holding shares in the Group.

- 2.3. Terms and expressions used in this Code are gender neutral and shall apply equally to all the genders (male, female, or others).
- 2.4. The Group recognises that the main stakeholders with regards to implementation of the Code in everyday business operations shall primarily be the Group’s employees. Therefore, the Code is passed, declared and shall be in full legal effect and applicable as one of the Group’s internal regulations regarding employment relationships, and all the employees are obligated to abide by the Code and observe the rights and obligations stipulated herein as part of their employment (or similar) relationship with Fortenova Group.
- 2.5. The Code shall be implemented in an appropriate manner to be directly applicable in all the Fortenova Group’s subsidiaries which the Group has a direct control of (e.g. by having the majority of voting rights or a prevailing influence in a subsidiary in any way, etc.). Should there be a lack of such control in a subsidiary, reasonable efforts must be made in order to have the respective subsidiary apply the Code in its everyday business operations.
- 2.6. The Group acknowledges that the implementation of the Code is limited with regards to the stakeholders outside of the Group such as the Group’s business partners, consultants, suppliers, clients, etc. However, the Group shall encourage the relationships with those stakeholders outside of the Group who abide by the principles, values, rules and obligations set forth herein, and the employees shall be obligated to communicate and promote these to the stakeholders outside of the Group, as well as to the general public, by means of direct communication, personal example, marketing and/or other appropriate manners as prescribed herein.
- 2.7. This Code shall always be interpreted in accordance with the applicable laws.

3. BASIC ETHICAL PRINCIPLES

Protection of Dignity & Respect for Human Rights

- 3.1. Human dignity and the protection of human life shall be the primary principle to be protected and upheld under this Code, requiring the stakeholders always, and in any situation, to:

- 3.1.1. observe and show unconditional respect for human rights of every human being, as set forth in the Constitution of the Republic of Croatia, the Constitutions of other countries, in which Fortenova Group operates through its affiliated companies, European Convention on Human Rights and Fundamental Freedoms, Universal Declaration of Human Rights, and other applicable domestic and international regulations of any sort;
- 3.1.2. firmly have, and openly show, mutual respect and trust towards one another and towards the Group, in every possible way, as well as towards any human being;
- 3.1.3. respect and promote the diversity of human beings by openly accepting, respecting, and proactively helping every person, regardless of their race, gender, nationality, ethnicity, personal belief systems, religion, social status and/or background, colour of their skin, sexual orientation, union membership, education, health condition, or any other feature that might distinguish them from others for whatever reason;
- 3.1.4. observe and promote the Group's policy of zero tolerance for discrimination, harassment, and/or mobbing under which any discrimination, harassment and/or mobbing against any person shall be strictly banned as an extremely serious breach of this Code and addressed with strictest possible measures.

Freedom of Labour, and the Prohibition of Child or Forced Labour

- 3.2. Fortenova Group respects the freedom of the individuals to work and freely choose their workplace, and the Group strives to observe the highest possible standards of protection of children and family life. Therefore, the Group shall not tolerate any form of child or forced labour in any case, and the stakeholders should observe applicable legislation and highest legal standards to this regard.

Professional and Personal Development of Employees

- 3.3. Fortenova Group nurtures the welfare of its employees and always strives to ensure and promote their professional and personal development. In this respect, the Group encourages its employees to proactively maintain an optimal work-life balance, while observing their guaranteed rights and freedoms under the applicable legislation.
- 3.4. The Group's employees are encouraged to bring to their superiors' attention any opportunity for gaining additional professional education or training, which may be reimbursed, should the policies of the Group prescribe and allow for such a reimbursement.

Protection of Environment, Health & Safety (EHS)

- 3.5. Recognising the environmental challenges that have been arising in the recent years, the Group is committed to promoting the highest standards of the protection of the environment. All the stakeholders should strive to minimise the risk of adverse effects of their daily business to the environment while observing the latest technological and ecological guidelines in force. In this respect, all the stakeholders are called to work on reducing the carbon footprint of their respective business operations by observing, developing and implementing the appropriate environmental protection measures, guidelines, good practices and habits.
- 3.6. Health and safety of each human being must be the stakeholders' primary concern when devising, implementing and/or supervising any business process regarding the Group. To this extent the stakeholders are primarily called to work on reducing any health and safety risks, while observing the applicable legislation regulating health and safety measures in a business environment and abiding by the appropriate health and safety standards; in

particular, but not exclusively, any prescribed rules and procedures ensuring occupational health and safety must be observed at all times without any exceptions.

- 3.7. Implementation of the appropriate Environment, Health & Safety (EHS) protection standards in the workplace shall be the Group's continuous effort and a part of all its business processes and development programs, as well as a permanent responsibility of all the stakeholders.

4. ACCOUNTABILITY TO SHAREHOLDERS AND STATE AUTHORITIES

- 4.1. Accountability to the Fortenova Group shareholders and the protection of their investments must be observed in every business process of Fortenova Group, especially, but not exclusively in processes that require transparency, such as financial reporting, etc.
- 4.2. The shareholders must be provided with complete and transparent financial information regarding the Group, and applicable legislation that regulates recording, maintaining, and disclosing financial and accounting data must always be observed, together with all the applicable international standards.
- 4.3. The business operations of Fortenova Group shall be compliant to the applicable capital market regulations and the stakeholders are called to provide the state authorities with all the relevant information that must be disclosed upon the state authorities' request.

5. HUMAN RESOURCES

A Positive Working Environment

- 5.1. Fortenova Group acknowledges its employees to be the most important asset of Fortenova Group, and the Group is firmly committed to sustain a healthy, pleasant and motivating work environment for its employees, based on mutual understanding, trust and respect among all the stakeholders. To this end the employees must always:
 - 5.1.1. set an example to all the other stakeholders by showing high level of professional and personal morals and work ethic, while staying motivated, dedicated, and proactive;
 - 5.1.2. openly share knowledge, experience, opinions and information with fellow co-workers and encourage teamwork and cooperation;
 - 5.1.3. base their decisions purely on merit, performance, qualifications, and other work-related criteria, while avoiding conflict of interest and/or personal differences to influence their decision-making process;
 - 5.1.4. treat religious beliefs of other stakeholders with respect and dignity, while keeping an open mind towards and not discriminate against other stakeholder's political and personal beliefs, national or social origins, gender identity, sexual orientation, social, marital or family status and/or background, health condition, disability, genetic inheritance, trade union membership, or any other distinguishing feature of an individual;
 - 5.1.5. be open to accept cultural and national diversity;
 - 5.1.6. avoid and take firm action against any undesirable behaviour that could be construed as discriminatory, hostile, insulting, intimidating or malicious in any way, which especially, but not exclusively involves such actions that could be interpreted as harassment, discrimination or mobbing under the applicable legislation;
 - 5.1.7. observe the corporate culture, organisational structure and the established work processes of the Group, as well as to loyally and responsibly advocate interests of Fortenova Group in any given situation, upholding Fortenova Group's hard-earned reputation and good name;
 - 5.1.8. abide by this Code and any other applicable bylaws of the Group.

- 5.2. Fortenova Group is dedicated to implementing and maintaining fair employment policies based on professional qualifications, merit, performance and dedication. The Group promotes and upholds the policy of adequate wages for the work done, according to the applicable regulations, with regards to responsibilities, duties, and requirements of a certain workplace.

Protection of Privacy

- 5.3. Taking into consideration the challenges Fortenova Group faces in the globalised and ever more so interconnected world where information technology (IT) provides for an almost instantaneous availability of any data at any given moment and in any given place, Fortenova Group is determined to protect the privacy of the stakeholders as much as possible. To this extent, Fortenova Group shall process any employee's, client's, business partner, and/or any other stakeholder's personal data only in accordance with the laws and regulations applicable to personal data protection, restricting access to personal data as much as possible; whereas the employees are required to:
 - 5.3.1. have and develop special awareness on the necessity and the importance of safeguarding any personal data they have been entrusted with, processing it only in compliance with the applicable Group's policies, standards and procedures, as well as with the applicable laws and regulations;
 - 5.3.2. familiarise themselves with all the laws, regulations, procedures, proceedings and other measures applicable to personal data processing by the Group and abide by them at any given moment;
 - 5.3.3. obtain and process only the data that is necessary for a certain legitimate purpose, and directly related the employee's duties;
 - 5.3.4. retain personal data in such a way that any outside third parties are prevented from becoming aware of it;
 - 5.3.5. disclose and divulge data to the third parties only as part of procedures that are pre-established by the Group or with prior approval of the supervising manager; whereas, in any case of disclosing personal data to any third parties, the employees are required to apply increased degree of due diligence, and care;
 - 5.3.6. ensure that there are no confidentiality-related restrictions by virtue of relations of any kind with third parties.
- 5.4. The Group shall name a data protection officer and/or a person that monitors data processing of employees in any way, as prescribed under applicable data protection and employment legislation.

Organisation of Work

- 5.5. Fortenova Group encourages the highest standards of professionalism in the working environment, and promotes a work culture of independence, excellence and accountability while keeping a policy of equal opportunities and striving for an optimal work-life balance; meaning that every employee should be assigned to a workplace that suits his or hers professional qualifications, abilities, and goals, while the employee's workload should be distributed in such manner to allow for him or her to fully enjoy free time and the quality of life. In this regard, the employees must always:
 - 5.5.1. act openly, fairly, consistently and with respect towards the employees of a lower rank in the organisational structure, upholding the rights and obligations as set forth under this Code, and setting a good example;

- 5.5.2. keep in mind that every employee can affect the work environment with their behaviour and individual actions, which need to be appropriately adjusted so they would contribute to better quality of the work environment and not diminish it;
 - 5.5.3. be able and encouraged to contribute to the business goals of Fortenova Group as a whole, by sharing constructive proposals and ideas with their superiors;
 - 5.5.4. be able and encouraged to openly, honestly, and wholesomely communicate on any issue with one another, regardless of their rank in the organisational structure; whereas this shall especially apply to the communication between the employees of different ranks, as the feedback between employees and their superiors is considered to be crucial for understanding the underlying issues and problems of the organisation;
 - 5.5.5. seek and have the opportunity to be educated and/or trained with regards to their professional qualifications, aspirations and workplace description; while continuously developing their abilities to do business more effectively;
 - 5.5.6. execute any given task and act in accordance to the highest possible standards applicable to their professional occupation, in the most effective way possible, while taking concern for minimising the costs for the Group and/or other stakeholders;
 - 5.5.7. take full responsibility for the tasks entrusted to them, as well as for their actions and their behaviour;
 - 5.5.8. be focused on the work task at hand, its purpose and goals, and handle it with enthusiasm and professional interest in the most effective manner possible.
- 5.6. Any disputes or disagreements in the workplace must be resolved peacefully. When resolving issues between one another, the employees, regardless of their rank, must be objective, efficient, and transparent while showing due respect for one another and keeping in mind the reputation and interests of Fortenova Group.

Appropriate Behaviour

- 5.7. Fortenova Group has a policy of zero tolerance for discrimination, harassment, and/or mobbing. This means that any discrimination, harassment and/or mobbing against any person shall be strictly banned as an extremely serious breach of this Code and addressed with strictest possible measures. Under this ban, the following behaviours are strictly forbidden: spreading malicious rumours, invasion of privacy, intimidation (threats of physical violence), undermining a person (intentional undermining of what a person is working on in their workplace, especially in front of other people, mocking, etc.), verbal assaults against a person such as cursing, shouting, intimidating, making derogatory remarks about someone, as well as undermining someone's reputation, intentional withholding of information from a person which is necessary for completing their work assignments, and any other similar behaviour.
- 5.8. The employees are expected to behave in an appropriate and professional manner while performing their work assignments, which shall especially, but not exclusively, include:
 - 5.8.1. maintaining excellent business relationships with other stakeholders, especially fellow co-workers, clients and business partners;
 - 5.8.2. adhering to the principles of a civilised and effective business communication in any correspondence, meeting, conversation, or other mean of communication within or outside the Group;
 - 5.8.3. promoting mutual respect and acknowledgment of skills and competencies in the workplace while providing support, sharing knowledge, experiences, and opinions;

- 5.8.4. establishing and maintaining relationships based on mutual trust, cooperation, common courtesy, and patience while clearly separating professional from personal issues;
 - 5.8.5. adhering to the Group's dress code policies;
 - 5.8.6. taking care of the Group's property, documents and information according to the standards, rules, and procedures as set forth in this Code, Fortenova Group's bylaws or as an established work process within the Group;
 - 5.8.7. abiding by this Code and other Fortenova Group's bylaws, standards, rules and procedures.
- 5.9. It is strictly forbidden for the employees to own, consume, offer or distribute to any person drugs or other opiates which are listed as a contraband under law. The employees must not be under the influence of alcohol, drugs or any other opiates during office hours, including overtime, and shall be obligated to undergo any necessary testing, by using the alcometer, or other appropriate metering device.
- 5.10. Exceptionally, moderate alcohol consumption shall be allowed:
- 5.10.1. during inter-office celebrations and other similar occasions, provided that the immediate supervising manager issued a prior approval for such a consumption;
 - 5.10.2. if such consumption is a part of a job description of a certain employee and thus inseparable from a timely and full performance of their work assignments and duties (e.g. enologist).

6. ENVIRONMENT, HEALTH & SAFETY (EHS)

- 6.1. In line with its basic principle of protecting the environment, health and safety of all its stakeholders, Fortenova Group is focused on improving its EHS standards by:
- 6.1.1. conscientiously acting on environmental issues; namely, by choosing the most energy efficient technologies for the Group's business operations so any negative influences on the environment would be diminished as much as possible;
 - 6.1.2. adhering to all applicable technological and ecological guidelines;
 - 6.1.3. promoting the acceptance of the policies and standards designed to minimise the risk of adverse effects on the environment;
 - 6.1.4. providing employees, business partners and all the persons who carry out activities at the Group's premises (with a due permission), with a safe and secure work environment, where no one is exposed to unnecessary risk;
 - 6.1.5. providing the employees and the public with measurable, verifiable and timely information on the potential EHS impact of the Group's activities;
 - 6.1.6. developing and implementing internal and external professional checks of the Group's EHS systems;
 - 6.1.7. fostering cooperation with business partners who play a leading role in the environmental protection areas;
 - 6.1.8. encouraging the development and deployment of environmentally friendly technologies, exchange of knowledge and information.
- 6.2. Fortenova Group is committed to assuring the security of individuals on any of the Group's premises and to protecting employees and Fortenova Group's property, as well as any information related to the Group's business and its reputation, against security threats.
- 6.3. In the context of EHS standards, the employees must always:

- 6.3.1. abide by law as and regulations, as well as by the highest standards, policies, instructions, procedures and measures intended to ensure EHS safety and security, in every decision they make;
- 6.3.2. always comply with EHS and security requirements of their respective workplace and follow EHS and security personnel instructions;
- 6.3.3. attend training courses, seminars, lectures or any other forms of education in the EHS area, especially if such education is obligatory under the applicable legislation or required under their respective job description;
- 6.3.4. refrain from bringing any harm to people, their environment, health or safety, and take on only the work for which they have been trained for, and for which they are competent, medically fit, sufficiently rested and alert to carry out;
- 6.3.5. refrain from working under the influence of alcohol or drugs (legal or illegal, prescribed or acquired otherwise);
- 6.3.6. cease any activity that becomes unsafe or unsecure and immediately report it to the supervising manager;
- 6.3.7. promptly report any accident, injury, illness, unsafe or unhealthy conditions, incident, potential incident or near-miss, spill or release of substance harmful to the environment to the supervising manager;
- 6.3.8. take immediate measures to correct, prevent or control any EHS incidents and advise others to comply with EHS rules and guidelines.

7. FORTENOVA GROUP'S PROPERTY

Protection of Property

- 7.1. Real estate, buildings, vehicles, devices, systems, installations, business documents, work tools, equipment, valuable materials, and any other movable or immovable property, as well as any intellectual property, and confidential information of Fortenova Group must be handled with due diligence and caution, and never be misused for personal purposes, nor provided to third parties to the extent that would negatively affect the interests of Fortenova Group in any way. Therefore, the employees must:
 - 7.1.1. take full responsibility for ensuring the integrity as well as the purposeful, cost-effective, and sensible use of the Group's property;
 - 7.1.2. not use assets or facilities of the Group for private purposes, unless provided with a prior authorisation to do so from the supervising manager, under applicable rules and standards of Fortenova Group;
 - 7.1.3. take care of waste in accordance with the highest ecological and hygienical standards, and the applicable regulations;
 - 7.1.4. keep in mind that any portable or home business equipment they have been entrusted with, as e.g. laptops, mobile phones, etc., remains the property of Fortenova Group, thus requiring from the employees to use it in accordance to the rules prescribed herein at any time;
 - 7.1.5. not use their work time for personal activities.
- 7.2. It is strictly prohibited for the employees to dispose of the Group's property without the due authorisation, or embezzle, destroy, or damage the Group's property or diminish its value by failing to apply the necessary due diligence. Such actions are a serious breach of this Code and may result in termination of the employment contract. This shall also apply to other stakeholders who have been entrusted with Fortenova Group's property in any way and may result with the termination of their respective business or other relationship with Fortenova Group.
- 7.3. Employees must always strive to safeguard the natural resources and to ensure that the potential negative impact of the Group's business operations on the environment is

reduced as far as possible through resource saving and energy efficient planning, construction and operation of buildings and, by avoidance, reduction and recycling of waste materials.

IT Systems & Security

- 7.4. Fortenova Group's computer hardware and software and all the data on any of the Group's IT systems, as well as any information on Fortenova Group or the data created, purchased or otherwise acquired by Fortenova Group that is located on any private or other IT system that is not an integral part of the Group's IT Systems in any way, shall be considered to be the property of the Group. Fortenova Group reserves all rights to access and control at all times any computer hardware, software, data and/or other part of the Group's IT Systems that is considered to be the property of the Group. Fortenova Group shall exercise this right at all times only in accordance with the applicable laws and in accordance with the principle of proportionality.
- 7.5. Fortenova Group is committed to devising and implementing comprehensive and adequate IT policies ensuring proper usage and security of all its IT resources, in compliance with the applicable regulation and industry standards; and the employees and other stakeholders who are in position to use or in any other way handle the Group's IT resources must always be aware of these IT policies, and strictly adhere to them in any situation. To this regard the following guidelines always need to be observed by the employees and other stakeholders:
 - 7.5.1. possible damages caused by the breaches of the Group's IT policies may include the loss of sensitive and/or confidential information of the Group, breach of personal data or loss of intellectual property, damage to the reputation of Fortenova Group and its key IT Systems, as well as possible pecuniary penalties or other pecuniary obligations incurred as a consequence of these breaches;
 - 7.5.2. only legal and secure computer hardware and/or software, created or purchased by or for the Group, may be used in Fortenova Group's IT Systems;
 - 7.5.3. IT resources of the Group must be used only for legal activities, in compliance with Fortenova Group's business interests, exclusively for the purpose of performing work or a specific task for the Group;
 - 7.5.4. IT resources of the Group must be handled responsibly, with due diligence and application of adequate safety measures, observing the user manuals and all Fortenova Group's IT policies;
 - 7.5.5. passwords, PINs, biometric data, and any other information that can be used to gain access to any of Fortenova Group's IT resources must always be duly protected, and the Group's IT resources may be connected only to reliable and known networks;
 - 7.5.6. any data transfer via electronic means may be executed only if this is required when performing a certain task or work for Fortenova Group, and only to a reliable and known recipient, while observing higher level of due diligence and caution;
any illegal or inappropriate content such as pornographic images, text, movies or video recordings, or any content which promotes violence, hatred, terrorism or intolerance of others, as well as any content which is harassing, obscene or abusive must not be intentionally accessed, stored, sent or published when using Fortenova Group's IT resources; if such inappropriate content is unintentionally received to a Fortenova Group's IT resource, e.g. via e-mail, text message, or any other way, it must be deleted immediately.

Intellectual Property Rights

- 7.6. The Group recognises innovation as an integral part of its business operations. Any and all innovations that are created by the employees or other stakeholders for the Group at work, or in relation to work, or in relation to the Group's activities, or during work performed at the request or by order of the Group, or on the basis of a contract entered into between the Group and the stakeholder, respectively, shall be considered to be Fortenova Group's intellectual property; where "*innovation*" shall mean any software solution, invention, technical improvement, innovation in business processes, useful idea, project, strategy, formula, record in any form (e.g. written, electronic, etc.), technique, improvement, method, procedure, and know-how together with all the trademarks, samples or models, patents, industrial design rights, copyright and other related rights, and any other intellectual property rights pertaining thereto.
- 7.7. Fortenova Group holds all the intellectual property rights over or pertaining to innovation created within the course or in relation to the Group's business operations, as described above, and the innovation shall in any case remain the property of the Group, without any territorial or temporal limitations. The employees and other stakeholders are not allowed to use the intellectual property of Fortenova Group without a corresponding authorisation issued by an authorised representative of the Group.
- 7.8. Intellectual property rights of the Group must always be protected, and in case of any violation, appropriate measures need to be undertaken immediately to this aim. Should an employee violate intellectual property rights of the Group, this shall constitute a severe breach of this Code and may be the basis for the termination of the employment contract. The same shall apply in a corresponding manner to other stakeholders who violate the Group's intellectual property rights in any way.
- 7.9. Fortenova Group is committed to respecting the intellectual property rights of third parties. Therefore, the Group expects that all its employees:
 - 7.9.1. take the intellectual property rights of third parties into due consideration in their daily work;
 - 7.9.2. do not download or use any unlicensed software;
 - 7.9.3. use content protected by any third party's copyrights, trademarks or seals (e.g. photographs, audio snippets, video or voice recordings downloaded from the internet or other sources) as a part of the content produced for the Group only if provided with a special permission issued by the intellectual property owner prior to the usage thereof;
 - 7.9.4. do not use any content protected by any third party's intellectual property rights without an adequate prior permission to do so.

Confidential Information & Privileged Information

- 7.10. Within the course of its daily operations Fortenova Group uses a substantial amount of information which is constantly obtained, retained, processed, disclosed and circulated by the Group's employees and other stakeholders in relation to the Group. Recognising that the flow of information is necessary for a timely and complete performance of the Group's business objectives, while at the same time identifying the risks it may entail, especially, but not limited to, the risks involving information that is confidential in nature, Fortenova Group is committed to mitigating these risks by devising and implementing policies, standards and procedures that are specifically designed to prevent the unlawful and/or unauthorised disclosure of such information to a non-authorised recipient. Employees are expected to protect confidential information by fully abiding by any such policy, standard and/or procedure.
- 7.11. When used in this Code the term "*confidential information*" shall mean any and all business secrets, technical and other information, know-how, business and production standards, formulae, specifications, procedures, methods, their techniques and improvements, documents, records, their contents and/or addenda, notifications and any

other information, in any which form, that is not in the public domain, or can be considered as confidential in business practice or under applicable legislation, including but not limited to the information that are related to research, development, investments, purchases, finances, accounting, engineering, product placement, pricing, internal policies, lawsuits, legal transactions, and communication with legal representatives and/or suppliers.

7.12. The Group stresses out the importance of protecting confidential information from any inappropriate use or disclosure, because such use or disclosure could potentially harm the Group, its reputation or property. Therefore, the employees and other stakeholders who have been entrusted with Fortenova Group's confidential information must always, even after their relationship with the Group has ended in any way:

- 7.12.1. abide by all the laws, regulations, as well as all the Group's policies, standards, and procedures applicable to the respective confidential information;
- 7.12.2. keep the confidential information secret and/or confidential with the due care and diligence of a prudent businessman, while any lower level of care and diligence shall constitute gross negligence;
- 7.12.3. refrain from disclosing confidential information to any third parties without having a prior due authorisation provided by the person authorised to provide one within the Group;
- 7.12.4. use the confidential information in accordance to the Group's policies, standards and procedures, only for the purposes due to which it was disclosed to them, and refrain from using the confidential information for own personal gain or for the gain of any other person;
- 7.12.5. immediately report any unauthorised disclosure or usage of confidential information by any person to the supervising manager.

7.13. Confidential information which may be considered as "*privileged information*" under the applicable legislation regulating the capital markets may only be used or disclosed if this is necessary for legitimate business reasons, and all the legal prerequisites for such usage or disclosure, respectively, have been met. Employees and other stakeholders who possess such information must:

- 7.13.1. not misuse, misappropriate or in any other way handle privileged information contrary to the laws and regulations applicable thereto;
- 7.13.2. acquire a prior written approval from their immediate supervising manager before disclosing or in any other way using the privileged information in a prescribed manner.

8. POLITICAL ACTIVITIES, LOCAL COMMUNITIES & CIVIL SOCIETY

Political Activities

8.1. The Group acknowledges that its employees are free to engage in different political activities within the local communities Fortenova Group operates in. Such activities are not forbidden by the Group; however, they must be exerted with due diligence and caution so they would not influence the Group's position within the local communities in any way. Namely, the political activities must not be undertaken in order to promote Fortenova Group's business interests nor to impede them in any way. To this end employees shall not:

- 8.1.1. exert any political activities in the workplace;
- 8.1.2. solicit, use, receive, nor allocate in any other way Fortenova Group's assets for the purposes of their political activities, which especially, but not exclusively

- refers to the usage of Fortenova Group's name, intellectual property, confidential information, equipment and any other property;
- 8.1.3. involve Fortenova Group in any campaign or activity of a political nature in order to lead others to believe that Fortenova Group endorses or stands against a certain political party, organisation, group or movement.

Relations with Local Communities and Civil Society

- 8.2. Fortenova Group recognises and accepts its role within the local communities it operates in; seeing it as a great responsibility and an opportunity to work incessantly on improving the relations with the local communities, as well as the quality of life in those communities and on contributing to the economic growth thereof, while maintaining the Group's reputation, and observing its business interests.
- 8.3. The Group is, therefore, committed to build relationships with the local communities it operates in by:
 - 8.3.1. abiding strictly to the applicable laws and regulations thereof and founding any such relationships on mutual trust, transparency, and honesty;
 - 8.3.2. establishing a constructive and open dialogue, where possible, with the representative associations and organisations, especially, but not limited to, the trade unions and consumer associations;
 - 8.3.3. improving civil, social, environmental and cultural conditions of the local communities by devising and implementing the appropriate socially responsible programmes and policies and participating in joint partnership projects with the local communities.
- 8.4. The employees, especially higher-ranking ones, when dealing with issues related to the local communities must always:
 - 8.4.1. keep in mind the relationship building policies of the Group as determined under this Code;
 - 8.4.2. abide by all the specific laws and regulations in effect in every local community Fortenova Group operates in;
 - 8.4.3. respect the fundamental human rights, while observing any specific cultural and business customs differences of these communities, if these are not in any kind of conflict with the rules and principles set forth under this Code.
- 8.5. Human rights violations, providing misleading information to the local communities and corruption shall be regarded as extremely serious breaches of this Code and may result in termination of the stakeholder's respective relationship with Fortenova Group.

Support for Local Community Development

- 8.6. Fortenova Group is committed to contributing to economic growth and increasing the standard of living in the local communities it operates in by:
 - 8.6.1. opening new jobs and seeking to recruit qualified workers from the local community wherever possible, should this be in line with the business interests of the Group also, and offering them adequate wages, according to the applicable regulations, with regards to responsibilities, duties, and requirements of a certain workplace;
 - 8.6.2. establishing and maintaining education and professional training programmes for its employees and opening them for qualified workers from the local

- community, should this be in line with the business interests of the Group also, while observing the respective policies of the Group;
- 8.6.3. responding to the invitation to enter an open dialogue with the local communities on intended amendments to their respective legislations by offering insight into possible Group's previous experiences regarding the intended amendments, while observing the applicable laws and regulations, and the Group's best business interests;
 - 8.6.4. creating and maintaining patronage and sponsorship programmes with an aim to invigorate and strengthen civil society in the local communities, while observing all the applicable laws and regulations, Fortenova Group's policies and best business interests;
- 8.7. The employees are encouraged to actively support local community development and civil society initiatives and must observe the policies set forth hereunder in every decision-making process.

Media Relations

- 8.8. The employees shall work with the media for the purpose of informing the public of Fortenova Group's vision, mission, policies and practices in a positive, consistent and credible manner. The highest possible professional standards must be observed in media relations of the Group and the employees must ensure that all the information about Fortenova Group and its activities is provided:
- 8.8.1. timely, fully, comprehensibly, in a responsible and trustworthy manner, while observing the best business interests of the Group;
 - 8.8.2. only after its contents have been duly verified, by employees responsible for such verification;
 - 8.8.3. only by authorised persons who have been given an appropriate prior authorisation to publicly represent the Group; this refers especially, but not exclusively to speeches, participation in conferences, publications or any other form of public presentation.
- 8.9. Should an employee (being a member of the management or supervisory board or being an officer / director) appear in public or take part in any public discussion, including the employee's presence on social media, he or she must keep in mind that he or she might be considered as a representative of Fortenova Group without being authorised to do so; therefore any employee must make it clear that he acts as private person and not on behalf of Fortenova Group in any public appearances he or she makes.

9. CONSUMERS, CLIENTS & SUPPLIERS

Consumers

- 9.1. Consumers' satisfaction is Fortenova Group's main business priority and the consumers are at the centre of the Group's attention. The Group firmly believes that any relationship, including the one with its consumers, needs to be based on mutual trust and respect. In the relationship with the consumers, this trust and respect stems from assuring a certain level of product quality and managing relations with every consumer with due diligence and care, kindly, promptly, and comprehensively.

Product Quality Assurance

- 9.2. Recognising that Fortenova Group's business activities include all the segments of the supply chain – from producing and processing raw materials to supplying our retail network, and providing consumers with our end-product, the Group is firmly committed to ensure that the final goods and services which reach the consumers are of the highest possible quality by:
- 9.2.1. observing applicable quality, health and safety regulations and standards;
 - 9.2.2. continuous monitoring of the safety and quality of products and services with the aim of achieving maximum consumer satisfaction;
 - 9.2.3. continuous investment in research and development;
 - 9.2.4. devising and implementing policies, systems, measures, and procedures intended to ensure high level of quality, hygiene and safety in all segments of the supply chain.
- 9.3. In order to assure the quality of products and services the employees must:
- 9.3.1. be familiar with and abide by the policies, systems, measures, and procedures put in place by the Group to this end, respective of the certain employee's workplace;
 - 9.3.2. actively contribute to improving the level of quality of Fortenova Group's products and services, especially by informing the supervising manager on any concerns and/or ideas they might have regarding a certain product or service, in accordance with the Group's internal procedures.

Managing Consumer Relations

- 9.4. Fortenova Group's main principle in managing consumer relations is to treat every consumer with honesty and respect. In this regard, in consumer relations the employees must always:
- 9.4.1. be familiar with all the relevant laws and regulations as well as the Group's policies, standards and procedures applicable to consumer relations;
 - 9.4.2. respond to any request from a consumer kindly, promptly, and comprehensively, observing the highest standards of etiquette and proper business communication;
 - 9.4.3. respond to any consumer's objection within deadlines and in manner prescribed under applicable laws and regulations regarding consumer protection;
 - 9.4.4. present Fortenova Group's products and services in an honest and forthright manner, without engaging in unfair, deceptive or misleading practices;
 - 9.4.5. provide true and correct information in all communications and refrain from offering, promising or providing anything to a consumer in exchange for an inappropriate advantage for Fortenova Group;
 - 9.4.6. remember not to spread false, malicious or damaging information or rumours about a competitor or their products or smear a competitor in any way;
 - 9.4.7. be ready for an open dialogue with a consumer in any situation; mitigating any open conflicts while observing human rights and dignity of all the parties involved;
 - 9.4.8. treat any consumer-related information as confidential and abide by the appropriate personal data protection regulations.

Clients & Suppliers (Business Partners)

- 9.5. Considering the major role Fortenova Group has in the retail market where it often assumes the position of both a buyer and a supplier of goods and services, the Group is committed to acquiring and providing products and services of the highest quality while

setting objective and transparent criteria under which the Group enters a relationship with a business partner, in an effort to mitigate the risks of endangering fair market competition as much as possible. Therefore, the principles of nonpartisanship and quality control and consumer satisfaction need to be observed in relations with business partners.

Nonpartisanship

- 9.6. Fortenova Group is dedicated to establishing and maintaining transparent and honest relationships with all its business partners, suppliers and clients alike, based on trust, mutual respect and responsible communication; whereas Fortenova Group is committed not to provide any unfair competitive advantage to any of its business partners.
- 9.7. To this end, the Group shall devise, implement and communicate to its business partners certain objective criteria under which Fortenova Group enters a relationship with a business partner. These criteria must be in line with Fortenova Group's business aims and focus on acquiring and providing the best possible product and/or service while avoiding any discriminatory practices.
- 9.8. Namely these criteria shall include:
 - 9.8.1. good reputation, professional qualifications, compliance with all the relevant prerequisites prescribed under law, and adherence to the rules and obligations set forth in this Code;
 - 9.8.2. the size and the type of the business partner, as well as the distribution channel, and the business strategies of Fortenova Group;
 - 9.8.3. Fortenova Group's procurement policies regarding the suppliers, especially in relation to the quality and safety standards of the raw materials which need to meet a certain range of quality and safety.
- 9.9. Business partners are in any case expected to:
 - 9.9.1. be familiar with and understand the ethical requirements and standards set forth in this Code, and ensure compliance thereto of any activities undertaken regarding their business relationship to Fortenova Group;
 - 9.9.2. take no action contrary to the ethical principles and standards laid out in this Code, especially, but not exclusively, if such an action may have negative consequences for Fortenova Group or its reputation and/or business aims,
 - 9.9.3. strive to adopt and promote their own code regulating ethical conduct;
 - 9.9.4. apply the principles, values, standards and procedures set out in this Code throughout their own business activities.

Quality Control & Consumer Satisfaction

- 9.10. Being committed to providing services and products of the highest possible quality, Fortenova Group promotes and applies the same principles and standards of quality control and consumer satisfaction applicable to its own direct consumer relationships to the products and services the Group provides to its clients for further sale.
- 9.11. The Group's quality control systems may, therefore, be at the client's disposal, if this is specifically stipulated in the respective agreement under which the relationship with a certain client is regulated.
- 9.12. In order to ensure proper quality control, the clients are expected in any case:
 - 9.12.1. to fully and openly cooperate with the Group in a manner that enables Fortenova Group to ensure the proper quality of the products and services it provides;
 - 9.12.2. share the information with the Group regarding the Group's products and services, especially if they should become aware of any complaints thereto;

- 9.12.3. immediately cease to distribute any Fortenova Group's products per Fortenova Group's explicit request.
- 9.13. Suppliers need to be aware that the Group applies stricter policies with regards to the quality of raw materials Fortenova Group uses in its supply chain, as well as with regards to products and services Fortenova Group sends further down its own supply chain towards the consumer. Therefore, suppliers are expected to:
 - 9.13.1. allow for the monitoring of their whole supply chain with inspections and controls by the Group or experts selected by the Group, as a part of the Group's quality control systems;
 - 9.13.2. provide complete, truthful, and unambiguous information on their products and services, especially, but not exclusively, regarding the origin, specifications, quantities, and deficiencies thereof;
 - 9.13.3. adopt and maintain a transparent pricing policy which provides a price benchmark for raw materials, products and services that are to be used further down the Group's supply chain.
 - 9.13.4. maintain stable business practices and methods that allow for a long-term relationship to be established;

Managing Relations with the Business Partners

- 9.14. Taking into consideration what has been stipulated hereabove, in the relations with the business partners, the employees must:
 - 9.14.1. abide by all the Group's internal policies, standards, strategies and criteria for entering, maintaining and terminating a relationship with a business partner, especially but not exclusively, the provisions of this Code that regulate the prohibition of corruption and mitigating risks of unwanted influence;
 - 9.14.2. treat all business-related information as confidential until disclosure is approved;
 - 9.14.3. provide timely, adequate, accurate and understandable information on products and services;
 - 9.14.4. ensure that business partners are made aware of and fully understand the ethical principles, standards, rules and procedures set forth in this Code;
 - 9.14.5. continuously monitor, assess and advance products, services, technologies and business processes to ensure quality, safety and innovation at every development, production and distribution stage, respective of their workplace;
 - 9.14.6. ensure that adherence to this Code and other Group's policies, standards, bylaws, procedures, etc. relevant for a relationship with a certain supplier is a condition of every supplier agreement; this may also apply to certain clients if so determined under the criteria for establishing business relationship with the clients according to the applicable Fortenova Group's policies;
 - 9.14.7. observe the highest standards of business communication and etiquette when communicating with business partners, both verbally or in writing, and never provide false or misleading information to business partners, nor communicate speculative opinions or personal views about any business matter.

10. CONFLICT OF INTEREST, ILLEGAL ACTIVITIES AND CORRUPTION

Conflict of Interest

- 10.1. Fortenova Group's employees may become exposed to situations which pose a potential conflict of their private interests and those of the Group. This occurs when a personal relationship, participation in external activities or interest in another venture influences

or could be perceived to unlawfully influence decisions of the employee in a manner damaging for the Group. Such situations must be reported to the respective supervising manager in any case and avoided; and the employees are specifically required to refrain from engaging in activities that interfere with interests of any single Fortenova Group's subsidiary or the Group in general. However, in certain cases, the employees may ask for an appropriate authorisation from their respective supervising manager in order to engage in such a situation.

- 10.2. Considering the possible negative implications that the following situations might have for the Group, the employees must:
 - 10.2.1. not, for their own or any third person's account, conduct business nor participate in any legal transactions carried out in the same or similar domain of business activities performed by Fortenova Group or any of its subsidiaries;
 - 10.2.2. not be a member of nor have any kind of vested interest in a business partner and/or its enterprise, if the employees are in any manner involved in the selection or evaluation of the respective supplier or a client.

- 10.3. In the following cases employees must disclose the potential conflict of interest to their supervising manager and, should they would wish to proceed with their intended activities as described hereunder, obtain an explicit prior written approval before proceeding:
 - 10.3.1. if an employee intends to establish any relations with a person which is in a competition with the Group, in which a conflict of interest can be assumed, prior to establishing such a relationship;
 - 10.3.2. before accepting mandates, positions or memberships with any other business enterprises;
 - 10.3.3. prior to becoming an owner of a controlling share in an external business enterprise in the same domain of business activities as Fortenova Group;
 - 10.3.4. if an employee intends to make a substantial financial investment in a company or other kind of business enterprise that is competing with the Group, so that it could be reasonably assumed that private economic interest might influence employee's judgement regarding the interests of Fortenova Group, prior to making such an investment; furthermore, if an employee is aware that persons closely related to him or her (such as spouses, children, other members of the family or of the same household, etc.) have made or are planning to make a significant financial investment of any kind in a company or other kind of business enterprise that is competing with the Group, and/or in a business partner, the employee must disclose such information to his or hers immediate supervising manager;
 - 10.3.5. if an employee holds a position that provides a possibility to hire, affect the terms of employment, supervise or influence the supervisor of, a person who is closely related to the respective employee; in such case the employee should request a decision from the supervising manager on which course of action would constitute an acceptable conduct compatible with the interests of Fortenova Group;
 - 10.3.6. if an employee should receive payments or other benefits from any third person for public appearance, publications or lectures in the context of their workplace.

- 10.4. Also, employees must disclose any other actions that may represent a potential reputational risk or conflict of interest to the supervising manager, so that the manager may act accordingly.
- 10.5. All action undertaken by the employees which are not in compliance with the hereabove stated shall be deemed as unacceptable conduct and as such regarded to be contrary to the interests of Fortenova Group.

Receiving Gifts, Benefits & Participating in Events

- 10.6. Generally, it is forbidden for the employees, especially, but not exclusively, the higher ranking ones, to receive or give gifts, donations or other benefits with regards to a business relationship involving Fortenova Group; as this may lead to corruption, misuse of power and status, unwanted influence over the Group's respective employee, breach of principles and rules set forth under this Code, or other unwanted and damaging consequences. In this respect it is required from the Group's employees to:
 - 10.6.1. carefully choose the stakeholders outside the Group, such as clients, consultants, and suppliers, for doing business with the Group; evaluating these stakeholders by the criteria of good reputation, professional qualifications, compliance with all the relevant prerequisites prescribed under law, and adherence to the rules and obligations set forth in this Code;
 - 10.6.2. clearly and openly communicate the Group's ethical standards and rules as set under this Code and other Fortenova Group's bylaws, with any person outside the Group, especially, but not exclusively, with suppliers and clients, helping them to understand and commit to these standards and rules;
 - 10.6.3. report to the immediate supervising manager any business partner's activities, solicitations, offers, and any other behaviour which could constitute as a breach of the provisions of this Code, especially, but not exclusively if the employee evaluates that the business partner has an intention to exert influence over any employee;
 - 10.6.4. refrain from soliciting any gifts or benefits from any business partner and report any such behaviour of other employees to the immediate supervising manager;
 - 10.6.5. strictly abide by the rules set forth hereunder for accepting and giving gifts and benefits while avoiding any situation which might jeopardise Fortenova Group's reputation.

- 10.7. Notwithstanding the previous provisions of this Article, the Group recognises that gifts and donations received from the suppliers and clients are, to a certain extent, in line with common business practices; whereas certain rules must be followed in order to mitigate the unwanted consequences and not to jeopardise Fortenova Group's reputation. Therefore, the acceptance of gifts and other benefits by the employees is permitted only if the following rules are observed:
 - 10.7.1. any gifts or benefits which are small or of a symbolic nature, having a total value that does not exceed a certain appropriate amount, which is to be determined on a case-by-case basis by the supervising manager, as e.g. flowers, books, sweets, pens, etc., may be accepted, provided they are not being offered as a way of exerting influence over the employee;
 - 10.7.2. any gifts or benefits, having a total value that could be construed as out of the ordinary or inappropriate in any way, which cannot be rejected in the interest of the business relationship, must be approved by the immediate supervising manager prior to being accepted by the employee; whereas, should such a prior approval not be possible for whatever reason, the reception of such gifts or benefits must be reported immediately to the immediate supervising manager who will decide on whether the gift or benefit may be kept, or donated to charity or returned to the person it was received from;
 - 10.7.3. any gifts or benefits that have been received by the employee must be returned to the person they were received from if a supervising manager assesses that such gifts or benefits have been given with an intention to exert influence over the employee or that the reception of the gifts or benefits may be damaging to

- Fortenova Group in any way, and the business relationship with the person the gifts or benefits were received from must be carefully scrutinised by the corresponding manager, which may result in the termination thereof;
- 10.7.4. tax and other regulations must be carefully observed, and it may be advisable to immediately pass any gift or benefit that might be subject to taxation on to charity organisations to avoid a tax liability;
 - 10.7.5. invitations to business lunches or dinners may generally be accepted, if business interests of Fortenova Group are always apparent and protected.
- 10.8. For invitations to events without a prevailing business character, as e.g. concert, theatre, sport events, other evening occasions and similar events, including seminars and conferences (entertainment) the following rules must be observed:
- 10.8.1. generally, every employee must check whether his or hers participation in such an event is in line with common business practice; this usually means that the host is present, the participation is not frequently repeated, and the cost of travel or accommodation is not borne by the inviting party;
 - 10.8.2. in case of doubt, immediate supervising manager must be consulted for instructions;
 - 10.8.3. in all cases, the immediate supervising manager must be informed.

Granting of Gifts and other Benefits & Extending Invitations to Events

- 10.9. Fortenova Group acknowledges that the granting of gifts and other benefits or invitations to events without prevailing business character (entertainment) are, to a certain extent, in line with common business practices and legitimate means to establish as well as to maintain a business relationship; whereas certain rules must be followed in order to mitigate the unwanted consequences, avoid even the appearance of any conflict of interest, and not to jeopardise Fortenova Group's reputation. Therefore, the following rules must be respected:
- 10.9.1. no gift or benefit should be given or invitation to entertainment made with the intention to obtain improper business advantages or one must be concerned of the appearance of any such intention or conflict of interest;
 - 10.9.2. no gift or benefit or invitation to entertainment should be in conflict with the business ethics and compliance rules and standards of the recipient and/or invitee or local business standards; before making any such gift or invitation for entertainment, each employee must make himself or herself fully aware of such standards and rules;
 - 10.9.3. any granting of gifts or benefits or extending invitations to entertainment must be fully transparent;
 - 10.9.4. in case of doubt, immediate supervising manager must be consulted for instructions; whereas this shall apply especially, but not exclusively for the assessment of whether fees for speeches, publications or services delivered and the pertaining reimbursement of costs are appropriate or not.

Gratuities to Civil Servants and other Public Officers

- 10.10. Civil servants and any person employed in a state body, court, or any other public authority, as well as the civil servants and persons employed in the local and regional self-government, and especially, holders of public offices, representatives of public institutions, members of public services or authorities and politicians, are all mandated with the pursuit of public welfare. Therefore, they should not receive gifts, invitations or other gratuities which might put their independence from business interests into question.

- 10.11. The aforementioned representatives of public institutions as well as members of public services should never receive gifts or other gratuities, which are directed to them personally, be it directly or indirectly. This shall not be the case with gifts or invitations which reflect the proper respect of the public office or political role; whereas these rules shall apply:
- 10.11.1. any such gift or invitation shall be made only by or on behalf of a chief executive officer;
 - 10.11.2. in case of doubt, prior approval of the Ethics Committee must be obtained;
 - 10.11.3. charitable contributions as well as sponsorship payments must remain within the framework of the respective legal system and the current corporate policy;
 - 10.11.4. the applicable laws should be verified and respected in each case.

Illegal Activities

- 10.12. Fortenova Group is fully committed to conducting business in a fair and transparent manner and in compliance with all the applicable laws and regulations. In accordance with the general principle of zero-tolerance policy regarding any illegal business activities, employees or any business partners must neither engage in nor tolerate any kind of unlawful practices, including but not limited to the following:
- 10.12.1. Anti-competitive practices:
When competing on the market, any actions must be conducted in accordance with the norms of free and fair competition and in compliance with the applicable competition laws. Any kind of unfair conduct that could damage any competitor's reputation is unacceptable. Only publicly and legally available information and sources may be used to evaluate a business, a client, a supplier and/or technological trends. Practices that restrict fair competition, such as cartel agreements among competitors, designed to achieve or maintain a monopoly, manipulate markets or fix prices are not tolerated and any misuse of the market position that damages equal opportunities for all the parties will be regarded as a serious breach of ethical principles.
 - 10.12.2. Money laundering:
Fortenova Group does not condone nor facilitates money laundering and is committed to the highest standard of prohibiting any means of concealment of illicit funds, by abiding by all the applicable anti-money laundering laws and regulations and taking all the reasonable steps to assess the integrity of its business partners. Employees should conduct appropriate due diligence regarding business partners and report any suspicious transactions or attempts to make or solicit payments in a manner that deviates from regular business practices.
 - 10.12.3. Fraud:
All the employees are personally responsible for acting in good faith and avoiding all kinds of fraudulent activities, including, but not limited to intentional deception or bypassing relevant rules and regulations. Particular attention should be paid to fighting falsification or concealment of financial or non-financial information for personal gain. Business records, events, documents and transactions must be accurately represented, transparent and available for unbiased evaluation in order to prevent damage or liability for the Group. In order to mitigate these risks, everybody should be alert to any indication of fraudulent activity and voice their concerns to Ethics Committee.
 - 10.12.4. Corruption:
Fortenova Group does not tolerate abuse of power nor engages in any form of corruption or bribery in order to attain unfair advantage or gain. Any kind of

wrongful use of influence to procure personal benefit or benefit for any other person or a group is prohibited, including, but not limited to:

- 10.12.4.1. Active bribery – promising, offering or giving something of value or as a favour to civil servants, government officials or third parties related to the decision makers in order to gain a business advantage;
 - 10.12.4.2. Passive bribery – unlawfully soliciting, demanding, accepting or receiving anything of value or as a favour to provide an advantage in any form in return or as a condition of fulfilling duties or influencing a third party to do so;
 - 10.12.4.3. Indirect bribery – contributing to the intermediary third party committing the aforementioned wrongful doings on behalf of or for the benefit of a corrupted party;
 - 10.12.4.4. Misuse of function or position – pretending to unduly influence someone and by this deception request or receive unlawful advantage or accept a promise of such an advantage;
 - 10.12.4.5. Nepotism – using power or influence to grant positions or unfair advantages to members of one's family or other groups.
- 10.13. The employees must observe the following rules of conduct in order to avoid the situations that could bring to question the Group's policy of zero-tolerance for corruption and other illegal activities:
- 10.13.1. be aware of and abide by any anti-corruption rules and procedures while ensuring that Fortenova Group's business partners, and suppliers understand them and accept them;
 - 10.13.2. avoid any circumstances that may appear as misconduct;
 - 10.13.3. ensure and facilitate only fair and transparent procurement procedures, agreements, compensations and remunerations;
 - 10.13.4. never offer, promise, pay, solicit or accept, directly or indirectly, any improper payment, gift or favour in order to gain business advantage, preferential treatment or to influence business outcomes;
 - 10.13.5. do not attempt to induce, help or permit to someone to do anything illegal or break these rules on behalf of Fortenova Group;
 - 10.13.6. do not intentionally overlook or fail to report any form of corruption or other illegal activity to the supervising manager, or the Ethics Committee, should the supervising manager be involved in such activities

11. THE IMPLEMENTATION OF THE CODE OF ETHICS

- 11.1. Fortenova Group acknowledges that ethical principles, standards, rules and procedures as set forth hereunder can only be achieved through a joint effort and personal responsibility of all the stakeholders and others involved to adhere thereto. Therefore, the Group is committed to establishing effective mechanisms of implementation of this Code, by clearly defining:
- 11.1.1. rights, obligations and roles regarding the implementation of this Code;
 - 11.1.2. publication and the availability of the Code;
 - 11.1.3. system of ensuring compliance with this Code;
 - 11.1.4. sanctions for any breaches of this Code.

Rights and Obligations of the Employees

- 11.2. The employees are primary stakeholders regarding the implementation of this Code. Therefore, the employees must:

- 11.2.1. be familiarised with the provisions of this Code in details;
 - 11.2.2. be aware that the Code shall be implemented in the business operations of the Group also as an internal employment regulation having full legal effects and thus establishing rights and obligations for the employees within the context of their employment relationship with the Group;
 - 11.2.3. strictly apply the provisions of the Code in the context of their workplace and act in a manner that is consistent with ethical guidelines provided by the Code, as well as with all applicable laws and regulations;
 - 11.2.4. promote the awareness of this Code and the implementation thereof in relation to any other stakeholder.
- 11.3. All the employees are encouraged to raise questions and concerns should they have any doubts regarding the proper way to act ethically in ambiguous situations and/or regarding the proper manner of implementing this Code.
 - 11.4. If an employee becomes aware of or suspects a potential violation of laws, regulations or the Code, he or she is obligated to report such potential violation immediately. With regards to reporting any unethical behaviour, the reporting person must respect the rights of the person reported on, and not disclose personal information to any third parties not concerned with the ethical compliance issue in question.
 - 11.5. Should the employees have concerns regarding the implementation of the Code, employees may seek advice on the right course of action from their immediate supervising manager or from the Ethics Committee. Employees, who in good faith, voice their concerns or report non-compliance with this Code in any way, may not be exposed to retaliation based on this communication, even if the concern proves to be unfounded.

Employees in Managerial Positions

- 11.6. Employees who are in any sort of managerial position within the Group (meaning that their main job responsibilities include managing the work of other employees) are expected to assume greater responsibility for ensuring proper implementation of this Code than other employees. Therefore, employees in managerial positions must always:
 - 11.6.1. lead by example in personal commitment to ethical conduct, and remain fully compliant to this Code in everyday work, without any exceptions;
 - 11.6.2. work on developing and maintaining a corporate culture based on principles, standards, rules and procedures as set out in this Code;
 - 11.6.3. take an effort to ensure that the principles and requirements of the Code are known and understood by persons whom it may concern and provide advice and education if necessary;
 - 11.6.4. continuously monitor the compliance with ethical principles, standards, rules and procedures established hereunder.

Publication and Availability of the Code of Ethics

- 11.7. This Code must be publicly available to all the stakeholders and all those who are in any other way a part of or have business relations with Fortenova Group.
- 11.8. New employees will receive the Code as an integral part of documentation provided by the Group as an employer, upon joining the Group.
- 11.9. The Code shall be published on the internal webpages and be made available on the bulletin board of Fortenova Group and its subsidiaries.
- 11.10. The Code shall enter into force and have full legal effects 8 (eight) days from the date it had been published on the Group's webpages.

Monitoring of Compliance with the Code of Ethics

- 11.11. Each business function of Fortenova Group shall be authorised and obligated to control the implementation of this Code and ensure all the business activities within the Group are done in compliance therewith.
- 11.12. Ethics Committee shall be formed for handling the reports on any behaviour that is unethical and/or in any way non-compliant with this Code (“*unethical behaviour*”) and it shall consist of 4 members: Head of HR, Head of Internal Audit and Risks, BoD Member and one Independent Member who shall be an external member with the relevant knowledge regarding the respective matter.
- 11.13. The Ethics Committee shall assume the following rights and obligations:
- monitor the implementation of the Code of Ethics, prepare reports and evaluate risks regarding ethical matters;
 - ensure that each employee adheres to the Code of Ethics;
 - receive complaints about unethical behaviour and conduct the due procedure based on the received complaints;
 - propose the Rules of Procedure of the Ethics Committee;
 - propose appropriate measures and/or sanctions regarding ethical matters to the Executive Directors of Fortenova Group;
 - assist the employees and other stakeholders with the implementation of the Code of Ethics;
 - ensure the protection of employees who, in good faith, report any unethical behaviour.
- 11.14. Every stakeholder may submit a complaint of unethical behaviour regarding the business operations of Fortenova Group:
- via e-mail to the address: eticko.povjerenstvo@fortenovagrupa.hr; or
 - by post to the address: For Ethics Committee of Fortenova Group, Republic of Croatia, 10 000 Zagreb, Marijana Čavića 1, with remark: “Do not open”;
 - by calling the phone number with an answering machine: +385/1/237-2555.
- 11.15. The complaints submitted to the Ethics Committee must contain a detailed explanation describing the nature of the unethical behaviour that caused a complaint with an exact factual description of this unethical behaviour; otherwise they shall not be taken into consideration. If possible, evidence may be enclosed to the complaint or suggested by the submitter.
- 11.16. The procedure ensuing a submission of a complaint shall be prescribed in more details under the Rules of Procedure of the Ethics Committee.

Sanctions of non-compliance with the Code of Ethics

- 11.17. One or more of the following measures may be implemented, in accordance with the Rules of Procedure of the Ethics Committee in case of violation of the Code of Ethics:
- a warning letter;
 - an order to correct the violation of the Code of Ethics;
 - a written warning emphasising the possibility of termination of the employment contract;
 - a termination of employment contract
 - a pecuniary fine;
 - possible criminal prosecution may be initiated against the perpetrator of unethical behaviour, in accordance with the applicable legislation.
- 11.18. Should an employee submit a complaint due to unethical behaviour or report a violation of ethical norms knowing that no Code breach was committed or that the breach was

committed by the person other than the one reported, ethical procedures may be initiated against that employee in accordance with the Rules of Procedure of the Ethics Committee. Fortenova Group will not tolerate any retaliation against persons reporting ethical compliance issues in good faith and will investigate any allegations of retaliation. If someone is found to be responsible for retaliation against the individuals who report suspected ethical breaches, they will be subject to an ethical procedure in accordance with the Rules of Procedure of the Ethics Committee.

Management Board of Poslovni sistem Mercator d.d. adopted document The Code of Ethics of Fortenova Group at its 24th session on September 20th, 2021.