

Anti-Corruption Policy

The logo for HOVE is a dark blue rectangle with a white, wavy top edge. The word "HOVE" is written in large, white, bold, sans-serif capital letters across the center of the rectangle.

HOVE

Anti-corruption Policy

Main aim for this policy:

The purpose of this policy is to establish guidelines to ensure compliance with all applicable anti-bribery and corruption regulations, and to ensure that Hove A/S business is conducted in a socially responsible manner.

At Hove, we strive to comply with the 10th principle of the UN Global Compact based on the UN Convention against corruption and adhere to all applicable laws in the countries we operate in.

Hove wants to ensure that we act professionally, ethically, transparent and with highest level of business integrity as possible.

This policy covers:

- Business Integrity
- Hospitality, gifts, and donations
- Shapes of corruption
- Intermediaries & lobbyists
- Corruption and Social investments
- Conflict of interest and insider information
- Be aware and be critical
- Violation of the policy

Scope of the policy

The policy applies to all Hove's employees, the management of Hove, contractual employees, and its subsidiaries. Hove furthermore expects that all our business partners and suppliers are adhering to and respecting our policy as well. If you, as an employee, are ever in doubt about how to act, what to buy, how to proceed, it is important that you confer with your immediate manager about it.

In this policy, **thirds party** means any individual or organisation you encounter during your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians, and political parties.

Definitions

What is corruption?

Any illegal or inappropriate behaviour aimed at gaining an unfair advantage through fraud. Because corruption can take numerous forms, it is explained further below.

What is a gift?

A gift can be of any monetary value, form, or size. A gift is given or received without any expectation of a direct return or contractual obligation. It can take the form of a physical item, such as tickets, flights, gift cards, restaurant visits, and so on.

Acceptable gifts:

- Occasional, modest gifts, commercial articles, chocolate, flowers for Christmas and jubilees
- Occasional dinners with business connections tied closely together with business-related work
- Tickets for arrangement, cinema, and the like, where the gift-giver is also present

Unacceptable gifts:

- Gifts or advantages, which is deemed to change the objectivity in decision-making related to the gift giver
- Gifts where there is an expectation of getting something in return (a quid pro quo)
- Personal favours or grants
- All forms of favours of unethical character
- Loans
- Expensive things like a smartphone, jewellery, weekend retreat or other luxurious things
- Travels offered that is not tied to a business-related content

The abovementioned activities can be accepted under certain circumstances:

- If your manager accepts it *and*
- The travel has unequivocal professional content *and/or*
- The collective value of the expense is not in deep contrast with the professional purpose

Requirements:

1. Business Integrity:

- 1.1 It is expected that anyone acting in Hove's name take responsibility and act with integrity in all business transactions and obey this policy

2. Hospitality, gifts, and donations:

- 2.1 Employees at Hove are always allowed to accept invitations from current and future partnerships, which is viewed as a legitimate way to strengthen business connections (i.e. dinner, cultural or sport events, receptions, or the like). Nonetheless, if such events are not viewed to have a professional agenda, where the connection or partner is not participating, or if the arrangement is not of a modest character, or expected to be paid back, you kindly must reject the invitation. All activities therefore must have a clear business-reason, before attending.
- 2.2 Travel and accommodation should always be paid by Hove A/S unless it is cleared with your manager.
 - 2.2.1 The total cost of the travel and accommodation should be within a reasonable amount.
 - 2.2.2 Travels and payment for accommodation for the party invited can only be made under certain circumstances, this must be aligned with your manager.
 - 2.2.3 If you are unsure if accepting a gift is suitable, please consult the definition of an acceptable or inappropriate gift above.
 - 2.2.4 If you find yourself in a scenario where you cannot reject the present, you must immediately notify Hove A/S' management, who will be in charge of lawfully addressing the matter.
- 2.3 In any given situation, always keep an eye out for red flags. Red flags are signals where you need to apply specific precaution before proceeding.

3. Shapes of corruption

- 3.1 Facilitation payments are illegal. Facilitation payments are characterized as bribe and can be defined as unofficial fees.
 - 3.1.1 Avoid facilitation payments by asking for a receipt of the transaction. Prior to your travel, check if the destination country has ratified the UN Convention of Corruption. If so, facilitation payments are illegal.
- 3.2 Bribery is illegal. Bribery is offering, giving, soliciting, or receiving an item of value, which is meant to influence the action of an individual holding a public or legal duty.
- 3.3 Nepotism is illegal. Nepotism is defined as favouring friends, relatives, especially when securing them employment.

- 3.4 Extortion is illegal. Extortion is defined as the act of obtaining something using force, threats, or blackmailing.
- 3.5 Patronage is illegal. Patronage is using one's authoritative power to favour or control the appointments within the office or the right to privileges.
- 3.6 Kickbacks are illegal. A kickback is related to the secret or illicit payment in exchange for an improper service or preferential treatment.

4. The use of intermediaries and lobbyists

- 4.1 Always do a proper background check of intermediary or external lobbyist before signing a contract in order to avoid any adverse selection.
- 4.2 Make sure that all agreements between you and the external party is in writing.

5. Corruption and Social investments

- 5.1 Always be cautious if you are offered to invest in a Social Investment. Inquire what the interests of those offerings are and whether your contribution would affect the outcome of the public officials' choice of suppliers.

6. Conflict of interest and insider information

- 6.1 As an employee of Hove A/S, you cannot be engaged in any direct or indirect activities which could create doubt about your judgement of the objectivity of your work. Your decisions should be made based on what serves the interest of Hove A/S, and not what advantages or disadvantages it will create for you personally.
- 6.2 Use your common sense and judgement and if in doubt, confer with your immediate manager.
- 6.3 Making use of knowledge or managerial power received in Hove A/S to gain direct or indirect profit creates a conflict of interest and must be refrained from.
- 6.4 Insider information creates a clear conflict of interest. If you experience anything that could be characterized as insider information, please do not hesitate to contact your immediate manager.
 - 6.4.1 Insider trading is a strong violation against UN's convention on corruption, as well as national criminal law.

7. Be aware of and be critical

- 7.1 If you experience behaviour from colleagues or business partners that you deem to be against the Anti-Corruption Policy, you are obliged to report this to your immediate manager, management, and Board of Directors.
- 7.2 In such an event, you are not expected to be able to present evidence or documentation, but you must be able to describe the reason and the foundation of our concerns.
- 7.3 No employee should fear reprisals because of the information provided to management. There will be no negative consequences related to the terms and conditions of your employment.

8. Violation of the policy

- 8.1 Hove expects management to take the necessary steps in case violations are being reported or surface, which potentially could lead to a dismissal of the employee.