

Nelly NLY AB

Whistleblower Policy

1. INTRODUCTION

Acting openly, honestly and responsibly is an important part of the culture of Nelly NLY AB ("**Nelly**"). We therefore expect employees and consultants, business partners and others with whom Nelly has contact or does business with and who have serious suspicions about impropriety, fraud, corruption, or other unsatisfactory states of affairs in Nelly's operations to step forward and talk about these suspicions. To allow people to report potential infringements and offences, Nelly has a whistleblowing process that is described in this policy. This policy is applicable to all employees of Nelly, including any and all candidates, trainees, hired staff, volunteers, secondees, interns, agency workers, consultants and members of management pursuant to the Swedish Whistleblowing Act (Sw. *Lag (2021:890) om skydd för personer som rapporterar om missförhållanden*), who will hereafter be referred to as employees.

The aim of this policy is to assure all of our employees that they can raise matters concerning Nelly without fearing a negative treatment or reprisals. Employees must feel confident that reports made in accordance with this policy are taken seriously and managed both professionally and confidentially.

2. WHAT IS WHISTLEBLOWING?

It is usually the employees, those who are close to day-to-day operations, who first realize that something is not right. Nelly encourages employees to raise issues relating to suspicion of unsatisfactory states of affairs for discussion. It is unacceptable for us to turn a blind eye to serious incidents and suspicion of behavior that is detrimental to trust or other infringements.

Some employees may not dare step forward and talk about their suspicions as such actions may feel disloyal to colleagues and/or the employer or that may be concerned about reprisals as a consequence of making such a report. Nelly wants to encourage employees to step forward and report suspicions about serious infringements. The aim is to make management aware of potentially illegal acts and/or acts that are detrimental to trust.

3. WHAT TYPE OF INFRINGEMENTS MAY BE REPORTED?

Infringements (Sw. *missförhållanden*) often mean 'impropriety', which is a generic term comprising acts of various types such as illegal, unethical, and illegitimate acts, for which there is a public interest of these being disclosed, for instance:

- a) an illegal act, whether it is a civil or criminal offence;
- b) a breach of Nelly's Code of Conduct or infringements that entail potential harm to Nelly's reputation;
- c) a serious threat to the environment or health and safety;
- d) unfair discrimination in connection with employment or provision of services;
- e) unprofessional behavior or behavior that does not meet established standards;
- f) abuse of authority for impermissible or concealed purposes;
- g) doubtful accounting and auditing practice;
- h) bribes and corruption;
- i) breach of any applicable EU-law;
- j) action that creates a conflict of interests or disqualification; and
- k) other acts that must be regarded as serious infringements.

This is not exhaustive. It aims only to indicate the type of action that may be considered to be inappropriate. Infringements under this policy does not include general dissatisfaction with an employee's personal working conditions or terms of employment, nor should reports under this policy be made for infringements that solely concern the reporting persons own working- or employment conditions. Crimes against an individual person or property, such as assault or burglary, should immediately be reported to local law enforcement personnel.

4. HOW DO I REPORT AN INFRINGEMENT?

An employee covered by this policy who, in a work-related context, notices suspected or actual occurrence(s) of infringements in the business of Nelly can report it through the internal reporting channels. Reports to the internal channel can be made in writing by e-mail or by letter/post as well as verbally by a voice message sent by e-mail.

E-mail: whistleblowing@nelly.com

Letter/post: Nelly NLY AB, attn.: Agneta Haglund, HR Manager and Fredrik Emanuelsson, Accounting Manager, Box 690, 501 13 Borås, Sweden

An employee covered by this policy who attempts to report suspected or actual occurrence(s) of infringements directly to a manager or otherwise through the incorrect channel will be instructed to instead report through the correct internal channel.

A report under this policy can be done both in writing and verbally. Upon request, a report can also be made verbally in a physical or remote meeting, which is to be set up within a reasonable timeframe upon such request.

Furthermore, a report under this policy can be made:

- a) *Openly*: This means that you give your name and let the persons involved know who has raised the matter.
- b) *Confidentially*: This means that you give your name on condition that it is not disclosed without your prior consent.
- c) *Anonymously*: This means that you do not give your name and you therefore remain anonymous. Please note that reports made anonymously may only be made by voice message or by ordinary post to the specified recipient.

Reports that are made verbally will be documented and Nelly will keep minutes of the report or, upon prior consent from the whistleblower, a recording of the report. Reports that are made verbally through the internal channel may also be documented by a transcript of the report. The whistleblower will be offered the opportunity to check, rectify and agree to the minutes or transcript by signing them.

Written reports and minutes, recordings or transcripts of verbal reports will be stored by Nelly for no longer than what is necessary and will be deleted no later than two years after the follow up on the report has concluded.

5. INFORMATION THAT SHOULD BE INCLUDED IN A WHISTLEBLOWING REPORT

- a) What has happened? Please be as detailed as possible in your description.
- b) When and where did it happen?
- c) Who was involved?
- d) Can this be expected to happen again. If so, when and where?
- e) Who else knows about the above or has access to relevant information?
- f) Is there any documentation or are there other facts that can be used as evidence?
- g) Is there any other information that may be relevant or necessary for the investigation?

6. WHAT ACTION WILL THE COMPANY TAKE?

Nelly will be receptive and act on suspicions of infringements that come under this policy. When Nelly has received a report on suspicion of infringements, the employee making the report will receive confirmation that the report has been received by Nelly no later than seven days after the report was received, unless the employee

states that he or she does not want to receive confirmation, or this may reveal the employee's identity. To protect everyone involved, an introductory investigation will be conducted by an impartial group of specially appointed persons within Nelly consisting of Agneta Haglund, HR Manager and Fredrik Emanuelsson, Accounting Manager. A decision will then be made on any full investigation and in applicable cases also on the form the investigation will take. If immediate action is required, this will be taken before the investigation is conducted. The general principle that Nelly will apply is to act in accordance with what is best for the company, its employees and its shareholders. Where deemed appropriate, the impartial group may involve the assistance of HR, the chief financial officer, the director of governance, risk and compliance or other functions within Nelly, or involvement by an independent auditor or other external party or an independent inquiry.

The impartial group will provide the whistleblower with final feedback on the investigation and the measures taken during the follow up and the reasons therefore within three months from the acknowledgement of the receipt or, if no acknowledgement was sent to the whistleblower for reasons not relating to the whistleblower, three months from the expiry of the seven-day period after the report was made.

Acknowledgement of receipt, requests for further information, final feedback, and other communications between the impartial group and the whistleblower will be carried out through the internal channels.

Nelly's action will vary according to the nature of the incident. Suspicions that are reported may be archived and either investigated internally or passed to the police or any other appropriate external authority.

7. PROTECTION OF THE WHISTLEBLOWER

Nelly is aware that it may be difficult to report a problem, in particular on account of fear of reprisals by those accused of impropriety. Therefore, we do not tolerate harassment or bullying and will take action to protect everyone who reports their suspicions in good faith. Retaliation in any form is prohibited against a whistleblower who has used the internal channels to genuinely report suspected or actual occurrence(s) of irregularities noticed in a work-related context in the business of Nelly. Retaliation against such whistleblower will not be tolerated and anyone who retaliates against the whistleblower will be subject to disciplinary measures and may be at risk of termination of services or employment.

Where possible, the identity of the whistleblower will not be revealed unless this is required for the investigation or if the law so demands. Personal data included in reports will only be available for the impartial group and will be processed by them only to the extent it is necessary to follow up on the report. The identity of the whistleblower is protected by confidentiality, meaning that the identity of the whistleblower or other individuals involved in the matter may not be disclosed to any unauthorized party. Where it is necessary for the follow up on the report and the subsequent investigations, information that may reveal the identity of the whistleblower and other individuals involved in the matter may be shared only with those who strictly need the information for such follow up and investigation. The impartial group will inform the whistleblower prior to sharing any information that may reveal the identity of the whistleblower, unless informing the whistleblower would jeopardize the follow up on the report and the subsequent investigations.

Written reports and documentation of verbal reports will be retained for as long as is necessary, but never for more than two years after a follow-up investigation has been concluded. Personal data in a whistleblowing matter will be processed in accordance with the EU 2016/679 General Data Protection Regulation (GDPR) as complemented by the Swedish Whistleblowing Act. Further information on Nelly's processing of personal data in whistleblowing matters are available in [Appendix 1](#).

8. FALSE AND MISLEADING ACCUSATIONS

It is important for anyone who is considering making a report to ensure that it is well-founded. No accusations may be made malevolently or in the knowledge that they are false. Nelly will regard each intentional submission of false or malevolent reports by an employee of Nelly as a serious disciplinary breach. Furthermore, employees reporting infringements will only be protected by the provisions of the Whistleblower Act if the employee reporting via the procedures set out in this policy had reason to assume that the reported information was correct at the time of reporting.

9. WHEN MUST THE WHISTLEBLOWING PROCESS NOT BE USED?

The whistleblowing process must not be used for:

- a) personal conflicts or disagreements, dissatisfaction with bonuses/performances, dissatisfaction with tasks assigned and similar matters;
- b) evil intentions and reporting colleagues or managers for no reason; or
- c) matters that should appropriately be reported to HR, for example suspicions relating to colleagues with health and behavioral problems or similar.

10. EXTERNAL REPORTING AND PROCEDURES

Nelly encourages individuals covered by this policy to use the internal channel to report suspected or actual occurrence(s) of infringements. However, a whistleblower may also choose to report such matters without risking retaliation if reports are made through external channels established by competent local authorities or through external channels established by competent institutions, bodies, offices, or agencies of the European Union (referred to as a "Union Body").

When reporting through an external channel established by a competent local authority or a competent Union Body, the relevant authority or Union Body will have procedures for the external channel and for the receipt of and follow up on reports.

For information on competent local authorities with external channels in Sweden and their relevant areas of responsibility, please refer to the at each time applicable schedule to the Regulation on Protection for Persons Reporting on Irregularities (Sw. *Förordning (2021:949) om skydd för personer som rapporterar om missförhållanden*). The Regulation and schedule can be accessed via this link or via the Swedish Government's webpage, www.riksdagen.se.

11. CONSTITUTIONAL RIGHTS

Everyone has the principal freedom to obtain and communicate information to the press or the media anonymously or under protection of confidentiality without risking retaliation from the government or from the authorities. These fundamental freedoms are set out in the Freedom of the Press Act (Sw. *Tryckfrihetsförordningen*) and in the Fundamental Law of Freedom of Expression (Sw. *Yttrandefrihetsgrundlagen*).

12. FOLLOW-UP AND IMPLEMENTATION

The content of this policy ought to be annually revised by HR and updated versions of the policy shall be revised and approved by Nelly's Board of Directors. All managers with responsibility for staff are responsible for ensuring that this policy is known and complied with within their department/area of responsibility. All employees have access to Nelly's policies, instructions, guidelines, and similar documents via Nelly's intranet.

Nelly NLY AB

Privacy Notice in relation to the Whistleblowing Matters

1. INTRODUCTION

Whistleblowing made through, or other information relating to, the whistleblowing system and procedures implemented within Nelly NLY AB ("**Nelly**", "**our**", "**us**") will contain personal data.

Personal data is any information that can be linked directly, or indirectly when combined with other data, to a living person. This means that widely differing data constitute personal data, e.g. name and contact details, as well as details and information about the suspected infringement reported through the internal reporting channels. When you have not given us your personal data yourself, we could have received the personal data from another person e.g. the person who have submitted a report through the whistleblowing system or in other ways given the personal data in connection with the investigation or follow-up of an alleged infringement.

We may process personal data about you if you:

- submit a report, i.e. if you are the whistleblower;
- are the subject of a report, i.e. the person suspected of the alleged infringement;
- is a potential witness of the alleged infringement; or
- in other ways is affected by or connected to the alleged infringement or relevant to the investigation of such infringement.

It is important to us that we process your personal data responsibly and securely and in accordance with applicable laws. This privacy notice describes how we process your personal data in connection with whistleblowing and what rights you have in connection with it.

2. WHAT PERSONAL DATA DO WE PROCESS ABOUT YOU, WITH WHAT LEGAL BASIS, FOR WHAT PURPOSES AND FOR HOW LONG?

2.1 Administrate and investigate reported infringements

The personal data collected through the internal whistleblowing channels or other information relating to the alleged infringement is processed to administrate and investigate the allegations submitted to handle irregularities in accordance with what is set out in our Whistleblower Policy.

Categories of personal data	Legal basis
<ul style="list-style-type: none"> • Information on who has submitted the report, the individual suspected of the alleged infringement, possible witnesses or individuals in other ways affected by or connected to the alleged infringement or relevant to the investigation of such infringement • Contact information to the individuals mentioned above (e.g. name, position, e-mail and phone number) • Details on the alleged infringement • Information relating to the follow-up of the alleged infringement 	<p><i>Legal obligation.</i> We are obliged under the EU whistleblowing regulation to implement internal reporting channels (i.e. whistleblowing systems) and follow-up procedures. The legal basis for the processing of personal data is the legal obligation to implement such system and procedures.</p>
<p>Retention period: Personal data that is obviously irrelevant to the processing of a particular whistleblowing report will not be processed by us. If such personal data have been collected by mistake, they will be deleted without undue delay.</p>	

Personal data that is processed in connection with the whistleblowing system will be erased without undue delay when the personal data is no longer necessary in relation to the purpose, i.e., (i) when a reported person is no longer a suspect for any infringement or (ii) when appropriate measures have been taken against a reported person, and always provided the personal data must not any longer be stored under applicable legislation. Written reports and documentation of verbal reports will be retained for as long as is necessary, but never for more than two years after a follow-up investigation has been concluded.

If we have disclosed personal data to law enforcement authorities or other third parties processing the personal data in capacity of controller, such third parties may process the personal data also after our erasure.

2.2 Administrate and investigate HR related implications

The information discovered in connection with reports submitted through the whistleblowing system may also give rise to certain HR related implications, such as e.g. disciplinary actions. In such case, the personal data is processed for the purpose of carrying out such HR related implications.

Categories of personal data	Legal basis
<ul style="list-style-type: none"> Information on who has submitted the report, the individual suspected of the alleged infringement, possible witnesses or individuals in other ways affected by or connected to the alleged infringement or relevant to the investigation of such infringement Contact information to the individuals listed above (e.g. name, position, e-mail and phone number) Details on the alleged infringement Information relating to the follow-up of the alleged infringement 	<p><i>Legitimate interest.</i> The processing of your personal data is based on our legitimate interest of identifying and duly dealing with irregularities or wrongdoings.</p>
<p>Retention period: The personal data that is processed for the purposes of administrating and investigating HR related implications will be erased without undue delay when the personal data is no longer necessary in relation to the purpose, i.e., (i) when a reported person is no longer a suspect for any infringement, or (ii) when appropriate measures have been taken against such person.</p> <p>If we have disclosed personal data to law enforcement authorities or other third parties processing the personal data in capacity of controller, such third parties may process the personal data also after our erasure.</p>	

2.3 Establish, exercise and defend legal claims

For the purpose of establishing, exercising and defending legal claims (e.g. in connection with a HR related implication or due to other information collected through the internal whistleblowing channels) we may process your personal data.

Categories of personal data	Legal basis
<ul style="list-style-type: none"> All information mentioned above in Sections 2.1–2.2 relevant for the legal claim. 	<p><i>Legitimate interest.</i> The processing of your personal data is necessary in order to fulfil our legitimate interest to establish, exercise and defend a legal claim.</p>
<p>Retention period: The personal data will be processed as long as necessary to establish, exercise or defend the legal claim and as long as there is a statutory limitation period to store the information (depending on the legal claim), which is usually ten (10) years from the date on which the legal claim arose.</p> <p>If we have disclosed personal data to law enforcement authorities or other third parties processing the personal data in capacity of controller, such third parties may process the personal data also after our erasure.</p>	

3. TO WHOM DO WE SHARE YOUR PERSONAL DATA?

3.1 General

Where necessary in order to achieve the purposes set out in Section 2, we may disclose personal data to law enforcement authorities, independent auditors or external advisors for the purposes required to duly handle any reported wrongdoings, such as conducting investigations or seeking legal advice. Please note that we only will share your personal data with entrusted actors and only to the extent necessary.

3.2 Data processors acting on behalf of us

Our IT suppliers and other partners who manage personal data on our behalf, so-called data processors, must always sign an agreement with us so that we can ensure a high level of protection of your personal data with them as well. Specific safeguards are implemented with regard to partners outside the EU/EEA, such as entering into agreements that include the standard model clauses for data transfer adopted by the EU Commission and which are available on the EU Commission's website.

The data processors that may need to access your personal data are e.g. external partners that performs tasks on our behalf, e.g. to supply IT services or to assist us with providing the whistleblowing system.

If we share your personal data with a recipient who is an independent data controller for their processing of your personal data, e.g. a public authority, the recipient is responsible for the lawfulness of the processing in question.

4. SECURITY FOR THE PROTECTION OF PERSONAL DATA

We safeguard your personal data with a high level of security and to this end have implemented appropriate technical and organisational security measures to protect your personal data from unauthorised access, change, dissemination or destruction.

For instance, the handling of the personal data is restricted to competent persons who handle reports and investigate suspected irregularities. We will treat all information in reports made through, or other information relating to, the whistleblowing system as confidential and sensitive. The identity of the individual that submitted the report is protected by confidentiality, meaning that no information provided by such individual may be disclosed. Where it is necessary for the follow-up on the report and the subsequent investigations, information that may reveal the identity of the whistleblower and other individuals involved in the matter may be shared only with those who strictly need the information for such follow up and investigation.

5. YOUR RIGHTS

You have certain rights in relation to us. These are set out in general below. If you want to claim any of these rights, or get more information, please contact us via the contact details listed in Section 6 below:

- Right of access (register transcript) – a right to information about our processing of your personal data and access to it.
- When the personal data have been collected, the person or persons concerned by a report in the whistleblowing system will also receive specific information thereon, except where this could jeopardize the investigation of the matter.
- Information must also be provided to anyone who makes a request for information as to whether there is personal data registered about him/her. Information, or the reason for not disclosing requested information, shall as a main rule be provided without undue delay and within one month after the date on which the request was made. However, the information must not disclose the identity of the person who submitted the report.
- Right to rectification – a right to have erroneous data rectified and partial data completed.
- Right to object – a right to object to our personal data processing about you if it takes place based on a legitimate interest.
- Right to erasure – a right to have your personal data erased under certain circumstances unless the data is necessary for a particular purpose or there is another legal ground for the processing.

- Right to restriction of processing – a right to request that personal data processing is restricted, e.g. if you contest the accuracy of the data. Our access to the data is restricted while the accuracy of the data is investigated.
- Right to data portability – a right to request that personal data are transferred from one data controller to another. This right is restricted to personal data that you have supplied to us yourself.

Any request shall be sent to the HR Manager. We may lawfully choose not to adhere to such a request if we have an overriding legitimate ground for the processing, or for the establishment, exercise or defence of a legal claim or if we have another lawful ground to continue the relevant processing.

If you have any complaints about how we process your personal data, or would like further information, please contact us via the contact details below. You also always have the right to file a complaint to the relevant supervisory authority about how we process your personal data. The Swedish Authority for Privacy Protection (IMY) is the supervisory authority in Sweden: www.imy.se.

6. CONTACT DETAILS FOR THE DATA CONTROLLER

Nelly NLY AB reg. no. 556653–8822 is the data controller for the processing of personal data described in this policy.

Postal address: Box 690, 501 13 Borås, attn.: Agneta Haglund, HR Manager and Fredrik Emanuelsson, Accounting Manager

Visiting address: Lundbygatan 1, 506 30 Borås.

E-mail: agneta.haglund@nelly.com / fredrik.emanuelsson@nelly.com.

Telephone: +46 700 80 77 91 / +46 722 44 44 14