

HydraSpecma Whistleblower System and Policy

Whistleblower system

We, at HydraSpecma, encourage all stakeholders to speak up about any misconduct, such as business crimes, human rights violation or clear and serious violations of internal guidelines and policies of HydraSpecma and report it to our whistleblower hotline. The Whistleblower hotline is an internet-based reporting tool hosted by a third party, EQS group A/S (Got Ethics A/S). All information is kept strictly confidential, and all concerns can be raised without fear of retaliation.

[LINK TO HYDRASPECMA WHISTLEBLOWER SYSTEM](#)

All reports made via the whistleblower hotline will initially be received by two senior persons within the Schouw & Co. Legal & Compliance function, one of them being an executive member of the management and the other being the General Counsel of Schouw & Co. ("Legal & Compliance"). Legal & Compliance reviews all incoming reports, and distribute them to HydraSpecma for further and correct processing on-site.

Purpose of Whistleblower application

HydraSpecma is committed to high ethical, moral, and legal standards in all of our business activities and to promoting and supporting a culture of honest and fair behavior, corporate compliance and good corporate governance.

To maintain these standards, HydraSpecma encourages its directors, management, employees, and external stakeholders who have concerns about suspected misconduct to come forward and express these concerns without fear of retaliation or unfair treatment.

The overall purposes of the whistleblower scheme and associated processing of data are:



- I. To prevent and investigate any suspected illegal or criminal actions and any clear and serious violations of internal guidelines or policies of HydraSpecma
- II. Given our international organization and partnerships with different cultures, to undo barriers which could prevent information from being relayed to HydraSpecma and thus acted upon, assuming that some employees or other stakeholders without a whistleblower scheme may refrain from sharing with the organizational information on behavior which indicates some of the above activities
- III. To highlight the importance of a consistent high level of credibility towards the HydraSpecma's shareholders, existing and future employees, customers, vendors, and other stakeholders
- IV. To provide a formal and secure procedure protecting individuals that choose to come forward under the whistleblower scheme.

The whistleblower scheme does not suspend or act as a substitute measure for the usual communication between employees and management throughout the organization and/or between the organization and its external stakeholders.

Roles and responsibility:

The overall responsibility and ownership, as well as design, of the Whistleblower system and Policy lies with our owners, Stock Company Schouw & Co. The Whistleblower System and Policy applies to all prospective and current employees of HydraSpecma as well as visiting customers and stakeholders.

Policy Authorized	Policy Owner	Last review	Next review
Morten Kjær Group CEO	Daniel S. Andreasen Head of Group Strategy & ESG	11/06 - 2024	11/06 - 2025

	
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HydraSpecma Whistleblower principles

We, at HydraSpecma, find it important that we behave according to our values, our policies, and general legislation, why we have established a third-party whistleblower policy and system in conformity with our owner Schouw & Co. This allows us to intervene if something unethical or criminal were taking place.

We, at HydraSpecma, take such matters serious, why we endeavor to observe human rights and to treat our employees with dignity and respect, and we support and respect the protection of internationally proclaimed human rights.

We, at HydraSpecma, aim to be a responsible employer and to provide proper employment conditions, healthy and safe working conditions, and a motivational working environment for our employees.

We, at HydraSpecma, have built a reputation of a company maintaining a high degree of integrity and ethical conduct, and we combat all forms of corruption, including bribery and facilitation payments.

We, at HydraSpecma, recognize the environmental impact of our production processes, and work to protect the environment and to reduce our emissions continuously relative to our production output.

We, at HydraSpecma, believe that by being a value-driven corporation and with good sense for humanity, forms the foundation for a pleasant, good, and safe working environment.

Scope of application

Who can report a concern

Whether you are an employee, a board member or member of the executive management of HydraSpecma or otherwise a stakeholder of HydraSpecma (such as a customer, vendor, representative, client, agent, or shareholder) you may submit information by using the whistleblower hotline ([Link](#)).

Anonymity

To provide HydraSpecma with the best possibilities to process any information submitted under the whistleblower hotline, HydraSpecma recommends that you disclose your identity towards the organization. However, it is entirely up to you whether you decide to disclose your identity or remain anonymous, and any information received by virtue of the whistleblower hotline will be processed whether anonymous or not.

If you have disclosed your identity HydraSpecma will, to the broadest extent possible, keep your identity in full confidence and not disclose your identity neither internally or externally. However, your identity may have to be disclosed to conduct a thorough investigation, to comply with mandatory law and/or to provide accused individuals their legal rights of defense.

Which offences may be reported

Submitted reports may include matters which inflict financial losses on the Company, damage our reputation, or have similar negative effects. Information that indicates that one or more employees, management or board members of HydraSpecma either actively or by omissions and by virtue of their position(s) in or assignments for the HydraSpecma carry out illegal or criminal activities, violates laws and regulations or commit clear and serious violations of internal guidelines or policies of the organisation will be processed.

Examples of concern may be suspicions of embezzlement, bribery, fraud, forgery, money laundering, corruption, breaches of trade sanctions, data manipulation, submission of false or misleading information to public authorities, irregularities in respect of financial reporting and auditing, disclosure of confidential business information, and unethical business conduct. You may also report concerns relating to physical violence, harassment, bullying, discrimination, sexual offences as well as health and safety concerns and retaliation against anyone for speaking up in good faith.

The whistleblower hotline is also available for reports of concern in relation to breaches of Union law. Examples of concern may be breaches within the following areas:

- (i) Public procurement;
- (ii) Financial services, products and markets, and prevention of money laundering and terrorist financing;
- (iii) Product safety and compliance
- (iv) Transport safety;
- (v) Protection of the environment;

- (vi) Radiation protection and nuclear safety;
- (vii) Food and feed safety, animal health and welfare;
- (viii) Public health;
- (ix) Consumer protection;
- (x) Protection of privacy and personal data, and security of network and information systems;
- (xi) Breaches affecting the financial interests of the European Union;
- (xii) Breaches relating to the European Union internal market.

Routine employment matters (such as dissatisfaction with salary conditions, benefits, performance appraisals, collegial difficulties, violation of smoking policy etc.) should not be reported via the whistleblower scheme. These concerns should instead be raised through normal channels (management or HR). If you file a report that cannot be dealt with under the whistleblower scheme, we will inform you and ask you to go through the normal channels instead.

The list above should be seen as examples only. If you are in doubt as to whether or not to report your observations, you should report them. Your help is very important, and all reported concerns will be dealt with.

It is important that the whistleblower hotline is not used to make false accusations, raising suspicions against innocent people. All reported concerns must therefore be made in good faith. If a concern is unfounded or reported in bad faith and the report turns out to be the result of negative personal feelings, vindictiveness, etc., then it may have consequences for the employment of the reporter, when he or she is identified, cf. clause 12.

How is a concern reported

Concerns can be reported via the whistleblower hotline. Concerns should not be raised in any other way (like sending an e-mail to Legal & Compliance), as the information is confidential information which should not be sent unencrypted over the open Internet.

Review and use of reported incidents

Information submitted through the whistleblower hotline will initially be received and read by Legal & Compliance and reports will be screened to ensure independence and absence of conflict of interest. If the information submitted is not clearly unfounded or clearly outside the scope of the whistleblower scheme, the report will be assigned to an appointed team of persons within the relevant business segment of HydraSpecma responsible for additional review and assessment.

The business segment to which the case is assigned will be responsible for case handling, appropriate investigation, enquiries, and follow-up, as well as maintaining oversight to ensure appropriate and timely resolution. If needed, outside experts, such as lawyers, forensic experts, auditors, or accountants may be engaged to assist in a review. These third parties are bound by strict confidentiality obligations.

In the event that the information submitted involves acts or omissions of the CEO of Schouw & Co. and/or an individual within Legal & Compliance, the information will be made available to the Chairman and the Deputy chairman of the Board of Directors of Schouw & Co. and the company's external counsel for further processing.

If the information involves acts or omissions of the Board of Directors of Schouw & Co., the information will be made available to the CEO of Schouw & Co. and the company's external counsel for further processing.

The report will be logged in a secure case management system. If the concern turns out to be unfounded, it will be rejected and, at the end of investigation, the reporter will be informed of the case closure, provided that a secure channel of communication has been established. If the conclusion of the initial investigation warrants further examination, it will be subjected to a more detailed investigation.

The measures that can be applied by the investigation team of HydraSpecma may for instance be one or more of the following: (i) dismissal of the information as being unfounded or outside the scope of the whistleblower scheme; (ii) initiation of employment sanctions against the employee(s) who are subject(s) of the report; (iii) filing of a report to the relevant authorities (including the police); (iv) report to Nasdaq Copenhagen A/S; (v) initiation of a more thorough investigation of the matter at hand and (vi) suggestion as to changes to the internal policies or procedures of the Company.

Information to the concerned person(s)

HydraSpecma is obliged to inform the person concerned about the report. However, HydraSpecma may refrain from complying with this obligation if material interests make it inadvisable. The investigation team will determine when the information can be provided without consequences to the investigation and the collection of evidence. However, the identity of the person reporting the concern will not be disclosed, even if the reporter has chosen not to be anonymous.

No adverse employment consequences

HydraSpecma prohibits and will not tolerate retaliation against any employee (or other reporting persons outside the work-related context) who comes forward to raise, in good faith, a concern which he or she has reasonable grounds to believe falls within the scope of this policy; or who assists HydraSpecma, or a law enforcement authority, by providing information to address such a concern. Retaliation includes, but is not limited to, adverse employment actions such as termination, compensation decrease, demotion, harassment, discrimination, poor work assignments and threats of physical harm.

Any whistleblower who believes he or she is being retaliated against must contact a member of the investigation team immediately. The lead investigator is obliged to ensure that there is no retaliation against such employees. Retaliation may lead to disciplinary action being taken, up to and including termination of employment of the individual who is retaliating.

Action on false reports

Whilst not intending to discourage whistleblowers from reporting matters of genuine concern, whistle-blowers must ensure as far as possible that reports are factually accurate, complete, from firsthand knowledge, presented in an unbiased way (and any possible perception of bias of the whistleblower is disclosed), and without material omission.

Where it is established by the investigation team that the whistleblower is not acting in good faith, or he or she has made a false report of misconduct (including where the allegation has been made maliciously or without any basis), then he or she will be subjected to disciplinary proceedings, including if appropriate summary dismissal.

The whistleblower hotline may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure of information by him and for legitimate reasons under company rules and procedures.

Confidentiality

HydraSpecma will handle all concerns raised with appropriate confidentiality and with a high degree of sensitivity. All data transmitted through the whistleblower hotline is encrypted and IP logging restrictions are installed on the whistleblower portal. All those involved in investigating and/or addressing an allegation will respect the need for confidentiality wherever reasonably possible. In some situations, privacy restrictions may entail that HydraSpecma cannot disclose the specific actions that are taken to resolve a particular concern.

Processing of personal data

Reporting of concerns via the whistleblower hotline may involve processing of personal data and sensitive personal information of the person reporting, the alleged wrongdoers, the witnesses, and other persons appearing in the report. In case personal information is clearly of no interest or relevance to the allegations, such personal information will not be further processed and will be deleted. You should avoid reporting on sensitive information such as racial or ethnic origin, political opinions, religious or philosophical beliefs, trade-union membership and data concerning health or sexual orientation not relevant for the case.

External reporting channels

We encourage you to report any suspected irregularities directly to HydraSpecma through the whistleblower hotline as HydraSpecma is responsible for ensuring that reported irregularities are investigated. This policy however does not affect the right of a reporter to raise concerns in an appropriate manner directly with a regulatory authority or other relevant government body where the reporter believes that this is the only appropriate course of action.

You may choose to report through an external reporting channel established by a relevant competent national authority. Depending on the nature and origin of your concern you may as an example choose to report to Danish authorities. The relevant Danish authorities may be:

The Danish Data Protection Agency

Carl Jacobsens Vej 35

DK-2500 Valby

dt@datatilsynet.dk

or

The Danish Financial Supervisory Authority

(reports concerning market abuse)

Århusgade 110

DK-2100 København Ø

finanstilsynet@ftnet.dk

The Commission, as well as some bodies, offices, and agencies of the European Union, such as OLAF and ESMA, also have in place external reporting channels and procedures for receiving reports of breaches falling within the scope of the EU Directive 2019/1937 on the protection of persons who report breaches of Union law.