

Eleving^{GROUP}



Anti-corruption,
anti-bribery, and
anti-fraud policy



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Purpose and scope

Eleving Group¹ has developed and adopted an anti-corruption, anti-bribery, and anti-fraud policy [hereinafter – “Policy”] that aims to ensure a common understanding of the problems arising from corruption and fraud, its types, responsibilities, and action models to prevent corrupt and fraudulent activities within Eleving Group, as well as in relations with external partners and those involved in the political process. This Policy applies and is binding to all Eleving Group employees and employees of the Eleving Group’s subsidiaries, regardless of their position. Eleving Group is committed to complying with all applicable anti-bribery and corruption laws and regulations in the jurisdictions in which it operates. Eleving Group has zero tolerance for bribery and corruption and

other activities that are unethical, unacceptable, and inconsistent with Eleving Group values. Eleving Group strives to operate with transparency, trust, and integrity. This approach applies to all markets of operations and all business relations.

By implementing the Policy, Eleving Group has committed to informing the public at least once a year about the measures taken to prevent corruption, bribery, and fraud and the activities carried out to educate its employees and partners. Also, Eleving Group is committed to making improvements to the Policy and related procedures as necessary and publishing the amendments to the Policy on Eleving Group’s website.

¹ In this document Eleving Group shall mean Eleving Group, a company registered in the Grand Duchy of Luxembourg, registration No. B174457, legal address 8-10, Avenue de la Gare, L-1610, Luxembourg, Grand Duchy of Luxembourg, and all of its direct and/or indirect subsidiaries.

Definitions and explanation

- **A whistleblower** - an individual who has reported a suspected violation potentially harmful to the public interests, believing that the information is accurate, and has obtained this information while performing their work duties or establishing a legal relationship in relation to the work duties.
- **Anti-corruption, anti-bribery, anti-fraud, and interest conflict measures** - all measures taken internally and/or externally to reduce corruption, bribery, fraud, and interest conflict risks.
- **Bribery** – the act of promising, giving, receiving, or agreeing to receive money or some other item of value with the corrupt aim of influencing a public official or business partner in the discharge of their official duties.
- **Company representatives** – all Eleving Group employees, regardless of their position, who participate in decision-making, or the execution of certain functions related to business processes.
- **Corruption** – dishonest behavior and criminal action by those in positions of power, such as company representatives or government officials. Corruption can include giving or accepting bribes or inappropriate gifts, double-dealing, under-the-table transactions, manipulating elections, diverting funds, laundering money, and defrauding investors.
- **Corruption, bribery, and fraud (CBF) risk** – the probability that one of the Eleving Group’s employees, who has been entrusted with power or responsibility within the framework of specific professional duties, will intentionally or unintentionally act for their own or another person’s material interests, obtaining for himself or providing others undue benefits and causing damage [in terms of property or ruining the reputation] to Eleving Group. It is essential to understand that a corrupt act has occurred even if a bribe does not succeed; a person authorizes or provides direction for a bribe, but no bribe is ultimately offered or paid.
- **Conflict of interest** – occurs when an entity or individual becomes unreliable because of a clash between personal [or self-serving] interests and professional duties or responsibilities. Such a conflict occurs when a company or person has a vested interest – such as money, status, knowledge, relationships, or reputation – which puts into question whether their actions, judgment, and/or decision-making can be unbiased.
- **Donation** – money or goods given to help [or build relationships with] a person or organization, or the act of giving them.
- **Ethical dilemma** – a situation in which a difficult choice has to be made between two courses of action, either of which entails transgressing a moral principle.
- **Gift** – any material or other benefit [including services, grant of rights, transfer, release from obligation, waiver of any right, as well as other activities resulting in any benefit], the direct or indirect beneficiary of which is an employee regardless of the position, or partner, or policymaker.
- **Fraud** – the crime of using dishonest methods to take something valuable from another person or company [money, property, information, technology, product, trust, etc.].
- **Partners** – all individuals and legal entities directly or indirectly involved in the business processes related to Eleving Group, are/or are not in contractual relations with Eleving Group, and provide the services ordered by Eleving Group.
- **Policymakers** – all officials involved in processes related to industry regulation and law-making.
- **Whistleblowing** – an act of a person, often an employee, who reveals information about activity within a private or public organization that is deemed illegal, immoral, illicit, unsafe, or fraudulent.



Responsible bodies

The board

The Board of Eleving Group approves the Policy and its amendments and monitors the implementation of the Policy. The Board of Eleving Group, together with the senior-level management, provides recommendations for the improvements of the Policy and supervises the Eleving Group's internal control to prevent CBF risks.

Senior-level management

Eleving Group senior-level management:

- Ensures that the adopted policy is implemented in all affiliated subsidiaries and complies with the laws and regulations adopted in the countries of operations on a daily basis.
- Carries out employee education activities on CBF risks and responsibilities, as well as promptly responds to received information about corrupt, fraudulent, and unethical activities taken by the Eleving Group's employees and/ or partners. Senior-level management is responsible for an effective whistleblowing system in Eleving Group.
- Is responsible for informing employees regularly [at least once a year for existing employees and in the first week of work for new employees] about CBF risks, policies adopted by Eleving Group, and responsibilities arising from them.
- Ensures that in Eleving Group, by its functions and tasks, the duties of the employees, the limits of authority, the decision-making procedure, and the control procedure of the decisions are determined.
- Ensures that Eleving Group has a procedure for issuing and reviewing permits for combining positions.
- Implements rules and measures that help employees make responsible and honest decisions in situations characterized by ethical dilemmas.

Employees

Employees are fully responsible for following this Policy and laws and regulations adopted in the respective countries. All employees, regardless of their position, commit to avoiding corrupt and/or fraudulent activities, immediately report dishonest behavior of colleagues or partners, and strongly condemn it.

General policy objectives

The Policy is a source of information and guidance for those working within the Eleving Group, and every employee is expected to follow the guidelines. The sole purpose of this Policy is to set out the responsibilities of Eleving Group and personnel regarding our zero-tolerance position on bribery and corruption. The core principles are as follows:

General principles of action

Company representatives shall not offer, promise, give, request, accept or receive bribes or another undue advantage to facilitate Eleving Group's business. Provision, providing the promise, or offering any benefit to a person who exercises public authority, is strictly prohibited.

Company representatives are prohibited from offering and accepting gifts, events, trips, and other traveling arrangements unless such activities comply with the allowed limits and if they are open, moderate, match clear business objectives, and are appropriate for the nature of the business relations.

Eleving Group's activities to strengthen and establish client and supplier relationships shall be made in good faith and in compliance with requirements set by Eleving Group.

Gifts and donations

Company representatives are prohibited from accepting, requesting, or agreeing to receive gifts, events, trips, and other traveling arrangements unless such activities comply with the allowed limits and if they are open, moderate, and match clear business objectives, and are appropriate for the nature of the business relations.

Eleving Group's good practice stipulates that an employee must not individually decide to accept gifts whose purpose may be questionable, as well as gifts exceeding the value of EUR 150.00.

Gifts with an actual value exceeding EUR 150.00 must be immediately reported in writing to the head of the respective structural unit or the direct senior-level manager under whose authority the employee is, or to the central e-mail dedicated for such situations - gifts@eleving.com. The submission must indicate the actual value of the gift and accurate identification of the private person or legal entity presenting it.

The employee must specify the reason for this gift based on their knowledge of the situation. After evaluating the received application, the management decides on the next course of action - approval or rejection of the gift.

It is prohibited to accept money as a gift under any circumstances.

Eleving Group supports contributing to the communities where it does business and permits reasonable donations to charities and sponsorships. Sponsoring and charities shall be performed in an open and transparent manner.

Eleving Group never makes donations to political parties, politicians, or political campaigns - Eleving Group is politically neutral.

It is forbidden for Company representatives to ask for or accept a Donation from a private person or legal entity, as well as other types of financial assistance if the Donation or assistance affects the decision-making regarding this person.



Conflict of interest

The good practice of Eleving Group determines that no favoritism is allowed in the selection of partners for the provision of services. In every procurement procedure or selection of service providers, at least three applicants [unless it is impossible to obtain three offers due to objective circumstances] must be evaluated, choosing the partner or supplier that can provide the highest price-performance level. Following rules shall apply in the selection of service providers:

- In procurements or projects with a total value exceeding EUR 5000.00, individual approval is not permitted.
- In procurements and projects with a total value exceeding EUR 5000.00, the selected candidate is presented to the head of the structural unit, the direct manager, or the Eleving Group's board [level corresponds to the specific employee's position in the hierarchy] with an explanation and evaluation.
- In situations where the partner's representative is personally known outside of the professional field, is a relative, or a spouse, the final decision is taken collectively or by a decision of competent and neutral managers.

In selecting candidates, the human resource manager is not permitted to interview and make an individual decision on hiring someone they know outside of the professional field [e.g., a friend, a relative, or a spouse]. In such situations, the final decision is taken collectively or by a decision of competent and neutral managers.

Employees do not engage in private activities and refrain from side jobs and combining positions, which may interfere with the responsible and professional performance of their duties and create suspicions of potential, apparent or actual conflicts of interest.

Corruption risk identification and prevention

How we assess CBF risks

All employees are exposed to the risk of corruption, bribery, fraud, and conflict of interest defined in the Policy. However, there is an increased risk to board members, senior-level management, heads of structural units, leaders of functions, and other employees who make business decisions related to:

- monitoring and audit of Eleving Group;
- property and financial resources;
- procurements and supplier selection;
- distribution, redistribution, expropriation, use or lease of material values, acquisition of property;
- client data and other trade secret-related information;
- development of draft decisions and legal acts or issuance of legal acts binding on other persons;
- development and implementation of the information technology system;
- establishing business contacts with partners [banks, dealers, debt collectors, insurers, investors, consultants, etc.];
- debt collecting and monitoring of internal security systems and procedures.

Prevention

For risk prevention purposes, Eleving Group has implemented this Policy and conducted employee training. Guidelines have been developed for employees on actions in cases where corruption, bribery, fraud, or conflict of interest are observed or plausible. Employees are informed about the Eleving Group's zero-tolerance position in the areas defined in the Policy and the consequences that may occur if the norms and actions defined in the Policy are violated.

Eleving Group has implemented a whistleblowing system, where anyone can inform those responsible for implementing and monitoring the Policy.

Eleving Group has developed and implemented a training program for employees on CBF risks.

Eleving Group has expressed a public stance against corruption, bribery, fraud, and conflict of interest by joining the initiative "Zero Tolerance to Corruption" by NGO Delna, Transparency International Latvia.





Reporting

Direct reporting

If an employee of Eleving Group identifies a situation in which a colleague or partner is carrying out actions prohibited by this Policy, their responsibilities include the reporting of the situation and persons involved to their direct manager or the Eleving Group's board, who will decide on the next course of action to resolve the situation.

The employee has the right to inform their direct manager and the board about violations openly and anonymously by using the Eleving Group whistleblowing system [Trust Line].

If an employee is aware of a policy violation or has witnessed a violation but chooses to keep it secret, he becomes jointly responsible for the violation.

Whistleblowing system

Eleving Group is committed to the highest levels of ethics and integrity in its business. Eleving Group understands that this is crucial to its continued success and reputation. Therefore, Eleving Group has implemented a Whistleblowing Policy and reporting system - Trust Line: <https://bit.ly/3aOqfYM>.

The Whistleblowing Policy aims to provide clarity on how Eleving Group will support whistleblowers so that they:

- are encouraged to express their concerns;
- know how to report their concerns;
- know their rights, including their right to remain anonymous;
- know what will happen if they report their concerns;
- feel safe in reporting their concerns;
- will not be subject to retaliation, detriment, or victimization in response to reporting their concerns.

For a report to be an eligible disclosure, and therefore eligible for protection under the Whistleblower regime and the Whistleblower Policy, it must contain information that the whistleblower has objectively reasonable grounds to suspect concerns, misconduct, or an improper situation or circumstances in relation to Eleving Group, including the conduct of Eleving Group employees or business-related partners.

A non-exhaustive list of examples of reports that can qualify as eligible disclosures is included below:

- potential violations of laws or regulations;
- criminal acts [e.g., theft, corruption, bribery, market abuse];
- inappropriate gifts or payments to clients or other third parties, including vendors;
- inaccuracies in financial statements or statements to the firm's auditors;
- anti-competitive behavior or otherwise dishonest or unethical behavior;
- fraud, negligence, default, breach of trust, or breach of duty;
- systemic issues that a regulator should know about to perform its functions properly;
- business behavior or practices that may cause consumer harm;
- tax-related misconduct;
- unauthorized disclosure, insider trading, or other misuse of confidential information;
- deliberate concealment of any of the above.

Notwithstanding the above, the examples provided in the Policy are not intended to be exhaustive lists. Eleving Group encourages anyone aware of potential wrongdoing to raise their concern, even if they are unsure whether the Whistleblower Policy applies explicitly.

Anyone with evidence or reasonable suspicion that one of Eleving Group's employees or business-related partners violates the norms established in the Policy or Eleving Group commits systematic procedural violations can report it in the whistleblowing system. A competent Whistleblower Report coordinator monitors the Trust Line 24 hours a day, seven days a week. The Trust Line allows reporting anonymously.



Implementation of policy

At least once a year, the identified corruption risks are reviewed, and procedural improvements to the Policy are made when necessary. At least once a year, an audit of the adopted policy implementation tools [training, reporting, norms] is conducted, and their effectiveness is evaluated.

All Eleving Group employees are informed about the adopted Policy, its content, and its importance in ensuring the transparency of Eleving Group's business processes. Employees are immediately notified of amendments to the Policy. The head of each department informs employees under their command about the current Policy once a year, while new employees are informed and instructed about the Policy in the first week of work.

Employees undergo internal training once a year, examining the concepts defined in the Policy and their manifestations in various situations. During the training, employees understand how to act in situations characterized by an ethical dilemma and how to act in situations where there is a potential case of corruption, bribery, conflict of interest, or fraud. Employees are informed about the procedure for reporting such situations.



Disobeying the policy

This Policy binds all employees with an active contractual relationship with Eleving Group without exception. Any violations of the Policy, including deliberate concealment of violations, may result in termination of employment and the implementation of other tools determined by the laws and regulations enforced in the respective country.

Miscellaneous

Eleving Group shall communicate the Policy by:

- publishing it on Eleving Group's websites;
- publishing it in Eleving Group's internal systems;
- informing Eleving Group's employees about the Policy upon commencing legal employment relationship with them.

The Policy shall apply insofar as it is not contradictory to the laws and regulations in effect in the respective countries of the subsidiaries of Eleving Group and shall take effect upon approval.

If applicable laws prescribe stricter rules, restrictions, or obligations than provisions of this Policy, the stricter rules, restrictions, or obligations under applicable laws shall prevail.

The provisions of this Policy may be amended and/or supplemented by a resolution of the board of directors. Amendments and supplements will enter into force on the day when they are adopted unless specified otherwise.

The Policy must be reviewed at least annually or updated as necessary. The formal approval process must be applied to each review.

This version of the Policy enters into force on 15 August 2022.



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