

## **ALK WHISTLEBLOWING POLICY**

## **1. Policy statement**

- 1.1 ALK is committed to doing business according to the highest standards of lawful and ethical conduct and to complying with all laws and regulations. We strive to have an open and honest dialogue with our stakeholders on all ethical dilemmas. In order to live up to the relevant legislation and enable our employees, business partners and other stakeholders to report any serious and sensitive concerns, ALK now introduces its revised ALK Alertline.
- 1.2 The ALK Alertline enables all employees, members of the boards and external stakeholders, such as suppliers, vendors, consultants or others with a work-related connection to ALK to report any serious and sensitive concerns which they feel unable to address within the regular reporting structure. The ALK Alertline thereby provides ALK the opportunity to learn of possible violations and take action to stop them.
- 1.3 The aims of this policy are to:
- (a) detail the organisation in place to manage the ALK Alertline as well as the principles and processes implemented to ensure the proper use and management of the ALK Alertline,
  - (b) ensure that concerns are treated seriously and appropriately by an impartial department, and
  - (c) give reassurance as to the protection of any person raising a serious concern in good faith as well as to the non-retaliation commitment, the confidentiality of the report and the investigation.

## **2. Personnel responsible for the policy**

- 2.1 The ALK Audit Committee has the overall responsibility for this policy, and for reviewing the effectiveness of actions taken in response to concerns raised under this policy.
- 2.2 The Corporate Affairs & Legal department has day-to-day operational responsibility for this policy and must ensure that all managers and other staff who may deal with concerns or investigations under this policy receive regular and appropriate training.

## **3. Scope**

- 3.1 This policy is meant to provide guidance on which concerns to report to the ALK Alertline and which concerns to report through normal reporting lines.
- 3.2 This policy applies to all employees, members of the boards and external stakeholders, such as suppliers, vendors, consultants or others with a work-related connection to ALK.

3.3 The policy covers the reporting of any serious and sensitive concerns, including reasonable suspicions, about actual or potential breaches, which have occurred or are very likely to occur in ALK, and about attempts to conceal such breaches, acquired in a work-related context relating to:

- (a) Breaches of law in any of the following areas<sup>1</sup>:
  - (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 breaches of competition and state aid rules, as well as breaches relating to acts which breach the rules of corporate tax or to arrangements the purpose of which is to obtain a tax advantage that defeats the object or purpose of the applicable corporate tax law, and
- (b) Serious offences or other serious matters, including, but not limited to:
  - (i) economic crime (accounting manipulation, non-compliance with internal control procedures, misappropriation of assets or fraudulent statements),
  - (ii) business ethics misconduct (conflicts of interest, bribery or corruption, gifts and facilitation payments, sponsorships and donations, off-label promotion, use of child labour),
  - (iii) breach on environmental, health and safety regulations (serious endangerment to the safety at work or quality concerns impacting products),
  - (iv) offences directed towards an employee (activities that constitute serious improper conduct, e.g., violence, sexual harassment/assault, threats or discrimination), and

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<sup>1</sup> Including breaches within the scope of the European Directive 2019/1937 on the protection of persons who report infringements of EU law.

- (v) violations of ALK policies and procedures, including ALK's Code of Conduct.

Examples of concerns that may or may not be reported can be found in **Appendix 1**. Some countries impose additional restrictions or a different scope on what may be reported.

#### **4. Employment and workplace-related matters - consult local processes**

- 4.1 Personal work-related grievances that are not the result of abusive conduct or violations of applicable laws or policies are out of scope of the ALK Whistleblowing Policy and should be managed through normal management and HR processes, where contact should be made to a manager, the local HR department or the local EHS (Environment, Health & Safety) department. This means that concerns relating to the employment terms or local workplace matters such as conflicts with colleagues and managers, disciplinary sanctions, correct and timely payment of wages and benefits are outside the scope of this policy and should normally be resolved locally.

#### **5. How to raise a concern**

- 5.1 There are several routes for properly reporting:

- (a) Consult the local organisation first or report to a specialised department. Employees are encouraged to discuss concerns first with their supervisor, manager or other appropriate personnel, such as local/global HR, local/global Finance, Corporate Affairs & Legal, or Information Security as an initial step in resolving concerns. In some cases, they may refer the matter to Corporate Affairs & Legal.
- (b) The ALK Alertline. Where the matter is more serious, or a reporter feels that his/her line manager or other department has not addressed the concern, or the reporter prefers not to raise it with them for any reason, the reporter can report concerns within the scope of this policy:
  - (i) by accessing the whistleblower system online or by phone through the ALK Alertline available at:
    - Felix (*Home - Felix (alk-abello.com)*),
    - *www.alk.net* (Sustainability), or
    - *https://alk-abello.ethicspoint.com*(collectively the "ALK Alertline"), or
  - (ii) upon request by the reporter, by means of a physical meeting within a reasonable timeframe with an employee from Corporate Affairs & Legal.
- (c) National external reporting channel. Reporting through the above reporting channels is encouraged. Still, reporting may be done through the national established external reporting channels via authorities competent to receive, give feedback and follow up such reports.

## 6. Safeguards

- (a) No adverse employment consequences. ALK will not accept any detrimental treatment or discrimination (retaliation) against any employee or stakeholder who raises a concern in good faith or participates in an investigation. Examples of detrimental treatment can include, but are not limited to, lay-off, dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. Any employee or stakeholder who reports a breach which they reasonably believe to be true, will be given protection and shall in no way be put at a disadvantage by ALK as a result of their report. If detrimental treatment does occur, the violator will be subject to the appropriate disciplinary action. Any such detrimental treatment must be reported to the ALK Alertline. All such reports will also be investigated confidentially.
- (b) Confidentiality. Any report made will be kept confidential. ALK will ensure that information about the report is only disclosed to a restricted group of people appointed to conduct an adequate and fair investigation. Any disclosure of information about the report is always subject to the privacy laws of the country concerned. Relevant information may be shared with the Board of Management, the Chair of the Audit Committee, the Board of Directors as well as relevant entities within the ALK Group or external parties such as external advisers, the police or public authorities.
- (c) Anonymous reporting. Reports can be filed anonymously, except where prohibited by local law. Concerns expressed anonymously will be investigated, but consideration will be given to: (i) the seriousness of the issue raised, (ii) the credibility of the concern, and (iii) the likelihood of confirming the allegation from attributable sources. The ALK Alertline facilitates anonymous dialogue.
- (d) Malicious allegations. Malicious allegations may result in disciplinary action, including possible termination of employment.
- (e) Protection of accused persons. All reports will be subject to careful, thorough and confidential review. Groundless reports and reports that cannot be substantiated will be dismissed and deleted or permanently anonymised. Any person who is subject to a formal investigation within the scope of a whistleblower case will be properly informed in accordance with applicable notice periods, however taking into consideration the sensitive and confidential nature of the report and any possible risk of jeopardising investigations. If reporters chose to disclose their identity, ALK may in some jurisdictions be legally obligated to share this information with the person(s) reported about.

## 7. Case management and investigations

- 7.1 Once a concern has been raised, Corporate Affairs & Legal will (i) record the concern, (ii) consider the seriousness and credibility of the complaint or concern raised and whether the case is admissible under the ALK Whistleblowing Policy, (iii) acknowledge the receipt of the report within 7 days of receipt and (iv) proceed accordingly in determining the appropriate action and scope of any investigation. Some complaints or concerns may be resolved without requiring investigation.

The whistleblower process is only for material cases, and a reporter will be expected to demonstrate that there are reasonable grounds for raising the concern in order for it to be investigated. If reported cases are assessed to be less material, they may be forwarded to the relevant department for further processing. In some cases, an investigator or team of investigators including staff with relevant experience of investigations or specialist knowledge of the subject matter may be appointed. Investigations shall be conducted according to the ALK Compliance Investigations Process.

- 7.2 In case the concern relates to employees within Corporate Affairs & Legal, they will be excluded from participating in the case management/decision making. A report involving the Vice President, Corporate Affairs & Legal, is handed over directly to the Senior Vice President of Global HR and the Chair of the Audit Committee.
- 7.3 In order to investigate and initiate remediation, relevant information may be shared with the Alertline Group (consisting of the CFO, SVP HR and VP, Legal), the CEO, the (Chair of the) Audit Committee, the Board of Directors, as well as relevant entities within the ALK Group or external parties such as external advisers, the police or public authorities. Upon conclusion of a formal investigatory, the final decision-making body will review and approve the suggested measures, cf. the Internal Investigation Notification and Decision table.
- 7.4 General updates on the number of cases and their content will be presented to the Audit Committee and the Board of Directors regularly without disclosing the identity of the reporter. Within a reasonable timeframe, not exceeding 3 months from the acknowledgement of receipt, high-level feedback will be provided to the reporter. Due to confidentiality constraints and/or legal restrictions, ALK may be unable to disclose certain details or the outcome of the investigation.

## **8. The ALK Alertline**

- 8.1 The ALK Alertline is administered by NAVEX EthicsPoint, an independent 3rd party provider. NAVEX EthicsPoint provides the reporting platform, obtains reports received through phone or web intake, and translates reports from local languages to English.
- 8.2 NAVEX EthicsPoint is a data processor and has entered into required data processing agreements with ALK and is contractually obliged to treat all data they process in the strictest confidence. NAVEX EthicsPoint is prohibited from using data in any other way than required according to the instructions of ALK.

## **9. Processing of personal data**

- 9.1 The personal data provided in a report or obtained during an investigation will be processed by the company of the ALK Group (as the data controller) in relation to which the facts are communicated, with the purpose of carrying out the corresponding investigation and

management of the complaint. ALK will process personal data according to applicable legislation, including the EU General Data Protection Regulation.

9.2 ALK is committed to protecting the privacy of everyone involved. ALK will safeguard personal data from unauthorised access and processing. Any personal data obtained in relation to a report and pertaining investigation will be used for the purposes set out in this policy only or to comply with the law or an important public interest.

9.3 The legal basis for our collection and processing of non-sensitive personal data is:

- (a) a local legal obligation to investigate potential misconduct, cf. Article 6(1)(c) of the General Data Protection Regulation; and/or
- (b) the processing is necessary for performance of task carried out in the public interest, cf. Article 6(1)(e) of the General Data Protection Regulation, and/or
- (c) the legitimate interests of the company in investigating possible irregularities, breaches or behaviours that may be contrary to ethical practices, legislation/regulations or the corporate policies of ALK, cf. Article 6(1)(f) of the General Data Protection Regulation.

9.4 Our legal basis for processing sensitive personal data is:

- (a) the processing is necessary for the purposes of carrying out the obligations and exercising specific rights regarding employment and social security and social protection law, cf. Article 9(2)(b) of the General Data Protection Regulation; and/or
- (b) the processing is necessary for the establishment, exercise or defence of legal claims, cf. Article 9(2)(f) of the General Data Protection Regulation; and/or
- (c) the processing is necessary for reasons of substantial public interest, on the basis of Union or Member State law, cf. Article 9(2)(g).

9.5 Further, information relating to criminal convictions and offences will be processed in accordance with Article 10 of the General Data Protection Regulation.

In case an individual's personal data is processed under this policy, the individual will have certain rights. Please refer to the Privacy Notice available at [www.alk.net](http://www.alk.net) >> Sustainability >> ALK Alertline, or directly via: <https://alk-abello.ethicspoint.com>

## **10. Retention of the Records**

10.1 ALK may retain a copy of all complaints or concerns, investigation reports and all relevant documentation thereof as long as necessary for the processing and documentation of the complaint or concern in question.

10.2 Personal data collected via the ALK Alertline will be deleted or permanently anonymised if the reported conduct is out of scope or obviously unfounded. Deletion or anonymisation will

otherwise take place when the personal data no longer serves a purpose for the investigation, or the investigation has been finalised. If authorities have been notified, the personal data will be deleted or permanently anonymised after the authorities no longer investigate the case.

- 10.3 In any situation, when there are reasonable and necessary grounds for keeping personal data (e.g., in case of pre-litigations, litigations, disciplinary actions, warnings, claims etc.), the personal data will be saved in a dedicated secured platform with restricted access on a need-to-know basis in accordance with applicable statute of limitation.

## **11. Contact details**

- 11.1 For any questions about the ALK Whistleblower Policy, please find all relevant contact information below:

Vice President, Corporate Affairs & Legal

Email: kfodk@alk.net

Phone: + 45 45 74 75 76

Ordinary mail to the following address: VP, Corporate Affairs & Legal, Bøge Allé 6-8, 2970 Hørsholm, Denmark

**Approved by the Audit Committee and Board of Directors on 10 November 2021.**

**Appendix 1: What may be reported?**

Serious and sensitive concerns, including reasonable suspicions, about actual or potential breaches (exemplified below), which have occurred or are very likely to occur in ALK, and about attempts to conceal such breaches, acquired in a work-related context are to be reported via the ALK Alertline.

These issues include, but are not limited to, the following (some countries may have local exceptions):

Concern Category	Examples
Serious economic crime	<ul style="list-style-type: none"><li>• Misappropriation of assets including theft and misuse</li><li>• Unlawful behaviour in connection with accounting principles, internal accounting controls or auditing matters</li><li>• Deliberate errors in the preparation or maintenance of financial statements or records</li><li>• Money laundering</li><li>• Insider trading</li></ul>
Serious breaches of business ethics legislation	<ul style="list-style-type: none"><li>• Serious conflicts of interest</li><li>• Payment of bribes or facilitation payments / corruption</li><li>• Unethical gifts and donations to business partners, Healthcare Professionals (HCP) or government officials</li><li>• Breaches of competition law, IT security or data privacy</li><li>• Unlawful promotion and marketing</li><li>• Non-compliant events</li><li>• Allegations of off-label promotion</li><li>• Misuse of product samples</li><li>• Use of child labour or forced labor</li></ul>

<p>Serious breach on environmental, health and safety issues</p>	<ul style="list-style-type: none"> <li>• Serious misconduct relating to health, safety and environment legislation</li> <li>• Quality concerns impacting products or GxP related processes, which are not being addressed in the ALK Quality Management System</li> </ul>
<p>Serious offences directed towards an employee</p>	<ul style="list-style-type: none"> <li>• Violence, sexual harassment/assault, threats or discrimination (serious unfair treatment of an employee)</li> </ul>
<p>Violations of ALK policies and procedures, including ALK's Code of Conduct</p>	<ul style="list-style-type: none"> <li>• Accept of lavish, inappropriate or frequent gifts or gift vouchers from partners or vendors</li> </ul>

What should **not** be reported?

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| <ul style="list-style-type: none"> <li>• Incompetence of colleagues or employees</li> <li>• Dissatisfaction with pay, holiday or promotions</li> <li>• Disagreements with colleagues or minor violations</li> <li>• Complaints about equipment malfunctions</li> <li>• Minor safety issues in the workplace and concerns about office environment</li> <li>• Complaints about breaches of smoking, alcohol or email policies and dress codes</li> </ul> |
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