

Anti-Bribery & Corruption Policy - Nammo Group

PURPOSE and SCOPE

Nammo takes its legal responsibilities to prevent bribery very seriously. Extraterritorial application of several anti-corruption regimes implies that it may not be sufficient to only observe local law when conducting business and international trade. The fact that bribery may be a customary business practice in a given country is not a justification for violation of this policy.

We are subject to numerous anti-corruption laws such as national penal codes, the UK Bribery Act and the US Foreign Corrupt Practices Act.

This Policy applies to all employees of Nammo AS, its subsidiaries under direct or indirect control and any third party acting on behalf of Nammo (hereinafter "Nammo").

STATEMENT

At Nammo, integrity is a crucial component of our business. Nammo is committed to ethical business practices and obeying both the spirit and the letter of the law in every country where we operate. Nammo has a zero tolerance on bribery and corruption.

POLICY

Bribery and Facilitation Payments

In line with Nammo's zero tolerance policy we do not

- offer or give a bribe, whether directly or indirectly, to any person or entity
- request or receive a bribe, directly or indirectly, from any person or entity
- offer or make facilitation payments to public officials.

All demands for bribes or kickbacks must be rejected and reported. Employees and third parties who refuse to pay a bribe will not suffer any penalty, demotion or other adverse consequence as a result, even if Nammo loses business.

Sponsorship & Charitable Contributions

No charitable contributions or sponsorship may be given, offered, promised or authorized without being handled according to Nammo's Sponsorship and Charity Procedure. If a contribution is authorized, it must fully comply with all applicable laws and be properly and accurately reflected in Nammo's books and records.

Conflicts of Interest

Nammo employees and third parties acting on behalf of Nammo shall avoid any relationship or activity that might interfere, or reasonably appear to interfere, with their ability to render objective and appropriate business decisions in the performance of their jobs. In particular, we must be extra vigilant when hiring

current or former public officials, and we must comply with all applicable laws, regardless of whether they will be on our payroll or engaged as consultants or subcontractors. Employees should also avoid being directly involved in appointing or supervising a family member or a close friend. For optimal transparency we shall secure that conflict of interests are disclosed, managed and recorded.

Gifts, Hospitality and Travel

Nammo shall not offer or receive gifts, hospitality or travel whenever these could affect the outcome of a business transaction or other matters Nammo is involved in, or where doing so would be in violation of the laws of the recipient's country. It is the Nammo employee's obligation to be familiar with the recipient's ethical guidelines and applicable laws.

Any gifts and hospitalities provided and received, both accepted and declined, must be registered in the legal entity's Gifts & Hospitality register. Hospitalities already registered in the ordinary travel expense report are exempt from the register.

Gifts are anything of value given without direct demand for compensation. Nammo shall not accept or offer gifts if there is reason to believe that its purpose is to improperly influence business decisions or be seen as such. Important considerations:

- Purpose, form and content of the gift as well as the situation in which it is offered
- Value of the gift – Nammo's limit is EUR/USD 30 (giving and receiving) or a corresponding value in your country's currency
- Gifts in the form of cash, or cash equivalent, are never allowed
- Exchanging gifts may be part of local culture, but the line between gifts/business courtesies and corrupt inducements can be difficult to distinguish.
- If clearly offensive to refuse a gift, you should accept it and make sure you immediately inform your closest superior
- Promotional items of minimal value, often with company logo, are acceptable

Gifts exceeding a value of EUR/USD 30, must be reported to your closest superior and in some cases might need to be handed over and regarded as Nammo property.

Be particularly cautious in the following settings:

- Repeated gifts from the same enterprise or person
- Gifts in connection with contractual negotiations
- Gifts that are offered in anticipation of something being offered in return
- Gifts to public officials

Received and offered gifts and hospitalities to and from Nammo should never be in the form of cash or cash equivalents, or of a sexual, immoral or illegal nature or solicited from any third party. In case of uncertainty about a received or

offered gift or hospitality, contact your manager or the Legal & Compliance department.

Hospitality includes expenses incurred in connection with social events, meals or entertainment.

- Nammo does not – directly or indirectly – accept hospitality or other business courtesies that could influence, or be perceived to influence, decisions.
- Invitations to social events, meals or entertainment are only accepted if there is a clear business reason. Cost must be kept within reasonable limits.

Important considerations:

- Purpose, form and content as well as situation of the arrangement
- Value and nature of the arrangement
- Travel, accommodation and other expenses in connection with hospitality must always be paid by Nammo
- All matters concerning hospitality, expenses and similar advantages must be discussed and agreed with the closest manager
- Nammo must distinguish between the constraints described above and the natural hospitality and behavioral standards expected in different business cultures. The varying nature of government regulations across worldwide markets is another important consideration.
- Nammo is expected to do networking and accept invitations to events that would be natural to attend as part of the business. Gifts offered and received at events are rarely an issue, as long as these are promotional items, given to several attendees and according to our internal guidelines and applicable national laws.
- When invited as a speaker to a conference the conference participation costs can be covered by the organizers, however travel cost must be approved by the closest manager. Nammo will always cover the regular travel expenses for pre-approved travels on duty. Any expenses that do not meet these criteria will not be reimbursed or otherwise paid for by Nammo.

Be particularly cautious in the following settings:

- Arrangements that also include partners/spouses
- Invitations to arrangements that do not have a real business agenda
- Particular care must be taken in dealings with public officials

The above principles apply in the reverse direction – Nammo does not offer or agree to pay for hospitality or other expenses in violation of this policy.

Books and Records: Nammo is committed to maintaining complete and accurate books, records and accounts. All transactions, including payments, reimbursement requests, expenditures, expense reports, invoices, vouchers, gifts, and business entertainment are properly and accurately entered into Nammo books, records and accounts in a timely manner, in detail, and with supporting documentation.

Training: Nammo employees in high-risk positions and any third party acting on its behalf must participate in relevant anti-bribery and corruption training on a periodic basis. Training includes e-learning, ethics & dilemma and red flag workshops.

Consequences of non-compliance: The potential consequences of non-compliance with applicable anti-corruption laws are substantial:

- Nammo may be prohibited from doing business in certain countries or industries, with certain governments or from participating in public tenders
- Nammo may be liable for claims of damages by third parties disadvantaged by the corrupt activity, such as competitors who may have lost business
- Nammo may be subject to negative publicity, which can cause tremendous reputational damage and harm business relationships
- Any decision by relevant authorities to initiate investigation of a suspected anti-corruption infringement may cause serious harm to the involved party's reputation and business interests and trigger substantial costs.
- Individuals/employees involved in corrupt activities may be subject to criminal sanctions, including fines, imprisonment, and in certain jurisdictions even corporal punishment.

Relations with customers, suppliers and public officials:

Nammo shall act in an open, ethical and lawful manner towards all potential or existing customers, suppliers, and public officials.

Nammo must also verify whether applicable customer, supplier or public body anti-corruption policies require additional precautions to ensure compliance with the anti-corruption policies of such parties.

Under no circumstances may any Nammo employee receive or provide any kind of improper benefit from or to a supplier or business partner, including personal rebates, kickbacks, undocumented discounts, etc.

Bribing a public official to obtain a contract is corruption. Corruption may also include activities such as paying for illegitimate or unlawful travel or entertainment expenses for officials or their family members; agreeing to purchase goods or services from officials or their friends or family members in return for favors; or donating to a charity linked to an official in expectation of a benefit from that official.

All legal entities in Nammo must take reasonable steps to ensure that we do not engage with business partners and suppliers involved in corrupt activities or other illegal or unethical activities.

Guidance and reporting

On a day-to-day basis, seek guidance from - and direct anti-corruption inquiries to - the closest manager. Nammo's Legal & Compliance Department can be contacted if any questions about this policy or anti-corruption laws at compliance@nammo.com.


Non-compliance with national anti-corruption laws, Nammo's anti-bribery and corruption policy and Code of Conduct is a serious breach of Nammo's business principles and may cause severe damage to Nammo.

Any concern that employees or agents representing Nammo have engaged in, or intend to engage in, corrupt activities should be duly reported. Reference is made to Nammo's guideline for reporting concerns "Do the right thing". (SpeakUp channel for European employees and Ethicspoint channel for US employees).

Nammo employees who suspect that independent business partners and suppliers are involved in corrupt activities must report and seek advice in the matter according to the procedures referred to in the reporting guidelines.

OTHER RELEVANT DOCUMENTS

- Code of Conduct
- Do the right thing – How to report concerns
- Supplier Conduct Principles
- Nammo Management System
- Appendix I; List of Definitions



Morten Brandtzæg
President & CEO

Appendix I: DEFINITIONS

Bribery and Corruption: Giving, offering, promising, requesting, or authorizing the giving of anything of value, directly or indirectly, to any person or entity to induce a person to act, or refrain from acting, in relation to the performance of their duties, in order to obtain or retain any advantage or benefit.

Kickbacks: A kickback is an illegal commission paid to someone in exchange for preferential treatment. Kickbacks are difficult to detect, because assets or favors are being transferred to an employee, and so never appear on the books of the affected business.

Facilitation payments: Payments made to public officials to encourage them to expedite a routine or common governmental task that the official is otherwise required to undertake even if the payment were not made, such as issuing permits, licenses or customs clearance.

Anything of value: Includes, but is not limited to: cash, cash equivalents (such as gift cards, kickbacks or discounts), benefits or favors, entertainment, gifts, hospitality, meals, travel, charitable contributions, political contributions or employment opportunities. There is no minimum value for something to be considered "of value."

Public official: A government official, whether elected or appointed; an officer or employee of a government agency or state-owned or state-controlled entity; a person performing a public service on behalf of a government or government agency; a political party or party official; a candidate for political office; any person acting in an official capacity; or an officer or employee of a public international organization.

Gift: Includes any tangible object of any kind including promotional items, regardless of value.

Hospitality: Meals, lodging, or any event or form of entertainment (including sporting events, parties, plays and receptions).

Travel: All forms of transportation, including ground transit and air travel.

Third party: Any person or entity who acts on behalf of, represents and/or is under contract with Nammo. This includes but is not limited to sales agents or representatives, distributors, consultants, lobbyists, transportation or logistics providers, customs clearing agents, or any person or entity retained to represent Nammo in a matter before a public official, government agency, or in tax or legal matters.