

Code of Conduct Policy

H2GS AB
and subsidiaries

Revision history

Revision	Description	Author	Date Adopted
1	Created	Ida Westberg	2022-04-27
2	Revisions around conflicts of interests and minor updates on roles.	Ida Westberg	2023-05-01

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1. Purpose and scope

This Code of Conduct (“**Code**”) sets out what is expected by H2GS AB as well as its subsidiaries and affiliated companies (jointly, “**H2GS**”), as well as H2GS’ expectations on the employees, consultants, or other contractors and/or persons acting on behalf of or associated with H2GS (“**Staff**”) in its daily business in relation to human rights and labour conditions, the environment, anti-corruption, and business ethics in general.

The Code does not provide an exhaustive list of what to do in every business situation. Instead, it represents a framework that guides H2GS in its role as an employer and all Staff in their relations to other employees, business partners, investors, suppliers and other third parties.

Certain principles and policies (e.g., principles on confidential information and privacy) laid down in the Code are further regulated in employment agreements.

H2GS will always comply with applicable laws and regulations. Should the Code be in violation of any national laws or regulations, such law or regulation shall prevail. In situations where the Code stipulates higher standards than required by national laws or regulations, the Code shall be complied with.

2. Values and behaviour

We are excited and proud about the work we do and the value we create for our customers, our shareholders, our society, and for the planet.

H2GS has a clear purpose: *we decarbonize hard to abate industries, and we start with steel*. Thereby we are on a journey to undertake the global steel industry’s greatest ever technological shift, and we have the ambition to continue with other heavy emitting industries.

H2GS is committed to accelerating change by eliminating almost all CO₂ emissions from the steel production process, to accelerate the development and positive impact and prosperity of the communities and regions we are present in, still minimizing the potential negative impacts on the local environment and parts of the society that might be affected by our operations. Our products are designed to accelerate transition to more environmentally sustainable energy sources; moving the world away from the burning of fossil fuels and towards electrification and renewable energy. We strive for circular use of our products and biproducts, minimize use of resources and minimize waste.

To do this H2GS is committed to responsible business. We have internal policies, introductions and trainings ensuring our employees adhere to and respect international human rights standards, environmental laws and regulations, ethical business conduct and sanctions and control laws. In many aspects, our internal ambitions are higher, than what is formally stipulated.

We measure our performance and continuously strive to improve, based on facts. Balancing the requirements from our different stakeholders, we shall always make the more sustainable choice, in our operations and in our daily work.

H2GS's overall vision is *to avoid 0,3 B tons of CO2 by 2040*, through our sustainable development and expansion, where our operations in Sweden is our blueprint for our future business.

H2GS's core values are:

- Customer first
- Flow
- Head held high – eye levelled
- We not me – together

H2GS' purpose and core values shall influence all its business operations and guide H2GS and all Staff in the way they act and do business.

3. Human rights and labour conditions

3.1 International human rights and labour conditions

We support and respect the protection of internationally recognised human rights. This means that H2GS undertakes not to cause, contribute to, or be associated with negative impact on human rights through its operations, and to address such impacts should they occur.

We shall not compromise on requirements set out in local legislation or international standards regarding human rights and labour conditions and shall take responsibility for everyone participating in the conduct of its business.

Our employees have the right to form and join, or not to join, unions, and to negotiate working conditions collectively in accordance with applicable national legislation. If national legislation prohibits organisation of unions, we encourage alternate forms of representation such as establishing internal committees or equivalent.

3.2 No discrimination

No Staff at H2GS shall tolerate discrimination or harassment. Staff with the same qualifications, experience, and performance receive equal pay for equal work with respect to their relevant peers.

3.3 Equal opportunities and diversity

We treat all Staff with dignity and respect and provide equal opportunities to all Staff. We understand and recognise the benefits of diversity in recruiting and in dealings with all Staff.

3.4 Work environment

We strive to be an attractive employer by providing a healthy and safe work environment where all Staff are comfortable raising their concerns and reporting any violations of internal or external rules, other regulations, or unethical behaviour.

The wellbeing of all Staff is a high-prioritised matter, and H2GS shall strive to maintain good working conditions not least regarding physical and psychological safety. H2GS shall ensure every member of Staff a safe place to work.

H2GS and all Staff takes all means possible to minimize the risk of accidents, injury, death and exposure to health risks in the workplace. This includes having organisational systems and processes in place to ensure compliance with national safety and health regulations. Identified hazards and unsafe behaviour shall be remedied and structurally improved. Staff are informed of possible safety and health risks and instructed on measures to be taken to protect them in their daily work. Staff are also provided all necessary and suitable personal protective equipment at no cost.

Working hours should not exceed those stipulated by local laws and regulations.

3.5 Forced labour and child labour

No forced labour, modern slavery, human trafficking, or any other form of comparable labour is tolerated at H2GS. Labour must be voluntary, Staff is free to end their employment at any time (subject to prior reasonable notice time), and Staff shall not be forced to lodge money deposits or identification papers with their employer.

All employment of children is prohibited. Any type of employment or work which by its nature, or the circumstances in which it is carried out, is likely to jeopardise the health or safety of the person performing the work shall (besides all required mitigatory actions to be taken by the Supplier) not be conducted by individuals less than 18 years of age.

4. Environment

It is one of the H2GS's greatest ambitions to work with environmental issues from a strategic perspective and in a systematic manner to reduce direct and indirect negative effects on the environment and to future proof business growth of the company. This is applicable both on a local and global basis and including our emission of greenhouse gases, impact on local environment and biodiversity. We strive to be best in class with respect to technologies, solutions and methods used in our production and ways of working to optimize use of energy, resources, chemicals, waste, water, and air. We will take on a leader role when it comes to pushing the environmental standards for production to standards not only in compliance with laws and regulations, but beyond.

5. Anti-corruption and business ethics

5.1 General

We shall conduct our business in an honest and fair manner and with due skill and care.

We must act honestly in our contacts with third parties (including customers, suppliers, investors, and other stakeholders) and provide such parties with accurate and correct information. We must have a level of competence well suited to each of our stakeholders' needs.

5.2 Anti-corruption and anti-bribery

We have zero tolerance for all forms of corruption and take active efforts to ensure it does not occur in the business activities of the company. To achieve this, H2GS has set out principles on bribery, hospitality, gifts, and entertainment in an Anti-Corruption Policy, which must be complied with at all times.

5.3 Confidential information and privacy

We shall protect sensitive or confidential information and not misuse information belonging to H2GS or any of our partners.

We:

- i. have a duty of confidentiality, both by law and by way of written agreement
- ii. are responsible for keeping confidential all matters that could provide third parties unauthorised access to confidential information about H2GS, our customers, suppliers, partners and/or investors
- iii. shall always carefully consider how, where and with whom matters related to H2GS are discussed
- iv. shall not disclose to third parties any sensitive, confidential, commercial, or technical information acquired in the course of business, unless we have received explicit permission for such disclosures
- v. shall report immediately to Head of Legal Affairs upon receiving restricted information or inside information about listed companies, see also section "Inside information and market abuse" further

We shall protect all personal data while performing business and delivering our services. We shall only collect, process and store personal data for legitimate purposes and must ensure that the processing of all personal data is compliant with applicable data protection regulations and H2GS' Internal Data Protection Policy.

5.4 Political involvement/lobbying

Staff may voluntarily participate in political processes. However, a member of the Staff may never use any H2GS funds, assets, services, or facilities to support any political party and shall always make clear that any expressed political view is the view of that member of the Staff, and not of H2GS.

H2GS recognises the right to lobby on behalf of issues that affect the company's business operations and will comply with applicable political lobbying regulations.

6. Inside information and market abuse

Whilst personal trading in securities (e.g., listed shares) by Staff is allowed, it is essential to ensure that it is done in a way that avoids acting on non-public information gained through business and that avoids market abuse occurring. This will ensure that both Staff and H2GS are protected from civil liability, criminal prosecution and reputational damage and that H2GS' risk in this area is appropriately managed.

We are firmly committed to full compliance with all market abuse laws and regulations to which it is subject, both as currently drafted, and as they may be amended. The responsibility to ensure that we do not have any involvement in market abuse falls upon all members of management and the Staff.

- (a) **Prohibition on Market Abuse.** No member of Staff will engage in any behavior which may be construed as market abuse or that is otherwise prohibited under applicable market abuse regulations. Please note that this is applicable to everyone within H2GS acting for his/her own benefit or for any third party.
- (b) **Suspicion and Reporting.** If there is reason to suspect that market abuse or prohibited activities are occurring or have occurred, this must be reported to Head of Legal Affairs who will then decide whether to make a further report to the competent authorities.

In short, the market abuse regime comprises three core prohibitions:

- (a) **The prohibition of insider dealing.** This occurs for instance where a person with access to inside information¹ deals or attempts to deal in a financial instrument or recommends or induces another person to deal in a financial instrument on the basis of inside information relating to that financial instrument.
- (b) **The prohibition of the unlawful disclosure of inside information.** This occurs for instance where a person with access to inside information discloses such inside information to another person other than as necessary for such person's proper performance of his or her employment, profession, or duties.
- (c) **The prohibition of market manipulation.** This occurs for instance where a person manipulates or attempts to manipulate the price, supply, or demand of a financial instrument.

It is of importance that this Inside Information is handled in accordance with applicable legal requirements, and that such information is not disclosed to any third parties. If there is uncertainty regarding certain information and whether it

¹ Inside information is defined as information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. A pre-requisite for the applicability of the market abuse regime is that the issuer or its financial instruments are admitted to trading (or subject to an application regarding admission to trading) at a regulated market or a MTF or OTF (or similar trading platform or marketplace).

is to be considered as inside information, always contact Head of Legal Affairs. It is important to act cautiously in these situations.

To the extent that anyone within H2GS is involved with a party who is listed on a regulated market or other marketplace, this should be flagged to the Head of Legal Affairs immediately to ensure that all relevant safeguards and protections are put in place.

Failure to comply with the policies and procedures set out above could have serious consequences both for H2GS and the individual involved. In addition to subjecting H2GS to potential fines and regulatory censure, any individual involved may be prosecuted and could face imprisonment. Any breach of these policies and procedures will also be treated as a disciplinary matter.

7. Engagements and investments outside H2GS

All members of Staff shall throughout their employment be fully committed and dedicated to their work with H2GS. Engagements outside H2GS are generally accepted as long as it:

- does not interfere with your duties at H2GS;
- does not lead to potential conflicts of interests; and
- does not lead to any reputational risk for H2GS.

In order to ensure that the above principles are met, all Staff are required to seek approval from Head of Legal before accepting engagements outside of H2GS such as board roles (except for activities tied to hobbies or other private engagements such as sports and housing associations etc.). Any member of Staff who has external engagements in which a conflict of interest arise shall consult Head of Legal to manage the conflict of interest.

As a member of Staff at H2GS, it is not permissible to use your position to advance personal interests. This means that no member of Staff is allowed to promote or advocate for their own personal interests while acting on behalf of H2GS. Additionally, any member of Staff who chooses to make personal investments in other companies must refrain from publicly discussing or promoting those companies while representing H2GS. If at any point in time, a member of staff is in a conflict of interest as a result of its ownership in a company, it shall consult Head of Legal to manage the conflict of interest.

8. Organisation and responsibility

All Staff are responsible for their own conduct and for understanding and complying with this Code. A special responsibility lies with H2GS's senior

management to establish a work environment where ethical behaviour is encouraged and rewarded.

The CEO of H2GS is responsible for ensuring that all Staff receive regular training in the areas covered by this Code. Although the board of directors of the company remains ultimately responsible, the CEO will be responsible for monitoring the H2GS's compliance with this Code and keeping the Code updated. The CEO may appoint an employee to perform, or assist in the performance of, these tasks.

The board of directors of the company is responsible for adopting the Code and for ensuring that H2GS maintains sufficient guidelines regulating how Staff should act in relation to areas covered by this Code. The board of directors will review the Code annually or whenever a material change occurs.

9. Non-compliance

H2GS encourages all Staff to raise any integrity concerns that may arise in relation to compliance with the Code. If the Code is not complied with, the CEO and the board of directors shall immediately be informed. No reprisal of any kind is tolerated against justified complaints. Anyone violating the Code may be subject to disciplinary action, including termination of employment.

The CEO shall be consulted if there are any uncertainties related to the requirements or implications of this Code.

10. References

The Code of Conduct includes the following policies:

- Anti-Corruption Policy
- Internal Data Protection Policy