

## **Anti-Bribery and Anti-Corruption Policy**

By Malene Birger's policy is to conduct all our business in an honest and ethical manner. We have a zero tolerance approach to bribery and corruption. This policy has been adopted by the entirety of IC Group, of which we are a subsidiary.

We recognize our legal and moral obligations to implement adequate procedures sufficient to preventing bribery and corruption by managers, employees and business partners working for or on behalf of By Malene Birger.

With the overall aim of ensuring a non-corrupt business environment throughout the value chain of our company, we work actively to comply with all applicable anti-bribery laws in all countries where we do business. This is in alignment with our membership in the UN Global Compact and the 10<sup>th</sup> principle on working against corruption in all its forms, including extortion and bribery. This policy sets out minimum standards; therefore, local law in the country where By Malene Birger operates shall always be followed, if it sets stricter requirements.

This policy sets out overall principles for all managers and employees of By Malene Birger, as well as our agents, suppliers, consultants and similar business partners appointed to act on our behalf of By Malene Birger anywhere in the world.

If By Malene Birger is found to have taken part in corruption or failed to take the necessary actions to prevent bribery by our managers, employees or anyone working on our behalf, we may be subject to unlimited fines and suffer irreparable damage to our reputation. Therefore, any breach of this policy will be regarded as a serious matter and will result in disciplinary action

### **Who must comply with the policy**

This policy applies to all full time employees as well as the management of By Malene Birger. All employees and business partner have the responsibility to:

- Read, understand and comply with this policy
- Fulfill the Anti-Corruption Training that Global CSR/AREA9 is conducting on behalf of By Malene Birger. It is a mandatory training for all full time employees
- Avoid any business activities that can lead to a breach of this policy
- Notify their manager or HR if there is reason to suspect that a conflict with the policy is about to occur/has occurred

### **Legal obligation regarding corruption and bribery**

By Malene Birger has a zero tolerance approach to bribery and corruption, and it is expressly prohibited for anyone acting for or on behalf of By Malene Birger to:

- Pay, offer or promise to pay bribes and kickbacks, or to provide gifts or anything of value, in return for any commercial, contractual, regulatory or personal advantage for By Malene Birger or any other party
- Receive or accept bribes, kickbacks or gifts (except in accordance with this policy) from customers, suppliers, government officials or other third parties

Whether the payee or recipient of the bribe works in the public or private sector is irrelevant for the applicability of this policy.

### **Facilitation payments**

By Malene Birger acknowledges that in some countries it may be customary business practice to make payments or offer small gifts in order to speed up or facilitate routine actions or processes.

Nevertheless, such facilitation payments are illegal in most of the countries in which we operate, regardless of local cultural expectations, and **By Malene Birger expressly prohibits the use of facilitation payments** by our employees and business partners working on our behalf anywhere in the world.

Consequently, faced with a demand for a **facilitation payment**, the following steps must be taken:

- 1) The manager, employee or business partner of By Malene Birger faced with the actual demand must actively resist the payment

If a facilitation payment is unavoidable due to the given circumstances (justified necessity e.g. medical or other personal safety issues), the manager, employee or business partner of By Malene Birger faced with the demand must:

- 2) Inform the Brand CR Responsible. If possible, this should take place before making any unavoidable payment
- 3) Keep the amount to a minimum
- 4) Make a record of the transaction in collaboration with the Brand CR Responsible, clearly stating the reason why it was unavoidable.

### **Gifts, entertainment and hospitality**

A refusal to accept gifts or entertainment may cause offence to our trading partners in certain circumstances or contexts. The same applies to hospitality paid in connection with collection presentations, etc. Such activities are acceptable, provided that they are customary, reasonable, justified and insignificant in value, and that they are not used as disguised bribes suitable for obtaining commercial or personal advantages. For information on the limits for gifts, entertainment and hospitality see Appendix A. Gifts, entertainment and hospitality offered to or received from government officials are never permissible.

Gifts in the form of cash or those equivalents to cash – such as gift certificates – are strictly prohibited with only one exception. Honoring the tradition of Red Pockets under Chinese New Year, we accept cash gifts according to strict conditions and limits outlined in the guidelines.

At the end of Chinese New Year all employees must report all Red Pockets received from external parties to their immediate superior, including information on the giver and content. The head of the department will make sure that excess cash is delivered back to giver.

### **Hospitality**

All costs in respect to hospitality provided to third parties need to be accounted for and reported in accordance with applicable accounting principles. It is the responsibility of each manager, employee or business partner to ensure the correct reporting of such costs.

The provision of hospitality and gifts must in every case comply with the laws of the country in which they are promised, solicited given or received.

Gifts or hospitality to parties engaged in tenders or competitive bidding processes are strictly forbidden.

## **Employee obligations**

All employees of By Malene Birger are obligated to help detect, prevent and report incidents of bribery, corruption and similar wrong-doings, whether performed by fellow employees or third parties acting on our behalf. Suitable channel of communication by which employees and others can report their suspicions is through their manager, or by contacting By Malene Birger's Head of CSR: Mette Tvilling [mtjo@bymalenebirger.com](mailto:mtjo@bymalenebirger.com)

Before appointing third parties to act on behalf of By Malene Birger, the employee responsible for soliciting the assistance of the third party shall:

- Carry out reasonable inquiries as to the background, experience and reputation of the third party in order to mitigate any risk of bribery or corruption
- Diligently inform the third party of the content of this policy.

## **Due diligence, adoption and monitoring**

This policy is adopted by Malene Birger's management and approved by the CEO. By Malene Birger management will recurrently review and update this policy and monitor its observance by all managers, employees and business partners acting on our behalf. Furthermore, we will take appropriate measures in terms of implementing due diligence procedures before engaging business partners.

It is the responsibility of every company manager to communicate this policy and ensure that all employees and external parties working on behalf of By Malene Birger understand and comply with this policy.

Head of CSR is responsible for safeguarding the implementation of this policy. If managers, employees or business partners have any doubts regarding ethical behavior on behalf of By Malene Birger or By Malene Birger, they can contact him/her for guidance.

## **Communication and training**

Each manager and all relevant employees will receive training. New employees will be briefed of this policy as a part of their orientation.

At a minimum, all full-time employees will receive mandatory training, including compliance with anti-corruption laws, regulations or standard conduct relevant for By Malene Birger's business.

## **Business relationships**

A copy of this policy and guidelines will be sent to all business partners, and we will stipulate our expectations of their cooperation in meeting the criteria of this policy. It is the responsibility of our business partners to ensure compliance with this policy.

## **Sanctions**

No manager, employee or business partner will be penalized or be subject to other adverse consequences for refusing to pay bribes, even if doing so may cause that By Malene Birger lose business or suffer other negative consequence.

No manager, employee or business partner will be penalized for raising questions about or reporting on unethical behavior or corruption.

Failure to observe this policy is cause for disciplinary action.