

Code of Conduct



KALLAS
— INC —

Approved by the Board
of Directors of the Company
on 31.05.2022

May 2022

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Message from the Board of Directors

Dear Colleagues,

KALLAS INCORPORATION SA, responding to the challenges posed by the domestic market and the environment, has already broadened and expanded its activity to new categories and channels, and has a presence through subsidiaries in Cyprus and the Balkans, and through exports to other countries.

The Company always operates in accordance with the relevant framework of laws, regulations and internal policies. Nevertheless, as we recognize that the legal framework cannot provide for every business behavior, we consider it important for all our customers, suppliers and our people to fully understand what we represent and how we operate. Thus, we considered it necessary to strengthen and communicate the Regulatory Compliance System at all levels.

The combination of the Code of Conduct approved by the Board of Directors of KALLAS INCORPORATION SA on 31.05.2022, with the vision, principles and values of the Company are the basis for the development of trust, which plays a key role in our sustainable business success.

The observance of the Code of Conduct further reinforces the common framework of principles to be respected by all of us. It is an element that defines our corporate culture and ensures the healthy development of both the company and its people, as well as the partners that interact with it.

We invite you to study the Code carefully and we rely on each and every one of you to implement it.

KALLAS INCORPORATION S.A.

Panagiotis Kallas

Chairman of the Board of Directors

Ioannis Kallas

Managing Director

1. Introduction

1.1 On the Code

The Code of Conduct (hereinafter referred to as the “Code”) was adopted by KALLAS INCORPORATION SA (hereinafter referred to as the “Company”) by the decision of the Board of Directors dated 31.05.2022. Its aim is to promote a common corporate culture in KALLAS INC and its subsidiaries, which encourages behaviors based on the best principles of business ethics and behavior, but also on the applicable legislation and the ten (10) universally accepted principles of the United Nations Global Compact, in the areas of human rights, working conditions, the environment and the fight against corruption¹.

1.2 Purpose

The establishment of a Code of Conduct, which contributes to the further promotion of ethical integrity, honesty, transparency and good professional conduct at all levels of the Company’s hierarchy. We respect and adhere to the Code in our cooperation with all stakeholders, as well as the laws and the regulatory framework of both the countries in which we operate and the international rules and initiatives.

1.3 Scope

The Code includes the fundamental principles, rules and values that shape the context of our activities and define our daily behavior and practice. This set of principles and rules describes the behavior we expect from our employees, as well as the way we conduct business with our customers, suppliers and partners.

We also seek to comply with the principles of business ethics and behavior that our Company adopts with and from all our partners (e.g. customers, suppliers, other external partners).

We are all obliged to study the Code and we must know that:

The Code does not include every possible possibility, nor does it cover every issue in full analysis. In case a situation or its proper handling is not clear, we must ask the Regulatory Compliance Officer.

This Code does not necessarily include all legal and regulatory provisions that may apply, and in cases of contradictory or conflicting provisions, the applicable legal and regulatory framework prevails.

1.4 Communication of the Code

The Code will be communicated to all employees upon their recruitment by the Company. In addition, it is posted on the website to be readily available to us and our partners.

The Code of Conduct, together with corporate governance rules and policies, specify the context of its business operation.

¹ <https://www.unglobalcompact.org/what-is-gc/mission/principles>

2. Our culture

2.1 Our vision

Our vision is to stand responsibly and respectfully towards the modern needs of our partners, offering value-added products and services, fulfilling our role as a strong, reliable and socially responsible company that is constantly evolving at an international level.

2.2 Our values and principles

The values that define our activity are ethics, respect, honesty, cooperation, responsibility, loyalty and gratitude, while the principles that stem from the above values and govern the behavior of all of us in all activities of Kallas Inc., are integrity, commitment, transparency, equality, objectivity, spirit of cooperation and solidarity, respect for society and the environment and full compliance with the legal framework of each country in which we operate and with this Code of Conduct.

2.2.1 Integrity

We respect the laws and the regulatory framework of the country and act with a high sense of responsibility and ethics. We recognize the obligation to operate responsibly.

2.2.2 Commitment

We are proud and take personal responsibility for achieving high-end results while building long-term relationships with our customers and suppliers. We focus on achieving high standard solutions for partners, efficiently and reliably. We demonstrate determination and confidence in our potential to maximize productivity and business excellence. We develop a continuous learning environment and invest in Research and Development, cutting-edge technologies, modern equipment and know-how, in order to promote innovative ideas, so that the Company is constantly ahead.

We focus on the health and safety of our people and provide a work environment that encourages our employees to be productive, result-oriented, and to manage their personal improvement with zeal and integrity.

2.2.3 Team Spirit

We feel proud to work as a team and work together, supporting each other to achieve common goals, either as team members or as team leaders. We choose to work as a team, utilizing everyone's skills, ideas and opinions in the best possible way. We all work for the benefit of the Company and we all feel co-responsible.

2.2.4 Meritocracy

We act with justice and transparency in all our relationships. We distinguish people's personality and abilities and place them in the position where they contribute to the maximum and can be recognized. We think, act and communicate continuously with consistency and integrity.

2.2.5 Corporate Social Responsibility

We recognize our obligation to protect the environment and to support the local communities in which we operate. We invest and actively contribute to improving the quality of life for everyone, inside and outside the business.

3. Compliance

All workers, employees, managers and other persons acting on behalf of the Company are expected to comply with the applicable legal framework and rules and to comply with the restrictions imposed. All employees are personally responsible for compliance with the law and this Code.

The main priority of the Company is to respect the legislated provisions and internal directives, as well as the subsequent law-abiding proper behavior. In the event of a conflict between the law and the principles contained in this Code, the law shall prevail.

4. Integrity and Standards of Ethics

The Company is committed to operate with integrity. We follow ethical business practices and conduct our activities with transparency and reliability. We believe that the growth and success of the Company must be based on the superiority of its products and services.

Bribery or any other practice of corruption is expressly prohibited in our Companies. We do not tolerate corruption, money laundering, bribery or any other immoral or illegal activity. Our performance and competitiveness is developed solely through lawful practices.

4.1 Gifts, Invitations and other Donations

With regard to any gifts, donations, tips or offerings in the form of gifts, we strictly and through procedures ensure that no case of malicious or inappropriate behavior occurs. It is strictly forbidden to accept gifts, donations that may challenge our integrity or seem to affect our business decisions.

4.2 Sponsorships and Donations

In the context of Corporate Social Responsibility, we provide sponsorships for social and humanitarian reasons or to support social actions that promote education, culture, sports and good environmental behavior.

4.3 Prevention of Corruption

Corruption is prohibited by international treaties, national legislation and our Internal Regulation. In compliance with anti-corruption and anti-bribery laws in the countries in which we operate, we do not allow any form of bribery among employees, business partners or any other professional practice, which could create the impression of inappropriate influence.

4.4 Money laundering

We do not tolerate any kind of activity that may be related to money laundering or illegal financing and we fully comply with all relevant laws and regulations in the countries in which we operate. We take part in the international fight against money laundering and take appropriate measures to fully comply with the relevant provisions.

4.5 Prevention of Fraud

We are determined to maintain a culture of ethical behavior, against fraud and corruption. As a consequence, we are committed to defining the ways in which employees and other stakeholders can express their concerns about suspected fraud or corruption.

Management has the primary responsibility to prevent, monitor, and take action in the event of fraud and potential misconduct, and the Audit Committee has a supervisory role.

Management defines, implements and monitors the appropriate functions, mechanisms, policies, procedures and safeguards designed to evaluate, prevent, and remedy issues related to fraud and malicious behavior.

Directorates and Departments must apply the security procedures and safeguards and report any misunderstandings regarding their implementation and results.

5. Conflict of Interest

Employees and members of the Board of Directors must carry out their personal and other external activities in such a way that it does not conflict or does not seem to conflict with the interests of the Company.

In the event of a conflict of interest issue, it should be reported immediately by the person concerned to his / her direct supervisor. In addition, all employees must inform their supervisor of a possible relationship with individuals or companies with which Kallas Inc has business dealings and could lead to a conflict of interest. These relationships include blood or marriage ties, cooperation or investment.

6. Relationships with Business Partners

The relations of the Company with its business partners are characterized by fairness. Kallas Inc. will not offer customers, potential customers, suppliers, governments, government agencies or any representatives of the above, any rewards or benefits in violation of either applicable legislation or generally accepted business practices.

We also expect our business partners to respect the law, the generally accepted standards of social responsibility and our fundamental principles and values, as described in this Code.

Furthermore, Kallas Inc. encourages continued communication with all partners. The long-term profitability and viability of the Company depends on the preventive and constructive dialogue with all stakeholders. We openly present our ideology in order to strengthen the dialogue with them and we expect a similar attitude from them.

We are committed to developing and maintaining two-way and continuous communication with our partners in order to recognize and record their needs and expectations. The development of relationships of mutual trust contributes significantly to the achievement of our corporate objectives in the context of Sustainable Development.

6.1 Our Relationships with Partners and Suppliers

We apply appropriate procedures and controls when selecting a partner, supplier to form an opinion on its integrity, quality, suitability and reliability and to ensure that it has the know-how, capability, reliability and required authorization to perform the assigned activities with competence and professionalism.

We provide the necessary information regarding the Code before entering into a relevant contract. This information contains sufficient details, taking into account the characteristics of the respective partner who is informed that the Code is posted on our website and agrees to comply with the principles of business ethics and behavior that we adopt as a Company.

We ensure that all agreements with suppliers, partners and third parties are made in writing and specify exactly the goods and services provided as well as the fees to be paid. These agreements must be in line with the logic of competition and the market and as defined by the applicable legislation and internal procedures of each corporate unit, in conditions of transparency and impartiality.

6.2 Our Relationships with Customers

Honesty and Integrity

We apply best practices and standards of ethical and professional conduct in all our customer relationships:

We act on the basis of the highest levels of professional integrity, honesty and consistency in all our professional and business relationships:

- We prioritize the satisfaction of our customers' needs.
- We strive to continuously improve the quality of our services.
- We show willingness and courtesy when communicating with our customers.

Mutual respect

We build on mutual respect with our customers:

- We seek meaningful and open communication with them by providing assistance where necessary.
- We aim for optimal cooperation and quality service, based on our specialized knowledge and many years of experience.

7. Fair Commercial Practices

We are committed to working in the context of free and fair competition. Our competitive position is based solely on factors related to our professional success, in particular the innovation capability that distinguishes us, quality, efficiency, reliability and fairness. Therefore, we have to comply with antitrust law in our dealings with competitors, business partners and customers.

All of our employees are required to comply with the requirements of monopoly and competition law. Kallas Inc. prohibits any behavior aimed at or constituting an obstacle, restriction or alteration of free and fair competition.

8. Our Relationships with Colleagues - Employees

8.1 Respect for colleagues

- We promote respect, honesty and integrity between us.
- We encourage and appreciate diversity, different views and experiences, supporting honest and two-way communication, displaying a spirit of adaptation and compromise.
- We develop relationships governed by understanding and trust, demonstrating in practice mutual respect and respect for the hierarchy,
- We encourage good faith criticism aimed at personal improvement and performance improvement.

8.2 Human Rights and Labour Practices

We respect and support internationally recognized human rights. Kallas Inc., within its sphere of influence, supports and respects the protection of human rights and ensures that any kind of violation or encroachment is avoided. These include the avoidance of child labour and forced labour, the observance of the principles for avoiding and combating discrimination, violence and harassment in the workplace, the right to freedom of association and assembly and the right to collective bargaining.

Kallas Inc. has developed and applies the “WORKPLACE DISCRIMINATION, VIOLENCE AND HARASSMENT PREVENTION POLICY”, whose purpose is to create and consolidate a working environment, which respects, promotes and safeguards human dignity and the right of every person, regardless of the contractual status of employees, in a world of work without violence, harassment and intimidation, where employees will have the certainty that their problem will be addressed with discretion and responsibility by our Company.

In addition, the purpose of the above policy is to prevent and combat all forms of discrimination based on personal characteristics and choices, as well as any violence and harassment that occurs during the work, whether it is related to it or arises from it.

8.2.1 Anti-Discrimination

Kallas Inc. recruits, evaluates and manages in such a way as to avoid discrimination related to race, gender, religion, age, possible disability, sexual orientation, nationality, political beliefs, trade unionism, social or national origin. In addition, diversity at every level in the workplace is encouraged.

We ensure the impartial conduct and respect the privacy of each employee and therefore the collection, processing, use and retention of their personal data is implemented within the legal framework and according to the needs of the Company’s activity.

8.2.2 Equality and Equal Opportunities

We do not tolerate any kind of racial discrimination or discrimination related to gender, religion, age, nationality, social or national origin, disability, beliefs, sexual orientation, or trade unionism. These principles apply and are implemented starting from the recruitment of new employees, as well as throughout the cooperation and professional development of our people. The only factors that are taken into account are: the experience, personality, efficiency, skills and qualifications of each employee.

8.2.3 Forced or Child Labour

We are opposed to all forms of forced and child labour. All work performed in the Company must be voluntary. Any form of coercion, forced or child labour is not tolerated by Kallas Inc. The minimum age for employment is 18 years.

8.2.4 Harassment

We work together to find solutions that will benefit both the Company and our employees and partners. All forms of harassment (including all forms of sexual harassment and harassment of any other legally protected category), intimidation, rudeness or disrespect and obscene comments are prohibited. Furthermore, Kallas Inc. prohibits any form of threat or violence in the course of business activities inside or outside the Company's premises.

8.3 Health and Safety in the Workplace

The implementation and adherence to the rules on Health and Safety of Employees in the workplace and in all areas of activity of Kallas Inc is considered a top priority for the protection of human life. The objective of the zero accident rate in the workplace is the responsibility of all employees.

Management ensures that the activities of Kallas Inc. are carried out in compliance with the applicable laws and regulations (Law 3850/2010) as well as with corporate standards and best practices in health and safety. Kallas Inc. ensures that all employees and business associates employed on its premises work in a healthy and safe working environment. The Company monitors and controls the relevant risks and takes all necessary preventive measures against accidents.

8.4 Evaluation

We provide opportunities for development depending on the performance, abilities and skills of each employee.

We evaluate the performance of our subordinates in order to provide them with the appropriate guidance and to cultivate their professional skills.

The procedures for the selection, recruitment and development of employees are based on criteria related to:

- Qualifications and effectiveness;
- Experience and knowledge;
- Interest and creativity;
- Additional criteria related to the scope of the work in question.

8.5 Reward systems:

The remuneration of employees shall be at least in the amounts determined by the applicable legislation and the individual provisions. The terms of employment are reasonable and fair.

10. Environmental Protection

Our goal is to minimize the impact on the environment, to continuously improve our environmental performance and to promote environmental responsibility in our culture. The Company follows the Principle of Prevention in environmental challenges, taking initiatives to promote overall environmental responsibility, encouraging the development and integration of environmentally friendly technologies.

11. Social Responsibility

We respect society, we do not take actions that could harm it and we take care to keep our commitments to the local communities intact, supporting them in practice and with sensitivity, offering the essentials to those who really need them.

12. Information Management

12.1 Data Protection

In all operational procedures, we guarantee the protection of privacy, in compliance with applicable law. The Company complies with all applicable laws and regulations on the protection of personal data and privacy, including Regulation (EU) 2016/679 on data protection (GDPR) and applicable national laws and regulations (“Personal Data Protection Laws”).

Any business or commercial information, trade secrets, but also other exclusive information about the Company, contracts, projects, financial data, customers, suppliers and partners must be managed as confidential information. Information of this kind should not be disclosed to persons or organizations outside the Company or to employees of the Company who do not have the appropriate authorization.

Employees, partners and third parties in general dealing with Kallas Inc. should not disclose confidential information to third parties but should manage business and confidential information with the utmost discretion.

12.2 Internal Information

Internal information comprises all non-public information that investors would consider important in making investment decisions. The management of such information must be made in strict confidentiality and must not be accessible to third parties.

12.3 Information Systems Security

The availability and integrity of the Company’s Information Systems is of fundamental importance. Personal and professional data are protected against unauthorized access, loss, or manipulation using any technical means available, based on the applicable National Law.

12.4 Financial and Non-Financial Information

The integrity of the financial reports is crucial for the management of the Company as well as for the correct and accurate disclosure of its financial data. All financial transactions of the Company are always recorded and published in accordance with generally accepted accounting standards and principles, while the accounting records present in a correct and not misleading way the nature of the transactions. Kallas Inc. provides timely, true information characterized by transparency, relevance, content and correctness.

The acquisition of internal and external data, records and reports must be reliable, correct and complete. We expect employees and employees who are in charge of accounting reports to show the utmost care in every procedure as well as to follow international standards, including compliance with generally accepted accounting principles.

13. Protection of the Company's Assets

All employees are required to safeguard the Company's assets. The assets include immovable property, machinery and vehicles, computers, software and in general fixed assets, corporate information, company reputation, customers, trademarks and brands and to protect them against loss, damage, theft, incorrect or unauthorized use. Employees are also required to respect the material and intangible assets of the partners of the Company and to take care to avoid their waste, damage, destruction, or theft.

13.1 File management

The correct and accurate keeping of records is a necessary condition for the proper functioning of the Company. The records shall retain and store all information generated and used in the context and for the needs of the company's activity. Those employees who, due to the nature of their work provided, keep records, must ensure their accuracy and completeness.

14. Responsibility of Senior Executives and Employees

It is the responsibility of senior executives of Kallas Inc to communicate and promote the content and spirit of this Code within their business units but also to encourage employees to be informed about any behaviors that do not comply with these principles. The explicit or implicit acceptance of questionable actions will not be accepted.

15. Reporting of Violations

All employees have the right to report to their supervisors cases where the content of the Code of Conduct appears to be violated. The Directors or the members of the Board of Directors must immediately report these cases to the Internal Regulatory Compliance Officer. The above report may also be made anonymously, in accordance with the applicable policies and procedures.

The Regulatory Compliance Officer shall receive all reports relating to violations of this Code. Persons reporting violations in good faith will not be subject to any kind of retaliation. Reports will be reviewed, and where necessary, corrective and repressive actions will be taken.

The Regulatory Compliance Officer is Eleni Gkolfinopoulou, Legal Advisor Kallas Inc., egkolfinopoulou@kallasinc.com

16. Monitoring and Amendments to the Code

Each functional unit shall be responsible for compliance with the provisions of the Code of Conduct as well as other internal regulations within its area of responsibility. Internal control has the unrestricted right to receive information and to conduct checks unless otherwise provided by legal provisions and labour agreements.

The Code of Conduct has been approved and ratified by the Board of Directors of Kallas Inc on 31/05/2021 and binds us all, and can only be amended or nullified by the Board of Directors. Any amendments or nullification shall be notified accordingly and the applicable

Code will be posted on the Kallas Inc. website.



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