

## Appendix – Ethics Policy

Version 23-08

### Introduction and purpose

It is important to Walley that the general public has confidence in Walley and in each merchant associated with Walley. The operations conducted both within Walley and by the merchant shall be performed in an ethically satisfactory and, in other regards, sound manner.

In accordance with the agreement, to prevent harming public confidence in Walley and its partners, Walley's services may not be used unethically or for illegal purposes. This Ethics Policy sets out which types of products and service, as well as which business practices Walley considers illegal/unethical at any given time. Within the framework of the agreement with Walley, the merchant may not sell illegal/unethical products or services to customers, or otherwise apply illegal/unethical business practices in its operations.

### Illegal and unethical types of products, services and business practices

The list below exemplifies products, services and business practices deemed illegal/unethical by Walley. The list is not exhaustive.

#### Illegal products, services and business practices

- Sales, marketing and distribution of:
  - Illegal items and substances, such as drugs or similar substances commonly used in the production thereof, as well as paraphernalia associated with such substances and their use.
  - Unlicensed (counterfeit) copies and products infringing on the intellectual property rights of others.
  - Products and services that foster criminal operations and may be viewed as supporting illegal activities or that are otherwise considered illegal.
- In connection with sales, marketing and distribution, applying/supporting the following:
  - Threatening or applying implied/covert threats in connection with negotiations and/or when entering into agreements with potential customers.
  - Using methods that may be perceived as aggressive, intrusive, deceptive or inappropriate, or applying methods that could otherwise be deemed to support unsound business operations.
  - Non-compliance with applicable regulations under market law, Walley's instructions and the agreement in other regards.
  - Fostering and/or participating in money laundering and financing of terrorism.
  - Fostering and/or participating in bribery and corruption.
  - Exploiting labour by means of unregistered employment, for example, whereby the merchant avoids paying requisite social security contributions and taxes.
  - Participating in or being involved or associated with criminal operations and/or suspected criminal operations.

#### Unethical products, services and business practices

- Sales, marketing and distribution of:
  - Weapons, knives, replica weapons, explosives and similar products. Walley may individually allow sales of such items by merchants conducting sales for hunting purposes – provided that the merchant is licenced to conduct such operations.
  - Sale of solely alcoholic beverages. Walley may individually allow duty-free sales in cases where other products are also offered for sale.
  - Grossly offensive, grossly pornographic or associated products, contents and/or services.
  - Lotteries, gambling, betting and similar activities, such as websites for gambling/betting.
  - Sales of tobacco, tobacco-like products, e-cigarettes or substances with drug-like properties and that may come to be subject to prohibition or regulation and similar or associated products and paraphernalia for the use of such products.
  - Products and services specifically targeting a vulnerable consumer group, such as seniors, or groups that are, for various reasons, unable to obtain/assess information in the same way as ordinary people.
- In connection with sales, marketing and distribution, applying/supporting the following:
  - Products/services or business methods entailing a reputation risk/badwill for Walley, such as products or services associating Walley with contexts causing Walley to be perceived as anything other than a serious, positive and professional company.
  - Pyramid schemes.

- Products/services or business practices that encourage hatred, violence, racism, or other discrimination.
- Contracts requiring an active response from the customer for a purchase not to become legally binding.
- Mailbox companies and shell corporations.

Walley will not cooperate with merchants who:

- Are or become subject to investigation by a public authority/supervisory authority or equivalent body.
- Are subject to a ban or warning from a public authority/supervisory authority or equivalent body.
- Receive numerous claims/complaints, deviating from what Walley considers normal for the product, service and segment.
- Supplied Walley with incorrect, incomplete or misleading information of significance for Walley's assessment in determining its willingness to enter into an agreement with the merchant or of the feasibility of achieving a functioning contractual relationship with the merchant.
- Have switched industry, segment, company structure or operational character, which could impact Walley negatively or increase Walley's risk.

Based on the above, Walley performs, in each case, its own valuation and assessment regarding whether the merchant's products, services and/or business methods, etc. could be deemed illegal and/or unethical in accordance with this Ethics Policy. Walley's assessment shall be proportionate and shall be based on an overall assessment of each individual merchant and case.

### **Compliance**

The merchants with whom Walley enters into cooperation shall comply with the contents of the Ethics Policy applicable at any given time. In the event that the merchant does not comply with this Ethics Policy, Walley may, and is entitled to, prematurely terminate the cooperation with the merchant, in accordance with the agreement. Where deviations from the Ethics Policy occur that are considered by Walley to be minor, Walley may afford the merchant an opportunity to comply. In individual cases, exceptions from this policy may be applied by Walley as stipulated accordingly in the Agreement.

### **Amendments**

Walley's Ethics Policy is reviewed on an ongoing basis and is revised as necessary.