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# Communications Policy, Balco Group AB

The communication policy has been developed in collaboration between the management group of Balco Group AB and the company's board of directors.

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<b>1</b>	<b>General information about Balco's communication</b>	<b>2</b>
1.1	Introduction	2
1.2	Areas of responsibility and authorisation	2
1.3	Rules for communication	3
1.4	Limitations	3
<b>2</b>	<b>Internal communication</b>	<b>4</b>
<b>3</b>	<b>External communication</b>	<b>4</b>
3.1	Communication of insider information through press releases	4
3.2	Other communications	5
3.3	Web communications	7
3.4	Crisis management communication	8
3.5	Information that shall be published in accordance with Rules for Issuers	9
3.6	Information that shall be published in accordance with VPML	10
3.7	Information that shall be published in accordance with LHF	10
<b>4</b>	<b>Guidelines for handling insider information and other information to the capital market</b>	<b>10</b>
4.1	About the obligation to provide information	10
4.2	Information that shall be published	13
4.3	Contacts with media and analysts	14
<b>5</b>	<b>Forecasts and forward-looking statements</b>	<b>15</b>
<b>6</b>	<b>Insider list</b>	<b>15</b>

Appendix 1	Balco's spokespersons
Appendix 2	Decision template for deferred public disclosure for Balco Group AB (publ)
Appendix 3	Notification to the Swedish Financial Supervisory Authority of deferred public disclosure for Balco Group AB (publ)
Appendix 4	Legend for press releases containing insider information and for certain other communication

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	2 (22)



## 1 General information about Balco's communication

### 1.1 Introduction

Communication is an important instrument and tool for communicating a company's goals and activities. Consistent, reliable and open communication is necessary in a listed environment where companies are subject to constant critical scrutiny by the media and other stakeholders.

The purpose of this communications policy is to create clear and consistent communication that gives a fair picture of Balco Group AB ("Balco") and its operations. The policy also aims to ensure that all information provided by Balco and its subsidiaries shall be correct, relevant and clear and not misleading. The communications policy is a business strategy document that has been established by the board of directors of Balco. The policy covers Balco's external and internal communications and regulates responsibility for Balco's communications.

The communications policy also includes certain procedures for the public disclosure of insider information. These procedures are complementary to and subordinate to the rules on handling insider information contained in the Balco's insider policy, which regulates, for example, what information shall be considered to be insider information and who decides on public disclosure of insider information.

### 1.2 Areas of responsibility and authorisation

With regard to external communications, the persons listed in Appendix 1 have been mandated to make official statements on behalf of Balco and/or its subsidiaries in the individually defined areas set out in the appendix. However, Balco's CEO shall have the right to change the division of responsibilities and to adopt an updated Appendix 1 if necessary. Otherwise, responsibility for Balco's communication activities is allocated as follows.

**The board of directors** is ultimately responsible for Balco's strategy and organisation. The board of directors also adopts this communications policy which is the framework for Balco's communications.

**The chair of the board of directors** is the spokesperson for the board and in all matters that relate to the work of the board.

**The CEO** is ultimately responsible for Balco's communications and for updating of and compliance with the communications policy. As stated in this policy, the CEO may delegate operational communications responsibility to designated functions and executives.

**The communications function** is a central group function with responsibility for planning, coordination, control and implementation of communications in accordance with the agreed communications strategy and this communications policy.

**The investor relations function** is a central group function with responsibility for contacts between the company and its shareholders, analysts, brokers and financial media.

**The country managers and heads of central group functions** are responsible in their respective areas for applying and complying with the principles of the communications policy, and for ensuring that information used in communications within their respective areas is accurate, relevant, clear and not misleading.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	3 (22)



Internal information is an integral part of **all managers'** overall responsibilities. Managers must embrace and communicate Balco's goals, business concept and strategies. Each manager is also responsible for informing his or her employees about issues that affect their work and organisational unit.

**All employees** are responsible for actively obtaining information about the company and their respective units, for example by reading Balco's intranet and attending relevant information meetings. Employees also have a responsibility to communicate with their managers and colleagues and thus stay up-to-date. Keeping up to date is part of the conditions of employment.

### 1.3 Rules for communication

Balco's communications must be performed in accordance with the applicable rules and this communications policy. In addition to the rules set out in this communications policy, there are binding rules on providing information and public disclosure of information to the capital market in the EU market abuse regulation (the "**Market Abuse Regulation**"), in the Act (2007:528) on the securities market ("**VPML**"), in the Act (1991:980) on trade in financial instruments ("**LHF**"), in the Swedish Financial Supervisory Authority's regulations, in NASDAQ Stockholm's rules for issuers ("**Rules for Issuers**") and in the Swedish Corporate Governance Code (the "**Code**"). In the event of conflict between this communications policy and any of these sources of rules, the sources of rules shall have precedence.

All Balco's communications shall be based on the following principles:

- Proactivity – The communication aspect must be taken into account in all decision-making, regardless of whether it concerns a board, management, business unit or departmental issue. By means of active communication, Balco has a greater opportunity to set the agenda for the company's communications.
- Topicality – Information must be provided promptly, so that Balco's intentions and messages can be conveyed.
- Reliability – Information must be factual, accurate and not misleading. To ensure this, all external communications shall be approved by the person within whose area of responsibility the communication in question lies, in accordance with the distribution of responsibilities set out in Appendix 1.

These principles are also significant for the internal communication processes; all managers and project managers who work on projects or other business events of strategic importance must ensure that proactive, up-to-date and reliable information reaches management so that Balco is able to comply with the applicable rules.

### 1.4 Limitations

Without prejudice to Balco's obligation to disclose insider information according to applicable disclosure rules (mainly the Market Abuse Regulation and Balco's insider policy), Balco shall avoid publishing information that falls within any of the following categories:

- confidential information;
- commercially sensitive information;
- information relating to third parties, unless it affects or concerns Balco's activities; or
- information that may violate the personal integrity of an individual.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	4 (22)



## 2 Internal communication

The purpose of internal communication is to help Balco achieve its goals by providing employees with information on Balco's goals, strategy, operations, results and commercial offerings, as well as how to realise the goals. Successful internal communication depends on how quickly, often, openly, honestly and understandably matters are communicated to employees. Internal communication enables cooperation between the various group-wide functions, business units and departments. However, internal communications are limited by the rules on disclosure of insider information as described in Balco's insider policy, which means that information that is insider information must not be freely communicated internally.

Internal communication is primarily aimed at Balco's employees. This target group can be divided into three sub-groups:

- Managers and/or other key personnel;
- All employees;
- Future and/or former employees.

Subject to the limitations imposed by the rules on insider information, Balco's employees shall ensure a constantly open and interactive flow of information at and between each organisational level, with the support of established procedures and flexible, functional channels. Within Balco, the procedures and channels for internal communication include verbal communication through meetings at group, business unit or departmental level, as well as written communication through, for example, intranet, newsletters, social network websites and e-mail.

## 3 External communication

External communication refers to communications addressed to one or more target groups outside Balco, such as media (which is both a channel and a target group), customers, clients, existing and potential investors, the capital market, the authorities and the general public. The purpose of Balco's external communication is to support the company in achieving its overall goals by developing and maintaining good relations with key stakeholders and by increasing knowledge and awareness about the company and its operations.

All processing of insider information is subject to special rules contained in Balco's insider policy. In addition, this communications policy contains certain procedures for the public disclosure of insider information, which are described in more detail in sections 3.1 and 4 below. These procedures are complementary to and subordinate to the rules on the handling of insider information in the insider policy.

Only the spokespersons listed in Appendix 1 have a mandate to make official statements on behalf of Balco and/or its subsidiaries in the individually defined areas set out in the appendix.

### 3.1 Communication of insider information through press releases

In accordance with the insider policy, it is Balco's Insider Committee (the "**Insider Committee**"), consisting of the CEO and CFO, that is responsible for deciding on any public disclosure of insider information. In the event of such a decision on the disclosure of inside information, public disclosure shall be in accordance with the procedures set out in section 4. No information that represents insider information may be publicly disclosed or otherwise made available in any manner other than as provided for in Balco's insider policy and section 4 of this communications policy.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	5 (22)



### 3.1.1 Responsibility

Balco's Insider Committee is responsible for deciding on the public disclosure of insider information in accordance with Balco's insider policy. Thereafter, Balco's CFO is responsible for ensuring that the insider information is publicly disclosed in accordance with this policy.

## 3.2 Other communications

### 3.2.1 Investor Relations

Investor relations refers to contacts between the company and its shareholders, both present and potential, as well as analysts and brokers and contacts with financial media. The goal of Balco's investor relations is to increase value for shareholders while ensuring compliance with applicable rules. In order for Balco to meet its commitments and ensure that no insider information is disclosed, the CFO is required to be involved and receive information in good time before any activities are performed that include investor relations. Balco's procedures relating to contact with the press and analysts in connection with financial reports, other contact with analysts and investors and silent periods follow from section 4.3.4.

#### 3.2.1.1 Responsibility

The CEO and CFO have overall responsibility for Balco's investor relations and shall:

- ensure that Balco complies with applicable rules – in particular, that no insider information is given out and that rules on the handling of insider information as set out in Balco's insider policy are complied with – in their contact with existing and potential shareholders and in other communications to the capital market;
- attend all meetings with investors, analysts and brokers. A request or question from an analyst, broker or investor shall never be answered or processed until the CEO or CFO have been consulted. This is necessary in order to comply with the applicable rules and to maintain common and unified communications; and
- monitor changes to applicable rules, including changes to Balco's insider policy, that affect Balco's investor relations.

### 3.2.2 Media relations

The media is a target group as well as a channel for external communications and it is therefore important to develop and maintain relations with the media. Establishing good relations with the media increases the probability that the media will describe Balco's activities in a way that creates realistic expectations regarding the company's development.

Media relations can both be proactive and reactive. Common proactive measures include informing journalists about Balco in general or a specific aspect of the business, offering interviews or publishing news or information by means of a press release. The most common reactive measure is to be available to answer questions.

When the company is in contact with journalists, no information is given off-the-record. All information that is given to journalists shall be regarded as public information. Balco's procedures for meetings with the media and press conferences follow from section 4.3.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	6 (22)



### 3.2.2.1 *Responsibility*

In the first instance, the Balco spokespersons listed in Appendix 1 are responsible for making official statements for Balco and answering any questions. The company's CEO has overall responsibility for ensuring that the media obtain fast and accurate information regarding Balco's activities. As mentioned above, the CFO are responsible for relations with financial media.

### 3.2.2.2 *Press releases that do not disclose insider information*

The following guidelines apply only to press releases that do not contain insider information. A press release that does not contain insider information must not be formulated so that it might be perceived as including insider information.

A press release must comply with certain requirements. Background material and fact sheets shall be concise, factual and straightforward. Each press release shall include a list of persons who may be contacted by anyone who wishes to receive further information. These persons must be available for questions on the day of publication of the press release. Most press releases are written in both Swedish and English and are released in several markets.

Balco should publish all information in such a way that the information is made available to the public in a timely and non-discriminatory manner throughout the EEA. This is achieved by sending out the information as a press release through Balco's information distributor Cision according to the procedures established for such distribution. The published information shall also be made available in full on Balco's website as soon as possible after publication.

The production, translation and administration of a press release often takes many hours and to ensure that the press release is published at the time determined, it must be locked for editing at least an hour before the time of publication.

Balco should publish corrections of errors in the information previously published as quickly as possible, unless the error is immaterial.

### 3.2.2.3 *Readiness for response*

Balco endeavours to achieve equal treatment of all media. The aim is to answer questions from the media professionally and as quickly as possible. As a general rule, Balco does not comment on rumours, speculation or hypothetical questions (however, see section 4.1.3 regarding rumours in the market).

## 3.2.3 Marketing and management of the Balco brand

The purpose of marketing is to strengthen the Balco brand and thereby enable the group to realise its goals. By means of strategic marketing activities, marketing shall support Balco's activities in both the short and long term.

### 3.2.3.1 *Responsibility*

The Marketing Director is responsible for Balco's marketing and the guidelines for the Balco brand.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	7 (22)



### 3.2.3.2 *The Balco brand*

The Balco brand and the Balco logo are valuable intangible assets. As a result, it is of the utmost importance that all communications promote the group's brand and that the logo is used in a uniform manner and in accordance with the specified rules. Other trademarks within Balco shall be handled in the same way. Any use of the Balco logo must follow Balco's brand guidelines, which may be found on Balco's intranet.

## 3.3 Web communications

Web communications primarily means Balco's website and intranet. These are channels of communication to all external and internal target groups. The website is the most visible marketing tool for Balco's products and services, while the intranet is the main channel for daily internal mass communication. Other electronic channels include e-mail, websites and various social networking media.

### 3.3.1 Responsibility

The marketing function is responsible for the external website as well as for Balco's image and content online. The HR function is responsible for the company's intranet.

The CFO is responsible for ensuring that Balco's website is kept up to date according to the requirements of the Swedish Companies Act (2005:551), the Rules for Issuers, the Code and other applicable regulations.

### 3.3.2 Balco's website

In accordance with the applicable rules in the Companies Act, the Rules for Issuers and the Code, among other places, Balco's website shall contain certain information and in certain respects shall be designed in a manner that complies with the rules.

#### 3.3.2.1 *Publication of insider information and other press releases*

On Balco's website, there shall be an easily identifiable section for press releases. In this section, press releases shall be presented in chronological order, clearly showing the date and time of publication. It should be clearly stated for visitors to the site which press releases contain insider information and which do not, for example by dividing the press release section into two parts: a section for press releases containing insider information and other "regulatory" press releases (i.e. press releases published according to the Market Abuse Regulation, Swedish law, the Rules for Issuers or the Code) and a section for press releases published for marketing purposes, other information and news. The two sections can be separated by means of a search function or filter or by other means that is made clear.

All published information shall be made available on the website as soon as possible after publication and shall be available on the website for at least five years. However, financial reports shall be available on the website for at least 10 years after publication. Access to insider information must not be restricted to any person within the EEA or associated with costs for users.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	8 (22)



### 3.3.2.2 *Information about corporate governance*

According to the Code, Balco shall have a special section on the company's website for corporate governance issues. Under corporate governance, the current articles of association shall be available together with other information which must be provided or available on the website according to the Code. Before the annual general meeting, the corporate governance page shall also contain up to date information regarding the board members, the CEO and the auditor, as well as a description of the company's system for variable remuneration to those in senior positions and of all current share and share price related incentive programs.

### 3.3.2.3 *Financial calendar*

On the company's website, Balco shall have a financial calendar detailing the expected dates for the presentation of financial reports and the date of the annual general meeting, as well as which week the annual report is to be published. Publication of the company's calendar on the website shall occur before the beginning of the financial year.

If a publication cannot be made on the predetermined date, the issuer shall publish details of the new date. If possible, the new date shall be published at least one week before the original date.

## 3.4 **Crisis management communication**

When a crisis has arisen, communication is a crucial step in enabling the company to emerge from the crisis. A crisis means an acute event that affects employees or that Balco's operations are negatively affected in whole or in part.

Risks that are associated with Balco's activities and that could develop into a crisis are subject to systematic evaluation in an annual survey. The company's risk management requires sufficient preparedness from all group functions so as to handle exceptional situations. Each continuity plan from each branch of the organisation shall include communications guidelines for the management of crisis situations. The communication plans for crisis situations shall be reviewed at least every two years.

The group's crisis management team consists of the CEO, CFO, HR Manager and Marketing Manager, as well as relevant country managers or other members of group management.

### 3.4.1 *Responsibility*

The CEO is responsible for the group's communications in connection with crisis situations and group management is responsible for the group's risk assessment.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	9 (22)



### 3.5 Information that shall be published in accordance with Rules for Issuers

According to the Rules for Issuers, the following information shall always be published, even if the information is not considered to be insider information. Whether the information constitutes insider information or not, public disclosure shall be made in accordance with section 4.2. Press releases that do not contain insider information must not give such an appearance or contain a so-called insider information legend. The Rules for Issuers contain more detailed guidance which should be consulted where applicable.

- Financial reports, i.e. the year-end report and other interim reports (see section 4.2.1).
- An auditor's report with abnormal comments or an auditor's report that does not have a standard content.
- Forecasts and forward-looking statements (see also section 4.4).
- Notice of and information about decisions taken at the general meeting.
- Proposals and decisions on the issue of financial instruments.
- Changes to the board of directors, management and auditors.
- Decisions on the introduction of share related incentive programmes.
- Transactions with closely related parties that do not form part of the company's normal business or are not of minor importance to the parties involved.
- Significant changes in the company or its operations.
- Decisions on the listing or delisting of financial instruments issued by the company.
- Information that is provided to another marketplace.
- Other information that Nasdaq Stockholm deems necessary so as to provide fair and orderly trading.

Furthermore, there may be a duty to provide information in the situations listed below. The list is not exhaustive. The CFO must always be consulted if it is unclear whether certain information is to be regarded as inside information

- Orders and investment decisions
- Cooperation agreements or other significant agreements
- Purchase and sale of companies
- Price or currency changes
- Credit or customer losses
- Financial difficulties
- New joint ventures
- Research results, development of new products or important inventions
- Initiation or settlement of legal disputes and relevant court decisions
- Government decision
- Shareholder agreements that are known by the company and that may affect the transferability of shares
- Market rumors and information leakage
- Market maker agreement
- Information regarding subsidiaries and associated companies
- Significant change in earnings or financial position

Where information referred to in this section constitutes insider information, Balcos Insider Committee must make a decision on public disclosure before the information can be disseminated outside the circle of persons listed in Balco's logbook.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	10 (22)



### 3.6 Information that shall be published in accordance with VPML

According to VPML (the Swedish Securities Market Act), Balco shall publish all changes in the rights linked to financial instruments that are issued by Balco. Such publication shall be made by press release. The press release shall be provided with a so-called legend that Balco is required to publish the information in accordance with VPML and at what point in time the information was submitted for publication, as indicated in Appendix 4.

### 3.7 Information that shall be published in accordance with LHF

According to LHF (the Act on trade in financial instruments), Balco shall publish a press release about changes in the number of shares and votes on the last trading day of each month in which the number of shares or votes has changed. Such a press release shall be provided with a so-called legend that Balco is required to publish the information in accordance with LHF and at what point in time the information was submitted for publication, as indicated in Appendix 4.

## 4 Guidelines for handling insider information and other information to the capital market

### 4.1 About the obligation to provide information

Balco has financial instruments listed on Nasdaq Stockholm and is thus controlled in its provision of information by, among others, LHF, LVPM, the Rules for Issuers and the Market Abuse Regulation.

The company shall publish information on decisions or other events and circumstances classified as insider information as soon as possible. Insider information refers to unpublished information of a specific nature directly or indirectly related to the company or a financial instrument issued by or linked to the company and which, if it became public, is likely to have a material impact on the price of the instrument or that of a related derivative instrument. In assessing what may constitute insider information, the following factors can be considered:

- the expected scope or significance of the decision or event in relation to the entire company's operations,
- the significance of the new information in relation to the factors determining the pricing of shares, and
- other factors that could affect the price of the listed shares (see also Balco's insider policy)

Assessing what constitutes insider information may be done on a case-by-case basis and, in the event of doubt, Nasdaq can be contacted for advice. Nasdaq's personnel are under an obligation of confidentiality. However, the final provision of information is always on Balco's responsibility.

Which information shall be published is further described in section 4.2 below.

Information that is published by the company shall be **correct, relevant and clear**, and must not be misleading. Information concerning decisions, facts and circumstances must be sufficiently detailed to permit an assessment of the significance of the information to the company, its financial results and position or the price of the company's securities.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	11 (22)



#### 4.1.1 How information shall be made public

All information shall be published in such a way that the information is made available to the public in the EEA in a timely and non-discriminatory manner. This is achieved by publishing the information by sending a press release through Cision according to a separate checklist. It shall be clearly stated in the press release that the information therein is published pursuant to law and at what time the press release was submitted to Cision for despatch.

Information that is published shall also be submitted, at the latest at the same time as publication, to Nasdaq in the manner directed by Nasdaq and to the Swedish Financial Supervisory Authority (which is normally done automatically via Cision).

The information shall include details of the time and date of publication, the company name, details of Balco's website, contact person (s) and telephone number(s).

The essential information shall be clearly presented at the beginning of the message. Each message shall have a headline that summarises the content.

It normally takes several hours to prepare, translate and administer a press release, so that to ensure that the distribution of a press release takes place at the predetermined time, editing of the press release must be completed in good time before distribution.

#### 4.1.2 Time of publication

As a general rule, Balco is obliged to disclose insider information as quickly as possible. However, under certain conditions, Balco may postpone such public disclosure. Balco may only postpone the immediate publication of insider information if:

- immediate public disclosure would be likely to harm Balco's legitimate interests,
- a deferment does not mislead the public, and
- Balco can ensure that the information remains confidential.

The conditions for postponing the disclosure of insider information must be assessed on a case-by-case basis and, in case of doubt, Nasdaq Stockholm can be contacted for advice. Contact with Nasdaq Stockholm may only be made by the CEO or CFO.

The company's decision to postpone publication shall be recorded in electronic form (i.e. in Word, Excel or other word processing software) and according to the template in Appendix 2. At the request of the Swedish Financial Supervisory Authority, the Company shall provide the Swedish Financial Supervisory Authority with a written explanation of how the conditions for deferred publication were met.

Immediately after the company publishes deferred insider information to the public, the company shall inform the Swedish Financial Supervisory Authority of this in writing. Information that the public disclosure of insider information has been postponed shall be submitted to the Swedish Financial Supervisory Authority by e-mail (mar@fi.se). The e-mail shall be sent encrypted to the Swedish Financial Supervisory Authority according to the template in Appendix 3.

#### 4.1.3 Information leaks and rumours in the market

If the disclosure of insider information has been postponed in accordance with the stock exchange rules and the Market Abuse Regulation and it can no longer be ensured that the insider information remains confidential, the company shall disclose the insider information as quickly as

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	12 (22)



possible. This also includes situations where a rumour is expressly related to insider information whose publication has been postponed, when this rumour is sufficiently clear as to demonstrate that it can no longer be ensured that the information remains confidential.

If Balco learns that insider information has leaked out prior to publication, Balco shall take the following action:

- Advise the CEO.
- The CEO or CFO shall contact the trading monitors at Nasdaq Stockholm.
- The CEO shall inform the board of directors.
- After a decision by the CEO and in consultation with Nasdaq Stockholm, the company shall, if necessary, publish clarifying information about the incident.
- Evaluate and modify procedures for information management, if necessary.

CFO relations continuously monitors the risk of leakage of insider information as well as cases of possible rumours in the market that constitute insider information. In the event of such a leak or rumour, the head of investor relations, together with the management group, shall evaluate the situation and establish an appropriate action plan. It is necessary that the CFO is informed and aware of significant business events that could affect the company and the valuation of the Balco share.

#### 4.1.4 Selective provision of information

Balco shall ensure that all stakeholders in the capital market have simultaneous access to insider information regarding the company. Balco shall therefore ensure that insider information is treated confidentially before it is published and that no unauthorised party has access to such information. It follows that insider information must not be divulged to analysts, journalists or others if it is not published at the same time. Exemptions from this can be made in special cases. Balco may in some cases have an interest in providing undisclosed information to persons who are actively involved in the decision-making process or due to their professional role take part in the process of producing the information. There may be situations where it is important for the company to selectively disclose certain information. For example, this may refer to information for major shareholders or prospective shareholders when investigating before a planned new issue, to advisors that the company uses for prospectus work etc. before a planned issue or other major transaction, to prospective bidders or a target company in the course of negotiations on takeover bids, to so-called rating institutes before credit assessment or to creditors before important credit decisions.

Selective disclosure decisions shall be taken by the CEO and the chair of the board of directors in consultation. The possibility of selectively providing information is to be used with great restrictiveness and under the constant consideration of whether the requested information is really needed for the purpose. Where information is provided selectively, it should normally be possible to publish it at a later stage in order to end the "insider position" of the recipients of the information.

In the case of such selective disclosure, Balco shall notify the person concerned that he or she has access to insider information, the legal obligations which this entails and the penalties which may be applicable in the event of misuse or unauthorised dissemination of the insider information that the person has gained access to; see Balco's insider policy for an example of such a notification. Balco shall also ensure that the person who gains access to insider information is included in the company's insider list and inform the person that this has been done. Confidentiality agreements shall also be established between the parties.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	13 (22)



## 4.2 Information that shall be published

### 4.2.1 Financial reports

Financial reports are produced in Swedish and English and are published quarterly on previously announced dates. Such dates shall not be later than two months after the end of the reporting period.

The publication of financial reports on previously announced dates assumes that Balco's board of directors decides not to defer publication in accordance with Balco's insider policy, as an immediate disclosure would be likely to harm the company's legitimate interests. However, if it is found that the financial report deviates from the expectations of the market in such a way that deferred publication would be likely to mislead the market, Balco shall no longer be able to postpone publication. In such a case, the board of directors and the Insider Committee must be informed so that the board is able to decide to publish the information as soon as possible (through a profit warning).

Financial reports, with the exception of the annual report and the half-yearly report, are formally issued by the board of directors, unless the board has delegated the responsibility to the CEO. The annual and half-yearly reports are presented by the board of directors and the CEO jointly. The CEO has overall responsibility for the production and distribution of financial reports, while the CFO is responsible for the financial part of the reports.

In the event of publication of a half-yearly report containing insider information, this shall have a so-called legend stating that Balco is required to disclose the information in accordance with both the Market Abuse Regulation and the Swedish Securities Market Act, as well as the time the information was submitted for publication, as shown in Appendix 4. For other interim reports containing insider information, only the requirement for a legend relating to the Market Abuse Regulation applies; see Appendix 4.

### 4.2.2 General meeting

Notice of the general meeting shall always be given by press release. Publication shall, as a general rule, be made at the latest at the same time as an advertisement or notice is sent to newspapers for publication according to the articles of association. This applies regardless of whether the advertisement or notice contains insider information or not and whether or not some of the information in the notice has been previously published separately.

After the general meeting closes, the company shall publish information on decisions taken by the general meeting as soon as possible, unless the decision is of minor importance. This applies even if the decisions are in line with previously published proposals.

Representatives of the media and analysts are not specifically invited, but are welcome to participate after registration if the meeting so approves.

### 4.2.3 Annual report

No insider information shall be published in the annual report unless it has previously been published in a press release. The annual report shall be published no later than 3 weeks before the annual general meeting.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	14 (22)



A press release shall be published informing that the annual report has become available and where it is available. Press releases on the annual report shall be provided with a so-called legend that Balco is required to publish the information in accordance with the Swedish Securities Market Act and at what point in time the information was submitted for publication, as indicated in Appendix 4.

### 4.3 Contacts with media and analysts

#### 4.3.1 Press and analyst meetings in connection with financial reports

In connection with the release of financial reports, Balco invites analysts and the media to a detailed presentation of the company and the company's financial position. No new information or insider information may be included in such presentations. Normally, the CEO and CFO give presentations at the same time as the presentations are streamed over the internet to enable people elsewhere to participate. It is also possible to participate in the presentations through conference calls. Materials used in the presentation are posted on Balco's website and intranet.

#### 4.3.2 Other meetings with analysts and investors

Balco regularly meets analysts and investors who are interested in Balco. Financial institutions often invite representatives from Balco to present the company to larger groups or to individual meetings. The CEO and/or CFO normally attend such meetings. It is the responsibility of the CFO to ensure that no new information or insider information is communicated at such meetings. If insider information is disclosed unintentionally at such meetings, the information shall quickly be publicly disclosed.

#### 4.3.3 Other meetings with the media

Balco regularly meets representatives of the industry press, business press and other media. If deemed appropriate or desirable, press conferences may be held. Such press conferences are also open to analysts and investors. However, no inside information may be communicated at press conferences without prior publication in accordance with the rules set out in Balco's insider policy and this appendix. The CFO is responsible for arranging press conferences.

Balco also meets the media at individual meetings. Individual meetings with representatives of the media may be held by designated spokespersons as long as no confidential or new information or insider information is provided and as long as the interview does not concern strategic company issues. The CEO shall (as far as possible) be present at interviews concerning strategic company issues.

#### 4.3.4 Silent periods

Balco does not initiate or participate in any individual meetings with the media, analysts or investors during a 30-day period prior to the presentation of a financial report. An exception to this rule is the publication of press releases concerning company events, since Balco's representatives must be available to answer questions. In such communications, comments on the forthcoming financial report shall be avoided.

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	15 (22)



## 5 Forecasts and forward-looking statements

Balco does not provide any specific information on future performance and developments, but instead makes general statements about the company's future developments and operations in the financial reports. Forward-looking statements shall always be submitted under a special heading and shall as far as possible be presented in a clear and uniform manner.

If the company has reason to expect that its development will deviate materially from previously published statements and such a deviation constitutes insider information, the company shall disclose information about the deviation. Such information shall also include a repetition of the earlier forward-looking statement.

## 6 Insider list

Balco shall produce and continuously update an insider list of all persons who, because of employment by or assignment for Balco, have access to insider information. More detailed information on this may be found in Balco's insider policy.



Document name Communication policy	Document ID KP0008	Last revised 2021-04-14	Page 17 (22)
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Appendix 2

## Decision template for deferred public disclosure for Balco Group AB (publ)

Insider case: [event, circumstances or project name]

1 Decision on deferment of public disclosure		
a) Time when the insider information first existed at Balco	[Date]	[Time]
b) Time when the decision was taken to postpone the public disclosure of insider information	[Date]	[Time]
c) Time when Balco estimates that the insider information will be published	[Date]	[Time]
d) reason for extending the initial period of deferment (if applicable)	[Date]	[Time]
2 Persons who are responsible for having taken the decision on deferment of public disclosure and its probable end		
[First name]	[Last name]	[Position]
[First name]	[Last name]	[Position]
[First name]	[Last name]	[Position]
[First name]	[Last name]	[Position]
3 persons who are responsible for guaranteeing the ongoing verification of the conditions for deferment		
[First name]	[Last name]	[Position]
[First name]	[Last name]	[Position]
[First name]	[Last name]	[Position]
[First name]	[Last name]	[Position]
4 Persons who are responsible for deciding on the disclosure of the insider information		
[First name]	[Last name]	[Position]
[First name]	[Last name]	[Position]
[First name]	[Last name]	[Position]
[First name]	[Last name]	[Position]
5 Person who is responsible for providing information and a written explanation to the Swedish Financial Supervisory Authority		
a) Name	[First name]	[Last name]
b) Position at Balco	[Position]	
c) Contact information	[E-mail]	[Telephone number]
6 Justification of the initial fulfilment of the conditions of article 17.4 of the market abuse regulation		
a) Justification/evidence that immediate public disclosure would be likely to harm Balco's legitimate interests	[Text]	

Document name Communication policy	Document ID KP0008	Last revised 2021-04-14	Page 18 (22)
---------------------------------------	-----------------------	----------------------------	-----------------



<b>b) Justification/evidence that a deferment does not mislead the public</b>	<i>[Text]</i>
<b>c) Justification/evidence that Balco can ensure that the information remains confidential</b>	<i>[Text]</i>
<b>7 Description of barriers and systems to ensure the confidentiality of the insider information</b>	
<b>a) Description of the information barriers established to prevent access to insider information by persons other than those in need of it as a normal part of the performance of their tasks, activities or duties at Balco</b>	<i>[Text]</i>
<b>b) Description of the systems established to publicly disclose relevant inside information as soon as possible when confidentiality is no longer guaranteed</b>	<i>[Text]</i>

Document name Communication policy	Document ID KP0008	Last revised 2021-04-14	Page 19 (22)
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**Principles for when a logbook is to be started up in connection with acquisitions, linked to the fact that Balco has a stated acquisition agenda:**

### **Principles for logbook in connection with acquisition discussions**

<b>The acquisition object's turnover</b>	<b>Time for logbook</b>
<5% of Balco Group's net sales (<60 MSEK - 2020)	No logbook
5-15% of Balco Group's net sales (60-180 MSEK - 2020)	Logbook when SPA draft is ready
15-25% of Balco Group's net sales (180-300 MSEK - 2020)	Logbook when starting Due Diligence/Dataroom is opened
>25% of Balco Group's net sales (>300 MSEK - 2020)	Logbook when LOI / exclusivity agreement is signed

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Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	20 (22)



Appendix 3

## Notification to the Swedish Financial Supervisory Authority of deferred public disclosure for Balco Group AB (publ)

When an issuer postpones the public disclosure of insider information and later publicly discloses it, the Swedish Financial Supervisory Authority shall be informed of this immediately.

If the Swedish Financial Supervisory Authority so requests, the issuer shall provide a written explanation of how the conditions for deferred public disclosure have been complied with.

The information e-mail to the Swedish Financial Supervisory Authority shall have the following formulation and content:

<b>To:</b> finansinspektionen@fi.se
<b>Subject:</b> Article 17 Balco Group AB (publ)
<p>Hi,</p> <p>This e-mail relates to Balco Group AB (publ) ("<b>Balco</b>"). The undersigned sends this email in my capacity as [<b>description of the sender's position/role</b>] at Balco.</p> <p>Balco has publicly disclosed insider information that has been subject to deferred public disclosure. This has been done by means of press release with the heading [<b>heading</b>] which was published and disseminated through [Cision's] system at [<b>time</b>] on [<b>date</b>]. The press release is also available at [<b>link to website</b>].</p> <p>The decision to defer the public disclosure of the insider information was made at [<b>time</b>] on [<b>date</b>]. Those responsible for the decision to defer the public disclosure of the insider information were: [<b>name</b>] ([<b>position/role</b>]), [<b>name</b>] ([<b>pøosition/role</b>]) and [<b>name</b>] ([<b>position/role</b>]).</p> <p>Sincerely</p> <p>[<b>name</b>]</p> <p>[<b>position/role</b>]</p> <p>[<b>e-mail address and telephone number in the position</b>]</p>

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Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	21 (22)



#### Appendix 4

### Legend for press releases containing insider information and for certain other communication

Press releases that publish insider information shall have a so-called legend indicating that the information is published in accordance with the Market Abuse Regulation. The legend shall state which natural person provided the information for public disclosure. Provided that the press release indicates a contact person with name and job title, the legend may be formulated as follows:

*This information is information of the type that Balco Group AB is obliged to publish according to the EU Market Abuse Regulation. The information was submitted by the above-mentioned contact person for publication on [●] 20xx at [●] CET.*

When publishing a half-yearly report (Q2) that contains insider information, the legend shall refer to both the Market Abuse Regulation and the Swedish Securities Market Act. Such a legend can be formulated as follows:

*This information is information of the type that Balco Group AB is obliged to publish according to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted by the above-mentioned contact person for publication on [●] 20xx at [●] CET.*

When publishing the annual report, a half-year report that does not contain insider information or a press release according to chapter 15 section 8 or chapter 16 section 6 of the Swedish Securities Market Act which does not contain insider information, the legend shall refer only to the Swedish Securities Market Act. Such a legend can be formulated as follows:

*This information is information of the type that Balco Group AB is obliged to publish according to the Swedish Financial Instruments Trading Act. This information is presented for publication on [●] 20xx at [●] CET.*

When publishing an increase or decrease in the total number of shares or votes in the company, the legend shall refer to the Financial Instruments Trading Act. Such a legend can be formulated as follows:

*This information is information of the type that Balco Group AB is obliged to publish according to the Swedish Financial Instruments Trading Act. This information is presented for publication on [●] 20xx at [●] CET.*

Press releases disclosing inside information must contain a so called legend, displaying that the information is disclosed pursuant to the Market Abuse Regulation. The identity of the natural person making the notification must be stated in the legend. Provided that the press release contains information on a contact person, including name and position, the following legend may be used:

*This information is information that Balco Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at [●] CET on [●] 20xx.*

Document name	Document ID	Last revised	Page
Communication policy	KP0008	2021-04-14	22 (22)



As regards disclosure of a half-yearly report that contains inside information the legend must refer to both the Market Abuse Regulation and the Swedish Securities Markets Act. The following legend may be used:

***This information is information that Balco Group AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at [●] CET on [●] 20xx.***

When disclosing the annual report, a half-yearly report that does not contain inside information or a press release under Chapter 15, Section 8 or Chapter 16, section 6 of the Swedish Securities Markets Act that does not contain inside information, the legend should refer to the Swedish Securities Markets Act only. The following legend may be used:

***This information is information that Balco Group AB is obliged to make public pursuant to the Securities Markets Act. The information was submitted for publication at [●] CET on [●] 20xx.***

When disclosing an increase or decrease in the number of shares or votes in the company the legend should refer to the Swedish Financial Instruments Trading Act. The following legend may be used:

***This information is information that Balco Group AB is obliged to make public pursuant to the Swedish Financial Instruments Trading Act. The information was submitted for publication at [●] CET on [●] 20xx.***