Document type	Document ID	First version	Last revised	Classification	Page
Policy	KP0003	2017-08-24	2026-07-14		1 (7)
Document Issuer: CFO			Approved by: Balco Group's Board of Directors		

Insider policy

Contents

1. Purpose

This insider policy (the "Insider Policy") for Balco Group AB (publ) (the "Company" or "Balco Group") has been prepared to serve as guidance to persons discharging managerial responsibilities in Balco Group, employees and/or other persons who may come into contact with Inside Information (see section "Inside Information" below). In connection with the Company's shares being listed on Nasdaq Stockholm, laws and regulations on securities trading became applicable to all trading related to Balco Group's shares. This means that a person who trades in financial instruments issued by the Company must comply with Swedish securities trading laws and regulations, such as the Regulation (596/2014/EU) of the European Parliament and of the Council on Market Abuse ("MAR"), the Act (2016:1307) on Penalties for Market Abuse in the Securities Market (the "Market Abuse Act") and the Act (2016:1306) with supplementary provisions to the EU Market Abuse Regulation ("KompL").

MAR, the Market Abuse Act and the CompL contain provisions that prohibit trading in shares or other financial instruments in certain cases. These provisions mean that persons who are in possession of Inside Information relating to the Company, or Inside Information relating to another company whose financial instruments are listed on a stock exchange or other trading venue, may not acquire or dispose of financial instruments issued by the Company or such other company to which the Inside Information relates, or by advice or otherwise induce anyone else to acquire or dispose of financial instruments issued by the Company or such other company listed on a stock exchange or other trading venue to which the Inside Information relates. A person who holds Inside Information may also not disclose it, except in cases where the disclosure takes place as a normal part of the performance of a service, business or obligation. MAR, the Market Abuse Act and KompL also contain, among other things, a prohibition against conducting or acting in a manner that gives false or misleading signals regarding the price, supply or demand of financial instruments issued by the Company or another company whose financial instruments are listed on a stock exchange or other trading venue, and otherwise misleading buyers or sellers of such financial instruments.

Balco Group's approach to insider issues is important for compliance with both laws and regulations and for maintaining Balco Group's trust and reputation in the capital market. If the Insider Policy conflicts with applicable laws and regulations, such laws and regulations shall take precedence over the Insider Policy.

What is stated in this policy as trading in financial instruments issued by the Company shall, where applicable, also apply to trading in other financial instruments related to financial instruments issued by the Company.

2. Scope

This policy applies to all employees of Balco Group, or any other company in the group within which Balco Group is the parent company, and other persons who are persons in managerial positions in Balco Group.

3. Reporting obligation

Both persons discharging managerial positions and persons closely related to them (see section 4 below) are obliged, without delay and no later than three business days after the date of the transaction, to notify Balco Group and the Swedish Financial Supervisory Authority of any transaction executed on its behalf in respect of shares or debt instruments issued by Balco Group or related derivatives or other financial instruments. Pledges, loans and endowment insurance transactions of listed securities must also be reported.

There is a notification threshold of EUR 20,000 per calendar year, which means that the transaction that results in the threshold being reached or exceeded and all subsequent transactions must be reported. The threshold of EUR 20 000 shall be calculated without netting, i.e. the amounts of all transactions shall be added regardless of whether the transactions relate to the acquisition or disposal of financial instruments.

All notifications to the Swedish Financial Supervisory Authority shall be made in accordance with the Swedish Financial Supervisory Authority's procedures in force at any given time for reporting transactions carried out by persons discharging managerial responsibilities and persons closely associated with them. Persons who breach their reporting obligation above may be subject to an administrative fine from the Swedish Financial Supervisory Authority.

Balco Group publishes the holdings of the Board of Directors and Group Management on its website.

4. Persons discharging managerial positions and persons closely associated with them

A "**person discharging managerial responsibilities**" is a person with the Company who is:

a) a member of the Company's administrative, management or control bodies (board member, CEO or deputy CEO), or
b) other senior executives, who have regular access to Inside Information directly or indirectly relating to the Company and the authority to make decisions at management level that affect the Company's future development and business prospects.

The company's Board of Directors and management have, as defined in MAR, assessed that the Board of Directors and Group Management of Balco Group are generally persons in a managerial position.

The following obligations are incumbent on a person discharging managerial responsibilities:

a) Notify its transactions in financial instruments issued by Balco Group (and in instruments linked to such instruments). Notification must be made to both the Swedish Financial Supervisory Authority and Balco Group (see the heading "Reporting obligation" above).
b) Notify its related persons in writing that they are related to the latter and that they shall report their transactions in financial instruments issued by Balco Group (and in instruments linked to such instruments) to the Swedish Financial Supervisory Authority in accordance with what is set out in Appendix 1.

c) Register in MCLogg who is related to him or her and about any changes in the circle of related persons.

"**Related Person**" to a person discharging managerial responsibilities is the following persons:

a) spouse, cohabiting partner or person who is otherwise considered to be equal to a spouse;
b) children in custody of the person in a managerial position;
c) a relative, who has shared the same household for at least one year; or
d) Legal person:
    i. in which the person discharging managerial responsibilities or a natural person related to him or her (i.e. (a) to (c) above) performs managerial duties in the legal entity, or
    ii. which is directly or indirectly controlled by the person discharging managerial responsibilities or a natural person closely related to him or her (i.e. (a) to (c) above), or
    iii. established for the benefit of the person discharging managerial responsibilities or a natural person closely related to him or her (i.e. (a) to (c) above), or
    iv. whose economic interests mainly correspond to those of the person discharging managerial responsibilities or a natural person closely related to him (i.e. (a) to (c) above).

The above related party criteria are alternative, which means that it is not a prerequisite that a person discharging managerial responsibilities (or related natural person) both performs managerial duties in a legal entity and has an ownership interest or other financial interest in the legal entity in order for the legal entity to be considered a related party to the person discharging managerial responsibilities.

Regarding management duties under item (i) above, it may normally be assumed that a person's position as a board member, CEO or deputy CEO means that the person performs management tasks. Holders of other senior positions can also perform management tasks depending on how the business is organised. It is the individual's responsibility to assess, based on the circumstances specific to the Company, who performs management tasks.

The Company's CEO is responsible for ensuring that the Company at all times:

a) identify all persons discharging managerial responsibilities and inform them in writing (which shall be updated from time to time in accordance with the Company's and the Swedish Financial Supervisory Authority's procedures in force from time to time), and
b) for a list of persons discharging managerial responsibilities and persons closely associated with them, which is done in MCLogg.

5. Prohibition of trading in financial instruments of Balco Group prior to publication of reports and news

During the 30 calendar days prior to the publication of the interim report and year-end report (not including the date of publication), persons discharging managerial responsibilities are prohibited from conducting transactions on their own behalf or on behalf of third persons, directly or indirectly, in shares or debt instruments issued by Balco Group or related derivatives or other financial instruments. The trade ban does not apply to persons closely related to persons discharging managerial positions.

Under certain circumstances, Balco Group may grant exemptions from this trading ban. Such exemption shall be granted in writing by the Company's CEO (and in the event that the CEO applies for an exemption, the exemption shall be granted by the Chairman of the Board). Provided that a transaction is not prohibited under the rules on insider trading, the Company may grant exemptions from the trading ban if the following conditions are met:

a) there are exceptional circumstances, such as severe financial difficulties, which require the immediate sale of shares, or
b) due to the characteristics of the trading that takes place in connection with transactions carried out under or related to employee stock options or savings schemes, share-based terms or rights or transactions where the underlying interest in the security in question does not change, and
c) The person discharging managerial responsibilities can demonstrate that the transaction in question cannot be carried out at a time other than during the closed period.

Further, the Company shall grant exemptions, in writing through the Company's CEO, from the trading ban in respect of transactions or trading activities that do not relate to active investment decisions made by the person discharging managerial responsibilities, or that are solely the result of external factors or the actions of third parties, or that are transactions or trading activities, including redemption of derivatives, based on predetermined conditions.

Persons who carry out transactions in violation of the trading ban may be subject to an administrative fine from the Swedish Financial Supervisory Authority. In the event of circumstances set out in 5(a), a person discharging managerial responsibilities shall, prior to any trading during a closed period, submit a reasoned written request to Balco Group to obtain the Company's permission to complete the sale of the shares. The written request shall include a description of the contemplated transaction and an explanation of why the sale of shares is the only reasonable alternative to obtain the necessary financing and shall be sent to the CEO or the Chairman of the Board of Directors if it concerns the members of the Board of Directors or the CEO.

6. Inside information

"**Inside information**" means:

Information of a specific nature that has not been made public that directly or indirectly relates to the Company or any financial instrument issued by the Company and that, if made public, would be likely to have a material effect on the price of those financial instruments or related derivatives.

Specific information

The information shall be considered to be specific, if the information indicates a circumstance/event that exists or can reasonably be expected to occur/occurs and if this information is sufficiently specific to allow conclusions to be made about the potential effect on the price of the financial instrument.

Specific information does not have to be extensive or detailed to be specific, but it should be possible to draw conclusions about the potential price impact.

Material impact
Information is considered to have a material impact on the price of the financial instrument if the information is such that a reasonable investor would be likely to use as part of the basis for their investment decision (the so-called prudent investor test).

When assessing Inside Information, the following questions shall be answered:

(i) Is the information of a specific nature?

(ii) Does the information relate to the Company or its financial instruments?

(iii) Is the information not made public?

(iv) Would disclosure of the information likely to have a material impact on the price of the financial instruments?

If the answer is yes to all of the questions above, the information is considered Inside Information.

A further basis for evaluation is whether similar information has previously affected the price of the financial instrument or whether the Company itself has previously dealt with similar circumstances as Inside Information. This does not prevent the Company from changing its disclosure policy, but inconsistent treatment of similar information should be avoided.

In that regard, in relation to a process that is ongoing over time which aims to bring about, or which results in, certain circumstances or events, the future circumstances or future event, and also the intermediate steps in that process which are linked to the realisation of the future circumstances or event, may be regarded as specific information. An intermediate step in a process that is ongoing over time shall also be considered Inside Information if it in itself meets the criteria for Inside Information.

The following circumstances are typically those that may affect the price of Balco Group's securities and thus constitute Inside Information:

- Order, investment or disposal decisions.
- Cooperation agreements or other significant agreements.
- Purchase and sale of companies.
- New "joint ventures".
- initiation or settlement of legal disputes and relevant court orders.
- Financial difficulties.
- Termination of more significant senior executives (typically the CEO) or other major changes in Group Management or the Board of Directors.
- Decisions by the authorities.
- Rumours in the market and information leaks.
- Material information relating to subsidiaries, associates and portfolio companies.
- Material change in profit or loss or financial position (profit warning).

- Radical changes in Balco Group's operations.

Immediately after it has been established that Inside Information exists, an insider list (logbook) shall be drawn up in which the persons who have access to the information are entered.

7. When Inside Information Arises

There are no clear rules for when (in time) Inside information occurs. This requires that those who handle the information must not only assess whether it is Inside Information, but also when Inside Information arises.

For example, Inside Information may only arise in the event of a Board decision if there is uncertainty as to how the Board of Directors will relate to the event giving rise to the Inside Information. However, the time can also be earlier, such as after a negotiation meeting or when a decision basis is prepared (see further section 8).

The existence of information that may constitute Inside Information shall be immediately reported to the CEO and, in his absence, to the CFO.

8. Over time, ongoing processes

An intermediate step in a process that is ongoing over time (e.g. ongoing contract negotiations) shall be considered Inside Information if it in itself meets the criteria for Inside Information.

The requirement to disclose Inside Information as soon as possible does not apply to Inside Information that arises during ongoing processes. Only the final facts or events shall be made public as soon as possible after they occur.

For examples of such final circumstances and events, please refer to the Company's Communication Policy.

In cases where the confidentiality of the Inside Information cannot be ensured (e.g. in the event of leaks), the Inside Information that has arisen during an ongoing process must be disclosed as soon as possible.

It should be noted here that the requirements to establish an insider list (logbook) as soon as Inside Information arises also apply when Inside Information arises in processes that are ongoing over time.

9. Disclosure of Inside Information

As a starting point, Balco Group is obliged to disclose Inside Information as soon as possible, unless it concerns Inside Information that arises during ongoing processes, in which case only the final circumstances or final event shall be disclosed as soon as possible after they have occurred. However, provided that the requirements for postponing a disclosure are met and a special decision is made to that effect in this regard, Balco Group may postpone a disclosure of Inside Information (see section 4.1.3 of the Company's communication policy). For more information on the disclosure of Inside Information, please refer to Balco Group's communication policy.

10. Prohibition of insider trading and prohibition of unauthorised disclosure of inside information

No one in possession of Inside Information may, on their own account or on behalf of anyone else, trade in Balco Group's securities. A person who has Inside Information may not, by advice or in any other way, induce anyone else to acquire or dispose of Balco Group's securities. The prohibition thus means that it is not permitted to exploit the advantage that it gives to dispose of the Inside Information.

A person in possession of Inside Information may not disclose Inside Information about Balco Group, except in cases where the disclosure takes place as a normal part of the performance of a service, business or obligation.

A person may not act in a manner that is likely to unduly influence the price or other terms of trading in Balco Group's securities or otherwise mislead buyers or sellers of such securities.

A person who has access to Inside Information about the Company may not disclose it to related parties or other third parties. A person who is employed or has assignments for the Company or its subsidiaries may also not disseminate Inside Information to other employees or contractors if the person who is to receive the information does not absolutely need access to the information in order to be able to perform their duties or assignment. If Inside Information is disseminated as described above, the sender must make it clear to the recipient that the information is Inside Information and that the recipient may be included in the Company's insider list. The sender must also provide the person responsible for the insider list at the Company with the information necessary to meet the requirements for the content of the insider list. If the recipient is a third party, he or she must also have entered into a confidentiality agreement.

A practice in violation of the above may constitute a criminal offence and be punishable under the Market Abuse Act.

11. Logbook

Balco Group shall continuously maintain an insider list ("**Logbook**") of natural persons who, due to employment or assignments for Balco Group, have access to Inside Information, in the form provided via an external provider of logbook (currently MCLogg).

A Logbook shall be prepared immediately as soon as it is established that Inside Information exists.

The purpose of the Logbook is to comply with applicable legislation and regulations and to facilitate any inquiry or investigation by an authority. The logbook also constitutes a tool for Balco Group to have control over which persons have access to Inside Information.

For each event that constitutes Inside Information, a new section shall be opened in the Event Viewer. Inside information may also arise in the event of recurring events, for example prior to the publication of full or interim reports.

The logbook shall be kept in electronic form. No unauthorised person shall be able to gain access to the Event Viewer and it shall be password protected. The insider list must be up-to-date and updated regularly. The list shall be kept for at least five years after it was drawn up or after the date on which it was last updated. The logbook shall be kept by the Company's IR manager. The logbook must be submitted to the FIN-FSA as soon as possible upon request.

Balco Group shall notify the person who is entered in the Logbook in writing of what this means, and this should be done at the same time as the person in question is entered in the Logbook. This also means that Balco Group has an obligation to take the necessary measures to ensure that the person understands the legal obligations under applicable legislation and regulations that the Inside Information entails and is also aware of the legal consequences that may arise in the event of misuse or unauthorized dissemination of the Inside Information to which the person has gained access. Anyone who is notified of its inclusion in the Logbook must confirm in writing that they are aware of the legal obligations that this entails and the sanctions applicable to infringements of the prohibitions against market abuse. Notification is made by e-mail, according to the template provided by the provider of the logbook service. When a person ceases to have Inside Information, the Company shall notify the person in question that the person is no longer listed in Balco Group's Logbook. Notification is made by e-mail, according to the template provided by the supplier.

12. Roles and responsibilities

The Company's CEO is responsible for the Insider Policy and for ensuring that the Company fulfils its reporting obligations in accordance with applicable legislation and regulations. The insider policy shall be revised as necessary and at least once a year and approved by the Board of Directors.

13. Compliance criteria

In order for this Insider Policy to be considered complied with, the following criteria must be met:

- A subscription with the provider of logbook service has been signed.
- A list of persons discharging managerial responsibilities and their close relatives has been drawn up.
- Confirmations have been received in the Logbook service from persons who have been entered in the Logbook that they have received information about what this means.