

Patria

Ethical Code of Conduct



Introduction of the Code

Patria Group's ("Patria") reputation and long-term reliability as a partner are the basis for profitable business and form a significant part of the Group's value. Patria's entire business is built on trust, which means honesty, reliability and high standards of ethical business conduct. This Code of Conduct ("Code") captures the ethical standards for employees, agency workers and business partners. The Code also reflects Patria's values, which are based on the universal values of integrity, transparency, accountability and sustainable development.

Patria will contribute its best efforts to ensuring compliance with this Code by development in the areas of follow up, monitoring, auditing and reporting processes regarding the Code.

The Code is supplemented by more detailed policies and guidelines, some of which are referred to in this Code. It is the responsibility of all employees and agency workers to access supplementary guidance, instructions and standards via the Integrated Management Systems (IMS) or equivalent systems in use within Patria group, as necessary. Patria commits to providing training and information to its personnel and to performing ongoing dialogue with its external business partners in order to ensure awareness of this Code.



Patria's Ethical Code of Conduct

Ethical conduct and its continuous development are important in all national and international business activities but their significance is particularly emphasised in the defence industry.

The Patria Group's reputation and long-term reliability as a partner – in Finland and on the international markets – are the foundation of profitable business operations, and have a major impact on the net worth of the Group.

Our practices are based on universal principles of integrity, transparency, accountability and sustainable development. They are in line with Patria's values. Like our export licensing practices, and our cooperation and other agreements, they also guide Patria's conduct.

We are committed to complying with the laws and regulations of the countries in which we operate. We respect the following international rules, among others: The United Nations (UN) Declaration of Human Rights, the UN Global Compact initiative and the ILO conventions.

Patria has zero tolerance for corruption and bribery. We do not accept unethical

or corrupt conduct by our employees or business associates, and actively seek to prevent it.

As a way of ensuring responsible practices, our ethical code of conduct defines our way of working in various situations. This guideline is complemented by more detailed policies and guidelines. It is the duty of all employees and temporary workers to read the complementary guidelines and policies when necessary. Patria undertakes to provide its staff with training and information and to engage in ongoing dialogue with external business partners, to ensure that all stakeholders are aware of its code of conduct.

We will strive to ensure that our actual practices fall in line with this code, by organising and developing the appropriate inspection, monitoring and reporting procedures.

Olli Isotalo
President and CEO



Applicability of the Code

The Code is applicable to all Patria personnel, including directors, managers, employees and agency workers ("Personnel"), including those of Patria's subsidiaries.

It is a non-negotiable requirement that all Personnel follow this Code without exception and do their best to ensure full compliance with this Code. Each member of the Personnel shall obtain an understanding of laws and regulations relevant to their work and take appropriate measures to ensure compliance with those laws and regulations.

Patria commits its best efforts to implement the Code (or ensure adoption of a similar set of policies) in companies in which Patria has invested but does not own a majority of shares or exercise effective control. In addition, Patria expects and uses its best efforts to ensure that suppliers, subcontractors and other business partners (companies and individuals) acting in any capacity for or on behalf of Patria commit to Patria's Code or have similar policies ensuring ethical conduct.

Compliance with Laws and Regulations

Patria is committed to complying with laws and regulations of the countries where it conducts business. In the event that these are less comprehensive than our own standard, Patria will always apply the Patria standard. The main international codes that Patria supports are: The United Nations (UN) Universal Declaration of Human Rights, UN Global Compact, and the International Labour Organization (ILO).

Implementation of the Code and Raising Concerns

Acts in violation of this Code, even when done with the best of intentions, may cause significant long-term damage to Patria's reputation and may lead to legal actions against the company and its Personnel. Any member of Patria Personnel who violates this Code is subject to strict discipline, up to and including termination of employment or contract.

The Code or the other guidelines cannot possibly address every specific situation

that Personnel will face in the complex business environment. In case of uncertainty, Patria Personnel are advised to discuss the matter with the nearest superior, the Human Resources Department, or to seek advice from the Patria Legal Department.

Furthermore, all Personnel members are obligated to diligently report any compliance concerns or potential or suspected violations of this Code to their own superior or to the General Counsel. Channels for reporting are: lakia@patricia.fi and Patria's anonymous reporting channel, which is available at Patria intranet.

In all instances, the rights and privacy of both the reporting person(s) and the one(s) accused of violations are adequately protected and assured. Patria will not tolerate any adverse employment action or retaliation against a person who raises a compliance concern. Any person who retaliates against another for raising a compliance concern in good faith will be subject to strict discipline, up to and including termination of employment.

***Patria
has zero
tolerance for
any unethical
conduct.***

Company conduct

Respecting Human Rights

Patria respects and promotes universal human rights as defined by the United Nations Universal Declaration of Human Rights in its operations. Among the rights that Patria considers fundamental and universal are: freedom of thought, opinion, expression, religion and peaceful assembly as well as freedom from any discrimination based on race, age, nationality, gender or sexual orientation. Furthermore, Patria shall not tolerate any use of forced or child labour. Human rights of employees shall be compliant with the ILO Conventions.

Active industrial safety measures promote occupational health and safety, the wellbeing of the individual and the work community and therefore also affect the growth of the corporation's profitability. Managers are responsible for creating a safe working environment in accordance with occupational health and safety regulations. The role of the Industrial Safety Officer is to monitor compliance with regulations and policies. An important element of compliance is the general attitude of the Personnel. Each employee is responsible for contributing to ensuring a safe working environment by maintaining a high level of industrial safety. It is a common goal for all to develop wellbeing in the work community.

Promoting Health, Safety and Wellbeing

Patria aims to provide a safe and inspiring working environment to all Personnel. Accordingly, all Personnel are required to conduct their duties without endangering health and safety in the workplace.

In addition to traditional industrial safety, it is essential to intervene whenever a lack of physical or mental wellbeing is encountered in the workplace. Problems and shortcomings must be identified and solutions provided. At Patria, it is every employee's right and responsibility to maintain activities that promote the development of wellbeing for themselves and their work community.

When dealing with each other and third parties, an atmosphere of openness and tolerance, respect and politeness, as well as fairness and trust, shall be maintained.

[Further guidelines: Human Resources Policy](#)

Creating Equality and Non-discrimination

Patria strives to create a workplace in which there is mutual trust and respect and where diversity is encouraged and appreciated. All employees with managerial duties are required to actively and purposefully promote a leadership culture, which is in accordance with Patria's values and the spirit of this Code. Employees shall be treated and evaluated in accordance with their job-related skills. Patria is committed to being an equal opportunities employer and shall treat all employees fairly, impartially and equally.

Harassment and discrimination, in any form, are not tolerated.

[Further guidelines: Human Resources Policy and Equality Plan](#)

Enabling Personnel Participation

Patria is committed to enabling participation by employees in the planning and decision making of their own work and their working environment and respects collective labour agreements. Patria's negotiation system enables any disputes arising from application of collective labour agreements and labour legislation to be solved in a controlled manner. Local agreements are an established practice at Patria.

[Further guidelines: Human Resources Policy](#)

Avoiding Conflicts of Interest / Related Party Transactions

Patria employees, managers and directors are expected to promote the interest of Patria and, while doing so, to act responsibly and avoid any activity which may lead to a conflict of interest. Personal and private financial, political or other personal interests are not allowed to influence business decisions, since they may conflict with the interests of Patria or our business partners. Decisions by or for Patria shall never be influenced by personal preferences or relationships.

In the event that a conflict of interest arises or is likely to arise, it is to be disclosed and a solution is to be sought with the respective manager in order to avoid any negative impact on the interests of Patria.

Decision-Makers and Personnel participating in the preparation of business transactions must personally and actively evaluate whether a business transaction conducted or to be concluded by Patria may put Patria's interests at risk due to a potential or actual conflict of

interest. When a Decision-Maker becomes aware of a business transaction planned by Patria that is connected to a party related to the Decision-Maker, he or she must immediately report the matter in writing (email) to his or her superior and the party responsible for preparation of the transaction. Decision-Makers are also obligated to assess the situation regarding business transactions in which they participate on behalf of related parties. If such business transactions have a connection to Patria, or the related person has a different connection to Patria, such as through a valid or potential contractual relationship, the Decision-Maker must actively raise the issue within the related corporation.

The General Counsel of the Group administration or a designated person arranges the registration of parties that belong to the company's Related Parties by specifying such parties by means of a Group and organization diagram. The register of related parties is not a public document. Information contained in the register of related parties must be processed in the manner laid down in the Personal Data Act.

[Further guidelines: Guideline on Related Parties' Transactions](#)



Complying with Environmental Legislation

Environmental protection is an important element in all of Patria's business operations. Patria strictly adheres to environmental legislation and regulations. In addition, Patria is committed to operating in accordance with the principles of sustainable development by using natural resources responsibly, continuously improving its environmental performance, and preventing pollution.

Further guidelines:
[Environmental Policy of the Patria Group](#)

Committing to Quality

Patria provides high quality products and services to its customers. Quality is regularly measured and assessed to ensure compliance with customers' requirements and to improve customer satisfaction. Patria maintains the approvals, licenses and certificates

required by applicable laws and customers and acts in accordance with them. Patria's operations are based on management that is in line with the ISO 9001 standard.

Further guidelines:
[Quality Policy of Patria Group](#)

Protecting Patria's Property, Assets and Intellectual Property

All Patria property and assets shall be used for legitimate business purposes and are to be protected against any unauthorized use. In no event shall Patria's assets be used for personal gain, fraudulent purposes, or in any other inappropriate manner. Patria also respects the valid intellectual property of others.

Patria's intellectual property, which includes patents, inventions, software and other copyrighted materials, know-how, trade secrets, brands and trademarks, is among its most valuable assets. Patria

Patria acts responsibly and expects it also from its partners.

protects its own intellectual property and secret business information and does not share it without authorization. Equally importantly, Patria respects and treats as confidential the valid intellectual property and confidential information of our competitors, business partners and customers.

Patria respects the privacy of its Personnel, business partners and customers and expects strict compliance with applicable personal data related laws and regulations.

[Further guidelines: Information Security at Patria](#)

Respecting Information Security and Privacy

Respecting Information Security and Privacy Patria maintains a level of security that protects and guarantees the confidentiality, integrity and usability of information and materials respective to business partners, customers and other interest groups. Patria also guarantees reliability towards its partners and the authorities with respect to data protection and information security as a party to their critical projects. Patria safeguards business and professional secrets and privacy such that the continuity of business operations is ensured also in the event of disturbances and exceptional situations. Patria ensures that every employee has access to the information they need to carry out their work tasks.

Business conduct

Engaging with Society, Sponsorship, Lobbying and Donations

Patria engages with international bodies, governments and government officials at multiple levels and in many ways (e.g. as a corporate citizen, tax payer, and employer). When interfacing with governments, agencies and officials, high ethical standards and transparency are to be applied. Special requirements apply to interactions with governments and state-owned enterprises including, for example, procurement, lobbying, entertainment and hospitality. All Personnel shall act honestly, truthfully and accurately when dealing with governments and follow Patria's policies, guidelines and procedures and any applicable laws in all dealings with government officials.

Donations and sponsorship activities shall be carried out with strict adherence to transparency. Patria donates on a voluntary basis without demanding anything in return and adheres to applicable laws and local regulations. Sponsorship is used to affect Patria's reputation and

public perception in a positive manner. Sponsorship and donation targets are to be handled in a centralized manner by the Corporate Communication team and must comply with Patria-level policies.

Patria does not contribute donations, sponsorship or other monetary benefits to political parties, candidates or individuals holding public office or support private individuals in pursuing their political aims. Patria may, however, participate in public debate when it is of commercial significance or strategic importance to the enterprise.

Collaboration with customers and other stakeholders is close and planned for the long term. For Patria, a gratifying partnership is defined as professional, reliable, open and transparent collaboration that all parties involved can embrace. Stakeholder relationships are conducted with integrity, fairness and confidentiality.

[Further guidelines: Instructions on Lobbying and Opinion Forming; Sponsorship and Donation Guidelines](#)



Adhering to Laws on Defence Materiel Export Practices

Patria adheres to Finland's and other applicable countries' official export license laws, regulations and practices. The export control system is open and transparent, and each export license is considered separately in accordance with the criteria of the EU Common Position. The Ministry of Foreign Affairs is responsible for Finland's foreign and security policy and the administration of the EU's export control system on behalf of Finland. Absolute obstacles to exports (and other business transactions, as applicable) include, but are not limited to, United Nations and EU arms embargoes.

Committing to Fair Competition and Antitrust

Patria promotes sound and effective economic competition on the markets that it operates and complies with all applicable competition and antitrust laws. Patria shall not conclude or accept any mutual agreements or practices between competing undertakings that may limit competition. Patria shall not abuse potential or existing dominant position on any market and it shall apply for all clearances required for closing of any merger or acquisition.



Patria encourages its Personnel to build their networks on behalf of the company in a responsible manner.

Responsibility Regarding Gifts, Benefits and Hospitality

Under no conditions does Patria grant payments, favours, benefits, hospitality or monetary contributions to customers, civil servants, public employees or employees of governmental organizations in order to win contracts or gain advantages. In its business dealings, Patria shall always pay special attention to avoiding even the mere appearance of impropriety, such as an attempt to influence our business partners or customers.

Patria encourages its Personnel to build their networks on behalf of the company in a responsible manner. Participation

in events shall always be discussed with the immediate superior and the professional relevance and content of the event addressed. Personnel may not accept hospitality, gifts or other favour of any value if doing so might compromise, or appear to compromise, our ability to make objective business decisions in the best interests of Patria. Hospitality includes benefits such as entertainment, meals, receptions, tickets and participation in entertainment and sports events, if these are offered or accepted as part of a business relationship.

[Further guidelines: Public Relations](#)

Acting Against Corruption, Illegal Payments and Facilitation Payments

Patria maintains zero tolerance towards corruption and bribery. Patria does not tolerate unethical or corrupt behaviour by its Personnel or business partners and acts actively against it. Decisions based on corruption are immoral, distort competition, harm the company's assets and reputation and go against the common good. Patria pays special attention to ethical behaviour in contact with political parties, public authorities and their officials in all countries where we conduct business.

Patria Personnel, Patria's representatives and business partners may not, directly or indirectly, offer, promise or give bribes to agents, customers, suppliers or other business partners or public officials, or request or accept bribes anywhere in the world.

It is prohibited to make or allow payment of any illegal payments or facilitation payments. Such payments may include, but are not restricted to, small sums of money intended to facilitate or expedite the performance of routine functions, such as issuing permits or licenses or processing government documents. In any unclear situation, the respective manager or the Legal Department must be consulted.

Only in exceptional cases, when personal life or health is at risk, can facilitation payments be made. Such payments must always be accepted by the General Counsel.

[Further guidelines: Public Relations, Business Partner Selection](#)



Compliance with Accurate Financial Reporting and a Transparent Tax Strategy

Patria complies with all applicable accounting and financial reporting rules. Patria's financial reporting is based on the International Financial Reporting Standards.

All financial transactions shall be properly authorized in accordance with Patria's decision-making policies and duly recorded in its books. Recording and reporting obligations are mandatory and subject to annual auditing as well as internal controls. Patria will under no circumstances falsify or counterfeit financial or other documents or create misleading information.

Patria Group shall comply with the tax laws and regulations of each country in which it operates. Where tax laws do not give clear guidance, prudence, a conservative approach and transparency shall be the guiding principles.

Prevention of Money Laundering

Patria does not allow money laundering in its operations and commits its best efforts to prevent it. Money laundering is the practice of engaging in financial transactions to conceal the identity, source or destination of money connected with criminal activity, such as bribery, terrorism and drug trafficking.

Integrity towards Customers

All our customers shall be treated with respect and integrity. We will address customers' needs in the best possible manner within the framework of the commercial and ethical guidelines that apply to Patria. Regarding customers in a competitive bidding process, respect for the customer's bidding rules shall be demonstrated in all contact with the customer.



Always, in case you have any doubt, ask your supervisor, internal experts or the Patria General Counsel.

Reliability towards Suppliers

Patria strives for reliable, fair and mutually beneficial relations with its suppliers. Supplier selection is based on free and fair competition and transparent supplier selection criteria, including objective factors such as quality, reliability, delivery and price, without preference for personal reasons. Patria expects its suppliers to work in accordance with the principles presented in this Code and to comply with the national laws of the countries in which they operate.

and conduct their business in a way that meets high ethical standards and to comply with local legislation in all countries in which they operate. Business partners are to be evaluated and appointed in accordance with the applicable guidelines, including but not limited to the Business Partner Selection process. The evaluation and appointment process is transparent, authentication is consolidated, measured and traceable, and the partners are supervised.

[Further guidelines in: Business Partner Selection](#)

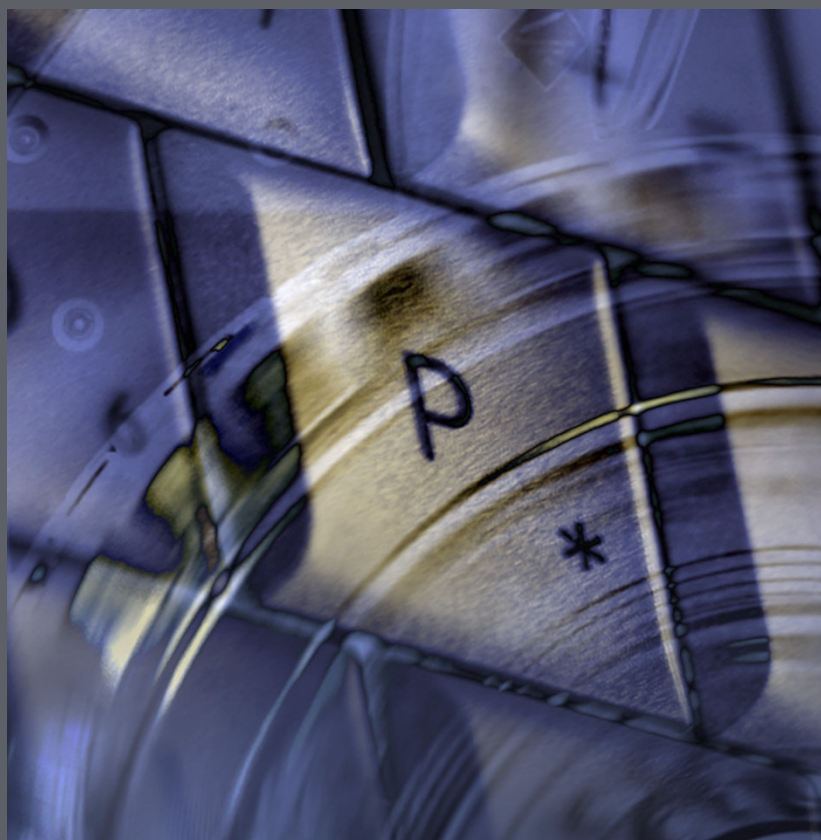
High Ethical Standards of Third Parties, such as Intermediaries and Market Representatives

In addition to Personnel, the agents, consultants, intermediaries, market representatives, service providers and other business partners that Patria engages all represent Patria and act for or on behalf of Patria. All such third parties are therefore expected to represent Patria

Communication

Patria's communication is based on the Group's strategy and values, code of conduct and operational guidelines. Our communication task is to distribute relevant, up-to-date, accurate and truthful information to all stakeholders of Patria while managing and reinforcing Patria's image and brand.

[Further guidelines: Patria Group's Communication Policy](#)



Patria

When if is not an option.