

Code of Ethics and Anti-Bribery and Corruption Compliance Policy

I. INTRODUCTION

Karlos Enterprises SA and its subsidiaries (collectively the "Company") hereby adopt this Code of Ethics and Anti-Bribery Policy (the "Code") for all the Company's employees, officers, or agents ("Employees").

Our Code of Ethics affirms our commitment to upholding high moral and ethical principles and specifies the basic norms of behavior for those conducting business on its behalf. While our business practices must be consistent with the business and social practices of the communities in which we operate, we believe honesty is the essential standard of integrity in any locale. The company's activities are to be based on honesty, integrity, respect, and compliance with all applicable laws, including those laws which prohibit bribery and corruption.

The objective of this Code is to provide guidance and procedures to ensure that the Company conducts business in an honest and ethical manner when dealing with Government Officials and all other parties, and in compliance with all applicable laws and regulations pertaining to bribery and corruption

Employees are expected to conduct company business in a legal and ethical manner.

Honest and fair dealing

Employees shall endeavor to deal honestly, ethically, and fairly with the Company's customers, suppliers, competitors, and other employees. No Employee, in conducting company business, shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice. Honest conduct is considered to be free from fraud or deception. Ethically is considered to be conduct conforming to accepted professional standards of conduct.

Conflicts of interest

A conflict of interest may occur when an Employee's private interests interfere, or appear to interfere, with the interests of the Company as a whole. While it is not possible to describe every situation in which a conflict of interest may arise, Employees shall not use or attempt to use their position with the Company to obtain improper personal benefits. Any Employee who becomes aware of a conflict of interest, or is concerned that such a conflict might develop, should immediately discuss the matter with the Audit Committee or legal counsel at the Company.

Bribery

The Company shall not use illegal payments, bribes, kickbacks, or other questionable inducements to influence government decision-making or any business transaction. The use of the Company's funds or assets for any unlawful or improper purpose is prohibited. In the conduct of business, Employees shall avoid making payments that are or appear to be improper. Specifically, the Company prohibits bribery of or by any of its Employees and fosters a culture within the Company in which bribery is not acceptable.

Indirect bribery (bribery committed on the Company's behalf by third parties) is also caught by the Code. The Company will strive to deal only with reputable third parties and will do necessary due diligence on

third parties where appropriate i.e., where circumstances may indicate a higher risk for bribery (for example, conducting business with a third party located in a jurisdiction with a reputation for bribery and corruption).

Compliance with laws, rules, and regulations

It is Company's policy to comply with all applicable Greek and EU laws, International Treaties, rules, and regulations. It is the personal responsibility of each Employee to adhere to the standards and restrictions imposed by those laws, rules, and regulations, and in particular, those relating to accounting and auditing matters.

Any Employee who is unsure whether a situation violates any applicable law, rule, regulation, or Company policy should contact the Company's legal counsel. Failure to comply with the Code may subject the Employees to criminal or civil penalties as well as to disciplinary action by the Company up to and including termination for cause.

All directors, officers and employees must have access to this Policy and Interpretation Guide and are expected to be familiar with its contents

II. CONFLICTS OF INTEREST AND CODE OF ETHICS

Corporate opportunities

Employees owe a duty to advance the legitimate interests of the Company when the opportunities to do so arise. Employees shall not take for themselves personally opportunities that are discovered through the use of corporate, property, information or position.

Protection and proper use of company assets

The Company's assets shall only be used for legitimate business purposes and only by authorized Employees or their designees. This applies to tangible assets (such as ship's equipment, office equipment, telephones, personal computers, copy machines, etc.) and intangible assets (such as software, trade secrets and confidential information). Employees have a responsibility to protect the Company's assets from theft and loss and to ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. If any Employee, becomes aware of theft, waste, or misuse of the Company's assets he/she shall report this to his/her manager.

Confidentiality and personal data privacy

Employees must protect the confidentiality of Company information. Employees may have access to proprietary and confidential information concerning the Company's business, clients, and suppliers. Confidential information includes such items as non-public information concerning the Company's business, financial results and prospects and potential corporate transactions. Employees are required to keep such information confidential during employment as well as thereafter, and not to use, disclose, or communicate that confidential information other than for legitimate business purposes. The consequences to the Company and the Employee concerned can be severe where there is unauthorized disclosure of any non-public or proprietary information.

To ensure the confidentiality of any personal information collected on individuals and to comply with applicable data privacy laws, Employees in possession of non-public, personal information about the Company's customers, potential customers, or Employees, shall maintain the highest degree of

confidentiality and shall not disclose any personal information unless an explicit authorization is obtained by the management of the Company.

Disclosure

Employees are responsible for ensuring that the disclosure in the Company's periodic reports is full, fair, accurate, timely and understandable. In doing so, Employees shall take such action as is reasonably appropriate to

- (i) establish and to comply with disclosure controls and procedures and accounting and financial controls that are designed to ensure that material information relating to the Company is made known to them.
- (ii) confirm that the Company's periodic reports comply with applicable law, rules and regulations.
- (iii) ensure that information contained in the Company's periodic reports fairly presents in all material respects the financial condition and results of operations of the Company.

Employees shall not knowingly

- (i) make, or permit or direct another person to make, materially false or misleading entries in the Company's, or any of its subsidiaries', financial statements, or records.
- (ii) fail to correct materially false and misleading financial statements or records.
- (iii) sign, or permit another to sign, a document containing materially false and misleading information
- (iv) falsely respond, or fail to respond, to specify inquiries of the Company's independent auditor or legal counsel.

Electronic communication

Electronic communications include all aspects of voice, video, and data communications, such as voice mail, e-mail, fax, and internet. Employees shall use electronic communications for business purposes and refrain from personal use. Among other things, Employees shall not participate in any online forum where the business of the Company or its customers or suppliers is discussed: this may give rise to a violation of the Company's confidentiality policy or subject the Company to legal action for defamation. The Company reserves the right to inspect all electronic communications involving the use of the Company's equipment, software, systems, or other facilities ("Systems") within the confines of applicable local law.

Corporate communications

Only certain designated Employees may discuss the Company's matters with the news media, securities analysts, and investors. All inquiries from regulatory authorities or government representatives shall be referred to the appropriate manager. Employees exposed to media contact when in the course of employment shall not comment on rumors or speculation regarding the Company's activities.

Health, safety, and environmental protection

The Company shall conduct its business in a manner designed to protect the health and safety of its Employees, its customers, the public, and the environment. The Company's policy is to operate its business in accordance with all applicable health, safety and environmental laws and regulations to ensure the protection of the environment and the Company's personnel and property. Employees shall conduct

themselves in a manner that is consistent with this policy. Any departure or suspected departure from this policy must be reported promptly.

III. ANTI-BRIBERY POLICY

Anti-bribery law

Bribery and corruption offences present a severe risk for all businesses. These risks can lead to unlimited fines for companies, imprisonment of individuals and loss of reputation. The enforcement of bribery and corruption laws in many countries is increasingly stringent, and encompasses activities undertaken by a company through its employees or third parties acting on its behalf across various international jurisdictions.

Bribery or corruption can be defined as the offering, promising, giving, accepting, or soliciting of an advantage as an inducement for an action that is illegal or a breach of trust. The most prevalent forms of bribery and corruption stem from:

- Payments to a company's employees or their relatives, or a third party, to secure an advantage in business transactions.
- Political contributions made to secure an advantage in business transactions.
- Charitable sponsorships used to secure an advantage in business transactions.
- Facilitation payments or kickbacks made to secure or accelerate routine or necessary business actions.
- Gifts, hospitality, and expense payments made to secure an advantage in business transactions.

The Company's Employees regularly and legitimately interact with government officials. Often Employees are required to communicate with government officials regarding licensing and other required government approvals, e.g., customs clearance, safety/environmental permits, etc. Employees are prohibited from making or providing any such improper payments to government officials.

Facilitation payments are small payments made to government officials in accordance with publicly known or widely followed local custom to expedite or secure performance of non-discretionary, routine government action. The Company strongly discourages Employees from making facilitation payments.

Exceptions to bribery prohibitions

Relief from the prohibitions of various international anti-bribery laws is limited. If any Employee believes that his/her conduct would meet one of the exceptions discussed below, that Employee should contact immediately the Company's legal department before taking any action.

Routine, government payments

Most, if not all, governments require fees, taxes, or payments for various government services. Payment of these fees is permissible and should occur in the ordinary course of dealing with a government. Be careful, however, to avoid making such payments to government officials in their individual capacity or paying amounts more than the amount required by law.

Gifts, entertainment, and hospitality

The Company's personnel must avoid both the fact and the appearance of improperly influencing the judgment or business decisions of the organizations or individuals with whom they deal, including Government Officials.

The Personnel is prohibited from providing any gift, meal, entertainment, travel, payment for expenses or other business hospitality, other than the hospitality of a token or nominal value, to a Government Official without prior approval of the Company's legal department.

Reasonable relationship-building expenses for non-Government Officials are allowed, so long as the payment is transparent, is not intended to obtain an improper advantage, and is made in accordance with Company's other policies and local laws

Response to event or a request for a bribe

If a Government Official, consultant, agent, or any other person requests a bribe, kickback, or other thing of value (including gifts, entertainment, travel or other hospitality that would be in violation of this Policy or the Code), Company's Personnel shall politely turn down the request and make a record of the request as soon as possible. The record should be marked "confidential" and promptly provided to the Company's legal department. so that they can advise regarding the appropriate next steps.

Accounting & record keeping

It is the Company's policy that all financial transactions are recorded in a timely and accurate manner. Records reflect transactions in conformity with accepted accounting standards and are designed to prevent off-the-books transactions such as kickbacks and bribes.

The Company has devised and maintains a system of internal accounting controls sufficient to provide reasonable assurances that:

- Transactions are executed following management's general or specific authorization.
- Transactions are recorded as necessary to permit the preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements and to maintain accountability for assets.
- Access is permitted only in accordance with management's general or specific authorization.
- The recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Employees shall follow all applicable standards, principles, and laws for accounting and financial reporting. No Employee shall establish an undisclosed or unrecorded account on behalf of the Company for any purpose. In addition, false or artificial entries are not to be made in the books and records of the Company for any reason.

Compliance and Violations

The Company expects all Personnel to take steps to prevent a violation of this Policy. This includes identifying and raising potential issues before they lead to problems and seeking additional guidance when necessary. Personnel who become aware of a violation of this Policy must report the matter to their immediate supervisor or the Company's legal department as soon as possible. All reports received by supervisors must immediately be communicated to Company's legal department.

Retaliation by anyone as a consequence of making a good faith report of a possible violation of the law or this Policy is strictly prohibited and will result in disciplinary action, including up to termination.

In the case of Company's Personnel, failure to comply with this Policy may result in severe consequences, which could include internal disciplinary action up to termination of employment with cause or consulting arrangements without notice and without compensation where permissible under applicable laws.

In the case of Third-Party Representatives, violation of this Policy may result in termination of a contract without notice, or such other measures that are available at law.