

**MANAGEMENT REGULATION No. 04/2025**

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		Elaborated by: Šárka Matyášková
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## **1. Basic provisions**

**SANBORN s.r.o.**, ID No.: 193 29 610, with its registered office at Třebíčská 1507/87, 594 01 Velké Meziříčí, registered in the Commercial Register administered by the Regional Court in Brno, Section C, Insert 141390 (hereinafter referred to as **“the Employer”** or **“the Company”**), issues in accordance with the provisions of Section 305 et seq. of the Act No. 262/2006 Coll, Labour Code, as amended (hereinafter referred to as **“the Labour Code”**), the present Internal Regulation, which regulates the basic standards of ethical conduct at the Employer (hereinafter referred to as **“the Internal Regulation”**).

The Company adheres to the compliance with all laws and regulations applicable to its business activities and its obligations thereunder and is committed to creating a work environment which promotes integrity, respect and accountability and to the highest ethical standards. Accordingly, the present Internal Regulation establishes and describes the core values, principles and standards of conduct which the Company expects of all its employees

and other persons performing activities for the Company, on whom the present Internal Regulation is binding. The rules detailed in the present Internal Regulation serve as a guide for the day-to-day conduct and decision-making of employees, both within the framework of the Company and in relation to our business partners as well as the general public.

We believe that ethical behaviour is the basis for long-term successful cooperation and for building up the trust which our customers and business partners place in our Company.

The present Internal Regulation shall be binding on all employees of the Company as well as on other persons who have agreed to comply with it. If any person has any questions about the Internal Regulation or about the appropriate ethical course of action in a practical situation, any person bound by the present Internal Regulation may contact the Company's Human Resources Department for advice and consultation.

The present Internal Regulation may be revoked, amended or superseded by the Employer at any time.

## **2. Basic principles of behaviour**

The Company adheres to the creating and maintaining of a healthy, supportive, inclusive and satisfying work environment for all its employees and staff members. For this purpose, it establishes and further describes below the basic conduct rules and principles which serve as the standard for communication and cooperation among employees with each other, between the Company and employees, and externally towards the Company.

### **2.1 *Open communication and information***

An essential element of a functional and healthy work environment is open and honest communication between employees, employee organisations and the Company, where only open and honest communication can help to build up mutual trust, prevent misunderstandings, promote teamwork, and ultimately lead to optimised work practices and Company development. For this purpose, the Company regularly informs employees about what is happening at the Company, as well as about everything which is important for the work of individual employees.

To maintain a pleasant and satisfying work environment, it is essential that open communication is established between employees and the Company on both sides. The Company appreciates any suggestions for improvement or comments or other initiatives which its employees bring to the Company.

In the event that an employee discovers a possible violation of the Company's internal regulations, including the present Internal Regulation, such employee shall inform their supervisor or the employees of the Human Resources Department of this fact. The Company agrees to investigate such reports properly and impartially, to take measures to remedy the defective condition and not to disclose the identity of the complainant. In the event of the dissemination of intentionally false or erroneous information, disciplinary consequences may be imposed on such employees.

In the event of suspicion or knowledge of a violation which has occurred, is occurring or is about to occur at the Company, employees may also proceed in accordance with the Act No. 171/2023 Coll., on Whistleblower Protection, as amended, and file a report through the Company's internal reporting system.

## **2.2 *Mutual respect***

The Company strives to create a positive work environment for all of its employees where all employees feel comfortable and safe. Relationships are based on mutual respect from person to person.

The Company requires all its employees to contribute to an inclusive and tolerant work environment/atmosphere in the workplace as well as in the performance of work outside the workplace, but in particular to avoid any discrimination, especially on grounds of race, ethnic origin, nationality, gender, sexual orientation, age, disability, religion, belief or world view and nationality, as well as on grounds of pregnancy, maternity or paternity and gender identity.

Employees are obliged to treat each other with due respect, to respect each other's differences and to avoid sexist, chauvinistic, racist, homophobic, discriminatory or generally hateful or hate-inciting speech. Any such speech is unacceptable and inadmissible and may result in employment labour-law consequences for employees.

The employees are moreover obliged to refrain from any abusive, vulgar or sexually motivated language in their communications with each other and to avoid any form of violence or other harassing behaviour. Violent behaviour or threats of violence are considered a fundamental breach of employee obligations and may result in disciplinary action by the Company, as well as criminal sanctions or other public sanctions by the relevant law enforcement authorities.

The Employer encourages the employees to immediately report any violent behaviour or threat of violence to their supervisor or a representative of the Human Resources Department.

### **2.3 *Conduct outside the Company***

When communicating with customers and suppliers, as well as with any other persons outside the Company, the conduct of the Company's employees reflects on the Company's reputation and goodwill, therefore the following rules must be observed:

- **Performance towards customers**

Building up the relationships with customers is an important part of the Company's success. To maintain such relationships, it is essential that employees should treat customers with courtesy, respect and dignity, regardless of the range and size of the job.

The Company fulfils its promises given to customers and develops long-term cooperation with them. It is necessary to act with the knowledge that every customer is equally important to the Company and the Company is committed to fulfilling 100% of the requirements and wishes of the customer.

The Company is committed to compliance with the law in its dealings with customers and does not tolerate any action to gain undue advantages (e.g. bribery).

It is important to understand that participation in bribery or even the mere appearance of engaging in such activities can expose employees and the Company to criminal prosecution.

- **Performance towards suppliers**

The Company builds its relationships with suppliers upon mutual respect for basic ethical rules.

In selecting business partners and suppliers, the Company acts impartially and objectively, allowing suppliers to compete fairly with each other on the basis of the quality of their products and services and their price.

The Company does not tolerate the acceptance of bribes and, as a matter of principle, does not allow itself to be influenced in its selection of or dealings with suppliers by gifts, favours or benefits of any kind, either from current or potential suppliers.

- **Performance towards competitors**

When competing, the Company employs the strategy of being a firm but fair and respectful entity.

Competitors are not perceived by the Company as enemies, but as a driving force in improving itself.

It is unacceptable for the Company to solicit, accept, offer, promise or give bribes or anything of value to gain an advantage over competitors in business dealings.

At the same time, the Company considers it a matter of course to maintain and develop business relationships even on an informal level, and therefore in order to build them, the Company may provide small benefits and attention to business partners. However, these must never be used to gain undue advantages.

In the context of building up strong relationships with suppliers and other business partners, occasional small transactions may also be accepted – commercial attention.

However, when offering and accepting business courtesies, Employee Companies must be particularly cautious, scrupulously careful to avoid conflicts of interest and to avoid the appearance of improper payments or bribery.

An occasional invitation to a meal in the normal course of business may be acceptable if the following conditions are met:

- A representative of the business partner is present.
- Refreshments are adequate and not unusual in nature.
- Refreshments are in accordance with legal regulations and are not prohibited by the internal regulations.

If practical, the invitation to the refreshments should be reciprocated.

The employees are not authorised to accept or give any gift or business courtesy if it is given for an impermissible purpose or if the employee knows that it would violate the Company's policy, law or the business courtesy policy of the business partner.

In general, business consideration may be offered or accepted if:

- it does not cause the recipient to feel obliged to counter-pay, nor does it give the appearance of such an obligation,
- it does not deviate from generally accepted local business practices,
- its value is negligible,
- it does not give the impression of a bribe or an impermissible reward,
- it is not explicitly unsolicited,
- its disclosure would not cause any complications for the employee or the Company.

These rules do not apply to the providing and receiving of promotional materials of a general advertising nature, such as printed pencils, notepads and calendars, etc., unless they create an obligation or the appearance of an obligation.

Attendance at formal presentations is permitted as long as the items or benefits received there do not violate any laws, cannot be considered bribes, and disclosure would not cause complications for the invited employee or the Company.

As a matter of principle, gifts may not be accepted from existing or potential suppliers or other business partners during or in direct connection with the negotiation of business contracts. It is also forbidden to solicit gifts from suppliers or other business

partners for persons in certain offices/positions in the Company or for the purpose of remunerating employees.

### **3. Conditions for creation of favourable working environment at the Company**

The Company adheres to creating a positive and safe working environment for its employees. This also includes providing equal opportunities to all employees and ensuring a level playing field.

#### **3.1 *Ensuring safety at work***

One of the basic pillars of a favourable working environment is attention to occupational health and safety and fire safety. Assurance of occupational health and safety is of the utmost importance for the Company. Therefore, the Company provides employees with appropriate means to protect their health and takes measures to reduce the risk of harm or injury to health or life.

The employees look after their own health on their workplaces and the health of their colleagues. In the event that a deficiency or defect is found out at a workplace which could result in damage to the property of the Employer or other persons, or harm to the health and life of anyone, the employees are obligated to immediately notify their supervisor in accordance with applicable legal regulations or to avert the threatened damage or harm by themselves.

#### **3.2 *No consumption of alcoholic beverages and other addictive substances***

The employees are strictly prohibited from consuming alcoholic beverages and abusing other addictive substances on the Employer's sites, and during working hours even outside of these sites. The employees are not allowed to enter the workplace or perform work under their influence.

The employees must not smoke in workplaces outside designated areas and in other areas where non-smokers are also exposed to smoking.

The employees are obliged to comply with the written instructions of the Employer and with applicable legal requirements, and to get themselves subjected to a check for presence of alcohol or other addictive substances. At least one witness will always be present at the check and a record of the results will always be made.

### **3.3 *Discreet conduct***

The Company guarantees to handle the employees' personal data discreetly and in accordance with the law, but the employees also consider what personal data they share with the Company and their colleagues. Inappropriate sharing of personal information may be perceived as harassing.

Just as the Company values the privacy of its employees, it expects the same on their part, particularly with respect to the facts learned in connection with their work for the Employer.

### **3.4 *Equal pay, equal treatment and social responsibility***

The Company provides all employees without distinction with equal working conditions, opportunities and remuneration, as well as adequate opportunities and opportunities for further training and education.

The Company strives to take appropriate measures in its operations in order to reduce the environmental burden of its activities.

## **4. Final provisions**

The present Internal Regulation may be modified by the Employer to reflect changes in legislation or otherwise unilaterally amended, but always in accordance with applicable legal regulations, in particular in accordance with the Labour Code, as amended.