

## REGULATION NO. 1/2018

Divider: Company management, head of departments and centres	<b>Code of Ethics of SANBORN a.s.</b>	Velké Meziříčí <i>Date: 1 July 2018</i>
Attachment: ----		Approved by: GD Ing. Aleš Tichý
Cancels: NV 1/2018 of 19 January 2018		Processed by: Petra Urbánková Effective from: 1 July 2018

**1 SCOPE**

This Code of Ethics applies to all employees of SANBORN a.s. in situations where it is appropriate (as judged by the department's investigator), our business partners should be familiar with our Code. Their behaviour must be in accordance with this Code, the other principles of SANBORN a.s., applicable laws and regulations.

**2 PROCESS DESCRIPTION****2.1 Relationship between management and employees and among the employees**

Safety and Health protection during work

- Safety and health at work is our first priority. We undertake to provide employees with adequate means to protect their health. Employees are also committed to use these resources according to the applicable regulations.

- Employees use work resources in accordance with established rules and take care to protect the company's assets.

The use of addictive substances limits the ability to work safely and poses a risk to all employees. At SANBORN a.s. there is a ban on working under the influence of alcohol and other narcotics see Act. 65/2017 Sb. (Law on the Protection of Health from the Harmful Effects of Habits). Upon justifiable suspicion or at the instigation of other workers, the employee is required to undergo a breath test for alcohol. An alcohol tester is stored at the security / reception desk when entering the company. The breath test takes place in the presence of at least 1 witness and written record is done about it.

The prohibition of the use of addictive substances applies in all circumstances, both for the performance of a work function at SANBORN a.s., or for acting on its behalf, even when the use of addictive substance occurs outside of working hours or outside of the company.

- As part of our workplace health and safety efforts, we strive to prevent any violence or threats of violence. Violent behaviour or threats of violence can result in termination of employment and possible criminal sanctions. Any threats and violent behaviour should be reported immediately to your supervisor or to the personnel department.

*Mutual respect*

- Mutual relationships based on respect for human beings and respect for fundamental human rights. Racist and anti-Semitic manifestations are inadmissible and unacceptable.
- The work atmosphere is based on trust, partnership, teamwork and loyalty.
- In SANBORN a.s. we strive for a cultivated working environment that promotes security and trust. In order to achieve this goal, we must properly handle the personal data of our employees. This information may not be shared with anyone (corporate or non-corporate) for whom no business need is required.
- Employees are rewarded purely on the basis of their qualifications, personal assumptions and assignments. The wage is always paid within a specified time.
- The company respects the principle of the same job opportunity in terms of gender, ethnicity, nationality and age. Any form of violence or harassment, whether sexual or based on personal and cultural diversity, is strictly forbidden.
- Employees of the company respect employees with disabilities and help each other.

#### *Awareness*

- The company keeps an eye on everything that is important to the work of individual employees, both between employees and managers.
  - The Company undertakes to inform all employees on a regular basis about the overall business situation. We actively communicate with the trade union.
- An integral part of the company's success is information, ideas, improvements, and unique technological processes. Therefore, all employees take care to protect confidential information about the company's activities and undertake not to abuse such information for their benefit or to provide third parties with them.

#### *Equal treatment*

- The company commits itself to providing its employees with adequate opportunities to increase their qualifications and education.
- The Company is committed to enabling career growth for all employees. This rule is based on the abilities and diligence of each employee.
- We avoid inappropriate relations of superiority and subordination among family members. That is, we must not be direct superiors or subordinates of our family member or anyone with whom we have close personal relationships.

### **2.2 Principles of behaviour towards customers**

*Building mutually beneficial customer relationships is an important prerequisite for our company's success. To maintain such relationships, it is essential that we provide safe and quality products and adhere to the law in all dealings with commercial customers and public sector clients.*

We adhere to the following rules:

- The company treats its customers politely and with respect.
- Every customer is equally important to the company, and the company is committed to fulfilling all the requirements and wishes of the customer.
- The company fulfils its promises and develops long-term cooperation.
- We abide by all applicable anti-corruption laws prohibiting ineligible payments to state institutions. It is important to note that participation in some bribery or simply creating an impression of your participation in such activity can expose you and the SANBORN a.s. company to prosecution.

### **2.3 Principles of behaviour towards suppliers**

*SANBORN a.s. allows suppliers to compete honestly on the basis of the quality of their products, services and pricing. We will not let any gifts or any kind of benefits to affect us by current or potential suppliers.*

We adhere to the following rules:

- The company establishes relationships with its suppliers on mutual respect of ethical rules.
- The company regards it as a matter of course the maintenance and development of relations favourable to both parties.
- The company guarantees compliance with the agreed payment terms with suppliers.

Occasional meal invitations in normal business relationships may be acceptable if the following conditions are met:

- A vendor representative is present.
- Entertainment is reasonable and not unusual in nature.
- Entertainment is in compliance with applicable laws and this Code does not prohibit it.

In addition, if it is expedient, hospitality should be reciprocated.

### **Gifts**

Building strong relationships with suppliers and other business partners is an important precondition for company growth. Sometimes business gifts are used to strengthen them. We must, however, be particularly careful when offering and receiving business attention. Exchange of gifts can result in conflicts of interest. Their misuse may also give rise to the impression of ineligible payments or bribes. You may not accept or surrender any gift if it is provided for an unacceptable purpose, or if you know there is a violation of our policies, laws, or donor policies applicable to your affiliate.

In general, we can offer or accept a gift if:

- It will not cause the payee to feel committed nor will provoke the commitment.
- It is not beyond the generally accepted local business tradition.

- Its value is negligible.
- It can not be considered a bribe or an undue reward.
- It does not violate applicable laws, our company policies, or the recipient company's policy.
- It is not required.

These rules do not apply to unsolicited promotional materials of a general advertising nature, such as printed pencils, notebooks and calendars, unless the submitted item creates a commitment or a waiver.

Participation in festive presentations is permitted if the accepted items or benefits do not violate any laws, can not be considered bribes and did not cause any complications to SANBORN a.s.

Donations may not be accepted by existing or potential suppliers or other existing or potential business partners during or in connection with the negotiation of contracts. Also, we may not require donations from suppliers or other business partners for certain functions / positions in SANBORN a.s. or employee remuneration.

#### **2.4 Competition**

- In a competitive struggle, the company applies tactics of strong but honest behaviour.
- Competition is not perceived by society as an enemy, but as a driving force in self-improvement.
- It is inadmissible for a company to demand, accept, offer, promise or give bribes or other values in order to gain an advantage in the business relationship or the personal benefit of an individual.

#### **2.5 Corporate Social Responsibility**

- The Company tries to take action in its activities to minimize the burden on the environment.
- The Company pays taxes at the right time and in the correct amount.

#### **2.6 Respect for human rights**

- We do not use or tolerate child labour. In SANBORN a.s. we will not employ people under the age of fifteen.
- We will never use involuntary or forced labour in our activities. SANBORN a.s. will not tolerate any forms of human trafficking or other forced labour. We will also never cooperate commercially with third parties involved in trafficking in human beings or using forced labour.

#### **2.7 Complaints, comments and violations of the Code of Ethics**

- If an employee detects a possible violation of the Code, he or she informs his supervisor or staff member.

- The company will not take any retaliation against an employee who has reported a possible violation of the Code of Ethics. This means that it does not dismiss him or discriminate him, as the employee informed about possible violations of the rules. This does not apply to persons who knowingly make false allegations or deliberately provide false information.
- The Company will investigate all the reports fairly and thoroughly and will take necessary measures. It will also make all efforts not to disclose the identity of the complainant. The same applies if the complainant requests the information to be confidential.
- Compliance with the Code of Ethics becomes a mandatory condition for employment in the company. If an employee violates the Code, disciplinary measures may be taken, in accordance with the law and internal policies and rules of the company.