

HR CoE

Code of Ethics

1 General conditions

This Code of Ethics valid for all companies and branches within the HRANIPEX Group (hereinafter referred to as the “Code”) represents a binding set of values, principles and definitions of conduct and thus constitutes a basic document describing the basic principles of ethical behaviour of employees of the entire HRANIPEX Group (hereinafter collectively referred to as the “Employer” or the “Company”).

The Company respects applicable laws, rules of ethics, rules of morality and honest commercial practices. The purpose of the Code is to specifically define basic rules, principles and values that guide the Company in the performance of its daily activities and to establish the corresponding obligations of all persons concerned. The Code also sets the interpretive framework for the interpretation of other internal regulations.

The list of rules in the Code is not and cannot be exhaustive. Even in those cases that are not expressly covered by the Code, employees are obliged to behave and act in accordance with the principles and objectives of the Code and always act in accordance with the law, good morals, general rules of ethics, general rules of morality and the rules of honest commercial practices so as to maintain the good name and reputation of the Company.

The parties have various obligations under the foregoing. In particular, the Employer undertakes to comply with the legislation guaranteeing the employees such working conditions and environment that allow the safe performance of work and the fulfilment of the obligations set out in the Code.

In particular, employees are then obliged to:

- (i) perform their work to the best of their knowledge and abilities, with the highest degree of professionalism and protect the legitimate interests, good name and reputation of the Employer, their co-workers and third parties and not to allow any conflict of personal or family interests with the interests of the Employer (in the event of such a conflict of interest, they shall inform the Employer without delay);
- (ii) to ensure the economical use of the Employer's property and entrusted values and proceed so that the Employer does not incur unnecessary costs when performing his/her duties;
- (iii) act in a preventive manner to avoid damage to the Employer's or third parties' health and property or the environment. Where there is an imminent risk of damage, employees shall attempt to avert the damage. If this is not possible, they shall inform those persons who are competent to prevent or mitigate the damage and shall always inform the Employer of the risk of damage;
- (iv) protect the Employer's intellectual property rights while fully respecting the intellectual property of third parties;
- (v) in general, fully respect the legal and contractual rights of third parties during the performance of work.

All employees are required to comply with this Code, whether in their dealings with colleagues, supervisors, or the Employer's business partners, suppliers or customers. The Code is an important

tool for building corporate culture. Corporate culture creates the image of our group and its functioning as a team. The Code thus represents the Employer's required way of mutual conduct, behaviour and communication with partners. The Code expresses the Employer's will and commitment to ethical behaviour towards business partners, public authorities and, last but not least, towards all colleagues.

Employees therefore acknowledge that the Code is a binding document for all employees and members of the Employer's bodies. Employees are aware that by acting in violation of the Code, they may expose the Employer and themselves to criminal, administrative or civil penalties and consequences. Therefore, they will always act in such a way as to avoid, in particular, the commission of crimes or other violations of legal and internal regulations, and a violation of this rule will be considered a serious breach of work duties.

I. Key components of the Code

1. Company direction
2. Relationships between employees
3. Respect for the individual, safety at work
4. Respect for privacy and personal data protection
5. Mutual communication
6. Dress code and service discipline
7. Protecting the good reputation of the Employer
8. Public speaking and acting on behalf of the Company
9. Company records
10. Confidentiality and sensitive information protection
11. Anti-bribery and anti-corruption measures, rules on gifts, AML
12. Complaints, comments and notifications of violations of the Code

1.1 Company direction

The statement below expresses how the Employer wants to be perceived by suppliers, customers, government authorities, job seekers and the general public in all regions where the HRANIPEX Group operates:

“HRANIPEX is a premium supplier of furniture edges, glues, cleaners and furniture fittings. HRANIPEX takes excellent care of its customers, providing them with high quality products, excellent service and expert know-how.”

Our shared mission defines the steps necessary to realize the Employer's vision:

“The objective of HRANIPEX is customer satisfaction, quality of products and services, and the long-term sustainability of our results. The entire HRANIPEX team directs its activities towards these objectives, with the emphasis being on mutual respect, cooperation, and quality of the performed work. Each employee perceives his/her personal responsibility for achieving his/her own objectives and those of the company as a whole.”

1.2 Relationships between employees

Every employee is obliged to respect his/her superiors and colleagues and to observe the principles of mutual trust and cooperation. The basis of relationships between employees is mutually honest, polite and socially correct behaviour.

Employees have the right to their own opinion and may express it freely. However, when presenting his/her opinion, he/she must always consider whether it will harm or unnecessarily restrict other employees, external partners or the Company's good name. In doing so, he/she must always act within the law and the binding internal regulations of the Employer.

An employee in a management position shall treat subordinate employees with special respect. He/she shall communicate with his/her subordinates and address their legitimate requests. If employees can help each other, they shall do so without hesitation.

1.3 Respect for the individual, safety at work

We support and actively create a work environment that is stimulating, creative, respectful of human diversity, dignity and non-discriminatory.

Talent promotion, motivating our employees and rewarding their performance are essential to ensure that the Company continues to grow.

We support equal opportunities for every employee or job seeker in recruitment, access to training, remuneration, social welfare and career development. The skills, experience and personal abilities of employees are important factors.

All forms of discrimination based on the following factors are prohibited: gender, age, origin, education, religion, opinions, political affiliation, sexual orientation, physical appearance, health, disability, etc. Any form of harassment, intimidation, forced or illegal labour is not permitted. No one shall make inappropriate, abusive or derogatory comments about colleagues or business partners, or harass, intimidate, humiliate or insult them in any way through verbal or physical expressions.

The Company fully respects the privacy of its employees. Managers are required to ensure that their subordinates are properly trained, including the prevention of conduct and activities that violate the principles and rules of this Code.

Managers shall be role models in the application of this Code and shall maintain equity among their subordinates.

If there is any confusion on the part of an employee regarding a particular decision or instruction of the Employer, or if the interpretation of legal or internal regulations, including this Code, is unclear to them, the employee shall seek any necessary information or opinions to proceed.

Safety at work and health protection of the employees is our priority and the Company takes the utmost care to comply with all legal as well as internal regulations concerning safety at work. Managers are trained in these matters and are aware of and, where appropriate, eliminate, within their capabilities, any risks associated with the performance of their work activities by taking preventive safety measures and implementing appropriate trainings and responding to relevant employees' suggestions.

1.4 Respect for privacy and personal data protection

All our employees and third parties with whom the Company deals (customers, business partners, suppliers) are entitled to their privacy. The Company consistently protects their personal data.

Personal data is any information that can be used to directly or indirectly identify an individual (e.g. name, date of birth, social security number, email address, computer ID). The Company only obtains, collects, processes, uses and retains data that is necessary for its normal operation or is required by law.

The Company always treats personal information in accordance with applicable privacy laws.

1.5 Mutual communication

Everyone who works for the Company effectively yet cautiously uses the various communication channels permitted by the Company. These channels are used both for intra-company communication between employees and for communication with customers, suppliers, purchasers and business partners.

In particular, employees are obliged to:

- conduct communications on behalf of the Employer in accordance with the principles of good behaviour and correctness;
- communicate with another person in an intelligible manner and always in such a way that the content of the information communicated is factual, as concise as possible and is properly understood;
- to respond in a friendly manner to visitors, not to leave strangers on the Employer's premises unnoticed and to initiate communication on behalf of the Employer;
- not to express personal opinions on issues concerning the Employer as a representative of the Employer;
- not to disclose false, inaccurate or misleading information to anyone in the course of their work.

The parties involved in the communication shall at all times take strict care to protect the data processed in accordance with applicable legislation (in particular GDPR) and controlled documentation.

Basic rules of effective communication:

- when organising a meeting, invite only relevant persons or those necessary for the meeting, not all members of the department or unit;
- strictly observe "time management" - e.g. do not overrun a meeting in a meeting room booked for a certain time, cancel the meeting room reservation immediately if the meeting is cancelled;
- in the case of an online meeting, always give a clear indication of the topic of the meeting;
- respect that a call is used to obtain detailed information, but keep it brief and to the point;
- observe timely call-backs for missed calls;
- formal, conceptual matters are dealt with via email, full signatures are not used in internal communications, bulk email is prohibited except where justified, always write the subject of the email.

1.6 Dress Code and service discipline

The Company has defined rules for the dress code of employees when they are present at the workplace. A binding document is the company's Dress Code, which in two levels - Business

Casual and Smart Casual - precisely defines appropriate clothing and accessories. The dress code applies to administrative staff.

Production and warehouse employees have a corporate service discipline defined in the OHS document specifying the rules of safe behaviour. These rules, including the regulation of formal wear, are also applicable to administrative staff when they are in the production and warehouse area.

1.7 Protecting the good reputation and name of the Employer

The company attaches great importance to protecting its good reputation and name. The company also uses social networks such as Facebook, Instagram and LinkedIn to communicate with clients. Only authorized employees can communicate with clients via these networks.

Protection of the good reputation applies to the behaviour of employees on all social networks (e.g. Facebook, LinkedIn, Twitter), blogs, photo/video sharing websites (e.g. YouTube).

Any use of social media by employees, including any private use, could be attributed to the Company and could have a negative impact on its image or good name. Consequently, it is essential that any employee who uses social media does so responsibly.

Employees must also bear in mind that:

- any information that is published on the Internet can be used by anyone, anywhere, and can be accessed indefinitely;
- they are personally responsible for the content they post on the Internet.

If they use Facebook, Twitter, Instagram or any other social network to communicate with their friends and acquaintances, they must not lose sight of the interests of the Company or its employees and the protection of relevant confidential information.

1.8 Public speaking and acting on behalf of the Company

The employee shall always act in accordance with the interests of the Employer and shall not damage the good name of the Employer by his/her actions. The employee shall, even outside office hours, act in such a way as not to diminish the Employer's credibility in the eyes of the public. Within the limits of his/her abilities, the employee shall try to avoid any conduct that damages the Employer's good name (e.g. when driving a car bearing the company logo, the rules of the road must be fully observed; when wearing a company T-shirt and in his/her free time the employee represents the company and acts accordingly).

Critical comments on the operation and running of the Company, or on his/her colleagues, customers or clients, shall be expressed by the employee in an appropriate place and in an appropriate manner (e.g. by using the anonymous suggestion box). However, they never address these comments in public or on social media.

Co-workers resolve potential disputes in a substantive, civil and open manner with their immediate supervisors. Their decisions are always fully respected to the greatest extent possible.

Employees must be cautious when using social networks (Facebook, etc.) and means of communication, even in private activities and their possible connection with the Employer's social network. He/she must avoid passing on confidential information that could be perceived as offensive, damaging, humiliating or taken as defamatory towards individuals or the Company.

If an employee is delegated to act legally on behalf of the Company in defined matters, he/she shall comply with the relevant limitations of such delegation and shall inform the Company's business partner thereof in advance.

When negotiating contractual relationships with the Company's business partners, responsible employees are obliged to consider the risks of entering into a contractual relationship and to check the contractual partner in publicly accessible registers (e.g. land registry, insolvency register or register of unreliable taxpayers). The responsible employee shall draw the Employer's (supervisor's) attention to the potential risks of the contractual relationship.

Employees shall always obtain information about competitors and customers in accordance with the law and from legitimate sources. They shall never knowingly provide false or misleading information about competitors, their products and services. Employees shall not conclude any agreements with competitors that could have a negative impact on competition. Any action by an employee that could be considered as an attempt by the Company to obtain an undue advantage in a potential procurement, public tender or public auction, or to influence the conduct thereof, is also prohibited.

Employees are obliged to provide the public authorities with the cooperation required by the relevant legislation and to the extent of such relevant legislation. They shall always provide accurate, truthful and up-to-date information and documents required by the public authorities

1.9 Company records

The company responsibly adheres to the principles of transparency, management and control in financial and business matters. These matters are always the responsibility of the persons in charge of the relevant trade agenda.

All financial transactions are accurately recorded, and accounting is managed in accordance with the accounting principles and criteria of the Czech Republic.

All Companies in the HRANIPEX Group comply with the requirements of national accounting and tax legislation.

The objective is to provide accurate and complete financial information, to comply with internal controls and procedures, and to demonstrate compliance with the provisions of the law through external financial audits in all jurisdictions where the Company operates.

All corporate and financial records of the Company shall be correct and complete. The following rules must be observed when maintaining them:

- not to issue, prepare or file an obviously fake document;
- never knowingly circumvent internal controls;
- not to submit a transaction for approval without analysing its impact on the Company's operations;
- ensure that all reports sent to regulatory authorities are complete, correct, not misleading and filed on time;

- always record transactions in the accounts in the current period and on the corresponding account, including the timely recording of income or expenditure to meet budgetary objectives;
- not to conceal the true nature of any transaction;
- not allow another person to seek to evade taxes or local laws;
- to make payments only to the partner who has actually provided the goods or services.

1.10 Confidentiality and sensitive information protection

Any information regarding the Company's business that is not in the public domain must be protected and may not be disclosed to third parties, even if there is no specific obligation for confidentiality. Exceptions to this obligation are provided for by law or by the employee's contract or, where applicable, by the Company's internal regulations.

The Company's competitive advantage and position as a market leader is based primarily on its unique and detailed knowledge of its business sector, its many years of consulting experience and its personal approach to customers, including their feedback. All of the related information is highly valuable to the Company's business and its disclosure could harm the Company's competitiveness and thus significantly damage it.

Confidential information includes all information in the Company's possession that is not publicly available, including but not limited to data and information regarding:

- employees, including their salary, bonuses and other rewards;
- the content of all contracts;
- supplier and customer database;
- technical details of products and services provided;
- technologies and production processes;
- business strategy;
- financial data;
- input costs;
- proposed acquisitions or possible disinvestments;
- loss or acquisition of a significant contract;
- potential disputes and administrative proceedings.

Before disclosing sensitive information to third parties, the employee shall seek guidance from the Finance Department on confidentiality obligations and/or, in relation to the application of specific data protection measures, the IT Department.

The employee shall not disclose any of the above information to his/her family and friends. He/she never leaves unattended documents in his/her work area (desks, chairs, shelves, cabinets, etc.) from which sensitive data may be accessible.

Salary information is everyone's private business and the employee shall not share it with colleagues in the workplace. Violation of this rule will be treated as a serious breach of work duties.

The employee shall exercise caution when conversing in public. Former employees are also subject to restrictions on the use and disclosure of protected information concerning the Company.

Records and data, including electronic files and emails, must be retained for the period of time required by applicable law. In the event of ongoing or foreseeable litigation or inspection by a competent government authority, such records and data must be retained for any necessary period of time.

1.11 Anti-bribery and anti-corruption measures, rules on gifts, AML

The company has a zero-tolerance policy towards bribery and corruption. The Code therefore sets out clear rules for making and accepting gifts from third parties.

- Gifts mean any tangible objects, hospitality provided (invitation to a lunch or social event), monetary contributions and any other free advantages.
- Bribe means a gift offered, promised or given with the intention of obtaining any benefit for oneself or another person (e.g. a business, contractual or personal advantage). Offering, promising, giving or demanding a bribe, agreeing to receive or accepting a bribe are offences defined by law. Both natural and legal persons can be held criminally liable for them.

Employees may not directly or indirectly demand or accept any payment or remuneration that may induce them to act contrary to their assigned duties and against the law. Bribes and commissions to employees are strictly prohibited and may not be offered by them to third parties. Gifts and promotional items may be given to customers, suppliers, consultants, vendors or other clients only if they do not exceed normal courtesy and have symbolic value.

Rules for giving and receiving gifts:

- An employee may only give or accept a gift that is clearly not a bribe – for example, an invitation to a business lunch of reasonable value.
- Giving or accepting gifts is consistent with the law and local custom (e.g. reasonable gifts for birthdays and other anniversaries, Christmas or other significant events, invitations to a partner's party, a work-related educational event, etc.).
- Gifts are reasonable in value and frequency.
- Gifts are given and accepted openly, within the limits allowed by this Code, on behalf of the Employer and not on the one's own behalf.
- It is forbidden to give or accept monetary gifts.
- Business trips paid for by a third party may be extended by the employee for private reasons at the employee's own expense and only during his/her free time. The participation of family members on a business trip paid for by a third party shall not be permitted unless the family member is able to prove that he/she is paying the full cost of the business trip himself/herself.

Registration and approval of gifts

For each department of the Employer, a record shall be kept by the employee authorized by the respective manager, in which employees of the respective department are required to report gifts given or received by the employee with an apparent value in excess of 500 CZK (and excluding regular working lunches, dinners, etc.).

A record shall also be kept of any gift refused by an employee, irrespective of its value, including the reason for refusal, and of any gifts given to or received from an official, irrespective of their value.

Gifts of a value exceeding CZK 5,000 must be approved in advance by the relevant manager. If this is not possible, the employee shall seek approval afterwards. If the relevant manager does not give the employee consent to give or accept the gift, the employee must not give the gift to the relevant person, refuse the gift or return it.

Any exceptions to the rules in this section are subject to the approval of the Employer's Board of Directors.

The person authorized to approve the giving or receiving of a gift may request further information from the employee concerning such gift and the employee shall provide such information.

Anti-money laundering (AML) means the practice of concealing the proceeds of illegal activity, making it impossible to identify the source of those proceeds and their beneficial owner, or altering the nature of those proceeds to make them appear to be legitimate. The Company and all employees strictly comply with all anti-money laundering legislation, comply with the prohibition of financing illegal activities, and comply with the rules against terrorism and the prohibition of its support.

The Company makes every effort to monitor international sanctions and related risks and takes the necessary measures and implements the necessary procedures to treat these risks.

1.12 Complaints, comments and notifications of violations of the Code

Submitting a question, complaint or comment

If an employee has any questions about the Code, he/she should contact:

- his/her superior;
- Human Resources – use the following email address: zuzana.bielova@hranipex.com

1.12.1 Immunity from prosecution

HRANIPEX will not retaliate against an employee who has reported a possible violation of the Code. This means that it will not dismiss or otherwise discriminate against the employee for this reason. This immunity does not apply to persons who knowingly make false accusations or deliberately provide incorrect or false information.

1.12.2 Violation of the Code

If an employee violates the Code, disciplinary action may be taken in accordance with the law, internal policies and rules of the Company. Appropriate disciplinary action may also be taken against managers and directors in cases of violations of the Code.

1.12.3 Investigation of reported complaints

In the event that an employee becomes aware of an unlawful act or continuing unlawful condition in the course of the Employer's activities, the employee shall make such efforts as may be reasonably required regarding the circumstances of the case to prevent the unlawful act or condition and to avert its harmful consequences. At the same time, the employee shall promptly inform the Employer of this fact.

The Employer shall fairly and thoroughly investigate all reports and take appropriate action thereafter. The identity of the employee who has reported this fact will not be disclosed unless necessary to investigate the incident or required by law.

1.12.4 Ethics Committee

An Ethics Committee appointed by the Employer's statutory body shall be established to deal with the above cases under the Code.

The Ethics Committee addresses complaints regarding the Code or conduct in violation thereof, in particular suspected corrupt conduct, evaluates compliance with the Code, proposes to the Company's Board of Directors further action in the event of evidence of illegal conduct or conduct in violation of the Code, and proposes to the Company's Board of Directors further measures to enforce and comply with the Code. The conclusions of the Committee are of a recommendatory nature to the Company's Board of Directors, which subsequently decides on their implementation.

In cases where the Code states that an employee is required to report certain information to the Employer, the employee shall first contact his/her supervisor, then the Human Resources Department, and then the Ethics Committee. If an employee has any uncertainties or questions regarding the Code of Ethics, he/she shall proceed similarly. This does not preclude the right of the employee to contact the Ethics Committee directly if the situation cannot be resolved with his/her supervisor or the Human Resources Department or if this procedure is not appropriate in a particular situation (e.g. the supervisor is affected by the notification made to the Ethics Committee).

An employee may use the following methods to notify the Ethics Committee pursuant to this Code of Ethics (i) a mailbox located at the Employer's headquarters and at selected branches of the Employer – the mailboxes will be located outside the Employer's monitoring system range; (ii) the services of a postal service provider, in which case the mail will be addressed to the Ethics Committee with the address of the Employer's headquarters; or (iii) an email sent to the Ethics Committee's email address: etickakomise@hranipex.com

The notification should include in particular the following information: identification of the persons suspected of the illegal conduct and all persons involved in the illegal conduct, a description of the illegal conduct, any evidence of the illegal conduct, other specific evidence supporting the suspected illegal conduct.

The employee may, at his/her free choice, choose to make an anonymous report.

All complaints addressed to the Ethics Committee will be treated as strictly confidential, including the identity of the notifier, if applicable. The Employer will not sanction employees who report in good faith suspected violations of the Code of Ethics, illegal conduct and/or corrupt practices. In the event that an employee makes a notification to the Ethics Committee, he/she will be notified of the Ethics Committee's decisions and of any action taken by the Company's Board of Directors with respect to his/her notification.

In the event of justified complaints, the Company undertakes to provide appropriate redress and to take appropriate measures to ensure that similar situations that have been the subject of the complaint are not repeated in the future.

1.12.5 Disclosure of information

The Company shall make proper and timely disclosure of information required by law. Other information is disclosed by the Company, while maintaining the principle of openness, to the extent it considers appropriate to the situation, and always in such a way that such information is accurate, not misleading and properly verified.

The Company communicates with the media exclusively through Filip Winkelhofer or his designated manager.