

## Code of Conduct required from Letoplast SUPPLIERS

### Preamble

The company Letoplast s.r.o. with its registered office at the address Pražská 258, 679 61 Letovice; Company ID No.: 48591726; VAT Reg. No.: CZ48591726; registered in the Commercial Register maintained by the Regional Court in Brno, Section C, File 25882 (hereinafter referred to as "Letoplast" hereby requires from its Suppliers (hereinafter referred to as "Suppliers" or "Company").the following Code of Conduct (hereinafter referred to as the "Code"), which elaborates and specifies rules of conduct in accordance with the legal provisions of the Labour Code

### Article 1 Basic Provisions

Letoplast is convinced of the importance of responsible social and ethical behaviour and feels a sense of responsibility for all of its employees and also for its Suppliers. Letoplast is expecting from its Suppliers to have a duty to all other parties (business partners, external consultants, cooperating companies, including their employees, etc.) to supervise a high level of integrity and good conduct. For that reason, Letoplast has created its Code of Conduct which is considered obligatory also for its Suppliers.

The Company strives to ensure that all its Suppliers are familiar with the Code and have a proper understanding of its requirements. Violations of ethical principles will be dealt with immediately.

The Code contains an overview of the rules of conduct and ethical principles. The text of the Code is available Letoplast web site.

#### Binding Nature of the Code

The Code is binding for all employees of the Company, its Suppliers and all other entities (business partners, external consultants, cooperating companies, including their employees, etc.).

Letoplast requires a commitment from its suppliers::

- To maintain existing relationships based on mutual trust and respect in a work

environment where any form of discrimination or harassment is unacceptable.

- To develop a good working atmosphere that supports the economic and business efficiency of the Company, as well as the social and personal development of each employee and to sustain effort and teamwork from every employee so that it can continue to be successful in its social development.

- To conduct its business in compliance with laws and regulations, as well as specific guidelines established in accordance with this Code and other internal policies and procedures.

#### Legal Requirements

The Code does not replace legislation and if any part of it does not comply, legislation shall take precedence. Situations may arise for which no specific guidelines exist. In such cases, the reached solution should be in line with the Code and vice versa.

#### Seeking Advice and Reporting Events

Suppliers employees should adhere to this Code. Employees are not authorised to enter into contracts, sign legal documents or make any other arrangements that would constitute a violation of the Code or other specified regulations.

Employees who are concerned about something, witness inappropriate conduct, are unsure how to handle a situation, or wish to file a complaint or report a violation of the Code should inform their manager, the head of the HR Department or the Chief Executive Officer.

The Company's ethical principles are supported by universal ethical standards. Agreement with the Code is mandatory on the part of the Company and the consequences for inappropriate conduct or non-compliance may lead to relevant measures or sanctions in accordance with applicable labour law.

Employee data will be treated as confidential and no employees will be discriminated against if they report a violation of the Code in good faith.

### Article 2

#### I. Respect for Fundamental Rights

Suppliers are committed to respecting and promoting the fundamental rights of individuals under the Universal Declaration of Human Rights. Likewise, it respects and promotes the dignity, equality and value of the individual and private lives of its employees.

This particularly concerns the following principles:

### 1. Child Labour

Suppliers recognise the right of all children to protection from economic abuse and from performing work that could endanger their physical, mental or spiritual health, impair their moral or social development, or interfere with their education.

Suppliers comply with national law and regulations regarding child labour and undertake not to employ children under 16 years of age. They also comply with the provisions of International Labour Organisation Convention 138 concerning the employment of minors aged 16 to 18.

Suppliers make sure that employees under the age of 18 do not work overtime or night shifts in accordance with applicable legislation.

### 2. Discrimination and Equal Opportunities

Suppliers provide a working environment where everyone is treated with respect and dignity and given a fair and equal opportunity to develop.

Suppliers do not tolerate any form of discrimination or harassment in the workplace on the basis of origin, race or ethnicity, sexual orientation, age, gender, religion, health or disability, political opinion, nationality, trade union membership, philosophical or religious beliefs, political opinion or any other potential discriminatory factor.

Suppliers undertake not to discriminate against applicants on the basis of the above or any other potential discriminatory factors in recruitment, training or career development.

Suppliers are committed to ensuring that no employee shall be disciplined, dismissed or discriminated against for reporting a violation of the Code in good faith.

### 3. Diversity and Gender Equality

Suppliers support diversity. This includes gender equality in managerial positions. Suppliers support diversity in recruitment.

### 4. Pregnant Women

Suppliers undertake to scrupulously comply with legal provisions for the protection of pregnant women.

### 5. Modern Slavery, Forced or Public Labour

Suppliers do not recognise any form of modern slavery, forced or public labour, nor does it employ prisoners or illegal workers.

Employment relationships are entered into on a voluntary basis and may be terminated at the employee's discretion and with reasonable notice.

Suppliers undertake: (a) to monitor the risk of modern slavery within its operations and supply chain; (b) to assess and address the risks associated with modern slavery; (c) to report any confirmed cases of modern slavery in the supply chain as soon as it becomes aware of them.

### 6. Occupational Safety and Health

Suppliers place great emphasis on health and safety in the workplace. They are committed to ensuring that the working environment at all levels meets the requirements of good working conditions for employees. All workplace accidents are recorded and analysed using accident management methodology. The causes of accidents and proposed solutions are reviewed in order to avoid a repeat of accidents that have occurred before. In addition, the Suppliers protect their employees against any purchased and processed products that could endanger their health. Suppliers employees comply with all training required by local regulations in the areas of OSH, using handling technology, electrical hazards and the use of personal protective equipment required for:

- Noise risks
- Mechanical and physical risks

- Risks of heat stress or from possible electrical discharges
- Risks associated with hazardous substances or mixtures
- Risks associated with the operation of designated technical equipment

Suppliers place equal emphasis on the prevention of emergencies, such as fire or hazardous substances leaks. Employees are regularly trained in the prevention of and response to emergencies (training and drills).

**7. Working Hours, Wages and Benefits**

Suppliers comply with all legal regulations regarding employment contracts and working hours, including overtime and compensatory leave. Suppliers undertake to pay regular wages and bonuses in accordance with legislation and the market situation. Wages must cover the basic necessities of life and provide employees with a certain disposable income.

All employees must be informed in writing at the start of their employment of the terms and conditions of their wages, as well as other components of their wages at the time when they are paid.

Employees are entitled to a minimum of two days off per week and the observance of public holidays. The maximum number of overtime hours over a period of 26 consecutive weeks is 208.

Employees must have the right to the regular holidays, sick leave and parental leave without any negative impacts.

**II. Promoting Sustainable Development**

**1. The Environment**

Suppliers strictly comply with all legislation concerning the environment.

They strive to limit the environmental impact of their own activities as well as those of its customers and business partners to the maximum possible extent, and further to reduce industrial, health and environmental risks in their workplaces. Continuous improvement of environmental protection is a priority for Suppliers.

Suppliers are committed to protecting the environment, reducing the consumption of raw materials and energy, conserving natural resources and reducing waste in the manufacture, supply. Suppliers will not

manufacture or sell any products that pose an unacceptable health or environmental risk. It also has Operating and Emergency

Plans specifying the course of action to be taken in the event of an environmental emergency. These plans are communicated to employees on a regular basis.

**2. Human Resources**

- Freedom of expression and social dialogue  
Suppliers are committed to developing social dialogue. They undertake to inform employees or their representatives in advance of any activities in accordance with applicable law and regulations on information and consultation of employees.

Employees are free to form various associations of their choice and to organise and bargain collectively and individually.

Suppliers are committed to developing relationships of mutual trust at all levels of the Company, particularly by encouraging employees to express themselves freely in order to improve their working environment.

**3. Development Potential**

- Internal mobility  
Suppliers support internal professional development and advancement opportunities for its employees. They promote employee engagement through training and acquisition of skills, encourage responsibility and independence, and provide career development opportunities. Suppliers encourage all employees to take responsibility for their own career development and are committed to ensuring that all employees have an equal opportunity for advancement and career mobility.

- Training  
Suppliers strive to provide all of their employees, regardless of their age, gender or job title, with access to the training that they need in order to perform their jobs properly for the entire duration of their employment.

### III. **Ethics and Rules of Business Conduct**

It is prohibited to use Company funds, services or assets for illegal, unauthorised, personal or illegitimate purposes. Employees may not accept or provide financial gifts or other similar payments (services or benefits in any form) in connection with the performance of their activities that could in any way influence the impartiality of business decisions or the proper performance of work tasks.

The exchange of financial gifts or other similar benefits, except in cases where the gift has only a symbolic value, is strictly prohibited for Suppliers employees.

#### 1. **Political Contributions**

Suppliers do not provide contributions or services to political parties, holders of public offices or candidates for public offices, even if such contributions are permitted by applicable law. The same rules apply to trade unions and for religious purposes.

#### 2. **Anti-Corruption Rules**

Suppliers strictly reject any form of corruption or conduct impairing free enterprise in all their business transactions and relationships with third parties, and are fully committed to implementing, promoting and maintaining anti-corruption law and regulations. Suppliers employees who are found to be involved in bribery or corruption will face disciplinary action, which may result in their employment being terminated. They may also face fines and criminal prosecution.

No funds, services or assets of the Company shall be used directly or indirectly, to influence administrative or governmental authorities or their employees. Employees who have been the victim of attempted corruption should immediately inform their manager, the head of the HR Department or the Company CEO.

It is particularly forbidden to:

- Offer cash, gifts or any other benefits to any person or company (public or private) with the intention of obtaining or retaining contractual obligations or rewarding any decisions or favours that violate these rules. This applies regardless of whether offers are made directly or indirectly, including requests for assistance from a third party.

- Accept cash, gifts or any other benefits in exchange for a decision in favour of a third party.

- Offer gifts, services or entertainment to employees or officers of administrative or governmental bodies. Corruption or attempted corruption may result in the following serious consequences:

- Criminal sanctions against the Company and/or employees who have engaged in or been associated with corruption, including criminal prosecution and heavy fines.
- Claims and damages sought from disadvantaged third parties.
- Damage to the Company's reputation.
- Termination of major contracts in retaliation.

#### 3. **Anti-Money Laundering Rules**

Suppliers are committed to full compliance with all laws relating to money laundering and terrorism. The Company will only do business with reputable customers and suppliers who engage in legitimate business activities with funds raised from legitimate sources. Money laundering generally occurs when funds from illegitimate sources are diverted into legitimate financial channels to hide them or make them look legitimate.

#### 4. **Accuracy of Accounts, Books and Records**

All assets, liabilities, income, expenses and other transactions carried out in the Company must be recorded in the books and accounts of the Company. They must be kept accurately and in accordance with applicable policies, rules and legislation. Under no circumstances shall the Company establish or maintain secret funds or unrecorded assets or liabilities. Documents relating to commercial or financial transactions must faithfully reflect those transactions. No payment shall be approved or made if the stated intention is to use it in whole or in part for any purpose other than that described in the documents supporting that payment. Under no circumstances may false or unsubstantiated entries be made in the Company's books or records. Financial statements or disclosures shall be in full accordance with the account books.

**5. Relationships with Customers,  
Service Providers and Suppliers**
**- Accepting or Offering Gifts**

It is prohibited to accept any gifts or gratuities from customers or suppliers in any form (e.g. goods, services, entertainment, travel), except where the gift or gratuity is only of a symbolic value. It is strictly forbidden to accept money in any amount.

It is prohibited to provide gifts or remuneration in any form, directly or indirectly, to any customer representative or other third party for the purpose of obtaining a contractual obligation or other commercial or financial advantage. Offering gifts to current or potential customers or suppliers is strictly prohibited, except in cases where the gift or favour is of a mere "symbolic value". A "symbolic value" is defined as a gift or favour equivalent to CZK 1000 per year. Any amount over CZK 1,000 per year must be approved by the Company CEO.

**- Selection of Suppliers of Goods and Services**

The selection of a supplier of goods or services must be based on quality, requirements, competitiveness, financial soundness and the service provided. When dealing with suppliers, all Company employees and managers are responsible for putting the Company's interests first while also complying with legal requirements. It is also important to take advantage of the best opportunities and to obtain the best conditions without exercising any favouritism based on friendship or on any discriminatory criteria that are prohibited by this Code.

**- Consultants and Other Service Providers**

As part of internal Company processes, agreements between the Company and its agents, representatives, consultants or other service providers must clearly state the actual services to be provided, the price and any other terms of the services. All compensation shall be determined and paid only for services rendered. Consultants and other advisers may not act in the name of and on behalf of the Company without express written permission from an authorised representative.

**- Purchase of Goods or Services from Suppliers for Personal Use**

Employees and executives may not use the fact that they work for Company to obtain same benefits for their personal purchases as Company receives from a supplier.

**- Investment in Suppliers**

Neither employees nor executives may invest directly or indirectly in the capital of suppliers that have a relationship with the Company. However, employees and executives may purchase securities traded on a regulated market in accordance with applicable regulations.

**6. Competition Law**

Suppliers undertake to act in accordance with anti-monopoly law in force in the European Union. Anti-monopoly law expressly prohibits any formal or informal agreements, plans, arrangements or conduct between competing companies with respect to their prices, territories, market shares or customers. Neither the CEO nor the employees of Company may enter into such agreements with competing companies. At the same time, even if the aim is not to create an anti-competitive agreement, sensitive commercial data must not be shared between competitors, either directly or through third parties. In this context, sensitive data particularly concerns business strategies, prices or price and cost structures, marketing, client data, research and development, quality processes, etc. Unexpected questions or requests from competitors and any third parties regarding sensitive data must be shared with the department manager. Employees who are victims of attempted corruption should report this fact to their department manager immediately.

**7. Loyalty**

Employees and executives must always be loyal to the Company and enhance its reputation. Employees may only engage in gainful employment outside of the Company that is identical to the Company's line of business with the prior written consent of the Company.



## 8. Conflicts of Interests

Company employees must avoid potential conflicts between their own personal or financial interests and their work for the Company.

A conflict of interests occurs, for example, when:

- Employees or their close relatives personally benefit from a transaction carried out on behalf of the Company, in particular with customers or suppliers.
- Employees aim to select or have selected as a supplier a company in which they or a close relative has, directly or indirectly, a financial interest.
- An employee receives a reward or other benefit for advising a supplier, competitor or customer.
- An employee hires a close relative without informing and consulting the HR Department.
- An employee's supervisor is a relative or close friend and influences the employee's responsibilities, salary and promotion.
- Employees use inside information for their own benefit and such conduct is contrary to the interests of the Company. Employees who are in doubt about a possible or imminent conflict between their own or another employee's interests and the interests of the Company must contact their manager or the HR Department to assess the existence of a possible or imminent conflict of interest.

## IV. Ethical Communication

### 1. Protection of Employees' Personal Data

Suppliers undertake to comply with data protection regulations, in particular EU Regulation 2016/679. The Company shall ensure that all uses of personal data, such as collection, registration, collation, storage and deletion, are in accordance with applicable law and regulations. The Company respects every person's right to personal data protection. Personal data of employees and other stakeholders is protected, and Company ensures that access to such personal data shall only be provided to persons who need it in order to perform their job duties. The Company also ensures that all those who have access to personal data take appropriate measures to protect it, and that personal data is not kept for longer than is necessary to achieve the purpose for which it is intended.

### • Confidentiality of Company Documents and Data

Files, assets, technical data and various confidential information relating to Company constitute important assets that may be critical to maintaining the Company's results and competitive advantages. All such data and documents are Company property, and employees must return them and maintain confidentiality upon/after termination of employment.

Confidential information includes, but is not limited to, information on the Company's medium-term plans, trade secrets and technological processes. It also includes customer data, the subject and scope of business, agreements with Company suppliers and customers, Company financial and technical data, and any other sensitive data such as data relating to financial income, intellectual property rights, technology and software or IT equipment used. Employees undertake to keep such information confidential not only for the duration of their employment, but also after its termination. It is strictly prohibited to use information obtained through the performance of work activities for direct or indirect personal purposes. Violations of these rules may result in legal action under applicable labour, civil or criminal law.

### • Confidentiality of Third-Party Information

All rules on confidentiality of documents and data also apply to information provided by customers, suppliers and other third parties. This information must also be treated with discretion and may only be disclosed to persons who need it in order to perform their work. Employees must keep all of the above-specified information strictly confidential and may not disclose it to any other person for any reason. Employees undertake to keep this information confidential not only for the duration of their employment, but also after its termination.

No statements may be made to the media without the prior approval of the HR Department or the CEO. Maintaining and enhancing the Company's reputation is a top priority for all employees, particularly when communicating with the press and other media. Employees must inform the CEO prior to any communication with the press or other media.