

Code of Ethics of Regutec a.s. (Joint-Stock Company)

Preamble

This Code of Ethics of Regutec a.s. (hereinafter referred to as the “Company”) is issued for the purpose of defining and promoting the desired behaviour of employees among themselves, the mutual relationship between the employee and the Company as employer, and the behaviour of employees acting on behalf of the Company with respect to third parties.

The goal of the Company is to operate at a high professional and moral level. The purpose of this Code is to express ethical standards creating values whose observance is of great importance to the Company. The purpose of this Code of Ethics is also to prevent unlawful conduct by the Company, its representatives, shareholders and employees in relation to the Company’s business activities and the Company’s position as an employer. This Code of Ethics applies to the Company, all employees of the Company, its management and the owners of the Company. Some of its provisions apply to entities outside the Company (e.g. suppliers and customers).

I. The Company’s relationship with suppliers and customers

- I.1 Among the most important tasks of the Company is the satisfaction of customers and suppliers (hereinafter referred to as “Business Partners”) and at the same time maintaining the good reputation of the Company.
- I.2 The Company considers honesty and the equal treatment of Business Partners to be the basis of a successful and lasting business relationship.
- I.3 The Company ensures that its products comply with the declared quality parameters and requirements contained in national and international standards, and the requirements agreed in the contract with the given customer.
- I.4 The Company ensures that all facts that come to its knowledge from its Business Partners and/or in the course of business cooperation with them and that cannot be disclosed to others remain confidential. In this connection, the Company takes care to maintain in particular the confidentiality of information whose nature is that of a trade secret, though also other information of a confidential nature. For these purposes, the Company adopts appropriate measures to achieve such confidentiality.
- I.5 The Company does not provide any information about Business Partners, their business interests or internal affairs to the public media.
- I.6 In its efforts to sell its products, the Company does not use any means other than legitimately recognized trading methods. When purchasing products, services, etc., the Company does not use any means other than legitimately recognized business methods and does not abuse its market position.
- I.7 The Company selects suppliers on the basis of standards of competitiveness, objectivity, integrity, impartiality, reasonable prices, quality of goods and/or services offered, social responsibility and previous experience.
- I.8 The Company respects all contractual arrangements and payment morale.
- I.9 The Company considers corrupt practices of any kind to be unacceptable.

II. The Company's relationship with its owners

- II.1 The Company cares for the interests of its owners and does not disadvantage or favour any of them to the detriment of others. The Company treats all its owners equally.

III. The Company's relationship to the public sector and public interest

- III.1 The Company ensures proper bookkeeping and timely payment of its financial obligations to state and local government bodies.
- III.2 The Company actively participates in eliminating the consequences of its business activities and, by adjusting technological procedures, seeks to minimize the impact of the production process on the environment.
- III.3 In its business activities, the Company observes the law of the Czech Republic and undertakes not to circumvent it. The Company primarily respects the standards set for waste, emissions, etc.

IV. Relationships of the Company as an employer with employees

- IV.1 In relation to employees, the Company makes a point of respecting the dignity of every human being.
- IV.2 The Company recruits and promotes employees on the basis of their fitness for the job without any political, racial, religious or national discrimination, regardless of gender, age, status or incapacity that is not related to work tasks.
- IV.3 According to the best traditions of the industry, the Company strives to create a safe working environment with excellent sanitary conditions, a good working climate and favourable conditions for increasing the professional standard of employees.
- IV.4 The Company provides regular remuneration for its employees for the work performed, including the proper payment of wages within the agreed deadlines.
- IV.5 The Company respects the right of its employees to participate in trade unions.
- IV.6 The Company requires that its employees observe the principles of safe work and respect and fully utilize the established working hours.
- IV.7 Employees are provided with all the training they need to perform their work, whether of a legal nature or other training designed to support and develop skills or to protect health and safety.
- IV.8 The Company requires that in relation to the Company's property, employees do not act in conflict with the legitimate interests of the employer and also properly manage the entrusted funds in order to protect the employer's property.
- IV.9 Negotiation procedures are preferentially used at the Company to resolve potential labour disputes between the Company and employees.
- IV.10 Neither forced labour nor any form of involuntary work is used at workplaces. Free movement of employees is not restricted, nor are any employee identity documents withheld. The Company does not employ children, and persons under the age of 18 do not work at night or in dangerous conditions. The Company respects the health and personal limitations of employees.

V. Relationships of employees with the Company

- V.1 Every employee of the Company avoids any actions that could damage the good reputation of the Company. At the same time, he or she is aware that his or her actions, behaviour and activities represent the Company outwardly.
- V.2 The employee does not put his or her private property interests above the interests of the Company.
- V.3 The employee maintains confidentiality with respect to information that he or she has learned in the course of performing his or her profession at the Company. In this connection, the employee does not disclose, in particular, the amount of his or her salary, remuneration or any information about facultative benefits to other employees of the Company or to third parties or in such a way that the interests of the Company could be harmed. Information that the employees obtain about the Company or its operation in the course of their work may not be used for personal gain or for any purpose other than that for which it was intended.
- V.4 Employees are not entitled to procure duplicate documents related to the performance of work for non-work purposes and may not provide these documents to third parties. Work-related data may not be stored on private computers or other private media.
- V.5 The employee takes care of the Company's property and makes sure that it is not damaged or destroyed. At the same time, he or she may not misuse this property for his or her private interests or for the benefit of a third party.
- V.6 Any personal benefit of the employee or a family member obtained from the Company's activities shall be reported in a proper legal manner.
- V.7 The employee may not accept gifts or other benefits if this action would be unethical.
- V.8 The employee avoids conflicts of interest and, in the event that such a situation arises, notifies the Company's management of it in an appropriate manner and within a reasonable time.
- V.9 The employee rejects discrimination based on race, ethnic origin, nationality, ideology, religion, belief, worldview, age, gender, sexual orientation, physical disability, social origin or property. The employee treats everyone with respect, regardless of socio-cultural differences.
- V.10 Employees have the right to privacy. The Company undertakes to protect the personal data that they have provided in connection with their employment with the Company.
- V.11 The employee may not, directly or indirectly, offer or provide to third parties any payment or other performance that would lead to obtaining an unjustified benefit or advantage and/or that could be considered a bribe.
- V.12 It is prohibited to store, consume, offer or supply alcohol, addictive substances and/or substances with similar effects. It is also forbidden to be under the influence of these substances. Smoking is only allowed in

VI. Employee relations

specially designated and equipped rooms, if available.

- VI.1 Workplace relationships are based on mutual trust, respect, tolerance and responsibility for the performance and reputation of the Company.
- VI.2 The employee honours freedom of speech and thought and respects the opinions of others. He or she applies criticism and alternative opinions in a proper way.
- VI.3 Employees do not use vulgar or otherwise unprofessional expressions in relation to each other and/or in relation to third parties.
- VI.4 If an employee encounters unethical behaviour by other employees that cannot be tolerated, he or she shall draw reasonable conclusions and seek redress in accordance with good morals. He or she constantly strives to prevent such behaviour.
- VI.5 Employees cooperate as much as possible with other employees in the performance of their work activities.
- VI.6 Managers shall be a role model for other employees in the implementation of this Code of Ethics; they are obliged to distribute it to their subordinates and ensure its observance and active enforcement.

VII. The relationship of employees to third parties

- VII.1 An employee acting on behalf of the Company is obliged to act professionally, correctly, politely, honestly and helpfully towards third parties.
- VII.2 In particular, the employee is obliged to refrain from any manifestations that would in any way harm the Company, that are in conflict with the provisions of this Code of Ethics and the values on which it is based, or that could in any way damage human dignity.
- VII.3 An employee acting on behalf of the Company is obliged to treat all business partners and other entities equally.
- VII.4 The employee is entitled to resolve matters within his or her job description and in accordance with the established job duties and responsibilities. If any decision of a fundamental nature is reached during negotiations with the customer, the employee is obliged to make a written record of it and have it signed by the responsible persons.
- VII.5 The Company refuses and every employee is obliged to refrain from any corrupt practices, unfair and/or non-competitive behaviour and actions, and/or demanding any benefits. Promotional gifts or forms of hospitality are permitted as long as they are of little value and will not affect the integrity and/or reputation of the Company and at the same time cannot be construed as an intention to gain an undue advantage.
- VII.6 Every employee acting on behalf of the Company in relation to Business Partners is always neat and appropriately dressed.

VIII. Human dignity

- VIII.1 Any conduct which may or is able to harm human dignity is prohibited.
- VIII.2 Any form of discrimination is prohibited at the Company. Any attitudes or behaviour that discriminate and/or harm an individual's personality, opinions or preferences are rejected.
- VIII.3 The Company does not tolerate sexual, physical or psychological harassment of employees. Any behaviour or communication that could offend anyone (e.g. images with explicit sexual references, intrusive allusions) should be avoided.
- VIII.4 The misuse of communication systems involving the processing, transmission, retrieval, access, viewing, storage, printing and/or other dissemination of materials and information that is fraudulent, harassing, threatening, illegal, racist, sexually oriented, offensive or otherwise contrary to the Code of Ethics is prohibited.

IX. Violation of the Code of Ethics

- IX.1 The Company has established a system in which employees of the Company and persons outside the Company may express their views on any conduct of the Company and/or its employees and/or decisions they deem unethical. If possible, an employee submits such a complaint to his or her immediate superior. If this is not possible, an employee submits this complaint directly to the accredited employee of the Company, who is the head of the personnel department, or to members of the Board of Directors of the Company.
- IX.2 Complaints and information are processed by the accredited employee of the Company or by a member of the Board of Directors of the Company. The investigation of complaints and information is always carried out by a member of the Board of Directors of the Company.
- IX.3 Complaints may be transmitted by any means of communication – by telephone, fax, e-mail, post, face-to-face, using special complaint boxes (if established) or at the reception desk.
- IX.4 Information on the manner in which the complaint has been resolved is provided by an authorized employee of the Company or by a member of the Board of Directors of the Company.

- IX.5 A member of the Board of Directors of the Company shall proceed in such a way that the relevant complaint or information is investigated without undue delay.
- IX.6 The employee who lodged the complaint and the person who received it shall treat it as confidential information. The information is not passed on to any person inside or outside the Company. The Company excludes any penalty or negative impact on an employee who has filed a complaint under these rules.
- IX.7 If a complaint is made with the aim of falsely accusing or taking revenge on another person, the complainant is fully accountable for such a complaint and may be punished in this connection due to the fact that his or her actions violate trust and standard working relationships at the Company.

X. Final provisions

- X.1 This Code of Ethics is not a generally binding piece of legislation. Adherence to the Code of Ethics by the Company and its employees and owners is a moral obligation.
- X.2 The Company undertakes to duly acquaint all persons to whom this Code applies with this Code of Ethics. The Company will further spread awareness of this Code of Ethics to all Business Partners.
- X.3 This Code will be regularly reviewed and, if necessary, updated. In addition to the experience gained in applying the Code itself, revisions may also take into account suggestions made by employees, Business Partners or persons outside the Company.
- X.4 This Code of Ethics shall enter into force on 1 May 2020.

Němčíčky, 27 April 2020