



## CODE OF CONDUCT



**EKO-KOM, a. s.**

**CODE OF CONDUCT**

Binding on	<b>All employees and collaborators</b>
Issued by	<b>Board of Directors</b>
Checked by	<b>Compliance officer</b>
Effective from	<b>11 September 2024</b>
Replaces the directive	<b>SGŘ 1/2022</b>
Title	<b>CODE OF CONDUCT</b>



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## DEFINITIONS OF KEY TERMS:

- **Company:** authorised packaging company EKO KOM, a.s., registered seat at Na Pankráci 1685/17, Prague 4, postal code 14021, Id. No.: 251 34 701, registered in the Commercial Register maintained by the Municipal Court in Prague, file no. B 4763
- **Employee:** an individual in an employment or similar relationship with the Company, including short-term associates as well as members of the Board of Directors and the Supervisory Board, unless otherwise specified in this Code
- **Code:** this Code of Conduct of the Company
- **Articles of Association:** the Articles of Association of the Company
- **Board Rules:** the rules of procedure for the Company’s Board of Directors
- **Supervisory Board Rules:** the rules of procedure for the Company’s Supervisory Board
- **Governance Rules:** the Company’s Governance Rules
- **Packaging Act:** Act No. 477/2001 Coll., on Packaging and on Amendment to Certain Statutes (the Packaging Act), as amended

## PART ONE

### INTRODUCTORY PROVISIONS

#### Subject-Matter and Purpose of the Code

The purpose of this internal directive is to set out the core ethical standards and principles of the Company and its Employees. The ethical principles defined in this Code apply to all Employees, regardless of where they work, what project they are engaged in, and for the entire duration of their employment or similar relationship. Individuals in senior positions are held to higher standards, as they represent the Company itself, lead their teams, and create an environment that reflects the Company’s core values. This Code applies to all Company activities.

For members of the Company’s Board of Directors, the Governance Rules shall take precedence over this Code, specifically in areas concerning conflicts of interest and other areas explicitly regulated by the Governance Rules. The same applies to members of the Supervisory Board under the conditions set out in the Governance Rules.

In certain cases, for specific Employees, the Code may be replaced by another document issued by the Company. Such a document must, nevertheless, always respect the core principles of this Code and comply with legal requirements.

The Code expresses the commitment of the Company and its Employees to conduct their activities with the utmost professionalism, in compliance with valid and effective legislation, and with full respect for ethical standards. The aim of the Company is to foster a positive corporate culture both internally and externally.

### **Application of the Code**

Each Employee shall familiarise themselves with the entirety of the Code to understand the Company's expectations, attitudes, and standards. Should they have any questions, concerns, or doubts in the future, the Code will always be available on the Company's website at <https://www.ekokom.cz>.

No document, however, can anticipate every possible situation. When faced with a decision, an Employee **should consider the following questions:**

- ✓ **Is this solution lawful?**
- ✓ **Is this solution in accordance with the Code of Conduct?**
- ✓ **Is this solution in line with ethical principles?**
- ✓ **Will I stand by my decision if it is enacted?**
- ✓ **Am I confident that, in a comparable situation, the same decision should be made within the Company?**

If an Employee answers **NO** to any of these questions, has doubts, or finds that a rule in the Code has been breached, they should consult the relevant person (e.g., their supervisor or the compliance officer); if established, they may also use the whistleblowing hotline.

The applicable internal directive regulates the procedure for reporting unlawful conduct (whistleblowing).

**This Code does not replace any existing internal policies or directives.** Employees should continue to comply with all of the Company's policies and rules.

## **PART TWO**

### **CORE VALUES**

#### **Human Rights**

The Company and its Employees uphold, respect, and protect fundamental human rights. Human rights are the foundation of human society and the democratic legal system; therefore, the Company insists on their observance and supports laws dedicated to their protection. The Company categorically rejects child labour, forced and compulsory labour, any form of slavery, including modern slavery, and human trafficking. This position is maintained not only within the Company but is also expected of all its business partners.

#### **Non-Discrimination and Equal Opportunities**

The Company and its Employees regard equal treatment and equal opportunities as one of their fundamental values. It is unacceptable for anyone to suffer harm, including discrimination, harassment, or any other form of assault based on their race, gender, religion, sexual orientation, political affiliation, age, skin colour, physical ability, nationality, gender identity, ethnicity, or any other distinctive characteristic.

The Company provides all of its Employees with opportunities for training and further education, thereby supporting and further developing their current roles and future career advancement. The development of younger Employees is especially important to the Company.

#### **Safe and Healthy Working Environment**

The Company provides a safe and healthy working environment and strives for its continuous improvement. This includes training and activities concerning health and safety at work, including preparation for emergencies, fire safety practices, and incident management. Training is provided through e-learning. Safety guidelines and instructions are created beyond these trainings. In addition, regular preventive checks are carried out at workplaces. For these purposes, the Company has appointed an Occupational Health and Safety (OHS) Officer.

The Company values a strong and solid relationship with all of its Employees, grounded in mutual respect and dignity. Therefore, the company is committed to the principles of fair remuneration, compliance with statutory and contractual working hours, and adherence to applicable labour laws. Minors are employed only under conditions set by the applicable laws of the Czech Republic, with strict monitoring of statutory requirements. The Company also respects all of its Employees' fundamental political, economic, social, and cultural rights, committing to avoid any limitations beyond those prescribed by law.

The Company does not support any forms of disciplinary practices involving mental or physical pressure, nor does it penalise or otherwise retaliate against Employees who join trade unions or

other employee organisations; on the contrary, it seeks dialogue and mutual cooperation with such groups.

Employee satisfaction and a pleasant working environment are pillars of the Company's corporate culture.

### **Environmental Protection**

A healthy environment is one of the foremost goals of both the Company and modern society. Greenhouse gas emissions must be reduced worldwide, with a focus on developing modern energy solutions and protecting natural resources. Today's consumer society and resource wastage are pressing issues. The Company prioritises meeting the objectives set out in the Packaging Act.

The Company's activities are inherently linked to environmental protection and recycling, with environmental protection forming its core mission. The Company adheres to all applicable environmental legislation and has implemented an effective system for identifying and eliminating potential environmental risks. Any potential risk or abnormality that could harm the environment must be reported by Employees to their supervisor or the designated responsible Employee.

When devising strategies and procedures, the Company considers the interests of all stakeholders and the social, environmental, and economic impacts of its actions as a matter of highest priority. It therefore favours advanced technologies in its operations to protect the environment, promote energy efficiency, ensure sustainable resource use, combat climate change, and preserve nature and biodiversity.

Only recyclable or appropriately disposable materials are used in the Company's operations, in accordance with current regulations. Supplier selection considers suppliers' commitment to environmental legislation and regulations; economic interests do not outweigh environmental protection. Protecting the environment and climate, recycling waste, promoting reuse, and preventing waste generation are continual objectives, achievable through ongoing improvement in resource efficiency and waste minimisation. The Company considers whether its business partners make reasonable efforts in this regard within their operations.

## **PART THREE**

### **EMPLOYEE CONDUCT PRINCIPLES**

#### **Compliance with Legal Regulations**

Compliance with laws and acting in line with the legislation of the Czech Republic and other legal standards directly applicable to the Company, as well as all internal regulations and guidelines, is fundamental to the Company and all its Employees. The Company has implemented internal control measures and a compliance programme to prevent Employees from committing unlawful acts that could be attributed to the Company.

As the Company operates as an authorised packaging organisation under the Packaging Act, Employees are to place increased emphasis on complying with the duties of an authorised packaging organisation and the operational principles mandated by legal provisions, the Articles of Association, and the authorisation decision. The authorisation granted to the Company under the Packaging Act establishes a heightened responsibility for the Company and its Employees to comply with regulations on environmental protection, particularly in the area of packaging waste utilisation and maintaining a legally compliant environment within the relevant market.

## **Managers**

Managers, as leaders within their respective organisational units of the Company, serve as moral authorities, the principal guarantors of rule compliance, and pivotal figures in building a developed corporate culture. As such, the standards of their conduct and behaviour are held to a higher standard.

Managers are responsible for creating, through appropriate preventive measures, motivation, and rigorous control activities, a work environment where Employees are minimised in their inclination toward illegal or unethical conduct and are maximally motivated to achieve work goals and develop their skills and competencies.

In particular, a Manager ensures that their behaviour does not discriminate against anyone and that they maintain a fair and equitable approach to all subordinates; favouritism or discrimination of any kind is strictly prohibited. Subordinates are assessed solely on the basis of their work performance, knowledge, and skills.

If a Manager becomes aware of unprofessional, unethical, or even unlawful conduct, they are obligated to address this conduct in accordance with internal regulations or, where applicable, their statutory obligations.

## **Standards of Conduct**

Employees are required and expected to:

- ✓ perform their work to the best of their knowledge and ability, with the highest level of professionalism, and in full compliance with all applicable legal regulations and internal directives;
- ✓ uphold the good reputation of the Company and refrain from any actions that could jeopardise this reputation or even cause harm to the Company;
- ✓ approach all other Employees and third parties with respect and in accordance with standards of decorum. Any instances of discrimination, disparagement, or harassment, including gestures, remarks, or comments, are prohibited and will be sanctioned in accordance with legal and internal regulations;



- ✓ perform their work with the utmost professionalism, empathy, courtesy, and helpfulness towards third parties, representing the Company in an exemplary manner. Third parties include any individual or legal entity other than the employer (i.e., the Company) and the Employee, including business partners or public authorities;
- ✓ use their working hours purposefully and efficiently, solely to the benefit of the employer. Private activities during working hours or using the employer's resources are prohibited without prior approval;
- ✓ handle the employer's property with care, using it appropriately and economically.

### Conflicts of Interest

The Company expects its Employees to be able to distinguish between professional and private life, maintaining their independence and avoiding conflicts of interest.

Employees must avoid situations that could result in a conflict between their personal interests and the interests of the Company. In dealings with current and potential clients and third parties, Employees must act in the best interests of the Company, without regard for their own personal benefits or those of close associates or third parties. Employees must not prioritise their own interests or the interests of others over the interests of those in contractual relationships with the Company.

Due to the specific nature of the Company's operations and the provisions of the Packaging Act Section 19 of the Packaging Act), additional specific requirements apply to different categories of Employees:

a) Elected Corporate Bodies

Conflicts of interest concerning the individual elected bodies of the Company (the Board of Directors, Supervisory Board) are separately regulated in the Governance Rules, Board Rules, and Supervisory Board Rules. The rules contained in these documents, approved by the respective elected body, take precedence over the conflict of interest provisions in this Code, and the provisions of this Code's "Conflicts of Interest" section do not apply to them. However, the rules in the mentioned documents must not contradict the Packaging Act. If the elected body has not adopted any rules on conflicts of interest, its members are considered Employees and must observe the conflict-of-interest provisions in this Code.

b) Managers Appointed by the Board of Directors

In addition to the rules set out in the Code, under no circumstances may a Manager serve as a member of the governing body of another business legal entity. A Manager is required to inform the Company of any membership in the governing body of another legal entity, always prior to their appointment as a Manager.

c) Employees

Employees may not act in the interests of other parties whose business involves waste management, particularly packaging waste, or parties whose activities are directly related to waste management or the trading of secondary raw materials. Furthermore, any gainful activity that matches the business activities of the Company (unless prohibited by the preceding sentence) may only be undertaken with the Company's prior written consent. These obligations also apply to Managers.

Should an Employee find themselves in a situation where they are exposed, or could be exposed, to a potential conflict of interest, or if they have doubts about whether their actions could constitute a conflict of interest, or if they are aware of a conflict of interest, they must immediately notify their supervisor or the compliance officer.

The most common situations where Employees may encounter a conflict of interest include holding a position, management role, supervisory position, or ownership stake in another company, particularly a company that could be a competitor or service provider to the Company, and situations involving dealings or contracts between the Company and a family member or close associate.

The conditions for granting approval for an Employee's other gainful activities, including conflict of interest prevention, are set out in Appendix 2 of the Code.

### **Collaboration**

Effective working relationships and collaboration are essential to the successful development of the Company. When carrying out work tasks and interacting with colleagues, Employees must conduct themselves in a manner that supports this development as much as possible. Employees must provide necessary cooperation to other Employees upon request and must not distort or withhold information essential for mutual collaboration.

All work-related disputes must be resolved by Employees by actively, constructively, and responsibly seeking appropriate solutions that serve the best interests of the Company. If consensus cannot be reached, Employees are to refer the matter to their supervisor or the compliance officer.

### **Company Property and Tools**

Employees are responsible for the proper care of Company-provided tools and equipment, and they must report any loss or damage to their supervisor or the person who provided the resources. Employees must not use Company-provided tools and equipment for any gainful activities, whether for another employer or for personal business unrelated to the Company.

Employees are to make every effort to ensure the efficient use of the Company's assets and assigned resources. In performing their duties, they are to act in a manner that avoids unnecessary costs to the Company.

## PART FOUR

### ETHICS OF OPERATIONS AS AN AUTHORISED PACKAGING COMPANY

#### Relations with Clients and Third Parties

All client relationships are built on the quality of services provided, including adherence to deadlines, contractual terms, pricing, and other agreements. Employees are expected to engage with clients and third parties with the utmost professionalism, empathy, and exclusively within the bounds of socially acceptable conduct. When participating in presentations, training, social or similar events, Employees must represent the Company in an exemplary manner. They are not to attend events that could negatively impact the Company's reputation or be perceived as corrupt practices or attempts to distort competition.

#### Competition

The Company adheres to the rules of fair competition. Each Employee, through their conduct, is responsible for protecting and maintaining competitive principles and for preventing situations that could lead to their violation. The goal is to ensure free and fair market competition.

The Company and its Employees recognise that the Company may hold a dominant market position in certain situations. The Company must not exploit such a position to the detriment of other competitors or consumers.

If the Company enters into contracts with entities authorised to manage waste for the purposes of research or verification, such contracts must not result in any preferential or disadvantageous treatment of the authorised entity within the waste management market.

#### Offering or Requesting Advantages

The Company maintains a zero-tolerance approach to bribery and corruption. Employees must never engage in conduct indicative of cartel activities or actions aimed at obtaining a gift, payment, reward, service, holiday, or hospitality from another company, except where a gift or hospitality is provided or received as part of the Employee's role and in accordance with the Terms of Accepting Gifts and Hospitality, which form Appendix 1 of this Code. No benefits received may influence the Employee's actions, which should always aim for the most advantageous outcome for the Company, taking into account quality, cost, and related services only.

The Company may provide hospitality to third parties in connection with work meetings or similar occasions solely as a token gesture, which must not influence business decision-making by the Company or the third party. The cost of provided hospitality must not exceed CZK 2,500 (or €100) per person, exclusive of VAT, and may involve no more than five people at any one time.

Employees must never engage in extortion, which includes using violence, threats of violence, or other forms of severe harm.

### **Relations with Politicians, Charitable Donations, and Awareness Activities**

The Company is apolitical and does not make contributions, payments, or provide any direct or indirect benefits to political parties or individual politicians. Employees must not make any political contributions on behalf of the Company.

The Company must not make donations from collected contributions as per Section 20 subsection 8 of the Packaging Act. However, it is required to engage in awareness activities in accordance with the Packaging Act, its authorisation decision, and other legal provisions. To this end, the Company allocates funds and participates in projects related to awareness activities.

### **Intellectual Property**

The Company respects the intellectual property rights of others. Employees must not obtain confidential information from other parties by improper means, nor may they disclose such information without permission. Company Employees are to protect the Company's rights and prevent any unauthorised disclosure of such information.

### **Prohibition of Money Laundering and Financing of Terrorism**

The Company complies with all laws aimed at preventing money laundering and financing of terrorism. It carefully assesses its business partners and other parties with whom it collaborates.

## **PART FIVE**

### **INFORMATION PROTECTION**

#### **Personal Data**

The Company collects and processes personal data only to the extent necessary and in full compliance with relevant legal requirements. Employees are expected to exercise heightened caution and protection when handling personal data.

#### **Confidential Information**

All internal information regarding the Company's operations that has not been officially disclosed (e.g., via the website, press releases) is considered confidential. Every Employee is required to protect such information from misuse, particularly by maintaining confidentiality. This includes information related to clients and contractual partners.

Discussing internal information in locations where its security cannot be ensured<sup>1</sup> is prohibited, as is removing storage media containing internal information from Company premises, except where necessary for specific work duties.

Further details on information protection are set out in other internal regulations.

## **PART SIX**

### **PUBLIC COMMUNICATION**

#### **Communication with the Media and Interest Groups**

The Company recognises the internet's role in shaping public opinion about the Company and the significant role Employees may play in professional conversations on social networks.

The Company communicates with the press and public interest groups in a unified manner. Company communications must comply with applicable legal requirements and internal Company policies. Unless an Employee is an authorised spokesperson for the Company, they must not communicate on behalf of the Company, including online statements.

#### **Use of Social Media**

When using social media, Employees must ensure they do not publish or otherwise share significant non-public or confidential Company information. If an Employee intends to publish information about the Company despite these restrictions, they must confirm with their Manager or compliance officer beforehand whether it is necessary to disclose their relationship with the Company.

These social media guidelines apply at all times, including outside working hours, to all internet activities, covering not only posts but also responses to other users and conversations in group chats.

## **PART EIGHT**

### **VIOLATIONS OF THE CODE**

#### **Reporting Obligation**

If an Employee becomes reliably aware of a violation of the rules established in the Code, they must promptly report the matter via the whistleblowing hotline (if available) or to the compliance officer. If neither option is accessible or appropriate, or if the matter is urgent, the Employee should contact their supervisor or a responsible Employee.

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<sup>1</sup> E.g. restaurants, public transport etc.

## **Consequences of Rule Violations**

An Employee who violates the Code, including conflicts of interest, will be subject to consequences under applicable legal regulations (e.g., wage reduction, dismissal from office, termination of employment), as such violations constitute a serious breach of work duties. Should the Company suffer damage or loss due to the Employee's actions, compensation will be sought.

## **PART NINE**

### **FINAL PROVISIONS**

#### **Compliance Officer**

The role of the compliance officer has been established within the Company to address issues, clarify ambiguities, and assist Employees in resolving situations arising from the Code and its application. Employees may contact the compliance officer at any time via email at [compliance@ekokom.cz](mailto:compliance@ekokom.cz), by phone at +420 729 848 800 during working hours, or in person.

The compliance officer is required to address each report and, upon request, to inform the Employee of the resolution of their report.

The compliance officer conducts regular reviews of all Employees and job applicants regarding potential conflicts of interest and submits a report on the status of conflict of interest resolution and investigations to the Board of Directors at least once per calendar year, either independently or as part of a compliance report on conflicts of interest.

The compliance officer also ensures that all candidates nominated by the general meeting for election to Company bodies (Board of Directors or Supervisory Board) are vetted by an external company, unless this is unfeasible due to time constraints. The results of such vetting shall be promptly submitted to the Board of Directors.

#### **Expectations of Contractual Partners**

The Company expects its Employees, business partners, and all collaborating parties not only to respect the Code and comply with it in relation to the Company but also to adopt its fundamental principles as their own.

The Company expects job applicants to provide truthful and complete information necessary for assessing the risk of conflicts of interest.

#### **Code Notification and Employee Awareness**

The current version of this Code is published on the Company's website at <https://www.ekokom.cz>. The Company will notify all Employees of any updates or amendments to the Code.

The Company's goal is for Employees to be familiar with and understand the content of the Code. Therefore, it regularly educates Employees in this area and organises necessary training sessions.

### **Code Appendices**

The following appendices are integrated into this Code by reference:

- Appendix 1: Terms for Accepting Gifts and Hospitality
- Appendix 2: Terms for Approval of Gainful Activity and Prevention of Conflicts of Interest

### **Effective Date**

This internal directive comes into effect on 11 September 2024, replacing the previous version of the Company's Code of Conduct.

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**Ing. Radomil Mádr**  
President of the Board

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**Mgr. Michal Dyttert**  
Vice President of the Board

# Terms for Accepting Gifts and Hospitality

## Section 1 Introductory Provisions

1. These voluntarily adopted Terms for Accepting Gifts and Hospitality (“**Terms**”) of the authorised packaging company EKO-KOM, a.s. (“**Company**”) are issued in connection with the Company's Code of Conduct. They establish the further terms under which Company Employees may accept gifts or hospitality.
2. The acceptance of gifts or hospitality within business or professional relationships is considered customary courtesy, intended to build, maintain, and strengthen such relationships, conducted in good faith with a view to its usefulness, and with the understanding that it does not harm any party or create the capacity to cause harm, and does not conflict with applicable legal regulations. These Terms aim to prevent situations that could be considered inappropriate acceptance of gifts or hospitality, or create doubt about compliance with applicable legal regulations.
3. The definitions contained in the Articles of Association also apply to these Terms.

## Section 2 Definitions

1. For the purposes of these Terms, the following definitions apply:
  - a. A **gift** refers to any tangible or intangible item over which a Company Employee may acquire ownership, including tickets to cultural and sporting events where no third party who provided the tickets, or their representative, accompanies the Employee; or other non-monetary benefits that a Company Employee might receive, provided by a third party in connection with the Company’s activities, without the Employee providing any direct reciprocal benefit to the third party.
  - b. **Hospitality** refers to refreshments including food and beverages served in a restaurant or similar venue, tickets to cultural or sporting events when a Company Employee is accompanied by a third party who provided the tickets, or their representative, and which are provided to or arranged for the Employee by a third party, without the Employee providing any direct reciprocal benefit to the third party.
  - c. **Company Employee** refers to all individuals employed by the Company and members of elected Company bodies.
  - d. The **Gift Register** refers to the Company's internal record containing a list of gifts or hospitality subject to record-keeping or approval that have been provided to Company Employees by third parties. The register includes a description of the gift or hospitality, the date of receipt, date of approval (if applicable), the name and surname of the



Employee who received the gift or hospitality, and the name and surname or business name of the third party who provided it. The Gift Register is maintained by the Manager of the relevant department.

### **Section 3**

#### **General Rules for Accepting Gifts and Hospitality**

1. Company Employees must not actively solicit gifts or hospitality from third parties.
2. The acceptance of gifts and hospitality by Company Employees is permitted, unless otherwise specified in these Terms, the Code of Conduct, other applicable internal Company policies, or legal provisions.
3. If acceptance of a gift or hospitality is prohibited under these Terms, the Employee must decline the offer.
4. Acceptance of gifts or hospitality is prohibited in situations where there is a potential risk of:
  - a. acting in or influencing actions in the interest of:
    - i. third parties engaged in waste management, particularly packaging waste, or
    - ii. parties whose business is directly related to waste management or trading in secondary raw materials;
  - b. contravening good morals.
5. Potential risks under Section 3, subsection 4, particularly include offers of:
  - a. cash gifts or cash equivalents;
  - b. gifts or hospitality prohibited under applicable legal regulations;
  - c. gifts or hospitality given as a bribe or commission;
  - d. gifts or hospitality associated with adult entertainment services.
6. If it is unclear whether a gift or hospitality is appropriate or permissible, the Employee may accept it if refusal would be impractical or socially unacceptable. However, they must promptly consult the person responsible for the Gift Register to assess the appropriateness of accepting the gift or hospitality according to Section 7 of these Terms.
7. These Terms do not affect obligations arising from applicable legal regulations, such as the duty to report or prevent a crime.

### **Section 4**

#### **Rules for Accepting Low-Value Gifts or Hospitality**

1. Acceptance of low-value gifts or hospitality is permitted and does not require record-keeping or approval from the Company's Board.
2. Gifts are considered low-value if their one-time value does not exceed CZK 1,250 or € 50 exclusive of VAT.
3. Hospitality is considered low-value if the per-person value does not exceed CZK 2,500 or € 100 exclusive of VAT and involves no more than five people at a time.

**Section 5**  
**Rules for Accepting Higher-Value Gifts**

1. Acceptance of higher-value gifts is permitted but requires entry in the Gift Register.
2. Gifts are considered higher-value if their one-time value exceeds low-value but does not exceed CZK 5,000 or € 200 exclusive of VAT.
3. A Company Employee must promptly inform the person responsible for the Gift Register of the acceptance of a higher-value gift and provide the information needed for the Gift Register entry.

**Section 6**  
**Rules for Accepting Significant-Value Gifts or Hospitality**

1. Acceptance of significant-value gifts or hospitality is prohibited.
2. Significant value refers to gifts from third parties exceeding a one-time value of CZK 5,000 or € 200 exclusive of VAT.
3. Hospitality is considered to be of significant value if its value per person exceeds CZK 2,500 or € 100 exclusive of VAT or involves more than five people at one time.

**Section 7**  
**Consultation on the Appropriateness of Accepting Gifts or Hospitality**

1. If an Employee has doubts about the appropriateness or permissibility of accepting a gift or hospitality, they may consult the person responsible for the Gift Register.
2. The person responsible for the Gift Register will provide guidance on the appropriateness or permissibility of the gift or hospitality. The Employee must follow the outcome of this consultation. If the person responsible for the Gift Register advises against accepting the gift or hospitality, the Employee must decline it, if possible.
3. The person responsible for the Gift Register may, under this provision, seek consultation with the Company's Board of Directors.

**Section 8**  
**Monitoring Compliance with Terms and Updates**

1. The Company's compliance officer will establish controls to ensure compliance with these Terms and evaluate appropriate updates at least annually.

EKO-KOM, a.s.

# Terms for Approval of Gainful Activity and Prevention of Conflicts of Interest

## Section 1 Introductory Provisions

1. These voluntarily adopted Terms for Approval of Gainful Activity and Prevention of Conflicts of Interest (“**Terms**”) of the authorised packaging company EKO-KOM, a.s., are issued in connection with the Company's Code of Conduct. They regulate the prevention of conflicts of interest and establish further terms and procedures under which Employees of the Company may request approval for engaging in activities.
2. Employees of the Company are required to actively avoid conflicts between their personal or family interests and the interests of the Company as their employer. If such a conflict arises, Employees shall promptly inform the Company. Employees are required to adopt measures to eliminate the effects of any conflict of interest as proposed by the Company.
3. These Terms do not affect conflict of interest regulations established under the Packaging Act (No. 477/2001 Coll., as amended) or other applicable legal regulations and the authorisation decision issued by the Ministry of Environment.
4. The definitions contained in the Articles of Association and the Code of Conduct also apply to these Terms.

## Section 2 General Rules

1. An Employee must never, whether directly or indirectly, offer, promise, or provide any personal, business, financial, or other benefits intended to gain or maintain any commercial or other advantage from a third party in the public or private sector.
2. An Employee must also respect the restrictions set by the Packaging Act, specifically Section 19 of the Packaging Act. Therefore, Employees must not act in the interest of other parties whose business involves waste management, particularly packaging waste, or parties whose activities directly relate to waste management or trading in secondary raw materials. A Manager appointed by the Company's governing body may not serve as a member of a governing body of another business legal entity.
3. A conflict of interest may include situations where an Employee:
  - a. recommends a company in which they have a financial or personal interest as a supplier or contractor for the Company without disclosing the relationship;
  - b. recommends a close friend or relative as a supplier or contractor without disclosing the relationship;
  - c. suggests preferential terms for a company engaged in waste management, especially packaging waste, or acts in the interest of such a company within the Company;

- d. discloses business information, recommendations, know-how, or other information of the Company that could support competitors' activities or unfairly benefit competitors or clients of the Company.
4. A conflict of interest may also arise if a contract is to be concluded between the Company and an Employee, a member of any of the Company's bodies, or their family member. An Employee or member of the Company's body who wishes to enter into a contract with the Company or who is aware that a family member intends to contract with the Company must notify their immediate supervisor or the compliance officer thereof in advance.
5. As part of its internal control system, the Company identifies circumstances that may lead to a conflict of interest concerning specific services and activities performed by the Company. The Company ensures that Employees involved in services associated with a conflict of interest risk perform their duties with the necessary degree of expertise, awareness, and independence appropriate to the nature, scope, and complexity of their activities and the severity of conflict of interest risks.
6. Job applicants for positions within the Company will be subject to checks based on public records (e.g., the Commercial Register, Trade Register) and information provided by the applicants concerning conflict of interest risks.
7. Company Employees are regularly trained in identifying and managing conflicts of interest, including relevant legal regulations and case presentations that typically present conflict of interest risks.

### **Section 3**

#### **Conflict of Interest Management**

1. Should an Employee become aware of a potential conflict of interest in the performance of their duties, they must notify the compliance officer in writing (or by email) without undue delay. This notification obligation applies even if the risk of a conflict of interest is identified by the Employee subsequently.
2. In cases of doubt about a potential or imminent conflict of interest involving themselves, another Employee, or a member of any Company body, each Employee must consult the compliance officer to assess whether a conflict of interest exists or is likely.
3. The compliance officer will review and assess the identified conflict of interest risk and, based on this assessment, determine appropriate measures or notify the Company's Board of Directors.
4. Each Employee is required to cooperate with the Company in conflict of interest reviews and, upon request, provide accurate and complete information necessary for the review, particularly regarding their business licences, membership in bodies of legal entities in the Czech Republic or abroad, and shareholdings in such entities. Upon request, they must also provide explanations and documentation that clarify, in case of doubt, the existence or non-existence of a conflict of interest.
5. Failure to disclose facts suggesting a potential or actual conflict of interest constitutes a serious breach of labour regulations and may result in disciplinary or even criminal sanctions, including liability for any damage caused.

6. If a conflict of interest is confirmed, the compliance officer is authorised to implement mitigation measures (e.g., request the Employee to terminate their involvement in another entity) or propose that the Board adopt appropriate internal regulations to resolve the issue.
7. The compliance officer maintains a record of reported conflicts of interest and potential conflicts, providing information on conflict of interest management within the Company to the statutory body as part of an independent report or as part of the compliance activity report.
8. The compliance officer also maintains records of sworn statements by Employees, Managers, and members of the statutory body, as well as granted approvals for gainful activities, and continuously monitors that Employees only engage in activities for which they have received Company approval.

#### **Section 4**

##### **Request for Approval of Gainful Activity**

1. An Employee may, in addition to their employment, undertake gainful activity, which is the same as the Company's registered business, only with prior written consent from the Company as the employer, regardless of whether the intended gainful activity is to be governed by labour law, civil law, or trade or other licence.
2. Gainful activity is defined as any legally sanctioned activity carried out for profit or financial gain, regardless of whether the Employee actually makes a profit. This includes self-employment or serving as a member of a business or other entity's body.
3. If the Company revokes its consent under subsection 1 of this section, the Employee must promptly terminate the gainful activity in a manner consistent with the relevant legal standards.
4. The restriction in subsection 1 of this section does not apply to scientific, educational, journalistic, literary, or artistic activities.
5. An Employee must submit a written (electronic or hard copy) request for consent to gainful activity using the prescribed form to the compliance officer.
6. The compliance officer will record, evaluate, and decide on the request within 30 days from the date of receipt. A copy of the request will also be kept in the Employee's personnel file. The compliance officer will assess whether the gainful activity concerns waste processing or secondary raw material management in relation to Section 19 of the Packaging Act.
7. The compliance officer may, in granting approval for gainful activity, impose measures to mitigate potential conflict of interest risks (e.g., modify job duties or workload). The Employee must comply with such measures, failing which the Company may revoke the consent granted.
8. The Employee must demonstrate the nature of their gainful activity unless this can be verified from public registers, such as the Trade Register.
9. The Company may revoke its consent for gainful activity, providing written notice and explaining the reason for the decision. Following revocation, the Employee must promptly terminate the gainful activity as required by applicable legal provisions.

**Section 5**  
**Conflict of Interest Management Reporting**

1. The compliance officer periodically, but at least once per calendar year, evaluates conflict of interest risks and provides a report on conflict of interest risk management to the Board of Directors as part of an independent report or the compliance activity report.
2. The compliance officer checks, at least annually, whether Employees adhere to their gainful activity approvals and is authorised to verify that other Company Employees do not engage in gainful activities without the Company's approval.

**Section 6**  
**Monitoring Compliance with Terms and their Updates**

1. The Company's compliance officer sets up monitoring to ensure compliance with these Terms and evaluates appropriate updates at least annually.

The following appendix is integrated into these Terms by reference:

- Request for Consent to Employee Gainful Activity

EKO-KOM, a.s.