



## Ethical Code of KPHN a.s.

The Ethical Code is a fundamental document describing the principles of ethical conduct for employees of the company KPHN a.s.. Its aim is to establish a common understanding of shared values in everyday work practice. The Ethical Code is a binding document for all employees. One of the principles on which the Ethical Code is based stems from the fact that employees, through their actions, may expose themselves, as well as the employer, to criminal, administrative, or civil penalties. Therefore, they act in a manner that does not involve the violation of legal and internal regulations or the commission of criminal activities. The employer does not tolerate any violations of the Ethical Code, which may also be considered a serious breach of employment duties. The Ethical Code is an expression of our commitment to ethical conduct towards colleagues and partners.

### 1. Main Principles

We manufacture safe products and enhance their quality.

We develop and create advanced technologies and provide products and services that meet the needs of customers worldwide.

We foster a corporate culture that enhances the value of teamwork while respecting mutual trust and respect between employees and management.

We collaborate with business partners to achieve stable, long-term growth and mutual cooperation, while also being open to new partnerships.

### 2. Compliance with Laws and Internal Regulations

The company KPHN a.s. acts in accordance with applicable laws, adheres to the principles and rules of the company, maintains a healthy social norm in the workplace, and takes appropriate measures against any unlawful, criminal, or other acts that conflict with the principles and rules of the company. Every employee of the company KPHN a.s. is obliged to comply with applicable laws, principles, and rules of the company and to observe healthy social norms in all aspects of their work. If an employee is requested or pressured to act contrary to legal regulations, internal regulations, or instructions from a superior or another employee, they are obliged to refuse such actions and report them to their superior or the HR department for investigation.

We comply with all relevant laws and regulations in the countries where we operate. It is the responsibility of each of us to familiarize ourselves with the laws applicable to our work and to act in accordance with them. In our work, we always act in accordance with the duties and expectations set out in the Work Order and Ethical Code, therefore, we comply with all legal and internal regulations and instructions of the employer, which are a supplement to the legislative framework and specify our obligations in the environment of KPHN a.s., to which

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we also commit ourselves when signing an employment contract. Standardization of work through work procedures and other regulations is a fundamental principle of the production system of KPHN a.s. and their observance is a prerequisite for effective management and functioning of the entire company. We are familiar with the legislative requirements within

our job description. We comply with these legislative requirements. We inform our supervisor or the relevant department of any violation or impending violation of the law in our work. We identify and provide reliable and correct accounting data, information, and indicators. We do not tolerate any acts or actions that violate laws or regulations and the principles of the company, whether by other employees/collaborators or by any business partner. We take appropriate action against such violations by other employees/collaborators and emphasize the importance of compliance with regulations, both within the company and in dealing with business partners.

**3. Principles of Employee Behavior**

It includes respect for other colleagues and all parties involved, including customers and suppliers. Employees should act with professionalism, consideration for others, and with an emphasis on cooperation and teamwork. We all have our experiences, knowledge, and opinions. We enrich each other with them, forming a strong and experienced team together. We respect each other, which means recognizing the personality of others, the right to have different thinking, different opinions, different perceptions, or views of reality. We are tolerant and listen. We strive for mutual trust and respect and do not tolerate any intimidation in the workplace, harassment, sexual harassment, or other inappropriate behavior. We support collaboration and help others, respect their work and opinions. We adhere to the principles of decent behavior and do everything to not disturb others in their work (e.g., loud conversation or listening to music). We maintain respectful and polite relationships with each other. We support mutual cooperation, and we resolve any disputes calmly and objectively. We perform our work to the best of our knowledge and abilities, with the utmost professionalism and decency. We collaborate with each other to effectively and efficiently achieve our tasks and goals. We strive to enhance the skills of individuals and the company as a whole. Those in managerial positions supervise, lead, and support their subordinates and teamwork. We strive for innovative thinking and continuous improvement, work efficiency, and personal growth of every employee of the company. As employees, we contribute to building the good reputation of the company, its products, and services, even in our extracurricular activities. Leading employees maintain equal access to their subordinates. They place the main emphasis on results and the quality of work performed when selecting, evaluating, and developing their subordinates. They also facilitate communication within the team and ensure a comfortable and safe work environment.

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#### 4. Conflict of Interest

Employees shall refrain from actions that may lead to a conflict of interest between their personal interests and the interests of the company. Employees shall avoid any situations where their personal interests may conflict with the interests of the company. If such a situation arises, they are obliged to report it to their superior or the HR department for resolution. We perform our work with professionalism and dedication, always taking into account the interests of the company. We do not take any actions that could harm the company's interests or reputation. We strive to avoid situations where personal interests could influence or conflict with the interests of the company. If such a situation arises, we promptly report it to our supervisor or the HR department for resolution.

#### 5. Gifts and Invitations

Employees may not accept gifts or invitations that may influence or could be perceived to influence their business decisions or conduct. We do not accept gifts, invitations, or other benefits from business partners or other entities that could influence or be perceived to influence our business decisions or actions. If, in exceptional cases, we are offered such gifts, invitations, or benefits, we promptly report them to our supervisor or the HR department for resolution.

#### 6. Confidentiality and Protection of Company Information

Employees must protect confidential information and not disclose it to unauthorized persons. We maintain confidentiality regarding all information, data, and documents that we become acquainted with in the course of our work. We do not disclose any confidential information to third parties unless authorized to do so by our supervisor or the competent department. We take all necessary measures to protect company information, including passwords, access codes, and other security measures. We do not use company information for personal gain or disclose it to unauthorized persons.

#### 7. Sanctions

Violation of the Ethical Code may result in disciplinary action, including termination of employment. Employees who violate the Ethical Code may be subject to disciplinary action, including reprimand, suspension, demotion, or termination of employment. The severity of the disciplinary action will depend on the nature and severity of the violation.

#### 8. Final Provisions

The Ethical Code is binding for all employees of the company KPHN a.s.. It forms an integral part of the employment relationship and applies to all employees, regardless of their position or level of responsibility. Employees are obliged to familiarize themselves with the contents of the Ethical Code and comply with its provisions. The Ethical Code may be amended or

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supplemented by a decision of the company's management. Any amendments or supplements to the Ethical Code shall be communicated to all employees in a timely manner.

## 9. Conflict of Interest Prevention

The company monitors potential conflicts of interest and ensures that no employee acts in favor of their personal interests at the expense of the company's interests. Employees will be encouraged to be transparent and report any potential conflicts of interest. We all protect the legitimate interests, good name, and reputation of KPHN a.s., colleagues, and third parties. We actively avoid conflicts between personal or family interests and the interests of the employer. A conflict of interest may not always be immediately apparent. If we have any questions regarding a potential conflict of interest, we consult with our supervisor or the legal department. An immediate and full description of the facts is always the most appropriate first step toward identifying and resolving any potential conflict of interest. If we become aware of an existing or potential conflict of interest, it is our duty to alert our supervisor.

## 10. Corruption Prevention and Unfair Practices

The company complies with all applicable laws and regulations regarding the prevention of corruption and bribery. It will not tolerate any forms of corruption or bribery, including indirect forms such as bribery or extortion. Protection of Economic Competition laws protect free enterprise and promote fair and honest competition. At KPHN a.s., we seek competitive advantages through excellent performance, never through unethical or unlawful practices. Theft or illegal acquisition of protected information or incitement of former or current employees of other companies to disclose information is prohibited. If we inadvertently obtain protected information from competitors, suppliers, or other third parties, we treat it as confidential information and do not use it for business purposes. Additionally, we must promptly report this situation to the legal department. We are expected to comply with relevant local and international laws on competition protection.

**Gift Giving** The aim of giving gifts, for example, to business partners, should be a symbolic expression of gratitude for good cooperation. The value of a gift depends on the position and nature of the cooperation.

**Gift Acceptance** We may accept a gift if it does not jeopardize our impartiality in business decision-making and our relationship with the business partner. Also, if it is merely a courtesy gift without any privileges, only as a token of appreciation for good cooperation.

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### 11. Transparency and Open Communication

The company commits to open and regular communication with employees, customers, suppliers, and other stakeholders. All information regarding the company's operations will be shared transparently and in accordance with applicable laws and regulations.

### 12. Responsible Environmental Practices

The company will always strive to minimize its environmental footprint and promote sustainable practices in daily operations. It will actively seek ways to reduce its impact on the environment and support nature and resource conservation. Social Responsibility and Environmental Protection We are a socially responsible company. We minimize energy and water consumption, support waste sorting, and reduce the impact of our business on the environment.

### 13. Equality and Diversity

The company actively promotes equality and diversity in its work environment. We respect all colleagues regardless of their nationality, race, religion, gender, sexual orientation, language, age, social background, wealth, family status, or position, and reject any manifestations of discrimination.

### 14. Continuous Employee Development

The company will provide employees with opportunities for professional and personal development through further education.

### 15. Violation of the Ethical Code

Every employee of KPHN a.s. has the right to submit a complaint or report related to unclear or unobserved company procedures, non-compliance with work rules, or the Ethical Code (e.g., failure to conduct performance evaluations, misuse of KPHN a.s. property, request for clarification of transfer to another department, denial of relocation leave, and others). KPHN a.s. has appointed a designated person within the company responsible for addressing serious violations of the Ethical Code if they are not addressed by other departments within KPHN a.s. The designated person addresses complaints in accordance with the whistleblowing directive. This document describes the processes and procedures for raising concerns within the company and how whistleblowers can report concerns or file complaints under EU Directive 2019/1937 on the protection of persons who report breaches of Union law. Reporting Ethical Code Violations Any suspicion of Ethical Code violations, violations of business conduct rules, or any applicable law will be thoroughly investigated, and appropriate action will be taken. All reports of suspected policy violations will be thoroughly investigated.

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If possible and appropriate, the person who reported the violation will be informed of the investigation's outcome. KPHN a.s. is committed to ensuring that no one who in good faith reports a problem related to suspected Ethical Code violations will be harassed, retaliated against, or face adverse consequences in their employment as a result of reporting the problem. This commitment also includes a prohibition on obstructing employees from reporting a problem or their involvement in investigations.

**Ethical Code Contents:**

1. Main Principles
2. Compliance with Laws and Internal Regulations
3. Employee Behavior Principles
4. Substance Abuse
5. Harmonious and Safe Working Environment
6. Privacy and Sensitive Information Protection
7. Property Protection
8. Customer Protection and Service/Product Quality
9. Conflict of Interest Prevention
10. Corruption Prevention and Unfair Practices
11. Transparency and Open Communication
12. Responsible Environmental Practices
13. Equality and Diversity
14. Continuous Employee Development
15. Violation of the Ethical Code

In Kolín 3.9.2026

Tomáš Vančura

Chief Executive Officer



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