

**JUSDA Europe s.r.o.**

# **CODE OF ETHICS**

*Effective date:*

19.06.2020

## A. CODE OF ETHICS

We aim to ensure continued trust of our customers and to enhance Jusda's image as a competitive company in its branch. At the same time we aspire to be a company where its employees are proud to work there and will do their best for our customers, business partners and suppliers, as well as our company. Our reputation is not only based on our products and services we provide, but also on the way in which we do business and we gain trust by our honest and fair interactions not only with our business partners, but also with our employees.

In our daily work we are required to follow the professional standards and other legal norms, as well as internal policies of the company of Jusda based on ethical and moral principles. That is why this Code of Ethics (hereinafter referred to as the "Code") has been created to provide clear rules and guidelines which Jusda will support and will be guided by when carrying out its business. The Code outlines responsibilities and principles that are to be followed within the company of Jusda. Therefore they are valid for all our employees and partners. The Code is based on our company values that we share and should help us fulfil them in our everyday work.

We all are expected to accept the principles of the Code and our company values in order to:

- carry out all activities of Jusda with respect to the environment,
- provide a safe workplace, as well as follow all valid Health & Safety regulations, participate in safety trainings and exercises, and immediately report any dangerous situations,
- show respect to our colleagues and business partners, both in our own words and in our approach and actions,
- build good relationships with other employees, our customers or suppliers, as well as the local community,
- act with integrity and honesty,
- work responsibly to deliver the best possible results and thus contribute to the success of our company,
- ensure the highest ethical practices are applied in our business partnerships,
- be reliable and always meet our commitments to others,
- adhere to legal regulations that are related to our scope of business, as well as the principles of the RBA (Responsible Business Alliance) Code of Conduct.

We should always keep in mind that our behaviour outside working hours, if it is contrary to the law, may harm our company and its reputation. Therefore, all our employees are expected to comply with the valid legal regulations even outside working hours and especially to avoid any deliberate form of a criminal act.

### Responsibility for our Code

The reputation of our company comes from the ethical and responsible behaviour of all our employees, and from decisions made by each and every one of us every day. The company of Jusda upholds the highest standards of ethics in order to meet our social responsibility and to achieve sustainable development. The highest standards of integrity are expected in all our business interactions.

All our decisions are to be governed by this Code, no matter which job or task we perform, as this Code is valid for all employees of our company. Therefore, every our employee must be well acquainted with the rules included in the Code as well as with the company values.

Although this Code lays down a number of rules and recommendations connected with principles of personal integrity and ethical behaviour in the work life, it will not cover all situations. Therefore it does not replace our own personal responsibility, the necessity to use our own judgement, and our duty to seek advice regarding suitable behaviour or procedure when necessary.

### Be a good example

All of us, especially leading employees, have to act with integrity. We expect our leading employees to be a good example and inspire other employees to accept our Code by means of:

- appreciation of integrity,
- supporting ethical decisions,
- creating an open workplace where team members can feel safe to raise doubts about following the rules and honest behaviour,
- looking for help when dealing with problems and passing them to higher levels, if they arise,
- putting our company values into practice (i.e. accountability, customer satisfaction, integrity, friendly approach, teamwork, proactivity).

Every leading employee is responsible for his/her subordinate employees, therefore their mutual relationship should bring mutual respect and our leading employees are supposed to act and behave in such a way to be a good example for their subordinates.

## **B. GUIDE FOR ETHICAL BEHAVIOUR**

The consequences of illegal or unethical behaviour can lead to penalties for our company, we could lose business partners or damage our company reputation.

We aim to create a company culture based on trust and personal responsibility. Nevertheless, some employees might encounter unethical or even illegal behaviour. Therefore, one of our tasks is to give them an opportunity to report these cases and inform the management of the company about any violation or suspected violation of the law, rules, guidelines, or the provisions stipulated by this Code. In our company, we promote an open door policy and support clear, direct, open, honest, and timely communication. We are ready to discuss opinions, ideas, and beliefs without fear of any retaliation.

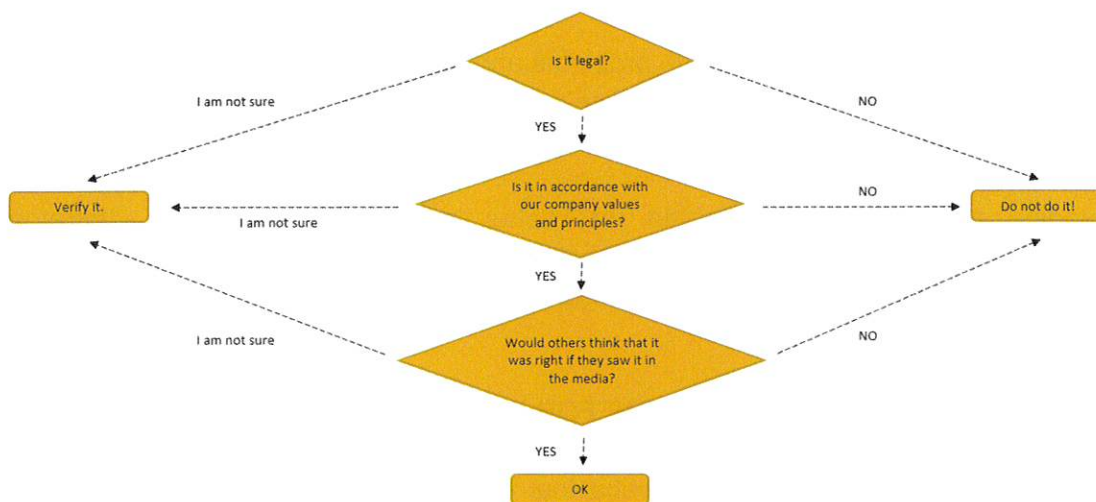
Have you got any concern, question, or doubt? Feel free to discuss them with your superior or manager. When it is not possible to raise or resolve the issue with them, contact the HR department. They will be grateful for your feedback and will be happy to help you.

What should you do if your superior asks you to do a task that you believe might violate this Code? Communicate your concerns openly and honestly to the manager of your department or cost centre. If you are not satisfied with the answer, please contact a member of senior management or directly the HR department.

How do you know when you should look for assistance? When considering how to act in a particular situation, the answers to the following questions should help you as a guide:

- Are you sure that this task is in accordance with our values, the Code, and other regulations?
- Can this activity be considered unethical or dishonest?
- Can this matter harm the reputation of our company or our business relations? Can your actions put the company at any kind of risk? What would it all look like in the media? What would be the consequences if the public became aware of such conduct?
- Could it harm other people, our employees, our customers, or their reputation?
- What would the people who you respect think of such an action?
- Can you find another solution that would not be ethically questionable?
- How would you feel if you were treated like this?

The following flowchart might help you to make the right decision:



If you are not certain about the answer to any of the abovementioned questions, please find support and assistance of your superior or the HR department, so that you can make the right decision.

Our company has made a commitment to ensure the confidentiality, anonymity, and protection of direct and indirect employee whistle blowers who in good faith report problem issues, raise doubts about following this Code or look for advice connected with business procedures, decisions, or behaviour. Personal data or sensitive information provided by them is considered to be confidential. Any kind of retaliation towards an employee who has reported his/her concern or a problematic issue in good faith is a violation of this Code itself.

## **C. OUR SUPPLIERS OR PARTNERS**

All transactions with our current or potential suppliers or partners must follow the highest ethical standards and be completely transparent. Thus, concluding any oral or secret agreements with companies instead of written agreements is not acceptable. The selection process of our contractual partners must be always carried out according to predetermined criteria and the winning bid should always be in accordance with due diligence and best interests of the company. Any unjustified favouring of some contractual partners or their groundless exclusion is not acceptable.

From our suppliers we expect the same standards of integrity that we ourselves follow. Any unethical or illegal act of our supplier may harm the reputation of the company of Jusda and cause loss of its good reputation. Thus, all our suppliers are required to follow our Code of Ethics as a condition of doing business with us.

Please keep in mind that your direct superior must be always informed in advance and in a written form of any interaction (by telephone, e-mail etc.) or a meeting with a new or potential supplier which is not included in the List of Approved Vendors, so called AVL (valid only for SCM department), even if it is an informal meeting. The same applies to meetings with current vendors if they aim at discussing activities not related to the current business with the vendor.

Any personal contacts with suppliers (including potential suppliers) and representatives of other companies outside the premises of Jusda, as well as, for example, going to restaurants with suppliers (and potential ones) and representatives of other companies, or accepting invitations to company parties without any work duties that could affect our business decisions on mutual cooperation are strictly prohibited.

All negotiations with our existing and potential suppliers or partners must be in accordance with Chapters F.I. and F.II. of this Code of Ethics and in general with the rules of the RBA Code of Conduct.

## **D. HUMAN RIGHTS**

Our values, this Code, our strategy to retain talented people and our employment policy work together and support the principles stipulated in the Declaration of Human Rights. We expect our employees, suppliers, and partners to follow these principles. This Code is one of the tools that we use to minimize possible risks of human rights violations across our company.

### Regulations against discrimination

We all have the opportunity to reach our full potential and contribute to the success of the company of Jusda. In order to do so, we must not discriminate or treat our employees or job applicants dishonestly.

Your labour-law decisions concerning our employees (e.g. wages, promotions, rewards, and access to training) or job applicants in hiring must always be based on the work-related merits, qualification, and their performance regardless of qualities that are not work-related, such as: race, colour of skin, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, marital status, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic

information, or marital status etc. In addition, our employees or job applicants must not be subjected to medical tests or physical exams that could be used in a discriminatory way.

If a significant group of any established religion asks for space for religious practices (physical space or time) to practice their religion, then the employer shall make steps in order to allow the employees to practice their religion. In such cases it is always necessary to consider business needs in order to ensure that such request does not negatively affect the business operation.

Pregnant women and nursing mothers may not be discriminated either and they are protected by the Czech Labour Code (no night shifts etc.). Employer is obliged to ensure a suitable room to be used for breast feeding based on a particular request.

Our HR department periodically reviews hiring practices, compensation records, employee evaluation, and promotion documents to determine that there is no prohibited discrimination.

#### Regulations against harassment

The company of Jusda aims at ensuring a working environment in which there is no harassment of any kind and/or any other offensive or disrespectful behaviour. Our Code prohibits any harassment in the workplace, which includes unwelcome verbal, visual, physical, or other behaviour of any kind that creates intimidating, offensive, or unfriendly working environment.

#### Zero tolerance to violence

Our company has a zero tolerance to violence in the workplace. Any activity that might cause individuals to feel any kind of threat or danger is not acceptable. This includes verbal attacks, threatening, or other expressions of enmity, intimidation, aggression, or bullying.

If you or anyone else is exposed to any kind of discrimination, harassment, or violence, report it immediately to your management or the HR department.

#### Wages, no disciplinary deductions

We apply the policy "Pay equals time worked," our employees are always paid in time and no less than the agreed wage for all regular hours (including employees who have resigned). Any deductions from wages as a disciplinary measure are not permitted.

#### Voluntary work, no fees/penalties, and free movement of employees

Forced, bonded (including debt bondage), or indentured labour, involuntary or exploitative prison labour, slavery or trafficking of persons must not be used. This includes transporting, harbouring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction, or fraud for labour or services.

Our direct and indirect employees must not be required to pay any fees, excessive fees, deposits or incur debt as part of their employment (paid either as one-time or instalment payments, collected directly or through wage deductions). They work for us voluntarily including overtime and are free to leave work at any time or terminate their employment pursuant to the valid Labour Code without any penalty (i.e. no threat of punishment, fines, violence, or withholding wages). No matter whether the employment has been terminated voluntarily or involuntarily, the employee will be paid appropriate amounts for all hours worked within the standard payment term (by the 15 day of the following month).

Our employees receive a reasonable amount of time off for sickness or maternity without job loss or financial penalty when supported with a medical certificate.

Rules for leaving the working place (e.g. due to the need to use social facilities, to have a drink) are determined clearly at particular workplaces. If you are not sure what to do, ask your superior. If you do not get a clear answer from him/her, contact our HR department.

Employer may not hold or store employees' government-issued identification or personal documents originals or otherwise destroy, conceal, confiscate, or deny access by employees to these documents (such as ID cards, passports, work permits, citizenship, residence, social / health insurance cards, birth certificates, bank documents etc.) unless such holdings are required by law.

## **E. HEALTH AND SAFETY**

Regardless of where you work or what you do for our company, you are expected to make sure that your work is done safely.

Always speak up and raise doubts if:

- you are asked to do a task that you consider to be dangerous,
- you are asked to do a task that you believe you haven't been trained for properly and that you might harm yourself or others,
- you see that someone else is doing a task which you think is not safe or that it is done by somebody who hasn't been properly trained to do the particular task.

Safety is the responsibility of every employee – it is necessary to insist on doing your work safely. In case of any doubt contact the HR department.

## **F. CONFLICT OF INTEREST**

A conflict of interest may arise when personal, social, financial, or political affairs could or appear to influence your business decisions. It may exist in various forms and our Code cannot describe all of them. It is up to you to rely on your own judgment, honesty, and moral principles.

Your obligation to perform your activities in our company honestly and ethically includes also solving real or potential conflicts of interest. This sometimes requires that these conflicts are completely avoided and it always requires full disclosure of actual or apparent conflicts of interest.

Some cases of conflict of interest are not acceptable because they are contrary to our employees' obligations towards our company, e.g.:

- working for or providing service to anybody who you deal with when working for our company;
- any activity or work done by you for our competitors in parallel to your work in our company;
- acting in favour of our suppliers or customers with the aim to prefer their interests to our company's interests;
- accepting financial or other rewards and benefits, or a promise of them for yourself or anybody else from business partners of our company with the exception of common gifts (mentioned hereinafter);
- your participation in decision making in a matter which results in a personal benefit for you or a person close to you, e.g. investments in a supplier if you are involved in the selection process of this supplier.

Conflicts of interest may also arise in cases when:

- you make work decisions that are influenced or seem to be influenced by personal interests, family interests, or friendships,
- you or a person close to you invest or take part in business of companies that are suppliers or customers of our company – with the exception of publicly traded securities where individual investors do not influence the decisions made, or when financial interests exist in one of the suppliers etc.,
- you or a person close to you use the property of our company, information, or resources for personal gain or for the gain of others,
- you or a person close to you gain personal or financial profit by providing services to our supplier or customer, or when you use your authority in the company to the benefit of such a supplier or a customer,
- you or a person close to you get involved in activities that are contrary or might seem to be contrary to the interests of our company (e.g. providing services or advice to competitors or suppliers etc.),
- a person close to you has business meetings with you, your subordinates, or employees who work at your department.

In accordance with this Code persons close to you include, in particular, but not limited to, a husband or a wife, parents or step-parents, children and grandchildren, brothers, sisters, step-siblings, nephews, nieces, aunts, uncles, cousins, grandparents, great-grandchildren, a father-in-law, a mother-in-law, or other relatives in the direct or subsidiary lines. This term also includes close partners sharing one household (regardless the fact whether they are officially registered pursuant to the law or not), your friends, and other people you live or have a close or intimate relationship with, regardless of whether it is a family relationship. In case of questions concerning the conflict of interest you are not responsible to know about all activities of your family members who do not live with you. With regard to your family members not living in your household and other close persons it is always necessary to care only about circumstances that you are aware of.

The terms supplier, customer, competitor, or customer in the sense of this Code also refer to entities that strive to become a supplier, customer, competitor, or customer of our company.

If at any time you think you may have a potential or real conflict of interest regarding your work, come and report it to our company. In many cases these conflicts can be solved by an open and honest discussion.



Remember that having a conflict of interests does not necessarily mean a violation of our Code. However, it is a violation not to inform the company of such a conflict. Thus, every employee is obliged to inform the direct superior and HR Director in written about his/her potential conflict of interest.

## **F.I. ACCEPTING OR OFFERING GIFTS**

The exchange of small gifts and promotional items between business partners is a common habit in business but we need to make sure that giving or receiving these gifts does not impact or influence our business decisions. A gift is not always a thing, as it may also be a provision of a free or in some other way unusually advantageous service (e.g. attending a sports or cultural event) to you or persons close to you. That is why our employees are obliged to refuse any gifts the acceptance of which could give rise to a suspicion of improper influence or conduct (e.g. an attempt to influence a business decision, a conditional acquisition of a contract, an obligation to supply products/services to the company of Jusda, bribery etc.). Our employees are not allowed to accept and offer gifts other than those that are an expression of politeness or courtesy according to business ethics and the Employment Guidelines.

## **F.II. BRIBES AND CORRUPTION**

Your work decisions must not be influenced by corruption.

Any bribes and corrupt dealings that lead to obtaining any improper advantage from our customers, suppliers, or other third parties are contrary to the policy of our company and therefore they are strictly prohibited. In general the term "Corruption" means obtaining or attempting to obtain a personal or business advantage for ourselves or others in an inappropriate or illegal manner. Corruption may mean payments or exchange of anything valuable and includes in particular the following acts:

- bribery,
- blackmail,
- embezzlement (covering promising, offering, giving, or accepting any bribes),
- provision or acceptance of any undue or improper advantage (provision, goods, services, discounts on goods/services, information, or other advantages or benefits).

Corrupt activities, such as promising, offering, authorizing, giving, or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, to direct the business to any third person, or to gain an improper advantage, are not only a violation of this Code, but they may also be a serious violation of criminal and civil law concerning bribery and corruption.

In addition, our company guarantees that if you refuse to participate in bribery / corruption or if you report a conflict of interest, even if such an act may lead to a loss of business for our company, then there will be no reassignment to another position or other adverse consequences for your person.

## **G. INFORMATION**

In the course of your employment you may get certain information about the company, its structure, strategies, business activities, products, services, financial situation, performance, technical capabilities, methods, procedures, or processes (including occupational health and safety or environmental practices), customers, suppliers, business partners, employees, or other third parties which is considered to be confidential. You should always take reasonable and necessary steps to protect this confidential information related to our company. You are not authorized to disclose or forward any information outside our company, not even to your family members, unless this disclosure is duly approved and unless it is in accordance with your written confidentiality agreement. Moreover, this information may be disclosed only in accordance with applicable regulations and prevailing industry practices.

We are also obliged to protect the personal data of everyone we cooperate with, including suppliers, customers, consumers, and our employees. Thus, we must comply with data protection laws and legal requirements for the collection, storage, processing, transfer and sharing of personal data, including the requirements of the EU General Data Protection Regulation (GDPR).

Any falsification of records or misinterpretation of conditions or procedures relating to our business or our supply chain, as well as any distortion of business activities, is not permitted. Our company strictly follows standards of fair business, advertising and competition. We are active in a highly competitive market but we never criticize or make denigrating remarks about our competitors. We should try to avoid situations which lead to obtaining information about our competition improperly or which could be interpreted in such a way.

When we recruit candidates from our competitors, we do not ask for confidential information about their previous employer and we do not use confidential information that they may possess.

Our employees must not respond to any media requests for information or interview regarding the employer but they must forward them to HR Director. All information or press releases must be approved before being published by the Executive Director of our company or by an authorized person.

## **H. FRAUD**

Abusing the resources of the company and committing fraud means deliberately hiding, changing, forging, or exchanging information for your own personal gain or for the gain of others.

Avoid any situation that appears to be fraudulent. Never spend the company's financial resources without proper consent, do not enter into agreements on behalf of the company unless you are authorized to do so.

## **I. COMPANY PROPERTY**

We use various tools and equipment (computers, laptops, mobile phones, etc.) that have been entrusted to us so that we can carry out our daily activities. Due to their high purchase price, it is necessary to ensure their effective usage. All obligations when using them are further set out in our Employment Guidelines.

## **K. ANTIMONOPOLY LEGISLATION**

Antimonopoly legislation prevents companies from concluding contracts/agreements that limit free competition in an unacceptable way or obstruct the free market mechanism. Therefore, all our employees are always obliged to strictly observe the rules concerning competition law. Any collusion with other companies on determining prices of products or other factors that could reduce competition in a way (e.g. agree pricing with our competitor or agree with a supplier not to supply to competitors, sell products/services below cost, develop/implement activities aiming at eliminating competition or keeping new parties from entering the market) is not acceptable. It is also unacceptable to agree with business partners and any third parties on not competing, submitting fictitious offers in public tenders, or dividing markets or production programmes. The competition rules also apply to all our communication, thus please be aware that all our e-mails, reports, meeting minutes etc. can be potentially used as evidence in court to prove our intention to restrict the competition.

#### **L. RESPONSIBLE SOURCING OG MINERALS**

Our company reasonably assures that the tantalum, tin, tungsten, and gold used in the products that we manufacture do not directly or indirectly provide funds or benefits to armed groups that are perpetrators of serious human rights abuses in any country, especially in the Democratic Republic of the Congo or an adjoining country. We perform in-depth inspections of the sources and consumer chain of these minerals and we are ready to provide our customers with any measures within our in-depth inspection on request.

#### **M. AUDITS AND INVESTIGATIONS**

In the course of your employment you may be asked to participate in an audit or internal investigation carried out by our internal or external auditors. If this happens, you are expected to cooperate properly and communicate honestly.

#### **N. INVESTIGATING VIOLATIONS OF THIS CODE**

Our employees are able to raise any concerns or report any ethical misconduct of other people confidentially and anonymously to our HR department without fear of retaliation. Any reports connected with a suspected violation of the Code will be seriously and immediately investigated. Such violations are monitored by the senior management of our company through the formation of a steering board, named SER & Ethics Committee. We guarantee to protect the informer's identity as part of the allegation investigation process if it is needed or if required by him/her.

If it is found out that the allegation or accusation is false and that it was reported on purpose as a weapon against another employee, then this misuse shall be considered as a violation of this Code.

#### **O. DISCIPLINARY MEASURES**

Respecting this Code and following all our internal regulations and laws related to performing your work is the condition of employment in our company. Any violations of this Code may result in disciplinary

measures that may lead to the termination of the employment relationship depending on the nature and seriousness of the violation. All cases will be discussed and resolved through the HR department and the SER & Ethics Committee.

Thus done in Pardubice on 19th June 2020



**Petr Škoda**

Executive Director of JUSDA Europe s.r.o.