



REGULATION

POR 03

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CODE OF ETHICS

An overview of the changes made to the document:

Modification Date	Chapter number and title

Reviewed by: Ing. Peter Vízner	Reviewed by: Ing. Ferdinand Kóča	Approved by: Ing. Jozef Maceášik
Position: Production Manager	Position: External consultant	Position: Director of company
Date: 18.5.2022	Date: 18.5.2022	Date: 20.5.2022
Signature:	Signature:	Signature:

F-TOS 01-10/20-07-5

1. INTRODUCTORY PROVISIONS

1.1 Purpose and scope of liability

This Code sets out the principles for the ethical conduct of employees and the anti-corruption rules in Valcovna profilov, a.s. The purpose of the Code is to strengthen and promote the ethical and moral values of employees in the performance of their duties in relation to customers, suppliers, colleagues, partners and other stakeholders. The company is committed to conducting business in an ethical and lawful manner. In performing our duties, we must always act in the best interests of the company and focus our efforts on achieving the company's business goals and avoiding behavior that could damage the company's reputation or business position.

Valcovna profilov, a.s. expects each employee and manager to act in accordance with these rules and principles. Failure to do so may result in disciplinary action and subsequent disqualification, which may include termination of employment. The Company prohibits retaliatory conduct against anyone who, in good faith, reports a suspected violation of ethics or anti-corruption principles.

These Rules are binding for all employees of the company, for externally secured processes and other partners of the material relationship, as well as for external consultants.

1.2 Terms and abbreviations

Terms:

Conflict of interest - a situation where a business, financial, family, political or personal interest could interfere with the judgment of individuals in the performance of their duties to the organization.

Corruption - offering, promising, giving, receiving or claiming an undue advantage of any value (financial or non-financial), directly or indirectly and regardless of location, in violation of applicable law, as well as a bribe or reward to a person who acts or is reluctant to act in relation to the performance of that person's duties.

Appropriate credibility assessment - a process to better assess the nature and extent of corruption risk and to help organizations make decisions about specific transactions, projects, activities, business partners and personnel.

Corrective action - a measure to eliminate the cause of the nonconformity and to prevent recurrence.

Business Partner - An external party with which the organization has a business relationship or plans to establish some form of business relationship.

Abbreviations used:

- POR - Regulation
- RS - Director of company
- VP - Valcovna profilov a.s.
- VR - Production Manager
- VSL - Head of testing laboratory

1.3 Related documentation

- Act no. 18/2018 Coll. on the protection of personal data and on the amendment of certain laws
- Act no. 54/2019 Coll. on the protection of whistleblowers and on the amendment of certain laws
- Act no. 300/2005 Coll. Criminal Code as amended
- Act no. 307/2014 Coll. on certain measures relating to the notification of anti-social activities
- EN ISO 9001 Quality management systems. Requirements.
- IATF 16949 Quality Management System Requirements for automobile and their major spare parts production organizations
- EN ISO 14001 Environmental management systems. Requirements with instructions of use.
- STN EN ISO / IEC 17025 General requirements for the competence of testing and calibration laboratories
- POR 01 Organizational rules
- TOS 01 Documented Information Management

2. SOCIAL RESPONSIBILITY POLICY

2.1 General principles:

- a) The employee is obliged to comply with the Constitution of the Slovak Republic, constitutional laws, laws, other generally binding legal regulations of the state, local governments and internal company regulations, including the provisions of this Code and apply them to the best of his knowledge and conscience.
- b) The employee is obliged to respect and protect human dignity and human rights when performing his work.
- c) In the performance of his duties, the employee is obliged to refrain from any conduct that is in conflict with generally binding legal regulations, internal regulations or the provisions of this Code.
- d) The employee is obliged to perform his job tasks personally, responsibly, on time and in accordance with the interests of the company.
- e) The employee is open and accessible to customers, suppliers, consultants and performs impartially, transparently and without undue delay.
- f) The employee is obliged to act and make decisions impartially and to refrain from performing any work that could jeopardize confidence in the objectivity of his actions and decisions.
- g) The employee must not provide, knowingly disseminate or mediate false, distorting or misleading information and statements related to the performance of work, products or services that could damage the reputation of the company, other employees and should refrain from any defamatory or false statements about competition.
- h) When performing work duties, the employee is obliged to act in such a way that there is no damage to property, he protects the property from damage, misuse and destruction. He shall use the funds entrusted to him efficiently and economically in accordance with the purpose for which they were intended and shall not misuse them for personal gain.
- i) The employee must create, keep and maintain appropriate, accurate and complete records, company information that is relevant to meeting business needs and all legal and regulatory requirements. Any falsification of records is a serious violation of applicable laws and regulations. All Records stored on any media, in paper and electronic form, are the property of the Company.
- j) The employee of the company may not take any measures or engage in any formal or informal conventions or agreements with competitors in order to restrict trade or distort free and fair competition (eg: price agreement, sharing of customer markets, harmonized behavior in the public procurement process, group boycott...). The company must compete in the market independently, in accordance with national and international competition law.
- k) Protection of environment is one of the basic values of the company, operating production facilities in an environmentally responsible manner and taking measures to protect natural resources.
- l) The Company respects the intellectual property of others, including patents, trademarks and copyrights, and the use of licensed software.

2.2 Basic ethical principles

- a) Prohibition of discrimination on grounds of race, color, sex, religion, gender identity, sexual orientation, nationality, country of origin or desecration due to age, genetic characteristics, mental or physical disability, years of service or any other discriminatory grounds.
- b) Sexual and other harassment can adversely affect employee morale and is illegal, whether by employees, suppliers, contractors or customers. Likewise, harassment inappropriate in the workplace is also unacceptable in relationship with colleagues or in representing the company outside its premises, such as meetings with customers, suppliers or other events aimed at developing contacts.
- c) The initial attitude of the employee is to strive to meet the intentions and goals of the company and the legitimate interests of stakeholders.
- d) The performance of the employee's work must be associated with the maximum degree of decency, understanding and willingness.
- e) Equal employment opportunities and fair treatment of employees, starting with recruitment and continuing with all aspects of the employment relationship.
- f) The employee is fully aware of the importance of his attitudes and manifestations for the environment and his behavior contributes to the creation and consolidation of good reputation of Valcovna profilov a.s.

- g) The employee is obliged to act politely, correctly and with respect to customers and other employees. However, he is not obliged to endure vulgar expressions and insults or to deal with persons who do not follow the basic rules of good behavior.
- h) The employee arrives at the workplace properly adapted to represent his employer in his appearance and clothing.
- i) Supervisors shall treat their subordinates in full respect and dignity, they divide their tasks reasonably and fairly, evaluate them honestly, objectively and fairly and do not abuse their powers.
- j) Employees show due respect in relation to their superiors, conscientiously, consistently and effectively perform the assigned tasks, they are creative and innovative according to the possibilities of their job classification.
- k) Employees show respect and tolerance in their relationships, willingly help other employees, avoid conflicts and create a good workplace atmosphere based on cooperation, honesty, fairness, justice, responsibility, trust and solidarity.
- l) The right to perform work, to a work environment free from violence or threats of the use of violence. The company does not tolerate any violent act committed by any person in the workplace, the company's premises.
- m) Supervisors are an example in behavior, approach and acting for other employees, support the development of subordinate employees' skills, are open to the comments of subordinates.
- n) The employee is interested in a fair and efficient performance of work and therefore constantly strives to improve his personal preconditions and deepen his expertise.
- o) Employees avoid actions that could be described as "mobbing", which means in particular repeated irreconcilable attacks on employees' self-confidence and self-esteem, bullying in the workplace and various forms of unpleasant work performance characterized by cunning and insidiousness.
- p) The company rejects and does not support any child labor, human trafficking, slavery and expects the same from its business partners.

2.3 Conflict of interest and abuse of working position

- a) The employee always acts in the interest of the employer. He shall refrain from any action which might lead to a conflict of interests, in particular with regards to management of assets and the management of funds. He is obliged to immediately notify the superior or RS of any actual or possible conflict of interest.
- b) The employee shall not misuse information obtained in connection with the performance of work for his own benefit or for the benefit of other natural or legal persons or to the detriment of other natural or legal persons or groups of persons, even after the termination of work.
- c) The employee does not abuse, offer or provide any benefits arising from the performance of work to obtain any property or other benefit for himself or other natural or legal persons. The Company prohibits giving or accepting bribes at all levels.
- d) The employee does not take any resources for his own use and benefit, and will not knowingly contribute to doing so by another natural or legal person.
- e) The employee is obliged to maintain confidentiality about the facts of which he learned in connection with the performance of work and which in the interest of the employer can not be communicated to other parties, at least 5 years after the termination of work. From this obligation can release him in writing only the director of the company.
- f) The superior does not require employees to perform a job that is in conflict with generally binding legal regulations or internal regulations. An employee who believes that he or she is required to act in a manner that is illegal, incorrect or unethical shall notify the RS in writing, electronically or in person, requesting a justification for the required job. RS will ensure that the opinion is communicated to the employee in writing or electronically.
- g) Employees may engage in personal political activities if they wish, but the work of any employee must not be influenced by his or her political views or contributions to political parties. If an employee chooses to engage in political activities he must do so outside of business hours, outside of the company's premises and at his own expense. The company resources such as computers, telephones, copiers, etc must also not be used for personal political activities.

2.4 Bribery, gifts, entertainment and other benefits

- a) The Company does not tolerate any form of bribery or corruption, regardless of whether the intended recipient is a government, local government or business partner. It is prohibited for employees and anyone acting on behalf of the company to give, offer, demand or accept bribes or other inappropriate payments, including the so-called facilitating payments to ensure normal administrative procedures.
- b) Depending on the circumstances, the mutual exchange of gifts, entertainment and business courtesies with customers, suppliers or other existing and potential business partners may give the impression of inappropriateness. As a result, it is generally advisable not to give or accept significant or frequent gifts or entertainment. Any situation where giving or receiving a gift or entertainment would or may appear to be inappropriate, illegal or contrary to the best interests of society should be avoided. It is permissible to give and receive only occasional gifts and entertainment of negligible value, which support the business relations of the company, in accordance with these Rules.
- c) An employee may not solicit gifts or entertainment, or monetary gifts, gifts in the form of cash equivalents, such as gift cards, shopping vouchers, stocks, bonds, commissions, or other benefits for personal gain that could affect decision-making, disrupt professional access, or which could be regarded as remuneration for work which is his duty. This obligation does not apply to awards provided to employees for merit and in case of extraordinary events on behalf of the employer, nor does it apply to a small non-monetary gift of normal value provided once (e.g. promotional items or a box of chocolates, coffee, etc.) up to a total of 20 Eur. Catering for business meetings with third parties up to 80 Eur. In the case of a gift and / or entertainment of a higher value than stated, these must be agreed in advance or additionally and registered on the Gift and Entertainment Records form (according to Appendix No. 1).
- d) Under no circumstances may an employee be influenced by the intentions of other persons which could affect the proper and objective performance of his duties and the outcome of his decisions.
- e) The employee shall not be allowed, in connection with the performance of his or her duties, to be in a position in which he or she is bound to pay for a service or advantage or which deprives him or her of impartiality and independence in decision-making.
- f) If the employee is offered any benefit in connection with the performance of his/her duties, he/she shall refuse the gift and inform his/her immediate superior or RS about the offered advantage.
- g) The provision of gifts and entertainment to third parties is decided by RS or by agreement of the company's management, and these must be recorded in the accounting and entered in the Register of Gifts and Entertainment (according to Appendix No. 1).

2.5 Notification obligation

The employee is obliged to immediately notify the director of the company *:

- a) cases of conflict of interest and suspected conflict of interest;
- b) if it is not possible to avoid conflicts of interest or to prevent such situations that may cause a suspicion of a conflict of interest;
- c) if he is requested or compelled to act in breach of generally binding legislation or internal regulations or in a manner which constitutes an abuse of his/her work position;
- d) finding or suspecting fraud or corruption, giving or accepting a bribe;
- e) vulgar attacks on his person, employer or other employee;
- f) offering any advantage that could adversely affect his/her decision-making;
- g) the finding of loss, misuse or damage of employer's property;
- h) findings of inefficient or uneconomical use of employer funds;
- i) cases of any unfair practices in the workplace, the so-called Whistleblowing - reporting anti-social activity;
- j) any other conduct contrary to generally binding legal regulations.

** Fulfillment of the notification obligation must not cause any harm to the employee. The notifications will be initially checked by the RS, which will then entrust the investigation to an uninterested person, while the protection of personal data must be ensured in accordance with the Act of the National Council of the Slovak Republic no. 18/2018 Coll.*

2.6 Expression of concern

The company's management supports an open approach to resolving any incentive that could arouse any distrust of the company's reliability and the quality of the products and services provided. It authorizes persons

to report a suspected failure of good faith and allows them to submit complaints anonymously or non-anonymously, in one of the forms listed for the ETHICS LINE. It undertakes to prevent retaliatory measures against whistleblowers and takes care of the protection of whistleblowers of anti-social activities in accordance with Act no. 54/2019 Coll.

To increase credibility, the company's management does not accept corrupt behavior of staff and in accordance with applicable legislation guarantees:

- encouragement and empowerment of persons to report attempted corruption, suspected corruption and actual corruption,
- progress of the investigation in confidence in order to protect the identity of the notifier and other persons concerned,
- allows anonymous notification,
- prohibits retaliation and protects notifiers from retaliation,
- allows employees to get help and advice from the person in charge about what he/she should do if he/she faces concerns or a situation that could be the subject of corruption.

If there is a suspicion of unethical or illegal conduct or a violation of this Code, the employee is required to report such conduct without undue delay. To this end, the company has established the following ways of reporting cases of suspected unethical and illegal behavior:

**ETHICS LINE for reporting, expressing concerns of anti-corruption behavior,
violations of the code of ethics and for other suggestions of employees, suppliers,
customers and other stakeholders.**

Notifications can be submitted in any of the following ways:

- **By phone:** +421 905 702 521
- **By E-mail:** pripomienky@valpro.sk
- **By sending a letter to:** Valcovňa profilov, a.s., Bellova 3, 04001 Košice labeled "Ethics Line"
- **Via the website:** www.valpro.sk/en/ethics-line.html

The flow of submitted notifications (expressed concerns) is set so that all notifications are directed exclusively to the director of the company, who as the manager ensures supervision of compliance with anti-corruption regulations, rules and ensures the review of the notification.

2.7 Rules of investigation and dealing with corruption in the company:

- Each notification shall be treated as confidential in order to protect the identity of the notifier and other persons concerned or named in the notification.
- The Company is committed that the whistleblower is protected from retaliation of any kind and no retaliation is taken against him.
- The investigation must be carried out in such a way as to ensure the protection of all participants without adverse consequences (at least for a period of 3 years from the submission of the notification), even if the act is not proven to be justified. Each notification is obligatorily registered in the form "Records of notifications, violations of the rules and complaints" (according to Annex No. 2).
- The investigation of the notification is carried out by a person authorized by the director of the company as soon as possible. It must be ensured that the investigator is independent and not in any way in the position of accused of corruption, nor in any way involved. The investigation itself is provided by at least two employees to ensure impartiality, the investigator must not be part of the influence.
- Throughout the process, investigators must take into account the fact that they must not damage the company's reputation in any way. Third party allegations will be addressed through legal services hired by the Company.

The person in charge of the notification shall be informed of the content of the notification received, then discreetly investigate and examine the content of the notification to obtain evidence of its veracity so as to maintain the principles of confidentiality of the notifier's identity during the investigation. During the investigation (if personal data are provided), the investigator is obliged to maintain confidentiality and ensure the protection of the provided personal data against their misuse according to Act no. 18/2018 Coll.

For a thorough examination, he is obliged to ensure the collection and verification of:

- Facts, evidence and available information.

- Available records, reports, regulations (relevant documentation), including electronic records.
- Interview with witnesses.

The investigator is obliged to consider and take into account:

- Existing legislation and legal obligations.
- Personal safety.
- Defamation risk.
- Whistleblower protection.
- Potential criminal offense.
- Financial losses.
- Loss of reputation.
- Duty of secrecy until the case is resolved.
- Cooperation with the company management.

In the event that the notification is substantiated, the company will initiate disciplinary proceedings against the person who committed the corruption according to the seriousness of the acts, namely:

- termination of employment,
- reassignment to another job position,
- by imposing a fine.

- Verification of received notifications must be carried out no later than 90 days after its receipt. If the notification was not anonymous, the notifier is notified in writing of the findings of the investigation.

- In case of suspicion of committing a crime by the company employees, the investigator will report this finding to the RS and forward the report of corruption to the law enforcement authorities, while the RS is obliged to immediately suspend the employee's work for the necessary period.

- Upon completion of the investigation of the received notification, the investigator is obliged to inform the RS and any other relevant stakeholders (e.g. law enforcement authorities) no later than 10 working days from the end of the investigation and subsequently update the Risk and Opportunity Register in connection with the investigated notification and propose measures to reduce or eliminate the risk of recurrence.

2.8 Confidential information and personal data protection

- a) The employee is obliged to ensure and protect trade secrets, all confidential information of the company, such as business, financial, technical, operational, personal information, etc. Appropriate measures to protect confidential information include identifying information as "confidential", securing computer equipment, applications and confidential information when not in use, disclosure of confidential information only for lawful business purposes, refraining from discussing confidential information in public places and online social networks.
- b) The employee is obliged to secure all personal data received, created, processed and maintained, to protect the privacy and confidentiality of a special category of personal data and other personally identifiable information contained in employment-related documents and other paper, electronic records in the workplace. Act no. 18/2018 Coll. on Personal Data Protection imposes strict privacy protection on the collection and processing of virtually any type of personally identifiable information and personal data.

It is forbidden:

- use confidential information outside of work or for personal gain,
- provide confidential information to anyone outside the company, including family members, or other employees unless necessary,
- provide confidential information about the company to any third party, unless the employee has been authorized to do so,
- to obtain access to confidential information about other persons, including former employees, or to use such confidential information, unless the Company has entered into a written agreement with respect to such information, and in such a case only for agreed business purposes,
- transmit confidential information electronically via devices not authorized by the Company.

3. RESPONSIBILITY AND COOPERATION

- Every employee is obliged to comply with all legislative and regulatory regulations, as well as internal company regulations and standards IATF 16949, STN EN ISO / IEC 17025.

- If this Code of Ethics is violated, the Company Director will notify the employee in writing of the breach of the Code of Ethics in the presence of a third party (e.g. a supervisor) and allow the employee to comment on the breach. A record shall be made of the content of the employee's statement, which shall be signed by all persons involved (if the employee refuses to sign the record, those present will state this in the record and sign the record).
- The director of the company is responsible for the application of these principles and rules in the company and for creating working conditions, resources for their application and for deriving responsibilities.

All decisions regarding cooperation with other entities, suppliers are subject to the exclusive approval of RS, who is also the company's manager and, if justified, individually assesses credibility as part of the risk assessment of the transaction, project, selection and decide on how to proceed (postpone, suspend or revise the transaction, project).

4. FINAL PROVISIONS

- Acting in violation of the provisions of this Code is qualified as a breach of professional discipline with appropriate responsibilities.
- Familiarization of the subordinate employees with the provisions of these Rules shall be ensured by the senior employees of individual sections, departments and the record shall be submitted to the VR. Employees of externally provided processes, external consultants and selected partners of the material relationship, as determined by the RS, VR are also obliged to get acquainted with this Regulation.
- Familiarization of newly hired employees is realized after the initial training by the senior employee.
- Every senior THP employee, especially RS, VR, VSL is entrusted with the checking of compliance with the principles set out in this Regulation.
- The VR is responsible for drafting, issuing and updating these Regulation in accordance with TOS 01 and RS approves it.
- With the entry into force of this Regulation, the Code of Ethics of 15 September 2018 is repealed.

5. ANNEXES

Annex no. 1 - Evidence of gifts and entertainment	F-POR03-05/22-01-5
Annex no. 2 - Records of notifications, violations of rules and complaints	F-POR03-05/22-02-5
Annex no. 3 - Report of the investigation of the Ethics Line submissions	F-POR03-05/22-03-5