

CODE OF ETHICS



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SUBJECT OF THE CODE OF ETHICS

The subject of the Code of Ethics is to set out the basic principles and rules of legal and ethical conduct in all companies of the Polak International a. s. holding (hereinafter the "Holding"). We provide our customers with an individual approach and professional solutions in all areas. A combination of knowledge, experience and innovative ideas allows us to earn the trust of the public and increase the value of the business for our partners.



The basis for continued success is continuous development and improvement in all directions, both for individuals and the organisation as a whole. We act professionally. We provide services and behave in a manner that always ensures that the good name of the company and our clients is preserved. We collaborate with our colleagues and come up with better ways to achieve our goals. We always consider ethical behaviour in all the steps we take.

Our work is always guided by professional standards, laws and other legal norms as well as our internal regulations. However, these rules cannot cover all situations that may arise in our work. Therefore, every employee must be familiar with the rules contained in the Code of Ethics and truly understand their meaning. Each of us should therefore, in the event of any doubts and ambiguities, consult with our supervisor or the person responsible for ethics – **Polak International's Compliance Officer**

Mgr. Lukáš Petr – contact: +420 777 678 483, lukas.petr@ceeattorneys.com (hereinafter the "Compliance Officer"). While the Code of Ethics provides a number of rules and recommendations regarding principles of personal integrity and ethical conduct in professional life, it cannot replace our personal responsibility and judgment.

The aim of this document is to ensure the highest possible level of compliance with the laws of the Czech Republic, including the setting of rules of conduct and procedures in normal work activities, in the implementation of business processes and business relationships, when acting on behalf of the company externally, when giving and receiving gifts, hospitality, invitations to events, donations, sponsorship, etc. It also sets out the basic principles of lawful and ethical conduct and the procedures for monitoring compliance.

The Code of Ethics is binding for all employees working for the Holding on the basis of an employment contract or under agreements held outside an employment relationship and persons representing the Holding (hereinafter referred to as "Employees"), while the statutory bodies of individual Holding companies are responsible for proper implementation and compliance with the Code of Ethics.

Any activities and work carried out for the Holding by employees or external entities must be carried out in accordance with the laws of the Czech Republic, and in the case of the international reach of activities, also in accordance with the laws of other countries to which the relevant activity relates and in accordance with applicable internal rules and guidelines. Compliance with the law is continuously monitored and any suspected breach of the law will be thoroughly investigated and appropriate action will be taken in the light of the outcome of the investigation.



Our employees behave in a way that prevents the reputation of the Holding from being damaged. Above all, they act in the spirit of partnership in an open, fair and non-discriminatory manner and are reliable partners, both internally and in dealing with external parties. If any of us is acting in a situation in which they may reasonably be regarded as a representative of the Holding, they should as a rule express only views consistent with those of the Holding and not their own views. We use all of the Holding's assets, be they tangible, intellectual or electronic property, responsibly within the scope of our business activities and always in compliance with the law, internal guidelines and the legitimate purpose of use.

OUR COMMITMENTS

We create a working environment in which we feel comfortable. We treat our associates, clients and all trading partners with respect and dignity, openness, dignity, fairness, honesty and courtesy. We value our employees and consider them a competitive advantage that must be supported and expanded. As a matter of principle, we avoid any discrimination, abusive behaviour and harassment in the workplace. We aim for a strong work-life balance and help others to achieve the same. We constantly strive to improve our skills and abilities and to ensure a safe working environment.

All employees enjoy equal respect, regardless of their nationality, cultural background, religious beliefs, ethnicity, gender, disability, sexual orientation or age, education or job title, and have the right to be treated fairly, decently and with respect. We protect the human dignity of our employees and do not tolerate any form of abuse or harassment at work.

Abuse of communication systems involving the processing, transmission, retrieval, access, viewing, storage, printing or other dissemination of material and information that is fraudulent, intimidating, threatening, illegal, racist, sexually oriented, offensive or otherwise in violation of professional conduct is strictly prohibited.

Hiring procedures are based on matching candidates' profiles with the description of the job for which they are applying. Aspects of the job are verified. The privacy and opinions of the candidate are respected. The selection process is conducted on the basis of equal opportunity, without discrimination based on age, religion, political affiliation or any other distinguishing characteristics.

Employees who feel they have been the victim of discrimination, harassment (including sexual harassment) or offensive conduct may file a complaint with their supervisor or the Compliance Officer of Polak International a. s. The responsible person will verify each complaint, investigate the matter thoroughly and report the findings of the investigation to the complainant and management, who will propose corrective action when appropriate.

We support the protection of fundamental human rights and do not engage in business activities that violate these rights. We act responsibly towards society and strive to contribute to the development of our surroundings. We support charitable and educational activities and community service.



We ensure a safe and healthy working environment and the protection of health and we strive for continuous improvement. No forced labour or any form of involuntary work is used in our workplaces. The free movement of employees is not restricted, nor are any employee identity documents withheld. The company does not employ children, and no persons under the age of 18 work at night or in hazardous conditions.

Our employees understand their role in influencing and protecting the environment in relation to its further sustainable development, and therefore we declare our commitment to carrying out all our activities related to meeting the needs of our customers and our own in a way that is respectful of the environment. The aim is not only to minimise the negative impacts of our activities on all components of the environment, but also to prevent these impacts, all by constantly improving the level of care for the environment.

WE COMPLY WITH BINDING REGULATIONS AND PREVENT UNFAIR PRACTICES

Each employee and representative of the Holding shall protect and observe the rules of fair and open competition in their actions, and prevent and avoid situations leading to their violation.



Employees must never engage in any cartel activity, which may include negotiations to exchange information with competitors or trading companies to raise or otherwise fix prices, bid-rigging (negotiating with competitors or trading companies on price offers or who will be the successful bidder, etc.), or other illegal business practices that impede free and fair competition.

All financial transactions are accurately recorded and the accounting is managed in accordance with the accounting principles and criteria of the Czech Republic. All financial statements comply with the Czech Accounting Standards (CZ GAAP). The objective is to provide accurate, complete and truthful financial information, to comply with internal controls and procedures, and to demonstrate compliance with the law through external financial audits.

The processing of information is subject to controls and security features that ensure the protection of our data and the data of our suppliers, customers and other interested parties. Employees are not authorised to make duplicate documents for non-work purposes and may not disclose such documents to third parties without the express permission of their superiors. Data of a business nature must not be stored on private computers or other private media. If an employee discovers unlawful processing of sensitive information, they will report this situation immediately to their supervisor or the Compliance Officer. Employees shall follow the instructions on the use of passwords and codes assigned to them.

In our dealings, we seek to avoid situations in which we risk being exposed to a potential conflict of interest, i.e. activity that is or appears to be contrary to the best interests of the company and allows us to gain an undue advantage or benefit. If an employee is unsure, they are to discuss the matter with their immediate supervisor or the Compliance Officer. Former employees are subject to restrictions on the use and disclosure of protected company information.

We do not tolerate criminal behaviour and will always report its occurrence. Employees shall immediately report any suspected violation of laws or legal obligations or actions that are illegal or may significantly affect the achievement of the Company's objectives or damage its reputation to senior management or directly to the CEO of the Holding, and suspected violations of obligations arising only from the Code of Ethics shall be reported to their supervisor or the Compliance Officer. The Company will not retaliate against an employee who has reported a possible violation of the Code of Ethics, i.e. the Company will not dismiss or otherwise discriminate against the employee on the basis of such a circumstance, since the employee has reported a possible violation of the rules. This does not apply to persons who knowingly make false accusations or deliberately provide false information.

OUR RELATIONSHIPS WITH THE INTERNAL AND EXTERNAL ENVIRONMENT



We treat our employees, partners, customers and suppliers responsibly so that our relationships are built on long-term fair cooperation, and we strive to respond flexibly to situations that arise. We conduct our activities with integrity, honour and openness, with regard for human rights and with respect for the rights of our employees. We also respect the legitimate interests of our trading partners, government authorities and the public.

Relations with and among employees

It is clear to us that we are only able to achieve our goals with the help of all our employees being willing and able to take responsibility for the tasks entrusted to them.

We recognise that our employees are our greatest asset and that achieving the best results is only possible when everyone is involved. For this reason, we support and invest in their development and training and, naturally, pay them fair remuneration for quality performance. We also strive to engage each employee to make the best use of all their knowledge, experience and skills. We expect high personal standards from our employees in terms of work performance, employee relations and health and safety.

We foster a culture of open communication. Since every opinion counts, we encourage employees to act on their own initiative when making decisions and solving problems. All employees are members of the same team and each acts in accordance with the interests and priorities of that team.

Individual company departments operate as "internal customers". As each department is both a supplier and a customer of the services of other departments, the departments strive to understand each other's needs and continuously optimise their activities.



The role of managers

All the activities of the managers are always directed towards one goal, namely the creation of optimal conditions for the engagement of each employee to the full extent of their knowledge, experience and capabilities. Each manager is responsible for compliance with the law and the Code of Ethics by their subordinates and they strive to achieve the objectives set out in this Code. They identify problem situations, monitor the activities of their subordinates continuously and, in the event that they find any misconduct, are obliged to stop the incorrect activity of a subordinate and arrange for correction.

Managers set a positive example for their subordinates and earn their respect through their personal integrity, results, integrity and social competence. They also support the career development of their subordinates and listen to the problems and concerns that their subordinates bring to them. They also take an interest in the personal problems of their colleagues and try to lend a helping hand whenever possible.

Managers select suitable employees on the basis of their professional skills and personal competencies, taking into account the relative importance of specific tasks and the employee's performance. Managers set clear objectives for their subordinates and, to this end, employees receive from them clear, complete, and binding instructions that comply with the law and can be evaluated retrospectively and properly.

Managers are obliged to conduct a proper appraisal of each of their employees at least twice a year in the form of a personal interview that assesses the employee's performance and status, their abilities and opportunities for further development. This interview is conducted in the spirit of partnership and friendship and is always documented by a record and filed in the employee's personnel file. The documented conclusions are used to determine and monitor the subsequent steps in the employee's development.

Managers shall ensure that all subordinates are informed of the consequences of breaches of their obligations under the law or the Code of Ethics.

Managers ensure fair and non-discriminatory remuneration. The employee must be informed in advance of any changes in remuneration, both positive and negative (payment of bonuses, extra remuneration or reduction of personal remuneration, etc.).

Relations with customers and suppliers



The company is committed to the satisfaction and protection of its customers by taking into account their feedback that could lead to improvements in the quality of products and services. Relationships with trading partners are based on maximum trust, mutual respect, transparency and cooperation and are in full compliance with the law. Contracts are negotiated and signed according to clear and prescribed procedures and respect Czech and international law.

We apply an honest, fair and responsible approach to customers and suppliers in our business activities, and we consider satisfying customer needs and interests a prerequisite for a successful and lasting business relationship. We place a high value on good relationships with our customers and suppliers, use only legitimate business methods and adhere to agreed terms and conditions. In the event that we cannot meet the agreed terms as a result of extraordinary circumstances, we will initiate negotiations with the trading partner as soon as possible in order to find an alternative solution.

Employees at every level provide timely, complete, unbiased, truthful and understandable information about products and services. They shall not spread untruths, conceal information, or exaggerate in advertising and other public appearances.

We create a safe working environment for our trading partners and their employees who conduct activities on the premises of the Holding.



Relations with institutions

All relations with Czech or international institutions are based on the need to assess the impact of the Holding's legislative and administrative measures, the necessity of cooperating with the regulatory authorities and the need to acquaint them with the Holding's positions on relevant topics.

In our relations with public institutions, we behave in accordance with legal and ethical principles, and we do not create opportunities for illegal support, incitement or undue influence that could jeopardise the reputation of the Holding.

Employees shall provide truthful, understandable, and timely information in communications with institutions within a reasonable range and in accordance with the law and ethical behaviour.

Relations with shareholders



The Holding's companies conduct their business activities in a manner that protects economic and financial performance and further enhances value in order to provide their shareholders with a fair return for the risk assumed in investing their capital. They strive to create conditions that enable shareholders to participate through the administrative institutions (board of directors or supervisory board, etc.) in ascertaining the true state of the company, while at the same time supporting important investment or long-term decisions, ensuring equal access to information and protecting the interests of the Holding in accordance with its Articles of Association.

Public relations

We respect and uphold the principles of free expression, a free press and the protection of personal rights and the right of access to information. In accordance with our communication policy, we are committed to providing complete, unbiased, and understandable information published at the right time.



Only authorised persons may act on behalf of the Holding. An employee who wishes to make a public appearance, publish or take part in discussions in connection with any of the Holding's companies or the subject matter of their activities must obtain the approval of the Holding's statutory body.

RULES FOR THE RECEIPT AND PROVISION OF BENEFITS

Donations

Donations of up to CZK 500 per person (or the equivalent in foreign currency) do not require any further approval, unless they are made repeatedly over a short period of time.

It is prohibited without exception to give or receive the gifts on the following list:

- cash payments (e.g. cash, vouchers, interest-free loans or loans with a reduced interest rate),
- gifts made to influence a business decision or as a reward for such business decisions,
- donations that are specifically requested by a trading partner.



Gifts not listed in the preceding text, in particular gifts of more than CZK 500 per person (or the equivalent amount in foreign currency), must be approved by a member of the Holding's statutory body.

Hospitality

Hospitality is a benefit that is provided to or received by employees in the form of food and beverages or other forms of dining. In particular, an invitation to a restaurant is considered hospitality. Meals provided during an event are considered part of the event and are therefore viewed in the same way as invitations to events and their approval.

Without special approval, but provided that all other applicable internal regulations are complied with, it is possible to provide refreshments during business meetings with trading partners as long as the value does not exceed CZK 1,300 per person (or the equivalent amount in foreign currency). However, consent is required if this type of benefit is provided repeatedly over a short period of time.

Hospitality that is prohibited (without exception) includes the following:

- any type of hospitality intended to influence or manipulate a business decision or which is provided as a reward for such a decision,
- any type of hospitality that goes beyond normal business practices,
- any kind of hospitality with a personal motivation.

Gifts not listed in the preceding text, in particular gifts of more than CZK 1,300 per person (or the equivalent amount in foreign currency), must be approved by a member of the Holding's statutory body.



Invitations to events

An invitation to an event is a request to attend an event that goes beyond the category of hospitality. Employees of the company issuing the invitation must also attend the event. Otherwise, the provision of tickets to sporting or cultural events is considered a donation and must be qualified and approved as such.

Invitations to events of a business nature may be extended without specific approval if the event is focused on business activities and nothing else is provided (e.g. travel, sightseeing, etc.) – the purpose of such events is to showcase the activities of the company hosting the event. These can be, for example, special events organised for customers, the main part of which is the presentation of newly launched products, or, for example, excursions to a production plant, exhibitions on a manufacturer's premises, visits to company booths at trade fairs, workshops or other types of training for trading partners.

Invitations to non-work events (the purpose of such events is not to showcase the activities of the company hosting the event), e.g. sporting or cultural events or other types of events with a focus on leisure activities, such as football matches, golf, skiing or holiday trips, etc. These non-work-related events are permitted if:

- the value of the invitation to the event does not exceed CZK 1,300 per person (or the equivalent amount in foreign currency),
- such invitations are not extended repeatedly within a short period of time,
- an employee of the company issuing the invitation also attends the event (if not, the provisions relating to gifts apply).

Invitations to events of a non-working nature are prohibited if their nature implies that they are primarily for holiday purposes.

Invitations to events not listed in the preceding text, in particular invitations to events in a value exceeding CZK 1,300 per person (or the equivalent amount in foreign currency), must be approved by a member of the Holding's statutory body.

Benefits or perks for public officials

Public officials, i.e. persons who have the status of a public employee (e.g. people employed by the state administration or local government and employees of institutions providing services in the public or state interest), regardless of the specific position they hold in the institution, are strictly prohibited from offering, promising, providing or approving physical gifts, entertainment, services or other advantages, benefits or emoluments in order to influence their decision making. Employees of private companies can also be considered public officials, provided that the state has a majority share in the company. Members of Parliament, members of political parties, members of the government and employees of international public institutions (e.g. the United Nations, EU institutions, etc.) are also considered public officials. If the legal requirements or provisions of local legislation regarding the definition of public officials are stricter in a particular country, they must be complied with.

Furthermore, it is strictly prohibited to obtain an advantage retroactively or to give a commission for an advantage in the past, regardless of whether or not such advantage was lawfully granted. Public officials are not usually given any benefits, but inviting or entertaining public officials is allowed in certain circumstances:

- when public officials are speaking at an event in the course of their duties (e.g. sporting, cultural or charity events and presentations),
- an invitation/hospitality is desirable when public officials are given the opportunity to exchange information within the scope of their work.

All benefits granted to public officials are subject to the prior approval of a member of the Holding's statutory body.

Payments to facilitate or accelerate processes

The company prohibits all types of payments that facilitate or expedite processing (i.e. payments to officials to perform an act that they would normally perform as part of their job duties in order to secure or expedite the performance of a routine operation to which the payer is entitled), such as:

- providing a benefit in connection with the issue of a visa, passport or residence permit,
- the granting of an advantage in connection with the processing or approval of an application, the granting of an advantage in connection with the issue of a licence.

DONATIONS AND SPONSORSHIP

A donation is a form of benefit (in cash or in kind) provided to third parties voluntarily for cultural, scientific or humanitarian purposes, which we provide free of charge and without compensation. Membership fees for cultural and social associations also fall into this category.

The company provides donations exclusively to non-political entities, and the following types of entities are not eligible for donations:

- natural persons, unless it is the provision of assistance in an emergency,
- organisations established for the purpose of generating a profit,
- organisations whose operations do not comply with tax laws.

Each donation is subject to the prior approval of a member of the company's statutory body and the Holding's CEO.

Sponsorship is support for individuals, groups, organisations, institutions, projects or events by companies or individuals through the provision of money, in kind, or services with the aim of receiving defined compensation and being visible to the public. The marketing department is responsible for ensuring that the sponsorship is visible to the public; sponsorship agreements must be in writing and deviations from the standard agreement are not permitted. The services and commissions must be clearly defined in the contract, and their scope must be mutually appropriate, with sponsorship contracts governed by the rules set out in internal guidelines.

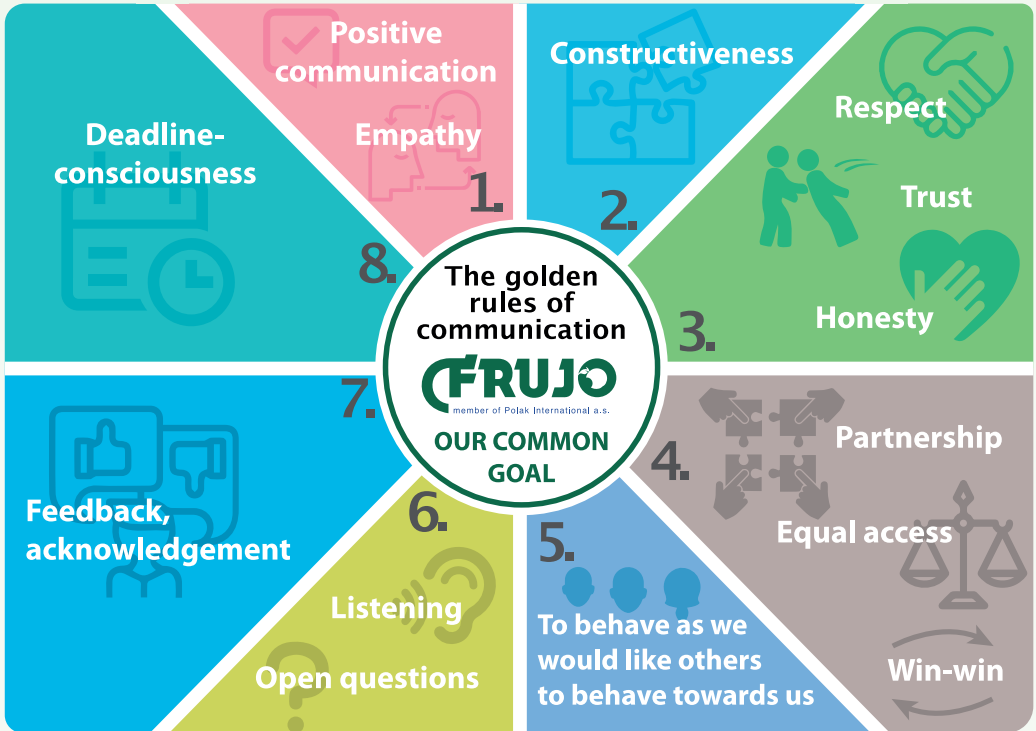
Social responsibility and sustainable supply chain policy.

The company's management has committed to the principles adopted by the OECD and published in the OECD-FAO Guidance for Responsible Agricultural Supply Chains. The management identifies potential direct and indirect risks to human rights and the environment in the company's supply chain and based on this analysis develops policies to prevent and address potential negative impacts of its activities.

OUR VALUES

The motto "Our customer's problem is our common problem, my colleague's problem is my problem" is applied throughout our company.

FAIRNESS
ASPIRING
EXPERIENCE
RELIABILITY
INNOVATION



Thanks to our educated and motivated staff, we are able to produce truly innovative, healthy and quality products while being a modern and reliable partner for our employees and customers. We do all this with enthusiasm and a high level of work commitment.

TEN RULES OF CONDUCT AND ETHICAL PRINCIPLES

- 1) We provide our customers with an **individual approach** and **professional solutions** in all areas.
- 2) We provide services and behave in a way that ensures that we always preserve the good name of the company and our clients.
- 3) We use all of the assets of the Holding and its client, be they tangible, intellectual or electronic property, responsibly within the scope of our business activities and always in compliance with the law, internal guidelines and the legitimate purpose of use.
- 4) We create a working environment in which we feel comfortable. We treat our associates, clients and all trading partners with **respect and dignity, openness, dignity, fairness, honesty and courtesy**. We support the protection of fundamental human rights and do not engage in business activities that violate these rights.
- 5) We aim for a strong work-life balance and help others to achieve the same.
- 6) We constantly strive to improve our skills and abilities and to ensure a safe working environment.
- 7) We are only able to achieve our goals with the help of all our employees being willing and able to take responsibility for the tasks entrusted to them. We recognise that our employees are our greatest asset and we are committed to achieving the best possible results by supporting, developing, training and rewarding their quality performance.
- 8) We do not offer or solicit anything that could be considered a bribe. We avoid situations in which we might have a conflict of interest. We act transparently both in relation to our company and to our trading partners.
- 9) We do not tolerate illegal behaviour and will always report its occurrence. Employees shall immediately report any suspected breaches of legal obligations or actions that may significantly affect the achievement of the company's objectives or damage its reputation.
- 10) Our employees understand their role in influencing and protecting the environment in relation to its further sustainable development, and therefore we declare our commitment to carrying out all our activities related to meeting the needs of our customers and our own in a way that is respectful of the environment.

**A SHARED JOURNEY THROUGH
THE WORLD OF FLAVOURS ... MORE THAN 30 YEARS**


In Tvrdonice, validity and effective as of 1 May 2021



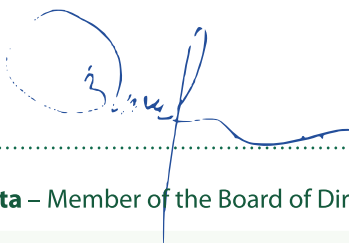
.....
Šimon Hamerský – CEO of the Holding



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Vít Němeček – Chairman of the Board of Directors



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Vlastimil Brantal – Member of the Board of Directors



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Jan Blata – Member of the Board of Directors

