



CODE OF CONDUCT OF THE AGROFERT GROUP

Principles of Ethical Behaviour in the AGROFERT Group

1. BASIC REQUIREMENTS FOR ETHICAL BEHAVIOUR, PRINCIPLES OF CORPORATE CULTURE

This Code of Conduct applies in full to members of the company's bodies, all employees of the AGROFERT Group companies in a labour-law relationship, agency employees and persons authorised to perform any actions on behalf of the companies (hereinafter the "employee").

As an integral part, the Code of Conduct uses the term "integrity" which shall, in general, be understood as the level of ethics and credibility of the company. It describes the level of the company's relationship with all of its business partners, collaborators, shareholders and the public, which furthermore shapes the presentation, actions and behaviour of its employees in everyday work.

The Code of Conduct cannot cover all possible situations that may arise, nor the specifics of the application of different laws and regulations. The aim of the document is to define the minimum requirements for ethical behaviour and the principles of corporate culture, which are binding for every employee of the AGROFERT Group and provide basic guidance for decision-making in individual situations.

The Compliance programme is based on management systems, control mechanisms and other internal regulations of companies.

1.1 Behaviour in accordance with legal and internal regulations and ethical rules

Compliance with legal regulations is one of the main principles of the AGROFERT Group. All Group employees are obliged to act in accordance with the law and see to it that any violations thereof are avoided. Employees shall comply with:

- laws and regulations,
- internal regulations of the AGROFERT Group and relevant companies, relating to employee duties, fire protection, occupational safety, handling of chemical substances, prevention of serious accidents, measures for handling computer equipment and data, emergency accidents reporting and other internal regulations,
- rules of ethical behaviour (Code of Conduct) and practice applied by the employer and within the AGROFERT Group.

All employees must not only comply with laws and regulations and avoid violations of the law, especially in the area of possible criminal sanctions, but they must also take into account the disciplinary and other consequences that would arise from a breach of duty.

1.2 Responsibility for the public image of the AGROFERT Group

In accordance with the Code of Conduct, AGROFERT Group companies enforce integrity in the conduct of companies. The Compliance Management team, together with the Group's senior management, actively participates in acquainting employees with the Code of Conduct and ensures its application.

- Every employee and other persons engaged in a legal relationship with the Group companies must respect that specific persons – in particular the corporate spokesperson or other authorised employees or departments of the individual companies – are designated for the purpose of crisis communication or giving statements for the media or social media, as appropriate, in order to avoid misrepresentation of the information provided or distortion of the company's legitimate interest.
- An employee should refrain from any statements (including in private) damaging the company's legitimate interest. An employee must be prudent when using social networks and means of communication, including in private activities, and prevent disclosure of confidential information as well as information that could be understood as insulting, damaging, denigrating or defamatory against individuals or

the company. An employee must also pay attention to the rules on the protection of personal data when publishing contributions.

- The AGROFERT Group companies strive to fulfil the ethical, environmental, social and other commitments towards the public, based on meeting the day-to-day obligations of their employees in order to prevent inadequate behaviour that could damage the Group companies or the AGROFERT Group as a whole in public, in relation to public institutions and business partners.

1.3 Mutual respect, honesty and integrity

The AGROFERT Group employees are aware of their duties and responsibilities both in internal cooperation and towards external partners.

The AGROFERT Group companies shall:

- ensure equal and non-discriminatory conditions for all employees regardless of age, race, nationality, religion, gender or disability,
- not tolerate violence, threats, insults, intimidation, sexual harassment, any form of attacks and aggressive behaviour, hostile behaviour or any other inappropriate behaviour in the workplace,
- respect human dignity, privacy and individual rights of every person,
- promote, in addition to equal access and non-discrimination, team cooperation and willingness to share information and knowledge,
- pursue the same approach towards both the in-house employees and the agency staff,
- employees show respect and esteem towards their colleagues and superiors, they create conditions for mutual cooperation with their conduct, respect the instructions of superiors and do not take any action to reduce the authority of their colleagues or superiors,
- provide reliable information, the submission of false or misleading information, information taken out of context, concealment of material facts or other dishonesty and manipulation are not tolerated,
- be in favour of promoting innovation, new suggestions and solutions, beneficial changes, ability to accept new solutions in practice, willingness to help a colleague in an appropriate manner.

1.4 Leadership, responsibility and supervision by managers

The culture of ethical behaviour and Compliance starts at the company's top management. All members of corporate bodies, managers and senior executives set an example and create a Compliance environment and culture within the company, have a thorough knowledge of the rules and ensure their implementation and enforcement in practice, communicate the Compliance Programme and provide training to the employees, proactively identify Compliance-related issues and risks and take relevant preventive measures to minimise risks. They create an environment where employees are not afraid to report a violation of the rules. Where a violation of the rules is detected, they take relevant measures unconditionally and immediately.

A manager shall be responsible for the employees reporting to him within the meaning of organisational rules and labour regulations and shall see to it that they receive proper training. A manager shall be obliged to:

- with respect to the principles of the Code of Conduct, organise and check the fulfilment of the assigned tasks, bearing in mind that legal and internal regulations need to be respected and any violation thereof needs to be prevented,
- have tasks of technical and operational nature professionally reviewed as regards the technical underlying materials corresponding to the issue in question and the safety, fire prevention, health and environmental aspects including submission of the relevant documentation, certificates and licences, test results and attestations,
- not tolerate any violation of legal regulations and internal rules and, in case of an attempted violation thereof, draw labour-law consequences. A manager shall be aware of the fact that a violation of occupational safety or fire prevention rules, neglect of preventive measures and maintenance can have not only ethical consequences for the company and the employees affected, but also cause material and financial damage which significantly exceeds the costs of the preventive activities or even the charges being brought against the company in terms of administrative or criminal liability of legal persons,
- resolve ambiguities related to the resolution of labour or legal issues with human resource specialists and lawyers to ensure compliance of the resolution of the given issue with the labour law, administrative and criminal liability of legal persons and other legal regulations.

The responsibility of managers does not relieve the employees of their own responsibility in fulfilling the rules of Compliance and their work duties.

1.5 Quality and health safety of products, environment, occupational safety

- Quality management and control systems are implemented to ensure that products and production processes meet or exceed the legislative and regulatory requirements, as the quality and safety of products and production processes are among the highest priorities in all sectors where the companies of our group operate (safe and harmless food and feed, agricultural commodities, sustainable biofuels, safe chemical products in compliance with environmental standards, etc.).
- Group companies protect their employees and third parties alike. They comply with applicable laws as well as the corresponding company rules in the field of occupational health, occupational safety and safe operation of technical equipment.
- Group companies respect the protection of the environment and comply with the legal regulations applicable in this area.

2. RELATIONSHIP TO BUSINESS PARTNERS AND THIRD PARTIES

2.1 Protection of competition and fair trade principles

Group companies are prepared to successfully compete in today's business environment and they will always do so in full compliance with all competition laws and regulations on protection against unfair competition. Therefore, employees must always follow the following rules:

- Trade policy and prices shall always be set independently and they must never be fixed, formally or informally, directly or indirectly, with competitors or other parties.
- Customers, territories or product markets shall never be distributed in agreement with competitors and they must always be the result of fair competition.
- Competitors or their representatives must never be provided with sensitive business information, which may include information on prices, offers, business conditions, market share, costs or margins.
- When participating in trade associations or in other mutual relations with competitors, it is prohibited to participate in conduct that would be contrary to the law or this Code. Should a competitor seek such conduct, it is imperative to express disagreement.
- If a company has a leading or significant position on a market, it must never act in a way that would be perceived as an abuse of market power (e.g. the sale of products or services below the production costs, etc.).
- Customers and suppliers must always be treated fairly and equitably.
- All employees, and especially those who work in sales and purchasing, marketing or those who are in regular contact with competitors, are obliged to familiarise themselves with all relevant competition laws and, if in doubt, it is their duty to contact the legal department of the relevant company, and in the last instance, they shall contact a specialist from the Legal Division of AGROFERT, a.s., who will provide them with the required information and regular training regarding relevant competition regulations. This training is mandatory for selected employees.

2.2 Business conduct

- The company offers and sells its products and services based on their quality and price.
- All business operations must be approved in accordance with the applicable internal rules.
- Business relations must be in accordance with generally binding legal regulations and they shall be documented by the relevant documents.
- In their business activities, employees shall follow legal regulations in the area of measures against money laundering and terrorist financing.

2.3 Business courtesy, anti-corruption behaviour and dealing with the public sector

- An employee must respect anti-corruption regulations. It shall be prohibited to engage in activities that could be perceived as corruption and exercising influence over a partner in order to obtain unjustified advantages for the company or the AGROFERT Group.
- Group employees may not, directly or indirectly (using third parties), offer, give, require or accept bribes or gifts and favours that could be perceived as a bribe or privilege. Only corporate gifts of reasonable value may be accepted and provided. Other gifts must be tactfully refused.
- An employee may only accept and offer invitations to a meal of reasonable value, or if refusing an invitation would be contrary to the principles of polite conduct in a given environment.
- Caution shall also be exercised with regard to activities such as invitations to an event, trip, conference, etc., which may be provided or accepted only as part of official business activities (never as an individual)

to the extent appropriate to legitimate business purposes, as long as they are consistent with normal business courtesy, i.e. the usual practices in the giver sector, and only if they exclude the impression of undue influence.

- The employees shall respect the rules and regulations governing grants, public procurement and other tenders of state and public institutions. They shall present true and undistorted data in communication and in documents. It shall be prohibited to influence the representatives of those institutions in any form whatsoever in order to obtain an unjustified advantage.
- Any negotiations and communication with representatives of organisations related to the public sector during a tender or a grant award process shall take place only to the extent defined by law, and an employee is not entitled to maintain above-standard relationships with decision-makers in such cases.

2.4 Rules governing procurement and business negotiations

- Every potential supplier who wishes to win a contract from the company always expects an honest and unbiased evaluation of their offer or bid, which must be respected by the company employees whose job description includes procurement; the same shall apply to entering into business and sales agreements with customers of the AGROFERT Group companies.
- Suppliers bidding for contracts may not be favoured or disadvantaged in any dishonest manner; the same shall apply, by analogy, to customers.
- Business relationships shall only be established with partners where there is no doubt about their reputation, the legality of their business and whose funds come from legitimate sources. It is not allowed to participate in activities that could assist a third party in carrying out potentially unlawful activities. A manager responsible for a business relationship is obliged to check the business partners and not enter into the business relationship in case of doubts or possible risk to reputation.
- The company shall comply with all applicable regulations, rules and controls relating to international trade, including international sanctions (e.g. restrictions on the trading of certain types of goods with certain partners).

2.5 Donations provided by the company

AGROFERT, a.s. and the AGROFERT Group companies shall provide earmarked financial and in kind donations to finance science and training, research and development purposes, culture, education, fire prevention, youth support and protection, animal protection and animal health, as well as for social, health care, environmental, charity, physical education, sports and other purposes.

Every company within the AGROFERT Group shall follow the following rules as regards making donations:

- it shall not, in principle, accept the requests of natural persons or provide payments or small amounts to private accounts; an exception to this rule may be approved by the company's Board of Directors, taking into account the social or other aspects of the request,
- it shall not provide any contributions to persons and activities if their support could damage the reputation of AGROFERT Group companies,
- the beneficiary of the donation, the specific use of the donation by the beneficiary and the reasons for the contribution must be known,
- the use of the donation must be documented by receipts at any time,
- it is forbidden to accept and give gifts / contributions provided as compensation for a certain work or service significantly exceeding the value of this service.

3. PREVENTING A CONFLICT OF INTERESTS

3.1 Conflict of interests

In their work activities, the employees shall make sure they avoid any conflict between their private interests and the interests of the AGROFERT Group and they shall consistently prevent all situations that could give rise to an actual, perceived or potential conflict of interests.

- An employee shall be obliged to **report, to their superior, any personal interests that could affect the assignment and implementation of their work tasks** (i.e. to demonstrate their independence of how the work task is being handled – such risks of conflict of interests and possible failure to remain objective include personal or professional ties/relationships between the employee or persons close to them and the staff/beneficiaries of the business partner, the employee's interests or the close person's interests

in the business partner's revenue, personal business relations of individual nature¹, but also a confidential non-work relationship with a subordinate).

- **The superior employee shall always assess the risk of conflict of interests and decide on additional measures** (e.g. in the area of control and approval of a business relationship, on the transfer of responsibilities for relations with the partner to another employee) and the superior **must provide** a written report to the relevant Compliance Officer with information about the conflict of interest and its resolution.
- The employees may not place any personal orders or enter into business deals with corporations with which they are in professional contact, where this could give rise to certain advantages for the employees, which are not normally offered to the public – in particular where the employee has or could have a direct or indirect influence on contracts being awarded to such corporation. Entering into such a business deal by a person close to the employee, giving rise to an individual benefit, shall also be considered as a conflict of interests.

3.2 Secondary activities

Every employee shall be obliged to carry out their work tasks with full commitment and use their best knowledge and skills to fulfil their responsibilities. Any secondary activity having a negative impact on the fulfilment of those responsibilities shall not be permitted.

Other gainful activity, which is identical with the subject of the employer's activity, or which could lead to a possible conflict of interests with the interests of the employer, may be pursued only with the prior written consent of the employer.

A member of a body is obliged to comply with legal and contractual rules on conflicts of interests and non-competition, including cases of conflict with interests or business of other companies of the group. In any case of their conflict of interests or violation of the non-competition or a threat thereof, the person concerned shall be obliged to notify the company accordingly.

Every employee and every member of the bodies who participate in any manner (including through a close person) in companies² that are in a business or competition relationship to the AGROFERT Group companies shall be obliged to notify, in their own interest, the competent company Compliance Officer in writing.

Conflicts of interests shall also include the unethical transfer of business information, recommendations, know-how and other information of the AGROFERT Group, which may facilitate the gainful or competitive activities of others.

4. HANDLING OF INFORMATION

Efficient cooperation requires correct and true information provided in the company in relation to colleagues, investors, customers, business partners, the general public and state institutions.

4.1 Financial statements and controls

All reports, statements, data reports or drawings for internal and external use must be correct and correspond to reality.

In accordance with the principles of properly kept accounts, the data must be complete, correct, timely and they must be correctly kept in the economic administration software, which applies also to entering sponsorship donations into accounts.

All transactions must be adequately recorded and documented. The defined processes and controls ensure that all operations are carried out in accordance with the rules and approval mechanisms in place and that any unapproved, undocumented or unauthorised transactions are identified.

4.2 Protection and handling of personal data

Group companies are obliged to process personal data only for legitimate purposes arising from the relevant legal regulations and contractual relations, or on the basis of the data subject's consent.

¹ Individual nature shall be understood as individually agreed business conditions or discounts in a private business relation with that partner, e.g. in the construction industry, where the different supplies constitute individual agreements (i.e. if an employee affecting the contract of the corporation in question for the employer uses the supplies by the same corporation for private purposes as well). *Such conflict of interests is not expected for services without the possibility of individual discounts, which are governed by the standard rules and price lists, as long as it concerns conditions and discounts usually offered to the public – for instance, it shall not be considered a conflict of interests to have a standard plan (usually offered to public) with the mobile operator of the company or a current account under the standard commercial terms and conditions with a bank that provides financial services to the employer.*

² *Ownership share, participation in the control and management of the company, beneficiary, member of a body, labour-law relationship.*
Code 08 A02, r05, valid from 8.4. 2021

The employees are required to know the applicable legislation, principles of collection, use, transmission and storage of personal data and they must ensure compliance therewith and provide comprehensive protection for all personal data collected by the Group companies.

4.3 Trade secret and confidentiality of information

An employee must not disclose facts he learns in connection with the performance of work, he must protect them and ensure that there is no accidental leakage of this information. These are, in particular, trade secrets, the relations between the company and members of the Group, business methods and procedures, pricing policy, business plans and marketing strategies, information of business partners, commercial terms and conditions of contracts, information on financial and volume-related indicators for the marketed products, goods and services, the financial situation, financial statements prior to their mandatory publication, working and wage conditions of the company employees, any personal data, etc. Any violation of this obligation would significantly undermine the company's legitimate interest in the protection of such data, with a risk of damage to the company. The confidentiality of information shall be maintained even after the termination of employment.

5. COMPLAINTS

In accordance with the applicable labour-law and organisational rules, employees should, if possible from their point of view, use internal means to resolve disputes they may encounter in the course of their work, using the standard operational procedures.

Any AGROFERT employee may submit a complaint or point out the circumstances from which it may be inferred that there has been a breach of ethical rules; the above may be submitted to their superior, human resources manager, company lawyer or Compliance Officer.

One of the instruments for resolving possible violations of the rules of ethical conduct is the Ethics Line, to which every employee of the AGROFERT Group can communicate their possible findings or suspicions of unethical behaviour in the company and the AGROFERT Group:

<http://www.agrofert.cz/compliance/>

or at the phone number **+420 272 192 999**

Every complaint recorded at any level of the Compliance Officer team or at the TELL US ethics line shall be investigated in detail and corrective measures shall be taken where necessary.

All documentation related to the investigation shall be considered confidential.

Retaliatory measures, in any form, against the person who submitted a complaint shall not be allowed or tolerated.

In Prague on 8. 4. 2021

Ing. Zbyněk Průša
Chairman of the Board of Directors
of AGROFERT, a.s.

Ing. Josef Mráz
Vice-Chairman of the Board of Directors
of AGROFERT, a.s.

This Code of Conduct was issued on 1. 9. 2011 (in the current revision on 8. 4. 2021), and it was approved by the Board of Directors of AGROFERT, a. s. as binding for its employees and for the entire AGROFERT Group. It forms a part of the internal regulation of AGROFERT, a.s., which contains further details, including the implementation of rules, training of employees and the method of control.