

# Supplier Code of Conduct



# Message from the CEO

At Draslovka, we believe that success is built on strong relationships founded on trust, shared values, and a commitment to always do the right thing. Our Supplier Code of Conduct (the Code) reflects these principles, serving as a guide to how we work together to achieve our shared goals responsibly and sustainably.

This Code outlines our expectations in key areas such as ethical practices, business integrity, mutual respect, workplace safety, environmental protection, product safety, and safeguarding information and property. It also emphasizes the importance of maintaining high standards throughout the supply chain and fostering a speak-up culture where concerns can be voiced openly and constructively.

By adhering to these principles, we not only strengthen our partnership but also contribute to a positive impact on society and the environment. Thank you for your commitment to upholding the values set out in this Code and for being an integral part of our journey towards excellence and sustainability.



**Pavel Brůžek Jr.**

Chief Executive Officer





# 01

## Ethical practices, business integrity

### Corporate governance, transparency

Draslovka follows all applicable laws, regulations and codes of best practice to our business, in all countries of operation. Draslovka has adopted a zero-tolerance approach to bribery, corruption, money laundering, tax evasion and other forms of fraud and illegal or unethical conduct. At Draslovka, we never improperly influence the competition or others' business decisions.

### We expect our suppliers to:

- Uphold strong corporate governance based on honesty, transparency and integrity.
- Respect all laws, regulations and codes of best practice applicable to their business.
- Never attempt to cover for a person who does not comply with laws, regulations or company policies.
- Always operate based on valid government licenses and approvals that are required to conduct business.
- Perform all business dealings transparently and accurately record them on their books and records and, as applicable, in documents and records provided to Draslovka.
- Implement adequate policies and safeguards to make sure that antitrust and competition laws, trade control laws and economic sanctions, tax laws and AML rules are always respected.
- Strictly follow anti-bribery and anti-corruption laws and best practices and implement and enforce zero tolerance policies towards any attempts to secure a business advantage in an unethical way.

### Conflict of interest, gifts and hospitality

Draslovka manages conflict of interest carefully because it may be detrimental to our mission to always do the right thing. We do not support giving and receiving gifts. Draslovka's employees do not expect any gifts from our suppliers and may be even forced to reject them.

### We expect our suppliers to:

- Disclose any instances where their or their employee's interest may conflict with their duty towards Draslovka, including any such relationships with a Draslovka employee.
- Implement a clear gifts and hospitality policy significantly limiting giving or receiving gifts or hospitality, especially forbidding gifts that violate the law or ethical standards or which may be perceived as an attempt to improperly influence business relationship or an official decision.
- Refrain from offering any gifts to Draslovka's employees unless they have a purely symbolic value and purpose.
- Strictly follow all applicable laws and regulations when dealing with the government, other public authorities or politically exposed persons and political parties, including political lobbying.

# 02

## Mutual respect and safety at work

### Human rights and employment conditions

At Draslovka, we are committed to protection and advancement of human rights wherever we operate, which translates into specific commitments towards our workforce, suppliers and the communities we operate in.

### We expect our suppliers to:

- Protect, respect, promote and expressly commit to the international law on human and workers' rights, framed mainly by the UN Universal Declaration of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work and applicable ILO conventions and reiterated in the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises.
- Incorporate the corporate responsibility principles in their policies, including human rights due-diligence and grievances and remediation mechanisms, defined in the UN Guiding Principles on Business and Human Rights.
- Under any circumstances, avoid the use of or involvement in child labor, forced or compulsory labor, slavery, servitude or human trafficking, thoroughly investigate and follow up on any such indications in their operations and supply chain and inform Draslovka about findings.
- Create an environment free from torture and cruel or abusive disciplinary practices.
- Define the role of security function present at their premises in accordance with applicable laws and with the utmost respect to the workforce and local communities.



- Abide by all applicable labor laws, fair labor standards and contractual agreements, including legal age, minimum wage, maximum working hours and paid holidays, overtime payments and freedom of association and the right to collective bargaining.
- Respect the rights, including the rights to land, cultural heritage and traditions of local communities, including indigenous people, and approach local communities with understanding.
- Establish processes to enable the remediation of any adverse impacts they cause (human rights, health, employment conditions or other) or to which they contribute.

Suppliers are strongly encouraged to:

- Pay adequate living wage and avoid the use of temporary contracts or indirect employment as a tool to deny employment rights.

Health and safety

At Draslovka, we put safety first. We share a personal and professional commitment to protect the safety and health of our employees, contractors, customers, local communities and others who may be potentially affected.

We expect our suppliers to:

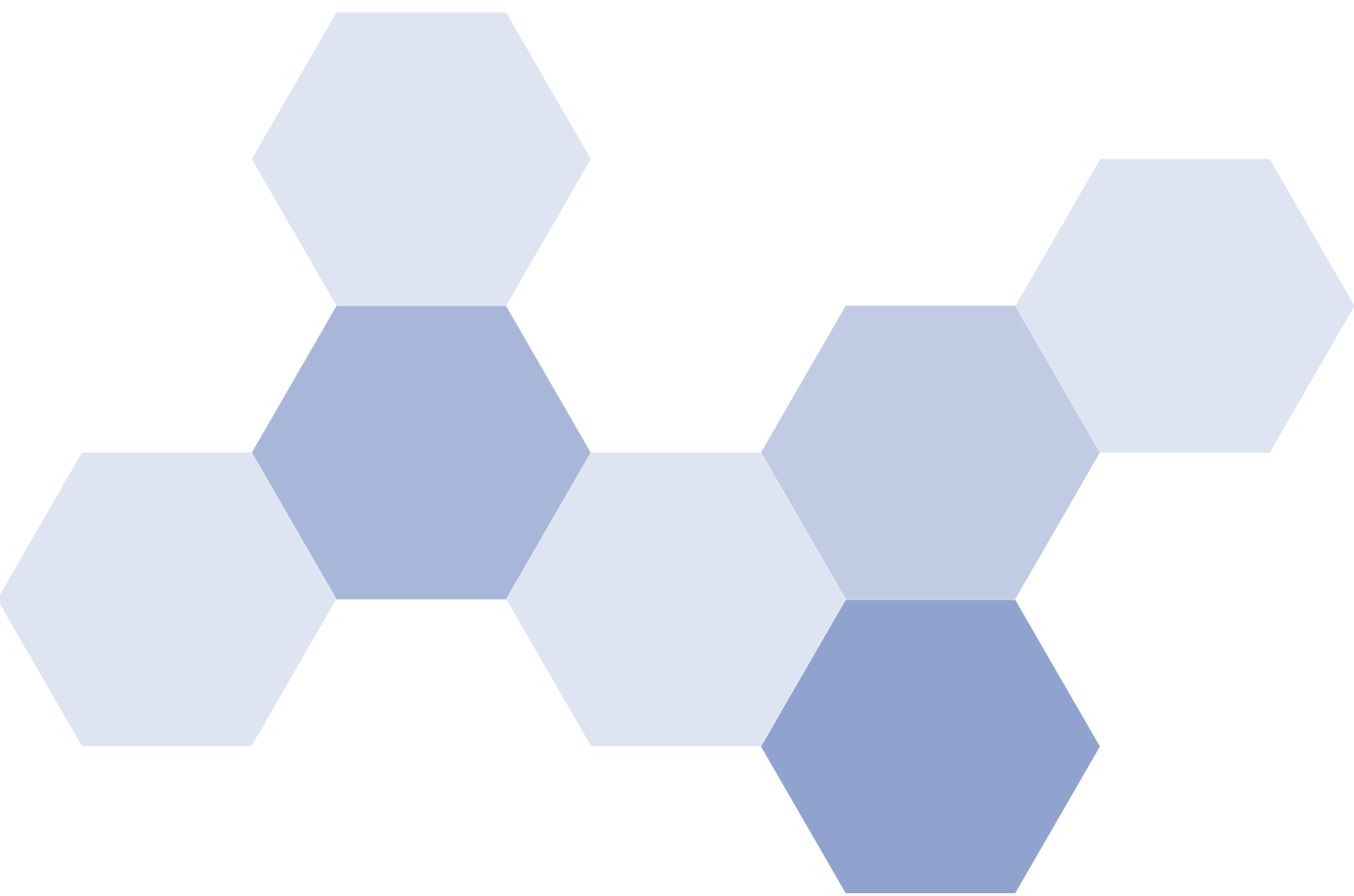
- Ensure a safe and healthy workplace in compliance with all applicable laws and regulations based on clearly defined policies and functional management system that allows for continuous risks identification and mitigation, especially for hazardous substances.
- Share the idea that all work-related injuries, occupational illnesses and safety and environmental incidents are preventable, and work on minimizing consequences, through a robust emergency response mechanism and remedial actions.
- Do all they can every day to promote both physical and psychological health, safety, and wellbeing of employees, including those with disabilities.
- Record all incidents and near misses.
- Implement adequate training and drills, provide protective equipment, maintain employer insurance, and never tolerate, let alone encourage, unsafe behavior.
- Provide water, sanitation, and manage infectious diseases.
- Abide by the Draslovka’s health and safety rules when working on our company premises.

Diversity, equity and inclusion

Draslovka believes in the power of inclusion and diversity to produce the best solutions needed to remain competitive, and has set ambitious goals to grow the diversity of our workforce.

We expect our suppliers to:

- Comply with all applicable non-discrimination laws and implement policies to treat everyone with respect and never allow discrimination against any individual.
- Create an environment free from physical, sexual, psychological, or verbal harassment, bullying or generally unprofessional or disrespectful behavior.



<sup>1</sup> On the grounds of age, sex, race, colour, national or ethnic origin or cultural background, religion, sexual orientation, gender identity or expression, marital status, disability, political affiliation, union membership, or any other characteristic protected by applicable laws.

03 Environmental protection, product safety

Environmental protection

Draslovka understands that our customers – and their customers – are facing a world that demands essential products be produced at a lower cost to the environment. That is why Draslovka focuses on responsible chemistry, and we are asking our suppliers to partner with us.

We expect our suppliers to:

- Comply with all applicable environmental laws and regulations and international conventions and to keep all necessary environmental certifications, permits and registrations up to date.
- Seek sustainable solutions and continuously work towards minimizing pollution (including emissions to air, water and soil) energy consumption and the negative impact on climate change, biodiversity and water scarcity, throughout the products lifecycles and/or their supply chains.
- Aim for reducing waste by promoting efficient use of resources, including the use of renewable resources to the extent possible.
- Set measurable targets and report transparently on progress.
- Have a management system in place for environmental risks identification and assessment that ensures that operations are conducted in an environmentally responsible way.
- Being able to quantify or provide a qualified estimate of energy and water consumed, carbon footprint per unit of product and total weight of products provided to Draslovka, if requested.



## Product safety

Draslovka is committed to providing the highest quality products and services. The nature of our business requires permanent vigilance.

We expect our suppliers to:

- Implement quality control procedures in accordance with applicable laws and regulations and industry best practices.
- Act in accordance with all applicable labelling and transportation rules and ensure adequate training and qualification for all personnel.
- Meet agreed specifications and industry standards of quality and safety for all products and services.
- Record and investigate customer complaints and follow up on them to prevent future occurrence.



## Protection of information and property

At Draslovka, it is our responsibility to handle all types of data in a secure manner, in accordance with the law, and to take all precautions to keep our know-how safe. Confidential information and trade secrets are to be protected at all times.

We expect our suppliers to:

- Set internal standards and handle personal data with the utmost respect and confidentiality, in accordance with legal and contractual requirements.
- Follow IT security best practices, notify us of any incident that may affect Draslovka and work on its mitigation.
- Keep trade secret and other non-public information concerning Draslovka or anyone else confidential, never act upon it or otherwise misuse it.
- Refrain from taking improper benefit of the cooperation with Draslovka, such as if involved in developing new products, procedures or methods or other business opportunities, or advantaging any information or asset gained as a Draslovka supplier.
- Protect Draslovka's intellectual property, data and records of any kind, as well as Draslovka's assets and resources whilst onsite, and return anything that has been provided by Draslovka, as agreed, or as requested.

## Supply chain

Draslovka is aware that this Code would have a limited added value if the suppliers themselves would not cooperate in promoting the same standards in their supply chain.

We expect our suppliers to:

- Only deal with well identified and reputable business partners and maintain a complete set of records tracing their supply chain which they will be able to share with Draslovka.
- Promote the standards of this Code in their own supply chain and implement initial and ongoing due diligence procedures to assess compliance.
- Treat everyone with professionalism, fairly and with respect.
- Never enter into any agreement prohibited by competition laws.
- Ensure that their supply chain respects the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High Risk Countries, where applicable.



# 06 Speak up culture

**Draslovka is eager to hear the opinion and concerns of all stakeholders. Besides the usual lines of communication, Draslovka’s Ethics Hotline is available 24 hours per day for the suppliers and their employees and allows anonymous reporting. Any honest report will be handled with respect to the principles of confidentiality and non-retaliation.**

## We expect our suppliers to:

- Promote a speak-up culture within their organization, including a confidential way for workers to raise concerns, where they will not suffer retaliation for raising concerns in good faith.
- Document the process to address any report of suspected misconduct.
- Spread awareness about Draslovka’s [Ethics Hotline](#) among their workers to ensure value chain workers are aware of the channels in place to raise concerns with Draslovka directly.
- Arrange contact between Draslovka and employees’ associations or representatives, upon request.

## Supplier’s internal policies

By signing this Supplier Code of Conduct, the supplier agrees to implement the principles of this Supplier Code of Conduct in their policies or their own codes of conduct. Draslovka expects suppliers to have a strong governance system that allows them to effectively enforce and report on such policies and identify and mitigate risks associated specifically with their operations and their supply chains. It is supplier’s responsibility to ensure that their employees and suppliers know and comply with the provisions of this Supplier Code of Conduct.

Suppliers must report in writing any breach or potential breach of this Supplier Code of Conduct, or the laws and regulations it is referring to, by the company or its employees, their suppliers, and other affiliated persons, to Draslovka without undue delay. This includes any instances where a supplier identifies that the expectations of the Supplier Code of Conduct are not being met. Report can be addressed to the usual contact persons, higher management or Legal or Compliance department. Suppliers and their employees may also choose to use Draslovka’s Ethics hotline.

Draslovka may request suppliers to sign an updated version of this Supplier Code of Conduct, comply with more detailed requirements, provide a specific guarantee, obtain a certification, complete a training or similar, pursuant to the evolving market expectations, regulatory requirements, or our risk assessment. Draslovka may also propose specific steps to prevent, mitigate or remediate identified material negative impacts on supply chain workers.

## Conflicting requirements

The Supplier Code of Conduct applies besides other contractual provisions with Draslovka and legal requirements binding the supplier. Other contractual provisions remain unaffected by this Supplier Code of Conduct and take precedence over the expectations in this Supplier Code of Conduct. Oftentimes, supplier’s contract with Draslovka will include more detailed obligations compared to the high level globally applicable principles in the Supplier Code of Conduct. In case of conflict between this Supplier Code of Conduct and local law, Draslovka expects the supplier to follow whichever ensures higher standard of behavior. In case of uncertainty, suppliers can always contact Draslovka.

## Evaluation

Draslovka reserves the right to evaluate supplier’s compliance with our expectations. The supplier is obliged to provide any necessary assistance, e.g. provide internal policies and records, fill in self-assessment questionnaires, make relevant staff available for interview, allow on-site visits, or other. The supplier should respect that Draslovka may want to engage with trade unions or other worker representatives to gather information about working conditions and employee concerns. Draslovka may authorize a third party to perform such evaluation.

Incidents of non-compliance will be discussed with the supplier and depending on the circumstances, Draslovka may ask for an explanation or a guarantee of future compliance and/or request specific corrective actions or safeguards. Draslovka will provide know-how and reasonable assistance to resolve the issue.

In case of material non-compliance with this Supplier Code of Conduct, Draslovka reserves the right to immediately terminate any contract with the supplier. Material non-compliance is either a gross breach of the principles of this Supplier Code of Conduct, a repeated less serious breach of the provisions of this Supplier Code of Conduct, or a failure to cooperate on correction of the violations.

## Acknowledgement of the supplier:

[Signature]

Name:

Title:

Date:



