



GRABOPLAST

**CODE OF ETHICS AND BUSINESS CONDUCT**



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## I. PURPOSE OF THE CODE OF ETHICS AND BUSINESS CONDUCT

The purpose of the Code of Ethics and Business Conduct (hereinafter: **the Code**) is to clearly establish the ethical standards – compliant with the legislation and internal regulations – that are applicable to the management and employees of GRABOPLAST Ltd. (hereinafter: **the Company** or **GRABOPLAST**), as well as the rules of conduct that must be applied in the course of the Company's operation and the rules of correct and to-be-followed behaviour in everyday practice. The Code contributes to the creation of a healthy workplace environment, to the emphasized respect for the human dignity of employees, and defines ethical expectations regarding partners.

Adherence to the ethical rules ensures the Company's good business reputation in the long term, as well as the fact that customers, partners, suppliers, and the wider public view the Company as a professional and reliable partner. The Code also helps to identify situations that may arise in the course of the Company's operation and work, which may constitute a violation of our ethical standards. The Code also provides guidance on what to do if questions arise regarding ethical behaviour or if someone detects an ethical violation.

## II. SCOPE OF THE CODE OF ETHICS AND BUSINESS CONDUCT

The material scope of the Code covers all activities of GRABOPLAST, as well as the Company's internal regulatory system and regulatory tools.

The personal scope of the Code extends to all organizational units of the Company, all its managers and employees, who are obliged to act in accordance with the provisions of this Code. Compliance with the provisions of the Code is mandatory for those covered by the subject. We also expect the application of the provisions of this Code to business partners related to GRABOPLAST Ltd. (e. g. suppliers and customers).

The territorial scope of the Code covers all of the Company's locations/branches and interests (affiliated enterprises).

The temporal scope of the Code covers the period from the entry into force of this Code until its repeal. In all cases, the provisions of the text of the instruction that are in force at all times - and may have been amended in the meantime – shall apply.

## III. THE CORE VALUES OF GRABOPLAST LTD.

**Responsibility** The Company assumes responsibility for the consequences of its activities and takes into account the needs and expectations of the stakeholders - employees, shareholders, business partners, suppliers, competitors, persons performing official and public duties, civil organizations.

**Fairness** The Company intends to achieve the strategic and business goals formulated by its management in a fair and responsible manner, respecting the legal environment, professional ethics and all agreements and contracts signed by the Company.





<b>Respect</b>	The Company respects everyone's rights and interests related to human dignity, self-determination, and privacy.
<b>Sincerity</b>	GRABOPLAST is convinced that the basis of mutual trust is honesty, so the good reputation and corporate ethics of the Company rest on this.
<b>Loyalty</b>	The Company is loyal to the organization and its employees, who work together according to these ethical standards.
<b>Quality</b>	In all circumstances, the Company strives to develop excellence and expertise and to continuously deepen trust by providing products and services of reliable quality. We are committed to honouring our agreements and using all reasonable efforts to fulfill our promises and obligations.

## IV. PRINCIPLES OF ETHICAL EMPLOYMENT

### 1. Compliance with legal regulations

The Company complies with the legal requirements, including the sector and organizational standards applicable to its business activities. All employees are obliged to familiarize themselves with the legal regulations and internal regulations related to their duties.

### 2. Respect for human rights

GRABOPLAST is committed to respecting the dignity and human rights of all people and communities. The Company's goal is not only to respect human rights, but also actively supports their enforcement in its own value chain and strives to have a positive impact on the social level as well. We support the protection of human rights and condemn all forms of human rights violations. We pay special attention to our employees, suppliers, and vulnerable groups of women, nationalities, ethnic, religious and linguistic minorities, children, the disabled and their families.

### 3. Fair employment

Within GRABOPLAST, human resources are the greatest asset. The Company is committed to the development of employees, to ensuring an appropriate balance between work and private life, and to respecting the working hours of employees during workplace and employment-related communication. The Company's core values also include legal and fair employment and respect for labour principles.

#### 3.1. *Prohibition of forced and child labour*

The Company condemns child labour and other forms of exploitation of children and minorities; does not perform forced, slave or child labour and does not accept such activities from any of its partners. All employees and contractual partners of the Company must be aware of these principles, which they must apply during their work.



### *3.2. Health, work and environmental protection*

GRABOPLAST is committed to preventing personal injuries, environmental damage and hazards, and reducing health, safety and environmental risks arising from its activities. The aim of the Company is to reduce the effects of its activities on the natural environment to the smallest possible extent. The Company makes efforts to reduce the use of finite resources such as energy and water and the emission of harmful substances such as waste.

The Company provides clean, safe and healthy working conditions for its employees. We regularly check the working conditions in its facilities and, if necessary, take the necessary corrective measures. During our operation, we take into account all the technological and ecological guidelines applicable to our activities, and support the adoption of standards that impose stricter expectations. By complying with health, environmental and occupational safety regulations, technological discipline, and other rules applicable to their work, all employees must strive to prevent health damage, environmental damage, and environmental pollution.

The Company promotes zero tolerance towards drug use and alcohol consumption. The use of drugs, as well as working under the influence of alcohol, drugs and other psychotropic substances is prohibited at the workplace.

### *3.3. Working hours and wages*

The Company complies with all working time laws, regulations and industry standards, including overtime. We provide wages to our workers that meet at least the minimum required and are sufficient to cover basic human needs in the given community. The Company does not tolerate the withholding of wages, the denial of sick leave or daily rest, or the abuse of alternative forms of employment.

### *3.4. Freedom of association, representation of interests*

The Company does not restrict employees' freedom of association and collective bargaining rights.

## **4. Equality of opportunity and prohibition of discrimination**

GRABOPLAST's goal is to provide everyone with equal opportunities and to treat applicants and employees equally, regardless of their personal characteristics such as race or ethnicity, skin color, religious or political worldview, or lack thereof, origin, gender, sexual orientation, age, gender identity or its expression, nationality, marital status, pregnancy, childbirth, genetic characteristic, medical condition, or any other situation or characteristic protected by applicable legislation (together: **protected characteristic**).

GRABOPLAST expects all its employees to refrain from any behavior, measures, conditions, omissions, instructions or practices that constitute (direct or indirect) discrimination, harassment, ostracism, illegal segregation or retaliation.

## **5. Prohibition of harassment**

GRABOPLAST is committed to creating a working environment based on mutual trust, where everyone who works for the Company is valued and everyone's human dignity is respected.

The Company expects employees to treat each other with mutual respect, to resolve controversial issues in accordance with the rules and customs of professional behaviour and community coexistence. The Company considers the use of obscene expressions and a degrading or angry tone as verbal aggression, which is incompatible with the standards of professional communication. All employees are expected to refrain from any form of harassment, defamation, or any behaviour that others may perceive as violent, intimidating, humiliating, or offensive. The Company considers harassment, slander and defamation as particularly serious violations of human dignity.

The Company strictly prohibits any form of violence, intimidation or harassment. Harassment is a behaviour of a sexual or other nature that violates human dignity, is related to a protected characteristic of the person concerned, and has the purpose or effect of creating an intimidating, hostile, humiliating, embarrassing or offensive environment towards a person. Any form of this is completely unacceptable, and it is the management's responsibility to deal with such cases in an appropriate manner. It is the employee's duty to take action against any form of violent behaviour according to the above and to report the incident to the Company's internal abuse reporting system.

## **V. PRINCIPLES OF ETHICAL WORK**

### **1. Conflict of interest**

Employees are obliged to avoid any situation that creates a conflict between the interests of the employee and GRABOPLAST or creates the appearance of such a conflict. Every employee is expected to ask for advice if necessary in order to avoid a conflict of interest, and the employee is obliged to inform the relevant manager of any possible conflict of interest and request their approval.

During their employment, the employee may not engage in any business or other activity that creates a conflict of interest and thereby endangers the Company's legitimate economic interests. No personal relationship, involvement in outside activities, or interest in other business ventures may actually or appear to influence decisions. Employees must avoid situations involving a conflict of interest and must refrain from any activity that could hinder them in any way from making unbiased and objective decisions acting on behalf of the Company, or that endanger the interests of the Company.

Influencing factors that cause conflicts of interest include, but are not limited to:

- Employment (own second job or employment of a family member) or economic relationship with an existing or potential customer, competitor, supplier or subcontractor.
- Employing or supervising family members or closely related persons.
- Board or other board membership at another business company or other organization.





- Significant investment or interest in the business of a customer, competitor, supplier or subcontractor.
- Personal interest, benefit or potential personal gain in connection with a corporate transaction.

## **2. Political activity**

GRABOPLAST does not wish to participate directly in political activities, does not formulate political goals, and strictly complies with the legal regulations regarding the political role of companies and political contributions.

The Company encourages its employees to participate in politics by exercising their right to vote, recognizes the right of its employees to participate in politics and does not prohibit them from engaging in political activities. At the same time, during working hours, on the premises of the Company, with its means or on its behalf, employees may not engage in party political activities.

If any employee makes a public speech on a topic of public interest or undertakes another public role, they must make it obvious to everyone that they are doing so as a private person. The Company may not provide any financial or moral support to political parties and political organizations or their representatives.

## **3. Use of social media**

Employees can only express their own opinion in the context of their private communication on the social media interface (email, chat, posting), and in doing so, they must ensure that the name of the Company cannot be linked to their statements, and that the Company is not permitted as the source of the opinion. Employees must ensure that the good reputation of the Company is not damaged as a result of the communication. If the use of the Company's name cannot be avoided, it must be clearly indicated that the opinion expressed by the given employee is their own and not the official position of the Company.

## **4. Protection of company assets**

The Company's employees are obliged to treat company assets owned, used or operated by the Company carefully, in accordance with their purpose, sparingly and sensibly, and to ensure their efficient use in the implementation of business goals. In addition, they are obliged to protect the Company's assets from loss, damage, misuse, embezzlement and destruction. All situations and cases resulting in one of the above must be reported to the superior immediately. The Company regards improper or careless management of company assets and resources as a violation of shareholder interests.

GRABOPLAST's employees, suppliers, contractors and business partners must take responsibility for the integrity, proper, economical and efficient use of the Company's assets. All employees and authorized persons may use the Company's funds, tangible assets and resources only for legal and approved business purposes.





The portable and home-use business devices issued to employees (for example, portable computers and mobile phones, the workplace car, fuel card, business bank card) are the property of the Company and must be used with appropriate care.

## **5. Protection of business secrets and information**

Information, facts, data, and opinions about GRABOPLAST and business partners that the employees have come to know in the course of their work must be treated and kept as a business secret, and they must not use them for their own benefit or that of a third party, or bring them to the knowledge of a third party. The employees are bound by their duty of confidentiality even after the termination of their employment.

The employee may not disclose or directly or indirectly make available information about the Company's commercial relations, transactions, operation, financial situation, investments, negotiations, economic success and plans, business scope, business partners, customer base, suppliers, related documentation, data carriers, as well as solutions, facts, data, knowledge, ideas, concepts and other information created and collected in the course of their work, or other information constituting a trade secret outside the scope of persons specified in writing by the person entitled to do so.

In addition, the employee may not disclose to an unauthorized person any information that came to their knowledge in connection with the performance of their duties, the disclosure of which would have adverse consequences for the Company or another person, or which the Company has classified as confidential, or whose confidentiality the employee should have recognized due to their duties.

All employees are responsible for protecting the confidentiality, integrity and accessibility of data created, received, modified, transferred, shared, stored or used within the Company or in the course of a business relationship with the Company, regardless of their actual location and form of appearance (electronic, paper-based, other format, etc.).

Without prior written consent, the employee may not disclose any other facts, data or information about the Company to third parties, and it is forbidden to do anything that allows third parties to access these facts, data and information.

## **6. Data protection and data security**

GRABOPLAST respects people's right to privacy and the confidentiality of their personal data. According to the relevant legislation, Company members are responsible for the protection of personal data, and for personal data to be handled exclusively in accordance with the governing legislation and the regulations and procedures of GRABOPLAST.

The Company is committed to maintaining the confidentiality, integrity and accessibility of the electronically stored data of customers and partners during the entire life cycle of the data, its storage, processing and transmission.



The Company takes preventive security measures to protect the personal data stored in the databases in order to avoid the risk of destruction, data loss and unauthorized access.

The tools provided for the employee's use (especially computing devices) and the programs installed on them, as well as all data stored on GRABOPLAST's electronic systems, and all information and data stored on the computing devices and data carriers used by employees in relation to the Company and the work, are considered company property.

## **7. Protection of intellectual property**

The employee may not release or make available directly or indirectly the Company's intellectual property, or information about the solutions, applications, systems used by it, or related documentation, data carriers etc., or other information constituting a trade secret, outside the circle of persons specified in writing by the person entitled to do so.

Intellectual property includes, for example, inventions, know-how, patents, trademarks, industrial design rights, copyrights, domain names, scientific and technical knowledge, and all other intellectual property rights.

Intellectual property created or acquired using GRABOPLAST's resources becomes the property of the Company and cannot be considered private or personal property.

Protecting intellectual property allows the Company to prevent anyone from using it without permission, and to charge a fee for its use.

In this spirit, GRABOPLAST respects the work of others and takes care not to infringe on the intellectual property rights of others, and expects the same from others.

## **VI. PRICIPLES OF ETHICAL BUSINESS CONDUCT**

### **1. Sustainable development**

GRABOPLAST is committed to sustainable development, i.e. it meets the needs of the present in a way that does not jeopardize the needs of future generations. The Company strives to properly utilize its resources, and takes into account the ecological, economic and social environment during its operations. The Company treats valuable resources gently and sparingly, avoids processes that have a negative impact on the environment, and treats its employees responsibly.

### **2. Fair trade and competition**

GRABOPLAST is committed to fair market behaviour and conducts its activities in accordance with the standards of fair competition and the relevant legislation. Respecting competition law and market regulations is not only a legal obligation, but also one of the pillars of business culture.





The Company's cooperation with its partners is based on trust and mutual benefits in accordance with competition law. The Company sells its products and services based on their quality, suitability and competitive prices. GRABOPLAST makes independent pricing and sales decisions and does not cooperate or coordinate its operations with competitors in a prohibited manner. The Company refrains from conduct that harms the reputation or credibility of its competitors or partners.

It is forbidden for the employees of the Company to obtain or use the business secrets of other enterprises in an unfair manner, to communicate them to others without authorization or to make them public. It is also considered an unfair manner of obtaining a trade if the trade secret was obtained without the consent of the right holder, with the assistance of a person that is in a relationship of trust or business relationship with him.

The Company does not offer or solicit illegal payments or favours, or participate in illegal agreements aimed at excluding certain customers. However, the Company is committed to complying with all applicable trade regulations, restrictions, sanctions and import-export embargoes.

The Company does not allow behavior that violates fair competition during competitive negotiations and tenders.

The Company does not withhold payments owed to its partners in bad faith, illegally or unjustifiably, and does not allow such practices in its supply chain, and fights against the unethical practice of "chain debts".

The Company's personnel are responsible for ensuring fair business practices in their work and for complying with all competition, consumer protection and advertising rules. Customers and business partners must be treated fairly and equally in all cases, products and services must be presented with fair and accurate information (fair marketing and advertising), and all relevant information must be shared.

### **3. Corruption and bribery**

GRABOPLAST does not tolerate any form of corruption (including bribery, kickbacks to officials, redistribution, blackmail, abuse of power for personal gain, influence peddling, illegal benefits and gifts provided with the intent to influence) neither in the (private) sphere of competition, nor in the public or municipal sector.

The Company strictly prohibits its employees and any person acting in the name or on behalf of the Company from offering, giving, requesting, taking or accepting an unlawful advantage. Employees and other persons acting in the name or on behalf of the Company may never offer or transfer money or any other advantage (and may not allow it) if its purpose is to exert undue influence on an official person or provide an unlawful business advantage (or even the appearance of such). GRABOPLAST acts in this way even if the Company is put at a competitive disadvantage because of this, or loses a business opportunity due to the reporting of this type of activity.





## **4. Gifts and hospitality**

GRABOPLAST considers all objects and services of value that are offered to or accepted by a person or their family members as gifts. A "gift" can be a benefit in kind, such as some kind of utility item, providing favourable conditions or discounts for a product or service, a loan, the use of a vehicle, travel expenses, use of leisure facilities, admission tickets or gift vouchers to the recipient. However, the concept of gift also includes "entertainment" and "hospitality", for example business meals, leisure, cultural or sports events, etc.

Business gifts or favours are widely used either to express goodwill or to strengthen the working relationship between bona fide business partners. In general, gifts, entertainment and hospitality can only be accepted or offered if they are not luxurious or excessive in relation to the given circumstances and employees, on a voluntary and occasional basis. However, the gift can never be cash or a means of payment that replaces cash. Furthermore, the purpose of giving gifts must never be to unfairly influence decision-making, and it must not create such an appearance in the eyes of external observers, as this would be contrary to the anti-corruption rules represented by the Company.

Any gift or hospitality given with the intention of unlawful influence is considered a bribe regardless of its value and whether it is registered or not. If a gift cannot be refused out of courtesy or for practical reasons (for example, it has already been delivered and its return cannot reasonably be solved), it is the task of the manager exercising employer authority over the employee concerned to decide whether to allow the gift to be kept, or whether it should be offered for a charitable or community purpose.

## **5. Fraud**

Fraud includes all intentional deception, including intentionally misrepresenting circumstances and facts or concealing them with the aim of inducing others to take action in order to gain an advantage and thus cause damage. Fraud can also be carried out without personal deception, if persons or parties conspire to circumvent legal procedures in order to obtain an unlawful profit by creating a false appearance of a business activity or transaction.

GRABOPLAST is committed to fighting fraud and does not tolerate fraudulent practices. In order to protect the Company's core values, assets and reputation, it is everyone's personal responsibility to act in good faith and in accordance with the relevant rules and regulations, being alert to signs of fraud.

## **6. Money laundering**

Although GRABOPLAST does not fall under the scope of the Law on the Prevention and Suppression of Money Laundering and the Financing of Terrorism, the Company is committed to complying with the rules prohibiting money laundering to the utmost.

Money laundering is the process of concealing or legalizing illegally obtained values, in such a way that the relevant funds or assets are used in legal business activities so that their criminal origin or nature remains hidden.



It also includes the use of legally acquired funds to support crime or terrorism. Offenses in most countries include obstructing a money laundering investigation and failing to report money laundering.

The Company never condones, enables or supports money laundering, i.e.:

- We never engage in business aimed at financing crimes or terrorism;
- We strive to minimize risks by applying anti-money laundering processes;
- We take reasonable and appropriate measures to identify and assess the integrity of our business partners.

## **7. Factual records and integrity of business processes**

Records and reports are essential elements of the company's operation, which must be prepared in accordance with reality and in a comprehensive manner. GRABOPLAST maintains and prepares company records and reports honestly, accurately and objectively.

Records and reports include financial (accounting) and non-financial information, such as project descriptions and project results, technological data, performance evaluations, HR records, information on the Company's sustainability performance, social and human rights impacts, and all other information supporting business operations required by law.

Falsifying records or misrepresenting facts can neither be justified nor acceptable. The Company does not tolerate any false reporting, the concealment of facts in reports, and the interpretation of the same data in different situations in accordance with current goals.

The integrity of financial and non-financial records and reports is essential for good decision-making, protecting the credibility and reputation of the Company, fulfilling legal and regulatory obligations, and responsibilities to shareholders and all external stakeholders.

The lack of regular, comprehensive and efficient management of records and reports carries significant business risks, can lead to legal consequences, financial and competitiveness damage and damage to reputation.

## **8. Social responsibility**

GRABOPLAST is committed to be a part of the community and environment in which it operates, and to help and develop it. The Company regularly, openly and transparently reports on its donation and sponsorship activities. Accordingly, it cooperates exclusively with companies operating in a regulated and transparent manner, according to the principles applied in business practice, and only participates in such companies.

GRABOPLAST expects all sponsored and supported natural persons and organizations to act in accordance with the Company's ethical values and principles. The Company reserves the right to cancel or withdraw the support if the recipient acts contrary to its values.



## VII. REPORTING ETHICAL PROBLEMS

In case of reasonable suspicion or knowledge, the employees of the Company are obliged to report if the values defined in this Code have been violated. By reporting an ethical violation, employees can also turn to their direct supervisor, or they can make their report through the internal whistleblowing system operated by the Company. The Company also expects its business partners to report misconducts. The operation and procedures of the Company's internal whistleblowing system are governed by the "Internal whistleblowing system" internal regulation and the relevant information sheet.

Based on the Code, it is the primary responsibility of the Company's managers to set a good example in the field of ethical behaviour and compliance, as well as to introduce the Code to their colleagues under their direct control, to make sure that their colleagues understand it, and that respect for ethical regulations is reflected in all their actions. Managers provide an opportunity to present and discuss ethical behaviour and create an open work environment that encourages employees to approach them with questions and problems, and to report unethical behaviour through the internal whistleblowing system. The manager ensures that employees who raise problems and questions are not subjected to any retaliation.

The Company does its best to keep the data of the person who reports behaviour contrary to the provisions of the Code, the internal regulations or the law (hereinafter: **whistleblower**) in secret, and treats them confidentially. Nevertheless, it may happen that the identity of the whistleblower can be inferred from the circumstances. The Company will not tolerate any retaliation against a whistleblower in good faith who raises compliance risks or concerns. If the whistleblower feels that they have suffered retaliation in connection with their report, either by the reported person or by a third party, they must report it through the internal whistleblowing system. The Company investigates all such complaints and takes appropriate measures to hold them accountable. The Company therefore applies legal consequences in accordance with the rules governing the employment relationship against anyone who is responsible for retaliating against the whistleblower.

Dated: Győr, July 20, 2023.

Effective date: July 24, 2023.

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