



Code of Ethics



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MISSION

A company's reputation is the reputation that we all create, jointly and severally. It includes the clear and shared vision of our managers, the trust of our customers, the reliability of our suppliers, and the commitment and conscientiousness of our employees – all supported by creativity and loyalty. Business is not just about economic profit. It's also about creating jobs, developing the region, fulfilling the legacy of previous generations, and improving, whether in a technological or social sense.

As a major global company, we attract the attention not only of competitors but also of new business partners. Our corporate culture, communication and self-presentation are more visible than they often appear at first glance. Our products are only as good as our reputation. Our work efficiency is reflected in our market position on a daily basis, in dealings with business partners or banks.

We are all responsible for our behaviour, whether inside or outside the company. This Code of Ethics defines the behaviours expected of all employees. Let it also serve as a guide in situations that present moral dilemmas and lead to unethical behaviour.



GENERAL RULES

“Open door” approach

As part of the “open door” approach, employees can discuss frankly with managers and rely on their support and on the confidentiality of the topic of the conversation.

Managers at all levels are required to:

- implement these principles in practice;
- listen to the employee in order to decide, together with others, on the type of measure to be taken in the event of a confirmed breach of the terms of the Code of Ethics.

As part of the “open door” approach, employees can also request a meeting with the Executive Director or another senior Tesil Fibres employee. The correct procedure is that the employee first contacts his or her immediate supervisor. The senior manager or the company’s Executive Director is asked to meet if the employee has not been able to resolve the situation together with his or her immediate superior or if the matter in question concerns the immediate superior.

Integrity

No form of illegal conduct, such as theft, embezzlement, deception, fraud, or misuse of the name, brand, product, property, or information of Tesil Fibres will be tolerated. Because these actions are illegal, they can lead to criminal prosecution and termination of employment.

Examples of conduct that is not tolerated in our company:

- misuse of Tesil Fibres credit cards or cash;
- deception in connection with the reporting of business trips, time or leave;
- theft of goods, materials, building equipment;
- slandering.

Politics

Tesil Fibres does not wish to support political parties or the interests of political parties. Therefore, the following applies to us:

- It is not permissible to use company letterhead/postal or electronic addresses to distribute personal political opinions, or to use Tesil Fibres trademarks in connection with political parties or any of their activities.
- It is not permissible to provide financial or other forms of support to political parties on behalf of Tesil Fibres.
- Company assets and working resources must not be used for personal involvement in a political party. The name of the company includes the Tesil Fibres branded property.

TESIL FIBRES AND EMPLOYEES

Tesil Fibres is an honest and fair company. Therefore, all Tesil Fibres employees are expected to act loyally and in accordance with these values. Tesil Fibres encourages open dialogue and honest feedback between employees and managers. Tesil Fibres declares truthfulness both inside and outside the company. Managers are expected to treat employees with respect, honesty and fairness, and the same is expected in relationships between colleagues.

Tesil Fibres supports employees in their right to organize and associate freely, just as it recognizes the right of employees to bargain collectively. It respects the union's opinion and supports a partnership approach based on constructive dialogue.

Occupational safety and working environment

It is the Tesil Fibres policy to have a safe working environment. Employees are regularly trained in occupational health and safety. Tesil Fibres continually improves the working environment to minimise the risk of occupational injury or disease. Employees themselves contribute significantly to creating a safe and pleasant working environment.

Therefore, the following applies to us:

- The company guarantees our compliance with legal standards in the area of employee safety and strives to minimise the risks of occupational accidents and diseases.
- We need to be informed about safety in the workplace (and interested in up-to-date information).
- We have to follow the instructions given.
- We wear personal protective equipment when the job requires it.
- We identify potential occupational injuries and contribute to their prevention.
- We understand that we are collectively responsible for creating a positive working environment at Tesil Fibres.
- We protect the environment. We treat resources with care and save energy to minimise the environmental impact of our production.

Equal treatment and equal opportunities

Tesil Fibres respects individual and cultural differences and treats each of its partners with dignity and respect. Tesil Fibres refuses to tolerate any form of discrimination and ensures that it does not expose its employees to any form of discrimination regardless of their position within the organisational structure.

Therefore, the following applies:

- Equal treatment must be ensured and all must be assessed according to their qualifications, effort and performance.
- Gender, age, nationality, ethnicity, religion, sexual orientation, disability, etc. must not be taken into account when making decisions about employees, pay regulations, career opportunities, further training or mass redundancies, except in situations where there is a benefit, such as ensuring diversity in the workplace, etc.

Use of working time, equipment and property

Tesil Fibres does not tolerate waste, vandalism or destruction of company property.

Therefore, the following applies to us:

- We must all treat Tesil Fibres assets with due respect and care and avoid waste.
- The company's property, equipment and working resources may be used only for the performance of work tasks and duties and in accordance with applicable laws and Tesil Fibres internal regulations.
- We do not use the name Tesil Fibres, e.g. letterheads or other company documents, for personal purposes.
- We devote our full capacity and abilities to the work we do.

Privacy policy

Tesil Fibres respects employees' right to privacy. We are fully aware that the recording of employees' personal data requires caution.

Therefore, the following applies to us:

- If we need to record data, we must handle and store this information in a secure manner and in accordance with local legislation.
- Employees have the right to inspect files containing information about them.
- Providing personal data to a third party may be punished.

Confidential information

The confidential relationship between Tesil Fibres and its employees requires that confidential information is not accessible to unauthorised persons.

Confidential information includes, but is not limited to, information regarding Tesil Fibres strategy, its products, customers, suppliers, pricing, etc. Confidential information is generally defined as information that is not normally available to third parties, that is critical to Tesil Fibres business, or that cannot legally be presented to third parties.

Therefore, the following applies to us:

- We must not use confidential information about Tesil Fibres for personal use.
- We must not disclose confidential information relating to Tesil Fibres matters to anyone outside Tesil Fibres.
- We may not disclose confidential information obtained from business partners to third parties.
- We keep in mind that inappropriate use of Tesil Fibres information can cause high damage.
- We only entrust the management of sensitive, personal or highly confidential information to those who are trained to do so.

Pay particular attention to situations where information is exchanged, such as when giving advice to suppliers or providing information to competitors' employees.

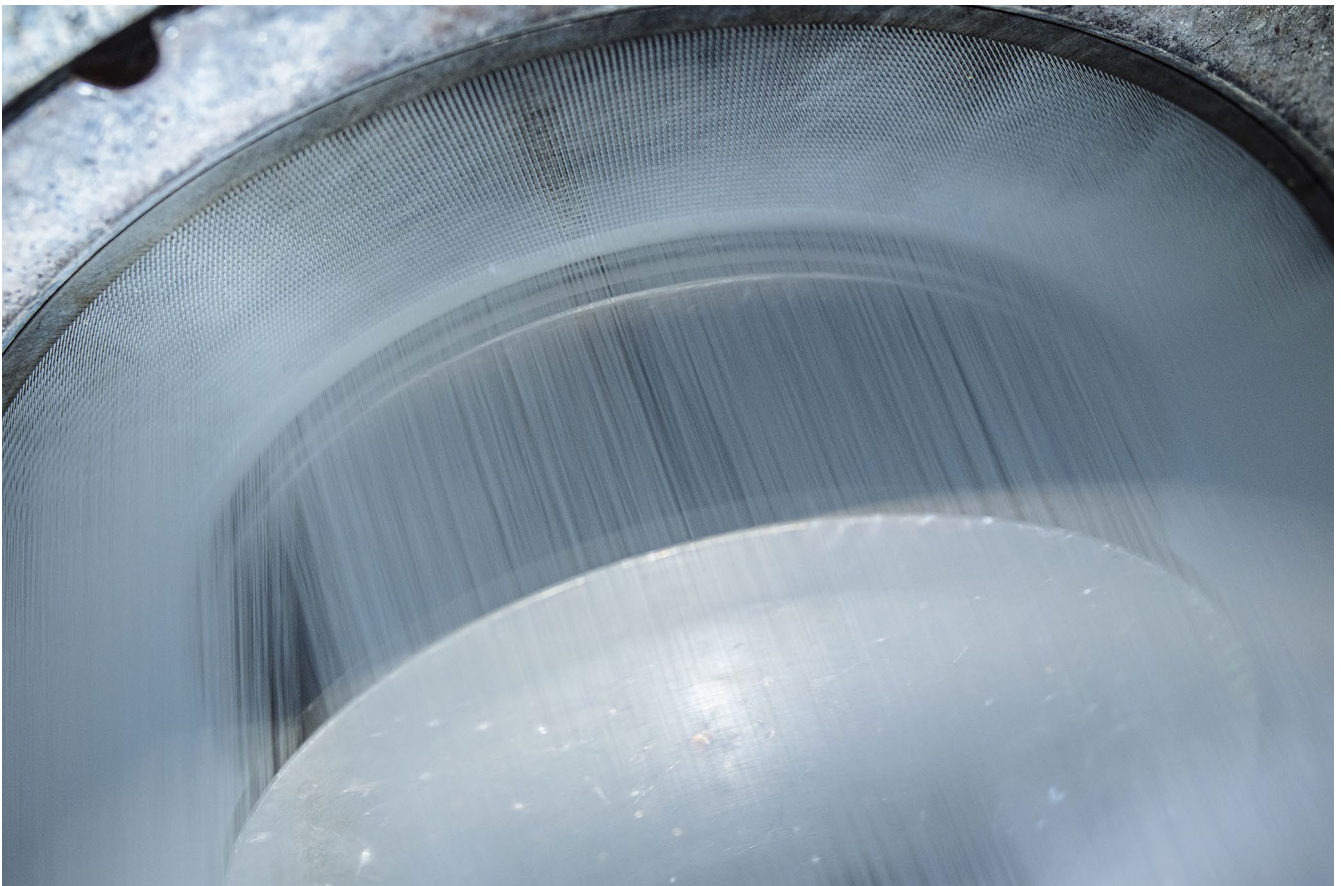
Conflict of interest

Tesil Fibres expects employees to inform Tesil Fibres if there is or appears to be a potential conflict of interest between individuals and the interests of the company.

Conflicts of interest can take many forms. They can arise in situations such as financially participating in companies that do business with Tesil Fibres, receiving compensation or commissions from companies that sell, purchase or distribute Tesil Fibres goods/commodities, doing business with relatives or close friends, or companies where relatives or close friends work full or part time, which interferes with the ability to perform their job at Tesil Fibres.

Therefore, the following applies to us:

- Any concerns about a potential conflict of interest must be discussed with a supervisor.
- We never abuse our position at Tesil Fibres or the Tesil Fibres name for personal gain.
- We may not engage in activities for another company or plant if those activities are inconsistent with our commitment to Tesil Fibres.
- We may not be employed by or receive settlements from customers, suppliers or competitors who do business with Tesil Fibres.
- We inform our supervisor if a relative or close acquaintance has a financial interest in or works for a customer, supplier or competitor who does business with Tesil Fibres.
- We respect that all financial transactions from initiation, authorisation and payment to reporting are to be agreed by at least two independent colleagues (allocation of duties) to avoid the risk of bribery, fraud and errors.



TESIL FIBRES AND ITS PARTNERS

Customers and suppliers

Tesil Fibres accepts full responsibility for its products and services. In the event that they do not meet quality and safety standards, the company will:

- promptly investigate a complaint filed in a timely manner;
- inform customers about the procedure and results of the complaint handling;
- analyse the reasons for the complaint and remedy it.

Customer comments on our products and services are the impetus for us to improve and adjust our offer to meet customer needs and expectations.

Giving and receiving material benefits

If, as a Tesil Fibres employee, we find ourselves in a difficult ethical situation, especially in a situation involving the receipt of material benefits or the use of any courtesy, gifts or other material benefits, or if we have any doubts in such situations, we should follow the relevant internal regulations or we may contact the Head of Human Resources of the company, as well as the Executive Director or our immediate superior. In many countries, it is common business practice to exchange gifts as a sign of respect and courtesy. The line between what is perceived as appropriate and inappropriate can be very thin. Extensive gifts can be perceived as an attempt to gain undue advantage or influence a decision. We believe that our employees will use common sense and judgment when giving or receiving gifts and entertainment and will never make a gift to gain a competitive advantage.

As employees of Tesil Fibres, we, in particular:

- seek to ensure that significant business discussions are conducted in the presence of a third party;
- we take brief minutes of the business meeting;
- report to the relevant senior employee any offers of bribes or other benefits made to us and keep a written record of these facts.

Therefore, the following applies to all employees as well as other persons acting on behalf of Tesil Fibres (agents, consultants, distributors, partners, etc.):

- The material benefits received or provided must be of an appropriate size and must not bind Tesil Fibres morally or legally.
- Employees or their family may not accept or give gifts in the form of money or loans from business partners.
- No gifts, trips or other favours may be accepted in connection with negotiations with a current or potential business partner.
- If employees receive a gift of more than €50, they must inform their supervisor immediately.
- The principle of openness applies: employees notify their superiors or colleagues that they have received a gift. Disclosing the value of the gift increases the attention around these matters, ensures transparency and protects Tesil Fibres employees from suspicion of corruption or bribery.

Attendance at social events

As employees of Tesil Fibres, we attend social events and informal gatherings organized by our business partners, taking care that such attendance does not negatively affect the Tesil Fibres position and planned or ongoing transactions. When participating in social events and informal meetings, we adhere to the ethical principles, Tesil Fibres core values and rules of decent behaviour.

In particular, we keep in mind that:

- Suggestions from customers or suppliers regarding reciprocal business parties are not allowed.
- Attendance at business parties where our presence is unwelcome is not permitted.
- Extravagant or ostentatious entertainment is inappropriate.
- We must not attend supplier social events when supplier tenders or price negotiations, e.g. tenders and bids, are being conducted.

Corruption

Tesil Fibres does not tolerate corruption. Corruption is a summary term for unethical behaviour that involves the abuse of a position of trust for personal gain. Corruption includes, but is not limited to, bribery, money laundering, extortion, kickback payments, distortion of competition, e.g. through price fixing, and nepotism (when someone favours their relatives or friends). Most of these practices are illegal and can result in criminal prosecution. If a Tesil Fibres employee is involved in corrupt behaviour, it can have very serious consequences for both the company and the employee.

Therefore, the following applies to us:

- It is not permissible to engage in or contribute to any form of conduct that may be called corruption. Corruption is incompatible with employment with Tesil Fibres.
- It must be ensured that persons acting on behalf of Tesil Fibres do not engage in or contribute to any form of conduct that could be called corruption.
- There must be no built-in incentives to engage in corruption or bribery in commercial contracts.
- If we are in doubt about whether something is right or wrong, then we are obliged to discuss the matter with our supervisor.



Bribery

Tesil Fibres does not tolerate bribery. Bribery is when you give something and expect the recipient to give you an undue advantage in return; and vice versa when you receive something for which you are expected to give an undue advantage.

Therefore, the following applies to us:

- It is not permissible to engage in or contribute to any form of bribery. Engaging in bribery will result in termination of employment and, due to the illegality of bribery, may lead to criminal prosecution.
- We must refuse any request for payment that does not correspond to the service Tesil Fibres is obliged to provide.
- We must not enter into special agreements with public officials, customers or suppliers before deciding on an order.
- We will report any attempted bribery to company management

Facilitating payments

Tesil Fibres does not wish to engage in facilitating payments as they are a grey area in terms of bribery. Facilitating payments involve paying a small nominal amount to a lower level public official in certain countries to perform routine tasks that could cause significant delays or other difficulties for the company if the amount is not paid. For example, paying extra to cross a national border or to obtain a visa. Therefore, the following applies to all employees and persons acting on behalf of Tesil Fibres:

- We must not pay for facilitation unless non-payment would cause unreasonable consequences to our health or safety. If payment is necessary in such a situation, we will try to reduce the amount to the minimum and obtain proof of payment. If the amount has been paid, we must report it to our immediate supervisor, stating the date, reason and amount paid. Furthermore, the payment must be properly recorded in the accounting system so that Tesil Fibres acts in accordance with local legislation.

Blackmail and extortion:

Tesil Fibres does not wish to pay criminals for protection from violence against persons or vandalism to property. If we are required to make such a payment, we are required to report it to our supervisor.

In particular, we should be aware of our security when we refuse an unauthorised payment.

Fair competition (antitrust)

The Act on Protection of Competition prohibits all forms of agreements or concerted practices with competitors regarding price, market and customer allocation, abuse of a dominant market position or any other situation that prevents or restricts free competition.

Therefore, the following applies to us:

- We do not enter into any contracts or reciprocal agreements with competitors that could resemble an illegal agreement.
- We do not take advantage of the dominant position that Tesil Fibres holds in certain markets.

In particular, we keep in mind:

- We do not put ourselves in a position that might lead others to believe that we are engaging in any kind of plan with competitors.
- We do not exchange any sensitive business information (e.g. prices, price increases, rebates, etc.) with competitors or competitors' representatives.

THIRD PARTIES ACTING ON BEHALF OF TESIL FIBRES

Third parties acting on behalf of Tesil Fibres, in particular external personnel, consultants, sales agents, dealers, etc., are obliged to respect the Code of Ethics as much as employees. In particular, the provisions relating to corruption and bribery, as well as confidential information, must be strictly observed, as their violation could cause damage to the company.

Therefore, the following applies:

- At all times, it must be ensured that all business transactions are documented and can be traced so that Tesil Fibres can fulfil its obligation to any relevant control authority. In connection with payments, information regarding the identity and address of the recipient must be provided.
- It must be ensured that payments to all third parties reflect the service provided under the contract and that the contract with the third party clearly and specifically defines the scope, nature and price of the services.
- The payment/settlement may exceed the market level, but only if the purpose of the excess payment/settlement is stated in the contract and there is a reasonable reason for it. Tesil Fibres has the right to terminate the contract with immediate effect if a third party is involved in bribery, corruption or illegal conduct. It is the responsibility of the business to provide this option in commercial contracts.

Tesil Fibres and the surrounding environment Environmental protection

Protecting the environment is an ongoing challenge for our company. That is why we actively strive to minimise the environmental impact of the production process.

Therefore, the following applies to us:

- In our business activities, we respect the laws and standards set for waste, emissions and environmental protection.
- We have an ongoing interest in improving the quality of the environment.
- We use resources sparingly and eliminate wasteful use of water and electricity.
- We conscientiously sort waste, minimising its production.
- Where technological processes allow, we recycle production waste as part of our normal production.

Attitude towards the surrounding community

We look for ways to develop good relationships with the environment in which we do business and strive to build long-term relationships with the environment based on partnership and mutual trust.

Therefore, the following applies to us:

- We support educational, health, environmental, cultural and other community service activities in our area.
- We analyse the long-term impact of our activities on the environment in which we operate.
- We are involved in charitable activities and support projects to support families in need.
- We support initiatives that develop cooperation between different fields of activity.
- We encourage our employees to take an active part in the life of their neighbourhood, especially in charity projects.

Tesil Fibres recognizes that, in addition to economic success and environmental protection, good relations with the surrounding community in the place of business are important for the sustainable development of the business.

Relations to public authorities, municipalities and the region

In our business activities, we also take into account the interests of the wider community, including national and regional interests.

Therefore, the following applies to us:

- We communicate with government authorities using truthful information about the company.
- We ensure proper accounting and timely payment of our financial obligations to state and local government authorities.
- We have an active charity policy.

Compliance with and enforcement of the Code of Ethics

The Code of Ethics is to be seen as a superstructure of law.

Everyone at Tesil Fibres is responsible for acting in accordance with the Code of Ethics. This applies to all employees who work for Tesil Fibres: managers, regular employees and temporary employees such as agency workers, consultants, trainers and students. The Code of Ethics is also applicable in some articles to Tesil Fibres' customers and suppliers. In addition, managers in each department have responsibility for ensuring that the Code of Ethics is followed in practice. This means that managers have a responsibility to ensure that employees in their department know and understand the Code and Tesil Fibres' expectations.

Every employee of Tesil Fibres, regardless of his/her position in the organisational structure, is obliged to familiarise himself/herself with the provisions of the Tesil Fibres Code of Ethics and to comply with them. Any Tesil Fibres employee may ask a member of Human Resources or his or her supervisor to explain the relevant provisions of the Code of Ethics. Each employee may make his or her own suggestions for solving problems encountered in the course of his or her employment.

Tesil Fibres strongly supports the initiative of its employees to propose measures that will lead to the elimination of inefficient practices or improper conduct within the company. An activity to add to or modify the wording of this Code of Ethics is also appreciated. Comments and suggestions should be submitted to the Head of Human Resources. In the performance of their job duties or in direct connection therewith, the executives and managers:

- participate in the promotion of the Code of Ethics and ethical conduct;
- strive to set an example of conscientiousness and trustworthiness for their colleagues and subordinates, while promoting such individuals;
- provide explanations of individual provisions of the Code of Ethics when requested by a subordinate;
- respond immediately and discreetly to reported violations of the Code of Ethics, including suspected violations;
- supervise employees to ensure that they comply with all the principles of the Code of Ethics.

At any time, you may contact Tesil Fibres' Head of Human Resources for any additional information regarding this Code of Ethics or related issues, including references to applicable related internal or statutory regulations. Persons directly responsible for such individual departments, such as supervisors and foremen, can also provide more detailed information regarding individual departments.

General instructions (ethics test)

If you are in doubt about whether you are complying with the Tesil Fibres Code of Ethics and feel that you do not find a satisfactory answer in the Code, then you should take the following ethics test.

Answer the following four questions for yourself:

1. Am I acting in violation of the law or any other relevant regulation?
2. Do I have a problem with my actions being public?
3. Could anyone perceive my actions as dishonest or unfair?
4. Could my loyalty to Tesil Fibres be questioned?

If the answer to one or more of the questions is "yes", you should refrain from doing so and discuss it with your manager.

Violation of the Code of Ethics

Anyone who believes that a Tesil Fibres employee or other person acting on behalf of Tesil Fibres has violated the Code of Ethics should report the matter via email to etickykodex@tesil-fibres.eu or the Trust Box located in the Administration Building of Tesil Fibres – HR & Administrative department.

Any such report will be investigated in a professional and discreet manner and the outcome of the investigation will only be reported to the appropriate level of supervisor.

An employee reporting a violation of the law or this Code of Ethics is guaranteed anonymity, which will also be ensured throughout the investigation of the report. All employees will be held accountable for their actions. This means that Tesil Fibres may terminate employment or suspend an employee who has failed to comply with the rules and Tesil Fibres Code of Ethics.





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— F I B R E S

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