

# DIRECTIVE

## GL\_D0062\_Group Policy\_Code of Conduct for Suppliers



### THE GROUP CODE OF CONDUCT FOR SUPPLIERS

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## ABSTRACT

This Supplier Code of Conduct outlines the ethical standards and expectations set by the Group for its suppliers ensuring responsible practices in areas such as but not limited to labor, human rights, environmental sustainability, and ethical business conduct throughout the supply and value chain.

**Keywords:** Supplier code of conduct, supply chain, value chain, supplier's compliance, human rights, environmental risks and impacts, business ethics, due diligence, compliance, whistle-blowing program, grievance mechanisms.

## 1. INTRODUCTION

- 1.1 The Group operates its business in several European countries and always complies with applicable laws, and the Group's Code of Business Ethics and Conduct and other Group's internal rules.
- 1.2 To facilitate the understanding of the terms and definitions used in this Code please refer to the documents and their specific sections in the Appendix of this document.
- 1.3 The Group endeavours to build partnerships with those suppliers that operate in a manner consistent with the Group's values including ethical, social and environmental aspects. Therefore, the purpose of this Code is, in connection and compliance with the Group's Code of Business Ethics and Conduct and other Group's internal rules, to express that the Group places the same ethical, social and environmental requirements on its Suppliers as on itself and its own Representatives, and to set out the main principles that the Group expects to be maintained by its Suppliers.

## 2. APPLICABILITY

- 2.1 This Code applies to, and shall be observed by, all Suppliers and their employees, officers, directors, partners and other representatives.
- 2.2 The prior written approval of the Board of Directors of CPI Property Group S.A. is required for any deviation from this Code, provided that such deviation would not breach any applicable laws.

## 3. DEFINITIONS<sup>1</sup>

- 3.1 Unless this Code states expressly otherwise or unless the context requires otherwise, the capitalized terms used in this Code shall have the meaning ascribed to them in this Section 3.1 of this Code:
  - 3.1.1 **"Code"** means this Group's Code of Conduct for Suppliers;
  - 3.1.2 **"Group"** means CPI Property Group S.A., IMMOFINANZ AG and S IMMO AG including their consolidated subsidiaries;
  - 3.1.3 **"Representative"** means any officer, director, employee or anyone other directly engaged with, and authorized to act on behalf of, the Group and its subsidiaries, and **"Representatives"** shall be construed accordingly; and

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<sup>1</sup> In case of doubt on how to interpret these definitions please refer to the definitions and concepts in the documents referred to in the Appendix.

3.1.4 **“Supplier”** means any supplier of goods and services of the Group and its subsidiaries, including their employees, non-employee workers<sup>2</sup>, officers, directors, partners and other representatives, and **“Suppliers”** shall be construed accordingly.

#### **4. MANAGEMENT RESPONSIBILITIES**

4.1 The overall responsibility for the pursuing of this Code rests with the Board of Directors of CPI Property Group S.A. that acts through the Compliance Officer of the Group. The Compliance Officer of the Group reports to the Board of Directors of CPI Property Group S.A. on a regular basis.

#### **5. SUPPLIER’S COMPLIANCE**

5.1 The Suppliers shall maintain full compliance with applicable laws, as well as hold and keep valid all the required permits, registration and licenses necessary for their business operations, and shall ensure this also for their own supply chain. The requirement for the Suppliers to comply with applicable laws should be incorporated in all agreements entered into between any subsidiary of the Group and its Suppliers.

5.2 The Group is committed to communicate this Code to all Suppliers so they are aware of their respective obligations.

#### **6. BUSINESS ETHICS**

6.1 The Suppliers’ business operations shall be characterized by business ethics, honesty and responsibility. The Suppliers shall always act ethically and professionally and comply with applicable laws while conducting the business, which means to comply with, among others, the applicable laws on:

6.1.1 prohibition and prevention of bribery, corruption and frauds, as well as with the principles set out in the Group’s Anti-Corruption, Anti-Bribery and Countering of Frauds Policy (including non-providing any gifts or entertainment to the Representatives to gain improper advantage or preferred treatment);

6.1.2 fair competition, whereas the Suppliers shall avoid in particular any type of price collusion, any other cartel agreements or abuse of dominance; and

6.1.3 prohibition and prevention of money laundering and terrorist financing, as well as with the principles set out in the Group’s Anti-Money Laundering and Counter-Terrorist Financing Policy.

6.2. Upon request and if available, Suppliers shall provide written policies and proof of due diligence processes to ensure ethical business.

6.3. The Suppliers shall communicate the individual(s) responsible for business ethics within the sphere of their company.

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<sup>2</sup> For further information on non-employee workers, please refer to *Annex II Acronyms and Glossary of Terms* as indicated in the Appendix of this document.

## **7. HUMAN RIGHTS**

7.1 The Suppliers shall respect and promote recognized human rights, including appropriate labour conditions and practices, and not cause, contribute to, or be linked with, a negative impact on or neglect of human rights in the workplace or in relation to their upstream and downstream business activities. The Suppliers shall also be committed to prevent such behaviors along their upstream and downstream value chain through adequate policies and due diligence processes.

## **8. WORKING CONDITIONS**

### **8.1 No Child Labour**

8.1.1 The Suppliers shall ensure that child labour is not used in any way within their business operations.

8.1.2 The Suppliers shall never employ minors under the age of 15 or those who are under any other applicable statutory age. Employment of minors under the age of 18 is only possible after they have finished compulsory schooling or if the simultaneous employment does not prevent them to continue in, and finish, the compulsory schooling. However, such employment may never include any hazardous tasks.

### **8.2 No Forced Labour**

8.2.1 All work for the Suppliers shall take place voluntarily. The Suppliers shall not be in any way linked to the use of compulsory or forced labour.

8.2.2 The Suppliers shall also comply with applicable laws prohibiting human trafficking.

### **8.3 Non-Discrimination**

8.3.1 The Suppliers shall treat their existing and prospective employees, officers, directors, partners and other representatives fairly, based only on factors related to the Suppliers' legitimate business interests, and without regard to race, ethnicity, religion, gender, gender identity or expression, sexual orientation, national origin, political views, age, marital status, disability or any other personal characteristic.

8.3.2 The Suppliers shall ensure that harassment, bullying, intimidation or other degrading treatment does not occur within their business activities.

### **8.4 Salary**

8.4.1 Salaries shall be paid directly to the Suppliers' employees at the stipulated time and in full. The statutory national minimum wage shall be the lowest acceptable salary level<sup>3</sup>.

### **8.5 Health and Safety**

8.5.1 The Suppliers are obliged to provide a safe and healthy workplace to their employees, officers, directors, partners and other representatives, including appropriate information, instruction, training and supervision. In this respect, the Suppliers shall implement adequate health and safety standards.

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<sup>3</sup> For further information concerning adequate wages and how such shall be determined for countries in which a national minimum wage has not been defined, please refer to the *ESRS July 2023 Draft* as indicated in the Appendix of this document (specifically: ESRS S1-10-Adequate Wages)



## 8.6 Work Time

8.6.1 All Suppliers' employees shall be entitled to statutory leave, including sickness and parental leave. Working hours, including overtime, may not exceed the maximum working hours given by applicable laws. All Suppliers' employees shall be also entitled to statutory weekly rest given by applicable laws.

## 8.7 Whistle-blowing Program

8.7.1 The Suppliers shall provide their employees with access to adequate reporting channels to raise concerns about any legal or ethical issues related to the Suppliers' business operations, including, but not limited to:

- (a) conduct, which is an offence or breach of applicable laws;
- (b) alleged miscarriage of justice;
- (c) health and safety risks;
- (d) unauthorized use of public funds;
- (e) possible fraud and corruption;
- (f) sexual, physical, verbal or financial abuse;
- (g) bullying or intimidation of employees, customers or service users;
- (h) abuse of authority; and
- (i) other illegal or non-ethical conduct.

8.7.2 The Suppliers shall deem matters related to the neglect of rights relevant when evaluating whistle-blower reports.

8.7.3 The Suppliers shall promptly investigate any such concern raised through the whistle-blowing program. The Suppliers are also obliged to protect the whistle-blower during and after the investigation process.

## 8.8 Freedom of Association

8.8.1 The Suppliers shall respect the rights of employees to organize themselves through labour unions, as well as their right to bargain collectively, without any fear of punishment, intimidation or harassment.

## 8.9 Other Issues

8.9.1 The Suppliers shall make sure that any type of relationship that bears the hallmarks of employment is performed in an employment relationship compliant with applicable laws.

8.9.2 Employment of foreigners must always comply with immigration and other applicable laws governing employment of foreigners.

8.9.3 Upon request and if available, suppliers shall provide written policies and proof of due diligence processes to ensure compliance with working conditions.

8.9.4 The Suppliers shall be committed to communicate the individual(s) responsible for matters related to the working conditions within the sphere of their company.

## 9. ENVIRONMENT

- 9.1 The Suppliers shall manage environmental risks and impacts associated with their business operations and across their supply chain, including, but not limited to:
- 9.1.1 compliance with applicable environmental laws;
  - 9.1.2 implementation of strategies aimed at enhancing energy efficiency, improving water management and reduction of waste; and
  - 9.1.3 endeavour to use materials that are recycled or reused, have low embodied energy and reduce resources consumption.
- 9.2 The Suppliers shall systematically and continuously work to improve their environmental performance through, for instance, committing to objectives of the Paris Agreement.
- 9.3 Upon request and if available, the Suppliers shall provide written policies and proof of due diligence processes to ensure environmentally sustainable business activities.
- 9.4 The Suppliers shall be committed to communicate the individual(s) responsible for matters related to environmental matters within the sphere of their company.

## 10. SUPPLY AND VALUE CHAIN RESPONSIBILITY

- 10.1 The Suppliers shall ensure that all their employees, officers, directors, partners and other representatives comply with applicable laws and the principles and standards set forth in this Code.
- 10.2 The Group reserves the right to conduct supplier audits if needed and expects the Suppliers to cooperate and provide necessary evidence.
- 10.2.1 Traceability: where feasible and possible, the Suppliers should maintain records and documentation that demonstrate the traceability of their products throughout their value chain, including information on suppliers, subcontractors, and intermediaries involved.
  - 10.2.2 Transparency: the Suppliers should provide access to relevant documents, such as certifications, audits, and reports, that demonstrate their commitment to transparency. The Suppliers should promptly and accurately respond to inquiries from the purchasing organization regarding their practices, allowing for open dialogue and information sharing.
- 10.3. The Suppliers are expected to make grievance mechanisms<sup>4</sup> easily accessible to all stakeholders. Grievances should be acknowledged promptly, and a clear timeline for resolution should be provided. The Suppliers should maintain records of grievances received, investigated, and resolved, while ensuring the confidentiality of individuals involved. The Suppliers are expected to provide necessary documentation and evidence in this regard.

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<sup>4</sup> A grievance mechanism is a structured process or system established by an organisation to receive, address, and resolve complaints or grievances raised by individuals or groups affected by the organisation's actions. For further information on the definition please refer to the *Annex II Acronyms and Glossary of Terms* as indicated in the Appendix of this document.



## **11. NON-RETALIATION**

11.1 We expect the Suppliers to incorporate a working culture and atmosphere in which individuals are encouraged to raise concerns and grievances without fear of retaliation.

11.1.1 Non-retaliation: the Suppliers shall not engage in any form of retaliation, including but not limited to intimidation, harassment, threats, adverse employment actions, or discrimination, against individuals who raise concerns, file complaints, or participate in investigations related to our business activities.

11.1.2 Confidentiality: the Suppliers shall handle all grievances and related information with strict confidentiality. The identity of individuals raising concerns or participating in investigations should be protected, and personal information should not be disclosed without proper consent, unless required by law or regulatory obligations.

## **12. CONSEQUENCES**

12.1 The Suppliers shall understand that proper action may be taken against those who do not comply with applicable laws and the principles and standards set forth in this Code. In case of serious breach of this Code, even the contractual relationship between the subsidiary of the Group and the respective Supplier may be affected.

12.2 Failure to comply with this Code may result in a review of the supplier relationship and potential termination.

## **13. ACCESSIBILITY**

13.1 We strive to promote transparency and accessibility in our business practices and expect a similar approach from our Suppliers. Thus, we make this code of conduct easily accessible on our company website for all stakeholders to review and reference.

## **14. FINAL PROVISIONS**

14.1 The Board of Directors of CPI Property Group S.A. shall regularly revisit and reevaluate this Code in light of development of the Group's business and applicable laws.

**APPENDIX:**

**CSRD:** Corporate Sustainability Reporting Directive 2022/2464, December 2022, available under: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32022L2464&qid=1693385469788>

**EU-Taxonomy:** EU Taxonomy Regulation, June 2020, available under: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32020R0852>

**CSDDD:** Proposal for a Directive on Corporate Sustainability Due Diligence, February 2022, available under : <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022PC0071><sup>5</sup>

**ESRS:** European Sustainability Reporting Standards, July 2023 Draft, available under: [https://ec.europa.eu/finance/docs/level-2-measures/csrd-delegated-act-2023-5303-annex-1\\_en.pdf](https://ec.europa.eu/finance/docs/level-2-measures/csrd-delegated-act-2023-5303-annex-1_en.pdf)<sup>5</sup>

**Annex II Acronyms and Glossary of Terms** (ESRS July 2023 Draft), available under: [https://ec.europa.eu/finance/docs/level-2-measures/csrd-delegated-act-2023-5303-annex-2\\_en.pdf](https://ec.europa.eu/finance/docs/level-2-measures/csrd-delegated-act-2023-5303-annex-2_en.pdf)<sup>5</sup>

**ILO Declaration on Fundamental Principles and Rights at Work**, adopted in 1998 and amended in 2022, available under: [https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/--declaration/documents/normativeinstrument/wcms\\_716594.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/--declaration/documents/normativeinstrument/wcms_716594.pdf)

**The International Bill of Human Rights**, December 1948, available under: <https://www.ohchr.org/sites/default/files/Documents/Publications/Compilation1.1en.pdf>

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<sup>5</sup> The draft version is automatically replaced with the final version as soon as it becomes legally valid.

# Krycí list předpisu (Cover Sheet for the Rule)



T0002\_Cover Sheet for the Rule\_v5.2

## ID a název předpisu (ID and Name of the Rule)

### GL\_D0062\_Group Policy\_Code of Conduct for Suppliers

#### Detail

Typ vydání (Publication type)	Aktualizace předpisu (Update of the Rule)		
Typ předpisu (Rule type)	Politika (Policy)		
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Verze předpisu (Rule version)	1.1		
Klasifikace důvěrnosti (Confidentiality classification)	Veřejné (Public)		
Platnost (Validity)	Od (from):	1.12.2023	Do (to): Bez omezení / no restrictions

#### Krátké shrnutí (Short description)

Rozšíření platnosti interního předpisu i na společnosti spadající pod IMMOFINANZ AG a dceřinné společnosti

Garant (Guarantor)	Org. jednotka (Org. unit)	Datum (Date)	Podpis (Signature)
<b>Ludvík Růžička</b> Advokát	AK0060_Pravni podpora pro asset, development a regulace	15.11.2023	DocuSigned by:  98F08D41E335494...
Vlastník (Owner)	Org. jednotka (Org. unit)	Datum (Date)	Podpis (Signature)
<b>Martin Matula</b> Member of the Supervisory Board	U0000_Executive Board	07.02.2024	DocuSigned by:  71398BFF657543B...
Schvalovatel (Approver)	Org. jednotka (Org. unit)	Datum (Date)	Podpis (Signature)
<b>Martin Němeček</b> - CEO David Greenbaum	U0000_Executive Board	21.02.2024	DocuSigned by:  28DEC972EA50465...
Vydavatel (Publisher)	Org. jednotka (Org. unit)	Datum (Date)	Podpis (Signature)
<b>Olga Nevyhoštěná</b> Process Manager	U0200 Internal Audit	15.11.2023	DocuSigned by:  312A8C41AFE444E...