

CROZ d.o.o. Zagreb, Lastovska 23, CROZ's registration number: 1663950, VAT ID: HR86132384544 (hereinafter: "the CROZ") represented by the President of the Management Board, Mr. Vjekoslav Jadrešić, on 01.01.2023. adopted the

Supplier Code of Conduct

Purpose, scope and nature

Article 1

The purpose of this Supplier Code of Conduct ("Code of Conduct") is to accept and affirm the fundamental values of CROZ and create positive atmosphere and working environment in order to established CROZ standards that include ethical business practices and regulatory compliance.

This Code of Conduct defines the non-negotiable minimum standards that CROZ asks to respect and to adhere to when conducting business with CROZ.

Article 2

Suppliers and their employees, personnel, agents, and subcontractors (collectively referred to as "Supplier/s") must adhere to this Supplier Code of Conduct or its amendments while conducting business with or on behalf of CROZ.

Suppliers must require their subcontractors acknowledge and implement the Code of Conduct in their operations and across their supply chains. Suppliers must promptly inform their CROZ contact when any situation develops that causes the Supplier to operate in violation of this Code of Conduct.

Suppliers with whom CROZ does business shall embrace this commitment to integrity by complying with and training their employees on the Code of Conduct.

Compliance

Article 3

All Suppliers must conduct their employment practices in full compliance with all applicable laws, regulations, directives, and guidelines and in compliance with CROZ requirements, which may exceed local legal requirements. In all cases in which CROZ requirements are more stringent than local legal requirements, Suppliers are required to meet the more stringent CROZ requirements.

Suppliers using CROZ properties or facilities will comply with all of CROZ applicable policies and requirements.

Suppliers using CROZ's customer ("End user") properties or facilities will comply with all of CROZ and End user applicable policies and requirements.

Fundamental values

Article 4

The fundamental values of CROZ are:

- quality of work;
- commitment in pursuing interests of the CROZ;
- moral integrity;
- environmental standards;
- economy;
- compliance with the law;
- professional behaviour in the workplace;
- professional approach in presenting the CROZ to business partners, customers, suppliers and third parties;
- labor and human rights;
- teamwork

Article 5

Code of Conduct is a prerequisite in every CROZ contract with the Supplier. Through acceptance of any Agreement/Purchase Order, the Supplier commits that all its operations are subject to the provisions contained in this Code of Conduct.

Labor and human rights

Article 6

The Supplier shall employ only persons who are legally authorised to work in their facilities and is responsible for validating employees' eligibility to work through appropriate documentation. All labor Agreements shall be concluded voluntarily, and workers shall be free to leave work or terminate their employment upon reasonable notice. To the fullest extent possible, work performed must be on the basis of a recognised employment relationship established through national law and practice. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, subcontracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment. Nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

When hiring foreign workers who are not nationals of the country in which the work is taking place and who are recruited and who migrate from their home country to another country for the specific purpose of working for the Supplier, Suppliers must provide return transportation for such workers or reimburse the workers for the cost of such trip. This requirement does not apply to workers with permanent residency of professional employees who are on short-term or long-term assignments.

Excessive overtime must not be the norm.

Child labour is strictly prohibited. If any child is found working at the premises of the Supplier, the Supplier shall immediately take steps to redress the situation in accordance with the best interests of the child.

The Supplier shall provide its workers with a safe and healthy workplace and should implement effective programs to improve the working environment. The Supplier shall do its utmost to control hazards and take necessary precautionary measures against accidents and occupational diseases.

Article 7

The Supplier shall obey the abolition of any form of indentured servitude, such as the use of physical punishment, confinement, or threats of violence as a method of discipline, or controls such as retaining employees' identification papers, passports, work permits or deposits as a condition of employment.

Suppliers will not permit harassment, abuse, corporal punishment, or inhumane treatment. Suppliers will not subject workers or potential workers to unlawful medical tests or physical exams. Suppliers will not discriminate in screening, hiring, or employment practices based on race, colour, age, sex, gender, gender identity, gender expression, sexual orientation, marital status, ethnicity, national origin, caste, disability, genetic information, medical condition, pregnancy, religion, political affiliation, union membership, covered veteran status, or body art. Workers' religious practices will be reasonably accommodated. In addition, Suppliers will demonstrate a commitment to identify, measure, and improve a culture of diversity and inclusion through all aspects of workplace management.

Workers will be permitted to associate freely, bargain collectively, and seek representation in accordance with local laws. Suppliers are expected to permit workers to openly communicate and share grievances with management about working conditions without fear of reprisal or harassment.

Health and safety

Article 8

Suppliers will integrate the following health and safety management requirements into business processes to provide workers with a healthy and safe work environment:

a) Suppliers shall ensure compliance with all applicable occupational health and safety laws and regulations, including but not limited to requirements that address occupational safety, emergency preparedness, occupational injury and illness prevention, industrial hygiene, physically demanding work, ergonomics, machine safeguarding, sanitation, food, and housing. Where these means cannot adequately control hazards, suppliers will protect workers with appropriate personal protective equipment and provide them with information about risks to them from these hazards. Suppliers will implement procedures to prevent, manage, track, and report occupational injury and illness, including encouraging worker reporting, classifying and recording cases, providing medical treatment, investigating cases, implementing corrective actions, and facilitating workers' return to work.

b) Suppliers will identify and plan for potential emergencies, and will implement emergency plans and provide guidance to workers on emergency response procedures, including emergency reporting, worker notification and evacuation, drills, fire detection and suppression equipment, exit facilities, and recovery plans.

c) Suppliers will provide workers with ready access to clean toilet facilities, potable water,

and sanitary food preparation, storage, and eating facilities. If suppliers provide workers with residential facilities, those facilities will be clean and safe, with adequate personal space, entry and exit privileges, emergency egresses, heat and ventilation, and hot water for bathing and showering.

d) Suppliers will prohibit the use, possession, distribution, or sale of illegal drugs.

Environmental Responsibility Practices

Article 9

The Supplier shall act in accordance with relevant local and internationally recognized environmental standards and applicable local laws, whereby the highest standard shall be applied especially.

The Supplier shall make sure that it obtains, keeps current, and follows the reporting guidelines of all the required environmental permits and registrations, so as to be at all times legally compliant.

The Supplier shall minimize its environmental impact and should implement measures contributing to the protection of the environment.

Suppliers shall follow the rules of circular economy during the whole product life cycle: conception, development, production, transport, use and disposal and/or recycling. The Supplier shall minimize or strive to avoid hazardous air emissions, energy consumption and CO₂ emissions. In particular, the Supplier shall develop products and services that feature low energy consumption and CO₂ emission reduction during the whole life cycle.

The Supplier shall optimise its consumption of natural resources, including energy and water. The Supplier shall implement and demonstrate sound measures to prevent pollution and shall minimise the generation of solid waste, wastewater and air emissions. Supplier shall characterise and treat wastewater and solid waste appropriately and according to applicable laws and regulations. The use of rare resources shall be limited or avoided where possible. The Supplier shall strive to reduce the waste. Waste treatment shall be in accordance with applicable environmental laws.

The Supplier shall implement a relevant environmental management system, designed to identify, control and mitigate significant environmental impacts.

Business Integrity

Article 10

Supplier shall comply with all applicable ethical trade laws and regulations in the countries where materials are sourced and produced (“country of use”). In the case of services, the location of service delivery shall prevail.

Suppliers shall comply with all laws and regulations applicable to the import or export, including but not limited to trade laws and sanctions regulations.

Suppliers shall not provide controlled technologies, products, or technical data to CROZ,

without providing notice of such controls as necessary for CROZ to maintain compliance with applicable laws.

Antitrust

Article 11

Suppliers shall conduct business in full compliance with antitrust and fair competition laws that govern the jurisdictions in which they conduct business.

Anty-corruption

Article 12

The Supplier must refrain from all forms of corruption, extortion and bribery, and all other actions that can be construed as such and specifically ensure that all payments or other benefits offered or made to public officials, private sector employees or any other party comply with applicable national and international anti-corruption laws and regulations.

The Supplier must never, alone or through his subcontractors, either offer, promise, or make a payment or provide any other item of value or request or accept such item with the aim of influencing public officials or other persons (or to give rise to the appearance of such influence), or to attain an unfair business advantage. Even the suspicion or appearance of corruption and prohibited manipulation must be avoided.

The Supplier shall establish processes to prevent corruption by implementing an anti-corruption policy.

Suppliers shall cooperate with increased attention with state administration bodies, local and regional self-government units, legal persons with public authorities, legal persons performing public service, bodies financed from the state budget and other bodies governed by public law in the Republic of Croatia, as well as bodies, entities and institutions with public authority outside the Republic of Croatia within the framework of law, concluded Agreements and legal restrictions.

The increased attention especially refers to all types of payment and receipt of amounts, advertising, recommendations and offers of products and services to bodies and employees of bodies with public authority, within the public procurement procedure or outside of it.

While performing one's work duties, it is strictly forbidden to give or receive bribes or any other form of undue reward.

It is prohibited to encourage, conceal, assist in giving or receiving bribes, especially to civil servants and employees, persons who decide on tenders or procurement procedures, persons employed by CROZ or its suppliers, customers, business partners or third parties, either by giving undeserved rewards or indirectly through third parties.

Article 13

The Supplier shall have systems in place enabling the submission of anonymous grievances, and their reporting and management. A designated officer shall continuously monitor the grievance mechanism, keep records of the issues raised, and take appropriate action in a confidential manner.

Article 14

The Supplier shall report to CROZ any situation that may appear to be a conflict of interest and disclose to CROZ if any CROZ employee or professional under contract with CROZ may have an interest of any kind in the Supplier's business or any kind of financial ties with the Supplier.

Business dealings

Article 15

All business dealings shall be transparently performed and accurately reflected in Supplier's business books and records.

Assets

Article 16

Any divestment, misappropriation, damage or destruction of the CROZ's or End user's assets resulting from improper handling and negligent attitude towards work, as well as unauthorized use thereof, is strictly prohibited.

Suppliers will Protect and responsibly use the physical and intellectual assets of CROZ, including intellectual property, tangible property, supplies, consumables, and equipment, when authorized by CROZ to use such assets.

Intellectual property rights

Article 17

Suppliers shall protect the intellectual property of the CROZ's suppliers, customers, business partners or persons close to them.

Suppliers will respect intellectual property rights and will conduct technology and know-how transfers in a manner protecting intellectual property rights.

Suppliers will respect and protect the intellectual property rights of all parties by only using information technology and software that has been legitimately acquired and licensed. Suppliers will use software, hardware, and content only in accordance with their associated licenses or terms of use.

Confidential and proprietary information

Article 18

Unauthorized disclosure of confidential information about the CROZ, its employees, customers, business partners or suppliers or persons close to them is strictly prohibited without the express written permission of the CROZ.

Suppliers shall not disclose business secrets, business information, internal opportunities or business practices of the CROZ, its customers, business associates and suppliers to unauthorized persons.

It is prohibited to disclose information about the CROZ's employees, its customers, business associates or suppliers to unauthorized persons.

Confidential information particularly relates to:

- current and future business results of the CROZ;
- business plans of the CROZ;
- strategies which are not disclosed in public or possible development strategies of the CROZ (including information on partnerships, potential takeovers, etc.), and similar matters that may refer to competition;
- internal business practice of the CROZ
- project information (technical and architectural data, personal data...).

Article 19

The Supplier shall take appropriate steps to safeguard and maintain the confidential and proprietary information of its business partners and shall use such information only for the purposes authorized in the contractual agreement. In the case of sub-contracting, any sharing of confidential information requires the prior consent of CROZ.

Suppliers will protect the privacy of personal information of everyone with whom they do business, including suppliers, customers, consumers, and workers.

Suppliers will provide clear and accurate privacy notices when collecting or processing personal data, honor privacy choices by using data only as agreed to by CROZ and End users and protect data by building secure products and services.

Business practices and ethics

Article 20

All Suppliers shall show loyalty and promote the CROZ with their professional approach, all with the aim of creating a positive image of the CROZ as business-production system.

All business information and reporting activities are to be conducted honestly and accurately and comply with all applicable laws regarding their completion and accuracy.

When realizing strategic goals, Suppliers shall at its own cost take care of the quality of work, products and services, meeting the planned deadlines, rational use of time, resources

and energy, compliance with the prescribed rules and regulations of the CROZ and/or End user, legal and other regulations, and the application of appropriate quality standards. The Supplier must ensure that their work product meets the CROZ's quality standards. In order to achieve this standard, the Supplier shall implement quality assurance processes to identify defects and take corrective actions when needed.

In work environment, Supplier's behaviour should be based on mutual trust, loyalty, fairness, and respect for the dignity of each person.

During and outside working hours, Supplier shall endeavour not engage in activities that may be classified as behaviour contrary to good business practice.

Software

Article 21

The Supplier shall use only software made by the original manufacturer or authorized reseller, created in a lawful manner and under legal and/or contractual authority.

The Supplier shall use all software exclusively in accordance with the licence agreement, and they shall not install unauthorized copies of commercial software or copies for which they do not have the appropriate licence agreement on the CROZ's IT devices.

Press

Article 22

Supplier shall only speak to the press on behalf of CROZ if expressly authorized in writing to do so.

Suppliers shall not issue press releases or other publicity related to their relationship or agreements with CROZ without the prior written consent.

Subcontractors

Article 23

Suppliers shall obtain written consent from CROZ prior to engaging a subcontractor to fulfill Supplier's obligations to CROZ in addition to meeting any other obligations contained in any agreement a Supplier may have with CROZ.

The Supplier will use only subcontractors or other third parties who comply with all applicable laws and regulations and adhere to the same non-negotiable fundamental principles and minimum standards set forth in this Code of Conduct.

Application

Article 24

This Supplier Code cannot detail every situation that may arise, and so it is the responsibility of the Supplier to judge carefully and reasonably what is good and appropriate in a particular situation and to familiarize themselves with the principles of this document.

In cases where this Code of Conduct does not cover a specific problem or situation, the Suppliers are expected to be guided by business logic and common sense.

Article 25

CROZ recognises that embracing these fundamental principles is a dynamic rather than static process and encourages the Supplier to strive towards continual improvement, and to establish, implement and maintain recognized management systems and standards related to the areas described in the Code of Conduct.

In cases where improvement is required, CROZ will support the establishment of milestones and procedures to ensure that practices are continuously upgraded. Failure to do so shall directly impact the ability of the Supplier to do business with CROZ.

Management system

Article 26

Suppliers are expected to adopt or establish a management system to carry out these responsibilities.

The management system will be designed to ensure Suppliers' operations: (a) comply with CROZ requirements and applicable laws and regulations; (b) conform to these responsibilities; and (c) identify and mitigate operational risks related to these responsibilities. It should also facilitate continual improvement:

The management system should contain the following elements: executive level commitment and accountability; processes to identify, monitor, and comply with all applicable laws, regulations, standards, and requirements; risk management processes; communications and training for all workers and suppliers as determined by suppliers; ongoing assessments, monitoring, and continued improvement, including corrective action processes; a program that provides workers with a means to report grievances anonymously and without fear of retaliation, unless prohibited by law; and a program to ensure suppliers will continuously monitor these reporting processes, record issues raised, investigate as appropriate, and take appropriate action.

Article 27

This Code of Conduct can be changed or amended by the Management Board of the CROZ.