

Code of Conduct for Business Partners

PINOY 385 d.o.o., in cooperation with business partners and suppliers, attaches great importance to social and environmental sustainability. In this regard, the Code of Conduct for Business Partners describes the basic principles for cooperation with business partners.

1. Purpose and application

This Code of Conduct for Business Partners (hereinafter: the Code) is an integral part of the Cooperation Agreement between PINOY 385 d.o.o. (hereinafter: the Agency) and the business partner (hereinafter: the Partner).

The Code defines ethical, legal, and professional standards that the Partner undertakes to comply with during cooperation with the Agency.

The Code is based on the national regulations of the Republic of Croatia, as well as on international principles and standards of responsible business conduct, including but not limited to:

- The Fundamental Conventions of the International Labour Organization (ILO),
- The United Nations (UN) Universal Declaration of Human Rights,
- OECD Guidelines for Multinational Enterprises,
- the UN Global Compact,
- UN Guiding Principles on Business and Human Rights (UNGPs).
- Charter of Fundamental Rights of the European Union

The national and other applicable laws and regulations in force in the countries in which the business activity is carried out, and the principles set out in this Code of Conduct, are binding. Of all applicable regulations, the one most suitable for achieving the protective purpose is always authoritative.

Terms used in this Code that have a gender meaning are used neutrally and refer equally to the male and female genders.

2. Legality of business

The partner undertakes:

- conduct business in accordance with all applicable laws and regulations of the Republic of Croatia and, where applicable, the laws of other countries in which it operates,
- The partner must document all recruitment costs (cost transparency).
- The Partner must ensure that all its subcontractors comply with this Code and the requirements.
- comply with all laws relating to employment, occupational safety, labour rights, personal data protection, prevention of discrimination, and the fight against corruption;
- not to engage in any form of illegal employment mediation, trafficking in human beings, or exploitation of workers;
- The partner must protect the rights of migrant workers, including freedom of movement and access to documents;
- The partner must keep a record of injuries at work and near-miss cases,
- The partner must provide workers with access to the grievance system without the risk of retaliation;
- The partner undertakes not to recruit workers to replace workers on strike,
- The partner must provide and hand over to the workers a copy of the employment contract in a language they understand before
The beginning of the work,
- The partner must not charge workers any recruitment or administrative fees that are not legally permitted,
- The partner must not keep the employee's passports or identity documents,
- act fairly, transparently, and in good faith in all business relations with the Agency, candidates, and third parties,

- The partner must not participate in money laundering,
- The partner must have a whistleblower protection system,
- avoid conflicts of interest and immediately notify the Agency if they occur,
- not to offer, receive, or indirectly facilitate any form of bribe, gifts, remuneration, or benefits for the purpose of gaining an unfair business advantage;
- To protect the reputation and trust of the Agency and its clients.

Prohibition of bribery, corruption, and gift policy

Prohibition of bribery and corruption

The Partner acknowledges and warrants that it will not, directly or indirectly, offer, give, solicit, or receive bribes, benefits, or any unfair benefits to influence business decisions or obtain an unfair advantage in business. This obligation applies to all employees, representatives, and subcontractors of the business partner.

Gifts & Benefits Policy

Receiving or giving gifts, invitations to events, services, or other forms of attention to the Agency's employees shall only be permitted if:

- Symbolic and moderate,
- transparently documented,
- In accordance with applicable laws and ethical standards,
- without influencing professional decisions or creating conflicts of interest.

Gifts and entertainment for Partners must be reasonable, appropriate, and support the Agency's legitimate business interests. Employees of the Agency must comply with the Partner's policies regarding the receipt of gifts and benefits.

Reporting and consequences

The partner is obliged to immediately report any suspicion of corruption, bribery, or misuse of gifts to the competent persons. Failure to comply with this clause is considered a serious breach of contractual obligations and may result in termination of the contract, legal sanctions, and other liability under applicable laws.

The Partner confirms that it will not engage in business activities that would violate international sanctions, trade restrictions, or embargoes adopted by the United Nations, the European Union, or other competent authorities.

3. Ethical Conduct and Integrity

The partner undertakes to ensure that all workers and applicants are treated with dignity, respect, and equal opportunities, and that they are guaranteed the following rights:

- **Prohibition of discrimination**

Workers and applicants must not be discriminated against on any grounds, including sex, age, race, color, language, religion, nationality, ethnic origin, political opinion, marital or family status, disability, sexual orientation, gender identity, or any other personal circumstance. Equal opportunities for women and men will be ensured in all aspects of education and personal and professional development.

- **Prohibition of forced and child labour**

The partner may not use forced, compulsory, slave, or child labour, in accordance with ILO Conventions No. 29, 105, 138, and 182. The partner will comply with national regulations and international standards for the protection of minors. Minors are not allowed to perform night work except in the manner and to the extent permitted by local regulations.

- **Freedom of Association and Collective Bargaining**

Workers must be allowed free association and the right to collective bargaining in accordance with local laws and international standards (ILO Convention No. 1). 87 and 98). Under no circumstances may penal measures be applied for claiming these rights.

- **Salaries and benefits**

The partner must pay the workers' wages that are at least in accordance with the applicable laws, collective agreements, or standards of the sector of its business activity, whichever is more

favourable to the worker.

Salaries must be paid in a timely, transparent, and full manner, without unlawful deductions or withholdings.

Deductions for wages in kind are allowed only to a certain extent and in an amount proportional to the value of the salary in kind. The partner pays the statutory social benefits and benefits to which employees are entitled under national legislation (e.g., contributions to compulsory insurance, paid annual leave, etc.).

The obligations arising from the employment relationship must be established in writing and served on the employee in the form of an employment contract. In principle, a business partner does not retain funds for borrowing work equipment.

- **Fair treatment**

In principle, the partner will not use forced labour or prisoner labour and will make every effort to ensure that there is no rough or inhumane treatment in the workplace. These include, above all, sexual harassment, corporal punishment, psychological and physical coercion, and verbal abuse of employees. Employees must not even be threatened with such behavior.

The partner will not charge applicants or workers any hiring fees, except as expressly permitted by law.

- **Working hours and breaks**

The partner must ensure that workers are entitled to daily, weekly, and annual leave in accordance with the regulations; that working hours, overtime, and vacations are allocated, organized, and paid in accordance with the law or applicable internal regulations, and that the total duration of work does not exceed the limits permitted by law.

- **Health and safety at work**

The partner must ensure a safe and healthy working environment, take preventive occupational safety measures, and educate workers about safety rules and procedures.

Places of work and means of work must comply with applicable laws and regulations.

Any violation of fundamental human rights in the workplace and in work facilities is prohibited.

Minors should not be exposed to dangerous, unsafe, or unhealthy circumstances that endanger their health and development.

Employees must receive regular training on health and safety in the workplace.

Workplaces must be provided with a sufficient level of cleanliness.

If the Partner provides accommodation to employees, such accommodation must meet the conditions of adequate accommodation at least in accordance with the applicable national regulations.

If the Partner provides accommodation to workers, the accommodation conditions must be transparent, safe, and hygienic, and must not restrict the freedom of movement of workers.

The partner should designate an employee health and safety representative who will be responsible for establishing health and safety standards and adhering to these standards in the workplace.

- **Protection of personal data**

The Partner must comply with applicable data protection regulations, including the General Data Protection Regulation (GDPR), and ensure the confidentiality of all personal and business information of candidates and employees.

- **Disciplinary measures**

The partner will carry out disciplinary measures against employees in accordance with the provisions of national legislation and the framework of internationally recognized human rights.

Inappropriate disciplinary measures such as withholding of salary and contributions for compulsory insurance, withholding of documents (e.g., identity documents), and prohibition on leaving the workplace must not be carried out.

The partner will respect the right of its employees to resign.

4. Environmental protection

The partner will comply with applicable environmental laws and regulations.

The work of the Partners must meet the requirements of waste legislation, emission protection, and water protection. The partner must comply with all regulations related to dangerous substances. This applies in particular to the storage, handling, and disposal of dangerous goods. Employees must receive training on how to handle hazardous materials and substances.

Environmental impacts must be avoided or at least reduced if this can be achieved by appropriate means. Within the scope of its business activities, the Partner undertakes appropriate efforts to

protect the environment and climate and promote biodiversity, and makes efforts to continuously improve the level of protection by permanently reducing the consumption of resources and the amount of waste generated.

The Partner will continuously work to improve its environmental, human rights, working conditions, and ethical policies and practices, and strive to reduce the negative impacts of its business activities.

5. Confidentiality and protection of information

The partner undertakes:

- keep all business, personal, and technical information obtained in the course of cooperation with the Agency,
- use them exclusively for the agreed cooperation,
- not to disclose them to third parties without the prior written consent of the Agency.

6. Monitoring and compliance

The partner will conduct appropriate due diligence procedures to identify, prevent, and mitigate risks related to violations of human rights, labor rights, corruption, and negative environmental impacts in its own business and supply chain.

The Agency reserves the right to:

- request documentation or information from the Partner to verify compliance with this Code;
- supervise or audit the Partner's conduct if there is a reasonable suspicion of a violation of the Code.

The partner will enable the verification of compliance with the Code of Conduct. To this end, it shall provide information in writing upon request and provide access to the necessary documentation and on-site verification of its organisation. Third parties (e.g., auditors) may be authorised to carry out the verification.

Upon request, the partner shall request the subcontractors employed for the provision of services to assign the appropriate verification rights.

Subcontractors employed by the Partner to provide its services must adhere to standards that correspond to this Code of Conduct. The Partner is obliged to inform them about the content of this Code and to require the fulfillment of the requirements and standards specified in the Code. The Partner remains fully responsible for the conduct of its subcontractors and other third parties involved in the provision of services in accordance with this Code.

If the Partner learns that there is evidence indicating a material violation of the provisions of this Code of Conduct, the Partner is obliged to report it to the Agency without delay. The partner is obliged to provide information on violations in writing upon request.

The information must contain a detailed description of the breach, the participants, and the resulting and potential consequences of the breach (e.g., official measures). The partner cooperates in the implementation of investigative measures in connection with the violation. The notification is given with the protection of the legitimate interests of the Partner and taking into account the rights of employees, in particular data protection and the protection of trade secrets. This also applies to infringements committed by subcontractors of a business partner.

The Partner undertakes to set up an internal system for reporting violations of these standards; employees who make reports must not be subject to disciplinary measures or discriminated against as a result.

The Partner shall ensure that its employees, representatives, and subcontractors are familiar with this Code and, where appropriate, shall conduct appropriate training on ethical conduct, protection of workers, prevention of corruption, and respect for human rights.

In case of violation of the provisions and obligations specified in this Code, the Agency may:

- request the correction of the irregularity or infringement within a specified reasonable period or, if this is not possible due to the nature of the irregularity or infringement, issue a reprimand;
- temporarily suspend cooperation until the irregularity or violation is rectified,
- In the event of failure to remedy serious irregularities or violations, or in the event of repeated irregularities or violations, terminate the cooperation agreement without notice and retain the right to compensation for damages.
- retain the right to report to the competent authorities and institutions in accordance with applicable laws

7. Entry into force

This Code shall enter into force on the day of signing the contract and shall be valid for the entire duration of the business relationship between the Agency and the Partner.

By signing the Agreement, the Partner confirms that he/she is familiar with this Code, that he/she understands it, and that he/she will act in accordance with it.