

České dráhy, a.s. Code of Conduct



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 **České dráhy**

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PART ONE

BASIC VALUES OF THE COMPANY

1. České dráhy, a.s. (hereinafter referred to also as “the Company”) as a national carrier is aware of its social responsibility resulting from its position on the market. České dráhy, a.s. behaves as a responsible and trustworthy partner towards its customers, employees and Business Partners, taking care to maintain sustainable development.
2. The aim of the Company is to provide transport services accessible to a wide range of customers and to develop, promote and maintain an economically sound, transparent and prosperous business environment.
3. The purpose of the Code of Conduct of České dráhy, a.s. (hereinafter referred to as the “Code of Conduct”) is to capture the basic rules and ethical values which the Company follows and subscribes to in the performance of its activities, and to set out the corresponding obligations which the Company and its employees jointly share and observe, at all levels of the organisational structure of the Company. The Company insists on compliance with the rules and principles set forth in the present Code of Conduct and does not tolerate their violation.
4. In situations not expressly covered by the Code of Conduct, the Company and its employees are obliged to behave and act in accordance with the law, international treaties, principles of good morals, rules of ethics, morality and fair dealing, so as to uphold the good name and reputation of the Company.
5. The Company shall ensure compliance with laws, international treaties, ethical rules and internal standards in all areas of its operations, both externally in relation to any third parties and in relation to its employees, in order to represent the Company in a manner which promotes its reputation.
6. Each employee shall conduct themselves in accordance with the values and rules of the present Code of Conduct even in their private activities so that their actions do not in any way damage the goodwill and reputation of the Company. Each employee shall act even in private with the knowledge that they represent the Company and that his or her actions, appearances or statements may damage or bring into disrepute the reputation of the Company.
7. In order to prevent any wrongdoing and to know the compliance standards, employees are regularly trained and every employee is obliged to attend the training sessions.
8. The Company expects its employees to make decisions always in the best interests of the Company and, in this context, to protect the good reputation of the Company above all. In doing so, they will take care to avoid conflicts of interest. The Company has an integrated compliance management system, which is a comprehensive set of interrelated systemic, personnel and organisational measures and tools against the occurrence of violations. The framework and rules for the implementation, administration and development of the compliance management system in the Company are regulated in particular by the Compliance Programme of České dráhy, a.s.
9. An integral part of the Company’s responsible approach is also the responsible selection of Business Partners, whereby the Company expects all of its Business Partners to have an active ESG policy and to actively promote and uphold the values and principles expressed in the present Code of Conduct in their activities, thereby actively helping to fulfil the Company’s mission. To this end, the Company issues the present Code of Conduct, which sets out the requirements and principles imposed on its Business Partners.

PART TWO

CONFLICT OF INTEREST

A conflict of interest is defined as a situation in which personal interests of an employee interfere with or threaten in any way the interests of the Company or influence or threaten the employee’s decision-making or the decision-making of the Company. Each employee shall act to avoid conflicts of interest,

avoid situations in which they might be exposed to a conflict of interest and thereby obtain an undue advantage or benefit for themselves or for someone else to the detriment of the Company. In the event of doubts or a conflict of interest arising, the employee shall immediately inform their immediate supervisor; if the immediate supervisor is not the Director, the Director of the department in which the employee is organisationally assigned shall also be informed of the situation.

PART THREE

RELATIONS WITH THIRD PERSONS

1. Third-party relationships for the purposes of the present Code of Conduct mean relationships between the Company and public authorities, Business Partners, customers, the media and the public, i.e. any relationship in which the Company or an employee may act on behalf of the Company in the course of its business or in its interests, including potential contractors. The relationships with third-party subsidiaries are governed by Part Four of the present Code of Conduct.

RELATIONS WITH PUBLIC POWER AUTHORITIES

2. The Company cooperates with public authorities in a fair and open manner and respects the independence and impartiality of public authorities and public officials. Neither the Company nor its employees shall ever attempt to unlawfully influence the decisions and acting of public authorities. The Company completely rejects and does not tolerate any possible efforts in this direction. The Company respects all final decisions and binding instructions of public authorities. The Company and its employees shall avoid any action or activity which could cast doubt on the nature of their relationship with persons acting on behalf of public authorities. The Company and its employees shall always provide accurate, truthful and up-to-date information and documentation to public authorities.
3. The Company does not tolerate and strictly rejects any manipulation of its results for any purpose.

BUSINESS RELATIONS AND ACTIVITIES OF THE COMPANY

4. The Company fulfils the characteristics of a public contracting authority pursuant to Section 4(1)(e) of the Act no. 134/2016 Coll., on public procurement. The rules for awarding contracts and negotiating business relations are contained in the Guideline on the Application of the Act no. 134/2016 Coll., on Public Procurement, the Guideline on Strategic Purchasing (Strategic Procurement Policy) of České dráhy, a.s. and the Guideline on Competition Rules at České dráhy, a.s.
5. The Company and its employees, in their relations with Business Partners and customers and in their presentation externally, shall strictly comply with the relevant legal regulations, provide only complete, true and accurate information, i.e. in particular true information about the performance and results achieved by the Company and information about facts relevant to the decision of a Business Partner or customer of the Company and shall not conceal any relevant circumstances.
6. Before carrying out any business deal, the employees are obliged to ensure, to the best of their ability, that the Business Partners are not engaged in any illegal activity and that their sources are legal.
7. The employees obtain information about Business Partners and customers only in a manner complying with the law and from legal sources.
8. The Company and its employees shall never knowingly make false or misleading statements about competitors or their services in the course of their business. The employees are prohibited from entering into agreements with Business Partners, whether oral, written, implied, formal or informal, regarding any element of competition, including, but not limited to, price, market allocation, terms of trade, service offerings, preferential terms of supply of goods or services, or any agreement which could have a prohibited competitive impact.

9. Neither the Company nor its employees shall engage in any cartel activities or other unlawful business practices which may impede free and fair competition.
10. The employees are obliged to avoid any action which could be considered as an attempt to obtain an undue advantage in the award of a public contract, in the context of a public tender, or to influence its development.
11. In entering into contractual relationships with Business Partners, the Company and its employees shall endeavour to ensure that each contractual arrangement includes a commitment to adhere to the standards of ethics, morality and fair business practices set forth in the present Code of Conduct.

PREVENTION OF CORRUPT BEHAVIOUR

12. The Company absolutely rejects any acceptance and offer of a bribe, i.e. any monetary or non-monetary consideration, whether given directly or indirectly, intended to obtain a profit, undue advantage or retain business other than through its own economic performance, influencing a business case or other decisions. Every employee is obliged, if they become aware of such conduct or an attempt to do so, to file a complaint with the Commission for the Investigation of Fraud and Unfair Acts pursuant to the Regulation on the Notification and Investigation of Illegal and Unethical Acts at České dráhy, a.s., no. 56 350/2022-KGŘ
13. The employees shall not directly or indirectly offer, give, solicit, accept or receive bribes or gifts for the purpose of obtaining or maintaining business relationships, influencing decisions or obtaining any other advantage. It is not permissible to solicit gifts.

GIFTS

14. A gift is anything of value what is offered to or accepted by a third party and for which full consideration (i.e. money or an object of equivalent fair market value) is not given in return. Gifts may include, for example, souvenirs, gifts, promotional items, entertainment, social activities in the form of invitations to cultural and sporting events.
15. The term “business purpose” shall denote an activity undertaken with the primary intent to further, by ethical, legitimate and legal means, the business and enterprise of the Company and its interests.

PROVISION OF GIFTS

16. The Company recognises that making a donation may be appropriate in certain circumstances to strengthen business relationships or to comply with local habits.
17. **The employees of the Company may offer or provide gifts:**
 - to customers or Business Partners,
 - for legitimate business purposes only,
 - e.g. in the form of promotional items, meals or in other forms which are generally regarded as hospitality,
 - provided that the value of such gifts is reasonable,
 - provided that the value and nature of the gift is consistent with normal business practices and appropriate to the particular position of the employee making the gift and the particular position of the recipient,
 - under the condition that they are provided openly and transparently.
18. It is essential that the gifts offered or provided do not influence, or appear to be capable of influencing, the commercial judgement of the person to whom they are provided. In particular, the offer or provision of a gift must not raise the impression that the donor is seeking or is entitled to preferential treatment, contract awards, better prices or more favourable commercial terms.

19. It is forbidden to offer or provide gifts with the aim of achieving corrupt influence or in a manner which may raise the impression that corruption or other dishonesty has occurred or is about to occur, or gifts that could be perceived as bribery or an attempt to influence actions or decisions (in particular any gifts which are overly generous, frequent, unprofessional, unrelated to the business of the Company, covertly provided).

20. Under no circumstances may gifts be offered or provided:

- where the offer or provision of such a gift could raise the appearance of corrupt activity, i.e. in particular gifts provided for the purpose of obtaining or retaining a contract or securing or retaining any other advantage to which the Company would not otherwise be entitled, securing a more advantageous course of action,
- in the form of cash,
- if they are unprofessional and inappropriate, i.e. in particular performance contrary to general standards of decency,
- if there is an inadequate position of the one who offers or provides the gift or of the one to whom the gift is intended,
- if they may be considered excessive in the context of the business opportunity,
- if they are intended to influence the decision of the person to whom the gifts are granted,
- in a form of performance prohibited by law,
- if they are gifts made by the Company, as a participant in a procurement or similar procedure, to a person who, on the other hand, is involved in such procurement or similar procedure or in the decision-making process, provided that the making of such gift could raise the impression that it is made in connection with the relevant procurement or similar procedure.

21. If a gift is offered by an employee who is not in a position within the organisational structure of the Company corresponding in the hierarchy of the Company to the level of director or deputy director or a Member of the Board of Directors, the offer of the gift must be consulted in advance with the director of the department in which the employee is organisationally assigned.

ACCEPTANCE OF GIFTS

25. Accepting a gift may be appropriate to strengthen business relationships or to comply with local habits. Acceptance of a gift is permissible if, as a courtesy, it is consistent with general business practice, the position of the employee to whom the gift is made, the position of the person providing the gift, and if it is possible, in connection with these facts, to exclude influencing a business decision.

26. The employees of the Company may accept gifts from customers or Business Partners in certain circumstances, but only if the following conditions are met:

- if they are not capable of influencing the employee's actions, judgement or decision-making,
- provided that the value of such gifts is commensurate with their position within the framework of the Company,
- provided that they conform to normal commercial practices,
- if they are provided to a reasonable extent,
- if they are related to the legitimate activities of the Company,
- if they are provided openly and transparently.

27. It is essential that the gift received by the employee does not influence, or raise the impression of being capable of influencing, the employee's business judgment, acting or decisions.

28. Under no circumstances may a gift be accepted in a situation which is likely to raise the impression that the donor is seeking or will be provided with preferential treatment, contract awards, better prices or more favourable business terms in return for the donation.

29. It is forbidden to accept gifts provided with the aim of corrupt influence or such gifts that may raise the impression that corruption or other dishonest conduct has occurred or gifts that could be construed as bribery or an attempt to influence actions or decisions (in particular gifts that are

overly generous, frequent, unprofessional, unrelated to the business of the Company, covertly provided).

30. In no case may a gift be accepted if:

- the offer or provision of such a gift raises the appearance of corrupt activity, i.e., in particular, gifts provided for the purpose of obtaining or retaining a contract or securing or retaining another benefit to which the Company or an employee would not otherwise be entitled, securing a more favourable course of action,
- these are gifts in the form of cash,
- are unprofessional, i.e. they contravene general standards of decency,
- are disproportionate to the position of the person offering or providing the gift or to whom the gift is intended,
- these are gifts which may be considered excessive in the context of the business opportunity,
- are intended to influence the decision of the person to whom the donation is made,
- it is a performance prohibited by law,
- it is a gift made by a participant in a procurement procedure to a person involved on the part of the Company in such procurement procedure or decision-making, provided that the provision of such gift would be capable of even raising the appearance of being made in connection with the relevant procurement procedure.

31. In the event that an employee receives a gift which is inappropriate or prohibited under the present Code of Conduct, the employee must politely and appropriately refuse it. The Company recognises that in certain instances, it may be impractical or inappropriate to refuse a gift outright at the time of delivery (e.g. gifts presented at a customer event, celebration of a business transaction, or festive occasion), in which case employees may accept the gift with the understanding that they are obliged to report the situation immediately to their immediate supervisor with whom they will discuss the appropriate response and method of refusal; if the immediate supervisor is not the Director, the Director of the department in which the employee is organisationally assigned will also be informed about the situation. Acceptance of cash is prohibited at all times; acceptance of cash must always be refused without acceptance.

32. Employees who are not within the organisational structure of the Company in a position corresponding in the hierarchy of the Company to the level of a department director or deputy director or Member of the Board of Directors are obliged to inform the director of the department in which the employee is organisationally assigned about the gifts offered to them or accepted by them.

33. The provision of sponsorship gifts by the Company is governed by Resolution No. 334/1999 of the Government of the Czech Republic on the proposal for approval of the purposes for which sponsoring gifts may be provided by state-owned enterprises and commercial companies with majority state participation for the relevant year, as amended.

MEASURES TO COMBAT THE LAUNDERING OF THE PROCEEDS OF CRIME

34. Money laundering is the process by which profits from illegal activities are concealed, the source of those profits and their true owner are prevented from being identified, or the nature of those profits is altered to make them appear legitimate. The Company and its employees strictly comply with all laws and regulations related to the fight against money laundering, the financing of any illegal activities, and the fight against terrorism and its support. The Company cooperates only with customers and Business Partners whose activities are, to the knowledge of the Company and its employees, financed by legal sources.

INFORMATION DISCLOSURE

35. The Company duly and timely discloses information required by law. The function of the Spokesperson of the Company is performed by the Communications Department – Press Department. Communication to the media is always carried out in cooperation with the Press

Department in order to maintain continuity of outputs. The Communications Department determines the rules of communication of the Company in terms of subjects or topics. Employees are not authorised to independently provide any information about the Company to the media, nor to publish such information through any communication tools, including social networks.

36. The employee concerned must inform their supervisor of any contact by the media, which is mainly a request to provide information about the Company or its activities and/or cooperation with Business Partners, who in turn informs the Communications Department or, in the case of a director, deputy director or a Member of the Board of Directors, it is necessary to inform the Communications Department directly.

REQUIREMENTS FOR BUSINESS PARTNERS TO RESPECT THE COMPETITION RULES

- *To promote an open, fair and competitive business environment,*
- *To act in accordance with national, European and international competition regulations, respecting the rules of fair competition,*
- *Not to engage in any anti-competitive agreements, in particular price fixing, market sharing, customer allocation,*
- *Not to tolerate any unlawful conduct,*
- *To respect consumer protection rules and refrain from any unfair commercial practices,*
- *To comply with prohibitions and sanctions issued against specified countries and entities by the EU, UN, EU Member States, the USA, the United Kingdom of Great Britain and Northern Ireland and the Swiss Confederation,*
- *To fulfil the statutory information obligation through the public registers of legal and natural persons, the Register of Contracts, the information obligation under the Public Procurement Act, etc.,*
- *To meet all commercial obligations, obligations towards the state, public health insurance companies and social security institutions, obligations to partners and associations, obligations arising from the issue of bonds, etc.*

The Company will strive, within the limits of the law, to ensure that Business Partners have functional compliance systems aimed at preventing anti-competitive and anti-corruption practices which are adequate to their size and internal structure.

PART FOUR RELATIONS IN THE ČD GROUP, WITHIN THE COMPANY, BETWEEN EMPLOYEES AND RESPECT FOR EMPLOYEES' RIGHTS

1. The ČD Group consists of the Company and its subsidiaries. The basis for ethical relations in the ČD Group is the Compliance Policy of the ČD Group, which is the starting document for the compliance documents of the Company and its subsidiaries.
2. The term "relations within the Company" shall denote primarily the relationships between the Company and its employees and between employees (each other). The relationship of the Company and its employees is based on mutual trust, respect and dignity.
3. The Company and its employees comply with applicable laws and internal standards affecting internal relations within the Company and external relations. The Company does not tolerate any form of discrimination against employees. All senior employees are obliged to comply with these principles in their approach to employees.
4. The Company strives for a safe and healthy working environment and its continuous improvement, provides equal opportunities for all, and does not allow discrimination, even in its hidden form. The Company continually creates and cultivates a work environment in which employees can

voice concerns and complaints, make recommendations and suggest actions in a manner which ensures proper review and appropriate remediation without penalty.

- 5. To fulfil the meaning of the Code of Conduct, the Company expects its employees to:**
- defend and promote the interests of the Company both at work and at out-of-work activities,
 - be primarily concerned with the safe, orderly, cost-effective performance of work activities with a customer focus and to promote the good reputation of the Company,
 - protect the trade secrets and confidential information of both the Company and third parties,
 - to get familiar with the legal regulations and the content of the internal norms of the Company, which are related to the work performed, with the knowledge that any actions in violation of them cannot be excused by a shortage of knowledge thereof,
 - observe the principles of good manners both in and out of the workplace, both towards third parties and towards other employees,
 - contribute to the development of a pleasant and fair working environment within the Company, open and cooperative behaviour towards other employees is expected,
 - uphold the reputation of the Company, even outside the workplace, e.g. on social media, when acting as an employee of the Company.
6. The employees are also expected to be courteous and cooperative. The employees shall act and behave in the best interest of the Company when interacting with customers.
7. The Company provides equal opportunities to all people regardless of race, colour, gender, sexual orientation, nationality, religion, ethnicity or any other characteristics. The Company does not condone or tolerate any form of harassment, intimidation, forced or illegal labour, or discrimination or harassment.
8. The Company respects the privacy of its employees.
9. Managers are obliged to ensure that subordinate employees receive proper training and professional education, including participation in training sessions organised by the Company, and employees are obliged to attend such training sessions. Managers are obliged to supervise the activities of subordinate employees, to create appropriate working conditions for them, to evaluate them and to motivate them for further professional development.
10. Employees are as considerate and respectful as possible regarding the personality and privacy of their colleagues. It is unacceptable to make inappropriate, abusive or derogatory comments about other employees, or to harass, intimidate, humiliate or disparage them in any way through verbal or physical expressions.
11. It is unacceptable to disadvantage in any way employees who have brought to our attention possible violations of labour, internal or other legal regulations and who have made a suggestion or any proposal to improve the activities and procedures of the Company.

MANAGEMENT OF THE COMPANY

12. Senior employees are role models of moral and ethical values for other employees and are responsible for the compliance of subordinate employees with the Code of Conduct. Senior employees act in a manner which sets out an example for other employees, thereby leading them to act with integrity, decency and personal responsibility. Likewise, all supervisors must set out an example for their subordinates.
13. Where the present Code of Conduct refers to an employee, the term employee also includes a member of the Company's corporate bodies.

EMPLOYMENT OF PERSONS IN A FAMILY OR SIMILAR RELATIONSHIP

1. Vedoucí zaměstnanci jsou povinni počínat si tak, aby se v rámci své řídicí a kontrolní pravomoci vyvarovali vůči jim podřízeným osobám střetu zájmů. V této souvislosti je třeba dbát zvýšené pozornosti v případě zaměstnávání manželů, registrovaných partnerů, druhů a družek, rodičů a dětí, včetně rodičů manžela nebo registrovaného partnera, sourozenců a osob navzájem v poměru osvojeneckém nebo opatrovnickém, popř. dalších osob, u kterých by osobní poměry vedoucího

- zaměstnance k takové osobě mohly vyvolávat riziko střetu zájmů. Zaměstnanci nesmí být z důvodu výše popsané situace poskytnuta jakákoliv výhoda oproti ostatním zaměstnancům.
2. Každý zaměstnanec je povinen upozornit svého nadřízeného zaměstnance nebo úsek lidských zdrojů na to, že se ocitá v konfliktu zájmů z důvodu svých rodinných nebo obdobných vztahů.
 3. V případě byť potenciálního konfliktu zájmů musí zaměstnanec nebo jeho nadřízený přijmout při respektování právních předpisů taková opatření, aby bylo tomuto konfliktu zájmů zabráněno.

REQUIREMENTS OF THE COMPANY TOWARDS BUSINESS PARTNERS REGARDING RESPECT FOR EMPLOYEES' RIGHTS

- *To comply with applicable labour law standards,*
- *To provide equal opportunities to people regardless of age, race, colour, sex, nationality, religion, creed, ethnicity, social origin, disability, sexual orientation, world view or other distinguishing characteristics, and not to tolerate or condone any discrimination, psychological cruelty, intimidation, bullying, obstruction or other forms of harassment,*
- *To respect the rights of employees, their personal dignity, privacy and individual rights,*
- *To recognise the special needs of employees under the age of 18 and their duty of care,*
- *Not to allow practices such as illegal or unlawful wage withholding, practices which would restrict the free movement of workers,*
- *Not to accept any harsh or inhumane treatment,*
- *Not to tolerate any form of forced labour,*
- *Not to tolerate child labour,*
- *To pay employees properly for wages and other benefits to which they are entitled,*
- *To promote the involvement of social enterprises and people with disabilities.*

PART FIVE OCCUPATIONAL SAFETY

1. The Company considers occupational safety and protection of employees' health to be its priority, and therefore it ensures compliance with legal regulations and internal standards in the area of occupational safety and eliminates any risks associated with the performance of work activities and takes appropriate preventive safety measures to protect the health of employees.
2. The Company provides appropriate training for employees and regularly checks their knowledge of work safety rules.

REQUIREMENTS OF THE COMPANY TOWARDS BUSINESS PARTNERS

- *To comply with the regulations on occupational health and safety, fire protection,*
- *To reduce risks and take the necessary preventive measures against occupational accidents and work-related ill health cases,*
- *To ensure that all employees are properly trained and equipped to perform their work safely and to have a healthy working environment, including continuous improvement,*
- *To inform their Business Partners about the OHS risks arising from their activities.*

PART SIX PROTECTION OF THE INTERESTS OF THE COMPANY, ITS EMPLOYEES, CUSTOMERS AND BUSINESS PARTNERS

1. The Company shall take appropriate measures to protect all confidential and internal information and shall treat such information strictly in accordance with laws and international treaties, with the utmost care and responsibility, and shall maintain confidentiality with regard to such information.

PROTECTION OF INFORMATION

2. The Company and each of its employees are committed to protecting internal information, information about the employees, customers and Business Partners. Similarly, the Company requires Business Partners to ensure that trade secrets and confidential information are protected in a similar way.

PERSONAL DATA PROTECTION

3. The Company and its employees shall comply with all data protection regulations. The Company requires its Business Partners to ensure that all handling of personal data is carried out in accordance with applicable laws and regulations.
4. The Company has a Data Protection Officer (DPO) within the meaning of Article 37 et seq. of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation, GDPR).

PROTECTION OF INTELLECTUAL PROPERTY AND ASSETS

5. The Company protects and respects intellectual property rights and complies with all laws and international conventions governing this area. All employees and Business Partners are obliged to respect the copyrights and related rights of others and always ensure that they are authorised to use a particular work.
6. Employees and Business Partners must take care to protect the property of the Company and of third parties and to use it efficiently and to avoid theft, irresponsible handling or wasting.

PART SEVEN

PROTECTION OF THE ENVIRONMENT

1. The Company is fully aware of its environmental responsibility and of the need to protect and contribute to the preservation and improvement of the environment and complies with all environmental legislation applicable to it. The Company continuously analyses the impact of its activities on the environment and takes appropriate measures to protect the environment. The Company endeavours to use only such practices and technologies that are environment-friendly.

REQUIREMENTS OF THE COMPANY TOWARDS BUSINESS PARTNERS

- *To take care of the protection of the environment,*
- *To conduct their activities in an environmentally responsible manner and in accordance with the applicable legislation, i.e. not to damage the environment through their activities or products/services,*
- *To minimise the negative impact of their activities on the environment or to reduce energy/emission intensity,*
- *To strive to minimise the negative impact of their own activities on the environment,*
- *To observe national and international standards of protection of the environment,*
- *To inform their Business Partners about the risks of environmental impacts arising from their activities.*

PART EIGHT

REPORTING OF COMPLAINTS

1. The Company has set up a confidential and secure internal reporting system, the so-called Ethics Hotline, which, with the guarantee of protection of the identity of the whistleblower (who may be both the Company's employees and third parties), the right of the whistleblower to file a report anonymously, the right to impartial investigation, and protection of the whistleblower from sanctions, discrimination or other retaliation, enables the whistleblower to file a report informing about an illegal conduct or violation of regulations in the ČD environment. The Company handles complaints regardless of the person of the whistleblower and the method chosen for their submission.
2. **The Ethics Hotline channels are as follows:**
 - web application on the ČD website www.ceskedrahy.cz;
 - E-mail address: oznameni@cd.cz;
 - telephone line with call recording: 606 08 08 08;
 - personal submission of the notification, whereby a personal meeting with the Competent Person can be arranged for by the notifying person (whistleblower) via the above-mentioned contact lines.
3. The submission of the complaint shall not be sanctioned by the Company, nor does it entail any negative consequences. In the event that it is not an anonymous complaint, the Company takes care to protect the name of the whistleblower. Knowingly false or harassing submissions are not tolerated by the Company. In the event that an employee discovers or suspects that someone within the framework of the Company's activities, on its behalf or in its interest intends to commit or is committing any act which is in violation of the applicable legal regulations, internal standards or the present Code of Conduct, they are obliged to report this fact without any undue delay to the Commission for the Investigation of Unlawful Acts pursuant to the Regulation on the Notification and Investigation of Unlawful and Unethical Acts at České dráhy, a.s., ref. no. 56 350/2022-KGŘ

PART NINE

COMPETENCE IN MATTERS OF THE CODE OF CONDUCT AND PROCEDURE IN CASE OF A BREACH OF THE CODE OF CONDUCT

1. All employees are obliged to follow the Code of Conduct and the Company endeavours to ensure that its Business Partners shall follow it as well. Violation of the standards of the Code of Conduct by employees shall be considered as a breach of employment obligations, and as such it will be sanctioned in accordance with the relevant provisions of the Labour Code. Compensation for any damages will be dealt with in accordance with applicable provisions of the Labour Code or the Civil Code.
2. In the event of any doubts concerning the application of the law or the present Code of Conduct to their manner of acting or to *the manner of acting of a Business Partner*, the employees are obliged to consult the issue with the Compliance Officer through their immediate supervisor.
3. The Human Resources Department shall be responsible for acting in the cases of violations of the Code of Conduct and is empowered, in particular in cooperation with the Legal Department and the Internal Audit and Control Department, to decide about corrective measures and about any follow-up steps taken and resulting from investigations performed in connection with reported allegations.

PROCEDURE OF THE COMPANY TOWARDS BUSINESS PARTNERS IN CASE OF A BREACH OF THE CODE OF CONDUCT

- *If a violation of the present Code of Conduct is detected, ČD and the Business Partner will define corrective measures and remedies. This procedure is conditional upon the Business Partner's commitment to remedy the violation within a reasonable period of time. In the absence of such commitment or inadequate remedial measures, ČD may terminate its business relations with the Business Partner and proceed to terminate the respective contracts with a notice period of 3 months starting from the first day following the month of receipt of the notice, unless otherwise specified in the particular contract.*
- *The Business Partner agrees that ČD is entitled to verify whether the Business Partner complies with the provisions of the Code of Conduct. For this purpose, the Business Partner shall provide ČD with cooperation, relevant information and supporting documents.*
- *In the event of a justified suspicion of a violation of the present Code of Conduct, ČD shall be entitled to request that the Business Partner should provide an explanation or further information regarding the suspicion under investigation, including information on whether and what measures have been taken by the Business Partner.*

PART TEN FINAL PROVISIONS

1. Within the framework of its activities, the Company adheres to the values and rules expressed in the present Code of Conduct and enforces compliance with them in the field of its business activities. The Code of Conduct governs all activities, decisions and steps of the Company and its employees and they are obliged to fully comply therewith.
2. *The present Code of Conduct shall be a part of the contracts concluded between the Company and its Business Partners. The Company reserves the right to change the rules and principles contained in the present Code of Conduct in justified cases, in which case it expects its Business Partners to accept such changes.*
3. *The Business Partners must take all necessary measures to ensure that the basic requirements of the Code of Conduct are communicated to their employees and are also obliged to take all reasonable steps to ensure compliance with the Code of Conduct by all persons and entities they use within the framework of their cooperation with ČD.*
4. The Company's Code of Conduct is periodically reviewed and updated to reflect current societal needs, the needs of the Company as well as those of its employees.
5. This complete version of the Code of Conduct shall become effective on 1 July 2023. On this date, the **Code of Conduct of České dráhy, a.s. ref. no. 57 554/2019-O25** and the **Code of Conduct for Business Partners of České dráhy, a.s. ref. no. 57 551/2019-O25** shall be repealed.
6. This full version of the Code of Conduct is available on the website of the Company <http://www.ceskedrahy.cz/>, and is also published in the IS NORMIS of České dráhy, a.s.

EXPLANATION OF TERMS

Concept	
Compliance Officer	The job position performed by an employee of České dráhy, a.s. assigned to the Legal Department of the General Directorate of České dráhy, a.s. The responsibilities of the Compliance Officer are provided for in Article 3(2)(4) of the Compliance Programme of České dráhy, a.s., ref. no. 55 578/2023-O25
Business Partner	According to the present Code of Conduct this term means any person with whom České dráhy, a.s. has concluded a contract.
Competent person	In the Company, the appointed person who is competent to receive and investigate notifications of illegal and unethical acts according to the internal standard <i>“Regulation on Notification and Investigation of Illegal and Unethical Acts at České dráhy, a.s., ref. no. 56 350/2022-KGŘ.</i>
Company	České dráhy, a.s., Company Reg. No. 70994226, having its with registered office at Prague 1, Nábřeží L. Svobody 1222, Postal Code 11015
Bribe	The definition of a bribe is according to Section 334(1) of the Act no. 40/2009 Coll., the Criminal Code, as amended, “A bribe means an unjustified advantage consisting of direct material enrichment or other advantage which is given or is to be given to the person bribed or, with their consent, to another person, and to which they are not entitled.” <u>Exemplary forms of bribes:</u> money, information, material gifts, favours from acquaintances, “sponsoring”, other benefits and services.

LIST OF LABELS AND ABBREVIATIONS USED

Abbreviation	
DPO	Data Protection Officer within the meaning of Article 37 et seq. of the GDPR (General Data Protection Regulation) appointed by ČD
ESG	(ESG = environmental, social, governance) The impact of a company on the environment, the society and the way it is managed, on the basis of which the “sustainability” or “responsibility” of a company can be expressed in numbers. It is the method thanks to which companies formulate their sustainable business strategies and effectively meet their objectives.
EU	The European Union is based on the <i>Treaty on the European Union</i> and the <i>Treaty on the Functioning of the European Union</i> , which were concluded by the Member States and by which they delegated certain powers to the European Union in order to achieve common objectives.
GDPR	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)
UN	The United Nations is an international organisation founded in 1945 with the aim of peaceful coexistence among the nations of the world.
USA	The United States of America is a democratic federal presidential republic in North America