

CODE OF PROFESSIONAL CONDUCT FOR THE EMPLOYEES OF OLEUM FLEX d.o.o.

OLEUM FLEX d.o.o. from Zagreb-Lučko, Puškarićeva 11f, personal identification number (OIB) 53785632625 is issuing this **Code of Professional Conduct for Company Employees**.

Introduction

Article 1

The Code of Professional Conduct is a set of norms and standards of conduct and moral values that OLEUM FLEX expects from its employees in business. The Code of Conduct includes basic views and principles of OLEUM FLEX on legal and ethical conduct in business.

The basis of business ethics is compliance with the law. Such conduct includes providing truthful, transparent information, a fair approach to competition, employees, partners, as well as focusing on social responsibility and sustainable development. "If a company is not ethical, it cannot be responsible; therefore ethics are a necessary precondition for building a socially responsible business environment".

Compliance with ethical values fosters appropriate and responsible behaviour, which contributes to preserving order, business reputation and property of the company, all of which contributes to growing development and professional reputation of OLEUM FLEX.

Article 2

The purpose of establishing a Code of Conduct is:

- avoiding situations in which the employees of OLEUM FLEX would be included in activities that are considered as unethical behaviour, i.e. which cause a conflict of interest in performing their jobs,
- defining acceptable behaviour of all employees of OLEUM FLEX,
- setting high standards of work and operation,
- ensuring professional conduct and a clear definition of responsibility for particular decisions and activities,

This Code of Conduct applies to all employees of OLEUM FLEX notwithstanding their level of responsibility and position, and it serves as a guide for ethical behaviour, and it establishes the basic values with regard to legal and ethical business operation and behaviour.

Basic principles of employee conduct

Article 3

OLEUM FLEX wants to secure a positive working environment that enables team work and fosters a working atmosphere of mutual support and cooperation. Employees have to treat other employees in a civil and respectful manner. Personal relations may not take priority before business interests; instead, solving common business tasks should come first to all employees.

Relations between employees on different levels of responsibility should be based on mutual loyalty, respect and implementation of confidentiality principles. All employees should act, within the scope of their authority, objectively and with moderation, taking into consideration the dignity and individuality of each employee.

OLEUM FLEX does not condone the use of position and authority in the company to achieve any goals that are outside the scope of their function. Employees are expected to cooperate with their superiors and act in accordance with the tasks they have been given, avoiding unprofessional acts and behaviour.

Employees with special authority are responsible for all employees within their organisational unit and they should earn their trust based on their own model behaviour, efficiency, openness and social competence. Their task is to set clear, ambitious and realistically achievable goals, with maximum responsibility and independence of employees in their work as possible.

Employees should create an atmosphere in their workplaces that will be in line with the abovementioned values and cooperate as a responsible team, always improving human relations.

Rude behaviour, harassment and discrimination based on age, sex, religious belief or political views or orientation, ethnic or national belonging, language or racial origin, social position, marital or family status, education, disability, sexual orientation or any other basis are prohibited by law and shall represent a serious infringement of an individual's dignity.

When carrying out personal tasks, employees of OLEUM FLEX may not use the official signs of OLEUM FLEX or the authority of their workplace in OLEUM FLEX.

In all forms of public appearances and actions where OLEUM FLEX is represented and its viewpoints expressed, an employee should act in line with the regulations, authorities given, professional knowledge and provisions of the Code of Conduct.

Article 4

Any employees who are in contact with business partners, subcontractors and institutions must show loyalty and promote OLEUM FLEX in their attitude with the objective of creating a reputation and positive images of the company as a manufacturing-trading system of international importance and its productive and human potential.

Quality assurance

Article 5

In the realization of goals, the director and the leading personnel of OLEUM FLEX take care of the quality of work, products and services, the observance of the set schedule, rational use of time, resources and energy, compliance with the prescribed procedures, legal and other regulations and the implementation of relevant quality standards.

Responsibility and cooperation

Article 6

The Code is based on the principle of personal responsibility, both of the management and other employees. Responsibility in relation to business operation as a whole, assets and funds entrusted to them to use in the performance of their work tasks and associated decisions is indivisible.

Article 7

The limitations of responsibility and authority of each employee are defined by the employer, and employees should respect the boundaries of authority and responsibility, hierarchy and organisational structure.

Article 8

Employees shall implement the principles prescribed by this Code, bear responsibility for their own actions, as well as for covering up and tolerating the unacceptable behaviour of others.

Article 9

Employees are expected to have a proactive attitude towards work and personal initiative in solving tasks, which contributes to common goals and the development of the Company.

Article 10

In the work environment, the conduct of employees should be based on mutual trust, loyalty, correctness and respecting the dignity of every person. Employees should, in their workplace as well as outside of it, show fairness, cooperation and respect towards associates and colleagues in everyday communication.

Responsibility for safety at work, health and environmental protection

Article 11

The job of the management and all employees is to constantly implement occupational safety measures to protect themselves and other employees, within the scope of their authority and responsibility. Taking care of your own health and maintaining psychophysical fitness, as well as environmental protection are the obligations of each employee. Special stress is placed on immediate obligation and care with regard to ecology, orderliness and aesthetics of human environment, the reduction, recycling and disposal of waste according to socially acceptable ecological norms.

Article 12

Any theft, embezzlement, damage or destruction of property due to incorrect handling or negligent attitude towards work, as well as unauthorized use is strictly forbidden.

Confidential information and business secret

Article 13

Details and information of exceptional importance for the company may not be used, published or disclosed without a special consent of the persons authorized to provide such information, details or knowledge.

The use and disclosure of confidential information, i.e. inappropriate use of confidential information for personal gain or the gain of third persons is unacceptable.

Conflict of interest

Article 14

Employees may not take part in financial and other activities that may harm the position, interest, reputation and welfare of the Company, as well as any situations where personal interest is in conflict with business interest. During working hours or in free time, employees may not engage in activities that could lead to disloyal competition or activities that could affect their ability to make impartial decisions.

When establishing business relationships with clients, employees of OLEUM FLEX must act with utmost care to avoid any involvement in dubious or illegal business intents such as money laundering and terrorist financing and all forms of attempted fraud, theft and deceit.

When establishing a business relationship, the following measures should be implemented:

- determine the identity of the client and verify their identity based on documents, data or information obtained from a credible, reliable and independent source,
- determine and verify the identity of the client's real owner,
- gather information on the purpose and intended nature of the business relationship or transaction.

Article 15

Employees are not allowed membership in the managing or supervisory boards of other companies having dealings in the same industry the employer is engaged in without the consent of the employer (legal prohibition of competition).

Receiving and giving gifts or services

Article 16

Gifts, business representation or similar benefits are often accepted as a legitimate and recognized part of business life. However problems occur when they cause a conflict of interest due to their value, thus starting to jeopardize the ethics of a business relationship. Therefore, the general rule is that employees are not allowed to accept gifts or other benefits, except those of symbolic value.

Gifts are allowed if:

- their value is less than HRK 500 or
- if the gifts are worth more than HRK 500, and they are considered to be common for the business occasion they were given in, or
- they were approved by the person responsible for compliance monitoring.

The employees of OLEUM FLEX may use representation allowance, as well as accept the usual business representation / hospitality in accordance with the circumstances, under the condition that a representative of the host is present and that this is related to the performance of business tasks in OLEUM FLEX.

The employees of OLEUM FLEX, notwithstanding the sum, may not take money or similar equivalents.

Final provisions

Article 17

A conduct in line with the principles and standards presented in the Code is a personal and professional responsibility of every employee and its violation implicates responsibility, the severity of which is decided by the Company director.

The potential actions that could be taken against employees due to the violation of one or more provisions of this code of conduct for employees will be held in utmost confidentiality.

This Code will be published on the Company's website and message board.

All employees of OLEUM FLEX will be introduced to the content of this Code.

Article 18

The Code of Professional Conduct for the employees of OLEUM FLEX comes into force and shall apply as of 01/01/2013.



For OLEUM FLEX d.o.o.

Mario Kordić, director

A handwritten signature in blue ink, consisting of a large loop and a horizontal line extending to the right.