

Financial Services Code of Conduct

For the Company of Broker Consulting, a.s., Jiráskovo nám. 2, 326 00 Plzeň (Pilsen), Company ID: 252 21 736, registered in the Commercial Register at the Regional Court in Plzeň, Section B, File 1121 (hereinafter referred to as "the Company").

Preamble

The Company of Broker Consulting, a.s. provides services particularly in the field of financial planning, saving, annuity, real estate financing and insurance. It is registered by the Czech National Bank as an insurance agent and broker, investment intermediary and an independent consumer credit intermediary.

Adhering to ethical guidelines is a basic requirement for every company to run smoothly. Their personal interpretation may, however, differ from an individual to an individual.

The main objective of this Financial Services Code of Conduct (hereinafter referred to as the "CC Associated with Financial Services") is to define the basic ethical principles and values the Company shall adhere to while providing financial services.

This is a result of our effort to raise the standards of financial intermediary and counselling services, improve the reputation of the financial services profession and improve the relationship among the parties involved.

The area of real estate transactions is governed by a separate Code of Conduct for Real Estate Transactions.

The CC Associated with Financial Services assumes particularly the already existing Company ethical rules and values. It reflects the Ethical Guidelines of the ČASF (Czech Association of Financial Counselling and Intermediary Companies), the generally binding legal regulations applicable to the financial services provided by the Company, and the unwritten principles and practice of fair trade and honest business competition. On the general level, it establishes ethical boundaries and patterns of conduct for all Company Employees and Co-Operators with respect to both clients and financial institutions, and for mutual interpersonal relationships alike. However, the CC Associated with Financial Services can in no way encompass any and all situations that may arise.

Therefore, it is imperative to adhere to the CC Associated with Financial Services both in letter and spirit.

Clause I

Definition of Basic Terms

1. **Company** refers to the business company of Broker Consulting, a.s., Reg. No. 25221736, with registered office at Plzeň, Jiráskovo náměstí 2, PSČ 326 00.
2. **Company Co-Operator** refers to an independent entrepreneur who, by virtue of a co-operation contract or, potentially another contract with similar content, the subject of which is particularly the performance of intermediary activities in the area of financial and real estate services, performs counselling and intermediary activities on behalf of the Company.
3. **Employee** refers to a physical person who is in an employment relationship with the Company by virtue of an employment contract or contracts for services performed beyond employment. Employee also refers to a person who has entered into an employment contract, contract for works or contract for services with a Company Co-Operator. Therefore Employees particularly refer to Broker Consulting employees, employees of Broker Consulting Co-Operators, and employees of OK POINT business location operators.
4. **Client** refers to a physical or a legal person who is receiving or being offered counselling or intermediary services in the field of financial or real estate market, or who contacts a Company Employee or Co-Operator for this purpose. If in doubt, a Client is considered to mean any person who is in contact with a Company Employee or Co-Operator in connection with the subject of the Company's business activity.

5. **Financial Institution** refers to insurance companies, banks, investment and pension companies, building and loan associations and other similar business entities with which the Company has a contract related to the subject of the Company's business activity. Pursuant to this relationship, the Company Employees and Co-Operators intermediate the formation of business relationships between the Financial Institution and the Client.

Clause II

General Conduct Guidelines for Company Employees and Co-Operators

These guidelines shall apply to any and all negotiations and relationships related to Company activity in the area of financial services. This is not a complete list, but rather a model list of the essential principles. The area of real estate transactions is governed by a separate Code of Conduct for Real Estate Transactions.

Company Employees and Co-Operators shall:

- a) While performing their work, follow all generally binding legal regulations, rules of economic competition, commonly observed business practices, good manners, professional standards, the CC Associated with Financial Services and other internal Company regulations;
- b) Respect all basic human rights, shall not tolerate discrimination or harassment;
- c) Strive to minimize negative environmental impact;
- d) Respect the right to the protection of personal rights;
- e) In compliance with the internal safety regulations of their employer they adhere to the guidelines for occupational safety and health and the protection of property;
- f) Refrain from the use of false, misrepresented or defamatory statements;
- g) In their activity strictly avoid any actions that may lead to breaking the clients' trust and creating a distorted impression of the provided services either relative to the Company, other companies conducting business in the same sector of the market or to financial institutions, and always proceed with their work in a manner ensuring no damage to the Company and its good reputation;
- h) In compliance with valid legal regulations, respect the protection of trade secrets and confidentiality, even after their work for the Company has ended;
- i) Not misuse Company information and material resources for their own personal benefit;
- j) Refrain from any and all activities that present a conflict of their own interests with the interests of the Company and financial intermediation and counselling as a profession;
- k) Ensure constant expansion and increase of their professional know-how and consistently care for their continued education;
- l) Represent the Company and its mission with dignity, even in their personal life.

Clause III

Conduct Guidelines for Client Relations

In relation to Clients in the field of financial services, Company Employees and Co-Operators shall adhere to the following principles:

- a) They shall apply polite, correct and impartial approach to all Clients;
- b) They shall observe the rules of confidentiality with respect to any and all facts related to Clients;
- c) They shall respect the Client's right to privacy and refrain from excessive bothering of the Client;
- d) They shall always conduct negotiations with the Client consistent with the interests of the parties involved without prejudice, and shall not give preference to their own interests or the interests of the Company over the Client's interests;
- e) In principle, they shall provide complete, true, distortion-free and comprehensible information about financial products and their prices, always with regard to the individual conditions and requirements of each Client and in a manner that enables the Client to understand the presented information, be conscious of the decisive facts and be capable of making potential decisions;

- f) With respect to the specific situation they shall choose suitable language, in justified situations they will refrain from using terminology that may be perceived as too complicated;
- g) They shall ensure that the Client understand any and all consequences ensuing from their suggested financial solution (be it positive or negative ones), and that the Client be advised of such consequences, especially if the Client is given a suggestion to change or cancel an existing financial product;
- h) They shall refrain from deceitful description of products and deceitful advertising;
- i) When providing information and financial services, they shall not apply aggressive manners, nor shall they put pressure on the Client;
- j) Pursuant to the Act on Capital Market Undertakings, as financial intermediaries they are obliged to provide information about incentives, and pursuant to the Act on Distribution of Insurance and Reinsurance they are obliged to disclose the type of commission they receive;
- k) In the event an Employee or a Company Co-Operator is asked or otherwise influenced to act contrary to legal regulations, internal Company regulations or this Code, he/she shall strongly and unequivocally refuse such actions and without undue delay he/she shall notify the Ethical Committee of said fact and provide specific details (this does not affect any other obligations set out by legal regulations), or shall potentially report any wrongdoing (WHISTLEBLOWING) pursuant to an applicable internal regulation;
- l) They shall select the products they recommend from the entire portfolio of comparable products; they shall refrain from unsubstantiated preference of a specific financial product or financial institution;
- m) They shall advise the client of differences between facts, personal opinions and prognoses;
- n) They shall only provide services that fall within the framework of their licence and qualification;
- o) They shall build their customer base in a manner that will allow them to always provide their clients with continuous quality care within the required periodicity.

Clause IV

Conduct Guidelines for Financial Institution Relations

In relation to Financial Institutions, Company Employees and Co-Operators shall adhere to the following principles:

- a) As financial intermediaries and consultants, having up-to-date knowledge of the state of the financial market, the individual financial institutions and products offered by them shall form an integral part of their qualification;
- b) Their actions during transaction negotiations shall be impartial and professional, and they shall maintain good co-operation relationships with financial institutions, based in principle on individual cooperation contracts;
- c) They shall always bear in mind that the Client's interests and their satisfaction are their top priority.

Clause V

Conduct Guidelines for Company Employee and Co-Operator Interrelations

Company Employees and Co-Operators:

- a) In mutual internal communication within the Company, they shall apply similar guidelines for attitude and approach as for contact with Clients or another external entity;
- b) Consistent with good manners, the Company's corporate culture and generally accepted standards of social relations, they shall be loyal not only to the Company, but also to each other;
- c) Are aware that the corporate culture of every company is most reflected in the culture of internal communication, therefore their actions and attitude shall support and strengthen good corporate relations within the Company they form a part of.
- d) Shall resolve any potential work-related or personal misunderstandings without introducing emotions, in a matter-of-fact fashion and always only within the scope of the specific situation, either by themselves or with the assistance of their superior;
- e) Shall apply the open door policy, where any suggestions or recommendations related to the work of a colleague or another Company Co-Operator shall be solved by direct communication, and shall not resort to spreading

gossip, half-truths or ambiguous statements that may lead to harming the professional or personal reputation of another Company Employee or Co-Operator.

f) Particularly by reaching the position of a manager or a director, they shall consciously become models of good conduct for other Company Employees and Co-Operators and, to the public eye they shall become representatives who live up to the Company vision, and shall act according to this position;

g) Shall always act according to the principal mission of the Company, and their mutual co-operation shall be driven by their responsibility towards the shareholders and the growth of the Company.

Clause VI Ethical Committee

a) The Company Ethical Committee monitors compliance with the generally accepted ethical principles in the financial services area of the market and adherence to the CC Associated with Financial Services. Consistent with the Complaint Resolution Procedure for Financial Services, it reviews the Client's appeal of their complaint resolution in the first instance, and provides an opinion on the appeal to the Company management, which ultimately decides the appeal.

b) Members of the Ethical Committee are in this capacity independent, and as such are not allowed to accept instructions from any other workers or their superiors within the Company, nor can they be punished by the Company for their actions in the capacity of the Members of the Ethical Committee as part of their professional or similar responsibility.

c) The Ethical Committee hears cases of violation of the CC Associated with Financial Services, and makes decisions about giving out warnings or remedy requirement notices. In case of a serious or repeat violation of the CC Associated with Financial Services, the Ethical Committee may submit a decision on compensation for damages to the Company Board of Directors; with respect to the Company Co-Operators, the Ethical Committee may suggest termination of co-operation, and with respect to the Employees, it may suggest termination of employment.

d) In its capacity, the Ethical Committee is authorized to require the necessary co-operation of Company Employees and Co-Operators.

e) The Ethical Committee's actions, membership, method of decision making and voting shall be governed by the Rules of Procedure for the Ethical Committee or other internal regulations.

Clause VII Monitoring and Supervision of Compliance with the Financial Services Code of Conduct

a) If in doubt concerning certain behaviour, in particular should such behaviour be contrary to the law or any special regulations, all Employees are obliged to turn to their superior or to the Compliance and Internal Audit Department for the issue at hand and the specific procedure to be investigated. A more detailed procedure for wrongdoing reporting (whistleblowing) is governed by a special internal regulation.

b) Each Company Employee and Co-Operator is obliged to inform the Ethical Committee without undue delay of any violation of a stipulation of the CC Associated with Financial Services (by sending an email to eticka.komise@bcas.cz). This action shall be considered to be done in good faith and may not be to the detriment of the reporting person. Any such reports are considered confidential.

c) A Client may report a violation of a stipulation of the CC Associated with Financial Services either by a Company Employee or a Co-Operator pursuant to the Complaint Resolution Procedure for Financial Services, which can be found on the Company web site.

Clause VIII

Penalties for the Violation of the Financial Services Code of Conduct

a) The CC Associated with Financial Services is an internal Company regulation. Its violation by a Company Co-Operator may be considered to constitute a breach of contract of co-operation (or any other contract with similar content), and shall be reviewed as such according to the given contract. A violation by an Employee may be, pursuant to the Labour Code, considered to constitute a breach of employment obligations arising from the employment relationship with any and all consequences resulting therefrom, including termination of the employment effective immediately.

b) Pursuant to Clause VI of this internal regulation, penalties for the violation of a stipulation of the CC Associated with Financial Services shall be decided by the Ethical Committee, or potentially by the Board of Directors of the Company based on a recommendation by the Ethical Committee.

Clause IX

Final Provisions

1. This Financial Services Code of Conduct shall come into force on the day it is approved by the Board of Directors.
2. This Financial Services Code of Conduct shall become effective on 1. 12. 2018.
3. This internal regulation supersedes the internal regulation of Broker Consulting, a.s. Code of Conduct from 9. 10. 2017.
4. This Financial Services Code of Conduct shall be made public on the Company web site (at www.bcas.cz), and it may also be requested at the Company business premises.