

Rules and Principles of Conduct – Applicable by the Company 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

Preamble

Over 20 years we have been targeted to reach financial and life goals of our Clients through our comprehensive financial plan. Going on, we have entered also the field of real estate business which was aimed to offer a helping hand to our Clients when they were looking for new housing or selling the previous one. Together with the growth of financial product market and still very confused situation in real estate business we have also extended a number of our Co-operators, Employees and Contracting parties. We are convinced we all are able to carry out our activities only if all the parties engaged follow not only the legal regulations, but also the principles of morality, and generally accepted ethical principles.

We are financial and real estate consultants and we help our Clients, Employees and Co-operators to become financially independent. We stand by them encouraging them at the moment when they are making important life decisions. We always follow the wishes of our Clients and their financial situation. We are the bridge between the too complex world of finance and real estate on the one river bank and specific demand of our Clients on the other bank. We are here for you.

The present document has been drawn up to define the rules and principles of conduct we respect and follow. The same attitude we expect from our Co-operators, Employees and Contracting parties. The document is aimed to raise awareness of the limits we consider allowed or forbidden, and to provide support always where there is any doubt. Thus, these rules extend a number of documents which govern the rules of conduct in specific fields of our activities, the Company Financial Services Code of Conduct, and the Real Estate Code of Conduct.

Clause I

Definition of Basic Terms

1. **Company** – for the purpose of these rules and principles the term “Company” refers to the Company of Broker Consulting, a. s., Jiráskovo nám. 2, 326 00 Plzeň, 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“ or „BC“).
2. **Company Co-operator (Associate)** - for the purpose of these rules and principles the term refers to the persons who co-operate with BC by virtue of a contract other than an employment contract, i.e. the BC Co-operators (associates) who act on behalf of BC, as well as the Employees engaged with person co-operating with BC, or the Employees of BC's Co-operators.
3. **Employee** – refers to a natural person who is in employment relationship with the Company by virtue of an employment contract or contracts for services performed beyond the employment, in accordance with the Labour Code, as amended.
4. **Client** – refers to each natural or legal person who is provided with BC services, as well as each natural or legal person who, for this purpose, has been in contact with Company Co-operator or Employee, i.e. within the scope of their activities by virtue of their co-operation contract or their

powers which were granted to them by the Company. A Client is also considered a person who has shown interest in BC services via the websites. The provisions applicable to a Client are reasonably applied also towards a person acting on behalf of a Client. The terms a Client or a *consumer* also refer to a potential customer, i.e. a person who has shown interest in the services and products provided by BC or if the services or products with which such a person is provided by BC are in certain stage of completion procedure, and a contractual relation with a Contracting party or BC is being prepared.

5. **Contracting party** – refers to financial institution providing financial products, such as insurance companies, banks, building and loan associations, and other similar business entities for which BC by virtue of contractual relationship intermediates the conclusion of financial products contracts.

Clause II Company

1. The Company expressly rejects unfair misuse of any person or entity position which was or could be associated with a breach of impartiality principle in decisions, coercive strategy, corruption and fraud practices, and other activities which are not in line with legal regulations and Company Codes of Conduct, ethical and moral principles both within the Company and in Company relations towards external environment and conversely as well.
2. The Company has distanced itself from receiving, offering or intermediation of cash and cashless advantages as this kind of conduct would result in a breach of qualified, honest and fair conduct and moral principles.
3. The Company fully respects all the legal regulations and practices focused on the fight against corruption and money-laundering practices, and ensures this Company attitude is adhered to.
4. In relation to its Employees, Co-operators and Contracting parties the Company avoids the situations where its own interests could meet theirs, especially where the decision shall be necessarily made, and when a specific motivation or objective is obvious, and following such motivation or objective a specific option is then preferred.
5. Within the effective management of conflicts of interest the staffing of various organisational units follows the strategy to avoid unwelcome flow of information and its misuse. These organisational units are functionally and organisationally independent.
6. The Company has set up such management, control mechanisms and remuneration systems that support the aim to avoid conflicts of interest.
7. In the event of unavoidable conflict of interest, the Company is doing its best to resolve the issue fairly, and is trying to eliminate the risks which might have arisen. Where there is a negative risk of the impact of Client's interests, the Company informs a Client about this fact and shall notify him/her of the nature and source of the conflict of interest to the extent of his/her interests. A Client may make a qualified decision on his/her interests. The Company shall always follow the principles of professional care.
8. The Company neither accepts nor grants any unfair advantages.
9. The Company in no way uses, shares, publishes or forwards material non-public information on its Contracting parties and other company, which is aimed to prevent its misuse.

10. The Company respects the intellectual property of its Contracting parties and other companies as their valuable asset, and uses this kind of property only in compliance with contractual agreement. The Company does not misuse it. Eventual misuse shall be reported to respective Contracting party or to the Company.
11. The Company respects the confidential information of its Contracting parties and other companies as valuable asset, does not misuse it and does not forward it to any third parties. A contact person concerned shall be notified of such eventual misuse.
12. The Company keeps records in a transparent and truthful way, i.e. the records related to the business activity, working and safety methods – all in accordance with relevant legal regulations.
13. The Company communicates with its Contracting parties frankly and openly. Mutual relation is based on the fact the information communicated is complete and true, and confidential information is not misused. The Company does not join or merge its competitors to manipulate the market and make a profit, does not seek to obtain an undue commercial advantage or offer such advantage.
14. The Company neither conceals nor in any way modifies the parameters of its relation with Clients and Contracting parties while presenting this.
15. The relationship between the Company and its Employees is based on fairness, respect, respect of legal regulations associated with working hours, remuneration and Employee benefit systems, and this relation is expressing the free will of both the parties engaged.
16. The Company is practicing its own internal employment policy which is based on the equality and non-discrimination. It supports high-quality, polite and professional working relationships. Inappropriate and undesirable conduct is rejected by the Company.
17. The Company allows its Employees and Co-operators to notify harmful activities such as frauds, gross violation or a breach of internal or generally binding regulations so that their concerns about negative consequences would not have arisen. For this purpose, the Company adopted measures which serve to protect persons concerned, and support the investigation of the notification.
18. The Company respects the legal right of its Employees to form and join in Employees' organisations, including the trade unions. However, the Company prefers direct communication in the employer – Employee line, thus effective communication channels are developed so that any third party representation would be needed in this kind of relationship.
19. The Company provides its Employees with high-quality working environment where safety and health standards are met. Here, the Employees are provided with the equipment needed, and systematic trainings are carried out as well.
20. The Company does not tolerate Employees under the influence of illegal drugs and alcohol, as well the use of such drugs at the workplace.
21. The Company avoids imposing an excessive burden to the environment, and strives, in the context of environmental science development, to optimize its activities in order to reduce the burden constantly. The Company minimizes the waste generated by its activities, enables the recycling at the workplaces, and performs its activities respectfully to limited resources, is not wasting the resources and is using the energy cautiously.

Clause III

Employees and Co-operators (Associates)

1. Within their activities, the Employees and Co-operators do not abuse the position of any person or entity in order to affect the decision of such a person in their favour. While acting with these persons they do not put them under pressure, do not use any bribery, fraudulent or other activities contrary to legal regulations, ethical and moral principles.
2. Company Employees and Co-operators do not receive, offer or intermediate any cash or cashless advantages, as these would distort qualified, honest and fair negotiation, and the moral principles as well.
3. Company Employees and Co-operators follow legal regulations in the field of fight against corruption and money-laundering practices. In the event they have a suspicion there exists any corruption or money-laundering practice, they shall contact their superior and a person authorised.
4. Company Employees and Co-operators shall avoid conflicts of their own, Company or Contracting parties' interest, even just at the level of appearance, in particular in situations where a decision is necessary and where certain motivation, bias or goal is obvious, or where certain option is preferred. These Employees or Co-operators are apparently incompetent to assess the issues impartially and objectively, and subsequently, make a decision.
5. Company Employees, Co-operators and key Company management persons shall not decide on matters where their family members and persons close, eventually economically linked. The Employees who hold senior management positions and Co-operators at the business network management level shall monitor compliance with the rules applicable to the conflict of interest, which are defined in Company internal rules.
6. Company Employees and Co-operators shall be active while identifying and prevent conflicts of interest.
7. Company Employees, Co-operators, their family members and close persons, eventually economically linked persons, do not accept any unfair or unjustified advantage granted by their Contracting parties, their Employees, family members, close persons or economically linked persons. Similarly, they do not offer any such unjustified advantage to these persons.
8. Company Employees and Co-operators do not use or misuse material non-public information related to the Company or Contracting parties, and they do not forward this information to any third party.
9. Company Employees and Co-operators are aware of the fact the Company intellectual property shall be understood as its valuable asset. They use it only within contractual agreement concluded with the Company. The Employees and Co-operators shall always notify the misuse of Company intellectual property. Similarly, the same approach shall be applied towards the intellectual property of other persons or entities.
10. Company Employees and Co-operators treat Company confidential information respectfully and within the specified limits.
11. Company Employees and Co-operators have the possibility to report suspected harmful act, such as fraud, gross violation or non-compliance with internal or generally binding rules, without negative consequences.

12. Company Employees and Co-operators shall follow Company internal rules on business activities and OSH practices.
13. The Co-operators shall always present their relationship with the Company in transparent and true manner.
14. Company Employees and Co-operators always act in accordance with legal regulations and Company internal rules. They act respectfully, fairly, tolerantly, politely, professionally and in a non-discriminating manner towards the Clients and to other Employees and Co-operators as well.
15. Company Employees and Co-operators do not work while being the influence of illegal drugs and alcohol, and they do not use the drugs during their working hours.
16. Company Employees and Co-operators shall conduct themselves not to burden the environment unnecessarily, and shall eliminate this burden as far as possible. Within their activities they shall reduce the production of waste and do not waste with limited resources and energy.

Clause IV **Contracting parties**

1. Contracting parties do not abuse the position of any person within the Company, which could be associated with a breach of the principle of impartiality in any decision-making process, they do not put the Company under pressure, do not perform any bribery or fraudulent practices and other activities contrary to the law, ethical and moral principles.
2. Contracting parties, within their relationship with the Company, do not receive, offer or intermediate any cash or cashless advantages, which would infringe qualified, honest and fair conduct and moral principles.
3. Contracting parties rigorously conduct in compliance with legal regulations and practices in the field of fight against the corruption and money-laundering. Contracting parties use the approved payment procedures, and are cautious when solving unusual Client transactions and requirements.
4. Contracting parties shall neither seek nor initiate the conflict of interest, even just its appearance, with the interest of the Company. If the possibility of a conflict of interest has been excluded, the Company expects fair approach from the Contracting parties when the matter is solved.
5. Contracting parties shall be active when identifying, prevent and manage the conflict of interest.
6. Principally, Contracting parties do not offer any unjustified advantage, whether direct or indirect, to the Company, its Employees, Co-operators or their family members. Similarly, they do not receive any such unjustified advantage.
7. Neither the Contracting parties, their employees nor their family members or close persons, eventually economically linked persons have any material economical interest in the Company and its competitors, or they do not present this interest transparently.
8. Contracting parties and their employees and their family members who may access material non-public Company-related information, do not use it and shall never use it in their favour, and are not allowed to forward it to any third party that could misuse it anyhow. This concerns also material non-

public other companies-related information gained by these persons during their relationship with the Company.

9. Contracting parties respect Company intellectual property and use it only within the limits of contractual agreement concluded with the Company, and shall notify the Company of its misuse by any third party. Contracting parties shall apply this approach also to the intellectual property of other persons or entities.
10. Contracting parties understand Company confidential information as Company asset, thus they protect it and do not forward it to any third party. Company Contracting parties shall notify any misuse, illegal provision or publication of such confidential information.
11. Contracting parties keep records in a transparent and truthful way, i.e. the records related to the business activity, working, and OHS methods – all in accordance with relevant legal regulations.
12. Contracting parties shall act in accordance with anti-trust law, and with competition protection law. They do not initiate, approve or enter into secret agreements with their competitors in the field of subject-matter business development.
13. Contracting parties always communicate with the Company and trading partners frankly and openly. The information communicated shall be complete and accurate, and any confidential information is not shared or sourced. They do not join or merge their competitors to manipulate anybody and reach better position. They do not starve to gain an unreasonable commercial advantage. Similarly they do not offer this to anybody.
14. Contracting parties shall always present the relationship with the Company in transparent and true manner.
15. Contracting parties treat their Employees fairly, respectfully and in accordance with legal regulations. The employment relationship is based on free will. The employment relationship shall be always based on the compliance with relevant legislation.
16. Contracting parties shall exercise equal access to the employment. All the human resources activities are based on the equality and non-discrimination approach. Contracting parties do not support and do not tolerate inappropriate behaviour and any unwelcome behaviour towards any other person. Contracting parties develop and keep polite and professional working relations.
17. Contracting parties respect the right of their Employees to form and join in Employees' organisations, including the trade unions. Contracting parties develop effective communication channels and are focused on direct communication in the Employee – employer line, so that any third party representation would be needed in this kind of relationship.
18. Contracting parties provide their Employees with such working environment where safety and health standards are met. Here, the Employees are provided with the personal protective equipment, other equipment needed and with the trainings as well. Contracting party does not tolerate any Employee who is under the influence of drugs and alcohol, and does not tolerate the use of these drugs at the workplace.
19. Contracting parties set the working hours in accordance with legal regulations.
20. Contracting parties remunerate their Employees in accordance with legal regulations.
21. Contracting parties do not impose an excessive burden to the environment, and strive, in the context of environmental science development, to optimize their activities in order to reduce the burden

constantly. Contracting parties minimize the waste generated by their activities, enable the recycling at the workplaces, and perform their activities respectfully to limited resources, are not wasting the resources and use the energy cautiously.

Clause V Final Provisions

1. The present Rules and principles of conduct applicable by the Company Broker Consulting, a. s. shall become applicable by the day on which they are approved by the Board of Directors.
2. The present Rules and principles of conduct applicable by the Company Broker Consulting, a. s. shall take effect on 16 September 2019.
3. The present Rules and principles of conduct applicable by the Company Broker Consulting, a. s. are published on Company websites (address: www.bcas.cz), and if requested they are submitted in Company business premises.

Final Declaration

We follow the responsible, fair, respectful approach towards our Employees and Co-operators, towards the field of our activity, Contracting parties and competitors, towards the regulatory environment and the environment as well.

We hereby declare we will not maintain any relations with the persons who conduct themselves beyond ethical and fair principles, who act fraudulently, do not follow legal regulations and maintain apathetical or scorn attitude to human rights, equal conditions, mutual respect and environmental protection.

If we find that the present Code has been breached by any person or entity concerned, we ask him/her/it to perform remedial action and adopt adequate measures. We expect adequate synergies from these persons or entities. If we do not come into mutual compliance we will take steps to terminate the employment relationship, co-operation, business or other contractual relationship.