

# Code of Conduct

**PENTA**





PENTA



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Communities



## Welcome to Penta

For over 30 years, Penta has been active across Central Europe, particularly within the retail, healthcare, real estate development, financial services, manufacturing and media sectors. With a dedicated team of tens of thousands of individuals, we are committed to being at the forefront of innovation, quality and efficiency.

At Penta, we strive to create a positive impact on society, through our spirit of entrepreneurship, professionalism and hard work. Our vision is based on our strong sense of corporate responsibility and our desire to create value to society that will last for many generations to come. Our businesses and projects are designed to align with the interests of all our stakeholders, from our corporate clients, to our customers and the wider community.

## A culture where merit shines

Penta thrives on a culture of meritocracy, where the only measure of success is individual skills, talent, and dedication. This principle ensures that our team is made up of the brightest and hardworking individuals, creating a dynamic environment where everyone has the opportunity to grow.

## Our Code of Conduct: The heartbeat of our values

Our Code of Conduct (“Code”) is more than just a set of guidelines - it’s the embodiment of Penta’s unique culture and values. It highlights our mission, vision and the high standards of business practice that we uphold. The Code is a vital part of our compliance management system and sets the “Tone at the Top,” inspiring integrity and trust across all levels. Here at Penta, every employee, from the newest recruit to senior management, lives by these principles, ensuring a workplace where everyone feels safe, valued and excited to be part of our team.

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### Iain Child

Managing Partner



Who we are

PENTA



# Our strategy

We are an investment group established in 1994 and manage a number of **Investment Companies**, which span the Central European markets, supporting a wide range of industries. We are united by our three **core strategy pillars**:

- › Improving healthcare,
- › Creating better places (both residential and workplace), and
- › Insisting on responsible entrepreneurship.

... and our four **fundamental principles**:

- › Building the best management teams,
- › Fostering innovation, Big Data, AI and digitalization,
- › Unfailing support for our businesses through robust CAPEX in developing companies and projects,
- › Promoting a culture of **meritocracy**, where among our staff the key qualities of perseverance and hard work are valued and preserved.





# Our culture

## Vision

In the industry sectors in which we operate, we aim to rank among the European leaders in innovation, quality and efficiency. This vision is linked to our sense of responsibility and our desire to **create value** that will last for many generations to come.

## Mission

Through our business activities, we aim to make a positive impact on society and the environment around us. Our profit is largely re-invested into further development and innovation. We want Penta to be a place where capable people have unprecedented space for self-realization.

## Values

Our five core corporate values – **professionalism, entrepreneurship, sustainability, team work and integrity & loyalty**- underpin our decision making each and every day at Penta. These values also guide the day-to-day activities of all Penta employees.







## Human rights & meritocracy

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Our respectful approach to our colleagues and employees is guided by the EU Convention on Human Rights, with which we fully comply. We believe we are a responsible employer across all Penta Group companies. We value and measure employee engagement and foster development and education via diverse initiatives. A culture of meritocracy has been a consistent element at Penta ever since the Group's establishment.

We believe in equal roles for women and men and we do not discriminate our personnel by gender, race or age. We have no plans to introduce any measures or quotas to positively discriminate for any individual groups which means that the only criteria we apply for **hiring, compensation and career development are individual skills, talent and hard work**, in keeping with our five core **values**.



# Our key attributes

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## **Professionalism** | Demonstrating expertise

We employ the best experts in the market; mediocrity has no place in Penta. It is vital to continually improve one's skills and follow global industry trends, which drive Penta's innovative approach in addressing every challenge.

## **Entrepreneurship** | Ability to see opportunities

It is an essential prerequisite for the development of society. In particular, it represents the ability to recognize and seize the opportunity, be able to make informed choices, and be willing to solve challenges immediately rather than later.

## **Sustainability** | Striving for long-term solutions

Long-term, systematic view in making decisions allows Penta to drive value for the future instead of reaping short-term benefits for today.

## **Team work** | Cooperation

Collaboration, win-win solutions, and mutual respect underpin our internal and external relationships. We work as a team.

## **Integrity/Loyalty** | Trustworthy

We build trust. Ethics and transparency underpin all our actions. We do not tolerate unethical behavior.





Internal  
governance  
& compliance





# Our internal governance

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We believe in open and transparent management and communication across the organization, with all employees. To ensure we achieve compliance with the laws and regulations pertinent to our industry, as well as with sustainability standards, we believe in a strong internal governance system, supported by effective compliance management.

Penta intragroup governance consists of the following bodies:

- › Shareholders Board
- › Investment Committee
- › Executive Committee
- › Management at the holding and branch division levels





# Building an effective Compliance management system

Compliance means conforming to a rule, such as a policy, standard or law. Effective compliance management systems help companies navigate the complex landscape of compliance; mitigate main compliance risks and maintain a strong reputation. Penta has established an integrated compliance management system, both to meet relevant regulatory requirements and to align our internal policies.

We have built an effective compliance system at the highest level of the organization while respecting Penta’s “DNA”. We set high expectations for all our employees and strongly encourage appropriate behavior and business practices.

## Our Compliance management system

| Pillar I:<br>Set the Tone at the Top | Pillar II:<br>Proactive measures | Pillar III:<br>Reactive measures |
|--------------------------------------|----------------------------------|----------------------------------|
| Code of conduct                      | Third party due diligence        | Incident response plan           |
| Business conduct policies            | Monitoring                       |                                  |
| Communication and training           | Internal reporting system        |                                  |







## Business conduct policies

We have introduced a number of business conduct policies to improve our compliance management system and built a strong corporate culture to protect whistleblowers. A commitment to complying with our Code; other internal policies and consistently operating in accordance with our values and behaviors, will build trust and confidence in Penta and lead to our success. We expect our employees, contractors and business partners to act in line with our Code.

### AML and Compliance due diligence policies

Our branches in the Czech Republic, Slovakia and Poland are all AML obliged entities, as they provide accounting, business advisory and other advisory services to Penta. Our AML policy defines roles and responsibilities of Factual Guarantors and AML contact persons for identifying and verifying business partners and mitigating the risks of money laundering or a sanctions breach.

Based on the results of our internal risk assessment, we have defined three levels of KYC/AML checks on our business partners and targets potential acquisitions, which are undertaken during the deals process, based on value thresholds and business partner scoring.

**Level 1:** Basic KYC/AML check

**Level 2:** Enhanced third party due diligence check

**Level 3:** Anti-Bribery & Anti-Corruption due diligence for high value / high risk acquisitions



# Business conduct policies & procedures (cont'd)

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## Anticorruption policy

There is no place for bribery and corruption in Penta. No Penta employee or member of our intragroup governance may promise or provide any donations, or other benefits, to a third party, which could result in a breach of our anticorruption policy or legal obligations, nor solicit such donations or other benefits from our actual, former or potential business partners.

## Conflict of interest policy

The best way to avoid a conflict of interest is to avoid situations where they can occur. We believe that establishing minimum requirements and measures to prevent, detect, disclose, properly manage and document possible conflicts of interest is in our best interest. Our employees must not be:

- › doing business in a field that **competes** to Penta
- › using **business opportunities** that belong to Penta for their own or third party benefit or
- › using or disclosing **confidential or inside information** to the third party





Employee  
development  
& communication





# Talent management & development

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We believe that consistent investment in career development and building our employees' professional knowledge is one of the most important goals for Penta. For this reason, we have set a generous learning and development budget for the benefit of our employees. A formalized annual employee evaluation process, which includes behaviors and KPIs, helps us to track the development of our employees and reward them appropriately, based on their annual performance.

Our employees must pass all mandatory e-learning courses, such as health and safety, fire protection rules, first aid, driving and GDPR, all of which are delivered on a regular basis.

To further improve compliance knowledge, we have also developed a compliance training and communication policy that provides access to a range of potential compliance training activities.





# Communication

## Internal communication

We believe in open and transparent management and communication with all our employees and to facilitate this we use contemporary tools and platforms for internal communication. All employees are free to post new content and comment on their colleagues' posts, either within their profiles or in groups, provided that they respect our core values and communication rules.

## Communication with the public

We communicate with the public mainly through:

- › Traditional media
- › Social media
- › Presentations on public forums

The External Relations Manager, along with the PR team, handles all Penta's communication activities, in line with the highest professional standards. Penta undertakes transparent and open communication to the wider public and the media, in order to provide relevant information in an accurate, honest and timely manner. Due to the complexity and scale of Penta's activities, any employee who plans to communicate publicly is obliged to consult with the External Relations Manager, or the PR team prior to undertaking any communication.







# Financial controls & internal reporting





# Financial controls, books & records

On what do we base our good business decisions? How can we maintain the trust of our stakeholders?

We believe the best way to achieve these goals is to take responsibility and work together to keep accurate and complete books and records. Responsibilities regarding our internal controls are defined within our internal regulations and policies. At Penta, we regularly carry out the following activities:

- › Internal controls reviews performed by the CFO, Treasury and Accounting departments
- › Penta and Investment Companies' P/L monitoring by the Executive Committee
- › Budgeting process
- › Balance Sheet reviews
- › Audit Committee reviews (including all Investment Companies) and
- › Compliance and sanctions screening



# Internal reporting system & incident response

## Internal reporting system

We are committed to maintaining open and honest communication between employees and discouraging unethical and anti-social conduct in Penta. We have introduced an internal reporting system, where Penta employees are able to report any perceived unethical or anti-social behaviors. Such reporting is not considered to be a breach of confidentiality and Penta will not persecute anyone who has submitted such a report. Staff are encouraged to submit any necessary reports electronically, using the encrypted and secured internet channel arranged by Penta.

## Incident response

We are committed to preventing and investigating any internal incidents; unlawful or unethical activities or breaches of Penta internal policies. We have introduced an Incident Response Plan to establish a standard protocol for ensuring a quick and consistent response to potential incidents, simultaneously adopting appropriate corrective measures to prevent such incidents from happening in the future.





# External relations & security





# Working with business partners

## Risk management & quality of relationships with customers & suppliers

Assessment of both new and existing customers and suppliers is based on value threshold and business partner scoring is defined in our compliance due diligence policy. KYC considerations are in place to help mitigate money laundering, sanctions and bribery & corruption risks, which could have a negative financial or reputational impact on our business.





## Political influence & lobbying

As an owner of the leading media houses in the Czech Republic and Slovakia, we are fully aware of our responsibility for providing accurate and non-biased information to their audiences. The key values being promoted by our media houses are defined as support for: free market economies; the pro-western geopolitical position of the Czech Republic and Slovakia (our home markets) and strict abidance to the rule of law and property rights.

In addition to this, based on our anticorruption policy, it is prohibited to promise or provide any donations or benefits to:

- › any public officials, as well as
- › political parties and movements (or their officials) in Penta's name or on its account



# Safety & security

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## Company assets & physical security

Our goal is to protect our assets. Penta has set out basic rules for employees and visitors and their movements around and between different office areas and has detailed items which are forbidden for use in the office. We deliver appropriate staff training to promote and enforce personal and hardcopy data protection, as well as physical and technical protection of property of Penta offices. Our employees are asked to notify relevant superiors should there be any violation which could cause damage to Penta.

## Information security

There are currently a number of potential security threats facing today's business. We are committed to safeguarding both our employee and company data from unauthorized disclosure or data breach. Our information security system includes protection of data in hardcopy files; data processed by IT systems or information provided during meetings with third parties. All data processed by Penta offices is considered to be a trade secret. Our employees are encouraged and obliged to adhere to our internal security regulations.

## Health and safety

Penta and its employees strictly adhere to health and safety regulations and we are all trained on a regular basis.





A photograph of a garden scene featuring tulips and yellow flowers. The tulips are in various stages of bloom, with one prominent pinkish-red tulip on the left and several yellow tulips on the right. The yellow flowers are in the foreground, appearing as a dense cluster. The background is a blurred green field with a fence line visible. The word "Communities" is overlaid in white serif font on the left side of the image.

# Communities



## ESG

The Penta Group has been active in the healthcare, real estate development, financial services, retail, manufacturing and media sectors for many years. Penta has spent in excess of 100m EUR on socially responsible activities and projects since it was founded.

Our office and commercial projects are certified LEED Platinum and LEED Gold, the highest category available, which represents a guarantee of our compliance with the most demanding sustainability requirements.

## Social

- › Each year, Penta provides healthcare to more than 5m patients
- › Penta has invested over a 600m EUR in healthcare in Slovakia
- › Penta was the first private investor in Bratislava to build a public nursery school with 2,3m EUR invested

## Climate change

Across our businesses, we intend to promote energy conservation and the reduction of our carbon footprint where possible, in line with regulations and in order to generate savings, which will be good for the environment and our business alike. For instance, Dôvera introduced a Green Office principle to ensure its carbon footprint is minimal.







## Pollution

We are the largest private investor in Slovakia's environment, dedicating significant funds to initiatives such as cleaning up a former sludge field and reclaiming environmentally damaged land. In 2021, a 10m EUR investment into a recycling melting furnace was launched in Slovalco, which is one of the most ecological producers of aluminum in the world. Since 2011, 50m EUR has been invested in remediation of the ZSNP sludge basin and Penta has been awarded an ENVIRO OSCAR for its efforts.

We have become experts in returning brownfield sites to life by investing in the cleanup of environmentally damaged soils, as we have done recently at Nusle brewery, Masaryk Station, Waltrovka and SKY PARK Bratislava.

## Biodiversity and ecosystems

We aim to increase and improve our biodiversity by creating a green infrastructure around our development projects. We have to date built 80,000 sqm of new city parks in Prague and Bratislava. We have also invested in the revitalization of existing parks; the creation of green zones and green roofs, as well as public gardens and the regeneration of neighboring streets, as seen in the Sky Park and Waltrovka projects.



**PENTA**