

**Ref. no. 57551/2019-O25**

# **Code of Conduct for Business Partners of ČD, a.s.**

*Approved by the Resolution of the Board of Directors of České dráhy, a.s. no. 8150/2019 of  
27 August 2019*

**Effective from 1 October 2019**

**Access Level "A"**

## I. Introduction

České dráhy, a.s., as the national carrier, is aware of social responsibility implying from its position on the market. České dráhy, a.s. behaves towards its customers, employees as well as business partners as a responsible and credible partner taking care of the maintaining of sustainable development.

The responsible approach of České dráhy, a.s. includes also a responsible selection of business partners, when České dráhy, a.s. expects from all its business partners that during their activities they will proactively foster and respect the values and principles expressed in the present Code of Conduct, whereby they can proactively help to fulfil the mission of České dráhy, a.s. For this purpose, České dráhy, a.s. issues the present Code of Conduct for Business Partners of České dráhy, a.s., which sets out the requirements and principles imposed by České dráhy, a.s. on its business partners.

České dráhy, a.s. reserves the right to change, in justified cases, the rules and principles contained in the present Code of Conduct for Business Partners of České dráhy, a.s., and in such cases it expects its business partners to accept such changes.

## II. Scope of the document

The present Code of Conduct for Business Partners of České dráhy, a.s. (hereinafter referred to also as “the Code of Conduct”) is a part of contracts made between České dráhy, a.s., Company Reg. No.: 70994226 (hereinafter referred to also as “ČD”) and its business partners. It is published at the same time on <http://www.ceskedrahy.cz/skupina-cd/eticky-kodex/-30201/>.

The term “business partner” according to the present Code of Conduct shall denote any person or entity with whom ČD, a.s. has made a contract.

Business partners must adopt all necessary measures with a view to ensuring that essential requirements of the Code of Conduct are announced to their employees and are also obliged to adopt all reasonable measures to ensure compliance with the Code of Conduct by all persons and entities whose services they are to use within the framework of cooperation with ČD.

## III. Obligations of a ČD business partner

1. To comply, without any exceptions in any of their activities, with generally binding legal regulations applicable in the Czech Republic, as well as in the country of the registered office of the business partner and in all countries in which the business partner possibly operates.
2. Not to tolerate any illegal acts.
3. To fulfil, in a full extent, their undertakings towards employees and business partners.
4. To meet their obligations towards the state and administrative bodies implying from tax and other regulations.
5. To register all financial transactions and to conduct true bookkeeping about them in accordance with applicable accounting standards, especially to ensure that all statements, documents and invoices are exact and complete and that they are not erroneous or misleading.
6. To meet the information obligations prescribed by legal regulations, through public registers of legal entities and natural persons, register of contracts, information obligation pursuant to the Public Procurement Act, etc.
7. To meet all undertakings from business contacts, undertakings towards the state, public health insurance companies and social security institutions, undertakings towards partners and associations, undertakings implying from bonds and debentures issued, etc.

8. Ban on any forms of corruption and bribery

- Not to tolerate any form of corruption or bribery
- Not to take part, whether directly or indirectly, in any form of corruption or bribery
- Not to get involved, in any manner, in machinations or any other forms of manipulations regarding public procurement projects and not to get involved in any other forms of practices leading to corruption of the competition
- Not to offer, whether directly or indirectly, and not to provide any payments, remunerations or other advantages to any natural persons or legal entities with a view to obtaining, maintaining or controlling a business opportunity or to ensuring any other inappropriate advantage during the carrying out of business activities, or which would be provided for the purpose of making such a person or entity act in contradiction with specified obligations

9. Respecting the rules of the competition

- To support open, honest and competitive business environments
- To act in accordance with national, European and international regulations regulating the competition, to comply with the rules of the fair competition
- Not to take part in any agreements violating the competition, especially by way of price agreements, allocation of markets, allocation of customers
- Not to misuse their market positions
- To abstain from any unfair competition conduct
- To respect consumer protection rules and to abstain from any unfair business practices

10. Protection of intellectual property rights, ČD property, business secret and personal data

- To pay attention to protection of ČD property
- To respect protection and rights of intellectual and industrial property of other persons
- To ensure that all personal data processing is carried out in accordance with applicable legal regulations
- To ensure protection of the business secret and confidential information

11. Respecting the rights of employees

- To observe applicable labour-law standards
- To ensure that all employees are suitably trained and that they have appropriate equipment for safe performance of work and sound work environment, including its permanent improvement
- To provide equal opportunities to people, regardless of their age, race, colour, gender, nationality, religion, faith, ethnic origin, social origin, health handicaps, sexual orientation, world view or other different characteristics, not to admit and not to tolerate any discrimination, psychological cruelty, intimidation, bullying, mobbing, harassment or other forms of persecution
- To respect the rights of employees, their personal dignity, privacy and personality rights
- To recognise special needs of employees under 18 years of age and their obligation to take care of them
- Not to admit such practices as illegal or unlawful withholding of wages, practices limiting free movement of employees
- Not to admit any cruel or inhuman treatment
- Not to tolerate any form of forced labour
- To pay wages and other fulfilment to employees if the employees are entitled to receive them



12. Occupational health and safety

- To comply with regulations applicable to occupational health and safety, as well as to fire protection
- To limit the risks and to adopt necessary preventive measures against occupational injuries and occupational diseases
- To inform business partners about OHS risks implying from their activities

13. Protection of the environment

- To take care of protection of the environment
- To perform their activities in environment-friendly and responsible ways and in accordance with applicable legislation
- To minimise adverse impacts of their activities on the environment
- To endeavour to minimise adverse impacts of their own operations on the environment
- To respect national and international standards of protection of the environment
- To inform business partners on the risks of environmental impacts implying from their activities

14. Relations with business partners

- To properly fulfil contracts made with their business partners and to respect the undertakings implying from them
- To require their business partners to comply with the rules contained in the present Code of Conduct
- To observe, towards their business partners, the principle of non-discrimination and equal treatment
- Not to provide any payments, advantages or other remunerations to any persons representing their business partner, especially not to those who took part in their selection as a business partner or with whom they cooperate during fulfilment of their business relations.

#### **IV. Breach of the Code of Conduct for Business Partners of ČD, a.s.**

1. If any breach of the present Code of Conduct is found out, ČD and the business partner shall define corrective action and means. This procedure is conditioned by the fact that ČD has received an undertaking from the partner in question, stating that the partner will ensure a remedy of the breach in a reasonable time period. In the case of non-existence of such an undertaking or in the case of insufficient corrective action, ČD may terminate its business relations with the business partner and to terminate corresponding business contracts.
2. The business partner agrees with the fact that ČD is authorised to check whether the business partner observes provisions of the Code of Conduct. For this purpose, the business partner shall provide ČD with cooperation, relevant information and ground materials.
3. In the case of a justified suspicion of a breach of the present Code of Conduct, ČD is authorised to require the business partner to provide it with an explanation or more detailed information concerning the suspicion investigated, including the information specifying what (if any) measures have been adopted by the supplier.

## V. Declaration of ČD

1. České dráhy, a.s. adheres, within the framework of its activities, to the values and rules expressed in the present Code of Conduct and fosters their observation and compliance within the framework of its business activities.
2. České dráhy, a.s. has established an anonymous e-mail address "podvody@cd.cz" where business partners can report all examples of behaviour which are in contradiction with the values and rules expressed in the present Code of Conduct.
3. No form of retribution or revenge against the person who has reported, in good faith, any unethical or illegal behaviour or suspicion thereof, shall be practised, whether on the part of ČD or on the part of the business partner.

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The present Code of Conduct for Business Partners of České dráhy, a.s. shall become effective on 1 October 2019.

From the effective date, the present Code of Conduct for Business Partners of České dráhy, a.s. supersedes the Code of Conduct for Suppliers of ČD, a.s., ref. no. 56875/2018-O25.