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***Code of conduct***

**CODE OF BUSINESS ETHICS**

**SISTEMI BAND DOO**

**March 1st, 2023.**

## I INTRODUCTION

This document entitled "Code of Business Ethics" ("Code of conduct") is an official document that states the ethical obligations and responsibilities of Sistemi Band doo.

Sistemi Band doo ("Sistemi Band" or the "Company") when conducting business and other activities.

It defines rights, obligations and general responsibilities when interacting with others for the purposes of carrying out our activities with the desire to create effective and sustainable relationships.

Ethics implies moral principles in accordance with which a person behaves.

Each of us is expected to think ethically in every interaction, decision and transaction we make as part of our work. As long as we do so in good faith, we should not be afraid to make such decisions or take certain steps.

The Code is considered an integral part of current and future employment contracts and is rooted in the core values of the Sistemi Band company: professionalism, respect and perseverance which helps us to operate with integrity in the market.

When it comes to employees, collaborators, consultants and external collaborators (Freelance personnel), such as suppliers and partners and others who work for Sistemi Band and their third parties in general, acceptance of the items and principles stated in the Code is considered for the basic prerequisite when concluding a contract of any kind between the above entities and Sistemi Band and all parties are expected to adhere to the values contained in our Code of conduct.

Violation of our Code constitutes a violation of internal regulations and as such may lead to disciplinary action, including termination of contract and being subject to compensation for damages.

In accordance with the above and depending on the severity of violations of the articles of this Code by third parties, the Company may withdraw from its contractual obligations with such entities. It can also be cited ex ante as a reason for automatic termination of existing contracts.

Working for the Sistemi Band company, we need to think carefully before each of our actions.

## **Always ask yourself:**

- ✓ ***Is it in the best interest of the Company?***
- ✓ ***Is it legal and ethical?***

If you have any concerns about your performance, stop and seek help from your non-line manager. If your non-line manager tells you to go ahead, but you're still unsure, seek guidance from your Compliance Officer, Director, or Sistemi Band's attorney.

If you believe that something is against regulations or ethics, feel free to talk to your colleagues and superiors. Your concern and openness will always be considered as an act in the interest of Sistemi Band and you will always be protected in expressing any dilemma, knowledge regarding the above.

The ethical principles contained in the Code are an integral part of our way of doing business because they are grounded in our business values.

## **II OUR BASIC PRINCIPLES**

### **➤ ORIENTATION TOWARDS THE FUTURE**

We will strive to be the most suitable partner in providing our services in accordance with the speed at which the world is changing, while helping clients to keep pace with the changes, being a reliable partner at all times.

Our technology reaches far and connects people and businesses. The opportunity we have is exciting, but with it comes great responsibility. The way we do business is important.

Simply put, we must always conduct business in an ethical manner, because the Code should be seen as our rules, i.e. a tool that will help us establish our ethical norms and make the right decisions.

### **➤ SUSTAINABILITY OF DEVELOPMENT**

Protecting and preserving nature every day without exception.

Training of employees, education of young people, increasing their competitiveness and the competitiveness of their products on the market. Help in understanding the wholeness of the world of the future.

Sistemi Band's ethical expectations help us solve the sustainability dilemmas we all face in business.

It also directs us to the additional resources of the future, including where to find them and how to use them effectively.

Executives in higher positions have a special obligation to foster a culture of sustainability on a long-term level, but the implementation of sustainability as a course of action is the responsibility of each individual.

Trust and transparency are the most important ways for sustainable development.

For this reason, we suggest that everyone be familiar with the Code, understand and respect it, because that is the only way to establish, earn and maintain the trust of society and current and future employees and clients.

## ➤ PURPOSE AND MEANING

We deliver high-quality programming solutions to everyone around the world.

Our goal is to mutually reach a common goal.

By designing a specially tailored solution for our clients, we enable them to achieve their long-term business goals.

It's an inspiring goal we've set for ourselves as we work toward our vision of a world where mutuality improves relationships, redefines business, and paves the way for a sustainable future.

The company makes ethical decisions based on all available information and we do not hesitate to ask for support when we are not convinced of our ideas in order to build client trust.

Our principle is that only a way of working that brings the overall improvement of society can be a good way of working.

This socially responsible approach has led us to the position of a leading company in the field of programming that provides innovative and useful solutions around the world.

With the experience of 10 years of work, the Sistemi Band company has acquired a recognizable role in the field of programming, innovation in software and the provision of IT services. – because we are SISTEMI BAND !

### III ADOPTION AND IMPLEMENTATION OF THE CODE

The Code applies to all parts of the Sistemi Band company, employees, temporary employees and other workers, consultants and associates of every kind.

Directors and Deputy Directors of Sistemi Band are responsible for the effective implementation of the Code and its delivery within the organization itself, and also outside it.

In addition to the usual adherence to the current measures and provisions of the employment contract, employees of the Company agree that their way of performing their activities should be in accordance with the goals and instructions given in the Code. This obligation applies both to their internal work relations and to relations with parties outside the Sistemi Band, including in particular the public administration and other public bodies.

When signing contracts or agreements with associates and other third parties, the Company must provide them with the Code or at least a significant section of the Code and require them to comply with the items contained in it.

### IV OUR VALUES

Sistemi Band adheres to the following values when performing its activities:

#### ➤ INTEGRITY AND TRANSPARENCY

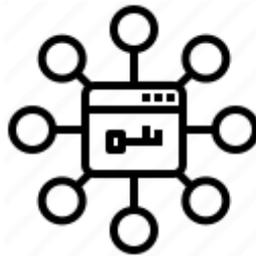


Sistemi Band encourages its people to act in accordance with the highest principles of ethics and honesty.

Everyone's behavior must be based on honesty and respect for colleagues, clients, suppliers and business partners.

Sistemi band encourage transparency in work and relationships with co-workers.

## ➤ **UNDERSTANDING PEOPLE AND DIVERSITY**



Sistemi Band give priority to understanding the needs of people beyond their professional needs, and gives a special place in respecting personal and family circumstances.

Sistemi Band believes in the progress of a society based on respect for diversity, nurtures the meeting of different cultures and encourages the creation of new ways of looking at things.

## ➤ **INSPIRATION IS IN THE EXCELLENCE**



Sistemi Band believes that excellence is not only an end in itself, but inspires in a broader sense and acts concentrically, improving the living conditions of the community and the individual.

We encourage our people to cultivate a passion for excellence, exploring new approaches to find more diverse solutions. We are looking for fast and precise work and quick reaction to changes in conditions and the world around us.

## ➤ RESPONSIBILITY TO CLIENTS



Being responsive to your customer shows that you care.

Sistemi Band wants to create value by offering products of the highest possible quality.

We deliver solutions that exceed all expectations.

## ➤ SUSTAINABILITY IS THE FUTURE



**We protect the planet and ourselves. Every day without excuses.**

## V OUR OVERALL CODE OF CONDUCT

The rules of conduct contained in this section clarify the manner of conduct that is necessary in order for the performance of the company's activities to be in accordance with the values of this Code.

### 1. EMPLOYEE PROTECTION

Sistemi Band internally reject any gender, ethnic, linguistic, religious and political discrimination among employees and associates, as well as discrimination based on any social and personal grounds.

Sistemi Band foster a work environment where the dignity of each person is respected and where relationships between people are based on respect, honesty and mutual cooperation.

**It is therefore prohibited:**

- ✓ behave towards colleagues or associates in a way that creates an atmosphere of intimidation or insult;
- ✓ behave in a way that can negatively affect the feelings of others, including sexual allusion (such as unwanted physical contact, gestures and statements with sexual connotations or visual elements, such as images and similar content);
- ✓ carry out retaliation or actions that can be interpreted as such against any employee who in good faith opposes or reports any form of discrimination, abuse or attack against a specific person

### 2. ASSOCIATES

All Associates (which means directors, employees and all those who, regardless of the legal basis of their relationship, work and who are subordinate to the management must perform their duties in a correct and transparent manner.

**Obligations of Associates**

All Associates must be fully aware of the instructions contained in the Code or instructions that refer to the Code, as well as the laws that relate to their activities that are an integral part of their duties.

Compliance with the given instructions and laws is necessary and is an integral part of their work. Associates who have information about possible misconduct must submit it to the trustee or Sistemi Band lawyer.

## **Associates should also:**

- a) avoid behavior that goes against such instructions and laws;
- b) demand from their directly superior managers any clarifications regarding the application of the Codex and applicable regulations;
- c) timely reports on any potential violations of the Code to the direct manager, trustee or Director;
- d) cooperate with their companies in connection with any investigations designed to investigate possible violations and the application of sanctions;
- e) actively participate in trainings conducted by their companies.

## **All managers must:**

- a) ensure that all persons who are directly subordinate to them respect the items from the Code;
- b) be an example to their subordinates of how to behave properly;
- c) take steps to ensure that their employees understand that compliance with the instructions from the Code is an obligatory part of their work;
- d) choose employees and associates who respect the principles of the Code.

## **Selection, recruitment and career advancement**

Sistemi Band recognizes the importance of human resources and the fact that the main success factor of any company is the professional contribution of each employee and the mutual loyalty and trust between the company and the employees. Employment management is designed with the intention of guaranteeing the same chance for every employee, as well as enabling the professional advancement of employees.

Sistemi Band will not employ any person who does not have a residence permit or do anything to enable the illegal and secret entry of persons into the State.

Sistemi Band does not apply direct or indirect discriminatory measures (for example on the basis of union membership, political, religious and racial grounds, on the basis of mother tongue and gender) in the processes of candidate selection and career advancement.

Sistemi Band protects the integrity of its employees and guarantees working conditions that are in line with human rights and human dignity. In particular, irregular and forced labor and the employment of minors are prohibited; even less will violence, physical or psychological abuse, such as mobbing, sexual harassment, humiliation, intimidation and false accusation, be tolerated.

### 3. HEALTH, SAFETY AND WORKING ENVIRONMENT

Sistemi Band pay special attention to the creation and management of work environments and workplaces that adequately protect the health, safety and security of associates, and in accordance with applicable local and international laws.

In order to ensure a safe workplace, Sistemi Band bases its behavior on principles and criteria that are necessary and of utmost importance instead of organizational and sales requirements. Specifically, they consistently do the following:

- a) avoid risks;
- b) adequately assess the risks that cannot be avoided;
- c) deal with the source that causes a certain risk;
- d) adapt work to human needs;
- e) take into account technical development;
- f) change dangerous aspects of work for safe or less dangerous ones;
- g) plan the prevention of accidents related to an overall approach that includes technical requirements, work organization, working conditions, social relations and the influence of environmental factors;
- h) prioritize measures for the overall safety and protection of the individual;
- i) deliver proper instructions to employees

### 4. SUPPRESSION OF MONOPOLY AND FAIR COMPETITION

Sistemi Band operates in the market in accordance with competition rules based on competence, courtesy and fair trade. Sistemi Band is committed to conscientious compliance with all applicable laws. Competition laws – are known as Anty trust laws or laws on Suppression of monopoly. These laws exists to protect consumers and provide fair and honest competition on the market.

In those laws, are forbidden, for example act or procedures consisting of price fixing, distribution of clients or markets among competitors, or limitation of market competition. These laws also forbid abuse of dominant position on the market.

Abovementioned means not to discuss or exchange competitively sensitive information with the competitors directly or via third parties. Also, it is forbidden to fix and control purchase price of the distributors. It is important that employees consult compliance and legal department before negotiating with third parties about exclusivity or agreements that are not competitive and/or about employment limitations. Employee should address compliance and legal department if they are considered about any issue that relates to competition.

#### ***Fighting corruption***

Sistemi Band will not tolerate any form of corruption regarding a public or private entity or individual, whether a passive or active participant. The company respects and implements the applicable anti-corruption regulations.

Also, it is forbidden to use or flaunt existing or alleged ties to a civil servant for the purpose of obtaining money or other resources for himself or others, or a potential opportunity to obtain money or other resources for himself or others, as compensation for illegal mediation with a public official or mediation of others person with a public official as well as the provision of compensation related to the exercise of his/her function or influence.

## **5. GIFTS AND BENEFITS**

When conducting any business activities that are directly or indirectly related to the Sistemi Band company, no gift may be received that can be interpreted as more generous than mere courtesy and good manners or normal business practice, or as a way to achieve a privileged position.

This rule, to which there are no exceptions even where giving valuable gifts to business partners is considered a common practice, includes offers or promises of gifts or any benefits, as well as gifts or benefits actually received.

Sistemi Band avoids activities that are not permitted by law, business practices or ethical codes when the given activities are known, and are carried out by the companies and entities with which they do business.

## **6. TRANSPARENCY OF TRANSACTIONS AND ACTIVITIES**

All transactions and/or activities must be legal, permitted, consistent, documented, authentic and must be traceable to their source and in accordance with business procedures; must be performed in a prudent manner and in the interest of the receiving company:

- business procedures must enable verification of transactions, giving processes authorizations and the manner in which these transactions are performed;
- all collaborators who carry out transactions involving money, goods or other economic resources belonging to the Sistemi Band company must provide reasonable and adequate supporting evidence that is necessary for the verification of given transactions.

## **7. TRANSPARENCY OF ACCOUNTING**

The accounting documents of the Sistemi Band must comply with the generally accepted principles of truthfulness, accuracy, competence and transparency.

Recipients of the Code agree to avoid any behavior (activity or refraining from action) that directly or indirectly violates the standards and/or internal procedures that regulate the preparation of accounting documents and their presentation for external use. In particular, the Code Recipients agree to cooperate to ensure that all transactions are correctly and timely recorded within the accounting systems of the given companies and in accordance with legal requirements and applicable accounting standards. Where necessary, such transactions must be properly authorized and verified.

Recipients of the Code are also required to maintain and provide access to additional documentation necessary for each transaction for the purposes of:

- a) provision of accurate accounting entries;
- b) providing immediate identification of its characteristics and reasons for its execution;
- c) enabling a ready, formal and chronological reconstruction of the given event;
- d) enabling the verification of decisions made, authorization and application of processes in terms of their correctness, consistency and justification, as well as identification of different levels of responsibility.

Recipients of the Code who become aware of the existence of omissions, forgeries or negligence when performing accounting entries or preparing additional documentation must promptly report the given situation to the **DIRECTOR**.

## 8. INTERNAL CONTROLS

A constant and positive attitude towards internal control contributes significantly to the improvement of the efficiency of Sistemi Band's work.

Sistemi Band ensures that auditors (when assigned) and other control authorities have access to all data, documentation and other information necessary to perform their activities.

## 9. CONFIDENTIALITY

Associates are required to be strictly confidential regarding information, documentation, studies, initiatives, projects, contracts, etc. with whom they come into contact during the performance of their work and to avoid communicating the given information to competitors for the purpose of coordinating their behavior on the market.

Sistemi Band takes steps to protect information and access by unauthorized personnel. All information, especially that collected during work with clients, must be considered confidential and must not be disclosed to third parties or used for direct or indirect personal gain.

## 10. CUSTOMER RELATIONS

The main goal of the Sistemi Band company is to satisfy all the needs of its clients and above all to achieve a solid relationship based on general values such as courtesy, honesty, efficiency and professionalism.

In accordance with this framework, Sistemi Band guarantees clients the best possible performance and constantly wants to provide even more advanced and innovative solutions that will lead to even greater efficiency.

The communication style is based on efficiency, cooperation and politeness, especially when talking to clients.

## **11. STATE ADMINISTRATION**

### **✓ *Politeness and honesty***

Sistemi Band's relations with the public administration are based on the principles of courtesy and honesty.

Persons appointed by Sistemi Band to conduct negotiations, respond to requests or maintain institutional relations with any government may not for any reason influence decisions or illegally offer money or other benefits that may influence the judgment of the person who represents the state administration.

### **✓ *Lobbying of Government Officials***

Company officials and representatives sometimes meet with members of government to share views and concerns on specific policies and legislation of interest to the company. These lobbying activities are subject to special rules and must be coordinated to be effective. Before engaging in any non-routine contact with government officials or employees, you must first consult with the Law Department.

## **12. LEGISLATIVE BODIES OR INSTITUTIONS**

Sistemi Band undertakes to carefully follow the instructions given by legislative bodies or institutions for the purpose of harmonizing with valid regulations in the sectors in which they do business.

Recipients of the Code respect all requests received from public competent authorities or institutions for the purpose of performing their supervisory duties and fully cooperate with them when requested from the Recipient, while avoiding any form of interference with their work.

### **13. RELATIONS WITH REPRESENTATIVES OF POLITICAL PARTIES AND ASSOCIATIONS**

Sistemi Band is transparent in terms of communication with all political parties for the purposes of presenting their views.

Sistemi Band maintains relations with associations for the economy, technological development, trade unions, environmental organizations and associated associations for the purpose of developing their activities and establishing common forms of cooperation and communication.

### **14. DONATIONS AND SPONSORSHIPS**

Sistemi Band will provide donations and sponsorships in accordance with the indicated procedures and will provide donations and sponsorships in accordance with the indicated procedures and adequate fame to support projects proposed by public, private entities and non-profit associations, which are properly formed and in accordance with the law and which promote the values of this Code.

### **15. MEDIA RELATIONS**

Relations with the media respect the right to information.

Data or information about Media Relations respects the right to information. Data or information about Media Relations respects the right to information.

Data or information about the Sistemi Band must be published in a truthful, accurate, clear and transparent manner, respecting the honor and privacy of individuals.

### **16. USE OF BANKNOTES, CREDIT CARDS AND TAX STAMPS**

Due to the need to ensure proper and transparent business operations, Sistemi Band requires recipients to comply with applicable regulations regarding the flow of money, credit cards and tax stamps, and will therefore strictly punish any behavior involving the illegal use or forgery of credit cards, tax stamps and banknotes.

## **17. ACTIVITIES THAT SUPPORT TERRORISM AND DEMOLITION OF DEMOCRACY**

Sistemi Band require compliance with all domestic and international laws and regulations that prohibit terrorist activities and the subversion of democracy and, accordingly, prohibit membership in organizations that have such goals.

The company condemns the use of company resources to finance and carry out any activities related to terrorism or subversion of democracy.

Any employee of the company, regardless of where they work or reside, is expressly prohibited from participating in any actions or activities that support terrorism or subversive behavior. If there is any doubt or the employee finds himself in an unclear situation, he should discuss the given topic with his superior or the company's lawyer.

## **18. ORGANIZED CRIME**

Sistemi Band is aware of the risk that local or international organized crime can influence its business activities and use them to obtain illegal profits, and therefore advocates for the prevention and reduction of the risk of infiltration of criminal factors into its organization.

With this in mind, recipients are required to follow the procedures adopted by the company for the purpose of assessing the reliability of the various groups with which it is associated (employees, suppliers of goods and services and customers).

All recipients are prohibited from submitting to any form of extortion, regardless of who is making it. In that case, each recipient should inform their superior about the given situation.

## **19. UNLAWFUL INTERNATIONAL TRANSACTIONS**

Sistemi Band condemns any behavior at the level of the entire hierarchy that even indirectly leads to criminal acts. In this regard, the Company will undertake all necessary preventive and follow-up measures to prevent such behavior.

## **20. THE FIGHT AGAINST MONEY LAUNDERING**

Sistemi Band strictly prohibits all recipients of the Code from purchasing, exchanging or transferring money, goods or other resources known to come from criminal sources. Also, in this connection, recipients must not perform other transactions that may affect the identification of the criminal origin of the given funds.

Sistemi Band also prohibits all recipients from using in economic or financial activities money, goods or other resources known to come from criminal sources.

**Additionally, Sistemi Band forbids:**

- ✓ receiving payments from encrypted accounts or from parties that cannot be identified;
- ✓ payment of payments to encrypted accounts;
- ✓ payment of payments in countries where the contracting party does not have a residence or where the service has not been performed, except in cases where there is a justified reason.

## **21. PROTECTION OF PRIVACY/ USE OF THE INFORMATION SYSTEM/ PROTECTION OF COPYRIGHT**

Sistemi Band pays special attention to the application of regulations related to the protection of personal data.

Specifically, in accordance with current regulations, the principle of data minimization is applied and only personal data that is necessary for the performance of business activities and personal data that is required by law is collected. Also, entities and individuals that can process the given personal data and established data storage conditions in relation to different types of personal data, as well as adequate security and organizational measures to preserve the security of the collected data are pre-determined.

All business documents, e-mails and other materials containing business information, as well as materials prepared using such documents, are the property of the company and must be returned when requested by the company or upon termination of employment.

When using information systems and telecommunications, recipients must behave in a prudent and proper manner and comply with internal security rules and procedures.

Recipients must avoid activities that are intended to illegally damage the information and telecommunication systems of the company, other companies, the state, public bodies and entities working for the public interest.

## **22. RESPECT FOR THE ENVIRONMENT**

Sistemi Band respects the environment and ecosystem as a resource that must be protected for the benefit of the community and future generations. In accordance with the current regulations, the Society adopts the most suitable measures for the protection of the environment and ecosystems, promotes and

plans the development of activities in accordance with the stated goal and organizes campaigns to raise awareness.

For the purposes of reducing the risk to the environment, each recipient must operate in accordance with the following principles:

- ✓ implementation of all activities necessary to ensure compliance and compliance with the requirements of applicable laws;
- ✓ constantly informing staff about changes in laws and regulations related to the environment;
- ✓ gradual adoption of environmental protection initiatives within the performance of activities and work on raising staff awareness of environmental protection problems in order to achieve an even higher level of professionalism;
- ✓ observing technological progress and analyzing its implementation when it guarantees greater environmental protection.

## **23. COMPLIANCE WITH TRADE REGULATIONS**

Sistemi Band respects national and international laws and regulations regarding the export of products, as well as international economic sanctions.

## **VI OUR IMPLEMENTATION AND MONITORING**

### **➤ *Communication and training***

This Code is delivered through dedicated communication and training activities to all internal and external entities that are involved in the achievement of the business objective.

### **➤ *Supervisory body***

### **✓ *Trustee, the Director and the lawyer of the company***

### **➤ *Power of attorney and delimitation of tasks***

The company uses a system of powers of attorney and authorization, which means that certain activities can only be performed by persons with express approvals.

Also, there is a demarcation of tasks between those who give approvals, perform tasks and carry out checks in order to avoid a situation where someone performs the entire process independently; such demarcation is guaranteed by the intervention of different subjects during each business macro process in

order to ensure independence and objectivity and avoid a situation where there is a mixing of potentially incompatible roles or an excessive concentration of responsibility and power in the hands of one person.

## ➤ **Penalties**

In case of violation of the Code of Ethics, the Company will take disciplinary measures against the offender whenever it is necessary to protect the interests of the company. Any action taken will be in full compliance with applicable laws regarding employment contracts and disciplinary measures. This may include firing those responsible, as well as demanding compensation for any losses incurred as a result of the violations.

Failure to comply with the Code of Ethics by members of a business entity may lead to the adoption of appropriate measures prescribed and permitted by law.

Failure to comply with the Code of Ethics by employees constitutes a violation of the obligations of their employment contract and entails all contractual and legal consequences.

Such violations subject the persons concerned to disciplinary action.

Violations of suppliers and external collaborators will be punished in accordance with the items from the corresponding contracts, except when the given violations of the law are more significant.

## **VII FINAL REGULATIONS**

### ➤ **Conflict with the items of the Code**

In case at least one provision of this Code conflicts with instructions from internal regulations, the content of this Code always prevails.

### ➤ **Changes to the Code**

All amendments and/or additions to this Code must be adopted in the same manner as the original adoption.

This Code is checked at least once a year and, if necessary, revised by the Director.

Director  
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