

Rules Governing the Activities of the Smartwings Group Ombudsman

I – Introductory Provisions

1. Smartwings, a.s., Company Reg. No. 256 63 135, with registered office at Prague 6, K Letišti 1068/30, postal code 16008, registered in the Commercial Register maintained by the Metropolitan Court in Prague under the file No. B 5332, and other companies with which it forms a concern (also referred to as the "**Smartwings Group**" or "**SWG Group**") is interested in preventing the occurrence of undesirable situations, damages or other adverse consequences, as well as in the amicable settlement of possible disputes. For this purpose, within the Smartwings Group, the position of the Ombudsman, as an independent lawyer acting outside the Group's internal structure, shall provide assistance to SWG's customers, employees, members of the board or business partners or, as the case may be, other persons (for example, unsuccessful job seekers, other air traffic participants) in the following areas:
 - a) air traffic safety,
 - b) so-called white-collar crime (e.g. corruption, fraud, embezzlement)
 - c) competition,
 - d) settlement of claims, processing of applications or complaints,
 - e) bullying at the workplace incl. so called mobbing and bossing,
 - f) misuse of business information, insider dealing or market manipulation etc.,
 - g) breach of the rules governing the relations between individual SWG members
2. The SWG Group is formed by the parent company Smartwings, a.s. and its subsidiaries
 - České aerolinie a.s.,
 - Smartwings Poland, Sp. z o.o.,
 - Smartwings Hungary, Kft,
 - Smartwings Slovakia, s.r.o.,
 - Smartwings Germany, GmbH,
 - Smartwings Building, s.r.o.

II – Principles of the Ombudsman's Acting

1. The purpose of providing the Ombudsman's services is to examine the facts from which it may be inferred that there has been or might be a breach of legal or ethical rules in one of the areas referred to in Article I (1) as well as possible subsequent efforts to find a remedy acceptable to all entities concerned, which will not require intervention of judicial, police or administrative authorities. However, it is not a competence of the Ombudsman to ameliorate harshness of the legislation.
2. The Ombudsman shall initiate proceedings on the basis of notifications and requests from the persons referred to in Article I (1) (hereinafter also referred to as the "**Informant**") or public authorities or even on the basis of his/her own knowledge. In proceedings, the Ombudsman cooperates with the relevant departments, sections or units of the SWG Group, from whom he is also entitled to request expert opinions and viewpoints. The Ombudsman will send the notification of the initiation of proceedings to the Informant by the same means of communication as used by the Informant when having approached the Ombudsman; this does not apply if the Ombudsman initiates the proceedings on the basis of his/her own knowledge.
3. Ombudsman's services under these rules are provided to the Informants free of charge.
4. If the Informant informs the Ombudsman that he/she wishes to remain anonymous, the Ombudsman is obliged to respect this requirement consistently and not to disclose the

Informant's identity to anybody unless the Informant withdraws his/her request or the obligation to disclose such information results from legislation.

5. The Informant shall be obliged to provide the Ombudsman with the necessary cooperation, in particular, he/she is required to provide the Ombudsman, at his/her request, with all documents and other evidence relating to the case and being in his/her possession.
6. The Ombudsman's report shall be the outcome of each procedure, and shall include the contents of the notification or initiative received and all the facts ascertained, the legal assessment of the case, or an assessment of its ethical dimension; if a specific solution has been adopted or proposed, this will also be stated. The Ombudsman will always deliver his/her report to the Informant and to the Board of Directors of Smartwings, a.s.; if the case concerns another SWG Group company and such company will be in a position other than the Informant, the Ombudsman will also deliver his/her report to the Board of Directors of that company.
7. The Ombudsman's report is not legally binding on either party, but the members of the SWG Group undertake to respect it.
8. In cases where the Informant submits a complaint which is in breach of these rules (e.g. the Informant submits a suggestion contrary to the rules provided in Article III, the matter falls outside the Ombudsman's powers, the matter does not concern the SWG Group, etc.), the Ombudsman shall not initiate or terminate or suspend already initiated proceedings and notifies the Informant thereof. In the event of a discontinuation of the proceedings, the Ombudsman will continue to proceed as soon as the reason for which the proceedings have been discontinued is no longer applicable.
9. The Ombudsman is obliged to conduct the proceedings and issue his/her report without undue delay, usually within 30 days after the opening of the proceedings (for example, the receipt of a complaint or other notification), but not later than 60 days after the opening of the proceedings; in justified cases, this period may be reasonably extended.
10. In the course of his/her work, the Ombudsman is bound by law, ethical rules known as good morals under the law, and principles of fair dealing. The Ombudsman's principles can be summarized as follows: Competence - Trustworthiness - Effectiveness - Prudence - Grace - Accessibility.
11. The Ombudsman decides only once in the matter, the conclusions of his report are final. However, the Ombudsman is entitled to revoke, for specific reasons, the conclusions of his/her report, and to reassess the matter.

III – Procedures in Individual Cases

1. Procedure in matters relating to air traffic safety and handling of claims, requests or complaints

In these matters, the Ombudsman plays the role of a second instance. The Informants may therefore appeal to the Ombudsman if they have gone through due proceedings before a competent SWG Group department or unit in accordance with applicable law, claims resolution rules, commercial or other similar terms and conditions, and feel that the outcome of such proceedings is inconsistent with legal regulations or ethical rules.

2. Procedure in the so-called white collar crime and in cases of misuse of information in trade, insider dealing or market manipulation, etc.

- (a) E.g. cases of corruption, fraud or embezzlement within the SWG Group committed by employees, members of bodies or other representatives of the SWG Group companies, or cases of misuse of information obtained from work within the SWG Group in such a way that the SWG Group suffers or may suffer damage.
- (b) The Informants may apply to the Ombudsman if they are reasonably confident that one of the facts referred to in point a) occurred. If the Informant is an employee of the SWG Group, he/she may contact the Ombudsman if he/she tried to remedy the incorrect state in negotiations with his/her senior employee of the SWG Group he/she is working for, or with a member of the statutory body of the company within whose competence the case falls; in serious cases where delays could arise as a result of negotiations with those representatives of the company which could cause a serious injury to the Informant or other person or in cases where the company's representatives are directly or indirectly involved in the activities which are the subject of the notification, the Informants may apply to the Ombudsman at any time without any other conditions.

3. Procedure in matters relating to competition

The Informants may apply to the Ombudsman if they are reasonably confident that any realized or intended advertising, business practice, acquisition or merger within the SWG Group is capable of violating competition and consumer protection legislation.

4. Procedure in cases of discrimination and bullying in the workplace

- a) The current and former employees of the SWG Group and unsuccessful job seekers within the SWG Group can apply to the Ombudsman if they are reasonably confident that they are treated or were treated less favourably than another person in a comparable situation is treated or was treated, namely for the actual or presumed reason of race, ethnic origin, nationality, citizenship, sex, sexual orientation, age, state of health, religion, belief or opinion, political opinion, membership in political parties, trade unions, associations or other interest organizations, social origin, property, family or other status.
- b) The person referred to in point a) may also apply to the Ombudsman if they have specific knowledge of any form of bullying, sexual harassment, threats, intimidation or other wrongful conduct contrary to the principles of fairness within the SWG Group, such cases may especially be: so called mobbing (attacks of a group of employees against an individual, ostracism), bossing (bullying by the employee's superior), chairing (fight for a leading position using coercion or bullying), and staffing (collectively terrorizing a superior by senior employee) parties of subordinates).
- c) The persons referred to in point a) may also apply to the Ombudsman if they think that the SWG Group company they are working for is in breach of labour legislation.
- d) The Informants may only apply to the Ombudsman if they have attempted to remedy an incorrect state in negotiations with the HR Manager of the SWG Group they are working for, or with a member of the statutory body of the company they are employed with, being responsible for solving personal issues; in serious cases where delays could arise as a result of negotiations with those representatives of the company which could cause a serious injury to the Informant or other person, or in cases where the company's representatives are directly or indirectly involved in discrimination or bullying, the Informants may apply to the Ombudsman at any time without any other conditions.

1. Procedure in cases of a breach of legislation governing relations between the SWG Group members

The members of the SWG Group's statutory body may apply to the Ombudsman if they believe that a particular conduct or procedure of another member of the SWG Group against their company is in breach of the group legislation governing the relationships of the SWG members concerned if prior negotiations with the parent company Smartwings proved fruitless.

IV – Joint and Final Arrangements

1. The Ombudsman can be contacted by post, e-mail and the phone. All contact details and information on the availability of the Ombudsman via phone are listed on the SWG Group websites. Communication can be conducted in Czech, English or German. After prior agreement, it is possible to visit the Ombudsman in his law office or in another appropriate place.
2. The Ombudsman's services, as set out in these rules, are a free service of the SWG Group for both the public and its members, employees and representatives. It is part of a permanent effort to increase the business culture of SWG Group members.
3. These Rules shall be effective on 1 January 2019 and fully supersede the *Travel Service's Ombudsman's Terms of Service* of 30 November 2018.

In Prague on 28 December 2018

Smartwings, a.s.

Ing. Roman Vik, Managing Director m.p.