

### **Strojírna Jan Bacho, a.s. Code of Conduct**

Strojírna Jan Bacho, a.s., (hereinafter referred to as "the Company") adopts this code of ethics as a set of elementary values and attitudes to the enterprise which Strojírna Jan Bacho, a.s., adheres to in the performance of its business activities.

Among the most important objectives the company includes maintenance of goodwill and confidence of all parties concerned.

The Company's code of ethics is not a generally binding legal regulation nor an internal directive of the Company.

Compliance with the code of ethics on the part of the Company is considered a moral obligation, addressing the behavior and conduct of all its employees towards the Company, customers and other business partners, administration authorities and the public.

#### **Customer relations**

Honesty and fairness towards the customers are deemed by the Company as the basis for successful and continuous business relationship.

The Company is mindful that its products conform to declared quality parameters and requirements as contained in national and international standards.

The Company is aware of the importance that all deliveries be prompt.

In its effort to carry out the sale of its products, the Company shall not use any means other than lawfully recognized business methods. The Company considers corruption practices of any kind as impermissible.

The customer's information is regarded by the Company as confidential.

#### **Supplier relations**

The selection of suppliers is carried out in accordance with the rules of business competition in relation to the applicable legal regulation (the Act on commissioning public contracts, as amended) and the internal set of managing acts concerning these issues.

In the purchase of products, services, etc. the Company shall not use any means other than lawfully recognized business methods and shall never abuse its position in the market. The Company considers corrupt practices of any kind as impermissible.

The Company respects all contractual stipulations and payment morals.

All information concerning the relations with its suppliers is regarded by the Company as confidential.

#### **Shareholder and other investor relations**

The Company's annual reports are truthful, exact and timely.

The Company strives to provide the investors with yields attractive in the long term enabling the additional development of the Company.

The Company informs its investors on a regular basis of its business policy, results attained and expectations.

### **Relations with administrative authorities, municipalities and regional authorities**

In the course of its business activities, the Company also takes into consideration the interests of wider community including national and regional interests.

The Company communicates with administrative authorities using truthful information about itself.

The Company is particular in properly kept books and timely settlement of its financial obligations towards administrative and municipal authorities.

### **Relations with competitors**

The Company fights its competitors resolutely but fairly.

The Company shall not impair the reputation of its competitors.

The Company is mindful that in relation with its competitors its employees respect the confidential nature of business information or otherwise inside information.

The Company shall not try to acquire information on the competitors' business activities in an unfair manner.

The Company shall not use restrictive business practices and shall not in any form abuse its dominant position on the market.

### **Employees**

The relations of the Company towards its employees are based on respect for dignity of individuals.

The Company employs and promotes employees on the basis of their qualifications for the given job without any political, racial, religious or national discrimination, regardless of sex, age, status or disabilities not related to the given work assignments.

In accordance with the best traditions in the sector the Company strives to create a hygienic and safe work environment, auspicious working atmosphere and favorable conditions for enhancing the employees' professional qualifications.

The Company ensures regular rewarding of its employees for the work performed including due payment of wages in terms arranged.

The Company shall not tolerate sexual, physical or mental harassment of the employees.

The organization expects that its employees behave commercially. Drinking, gambling, guns and similar non-professional activities are strictly forbidden during work.

The Company requires that employees respect the principles of safe work and observe and utilize

