



Moravské kovárny, a.s

Hruškové Dvory 44

CZ - 586 01 JIHLAVA

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## **CODE OF ETHICS OF THE COMPANY MORAVSKÉ KOVÁRNÝ, a.s.**

The company Moravské kovárny, a.s (hereinafter referred to as the company) is fully aware of its obligations towards its employees, business partners and all legal requirements. For this reason, the company has created basic ethical rules and principles in relation to its environment and ensures that they are followed at all internal as well as external levels of management. In addition to the mentioned company code, Moravské kovárny undertakes to comply with the company's principles of the Quality and Environmental Policy and, of course, all applicable legislation related to the company's activities.

### **We Run Business in Accordance with Ethical Principles, We Comply with Legal Regulations**

We are committed to complying with the code of ethics and running business in accordance with legal regulations. We expect behaviour according to these principles based on mutual respect and trust from all our employees, both in relation to other colleagues and also to our business partners and also towards public administration bodies and the rest of the public.

The company Moravské kovárny undertakes to respect human rights in accordance with the applicable laws in the Czech Republic and in the countries of our business partners.

We are a company established and existing under the law applied in the Czech Republic. We consistently monitor, respect and rigorously observe the law that governs our business and employment relationship.

### **Human Rights and Mutual Respect**

Respect for human rights is a matter of course in our society. We protect the privacy of our employees. All employees respect each other and we strive to ensure equality of treatment among employees in all our workplaces and that there is no discrimination against other persons for whatever reason: gender, race, skin colour, religion, age, origin, health limitation or sexual orientation. We reject all forms of illegal, forced or child labour in our company and among our business partners. We only employ people who meet the conditions set by law.

### **Employment Relationship**

The company adheres to the principle of equal pay for equal work, and we advocate for maintaining the real wage at an appropriate level. The length of working hours is the same for all employees. The conclusion of employment contracts or other employment documents and agreements, their content, the layout and length of working hours, rest periods, work breaks, ordering overtime, deductions from wages and termination of employment relationships is carried out in accordance with applicable laws.

We advocate that all our employees have properly negotiated employment contracts, including working conditions and job descriptions, and that they are adequately and fairly remunerated for their work. We fulfil the information obligation arising from employment relationship towards both our employees and the relevant state authorities.



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We do not tolerate any illegal employment.

We respect the right of our employees to associate in trade unions. We are in regular contact with these employee representatives and they are our partners for negotiations in accordance with the applicable laws of the Czech Republic. The existence of the trade union does not eliminate the employee's right to resolve their demands directly with the employer or to turn to other authorities.

### **Care of Employees**

The support of employees and their families is very important to us. By means of this support, we strive for higher employee satisfaction and motivation and, as a result, an increase in the performance of the entire company. We regularly inform our employees about current affairs through available information sources, both physical and electronic.

Employees as well as other persons are allowed to make complaints, including anonymous ones, and we deal with these complaints responsibly.

### **OSH and EMS**

We strive to ensure maximum Occupational Safety and Health (OHS), in the form of constant monitoring of production processes and their impact on the health and protection of employees. In this area, we believe in prevention in the form of activity controls and continuous training of employees, we create the best possible working conditions.

We take measures to prevent harm to the health of employees and endangering of their safety. By constantly checking and improving these processes, we strive to reduce the number of work injuries and the occurrence of occupational diseases.

In the company, we have a built-in system for providing first aid and subsequent reporting of work injuries, including the investigation of these injuries or accidents. This system also includes taking appropriate technical, technological or organizational measures aimed at preventing the occurrence of further repeated injuries and accidents.

We are aware of the need to comply with the principles of a friendly approach to the environment in our activities, and we are constantly improving the processes leading to their compliance. We take a proactive approach to reducing the impact of our activities on the environment. We comply with the applicable laws in the field of environmental protection, as well as with the established principles of the environmental policy in the organization (EMS).

### **Business Partners**

We expect our business partners to accept this code of ethics and to profess and adhere to comparable principles.

We deal transparently, honestly and fairly with our business partners. We expect that business partners in the Czech Republic and abroad are aware of the applicable legislation and comply with it, as well as the contractual conditions with the aim of maintaining long-term and successful business relations.



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We follow and control our technological and work procedures. We constantly strive to increase efficiency in the production of forgings, to constantly improve processes while simultaneously taking into account our environmental policy, care for the environment and maintaining safety at work.

We place emphasis on our suppliers in the monitored areas in order to ensure the quality of our products and negotiate quality agreements with them while continuously evaluating the fulfilment of obligations from these agreements.

We regularly evaluate the satisfaction of our business partners and react flexibly when dealing with any complaints or requests from them.

We carefully check the identity of customers, business partners and other external entities with whom we want to start business relationship. Our declared goal is to maintain business relations only with serious partners whose business activities are in accordance with legal regulations and whose operating means are of legitimate origin.

We monitor and comply with applicable laws and regulations in the field of control of transportation, import and export of technology and goods, including sanctions, embargoes and other laws and regulations governing such control.

#### **Protection of Whistle-blowers when Reporting Harmful Phenomena – Whistleblowing policy**

In the company, we have a system in place that allows whistle-blowers and other persons protected by law to safely file notifications about the employer and ensure their protection against possible retaliation.

Through this system, the whistle-blower can draw attention to harmful phenomena, illegal actions, or file complaints about actions in violation of legal and other regulations.

Thanks to the set reporting system, we consistently deal with all notices, questions and complaints, resolve them and use them for further improvement.

#### **Conflict of Interests, Acceptance of Gifts, Condemnation of Corruption Manifestation**

We respect intellectual property and competition and do not take any action to disrupt that competition.

We undertake not to accept gifts and favours, financial contributions and offers of profit sharing from our existing and potential business partners that could lead to a conflict of interests. We are also governed by the applicable legislation of the Czech Republic in the aforementioned area.

We have a zero tolerance policy towards offering or accepting bribes, and we require our employees to refrain from any corrupt behaviour.

No one will demand or accept any performance on our behalf in exchange for providing or promising to provide any benefit, or offer or provide such performance.



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### **Protection of Personal Data, Confidentiality**

We undertake to protect the interests of our employees and business partners to the extent provided by legal regulations, contracts with business partners, and by consents of data subjects and business ethics – in particular, in the area of sensitive data and maintaining confidentiality in the area of confidential information and data subject to non-disclosure agreements.

All our employees are familiar with the obligation to maintain confidentiality, especially in cases where they in the course of their work duties come across confidential information and data subject to trade secrets.

At the same time, we undertake to proceed with the protection of personal data in accordance with the GDPR regulation.

### **Economic Responsibility**

Our strategy is built to maintain the long-term goals of a permanently financially healthy and independent company.

All our accounting transactions are carried out in accordance with the legal requirements for accounting and financial reporting. All tax obligations and deductions are carried out responsibly and on time. The management of the company and compliance with all rules is checked by an independent auditor. We are aware that if discrepancies and misconduct occur, it can have serious consequences for the company from both the economic point of view and can also lead to damage to its reputation.

We also require compliance with these standards from our business partners.

### **Social Responsibility**

We support the Vysočina region and try to contribute to further improving the quality of life of its residents.

We expect that each employee will personally advocate for the following and dissemination of this company code and will support their colleagues in its observance. The management of the company assumes responsibility for compliance with this code, which becomes part of the guidelines, regulations and rules in the organization.

In Jihlava on 28/05/2024

Rudolf Penn  
Chairman of the board

Iveta Klukanová  
Head of the Personnel Department