



**CODE OF CONDUCT OF TŘINECKÉ ŽELEZÁRNY, A. S.  
The Policy of Social Responsibility**

Our company TŘINECKÉ ŽELEZÁRNY, a. s. has a long tradition of steel-making; its basic values have been shaped and kept since its founding in 1839. Further development is associated with responsibility towards our employees, business partners, society, the regions in which our company operates, and the people who live there.

The code of conduct reflects the principles that are the foundation of our business, our activities, and the use of management tools.

**We follow ethical principles and adhere to legal rules and regulations**

- Ethical principles and respect for the law are the fundamental principles of our Code of Conduct and corporate culture.
- Our company is established and exists under the laws applicable in the Czech Republic; the laws governing our activities and relations are systematically followed, recognized, respected and adhered to unconditionally and consistently.
- We act and make our decisions in accordance with the principles of corporate culture, social responsibility, employee collegiality and fair-trade, and also in accordance with the laws and obligations ensuing from legal regulations, decisions of public authorities and the contractual relations in which we participate.
- Business partners' conduct in accordance with the law and ethical principles is considered an unavoidable condition for our cooperation.
- The compliance program, including management of business and procedural risks according to International Organization for Standardization (ISO) standards, international standards for Quality Management Systems (QMS) including IATF 16949 standard, principles of Corporate Social Responsibility (CSR) international standard SA8000 Social responsibility, is consistently enforced, its effectiveness is continuously evaluated and measures are taken to improve it.

**We are a socially responsible company**

- We fulfil our corporate mission "Together for the next generations."
- In our visions, plans and decisions, we always take into account the interests of our business partners and employees, the impact on the regions in which we operate, and the impact on their inhabitants and on the environment,
- We strive to make our relations with our business partners, public authorities, our employees, trade unions and the public long- established, stable and based on mutual respect and rightful trust in honest conduct,
- We support the regions in which we operate and we strive to contribute to further improving the quality of life of their inhabitants,
- Every year we issue a Corporate social responsibility report, which is published on our website [www.trz.cz](http://www.trz.cz).



### **We respect our corporate culture**

- We are proud of our history which we build on through further development of our company as a place with lasting values, traditions and customs.
- The basic principles of our corporate culture are:
  - focus on the customers, forthcoming and complete satisfaction of their needs with the highest quality products and services,
  - consistent fulfillment of the obligations,
  - good interpersonal relations based on cooperation and mutual respect,
  - satisfaction and motivation of employees,
  - development and use of knowledge, abilities, skills and experience of employees,
  - teamwork,
  - a high level of work ethics,
  - entrepreneurial spirit of good economists – technological advancement based on systematic innovation,
  - continuous improvement of everything and everyone.

### **We respect our employees**

- Observance of human rights is commonplace in our company. We do not incite nor tolerate any acts of discrimination. We respect employees' privacy rights. We condemn any form of forced or involuntary labour.
- We condemn the abuse of child labour. We only employ persons who meet the conditions provided by legal regulations.
- We provide specialized training for pupils of secondary vocational schools and university students at our workplaces; we do so under the contracts with these schools under special circumstances meeting the requirements of pupils and students' age, knowledge and experience.
- We do not tolerate any form of illegal work, not even with our business partners.
- Procedures and conditions provided by legal regulations have always been the minimum standard in our relations with employees. This also applies to the conclusion and content of employment contracts or other labour-law contracts and agreements, length of working hours, work rest periods including breaks, setting overtime, remuneration, making wage deductions, and termination of labour-law relations.
- Our employees are properly remunerated for their work, including providing extra pay for work in the afternoons, at night, on weekends and public holidays, overtime, and other bonuses. Beyond the law we provide our employees with social and other benefits.
- In relation to our employees, but also in relation to public authorities, we fulfil all our statutory disclosure obligations.



- We respect our employees' rights, including the right to form unions and negotiate collectively. We respect the position of trade unions as representatives of our employees and consider them our partners in social dialogue.
- We consistently communicate with our employees, including having meetings and consultations with TOP management and other senior supervisors, and informing our employees about current issues via effective means of communication.
- We regularly conduct surveys of employee satisfaction and motivation.
- We regularly evaluate our employees every year.

#### **We apply a whistle-blowing policy**

- We enable our employees and other persons to practice whistle-blowing, make queries and complaints.
- All whistle-blowing reports, queries and complaints are consistently addressed, solved and used for further improvement.
- We guarantee all employees protection against any disciplinary action on account of bona fide practicing whistle-blowing, making queries and complaints.

#### **We consistently comply with occupational health and safety**

- Occupational health and safety of our employees is an integral part of all our activities and has the highest priority. We create the most favorable working conditions. We adhere to the accident prevention safety program; we ensure that every work activity is conducted according to safe working practices.
- We have developed and systematically evaluate and update the system for identifying and assessing the risks of potential health damage at work, including measures to eliminate the risks of health damage.
- We adhere to prevention. We constantly train and educate our employees to work safely and to protect their health.
- We provide our employees with personal protective equipment according to the list drawn up for each job. Employees at workplaces with increased heat or physical load are provided with protective beverages.
- We consistently provide assessment of our employees' medical fitness for work by means of occupational medical examinations; we do not permit performance of any work that does not meet employees' requirements for medical fitness.
- If a work accident occurs despite our best efforts, we employ our system comprising of providing first aid, reporting and investigating injuries or other unfortunate events, and taking measures to prevent their recurrence and to compensate for damages.



**We appreciate our business partners.**

- We deal with all of our business partners honestly and transparently, with respect and fairness; we expect such conduct from them.
- We respect the interests and needs of our business partners, unless it is contrary to legal regulations and does not cause excessive risk or harm.
- We are committed to create value for our business partners. With regard to our products, we implement the principle of constant improvement, increasing their added value, while reducing the burden on the environment. We practice the strategy of zero errors.
- We choose our suppliers with thorough care in order to maintain the quality of our products. We negotiate agreements with our suppliers regarding product quality and evaluate the fulfilment of their obligations.
- We ensure adequate supervision of compliance with labour and technological procedures and of solutions to potential complaints from business partners. We evaluate the satisfaction of our business partners.
- We want our business partners to work with us continuously or to come back to us for business. The success of our business partners is also our success.
- We recognize the unity of words and actions; we keep our promises. We support ethical business culture; we fulfil our duties thoroughly, fairly and honestly.
- We are ready to arrange an audit with our business partners in our company.

**We condemn any manifestations of corruption.**

- We adhere to zero tolerance towards offering or accepting bribes.
- Our employees are strictly guided to refrain from any act of corruption; in connection with the performance of work for our company, acting on our behalf or with reference to us, no one may solicit or accept any services in exchange for granting or promising to grant any privileges, nor offer or provide such services.
- We respect economic competition and intellectual property and also protect personal data.
- We advocate a free, honest and fair competition; we do not engage in any acts that would undermine such competition.
- We avoid any conflicts of interest and situations that may cause suspicion of such conflicts.
- We respect intellectual property rights and interest to protect the confidentiality of trade secrets and other confidential information, and we protect these rights and such information within the scope of legal regulations, contracts with business partners, data subjects' consents and business ethics.
- Personal data of our employees, as well as any other persons whose personal data have been provided to us, are always processed only in accordance with legal regulations.
- All our employees, who in the course of their duties come into contact with personal data, information constituting a trade secret or any other confidential information, are obliged to maintain confidentiality of such data and information.



### **We protect the environment**

- Environmental protection is a fundamental part of our policy. The standard is no less than fulfilling all legislation and authorization requirements granted to us thereunder by public authorities.
- In the long term and conceptually, we strive to continually reduce the impact of our activity on the environment. Old environmental burdens are removed.
- To meet environmental protection principles, we have set up and implement waste management systems preferring recycling, closed water systems and industrial wastewater treatment plants, chemical treatment and energy management; The priority is to gradually reduce air pollutant emissions.

### **We apply the Code of Conduct to all activities**

The Code of Conduct is the fundamental basis of our company's internal regulations, including:

- conditions of employment
- technical and organizational regulations (TOP)

and related internal standards that are specified in such a way as to ensure their consistent application.

The Code of Conduct is respected and its compliance in our company is monitored and enforced.

In Třinec on 15<sup>th</sup> of July 2020

Jan Czudek  
Chairman of the Board  
Chief Executive Officer

Ivo Žižka  
Member of the Board  
Director of Human Resources  
and Public Relations