

UNEX Code of Conduct for Suppliers



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In this text, the term "employee" is used for both male and female employees. Other gender-specific designations also automatically apply to both genders.

Introduction and Statement of Policy

The UNEX engineering and metallurgical group is a world-renowned supplier of heavy engineering components, a long-term partner of the world's leading industrial corporations and one of the largest employers in the region.

We have been co-creating the tradition of Czechoslovak heavy engineering since 1950. Many years of experience, high expertise of our employees; together with modern technologies, robotic and automated workplaces, a number of heavy machine tools and extensive production facilities, enable us to efficiently produce high-quality products for various industries according to drawing documentation and the requirements of even the most demanding customers.

On the basis of long-term activity on the market, building the good reputation of the UNEX brand, as well as thanks to the acquired experience and knowledge of partner cooperation, we are aware of our responsibility when contacting external and internal partners of our companies and our group, i.e. co-workers, trade unions, shareholders, customers, suppliers, state authorities, as well as other institutions and partners. The UNEX Group is interested in maintaining the good reputation and transparency of the UNEX Group, but above all it is interested in contributing with its positive example to an ethical corporate culture in the Czech Republic and abroad.

We are aware that the trust of business partners, shareholders, employees and the general public in our company depends on the behavior of each and every employee, as well as our suppliers. In order to maintain this trust, consistent compliance with legal regulations and laws, as well as all UNEX Group internal guidelines and good morals, is essential. Each employee then acts independently, makes impartial decisions and refrains from anything that could jeopardize trust in the UNEX Group. The UNEX Group places similar demands on its suppliers too.

For this reason, this Code of Conduct was written, which follows on from other internal documentation of the UNEX Group, and which contains basic principles for conducting business activities, cooperation with business partners, but also declares basic principles in the field of working conditions and human rights, which ensure equal access, respect and fair conditions for all employees. The purpose of this directive is to define and promote desirable standards of conduct for the UNEX Group and its suppliers. For the UNEX Group, the following values are the basic building blocks: cooperation, respect, prohibition of discrimination or any form of oppression and bullying, reliability and responsibility. Compliance with Czech and international laws is a matter of course. We do not tolerate any form of violation of the rules of economic competition, disparagement of human rights or threats to health. The UNEX Group will uncompromisingly prosecute and punish any actions contrary to laws, internal guidelines of the UNEX Group and good morals in general.

We expect and require our customers, suppliers and other partners to act in accordance with the principles set out in this Code of Conduct.

We are convinced that compliance with, as well as respect for, the values contained in this directive will continue to be a building block for the growth of the UNEX Group and benefit for the Company in the future.

Management of UNEX

1. Working Conditions, Human Rights, Respect

The UNEX Group respects and acts in accordance with internationally recognized principles of human rights, Czech and European laws. The suppliers of the UNEX Group as well as other entities cooperating with the UNEX Group are obliged to comply with legal regulations in their activities and maintain equal access to all natural persons and legal entities, to respect the principles of law and justice and to act in any way towards all persons with particular regard to the preservation of rights and freedoms, human dignity, respect and loyalty.

Suppliers as well as other cooperating entities of the UNEX Group are obliged to treat everyone with respect, ensure equal treatment and observe general rules of decency. The same applies equally to behavior towards external partners.

Suppliers as well as other cooperating entities of the UNEX Group should not tolerate or in any way support unequal treatment, any form of discrimination, harassment, persecution, bullying or other forms of disadvantage based on gender, race, ethnicity, religion, age, disability, sexual orientation, nationality, political opinion, trade union membership, social background or other characteristics.

Suppliers as well as other cooperating entities of the UNEX Group are obliged to create and maintain a safe and health-free working environment and working conditions.

Suppliers as well as other cooperating entities of the UNEX Group are obliged to provide their employees and representatives with a fair assessment of performance and work results, fair remuneration and working conditions that meet all legal requirements. Suppliers as well as other cooperating entities of the UNEX Group should not use child labor or do business with business partners that use child labor. Suppliers who engage in labor trafficking shall refrain from recruiting, transporting, transferring, harboring or accepting persons by force, fraud or coercion for the purpose of exploitation. They shall also refrain from using or providing labor or services obtained illegally, in particular through migrant smuggling. Suppliers shall never employ or force anyone to work against their will or do business with business partners who promote or use such methods.

2. Prohibition of Corrupt, Illegal and Unethical Behavior

Suppliers as well as other cooperating entities of the UNEX Group are obliged and undertake to always act legally, i.e. in full compliance with the legal system of the Czech Republic, as well as with other applicable legal regulations and internal directives of the individual companies forming the UNEX Group.

Actions of suppliers and other cooperating entities of the UNEX Group should always be in accordance with the policy, principles and rules as set forth in this directive. Any form of illegal or unethical behavior is prohibited.

Primarily, but not limited to, any forms and types of bribery, corruption, or other similar illegal and/or unethical conduct (hereafter referred to as "**Corrupt Conduct**") are strictly prohibited, while this prohibition applies both to cases where the Corrupt Conduct is actively performed (e.g. providing a bribe), or passively accepted (e.g. accepting a bribe), or mediated in any way. This prohibition of Corrupt Conduct applies to all Corrupt Conduct committed both in the Czech Republic and abroad.

Suppliers as well as other cooperating entities of the UNEX Group are obliged to carry out all their activities only in an honest and ethical manner, which will not be in conflict with this directive and applicable law. Suppliers as well as other cooperating entities of the UNEX Group should in particular refrain from offering or accepting unauthorized payments, gifts, hospitality or other benefits, unless otherwise stipulated in this internal directive.

Under all circumstances, it is **prohibited** to promise, give or receive gifts in the form of cash or similar payment methods, gift vouchers, etc., with the exception of gift items with a company logo of negligible value.

Suppliers as well as other cooperating entities of the UNEX Group are obliged to comply with established ethical principles, actively support ethical behavior and participate in the creation of an anti-corruption environment. Suppliers as well as other cooperating entities of the UNEX Group are obliged to develop a working environment where everyone can openly express their opinion.

Suppliers as well as other cooperating entities of the UNEX Group should have a program to protect the confidentiality of employee whistleblowers and prevent retaliation against employees who participate in such programs in good faith or refuse an order that is in violation of applicable laws and regulations or of any of the provisions of this Supplier Code of Conduct. Suppliers are expected to implement an adequate system for dealing with employee complaints and dispute resolution, internal reporting systems and internal systems for preventing wrongdoing, responding to these reactions and correcting these socially undesirable phenomena.

Suppliers as well as other cooperating entities of the UNEX Group should not tolerate any form of revenge or retaliation against a person who in good faith has reported suspected behavior that is in violation of this directive or knowledge about such behavior. It is prohibited to retaliate or tolerate retaliation against someone who, in good faith, reports suspicions or knowledge of conduct that violates this directive.

Suppliers as well as other cooperating entities of the UNEX Group should not place their personal interest above the interests of individual companies or the group and should always act professionally. Personal interest includes any benefit to a person, his/her family or loved ones. Suppliers as well as other cooperating entities of the UNEX Group should act in such a way that, in the performance of assigned tasks, they do not find themselves in a position in which they would be obliged or feel obliged to repay the service or kindness shown to them. Suppliers as well as other cooperating entities of the UNEX Group should also avoid relationships of mutual dependence and undue influence of other persons, which could jeopardize the objective and impartial performance of their duties.

The UNEX Group pays attention to the prevention of corruption, other serious illegal actions and also unethical actions, where for this purpose it has set internal directives and mechanisms for the prevention, reaction and correction of these socially undesirable phenomena. The same standards of compliance and internal culture are expected from their suppliers and other cooperating entities.

3. Cooperation With Business Partners

The UNEX Group deeply values its business partners, and its goal is to create long-term, mutually beneficial partner relationships for the future, which are based on transparency, cooperation, trust and respect.

3.1 Fair Competition

Suppliers as well as other cooperating entities of the UNEX Group should comply with the rules of fair competition, i.e. respect and comply with all applicable laws and regulations for the protection of competition, both nationally and internationally.

Suppliers as well as other cooperating entities of the UNEX Group should refrain from any form of violation of the competition protection law, when in particular it is inadmissible to share with competitors information that is essential for the conclusion of business cooperation, i.e. it is inadmissible to negotiate agreements with competitors on prices, delivery conditions, or share information on costs, margins or other important facts of the content of business offers or bidding strategies.

3.2 Conflict of Interest

Suppliers as well as other cooperating entities of the UNEX Group should place emphasis on preventing a possible conflict of interest, and therefore suppliers as well as other cooperating entities of the UNEX Group are obliged to immediately notify the UNEX Group entities that there is a threat of a situation that they would or could be related in any way or even financially linked with any business partner.

3.3 Selection of Suppliers and Service Providers

Suppliers as well as other cooperating entities of the UNEX Group shall take care of the careful, fair and transparent selection of suppliers and subcontractors, i.e. when selecting suppliers they shall guarantee that the entire process, i.e. the review, decision, assignment and implementation of the contract is carried out exclusively on the basis of clear and predetermined criteria and transparency. It is forbidden to influence tenders in any way, to favor or, on the contrary, limit any of the suppliers or subcontractors. The goal of the UNEX Group is development of mutual business relations, suppliers and active cooperation with them, in order to increase quality, stability of supplies and to provide the highest possible standard of services. The goal of the UNEX Group, on the other hand, is not to create a "clientelistic" system that helps distort the market environment. The above described behavior will not be tolerated even in suppliers or other entities cooperating with the UNEX Group.

3.4 Conflict-free Purchase

Suppliers as well as other cooperating entities of the UNEX Group, in accordance with applicable legislation, ensure input resources and material only from responsible sources, i.e. may not cooperate with legal entities from areas affected by conflicts, and may not purchase or otherwise trade in monitored conflict minerals and commodities. Suppliers as well as other cooperating entities of the UNEX Group shall demand the same from their suppliers and subcontractors.

4. Communication, Information, Trust

4.1 Communication

Suppliers as well as other cooperating entities of the UNEX Group are obliged to deal with everyone respectfully and, if possible, individually, in a manner appropriate to their social abilities and communication needs. All negotiations with the affected persons are conducted by suppliers as well as other cooperating entities of the UNEX Group tactfully and in a manner that respects the dignity of these persons. Employees and representatives of suppliers as well as other cooperating entities of the UNEX Group shall avoid activities, behavior and actions in their private life that could reduce the trust of other people in the individual companies that make up the UNEX Group or in the UNEX Group itself, and shall act in such a way that their behavior contributes to good reputation of the UNEX Group.

4.2 Handling of Company Information, Confidentiality

Suppliers as well as other cooperating entities of the UNEX Group should maintain absolute confidentiality about all confidential facts concerning the activities of the UNEX Group or directly related to it, facts about which they learned during the performance of orders/providing services for the UNEX Group and which cannot be disclosed to other persons in the interests of the UNEX Group.

An exception to classified information is information provided in official promotional and presentation materials of the UNEX Group or official information portals of state institutions or public bodies.

Information from which trade or company secrets can be derived should be treated confidentially. At the same time, the suppliers as well as other cooperating entities of the UNEX Group, or their employees and representatives are obliged to follow the principles for handling confidential/sensitive information, i.e. it is necessary to keep this information confidential, protect it with appropriate and adequate security measures against its misuse, theft, fraud or unauthorized disclosure. If the nature of the information so requires, protection through a legally enforceable contract can be used. The same procedure shall be followed and used in case of providing confidential information from our business partners.

Information provided by suppliers as well as other cooperating entities of the UNEX Group about these entities or their activities should always be true, accurate and correct, especially when provided to business partners, public institutions and the public. All documents, summaries, reports or other data should correspond to reality. Pursuant to legal regulations and accounting principles, all data should be complete and correct.

4.3 Protection of Property; Use of IT

Suppliers as well as other cooperating entities of the UNEX Group shall be obliged to properly manage the funds entrusted to them, to guard and protect the property of the UNEX Group from damage, loss, destruction and misuse and not to act contrary to the legitimate interests of the UNEX Group. Violations such as fraud, theft, embezzlement shall be prosecuted.

Suppliers as well as other cooperating entities of the UNEX Group should respect intellectual property rights and always refrain from infringing any intellectual property rights of third parties in

all cases when developing, manufacturing or supplying products or providing services to the UNEX Group. Suppliers should neither commit any form of infringement nor supply counterfeit products.

IT devices (computers, laptops, mobile phones, etc.) should always be stored in a suitable way, including, if the nature of the device allows it, by using security features (password, fingerprint, face recognition, etc.) that shall not be revealed or passed on to other employees or third parties. Suppliers as well as other cooperating entities of the UNEX Group are obliged to immediately report, to one of the companies forming the UNEX Group, any loss or theft of devices and possible misuse of data relating to one of the companies forming the UNEX Group.

5. Occupational Health and Safety; Environmental Protection

Protecting the health of our employees and responsible handling of resources is one of the key priorities of the UNEX Group, which is also reflected in the policy of the entire group. Suppliers as well as other cooperating entities of the UNEX Group are therefore committed to eliminating hazards and risks in the field of occupational health and safety, creating a safe, economical and health-free working environment, as well as reducing the impact of these entities in the environment or supporting the use of energy-saving products and services.

Suppliers as well as other cooperating entities of the UNEX Group shall be obliged to protect the environment. The UNEX Group actively strives to improve the environmental impact of the UNEX Group, its projects and services, and behaves in an ecologically responsible manner, in accordance with the relevant regulations in the field of the environment protection. The same shall be required of their suppliers and other cooperating entities.

Suppliers as well as other cooperating entities of the UNEX Group shall be obliged to strictly comply with the regulations and instructions regarding the occupational health and safety, not to behave negligently, to fully use and wear the prescribed personal protective equipment. The UNEX Group supports and requires responsible behavior that prevents health damage, whether on the side of the employee or representative, as well as their co-workers or third parties. The same shall be required of their suppliers and other cooperating entities.

Suppliers as well as other cooperating entities of the UNEX Group shall be always obliged to immediately notify any of the companies forming the UNEX Group of all risks known to them, or about which they learn during the execution of the order. It can be an imminent damage or threat to the safety of operation, property or health of people, ecological threat, etc.

6. Notification Rights and Obligations

In the event of reasonable suspicion or discovery of illegitimate, unethical or illegal conduct, violation of the established Code of Conduct, internal rules or even illegal conduct, suppliers as well as other cooperating entities of the UNEX Group are obliged to report this fact to the compliance managers of individual companies from the UNEX Group, through the notification system of these companies:

- E-mail for notification purposes:
oznameni.unex_as@proton.me for UNEX a.s.
oznameni.unex_slevarna@proton.me for UNEX Slévárna s.r.o.

- Telephone contact to the compliance managers of the UNEX Group, for the purpose of arranging a personal meeting:

Jiří Martinka, phone: +420 739 011 829 for UNEX a.s.

Ing. Kateřina Benešová, phone: +420 604 216 532 for UNEX Slévárna s.r.o.

All notifications received shall be carefully reviewed. The identity of persons who have reported or who contribute to the investigation of reported offenses and objectionable behavior with their testimony and important information shall be protected.

7. Subcontractors and Consequences of Violation of This Directive

Suppliers as well as other cooperating entities of the UNEX Group should ensure that their own suppliers comply with this Supplier Code of Conduct or comparable requirements.

Failure to comply with this Code of Conduct may have negative consequences. The UNEX Group may, for example, suspend or terminate a contract with a supplier, demand compensation for damages, etc.

The UNEX Group encourages suppliers to establish and maintain management systems and standards and appoint responsible company representatives to ensure compliance with applicable laws and regulations, the Supplier Agreement with the UNEX Group, the Supplier Self-Assessment Form as well as compliance with this Supplier Code of Conduct.

UNEX Group

SUPPLIER APPROVAL

We have reviewed the Supplier Code of Conduct and will adhere to these regulations.

Supplier name

Location

Date

Name of signatory

Stamp and signature