



OFZ`s Ethical Code of Conduct

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Introduction

The OFZ's Ethical Code of Conduct determines the principles of conduct regarding our day-to-day situations in our internal and external relationships. Principles that are set forth in the Ethical Code when combined with the sense of responsibility of our co-workers constitute the basic rules of ethical conduct that apply to our employees and partners.

These rules and principles shall, at no time, replace the laws and regulations in force for the countries where OFZ operates and principles stemming from the internal rules and regulations as set forth in the OFZ's Integrated Management System (IMS).

OFZ with all the business activities declares its support to the United Nations Global Compact and is committed to adhere and support all values and principles stemming from the international documents and agreements that deal with the human rights, occupational standards and environmental protection.

The Ethical Code of Conduct is an integral part of the OFZ's Integrated Management System (IMS) which enables our employees and partners to adopt the business thinking and to act independently in the way that ensures reaching of the desired results. The Ethical Code is available in the company's information system KARAT and on the company's intranet websites.

All OFZ's employees shall fully observe the Ethical Code of Conduct.

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I. OBSERVING BASIC HUMAN RIGHTS

Observing Laws & Regulations

All OFZ's employees shall observe the laws & regulation of the country they are in.

Prohibiting Child Labour

OFZ meets the national legislations and regulations that deal with the child labour. The child labour under the age of 16 shall be prohibited pursuant to the provisions of World Labour Organization pertaining health, safety and ethics of adolescents with the age ranging from 15 to 18. OFZ shall guarantee that all its subcontractors and partners had adopted the similar measures.

Abolishing All Forms of Forced Labour

OFZ is committed to ensure a free choice of employment and to abolish all forms of a forced and compulsory labour. OFZ shall guarantee that all its subcontractors and partners had adopted the similar measures.

Respecting Environmental Protection

OFZ shall be committed to take steps toward enhancing environmental protection. While performing day-to-day tasks, OFZ's co-workers are advised to be responsible for environmental protection particularly through the following commitments: to reduce waste and polluting products, to protect natural resources and to recycle materials at any stage of the production process, to curtail energy consumption and to reduce greenhouse gas emissions.

OFZ shall be particularly committed to introduce new technologies that enable polluting emissions to decrease. OFZ shall constantly assess the impact of production process and plant activities on the surrounding environment and communities with the purpose of continuous improvement in mind.

Supporting Occupational Health & Safety

OFZ shall introduce active rules and regulations to prevent the risks and hazards that could affect the occupational health & safety. OFZ shall regularly monitor that these rules and regulations be properly applied. OFZ shall periodically review their effectiveness.

OFZ is committed to ensure that managers and other staff were held accountable for occupational health & safety. OFZ shall ensure that design and development of its products and production equipment fully promotes the best working conditions.

All subcontractors that are in the company's premises shall observe occupational health & safety rules. They shall follow the relevant legal regulations in force in the particular countries.

II. LEADING ECONOMIC AND SOCIAL DIALOGUE

Freedom of Expression and Social Dialogue

OFZ shall seek to develop the relationships based on trust at any organizational strata. OFZ enables its employees a freedom of expression particularly in the field of improving working conditions.

OFZ is committed to make aware of and consult these questions with the representatives of employees and to observe the legal rules and regulations valid for a particular country of operation.

Right to Associate and Freedom of Joining the Trade Union

OFZ acknowledges the worldwide existence of trade unions and the right of employees to associate in trade unions based on their free will and choice and organize the representation of workers in accordance with valid laws and regulations. OFZ shall be committed to protect the member and chief representatives of trade unions and to refrain from any discrimination resulting from the obtained mandates.

Collective Bargaining

OFZ shall be committed to support discussions and negotiations. These are the agreements on collective bargaining signed on the one side with particular trade unions and with the company on the other side.

III. DEVELOPING SKILLS

Equal Treating and Prohibiting Discrimination

OFZ shall recruit and manage the employees` career without any age, gender, color, nationality, religion, health disability, sexual discrimination. They shall not be at any time discriminated against their political and philosophical opinions and trade union affiliation.

All employees shall have a right to work in healthy environment away from any intolerance and harassment which could be deemed illegal with a reference to certain rules, regulations, conventions or practice in the countries where OFZ operates.

OFZ shall prohibit any illegal conduct that could be considered a sexual or moral harassment even in the case that there is no direct relationship under an organizational structure or no direct subordinate relationship.

Participating in and Developing Training Programmes

OFZ shall be committed to promote training with the purpose of supporting participation of young people. OFZ supports:

- an access to the different types of agreements that are made available to the students during training (particularly the agreement on their professional practice and experience);
- internship programmes.

Professional Development and Employment

Regarding the specific activities and a need to capitalize on professional skills to manage OFZ`s programmes, OFZ shall prioritize on internal development of its employees. OFZ supports any employee to actively participate in his/her professional development and shall be committed to ensure the equal opportunities in the professional development and mobility.

OFZ shall support the geographical and professional mobility with the purpose of employee professional development. OFZ pays a particular attention to managing internal mobility with the purpose of ensuring its short-term and mid-term importance.

IV. BUSINESS ETHICS

1. Using OFZ`s Funds, Services and Assets

1-1 Basic Principles

Using funds, services or assets of OFZ, a.s. for illegal or unauthorized purpose shall be strictly prohibited. No physical or legal entity shall not be engaged in obtaining any benefits at the expense of OFZ, a.s. including acceptance or payment of bribe, gift or any other reward in the form of cash or in the form of other benefits. No company or individual whether domestic or foreign shall not receive a money or benefits and violate or breach the laws and regulations.

1-3 Prohibition of Any Illegal Payments to National Authorities or to Its Employees

No transfer shall be made with the purpose of ensuring a favour of national or administrative authorities. The gifts, services and hospitality offered to the governmental or administrative authorities are prohibited since they could be considered an influence of governmental and administrative decisions made in favour of OFZ, a.s..

1-4 True and Accurate Accounting, Keeping Books and Records

All assets, liabilities, expenses and other transfers performed by OFZ, a.s. shall be recorded in the accounting books which shall be kept correctly and accurately in accordance with the valid accounting laws, rules & regulations. For no purpose the confidential funds shall be made or maintained in OFZ, a.s. and its subsidiaries. The documents that are somehow connected with the commercial or financial transfers, shall truly reflect and record such transfers. No payment whether partial or as a whole shall be performed or approved of with the purpose other than set forth in the accompanying documents. There shall be no incorrect or inaccurate record in the accounting books of OFZ, a.s. and its subsidiaries.

2. Relationships with Customers, Service Provides and Suppliers

2-1 Restriction of Gifts, Donations and Hospitality from Clients and/or Service Providers

OFZ, a.s. shall prohibit any gifts and rewards received from its clients and suppliers in any form particularly payments in cash, products, services, hospitality or travelling with a value exceeding €200 for each business partner severally. Should such gifts or rewards had been accepted, these gifts or rewards be immediately returned to the donor. Should such return or unacceptance of the gift be considered impolite, the receiver shall immediately inform General Director who shall decide on the steps that are necessary to be taken to observe the Ethical Code. Any OFZ`s employee shall ask the customer or supplier to refrain from providing such gifts.

Giving and receiving a cash or non-cash advantage or benefit on the purpose of obtaining a reward, sponsorship or other benefits particularly contracts or benefits of commercial or financial nature, whether directly or indirectly, from any customer, supplier or representative shall be strictly prohibited. The gifts or services equaling or exceeding of €200 from the current or potential customers and suppliers shall be strictly prohibited.

2-2 Selection of Supplier and Service Providers

The selection of supplier and service providers for OFZ, a.s. shall be performed on the basis of quality, performance and price. While negotiating with the supplier and service providers it is a responsibility of any employee of the Group to promote the interests of the Group in the legal framework and to use the opportunities in the favour of the Group and to obtain the best conditions possible.

2-3 Consultants and Other Service Providers

Consultants and other service providers shall during the purchasing process between OFZ, a.s. and its proxies, representatives and consultants clearly stipulate any services that will serve as the basis for reward or price and any other contract provisions. All payments shall be determined and made with regard to the real services rendered to the company. The proxies, representatives and consultants shall not act on behalf OFZ, a.s. with the exception of authorized personnel that have obtained a written approval from the authorized representatives of OFZ, a.s..

2-4 Prohibition of Supplier Investments

No employee or a head of any department shall directly or indirectly invest into the supplier who cooperates with OFZ, a.s., or into its parent company and subsidiaries nor he/she shall lend a money to such entities. Any exemption from this rule shall be approved of by the Supervisory Board. The purchase of shares at the regulated market in the volume as set forth in the valid rules and regulations shall be exempted from this rule.

2-5 Prohibition of Purchase of Goods and Services from Suppliers or Customers Intended for Personal Use

The employees or heads of departments of OFZ, a.s. shall not use its relationship toward OFZ, a.s. for the purpose of benefits for their personal purchases such as the benefits given from the customer or supplier of OFZ, a.s., if otherwise not stated in the agreement between OFZ, a.s. and its supplier or customer.

3. Fair Competition

OFZ, a.s. shall fully and duly promote the strict observation of the valid rules and regulations amending the fair competition in the Member States of the Union and in any country in which OFZ, a.s. operates. Any manager shall not at any time ask the employees to disclose a confidential information of a commercial nature on its previous employer. No employee or no head of department of OFZ, a.s. shall use a confidential information of a commercial nature obtained during the previous employment.

4. Confidentiality

4-1 Confidentiality of Employee Personal Data

OFZ, a.s. shall keep a close eye on all laws, rules & regulations dealing with the protection, use and keeping all the personal details of all employees in confidence and trust. The information on personal life, performance appraisal, career promotion and salaries & wages of all our employees shall be kept in confidence and trust. This information is made available only and only to the authorized personnel.

Therefore, the employees of OFZ, a.s. shall :

- not collect any information on the personal life of other employees except for the information necessary for human resources or personnel & remuneration department or except for the information obtained from the other legal or occupational reasons only and only in the accordance with the valid rules & regulations;
- be responsible for ensuring that the personal details are made available, updated and corrected in accordance with the valid rules & regulations;
- not disclose any personal information to the third entities and individuals with the exception of special cases which are allowed and set forth in the valid rules and regulations.

4-2 Confidentiality and Protection of the Group Assets, Documents and Data

The files, assets, technical data and confidential information are the assets of OFZ, a.s. that could be very important for ensuring successful results and competitive advantage for our company. Any of these assets are an integral part of OFZ, a.s. and should the contract of employment for a particular employee be terminated, they shall be returned to the company.

Among the confidential information are the documents dealing with the existence of the company itself, terms & conditions of the projects and commercial agreements of the company, financial and technical data and any other confidential data such as the information on selling production units, intellectual property rights, technology, PC software or hardware that is being used for the business activities.

This information that are confidential in nature shall not be disclosed to the third parties without prior consent and shall not be made available to the employees or workers that are not authorized to receive such information. Any use of the confidential information for the personal purpose that was obtained during performing the employees` duties and responsibilities whether directly or indirectly, is strictly prohibited.

Any violation of the abovementioned rules could result in taking the legal steps that are fully in accordance with the provisions of Labour Code, Civil Code or Criminal Code.

Any abovementioned provisions shall be applied also to the information that was made available to us by our clients or customers.

Individuals that are not legally bound by the contract for employment or their contract of employment had been terminated, shall keep the information in confidence and trust.

5. Loyalty and Exclusivity

The employees and heads of departments of OFZ, a.s. shall, at any time, conscientiously fulfil their duties, responsibilities and tasks.

Any job that is managerial in nature shall be a full-time job. Any manager shall not have the second employment contract nor he/she shall own or operate a company which require his/her personal engagement or time without a prior consent of a general director.

6. Conflict of Interests

The conflict of interests shall occur when any employee or his/her relative could personally benefit from transactions dealing with OFZ, a.s., particularly for the clients, customers or suppliers. This shall also

apply in the event that the employee has selected the supplier or any other company that he/she had the financial interest in.

In case of any doubt, the employee shall refer to his/her superordinate to determine if the transfer constitutes the conflict of interests.

7. Protection of OFZ`s Assets

Any employee and manager of OFZ, a.s. shall be held accountable for using assets and resources of OFZ, a.s. duly and properly including but not limited to those that deal with the intellectual property, technologies, hardware and documents, software, fixed assets, equipment, tools and devices, components, raw materials and movable items (hereinafter referred to as „assets “).

The employees and managers of OFZ, a.s. are obliged to do the following:

- use the assets and premises of OFZ, a.s. pursuant to the valid rules & regulations and to take any measures to prevent these assets from being used by the unauthorized persons including but not limited to the members of his/her family;
- secure any passwords and codes to protect the data on the PCs of OFZ, a.s. from an unauthorized access;
- avoid any copying of the software, procedures, source codes, manuals, presentations, trainings or other programmes developed by OFZ, a.s., if otherwise not allowed by the managers or directors that are authorized to allow that;
- save and upload the data in accordance with the local rules & regulations;
- use information and communication technologies of OFZ, a.s. in accordance with the documents that are an integral part of Integrated Management System of OFZ, a.s. (IMS).

V. BREACHING ETHICAL CODE OF CONDUCT

Any employee (hereinafter referred to as the „whistleblower “) who have the information on breaching the Ethical Code of Conduct, can inform his/her superordinate or the directors and managers of the company via the information protocol.

The whistleblower shall not be punished, dismissed or discriminated against any information which had been provided in a good faith and had called an attention to the violation of the Ethical Code of Conduct.

A whistleblower that is providing an information, shall identify himself/herself. His/her identity shall be kept in confidence and trust.

OFZ, a.s. shall promote any employee who shall take the steps that are fully in accordance with the Ethical Code of Conduct during the discussions with his/her superordinate to obtain a more detailed information on the provisions and use of the Ethical Code.

The conduct that is in contradiction with the Ethical Code could be a subject of criminal offense and investigation which shall be at the discretion of company`s directors and managers.

Any individual that had breached and violated the Code of Conduct regardless the way of disclosing such breach or violation, is subject to OFZ`s penalties and sanctions. These penalties shall include, without a limitation to, the warning or dismissing the employee being dependent upon the seriousness of violation of the valid rules & regulations.

Information Protocol

Any employee or a relevant person can inform on breaching any provisions of the Ethical Code of Conduct under the system of verifying the notices and notifications pursuant to Act No. 54/2019 Coll. on Protection of Whistleblowers of Anti-social Activity.