

## ETHICAL PRINCIPLES FOR SUPPLIERS

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### Cooperation with Suppliers

NOVÁ HUŤ s.r.o. (hereinafter referred to as “Customer”) is aware of the importance of Suppliers as to its industrial and manufacturing processes and seeks to ensure that any cooperation with Suppliers is fair and adheres to sustainable ethical values enhancing the longterm business cooperation between the parties and their mutual respect. For these reasons, one of the Customer's priorities is to ensure that Suppliers incorporate the below-specified Ethical Principles (hereinafter referred to as “Principles”) in their common business practice, comply with and abide by the Principles within their business practice and disseminate the Principles throughout their sub-supply chains. Compliance with such ethical standards, similarly to assessments of the cost and quality factors, is taken into account when selecting Suppliers and may be a reason for refusal of a Supplier. If there is any doubt about compliance with the standards in terms of their strictness, the Supplier is obliged to comply with the stricter requirement of the respective applicable law.

### Customer's expectations as to Suppliers' performance

The Customer builds its relationships with Suppliers gradually and, therefore, in order to ensure a high-quality supply chain, the Customer expects them to assume a responsible approach when demonstrating their qualifications and other economic, technical or personnel prerequisites within selection procedures and submitting information in order to verify that all facts provided by them are true, accurate and complete and that they are able to comply with them within the performance of the respective contractual relationships.

#### *Health and safety*

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The Customer has an overriding interest in maintaining health and safety at workplaces, both on the Customer's premises and at remote workplaces, in order prevent work injuries, accidents and other damage to health, whether of employees or any third parties. For this purpose, the Supplier undertakes to follow Customer's safety rules and instructions, attend trainings proposed by the Customer, implement corrective measures in order to ensure safety and provide its employees and colleagues with protective and safety means in order to ensure high-quality conditions for work performance.

#### *Human rights*

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Human rights are an integral part of the conduct policies enforced by the Customer. The Customer expects the Supplier not to violate any human rights of its employees, colleagues and third parties or Supplier's employees, colleagues and third parties in this area. In particular, in the area of employment, the Supplier is obliged to respect the rules on maintaining human dignity of the persons concerned and create a fair wage environment in accordance with the rights to comply with the minimum wage requirements or guaranteed wage levels, the rights to observe working hours as provided by law, the rules in the area of employing foreigners or sending employees abroad, and must strictly comply with the prohibition of child labour. Suppliers are not allowed to use forced, slave or bonded labour, involuntary prison labour or human trafficking. Suppliers undertake to act in accordance with the applicable legislation when complying with any human rights of employees or persons they cooperate with. Suppliers are obliged to ensure that their workplaces are free from any harassment, discrimination on grounds of race, colour, age, sex, sexual orientation, ethnic origin, disability, religious and political beliefs, trade union membership or family status, coercion, violent environment or inhumane treatment. Harassment means any physical or verbal behaviour that creates or supports an offensive, degrading or intimidating work environment.

### ***Ecology***

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The Customer is willing to build and enforce environmental standards in respect of production and environment and, therefore, does not accept any raw materials, materials or processes not approved in advance that may cause environmental pollution. We strive to follow the best practices in the environmental management system, including efficient use of energy and resources, biodiversity conservation, waste reduction and recycling, and we also encourage Suppliers to follow and share the same principles with us within their supplies. The Customer is willing to purchase products, raw materials and services from processes that respect ethical business practices, including environmental principles, and do not use materials that may endanger human health or the environment and refuses to purchase any materials, products and services that contravene the applicable national and international laws and conventions. Similarly, the Customer expects that the Supplier respects protection of intellectual rights and, in particular, when a software or any other copyrighted works are supplied, the possibility of making license rights available to the Customer so that the Customer may use them properly and the Supplier ensures so while respecting any statutory rights of the respective authors / inventors. The Customer condemns any product counterfeiting or other forms of plagiarism, theft or supplies of any products resulting from illegal activities.

### ***Personal data protection and confidential information***

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The Supplier comes into contact with personal data of employees, colleagues or business partners which the Supplier undertakes to request, collect, store and process for only as long as necessary and to the extent that is actually necessary for the performance of the respective agreement. The Supplier is obliged to act sensitively when processing personal data, protect personal data and ensure that personal data is not misused. When doing so, the Supplier must act carefully and protect personal data with any appropriate organizational and technical measures in order to prevent its misuse and respect any rules laid down by the applicable legal regulations, in particular by the General Data Protection Regulation (GDPR). Similarly, when using non-public confidential commercial, technical and economic data, the Supplier is obliged to act in such a way to protect personal data, not to misuse personal data or not to allow misuse of personal data due to, as the case may be, Supplier's carelessness or negligence, and prevent

disclosure of any confidential information that is subject to confidentiality in respect of Customer's business secrets and know-how and its disclosure is likely to cause damage to the Customer.

### ***Economic competition***

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The Supplier undertakes to respect and maintain a healthy competitive environment and not to misuse its monopoly or dominant position in the context of economic competition in the relevant market or any forms of unfair competition.

Suppliers may not use any prohibited pricing practices or cartel or other agreements that would misuse their market position. The Customer expects the Supplier to act professionally and fairly and not to seek information from competitors or from any existing or former employees in an illegal or dishonest way.

Suppliers are obliged to make all possible efforts to comply with the applicable legal regulations concerning import, export, re-export and misuse of products, goods, services and technical data, including import and customs laws, export control laws, economic sanction laws, lists of unauthorized subjects or anti-boycott and product misuse laws.

The Customer also draws Supplier's attention to the fact that any forms of corruption are strongly condemned by the Customer and that such conduct is considered grossly unethical. Suppliers are not entitled to offer any bribes (payments) or provide or offer anything of value to Customer's employees for the purpose of obtaining an order, influencing Customer's decision on the respective matter or obtaining an unjustified business advantage. The Customer expects, with the highest priority, from his Supplier to act professionally and ethically at a sufficient level that the Supplier does not even find itself in a situation that would appear like the aforementioned conduct.

### ***Possibilities of verification of implementation of the Ethical Principles***

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Upon Customer's request, the Supplier may be required to participate in an assessment of Suppliers carried out by the Customer, in particular in the areas of security, assessment of provided services and supplies and its feedback as well as the entire selection procedure until the delivery or provision of warranty services. The Supplier may be required to take corrective measures or present documents relating to the respective purchase. Similarly, the Supplier may also be required to discuss possible measures or improvements in order to implement the ethical standards as effectively as possible.

### ***Communication***

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Suppliers communicate directly with the purchase point using contacts provided in their contractual or other business correspondence. However, if Suppliers have any doubts as to the correctness or wrongfulness of the respective conduct, they may contact the whistle blowing line intended for reporting unethical, fraudulent or otherwise wrongful conduct that is provided at website of the company, at link [Rules of NOVÁ HUŤ s.r.o. behaviour](#) where are published your rights and also a contact for announcing of personal data protection incidents.