

Code of conduct (Mai 23, 2023)

Agrostroj



Pelhřimov

Foreword by the chairman of the board of directors

Dear colleagues,

the joint stock company Agrostroj Pelhřimov, the history of which began in 1896, is today the largest universal cooperator in Europe and the largest manufacturer of agricultural machinery in the Czech Republic.

The company's management fully identifies with the principles of code of conduct set out in the company's Code of Conduct and takes great care to comply with them. I expect the same from all employees of the company, regardless of their job title or position. The Code of Conduct represents a set of principles that we encounter every day in the course of our work and on which our corporate culture is based.

By not respecting or violating the principles of fair behaviour and conduct, the company exposes itself to loss of reputation, which may entail not only financial risks (e.g. loss of orders, customer trust, etc.), but also social risks. Therefore, I appeal to every employee of Agrostroj Pelhřimov to familiarize themselves thoroughly with the principles of conduct (Code of conduct) and to follow them when making decisions in situations (ethical, economic, etc.) in their daily work.

I would like you not to be afraid to discuss your compliance with the company's code of ethics with your supervisor. Do not encourage unfair or illegal behaviour by your colleagues. On the other hand, let us encourage transparent and fair handling of problems or situations that arise. By adhering to these principles of conduct, we collectively contribute to the company's reputation not only in the Czech Republic but also in the world.

Lubomír Stoklásek, chairman of the board of directors



Why do we have code of conduct?

The Code of conduct is a set of principles of conduct that we expect all employees (including management) of our company to follow.

To follow this path is the right thing to do. Doing business in accordance with the Code of conduct builds trust not only with our customers but also with the general public. It helps us avoid situations that could lead to unpleasant legal problems or damage to the company's reputation. Transparency, honesty and strong moral integrity are important factors in maintaining trust with our business partners and the public.

At our company, we are committed to creating a healthy work environment, mutual respect for each other and encourage both individual growth and strong teamwork. Inappropriate behaviour that may create an intimidating, offensive or hostile work environment has no place here.

Employees are a company's greatest asset and respect for human rights is the foundation of a successful business.

SUPPLIERS AND TRADE PARTNERS

We expect our suppliers and business partners to accept and comply with this Code of conduct.

We require our suppliers and business partners to be aware of and comply with applicable laws. As well as the contractual terms agreed with our company.

Key indicators

Human Rights and Working Conditions

Recruitment and Recruitment

Modern slavery and child labour

Prohibition of discrimination

Harrassment

Working hours and remuneration for work done

Occupational health and safety

The environment

Business ethics

Anticorruption policy and acceptance of gifts (rewards)

Conflict of interests

Political activities

Confidential information and data protection

Intellectual property

Fair competition

Transparency

Matching product

IT safety

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How and where to report violations of the Code of conduct?



Human Rights and working conditions

Recruitment and hiring

Agrostroj company values workforce diversity and expects those responsible for hiring new employees to comply with applicable laws and the company's anti-discrimination policy. Candidates for vacancies must be assessed on the basis of their abilities, experience and qualifications... Personal factors such as gender, age, gender identity, nationality, race, ethnicity, colour or religion must not be taken into account. We give everyone the same chance. This is the only way to achieve maximum productivity, efficiency and competitiveness.

Modern slavery and child labour

Agrostroj company does not tolerate any form of modern slavery or forced labour. The company opposes human trafficking - the exploitation of people through the use of violence, forcing them to work against their will, etc. The company also strongly opposes the use of practices associated with modern slavery such as: confiscation of personal documents, wage garnishment, debt bondage, etc. We require the same from our business partners (including recruitment agencies).

We respect children's right to education and personal development, and we do not support or exploit child labour, **which we also require from our suppliers.** For the recruitment of new employees (including temporary work), we follow the applicable laws of the Czech Republic and the European Union. The company does not employ persons under the age of 15 (our suppliers are also not allowed to employ persons under the age of 15). Persons between the ages of 15 and 18 will not be used for work that poses a risk to the individual's development or to their physical or mental health.



Prohibition of discrimination

Our company strongly opposes any form of discrimination on the grounds of nationality, race, ethnicity, colour, religion, gender, sexual orientation, gender identity, age, etc.. We support the individuality of every person, everyone must be given the same chance. Any manifestation of discrimination must be reported immediately to the immediate supervisor or to any member of the company's management. This notification can also be made anonymously.

The company Agrostroj treats all employees, regardless of their job title, with respect and dignity. We expect the same from our suppliers and business partners.

Harrassment

Harassment means any behaviour or comments that create or promote an offensive or intimidating work environment (including verbal or physical harassment, bullying, sexual harassment, inappropriate humour or other activities that may offend or cause distress). Agrostroj company fundamentally disapproves of such behaviour and will not tolerate it.

Working hours and remuneration for work done

We comply with applicable laws and regulations regarding working hours, rest periods, pay for work performed and other compensations.

The terms and conditions of employment, as well as duties and rights, should be clear to all the employees. Working hours must not exceed the maximum permitted and the worker must be given time for proper rest.

Working conditions and compensation meet all legal requirements, including collective agreements.



Occupational health and safety

A safe and healthy working environment for all is our priority. We believe that accidents, occupational injuries, occupational diseases, emergencies, etc. can be prevented. We focus on preventing negative events that can endanger the health of employees, cause damage to company property, etc. We continuously improve working conditions and establish various preventive measures. We comply with all applicable laws, regulations and health and safety requirements. We require the same of all our employees, suppliers, business partners, etc.

All employees are regularly trained in occupational health and safety (and fire safety) and must be provided with and use appropriate protective equipment for their work. Also, every employee is trained and should therefore know basic first aid.

If any risk or unsafe behaviour of employees is found out, this should be reported to the relevant responsible person (OHS technician) in order to prevent accidents at work, damage to company property, etc.



The environment

Agrostroj company ensures proper compliance with the laws on environmental protection (and other related rules and regulations) and is regularly certified according to the international standard of ISO 14001.

Continuous environmental improvement is one of the key elements of our strategy. We have programmes to minimise resource use, reduce emissions and waste. We use environmentally friendly, modern and efficient technologies. We make sure that our business has the lowest possible impact on the environment. **We monitor and document emissions from our facilities to air, water and soil, the flow of packaging material, etc. We** also require the same behaviour from our suppliers and business partners.

Every employee of our company must behave responsibly towards the environment and use natural resources and energy efficiently and effectively. Any environmental misconduct or suspected violation of the company's environmental policy must be reported immediately to the appropriate officer.

Business ethics

Anticorruption policy and acceptance of gifts (rewards)

Bribery and corruption significantly distort the market, affect free competition and ultimately violate applicable laws. Agrostroj company does not approve or tolerate any corrupt practices (e.g. offering or accepting bribes, commissions, gifts - except for company promotional items, etc.). This protects our reputation and builds trust not only with our business partners but also with the wider public. We advocate a fair market.

We require the same behaviour from our suppliers, business partners, etc.

Company employees are prohibited from giving or accepting bribes and anything that could be considered a bribe (e.g. cash, gifts in kind, employment opportunities or other tangible or intangible benefits related to the employee's employment,...). A suspicion of any corruption behaviour must be reported to the immediate supervisor or to any member of the company's management.

Conflict of interests

Employees have a duty to work in the best interests of Agrostroj company and to avoid situations where private or financial interests conflict with their work. In some cases, the mere appearance of a conflict of interest can damage a company's reputation and credibility. All business decisions must be made in the interests of the company, not in the interests of self or family.

If any employee faces a conflict (conflict of interest), he/she should immediately disclose this to his/her supervisor and work with the Company to resolve the issue. The Human Resources Department can also be contacted for support in resolving and evaluating any conflicts. We make all decisions based on objective criteria and will not be influenced by personal interests.



Political activities

Agrostroj company maintains neutrality in terms of affiliation to any political party and public office holders. Neither the name nor the assets of our company may be used to promote the political interests of parties or public office holders.

Company employees may not use working hours, company property, or other resources to promote their own political interests.

Confidential information and data protection

All Agrostroj company employees have a duty to protect information that the company considers confidential. Their unauthorised use or disclosure may cause significant harm to the business.

To disclose confidential information, data and data outside the company, the person must have proper authorization. It is prohibited to disclose any confidential data, data and information on social networks and other media. The use of the company's logo (trademark), photographs and other visual materials without the consent of the company's management is strictly prohibited.

Confidential information must not be discussed in public places, nor must confidential material be freely accessible - e.g. left unattended in the office.

All Agrostroj company employees must respect and comply with applicable Czech and EU laws, including GDPR.

We carefully protect the personal data of employees, customers, suppliers and other affected persons. We collect and process this data only in accordance with applicable legislation.



Intellectual property

Agrostroj's intellectual property (technical inventions, know-how, trade secrets,...) is a highly valuable asset. Significant losses occur when it is misused or used inappropriately.

All company employees are obliged to carefully protect company secrets - e.g. inventions, designs, etc. These must not be disclosed anywhere unless the person concerned is directly authorised or authorised to do so by the company management.

Agrostroj company also recognizes and respects the intellectual property of competitors, business partners and other third parties.

Any suspicion of unauthorized use of intellectual property of the company or misuse of confidential information must be reported immediately to the immediate supervisor or to any member of the company's management.

Fair competition

Agrostroj company benefits from the success of its products and services in a competitive and fair market. We compete on the basis of the quality of our products and services, and we do not take actions that would violate competition and antitrust laws.

We use only legitimate methods to gather information about competitors. In important areas such as pricing, customer selection, etc., we exclusively do not cooperate with competitors and do not enter into any cartel agreements. If our employees participate in activities that involve contact with competitors (e.g. trade association meetings, research and development conferences, etc.), they should secure all necessary permissions from their supervisors in advance. Exchanging commercially sensitive information with competitors (prices, costs, margins or discounts, business plans, product development plans...) is prohibited.

We always treat our suppliers professionally. We use objective and transparent criteria to select suppliers.



Transparency

We want to provide all financial reports or financial statements relating to our company in a transparent, truthful and timely manner in order to provide a true and objective view of our company. This builds our reputation and trust not only with our business partners but also with the wider public.

We report financial transactions in accordance with generally applicable accounting regulations and the applicable laws of the Czech Republic. We report truthfully and transparently any non-financial information we are required to disclose.

When an error is suspected in the financial records or when it is suspected that the company's finances have been misused, it is the responsibility to report this immediately to the immediate supervisor or to any member of the company's management. This is the only way to protect the company's funds from misuse.

We also demand honesty and transparency in the handling of facts and data from our suppliers and other business partners.

Matching product

Our products are manufactured and sold in accordance with applicable legal regulations and requirements, our internal quality and safety standards. All this is crucial to build customer confidence in our products.

All of our products and services are presented as accurately as possible; claims made about them must be substantiated. Information shared about products and services must not be misleading (including information of a safety or environmental nature).

With regard to the health, safety and environment of our customers, the highest possible level of risks that the use of our products may entail must be avoided. If any employee becomes aware of any risk associated with the use of a product manufactured by us, he/she must report it immediately to his/her immediate supervisor or to any member of management so that appropriate corrective action can be taken in a timely manner.



IT safety

Agrostroj company is committed to rigorous IT security and electronic data processing, which are a daily part of the working day.

We monitor risks that could threaten the corporate network - malicious programs (viruses), data loss, data misuse, hacker attacks,...

Every employee of Agrostroj company must familiarize himself/herself with the applicable IT security rules and must follow them unconditionally. If an IT security breach is suspected, it must be reported immediately to the immediate supervisor or any member of the company's management.



WHISTLEBLOWING SYSTEM

If the company's employees become aware of facts that are contrary to the Code of conduct and the values professed by our company, they have not only the right but also the obligation to report these facts to the person responsible. The company's management guarantees that these announcements will not have negative consequences for them in the form of retaliatory measures, as these are expressly prohibited. In the event that such retaliation is found to have occurred, the company's management will proceed with disciplinary proceedings against the person or persons who committed such retaliation, in accordance with the Labour Code and the Company's internal regulations. In extreme cases, this may lead to termination of employment or reporting to law enforcement authorities.

The same emphasis and decisiveness will be applied by the management of the company against an employee of the company, but also in cases where it is found that the report made by him was fabricated, made with the intention of harming another natural or legal entity.

The person in charge in this case is Miloslav Kubíska, HR Director (miloslav.kubiska@agrostroj.cz, phone number 728 871 118). Submissions may be made in person, by telephone, in writing, including electronically, and may be made using the trust boxes located on the company's premises.

The responsible person is obliged to check all notifications, even if anonymous, properly.



How and where to report violations of the Code of conduct?

Violations of the Code of conduct may be reported without fear of reprisal or other sanctions in any of the following ways (reporting may also be done anonymously):

- a) By dropping a written message into one of the "trust boxes", which are located in several places in the company
- b) Via e-mail to your direct supervisor, Human Resources Director (miloslav.kubiska@agrostroy.cz) or anyone else in management.
- c) In writing (by letter) to the company's address: **Agrostroy Pelhřimov a.s., to the attention of the HR director, U Nádraží 1967, 393 01 Pelhřimov.**
- d) OSH technician: pavel.hupka@agrostroy.cz
- e) Ecology Officer: ondrej.leska@agrostroy.cz