Rules of Ethics
CODE OF CONDUCT

MORAVIA CANS a.s.

Corporate Social Responsibility (CSR) – Enclosure 1 - Code of Conduct

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1. PURPOSE AND SCOPE

Rules of conduct to not cover an exhaustive list of all areas of ethical behaviour. There will certainly be situations for which these rules will not provide an accurate instruction. In such situations, please follow the motto “Act in the best interest of the company”. Any doubt must be consulted with the superior. All unresolved issues shall be addressed to the line manager.

It is important to remember that despite the existence of these rules, every individual must use their reasonable judgement. The final responsibility for acting legally and ethically lies with the individual.

2. FUNDAMENTAL PRINCIPLES OF CONDUCT

2.1. Legal Compliance

The Company and all its employees and members of the Boad of Directors must always act in compliance with and respect applicable legislation, regulations and internal policies of the Company and its manuals in all activities performed for the Company. In the case of a discrepancy between a legislative act and a Company policy the legislative act shall govern. Although employees and Board members are not expected to be familiar with every section of every legislative act, they should obtain at least their general knowledge on a level sufficient for deciding when to consult their supervisor and other appropriate legal representatives.

2.2. Acting in Best Interest of Company

Loyalty means working for the good of the Company, in compliance with legislation and Company policies, and giving preference to Company interests (over other interests), which may sometimes be local. You should always use your judgement to increase value of the company, protect its interests and contribute to continuous improvement.

2.3. Acting with Integrity

All employees and Board members must act with honesty and clean hands whenever performing activities for their company. That means “doing the right thing even if nobody watches”. You should be honest, ethical, veracious, polite, and reliable. You should act in compliance with the core values and principles of the Company´s Code of Conduct and support these values and principles by acting responsibly, honestly, and politely to your colleagues, business partners and the company as a whole.

2.4. Respect for Others, Care of Others and the Environment

The Company shall create an atmosphere supporting building corporate culture, characterised with respect for and care of others, their health, safety, property, and the environment. You should behave in a way supporting trust when you collaborate with your workmates, and interact with suppliers, customers, other business partners and authorities. You should treat others in a way you want to be treated by them.

2.5. Respecting Organisational Structure Standards

All employees shall respect and comply with formal responsibility guidelines (who is accountable to whom) within the Company´s organisational structure.

3. SPECIFICATIONS OF INDIVIDUAL AREAS

3.1. Avoiding Situations That Might Lead to Conflict of Interest

A “conflict of interest” arises when interests of a private individual in some way contradict or appear to be contradictory to interests of the Company. A conflict situation may arise when an employee or Board member takes steps or develops an interest conflicting with their work liability towards the Company or preventing its objective and effective fulfilment. A conflict of interest may also arise when an employee or Board member (or someone closely related to them) is granted an improper advantage as a consequence of their position in the Company. You should immediately report to your supervisor if you become aware of a conflict of interest connected with yourself.

You should not accept tasks or work for a competitor, customer or supplier without your supervisor´s consent. You should also avoid direct or indirect business contact with Company´s customers, suppliers or competitors, except when required by your work for the Company.

3.2. Contribution to Occupational Health, Safety, Environmental Protection

The Company attempts at providing a safe and healthy work environment without harmful effects on the employees and, on the contrary, with a positive effect on the Company in general, and a limited environmental impact. Employees must actively take smart decisions to keep their own health and must observe Company policies and local laws. Working for the Company or performing other tasks for the Company outside your workplace under the effect of alcohol or drugs is an offence, also for safety reasons. If you are aware of important topical issues related to occupational health and safety, customer health or Company´s environmental impact, you should immediately report them to your supervisor or the Company management.

The Company has agreed to adopt procedures for waste reduction, reuse, recycling and regeneration and utilisation of resources in a most environmentally friendly manner. All stakeholders should be acquainted with the local HSE policy and support the Company in its fulfilment.

3.3. Respect for Human Rights and Equality

The Company respects human rights and supports their protection, as these are stipulated by the UN Human Rights Declaration. The company accepts the basic labour rules defined by the International Labour Organization (ILO), including freedom of association, effective recognition of the right to collective bargaining, abolition of forced labour and equal job opportunities and equal treatment. The Company strives for work positions in the Company to be characterised by diversity and no discrimination. To achieve that, all its employees must treat their workmates, customers, business partners and other stakeholders with respect. The Company shall not tolerate any humiliating behaviour or behaviour that can be considered humiliation. The Company prohibits all discrimination and harassment (based on gender, sexual orientation, age, nationality or religion). The Company asks: Be sensitive towards and respect cultural differences.

When performing work tasks for the Company or travelling on business, employees shall not purchase sexual services. This is how the Company contributes to the struggle against human trafficking. The Company does not and will not use child work and will not cooperate with suppliers or subcontractors using child work. We do not tolerate behaviour using physical coercion, threatening, abusing or exploiting anybody.

3.4. Protection of Company Reputation, Property and Assets

Company reputation is important for its business success. Every employee is liable to avoid activities or behaviour that might harm Company reputation.

Employees and Board members are liable to act responsibly and protect the Company property and assets with due care against wasting, damage, loss and unauthorised use. Intellectual property such as patents, know-how and information, shall also be protected.

3.5. Accurate Account, Record and Contract Keeping

The Company requires correct, accurate and timely recording and communication of information so that the Company may take responsible and informed business decisions for all subjects.

Financial statements of the company are vital for corporate governance, local regulatory compliance, tax returns and fulfilment of the Company responsibility towards its shareholders. Employees involved in financial transactions and account keeping shall ensure that all books, records, accounts and financial statements of the Company are:

a) Maintained on the required level of detail,
b) Completely and adequately reflecting Company transactions without ever being incorrect or misleading,
c) Properly entered in compliance with the applicable legislation and other regulations,
d) In compliance with applicable legislation, appropriate accounting procedures and internal requirements of the Company.

As corporate records and communications often become part of public domain, they should avoid exaggeration, abusive remarks, guess-work and incorrect characterisations of people and companies that may be incorrectly understood. This also applies to e-mails, internal circulars and formal reports. Records should be archived as required or destroyed.

Company agreements with employees, suppliers, customers and other business partners must, as a general rule, be in writing and duly registered. Oral agreements may be difficult to verify, and sometimes may lead to a suspicion that something illegal or unethical has happened.

3.6. Ban of Bribes and Corruption

The Company shall not tolerate and will act against bribery and corruption. The purpose of entertainment and gifts in the business environment is to achieve good will and solid business relations, not to obtain dishonest advantages. No gift or entertainment should be offered, provided or accepted by any employee or Board member (or their family members), with the following exceptions:

a) Non-cash gifts,
b) The gifts are nonfrequent and clearly in compliance with usual business practices,
c) The gifts are of negligible economic value,
d) The gifts can by no means be interpreted as bribes or payment in return or in favour of an action and do not violate any law, regulation or a valid organisational strategy of the other party.

Please consult with your supervisor all gifts or proposed gifts where you are not sure of their suitability.

For details of the Company´s Anti-Bribery Policy see Enclosure 2 to the CSR Directive.

3.7. Treating Company Information with Due Care

Information is a valuable asset. All employees and Board members shall treat Company information with due care, acting in accordance with the Company's communication strategy. Employees and Board members will never disclose confidential information to people outside the Company unless required to do so by law or without prior permission from an authorized supervisor. Confidential information generally means information that is not or should not be known to the public. Typical examples include business plans, budgets and forecasts, marketing and sales programs, customer and personnel records, etc. The obligation of confidentiality will continue indefinitely beyond the termination of employment or the term of office of a Board member.

3.8. Ban of Money Laundering

Employees and Board members shall never be involved in money laundering. Money laundering means steps taken to make money obtained from criminal activity look as legally earned.

3.9. Honest Conduct in Competition

The Company strives to outperform our competitors with honesty and integrity. The Company strives to gain competitive advantages through superior performance and never through unethical or illegal business practices. The disclosure of proprietary information, the possession of information that constitutes trade secrets and was obtained without the owner's consent, or the procurement of such information through past or present employees of other companies is prohibited. Every employee and Board member should strive to respect the rights of customers, suppliers, competitors and employees and should deal fairly with them. No employee or Board member should seek to gain an unfair advantage over anyone by manipulation, concealment, misuse of confidential information, misrepresentation of material facts or other illegal business practices.

4. COMPLIANCE AND IMPLEMENTATION

4.1. Implementation

Implementation of these rules is the responsibility of the Company management.

4.2. Opening Confidential Discussion

The Company promotes an environment supporting open discussions about themes affecting employees and their employment. The Company shall permit discussions and asking questions about situations where employees feel that incompliance with standards or valid legislation might be involved.

4.3. Compliance Procedure

Every employee and Board member shall be responsible for compliance with the values and standards defined by this Code of Conduct and shall ensure immediate and consistent steps against their violations. In some situations, it is hard to distinguish between the right and the wrong. As it is impossible to predict every situation that might occur you must remember to take the following steps when approaching a new issue or problem:

a) Make sure you have all necessary facts. To propose correct solutions, you must be informed as completely as possible.

b) Ask yourselves:

- Is the proposed action in compliance with applicable legislation and internal policies of the Company?
- Does the proposed action/step appear non-ethical or dishonest?
- Can the decision be justly seen as the most appropriate procedure?
- Might the decision, if becoming public, compromise the Company or harm its reputation or the Company position in the community?

c) Use your judgement and common sense; if something appears unethical or inappropriate, it probably is unethical or inappropriate.

d) Discuss the issue without your supervisor. Your supervisor is obliged to help you resolve your issues. If you feel uncomfortable discussing the issue with your supervisor, you may always approach the company CEO or HR manager.

e) You can – and should – report any violation with trust and without fear of retaliation to your supervisor or another management member, including the company CEO. If your situation requires keeping your identity confidential your anonymousness will be protected. The Company will not tolerate retaliation of any kind against any employee or Board member reporting a suspected violation in good faith. However, the Company reserves the right to punish anybody knowingly raising a false accusation or providing incorrect information.

f) Whenever possible, always ask first and act next.

g) Incompliance with these rules by an employee or Board member may lead to disciplinary action up to employment termination