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**ROPCZYCE S.A.**

**Code of Business Conduct and Ethics**  
**Zakłady Magnezytowe "ROPCZYCE" S.A.**

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## 1. Introduction

Zakłady Magnezytowe "ROPCZYCE" S.A. is a manufacturer of high-quality refractory materials constituting necessary lining elements of furnaces and heat devices operating at high temperatures. The Company's offer is intended for recipients in the global market, mainly in such segments as the iron and steel metallurgy, non-ferrous metallurgy, cement and lime industry, glass-making industry, foundry, coke industry and other industries utilizing high-temperature processing. We provide our Customers with extensive services, including designing, technical consultancy in the selection of refractory ceramics, delivery, construction supervision as well as pre- and post-installation service. As a reliable partner, we feel responsible for shaping the relations with our Customers, Suppliers, Employees and other Business Partners. For this reason, we implemented the "Code of Business Conduct and Ethics" which specifies the ethics that we try to strictly observe in our business activity. As an entity of public trust, we also observe the formalized Corporate Social Responsibility Strategy (CSR) which contains detailed regulations on the relations with all of our Company's stakeholders. In our activity, we follow such values as: competence, creativity, loyalty, responsibility, satisfaction, effectiveness, consistence, customer care, honesty and commitment.

## 2. Compliance with the law

Zakłady Magnezytowe "ROPCZYCE" S.A. complies with all the current standards and regulations at the national, EU and international levels, including internal *compliance* regulations and procedures, in all areas of its business activity. At the same time, the Company has implemented a zero tolerance policy in relation to events of law violation or corruption. In this regard, the Company is implementing the assumptions adopted in the Anti-Corruption Policy. In order to meet its requirements, each employee has the right and duty to report potential law violations and is guaranteed complete protection against any retaliatory actions. The areas of the broadly understood *compliance*, the Anti-Corruption Policy and the Corporate Social Responsibility Strategy are periodically verified in terms of their application, abidance and enforcement, and are subject to reporting. At the same time, the rules of the Anti-Corruption Policy apply to the Company's employees and all other stakeholders, including natural persons, suppliers, recipients as

well as government and local self-government administration bodies. Transparency, honesty, professionalism and the rule of law are the superior values in the relations with all of the Company's stakeholders.

### 3. Human rights protection

At Zakłady Magnezytowe "ROPCZYCE" S.A., human rights are superior and non-negotiable values that must be strictly adhered to. Employees are our most valuable capital. We make sure that each person is treated fairly and respectfully. The Company prohibits any forms of slavery, human trafficking, compulsory labor or child labor. Zakłady Magnezytowe "ROPCZYCE" S.A. prohibits any manifestations of discrimination based on skin colour, gender, age, religion, sexual orientation, marital status, ethnicity, nationality or disability. The above also applies to sexual harassment. For the sake of sustainable development, the Company provides all employees with equal opportunity for development, taking into account their qualifications. Due to the above, decisions on the orientation of individual occupational development, taking into account qualifications and competencies, are non-discriminatory.

The Company takes continuous actions to maintain a safe working environment. Occupational health & safety rules are observed to the highest degree possible, involving relevant trainings and provision of all required personal protection equipment adapted to the place and type of work performed. Work is organized in a manner that enables breaks and rest. Periodical work station inspections are performed in order to identify and prevent potential hazards as well as continuously improve the working conditions. The Company's premises feature an absolute prohibition of using such substances as: alcohol, tobacco, drugs or other similar intoxicating substances.

At Zakłady Magnezytowe "ROPCZYCE" S.A., employees are free to establish and join trade unions. The Company applies remuneration determination and payment rules that comply with the current internal procedures and the relevant rules of law.

The Company fully complies with the legal requirements on the correct collection, storage and processing of personal data. Access to this data is limited to persons with adequate authorization and the data is protected against unauthorized access.

Human rights are strictly observed and respected at Zakłady Magnezytowe "ROPCZYCE" S.A. The Company exercises due diligence in terms of respecting human rights as part of the current supply chains to prevent or minimize the risk of potential human rights violations.

## 4. Confidential information

Confidential information include in particular data on the manufacturing technology, technical and organizational solutions used at the Company, commercial and financial information, information on the relations with business partners and any other information that constitute the Company's trade secret. Events that are classified as confidential information according to the law on public trading of financial instruments are also deemed confidential. Any data, information and documents concerning the Company's business activity can only be used by employees as part of their official duties. This information is provided to third parties only in the scope required by business relations. Publicly available information or information previously disclosed to the public do not constitute confidential information. The Board's authorization is required to disclose any confidential information. The Company's employees are obligated to maintain professional secrecy and discretion when handling confidential information, both during their term of employment and after termination thereof. Confidential information cannot be the subject of talks with persons not authorized to hold or acquire it. The Company's protection of confidential information also applies to adequate storage, security and archiving of documents and electronic carriers containing confidential information.

## 5. Environmental protection

Environmental and climate protection constitutes another key ethical aspect of the Company's business activity. In order to minimize the Company's impact on the natural environment, the Company applies sustainable manufacturing methods with effective and rational use of resources as well as utilizing renewable energy sources to a great extent. Mercury nor mercury compounds are used in the manufacturing processes, and the Company's does not manufacture products containing mercury or hazardous products. The introduction of low-emission fuels and implementation of circular economy have been part of the Company's technological development for many years. In addition, Zakłady Magnezytowe "ROPCZYCE" S.A. strictly observes the waste management rules. The Company is performing actions related to natural environment restoration, e.g. tree planting. Ensuring an effective and low-cost material and resource economy, reduced energy and water consumption as well as observing the rules of the environmental

management system applicable at the Company allows for the complete elimination or minimization of potential hazards.

## 6. Supply chain safety

The Company also takes care for maintaining safety as part of its supply chains that encompass all products and services that constitute the subject of the Company's business activity. Zakłady Magnezytowe "ROPCZYCE" S.A. has implemented qualification procedures for the suppliers of resources, goods, technical materials, machinery and devices, as well as services. The Company also applies formal purchasing rules for resources, goods, machinery and devices, technical materials and services based on strict purchasing conditions. The Company also periodically assesses and verifies its suppliers, taking into account such criteria as: applicable quality management systems, environmental protection, compliance with OHS rules and human rights.

## 7. Due diligence

The Company makes sure to meet the due diligence requirement by applying an effective risk management system which covers all business processes. Risk analysis allows for effective identification and minimization of potential hazards related to human rights violations and environmental protection or supply chains safety aspects. The Company periodically performs risk analysis, while risk monitoring is performed continuously, thereby enabling very effective identification of potential risks and minimization of their effects in all areas of the Company's activity. If a risk is identified, the Company promptly takes adequate preventive measures or remedial measures if an event has already occurred. The Company also meets the due diligence obligation by keeping the relevant documentation.

## 8. Anonymous reporting of law violations

Zakłady Magnezytowe "ROPCZYCE" S.A. has implemented rules on anonymous reporting of law violations. The Company enables its employees and the capital group's employees to report irregularities anonymously. The anonymous reporting of law violations enables the Company's employees and the capital group's employees to report suspected violations of the law, ethical procedures and standards, including irregularities, illegal, unfair or prohibited action taken at the

work place. Furthermore, the Company established a violations reporting and safe reporting channels system, while the persons filing reports are protected against repression, discrimination or other actions bearing signs of unfair treatment. The Company continuously verifies whether any violation reports were filed and relevant reports are drawn up periodically.

## 9. Integrated Management System

Zakłady Magnezytowe "ROPCZYCE" S.A. has implemented and certified Integrated Quality, Environment and OHS Management System according to standards: ISO 9001; ISO 14001; ISO 45001.

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President of the Management Board  
General Director