



Code of Ethics



Foreword of the President of the Management Board of PGO S.A.

Dear Sir or Madam,

I proudly present you with the Code of Ethics of the PGO Group which is a structured set of values, standards and principles followed by the PGO Group.

The Code of Ethics of the PGO Group is our obligation to observe top ethical standards and an expression of responsibility we bear as the largest Polish industrial group manufacturing castings and forgings.

While creating it, as a priority, we focused on the values endorsed by the PGO Group, and the behaviours and standards described herein apply to every employee, regardless of their position or years worked.

Every action undertaken by the employees of the PGO Group is considered in terms of its ethical dimension and compliance with the policies adopted in the organisation.

From the very beginning of operations of the PGO Group, we are aware of the influence that we have on our employees, their families, local communities and the environment.

The document aims to promote universal values among employees and all stakeholders of the company, and such values are to be the foundation for building mutual relations based on reliability, fairness and respect for all participants in these relations, which will hopefully help us create friendly environment for all.

Created as part of Corporate Social Responsibility actions, the Code of Ethics confirms that the PGO Group is formed by highly involved and trustworthy people.

Enjoy this inspiring read.



A stylized, handwritten signature in black ink, appearing to read 'Petrus'.

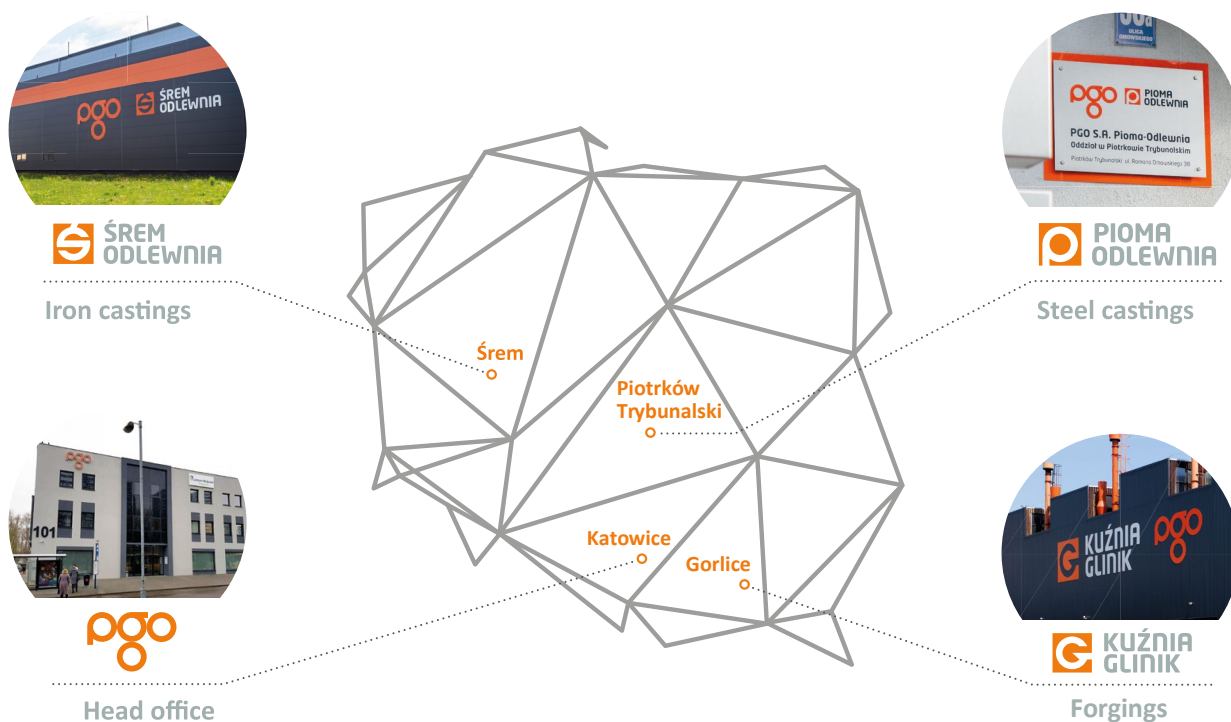
Łukasz Petrus
President of the Management Board
of PGO S.A.

Who we are?

Polish group, global reach

The PGO Group is one of the largest Polish companies operating in the metallurgical industry. It is a manufacturer of iron and steel castings, closed and open die forgings. Our production facilities have long-term traditions on the metallurgical market, with a history of 130 years. By combining long-term experience, rich casting and forging tradition, knowledge, manufacturing facilities and modern management methods, the PGO Company offers products that meet high European standards and norms, and enjoy recognition from recipients both in Poland and on foreign markets.

Top quality products manufactured in three specialist facilities are used in many branches of industry in Poland and all over the world. PGO is also a portfolio company of TDJ, a family-owned investment company operating in many segments of the economy.



What is the rationale for the Code of Ethics?

The Code of Ethics is, first of all, our commitment to observe and respect the values that are of key importance to running a business. We expect a lot of ourselves and of others, so that our operations would be run in accordance with the law, highest standards, as well as respect for another human being and the environment.

The Code of Ethics is to promote our key ethical values so that they become an element of everyday work. The main element of our success is the fact that every member of our organisation, starting from the executives, managers, through individual staff members, to business partners, must respect and honour our ethical principles.





This Code is to determine what values and principles are important to us and what we follow in mutual relations so that they would be clear and transparent to everyone. The Code is also to draw your attention to the areas of potential risk, conflicts and effects for the organisation if they actually occur. We treat the ethical principles very seriously, so we try for them to be reflected in our internal communication that is kept transparent and honest so that everyone would be able to freely report cases of conduct non-compliant with our values.

One of the key issues included in our Code of Ethics is the obligation not to participate in and not to support any activities aimed at violation of human rights, extortions, frauds, embezzlement and other actions that would effectively cause harm to our employees, clients, business partners or other entities.

The principles gathered in the Code of Ethics apply to both internal and external regulations for our organisation. We start every cooperation by following clearly set principles consistent with the ethical dimension of our operations, as well as Polish and European laws.

We enter into business relations with business partners, clients or suppliers checking if their standards and values are consistent with ours.

Values endorsed by the PGO Group

Faith	Responsibility	Cooperation	Openness	Reliability
				
<p>We believe in achieving a common vision</p> <p>We follow our values system</p> <p>We focus on the future</p> <p>We believe that investment in education and development is the highest value for society</p>	<p>We make courageous and thoughtful decisions</p> <p>We take responsibility for our and our team's decisions and actions</p> <p>We demand an initiative from ourselves.</p> <p>We always act for the best interest of the company</p>	<p>We trust each other and form a harmonious team</p> <p>We listen to and learn from others, taking into account each voice in the discussion</p> <p>After making a decision, we work together to achieve the goal</p> <p>We are pleased with the success of our people, promoting them in the organisation</p>	<p>We are loyal to one another, communicate openly and honestly</p> <p>We respect diverse opinions</p> <p>We are open to changes and innovations</p> <p>We talk about our mistakes and learn from them</p>	<p>We always keep our word</p> <p>We are reliable and honest</p> <p>We observe fair play principles</p> <p>We meet our commitments</p>

What is the basis for the preparation of the Code of Ethics of the PGO Group?

The Code of Ethics is based on the values endorsed by all employees and PGO-implemented policies, internal research, dialogue with the employees and stakeholders of the Group, in correlation with the provisions of the Polish and European laws.

We engage in dialogue with our surroundings on the basis of open communication, believing that such form brings mutual benefits. We build lasting and trust-based relations and enter into broad dialogue including such actions as:

- customer satisfaction survey,
- building and development of the culture of face-to-face meetings,
- dialogue with employees,
- cooperation with scientific facilities.

In this way we can draw upon the best models and conduct.

Who does the Code of Ethics of the PGO Group apply to?

The Code applies to all employees of the PGO Group, regardless of their position, place in the organisation or years worked, their form and type of employment: contract of employment, contract, mandate, full-time or part-time equivalent.

According to the principle that “examples comes from the top,” the executives, managers and immediate supervisors are additionally obliged to particularly care and be responsible for promoting the right ethical behaviours among all employees.

The observance of the provisions of the Code also applies to contractors, business partners, consultants and other entities that operate on our behalf. All employees of the PGO Group should actively participate in promoting the principles included in the Code and counteract against any unethical behaviours.

Due to the fact that the failure to observe the principles of the Code may cause harm to the company, its employees or business partners, every violation is treated very seriously and always requires detailed explanation and undertaking of the right remedies to eliminate the risk of their recurrence in the future.

OUR RESPONSIBILITY AT THE WORK PLACE

Health and safety

We are responsible for our employees. We strive to ensure for them the highest occupational health and safety standards that meet all the requirements provided for in the applicable regulations and take into account the best solutions in that respect.

We are aware of the threats at the work place, that is a manufacturing facility operating in the metallurgical industry, so we are greatly involved in the assurance of healthy and safe work place. We follow the principle that life and health are most important, and our employees are obliged to report potentially hazardous situations so as to avoid and eliminate the possible risks.

Your share: Your safety is of key importance and it also depends on you. Regardless of the tasks you have to perform, always follow the applicable occupational health and safety rules, act with proper caution, and help us to create a safe work place – report every danger.

Equal treatment, equal opportunities

Our employees are the greatest resource of the PGO Group. We give them opportunities for constant development through motivation and support for their initiatives. We make every effort to provide our employees with social and financial security and stability of employment. The PGO Group endorses the policy of equal opportunities. All decisions about professional promotion or employee rewards are taken on a subject-matter basis, regardless of sex, age, disability, race, nationality, political views, trade union membership, ethnic origin, religion, sexual orientation, as well as time and form of employment. We do not discriminate and do not tolerate any form of discrimination, as we value and support diversity.

We create the environment where employees and collaborators may feel comfortable and may freely report any concerns. We are constantly in dialogue in the supervisor-employee relation. We gather feedback on matters important to the employees and solve the presented issues on an ongoing basis. Requests for guidelines are not left unanswered.

Your share: treat others with due respect, if you witness a situation in which someone is bullied, discriminated against or subject to mobbing, react and report.

Personal data protection

Pursuant to the requirements concerning personal data protection, we have undertaken actions to maximise the level of security of the processed personal data. As a significant value in the modern world, the security of personal data of our employees, business partners and clients is given much attention in the operations of the PGO Group. We always process personal data for legally specified purposes and in accordance with the consents and legal bases for processing.

Your share: in the event of any doubts as to the legitimacy of processing of your personal data or any other questions, please contact the Data Protection Officer at PGO S.A. or the right Coordinator in the branch of the Company.

Company secret

In relation to the objects of our operations the PGO Group holds many technological patents. Our know-how and company secrets form the basis of our success and development. While performing work obligations, our employees have access to a number of information whose unauthorised disclosure could cause great losses to the Company. We are aware of the values of our company secret, so we try to protect it as best as possible. The disclosure of information being company secret is unethical and is a major violation of the Code, and may be the basis for legal liability.

Your share: You have the obligation to secure information entrusted to you. You cannot disclose it to persons from outside the Company (including members of the family or friends), unless the disclosure is made while performing work duties. Remember that you are also obliged to keep the company secret also when our cooperation ends.

Assets

All tangible and intangible assets of the PGO Group are used to achieve business goals and can be used only for such purposes. We do not use any assets of the Group for private purposes. Our assets are not only material objects, such as production machines, computers, cars or transport devices, but also our know-how, licences, rights to trademarks that belong to the Company and that cannot be used by the employees for gaining private benefits.

Computer hardware and systems are used in accordance with the IT security policy. Company vehicles or portable equipment may be used for private purposes on the basis of relevant agreement or applicable internal policy, but only within the scope specified therein. Improper use of the Company's assets is unethical and violates the Code.

We collectively care for personal property of the employees that we treat in the same way as the Group's assets, so we do not tolerate any instances of destruction or theft of the employees' property at our work facilities.

Your share: do not use the Company's assets for your own or someone else's benefit without permission, do not install software without the approval of the IT Department, when in doubt, make sure you are using the Company's assets properly.

OUR RESPONSIBILITY AS A BUSINESS PARTNER

Conflict of interests

Conflicts of interests include potential situations when your private interest collides with the interest of the PGO Group or interferes with the employee's ability to make the right decisions.

When a conflict of interests occurs, it may have a negative impact on the Company's actions. We do not accept the use of your position or rank in the organisation for the achievement of your own goals. We respect privacy and individual interests, but the avoidance of conflicts of interests is treated very seriously. All decisions made by us are based on objective assessment, and private interests cannot have an impact on them.

Your share: avoid conflict of interests and always act to the best interest of the Company, in the event of any doubt whether your action is in contrast with the Company's interest, please contact your supervisor or the HR Department.

Corruption

Corruption is a huge threat for the organisation in terms of both finances and reputation, and may have serious legal consequences.

Corruption is a complex, multi-dimensional phenomenon. Corrupt activities are identified primarily with giving and receiving bribes, whereas corruption is the abuse of vested rights in order to gain own benefits and may take various forms, such as bribes, illegal remuneration/ commissions, paid protection, influence peddling, undeserved rewards. In some situations corrupt activities may be understood as discounts, services or various forms of entertainment.

In our operations we follow the principles of fairness and mercantile honesty, so any attempts at corruption will not be accepted. We do not accept any situation where our employees or third parties representing the interests of the PGO Group would be involved in any form of corruption. The employees of the organisation are obliged to observe all applicable anti-corruption laws in all countries of the world where the PGO Group runs its operations or functions on a reputation basis.

The PGO Group adopts the rule of "zero tolerance for corruption." All employees are prohibited to:

- give, promise or offer payments, gifts, sponsored events or personal benefits, expecting or anticipating unlawful commercial benefits in return, or in order to compensate a given person for obtaining already achieved or agreed commercial benefits,
- receive payments, gifts, sponsored events or personal benefits with regard to which it is known or suspected that they are given with the expectation of gaining commercial benefits,
- participate in actions violating "anti-corruption policy" or national laws on combating bribery.

Your share: do not receive, offer or accept bribes, avoid inappropriate situations that could raise the suspicion of corruption.

Money laundering

Money laundering involves the introduction into the legal cash flow of money that comes from illegal sources and may be used to finance illegal activities.

Lack of awareness of participation in money laundering does not exclude liability. Being aware of the threats, the PGO Group concludes contracts only with verified suppliers and clients that run legal activities on the market. We carefully check our partners with whom we wish to start business relations.

Your share: exercise due care when verifying new business partners or clients (due diligence), exercise caution and report to your supervisors or senior management any suspicions within the scope of risk of participation of the PGO Group in money laundering.

Approach to business partners

Our organisational culture has been built on the basis of respect for human rights. We exercise all efforts to promote them in relations with our stakeholders.

The PGO Group does not achieve its business results at the cost of quality of our products or unethical behaviour towards our business partners. When talking to our business partners, we pay special attention to any signals that may point to their use of forced labour, slavery and employment of minors, as such signals are unacceptable and form the basis of refusal to establish cooperation.

We are in constant dialogue with our external stakeholders. We strive to prevent any violations of human rights. Within the scope of business contacts we are committed to run operations based on honesty, fairness, trust and responsibility. We observe all anti-corruption laws applicable in the countries in which we operate.

If there is a reasonable suspicion of violation of human rights by a business partner of the PGO Group, they are removed from the list of eligible suppliers of PGO. Our business relations are also strongly based on respect for fair competition, company secret and intellectual property. We protect personal data and promote mechanisms preventing conflicts of interests.

Your share: in all contacts with the business partners of the PGO Group, always emphasise the importance of respect for and absolute compliance with human rights on the part of our Group and of our business partners.

OUR RESPONSIBILITY TOWARDS LOCAL COMMUNITIES AND THE ENVIRONMENT

Communication

We believe that intelligible and clear communication is the key for the right relations with our employees, clients, business partners, investors and media.

Each and every one of us is responsible for the creation of reputation and renown of the PGO Group. Our goal is for our communication to be always consistent with our current actions. Good external communication is a reflection on internal communication, so we pay great attention to constant improvement in that respect.

Your share: if you talk about the PGO Group, make sure you speak on your own behalf and not on behalf of the PGO Group. You may speak on behalf of the Group only upon obtaining prior authorisation for making such statements.

Charity

The pillar of our social activities involves building and strengthening positive relations with the surroundings. In the PGO Group we wish to have a positive impact on local communities. We support excluded groups and enable people to have better start with social campaigns, material and financial sponsoring.

We support local communities in solving their problems. Our support may be monetary or non-monetary. We offer support with training sessions, sponsoring of events, grants and donations. We verify the organisations we donate to in terms of their charity work, reliability and reputation.

Your share: if you know that an organisation or initiative is worth our support, submit your idea to the HR Department

Environmental protection

The PGO Group is aware of its impact on local communities and the environment. We act on a sustainable development basis. We create relations between economic development and care for natural environment in a responsible manner.

We run our activities in accordance with the applicable provisions of the law and standards on environmental protection and counteracting its degradation. In addition, we set up internal standards that reduce our impact on the environment. In the case of new products, we consider the impact of manufacturing on the environment already at the design stage, so as to comply with the applicable standards, regulations and necessary environmental permits. Furthermore, we try to choose the technical and technological solutions that are most environmentally friendly.

We try to optimise our manufacturing processes on an ongoing basis so as to reduce our impact on the environment. We follow the rules of rational management of resources, including water, power and heat, minimise the quantities of post-manufacturing waste, and employ recycling within the scope of possibility of its further reuse. Our organisation actively supports proper sorting of waste.

Your share: remember to rationally and effectively use water and energy, follow the requirements and procedures on the use, storage and removal of chemicals, waste and hazardous materials, report any suspicions of potential threat to the environment.

Conclusion

We hope that all employees and business partners of the PGO Group embrace the values being the basis for this Code of Ethics of the PGO Group, as only when we act together within the scope of observing ethical rules and standards, we will be able to shape positive reality in both business and social dimension.