

GO Steel a.s.



Code of Business Conduct GO Steel a.s.

Edition 1

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1 Code of Business Conduct of GO Steel a.s.

GO Steel a.s. (hereinafter "Company") has a reputation for honesty and integrity in its management practices and in all its business transactions. For the Company and for each one of us, it is vital to preserve this reputation and maintain the relationship of trust that must exist with all the individuals and companies with whom we have dealings.

In varying degrees of official positions, we are all the custodians of the Company's reputation. Accordingly, the Company expects each one of us to behave in an upright manner.

This Code of Business Conduct (hereinafter "Code") applies to all directors, officers, and employees of the Company. It is designed to help us understand our ethical and legal obligations in handling the Company's business. Although this Code does not cover every situation that may arise, it is intended to establish guidelines to which we can refer in situations where the proper course of conduct may not seem clear.

The guidelines set out in this Code are mandatory and, as such, must be always observed by every one of us.

Our supervisor can advise us and help us make the appropriate decisions concerning our conduct at work and in business contacts.

2 Compliance with Legal Regulations

The Company and its employees must comply with every law regulation that applies to the Company's business. If we are not sure whether a particular legal provision is applicable in a given situation or how it should be interpreted, we should consult our supervisor. Many of the Company's activities are subject to complex and changing legislation governing domestic and international trade and commerce. Ignorance of the law is generally not considered a valid defense when an infraction is committed.

2.1 Competition and Antitrust Policy

The Company is committed to strict observance of the competition and antitrust laws and to the avoidance of any conduct that could be found and considered illegal.

Contracts and agreements may be considered illegal even if they are not made in writing, since the conduct of the party involved can be sufficient to establish that a violation occurred. Consequently, we must not take part in any formal or informal discussions, agreements, negotiations, projects or accords with current or potential competitors related to pricing, terms of sale or bids, selection procedures, division of markets, allocation of customers or any other activity that could restrain free and open competition.

Courts may impose large fines and, in certain circumstances, lengthy prison terms for violations of antitrust laws, and these penalties may be imposed on both employees and companies. In view of the serious legal consequences, at both the civil and criminal levels, to which such violations could expose the Company, the Company will take adequate steps against employees who disobey these laws.

2.2 Bribes to Government Officials

We will not directly or indirectly offer anything of value to any government official, including employees of state-owned enterprises, for the purpose of influencing any act or decision in order to obtain any services or benefits to anyone. We will also

ascertain that any agents we engage to conduct business on our behalf are reputable and that they also will comply with these guidelines.

3 Conflict of Interest

The Company recognizes that each of our employees has own individual interests and encourages the development of these interests, especially where they are beneficial to the community at large. However, we must always act in the best interests of the Company and we must avoid any situation where our personal interests conflict or could conflict with our obligations toward the Company.

As employees, we must not acquire any financial or other interest in any business or participate in any activity that could deprive the Company of the time or the scrupulous attention we need to devote to the performance of our duties.

We must not, directly or through any members of our families or persons living with us or with whom we are associated, or in any other manner

1. have any financial interests that could have a negative impact on the performance of our duties, or derive any financial benefit from any contract between the Company and third parties where we are in a position to influence the decisions that are taken regarding that contract,
2. attempt to influence any decision of the Company concerning any matter with a view to deriving any direct or indirect personal benefit.

We must inform our supervisor of any business or financial interests that could be seen as conflicting with the performance of our duties. If the supervisor considers that such a conflict of interest exists or could exist, he/she is to take the steps that are warranted in the circumstances. If the case is complicated, the supervisor is to bring it to the attention of the Chairman of the Board..

3.1 Receiving Gifts or Benefits

We must not profit from our position with the Company so as to derive personal benefits conferred on us by persons who deal or seek to deal with the Company. Consequently, accepting any personal benefits, such as money, gifts, loans, services, paid vacations, special privileges, offers of living accommodations, with the exception of promotional items of little value, is forbidden.

Any entertainment accepted must also be of a modest nature and the real aim must be to facilitate the achievement of business objectives. For example, if tickets for a sporting or cultural event are offered to us, the person offering the tickets must also attend the event. In general, offers of entertainment in the form of meals and drinks may be accepted, provided that they are inexpensive, infrequent and, as much as possible, reciprocal.

As these instructions cannot cover every eventuality, we are all required to exercise good judgment. The saying «everybody does it» is not a sufficient justification. If we are having difficulty deciding whether a particular gift or entertainment falls within the boundaries of acceptable business practice, we should ask ourselves the following questions:

Is it directly related to the conduct of business?

Is it inexpensive, reasonable and in good taste?

Would I be comfortable telling other customers and suppliers that I received / gave this gift? Other employees? My supervisor? My family? The media?

Would I feel obligated to grant favours in return for this gift?
Am I sure the gift does not violate a law or a Company policy?
In case of continuing doubt, we should consult our Supervisor.

3.2 Political Activities

Employees who run for elected offices are required to inform their supervisor.

Employees who want to participate in activities of a political or public nature must do so in their personal capacity only and during non-working hours.

3.3 Corporate Opportunities

We, as directors, officers or employees, are prohibited from:

- a) taking for ourselves personal opportunities that are properly within the scope of the Company's activities,
- b) using corporate property, information or position for our own personal gain, competing with the Company, unless otherwise authorized by the Board of Directors of the Company.

We owe a duty to the Company to advance its legitimate interests to the best of our ability.

4 Fair Dealing

4.1 Customer Relations

The Company's prosperity is founded on customer satisfaction. The Company expects us to preserve the quality of our customer relations by maintaining business relationships that are based on integrity, fairness and mutual respect. Only clear, concrete and honest information is to be given to our customers. We must be careful to avoid making any statement to a customer that could be misinterpreted. The Company does not tolerate promises to customers which will probably be impossible to keep, regarding product quality, characteristics, delivery times and prices.

4.2 Offering Gifts and Entertaining

The Company expects us to refrain from offering gifts or favours outside the ordinary course of business to current or prospective customers, their employees or agents or any person with whom the Company has a contractual relationship or intends to negotiate any agreements.

Employees who are called upon to do so may incur reasonable expenses for the entertainment of current or prospective customers or other persons who deal with the Company, provided that such entertainment is in keeping with the person's position and is related to business discussions and that appropriate accounts are kept.

4.3 Supplier relationships

Suppliers of the Company are chosen in consideration of objective criteria based on quality, reliability, price, utility and performance or service. Suppliers are to be treated justly, fairly and honestly.

Fees and commissions to consultants are to be paid only in the course of ordinary business relations. Any fees must be substantiated by documentation demonstrating that the amount charged is commensurate with the value of the services rendered.

5 Confidential Information

Data, information and documents pertaining to the Company are to be used strictly for the performance of our respective duties and may be disclosed or communicated to persons outside the Company only to the extent that the information in question is needed by such persons in connection with their business relations with the Company. Information may also be disclosed in the event it is already in the public domain or is required to be disclosed by law or court order. In case of doubt as to whether the information may be disclosed and to whom it may be sent, we should consult our supervisor.

We are required, for the duration of our employment with the Company and after our employment terminates, to keep such information confidential and to use the utmost discretion when dealing with sensitive information. Such information includes, in addition to the technology used by the Company, also intellectual property, business and financial information relating to sales, earnings, balance sheets, business forecasts, business plans, acquisition strategies and other information of a confidential nature.

Confidential information must not be discussed with any unauthorized persons, whether Company personnel or persons outside the Company. We must take the necessary steps to ensure that documents containing confidential information, when sent by fax or other electronic media, are not brought to the attention of unauthorized persons, whether Company personnel or persons outside the Company. We must also take the appropriate security measures when destroying documents that contain confidential information (regardless of the medium by which such documents are recorded).

We must also keep confidential any similar information relating to the organizations with which the Company has a business relationship of any kind.

Public statements on behalf of the Company can be made exclusively by authorized persons. Any request for information concerning the Company that originates with the media or a government agency should be directed to the supervisor or the Chairman of the Board, depending on the nature of the information requested.

6 Personal Information

Personal information, that is, information relating to an individual that allows that individual to be identified, is protected, among other things, by laws in most of the jurisdictions where the Company is doing business. The Company fully supports the objective of such legislation and applies rigorous measures to ensure compliance with its provisions. Any collection, retention, use or communication to third parties of personal information must be carried out in a manner that is respectful of the individual and in full compliance with the law at all times. Except in certain limited cases, personal information is to be used strictly for the performance of our respective duties and may be disclosed to third parties only where such disclosure has been authorized by the individual concerned. Such information must be kept in a secure place. In case of doubt as to the handling of personal information we should consult our supervisor.

7 Protection and Proper Use of Company Assets

7.1 Accuracy of Records

Accounting books, records, files and statements of the Company must faithfully reflect the entirety of the Company's assets and liabilities, as well as all of its operations, transactions and any other items related to its business, without omission or concealment of any kind, in accordance with applicable standards and regulations.

All transactions must be authorized and carried out in accordance with instructions of the management. Transactions must be recorded in a manner that will allow accurate financial statements to be prepared and the utilization of assets to be accounted for.

No file is to be destroyed without the authorization of our supervisor. Such authorization will be granted only if it is in keeping with applicable laws and Company regulations.

7.2 Property of the Company

The loss, theft or inappropriate use of the Company's property is bound, sooner or later, to affect the Company's profitability. The protection of the Company's property by each one of us is a matter of integrity and honesty.

We must use any property of the Company entrusted to us in an appropriate manner, ensure that it is secure, and prevent theft, damage and premature wear from occurring. Company property must be used exclusively for the business of the Company and must not be used for personal purposes unless we first obtain permission from our supervisor.

The Company encourages initiative, creativity and innovation on the part of its employees. Nevertheless, intangible property such as inventions, patents, documents, software, industrial designs and other forms of intellectual property related to the Company's business, created by employees in connection with the performance of their duties, belongs to the Company. Pursuant to any mandatory applicable law, we may not derive profit from, or apply for a patent in our personal name for, any creation or invention conceived or made by us in the course of performing our duties.

Software developed or acquired by the Company must not be reproduced or tampered with, nor may it be used for any purposes other than those intended by the Company. Software that is not owned or licensed by the Company is not to be used on the Company premises or for its business activities.

7.3 E-mail and Internet

The Company owns e-mail and internet systems used in the workplace and thus we should use these systems primarily for work-related communications. Although we each have individual passwords to access the e-mail and internet, the Company reserves the right, subject to applicable law, to access and monitor our use of these systems under appropriate circumstances.

We are strictly prohibited from using the e-mail and internet systems for any improper or illegal purposes, including sending messages that may be viewed as insulting or offensive to another person, such as messages, cartoons or jokes that could be

construed as harassment of others on the basis of race, color, religion, sex, national origin, age or disability.

8 Respect for Rules of Behavior in the Company

8.1 Working Environment without Harassment and Discrimination

The Company is committed to ensuring the working environment without any form of sexual or other harassment, be it the employee-to-employee harassment, the employee to customer/supplier harassment and vice versa.

The Company is committed to ensuring that each one of us is treated with fairness and dignity; accordingly, any discriminatory practice based on race, color, sex, age, religion, ethnic or national origin, disability or any other unlawful basis will not be tolerated. The Company provides each of us with equal opportunity for advancement without discrimination. However, distinguishing between individuals based on the aptitudes or qualifications required for a particular employment does not constitute discrimination.

An employee who believes he/she has been the victim of a situation involving harassment or discrimination should immediately report that situation to his/her supervisor. All such reports will be treated in confidence.

The Company permits family members of existing employees to work for the Company, provided that they are evaluated and selected objectively on the basis of the same criteria as other candidates and provided that their respective positions will not be potentially in conflict or collusion.

8.2 Occupational Health and Safety

The Company makes every effort to provide us with a healthy and safe work environment, to conduct regular inspections so as

to eliminate any dangerous conditions and their causes, and to develop programs dedicated to our safety and well-being. We must abide by the Company's standards in safety matters, do our part to maintain a healthy and safe work environment and take necessary steps to ensure our own safety and the safety of others.

The manufacture, use, purchase, sale, trafficking or possession of substances such as alcoholic beverages (except in permitted circumstances), stimulants, narcotics and other intoxicants is strictly forbidden on the Company premises (or outside the premises while we are on duty).

8.3 Respect for the Environment

Respecting and protecting the environment is an important value for the Company. We must comply at all times with the environmental legislation applicable to the Company and observe the guidelines issued by the Company in this regard.

9 Shared Responsibility

Each one of us is responsible for adhering to the values of the Company in our daily lives as employees of the Company and for making every effort to ensure that these rules of conduct are respected by all employees. There's no need to mention that conduct that is contrary to these rules is punishable by disciplinary action up to and including termination of employment.

10 Waivers of this Code of Conduct

A waiver of any provision of this Code of Conduct will only be given if it is deemed absolutely appropriate under the particular circumstances. A waiver of this Code of Conduct for executive officers or directors of the Company will only be granted by the Supervisory Board of the Company.

11 Reporting any Illegal or Unethical Behaviour

Any behaviour that deviates from this Code must be reported immediately to our supervisor, or the Chairman of the Board. If, after our supervisor has been informed, appropriate steps still have not been taken, we should personally bring the matter to the attention of the Chairman of the Board. It is the policy of the Company not to allow retaliation of reports of misconduct by others that we make in good faith. Employees are expected to cooperate in internal investigations of misconduct.