

 <p>Walcownia Metali „Dziedzice” S.A.</p>	
<p>Date:</p>	
<p>12th June 2014r.</p>	<p>CODE OF ETHICS 2014</p>

I. INTRODUCTION

The establishment of this Code of Ethics is designed to ensure that the conduct and development of economic activities shall conform to national and transnational legal and ethical norms. The guidelines contained in it do not invalidate other rules and regulations under the applicable legal requirements, but focus on selected issues that Walcownia Metali "Dziedzice" S.A. sees as critical to ensure the proper conduct of its business and maintained business relationships.

Walcownia Metali "Dziedzice" S.A. requires from its employees and representatives, that all actions taken by them are in conformity with:

- the law, both national and transnational - in force in the State in which the Company's activity is carried out;
- detailed rules laid down by Walcownia Metali "Dziedzice" S.A. contained in this Code of Ethics and other regulations and internal procedures.

Special obligation is imposed on persons holding managerial positions who are required to strictly comply with the rules set out in this Code, but also to help and support their subordinates in the proper interpretation and application of the principles of ethics which are in force in Walcownia Metali "Dziedzice" S.A.

II COMPLIANCE WITH THE FUNDAMENTAL HUMAN RIGHTS

Under the Dodd-Frank "Conflict Minerals" Act, Walcownia Metali "Dziedzice" SA monitors that the minerals used do not originate from countries where their production is related to the escalation of armed conflict and human rights violations.

Acting in accordance with the objectives of the UN Global Compact program, Walcownia Metali "Dziedzice" S.A. undertakes to comply with and promote fundamental rights defined in the Universal Declaration of Human Rights, dignity and individual worth, the right to privacy of employees and equality between women and men. In particular, Walcownia Metali "Dziedzice" SA monitors compliance with the following principles of human rights, labor standards and environmental protection, as defined in the UN Global Compact program:

1. CHILD AND ADOLESCENT LABOUR

Walcownia Metali "Dziedzice" SA complies to the provisions of national law concerning the employment of children and adolescents (persons between the age of 16 and 18):

- Complies to the unconditional prohibition of employment of children under 16 years of age,
- Applies to the provisions of Convention No. 138 of the International Labour Organisation (ILO) on the work of adolescent people.

2. EMPLOYMENT OF PEOPLE WITH DISABILITIES

Walcownia Metali "Dziedzice" SA complies to the provisions and regulations of national law regarding the employment of people with disabilities.

3. DISCRIMINATION

Walcownia Metali "Dziedzice" SA complies to existing national legislation on the prevention of discriminatory practices in the workplace. This means that under the Walcownia Metali "Dziedzice" SA it is not allowed to deny access for any candidate to participate in recruitment procedures, internship or training conducted by the company, just as it is not allowed to punish, fire or discriminate against any employee, directly or indirectly, in respect of the salary, improving professional skills, transfer to another position, performance assessment, career development, internal transfers or renewal of the contract because of the employee's social origin, ancestry, material situation, ideological beliefs, gender, sexual orientation, age, family situation, genetic features, actual or attributed affiliation (or lack thereof) to a particular ethnic group, nation, or race, political opinions, trade union membership, religious beliefs, physical appearance, obesity or name. No employee may also be punished, fired or discriminated against for having testified in good faith about the occurrence of the above practices and that informed the relevant authorities.

4. SEXUAL HARASSMENT AND MENTAL ABUSE

Each employed person has the right to work in a healthy environment, free from any coercion deemed illegal by the rules and practices in force in the State in which the Walcownia Metali "Dziedzice" SA conducts its business.

Walcownia Metali "Dziedzice" SA forbids in particular any legally prohibited conduct that would constitute sexual or psychological harassment, in any situation, not only in 'supervisor – subordinate' relation. Such proceedings could be regarded as unlawful sexual or psychological harassment, and for this reason prohibited when:

- consent to such a procedure is presented, explicitly or covertly, as a condition of an individual's employment,
- decisions on the course of an individual's employment is subject to the consent or rejection of such conduct, or
- proceedings of this type has influence and fundamentally affects the way in which a person performs their job, or creates a difficult to bear, unpleasant, intimidating or offensive to the employee's personal dignity atmosphere in the workplace.

All complaints of sexual or mental abuse will be resolved with strict confidentiality. Any employee who believes was the victim of harassment should promptly notify their supervisors or directly the Head Office, the President of the Board General Manager or the Member of the Board Production Director. Filing such a complaint is tantamount to an immediate undertaking steps to clarify and assess the conduct constituting the object. If the complaint proves to be well founded, appropriate disciplinary action will be taken regarding the person committing the harassment.

5. HEALTH AND SAFETY

A sense of safety in the workplace as an important factor for each employee is also a priority for Walcownia Metali "Dziedzice" S.A. We take measures to prevent any kind of job security threats, including potentially accidental incidents, accidents and occupational diseases. We create and promote safe and friendly working conditions.

We focus on education and raising employees' awareness about the risks at workplaces and ways of avoiding them. We motivate employees to exhibit their own initiative to improve their working conditions by a functioning improvement system.

III SUSTAINABLE DEVELOPMENT POLICY

1. ENVIRONMENT

One of the priorities of Walcownia Metali "Dziedzice" S.A. is environmental protection and the efforts to permanently increase it.

The main objectives of Walcownia Metali "Dziedzice" SA in the field of environment protection are:

- reduction of noise emission,
- reduction of emissions to the atmosphere,
- rational water, materials, waste and energy management.

For many years Walcownia Metali "Dziedzice" SA has taken proenvironmental measures aimed at reducing the negative impact on the environment. These activities are carried out comprehensively and consist of:

- reduction the consumption of energy utilities, especially electricity and natural gas, through the modernization of old or purchasing new, more fuel-efficient, equipment
- reduction of emissions to the atmosphere, through the optimization process and the use of equipment that reduces the amount of emitted pollutants
- elimination of raw and environmentally unfriendly materials
- limiting the amount of waste from the manufacturing process, through their recycling and management.

Walcownia Metali "Dziedzice" SA has a regulated formal and legal status for all elements of the environment protection. In accordance with the decisions of integrated permits and water permit, the Company regularly performs the imposed environmental monitoring duties in the field of noise emissions, emissions to the atmosphere, and monitoring the quality of sewage discharged in the manner provided in the applicable Regulations on the use of water as well as the obligation to PRTR.

For the emission of pollutants into the atmosphere, the water consumption and the introduction of pollution from sewage charges to surface waters, the Company pay receivables on a regular basis, on a bank account of the Marshal's Office in Katowice.

Waste management in the Company is regulated by the appropriate instructions: "Management of waste generated in Walcownia Metali "Dziedzice" S.A.

Walcownia Metali "Dziedzice" S.A. in their activity does not exceed permissible standards and does not pay any penalties in relation to the impact on the environment.

2. HUMAN RESOURCES

a) Freedom of speech and the principle of social dialogue

Walcownia Metali "Dziedzice" S.A. is trying to create a relationship based on mutual trust at every level of its business, by encouraging their employees to speak freely about the work environment.

To this end, Walcownia Metali "Dziedzice" S.A. informs their employees or their representatives about its activities in a timely manner and taking into account all the laws and regulations in force in the field of information and employee consultation.

b) Employees' personal development

Walcownia Metali "Dziedzice" S.A. creates an attitude of employees' engagement through increased responsibility and autonomy of the work and support of co-management in the organization of work processes, training and skills development.

c) The Company's participation in professional training programs

Walcownia Metali "Dziedzice" S.A. takes an active part in professional training programs by creating the opportunity for candidates to take internships in the company.

IV BUSINESS ETHICS

1. COMPETENT CAPITAL, SERVICE AND ASSET MANAGEMENT IN WALCOWNIA METALI "DZIEDZICE" S.A.

a) General rules

Management of the Company's capital, services and assets for illegal and contrary to law purposes is strictly prohibited. Walcownia Metali "Dziedzice" S.A. does not apply any reliefs to any person, nor does it offer any other unauthorized or unlawful benefits, through direct deposit or giving gratuities or any other monetary or material benefits. It also prohibits the acceptance of money and other material benefits from both, the organized units and individuals, contrary to applicable laws and internal regulations.

b) Funding of political parties

Walcownia Metali "Dziedzice" S.A. does not provide any funds in any form to political parties, persons holding political function or candidates. This rule does not cease to apply, even if this type of financial or material aid is permitted under the provisions of national law in force in the country.

c) Illegal payments to the administrative authorities and officials

It is unacceptable to transfer any funds in order to obtain favorable, from the Company's point of view, decisions of administrative and government authorities. Offering gifts and services to the employees of these institutions and persons involved in the managerial positions, as well as financing their participation in lavish parties is prohibited. Such initiatives may in fact be interpreted as an attempt to put pressure on the government and administrative authorities in matters directly concerning the interests of Walcownia Metali "Dziedzice" S.A.

d) Integrity in the conduct of accounts, books or records

All assets, liabilities, expenses and other transactions carried out by Walcownia Metali "Dziedzice" S.A. should be recorded in the appropriate books and accounts. It is strictly prohibited to create and maintain any undisclosed funds and off-balance sheet of the Company's or its entities' assets. It is not allowed to approve and execute any payments if part or all serves purposes other than those specified in the documents. The books and records of Walcownia Metali "Dziedzice" SA and its affiliates cannot contain any false and having no basis in reality entries.

2. RELATIONS WITH CUSTOMERS, SUPPLIERS AND PRODUCERS

a) Gifts and other gratifications

It is forbidden to accept gifts or other gratuities from customers or suppliers, that have value other than symbolic, regardless of their form (money, material goods, services, paid entertainment, travel, etc.). If the refusal to accept the gift or its return can be counted as an impolite act, gifted person has an obligation to inform the President of the Board General Manager or Member of the Board Production Director about the gift. Director, having regard to the provisions of this Code of Ethics, shall make appropriate decision on the gift in question. Also, gifted person will be required to contact to the supplier or client asking to refrain from offering such gifts in the future.

It is forbidden to transfer any cash or other material gratifications, directly or indirectly, to representatives of the supplier or the customer, in order to sign the contract or gain any other financial or commercial advantage.

It is strictly forbidden to offer gifts to current or potential customers or suppliers or to offer them any services and benefits of more than symbolic value. The exception may be the possible benefits

of participation in trade fairs, special events, etc. targeted to a wider group of customers or counterparties, provided that the consent for their organization has been expressed by the President of the Board General Manager or the Member of the Board Production Director.

b) The choice of service and products providers

During the selection of services and products suppliers Walcownia Metali "Dziedzice" S.A. is driven only by values such as quality, demand, results and costs. During discussions with suppliers, leading and supervising staff should act primarily in the interest of the Company, not exceed the limits of the law, use all available opportunities and negotiate the most favorable contract terms for Walcownia Metali "Dziedzice" S.A. This precludes the application of any preference for friends and acquaintances, as well as discriminatory practices prohibited by this Code of Ethics.

c) Consultants and other stakeholders

Agreements between Walcownia Metali "Dziedzice" S.A. and its agents, representatives, consultants and other service providers should include specific and clear records of the services provided, the base wages or prices, as well as all other relevant conditions of service. The salary is calculated and transferred according to the actual services. The above-mentioned agents, representatives and advisers may act on behalf of and for the Walcownia Metali "Dziedzice" SA only with special written authorization from the Management Board.

d) Investments with suppliers and customers

No employee is allowed to invest private funds in the capital of the supplier / customer that has any business dealings with Walcownia Metali "Dziedzice" S.A., both in terms of its parent company and its subsidiaries; nor can lend such supplier / customer money. The exception is the purchase of movable property put up for auction, or purchase of securities in the public offering performed regard to applicable laws and internal regulations of Walcownia Metali "Dziedzice" S.A.

e) Buying products and services from suppliers for private use

When purchasing goods for private use from suppliers, employees are not allowed to invoke the connection to Walcownia Metali "Dziedzice" S.A. in order to obtain the same financial discounts and terms of sale, which are granted to Walcownia Metali "Dziedzice" S.A.

3. COMPLIANCE WITH COMPETITION LAW

Walcownia Metali "Dziedzice" S.A. strictly complies to the provisions of competition law in force in the European Union and the State, on the territory of which it conducts its business. This concerns in particular the prohibition of any formal or informal arrangements, contracts, projects, agreements between companies competing in terms of their pricing policy, the area of activity, influence on the market and customers.

Employees of Walcownia Metali "Dziedzice" S.A. are not allowed to sign any agreements of this type with the Company's competitors. In addition, membership in professional associations, whose members include representatives of competing companies requires special permission from the President of the Board General Manager or the Member of the Board Production Director.

4. COMPLIANCE WITH INDUSTRIAL PROPERTY RIGHTS OF THIRD PARTIES

It is unacceptable to deliberately violate industrial property rights of third parties, regardless of the reason, even if it entails the risk of losing a part of the market, the possibility of business development or obtaining the contract, etc.

V PROFESSIONAL ETHICS

1. CONFIDENTIALITY

a) The confidentiality of employees' personal data

Information regarding the employees' personal data, private lives, as well as information relating to the evaluation of their work and results, possible promotion and received salary are confidential and should be kept secret. Access to such information is restricted to authorized personnel.

Each employee should demonstrate due diligence in maintaining the confidentiality of information relating to him/her.

It is forbidden to acquire information about other employees, unless it takes place within the confines of the person's duties and responsibilities.

With the exception of authorized personnel, employees have access only to data that concern them directly.

b) Confidentiality of documents and information concerning Walcownia Metali "Dziedzice" S.A.

No employee may use or share with third parties confidential information about Walcownia Metali "Dziedzice" S.A., regardless of the source from which they were received, or how the employee came into their possession. Any violation of this rule may entail legal consequences under the relevant provisions of labor law, civil law and criminal law.

Confidential nature possesses, in particular, information regarding the content and terms of projects and contracts concluded by Walcownia Metali "Dziedzice" S.A., Company's commercial and financial data, confidential data submitted by contractors or covered by a confidentiality agreement signed by Walcownia Metali "Dziedzice" S.A., as well as intellectual property rights, applied technology, software and hardware.

It is prohibited to distribute these information without the prior consent of the President of the Board General Manager or the Member of the Board Production Director of Manufacturing.

2. PROTECTION OF THE COMPANY'S PROPERTY

All employees of Walcownia Metali "Dziedzice" S.A. are responsible for the proper use of the Company's assets and resources, including goods related to intellectual property, technology, media and information technology hardware, software, real estate, equipment, machines and tools, components and raw materials.

To this end, employees of Walcownia Metali "Dziedzice" S.A. are in particular obliged to:

- Use the Company's assets in accordance with the rules and procedures in force in Walcownia Metali "Dziedzice" S.A.;
- Take all necessary steps to prevent unauthorized use of the assets by a third party (including family members);
- Use the Company's assets only in certain places, and if this is done in employee's house, the use is allowed solely for professional purposes;
- Protect of all passwords and codes to prevent unauthorized access to the Company's computer data;
- Not copy programs produced in Walcownia Metali "Dziedzice" SA: procedures, manuals, presentations, databases and other programs, for purposes other than business, without the authorization of the President of the Board General Manager or the Member of the Board Production Director or an explicit permission of a member of management;
- (In the event of expiration or termination of employment in Walcownia Metali "Dziedzice" S.A.) return to the employees of Head Office all documents containing confidential information without retaining any copies of these documents and all other assets used during work (regardless of reason for leaving the Company: retirement, termination of the contract of employment or any other reason).

3. TELEPHONES, E-MAIL AND INTERNET

Walcownia Metali "Dziedzice" SA uses telephone, web and email communication systems. These systems should be primarily used for communication purposes related to the employees' official duties. With regard to the law regulations connected with the subject, the Company reserves the right to inspect and supervise the compliance of the use of these systems in appropriate circumstances.

It is absolutely forbidden to use email and the Internet for improper or unlawful purposes, including messaging, which could be considered offensive or that could be considered harassment, such as text messages, pictures or jokes that could be considered for discrimination on the grounds of race, because of race, color, religion, sex, age, nationality or disability.

4. LOYALTY

All employees of Walcownia Metali "Dziedzice" S.A. are obliged to perform their duties as defined in the employment contract. Therefore, any activity that could cause a conflict of interest between the employee and the Walcownia Metali "Dziedzice" S.A. is not allowed.

5. CONFLICT OF INTERESTS

A conflict of interest occurs when an employee or his/her relative that is linked by marriage, consanguinity or affinity to the second degree, may derive a personal benefit from the transaction regarding Walcownia Metali "Dziedzice" S.A., as well as in cases where the employee is trying to involve a company from which he/she or his/her relative derives a personal benefit in such a transaction.

If in doubt, employees should refer to the Company's authorities to determine whether the proposed transaction would contribute - or not - to a conflict of interest.

6. ALCOHOL, DRUGS AND CIGARETTES

Walcownia Metali "Dziedzice" SA prohibits the distribution, sale, purchase, possession and consumption of illegal drugs in the workplace.

The same prohibitions apply to alcohol. Smoking tobacco in the workplace is prohibited, with the exception of specially designated areas.

VI COMPLIANCE WITH THE CODE

1. Each employee of Walcownia Metali "Dziedzice" S.A. is obliged to familiarize themselves with this Code of Ethics, to understand and comply with, and, if necessary, remind the rules and principles during the performance of his/her duties as well as in the workplace. It is the responsibility of the Company's managerial staff to make sure that all employees of Walcownia Metali "Dziedzice" S.A. know and apply the principles of this Code.

Exceptions: Unless regulations this Code provide otherwise, any departure from the provisions set out in this Code of Ethics and rules arising from them must obtain a written approval of the President of the Board General Manager or the Member of the Board Production Director.

2. Interpretation: every employee of Walcownia Metali "Dziedzice" S.A. having doubts as to the compatibility of their acts with this Code, should discuss the matter with their supervisor or the Head Office Director, in order to obtain sufficient information about the terms and scope of the Code of Ethics. Questions concerning the interpretation, scope and application of the Code of Ethics should be sent to the Head Office Director, who will prepare an appropriate response, if necessary in consultation with the President of the Board General Manager or the Member of the Board Production Director.
3. Attestation: managerial staff and some other employees of Walcownia Metali "Dziedzice" S.A. designated by the President of the Board General Manager and the Member of the Board Production Director are required to certify in writing that they comply with the requirements of the Code of Ethics.

4. Sanctions: Any violation of this Code may lead to appropriate sanctions implemented by Walcownia Metali "Dziedzice" S.A. These sanctions arise from existing criminal law and the Company's internal regulations, which include:

- Labour Code,
- Walcownia Metali "Dziedzice" S.A. Work Regulations

Prepared by:

Plenipotentiary
for the Quality System

Dominika Pajda



Approved by:

President of the Board

General Manager

Jan Woźniak

