



**SUSTAINABILITY  
REPORT**

BONATRANS GROUP a.s.



**GREEN WHEELSET**



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# INTRODUCTION



Dear business partners, colleagues, dear readers,

Welcome to the new Sustainability Report of our company. We would like to introduce to you everything that we have achieved in the social responsibility and sustainability areas, and also what our goals and priorities are in future.

Our product, the wheelset, is one of many rolling stock components and subsystems. Nevertheless, it is a unique component in terms of safety, as it physically connects the vehicle with the track. The railway transport, of which we have been a proud part since 1965, is today not only a fundamental pillar of the world transport infrastructure, but in many aspects also a key area for the environment, its improvement both locally and globally. Of all modes of mass transport of goods and passengers, the railway has the lowest energy intensity thanks to the low rolling resistance of the wheel rolling on the rail. It thus provides room for absolute reduction of CO<sub>2</sub> emissions for the present transport volumes and also for their future growth.

As the company with a strong research and design background, we feel obliged to further increase the rail transport competitiveness. We focus on development of innovative products with longer service life and on further improved performance, in order to contribute to a more sustainable mobility. Our ultimate goal is a lower carbon footprint and lower energy consumption, as well as lower noise emissions throughout the overall wheelset life cycle.

We made a commitment in 2023 to continuously reduce the carbon footprint. The commitment had been preceded by a hard work in the preparatory stage. We were among the first in the Czech Republic who started measurement of the carbon footprint, assessing individual production stages and scopes (in terms of the GHG protocol). Based on this thorough analysis, we defined the total of 33 measures to reduce the carbon footprint. Their implementation until 2030 will help us to reduce CO<sub>2</sub> emissions of the average product by 20% compared to 2021. At the same time, we invest into new production technologies with lower energy intensity. In the energy area, these include photovoltaic power stations or utilisation of waste heat from the production process.

Our employees are our greatest assets, the foundation of our success. We support them and invested namely in areas where they live, raise their children and take care of their parents. Within the BONAGRANTS program, we support projects beneficial for local communities, in which our employees participate in their leisure time. We have realized about two hundred such projects since 2016. Jitka Cechlová Komárková founded the JCK Foundation primarily as an additional tool in the event of difficult life situations of our employees or their relatives.

It is my honour to lead the company whose goal is not only to achieve economic success but also to actively contribute towards sustainable future. Thank you to all our business partners, employees and owners for helping us to make the world a better and more sustainable place for the benefit of all of us and future generations.

Yours sincerely

**Jakub Weimann**

Member of the Board of Directors, Managing Director

## ABOUT THE COMPANY

### Vision

Pioneers of wheelset solutions: always bringing new solutions for even more sustainable rail transport anywhere in the world.

### Mission

We continuously strive for sustainable and profitable growth, driven by innovations in products, services and processes, supported by highly motivated team from around the world.

We fully accept our social responsibility and contribute with our activities to improvement of society and the environment.

We increase satisfaction of all stakeholders, customers, employees, shareholders and many others.



### Values

#### EXPERTISE

Wheelset development and production requires special knowledge, experience and continuous self-improvement. Our expertise has developed over many decades and cannot easily be transferred or replicated. It is at the core of our services.

#### INNOVATION

We see production of wheelsets and parts thereof as a never-ending process with many changes and challenges. Our internal engine is an innovative approach that helps us to keep our products at the cutting edge of our industry.

#### PERFORMANCE

We are one of the leading global suppliers of wheels and parts thereof. Our dominant position is the result of hard work, premium product quality and strong drive for success and growth.

#### QUALITY

We strive for a perfect product that meets the customer's needs, and continuously improves its qualities and performance throughout its lifetime. Premium product quality is a must to guarantee reliability and safety during use.

#### PASSION

We are focused, persistent, detail-oriented and passionate about the product application. We are proud of our contribution to the industry, numerous innovations, global reach and the overall success of our company.



HISTORY

<p>1965</p> <p>Establishment of ŽDB Railway Wheelset Plant</p>	<p>1970</p> <p>First deliveries for passenger trains</p>	<p>1975</p> <p>First locomotive wheels for 200 km/h speed</p>	<p>1977</p> <p>First deliveries to Western Europe</p>	<p>1991</p> <p>DB German Railways certificate</p>	<p>1992</p> <p>First deliveries to Asia</p>
<p>1994</p> <p>Establishment of an independent design department</p>	<p>1995</p> <p>First deliveries to the Americas</p>	<p>1997</p> <p>First deliveries to global manufacturers of passenger trains and locomotives</p>	<p>1998</p> <p>First deliveries of BONATRANS stress optimised freight wheelsets</p>	<p>1999</p> <p>Accreditation of the metallurgical testing laboratory</p>	<p>2008</p> <p>Accreditation of the fatigue testing laboratory</p>
<p>2010</p> <p>Products of own design exceeded 50% of sales</p>	<p>2012</p> <p>Launch of the new wheel heat treatment line</p>	<p>2016</p> <p>Start of production in Bonatrans India, establishment of Bonatrans Asia</p>	<p>2021</p> <p>Completion of the wheel rolling plant modernization</p>	<p>2022</p> <p>Modernisation of the Wheel Line I</p>	<p>2023</p> <p>Environmental investments – Photovoltaic power plant, heat recuperation</p>



# PRODUCTS

## WHEELSETS

The wheelset that carries the entire weight of the rail vehicle is one of mankind's most amazing inventions. The self-steering effect of the wheelset allows the train to run on rails safely and efficiently even at high speeds. The wheelset consists of two wheels connected with the axle, and of bearings that connect the wheelset with the rail vehicle. Depending on the application, the wheelset can also be fitted with a drive, brake discs, or other components.



## WHEELS

Due to the low rolling resistance of the wheel during its rolling on the rail, the railway is one of the most efficient and environmentally friendly modes of transport ever. Compared to other modes of transport, it takes much less energy to transport goods or people. Innovative steel grades significantly extend the service life of wheels, and thus reduce the carbon footprint of the rail vehicle.



## AXLES

The axles transfer the weight of the rail vehicle and of the load onto wheels. Axles with a longitudinal bore are used namely in traction vehicles to reduce weight. The service life of modern induction hardened axles is comparable to the service life of the rolling stock.



## REPLACEMENT PARTS

Rolling stock requires regular maintenance and replacement of worn parts during its lifetime. We often develop and manufacture replacement wheels and axles with longer service life, extended service intervals and better overall performance for rolling stock modernizations.



## NOISE DAMPERS

Modern noise dampers are designed for assembly in the wheel. They efficiently dampen the noise related to the rolling of the wheels on the rail, and this contributes to the reduction of noise emissions, which is appreciated especially in densely populated areas, metro tunnels, etc.



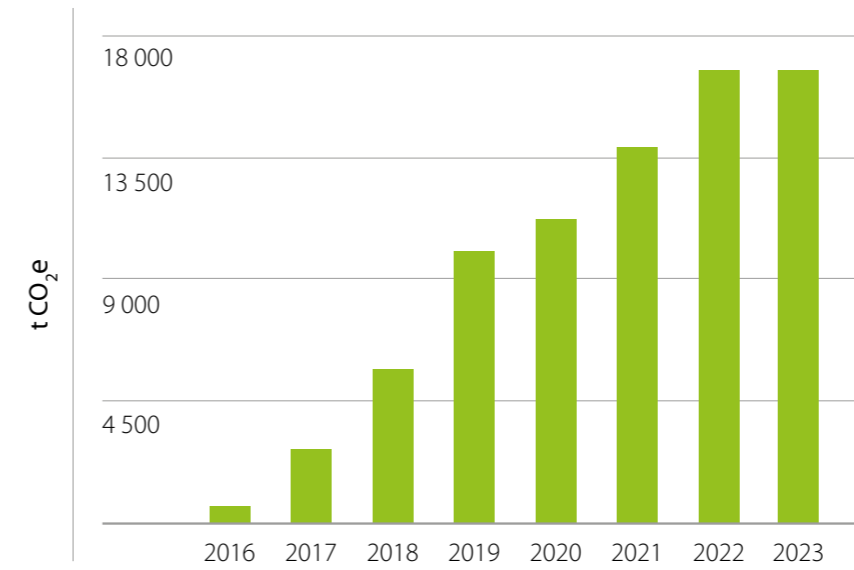
## SERVICES

The care for the product does not end when the product is sold. We provide our customers with complete care for the product throughout the entire product life cycle and also consulting services aimed at, among others, reduction of life cycle costs of products and the related carbon footprint.

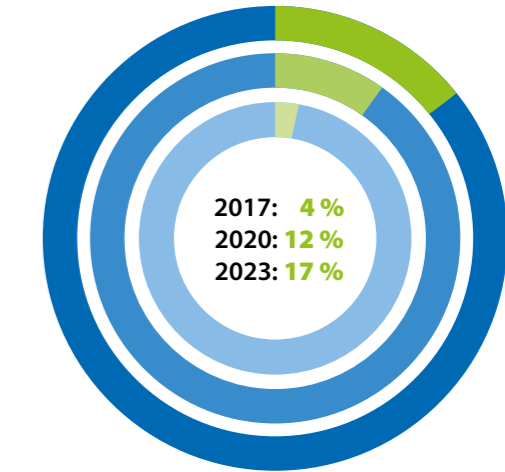


## REDUCING OUR CUSTOMERS' CARBON FOOTPRINT

Innovative products reduce the carbon footprint and also reduce the costs of rolling stock operators.



CO<sub>2</sub> volumes our customer saved thanks to innovative products



■ Innovative products with longer service life   ■ Other products

Share of innovative product with longer service life

## PRODUCTION PROCESS



We regularly assess and evaluate processes and results with regard to sustainability. We pursue the latest developments and technologies in eco-design and production to keep moving forward.

We minimize energy consumption, reduce waste, and use resources efficiently.

We work on continuous improvement of processes to minimise the carbon footprint and achieve the highest sustainability level.



CUSTOMERS



The world's biggest rolling stock manufacturers are our longtime customers in the field of supplies for production of new rolling stock.

CUSTOMERS

SELECTED REFERENCES

Locomotive and passenger transport segment



Freight wagons, bogies and special rolling stock segment



Leasing companies and private rolling stock owners



CUSTOMERS

Railways



City transport undertakings

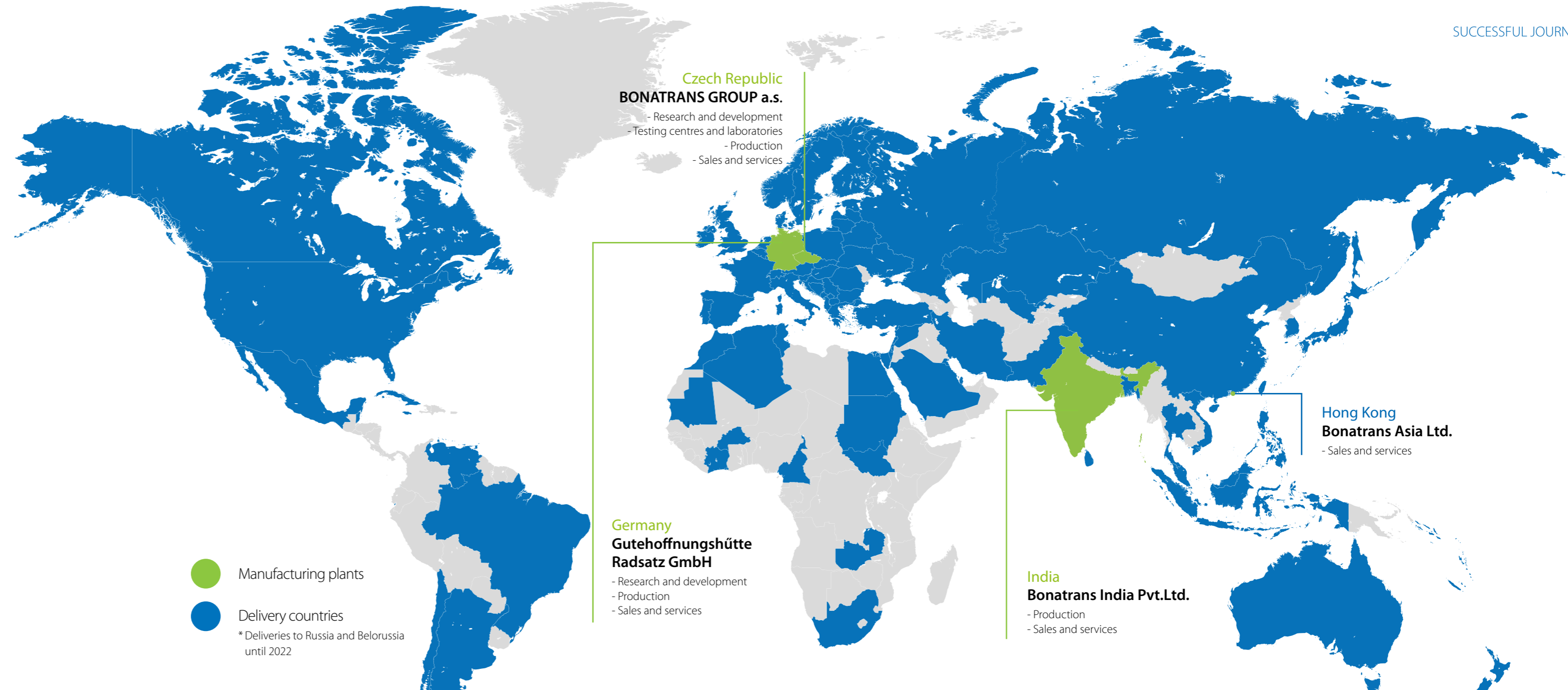


# SUCCESSFUL JOURNEY

BONATRANS, with the tradition since 1965, is the biggest European and the only Czech manufacturer of railway wheelsets and their parts, namely wheels and axles.

We employ over 1,500 employees, our sales in 2023 reached CZK 8.7 billion, and 90% of our sales are related to exports.

In addition to the parent plant in Bohumín, Czech Republic, we have manufacturing plants in Oberhausen, Germany, and in Aurangabad (Sambhajinagar), India.



● Manufacturing plants

● Delivery countries

\* Deliveries to Russia and Belorussia until 2022

## MEMBERSHIP IN INTERNATIONAL AND NATIONAL ORGANIZATIONS



## BONATRANS is an active member of:

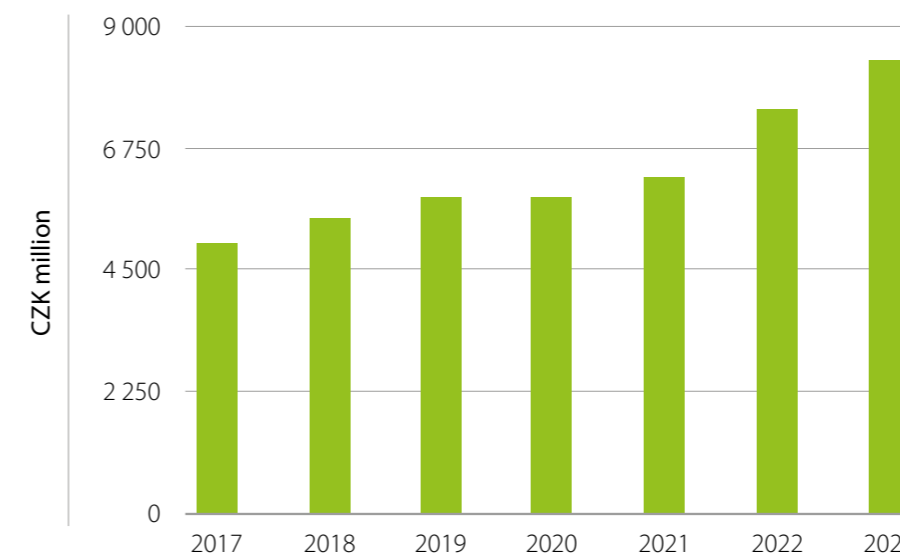
- **European Rail Supply Industry Association (UNIFE)** gathering European railway supplier companies, active in designing, manufacturing, maintaining and overhauling railway transport systems, subsystems and related equipment,
- **European Railway Wheels Association (ERWA)** gathering European manufacturers of railway wheelsets,
- **Association of Czech Railway Industry Companies (ACRI)** that together create about 20,000 jobs, and to which 30,000 jobs of subsuppliers are related,
- **Confederation of Industry of the Czech Republic,**
- **Czech Forging Industry Association,**
- **Association of Social Responsibility.**

This is not the complete list of organizations with which we cooperate. We support many initiatives and environmental organizations, especially those related to promotion of rail transport as one of the pillars of sustainable transport of freight and passengers.

Entire generations of real experts have been contributing to the gradual wheelset development. With respect for the past, but also forward-looking, the pioneers of wheelset manufacturing create high quality solutions for rolling stock all over the world thanks to masterful skills and expertise passed on from generation to generation.

We supply a complete range of first-class products and reliable solutions: high-speed railway and locomotive wheelsets, resilient wheels and noise damping solutions.

A relentless spirit of passion for excellence enables the birth of new innovative solutions that drive the entire industry forward.



Development of product and service sales

## STABLE GROWTH DEVELOPMENT



AWARDS RECEIVED



SUSTAINABLE DEVELOPMENT GOALS



IRIS Certification

5 – 8 %  
of the annual turnover

Increased  
**EFFICIENCY AND AUTOMATION**  
(measurement, marking, surface protection, logistics, etc.)

RESEARCH AND DEVELOPMENT

**23%**  
share of innovative products in the total sales

**15**  
research and development projects annually

**EUR 8 million in the last 10 years**  
CAPEX in testing equipment

SUPPORTING INNOVATIONS AND CAPEX IN MODERN PRODUCTION

Targeted modernisations of production plants and implementation of new technologies lead to a significant reduction in environmental footprint.

We therefore invest a large part of our income in modern production lines and their equipment.

## ENVIRONMENT

### We do business in rail transport

Rail transport is one of the most environmentally friendly modes of transport ever. Its advantages are lower CO<sub>2</sub> emissions per transport distance, and also its energy efficiency and the ability to transport large amount of cargo with minimum energy expenditure.

And all that thanks to the minimum rolling resistance of the wheel on the rail.

## Current challenges in the railway sector

The goal of the European Green Deal is to reduce emissions from the transport by 90% so that carbon neutrality can be achieved in 2050. Transport currently accounts for a quarter of greenhouse gases produced in the EU.

## Sustainable development goals

We have used 17 Sustainable Development Goals (SDGs) defined by the United Nations to develop our social responsibility strategy.

In order to allocate efforts more effectively across individual aspects of our business, we have divided SDG goals, based on the performed analysis, into three groups according to potential benefits of their solutions for achievement of social responsibility goals.

## Our Sustainable Development Goals

### Sustainable strategy and partnerships (transformation towards sustainable development)

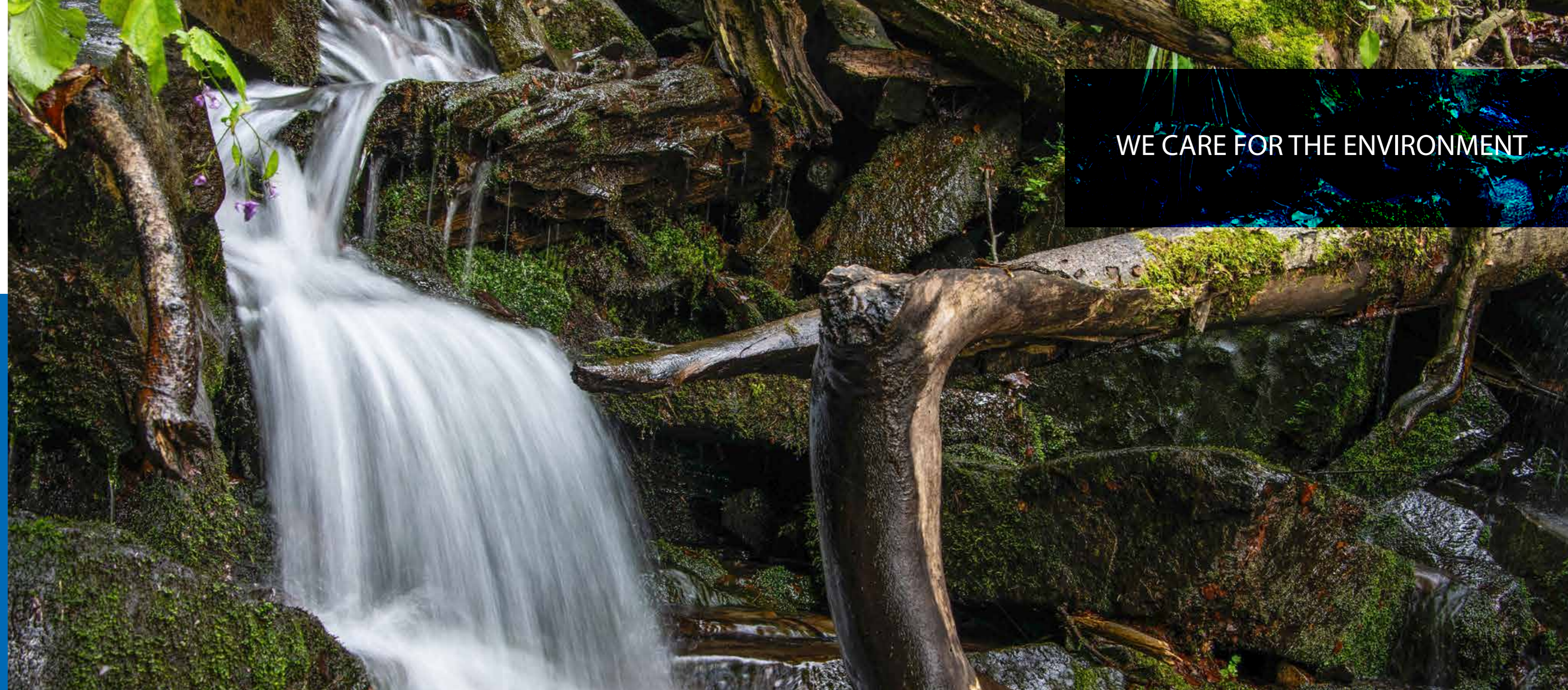


## Environment and climatic responsibility



## Social and supporting





Environment protection has been an integral part of our product strategy for many years. We are committed to it not only by the ISO 14001 certificate, but also by our pride in what we have already achieved in this respect.

Our company is located in the Ostrava geological basin, where black coal has been intensively mined for many years.

Our goal, as well as the goal of cities and local communities in this area, is to gradually restore this valuable landscape with high biodiversity and return it as close as possible to its natural state.



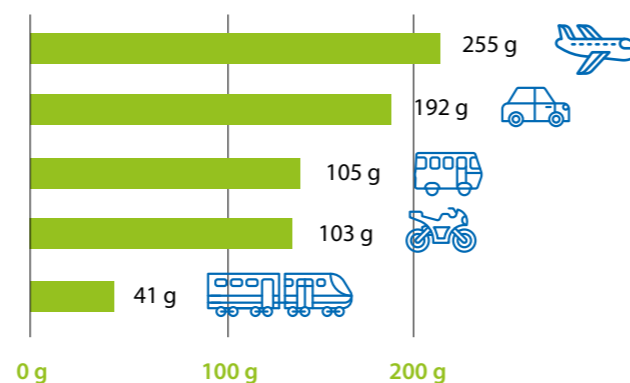
## ENVIRONMENTAL APPROACH

### Support of sustainable mobility

As the company operating in the railway sector, we strive to maximally support the development of this environmentally friendly mode of transport of passengers and goods.

The European Committee adopted a comprehensive strategy "Transport 2050" with the aim, in addition to other things, to reduce the EU dependence on oil import and reduce carbon emissions in transport by 60% until 2050. One measure is to shift 50% of medium-distance transport in the intercity passenger and freight transport from the road transport to the rail and water transport.

### CO<sub>2</sub> emissions produced in transport

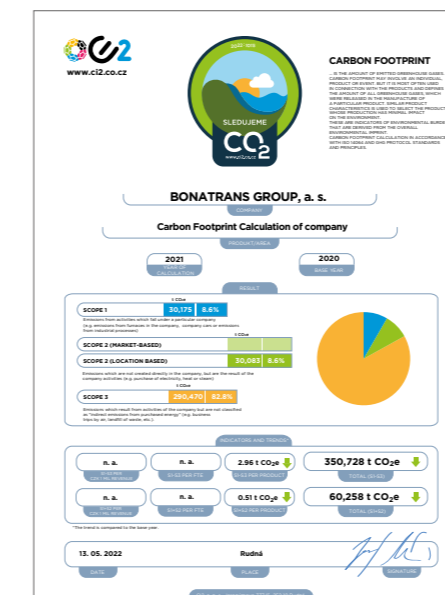


Shown in gram eq. CO<sub>2</sub> converted to person-kilometres

### We were among the first

The goal of our company is to achieve a significant carbon footprint reduction. We therefore decided to be one of the first companies in the Czech Republic that do not only monitor the carbon footprint but also actively seek and implement possibilities for its reduction.

BONATRANS performs annually the carbon footprint calculation according to the GHG methodology for Scopes 1 to 3. For this purpose, we monitor the consumption of energy, fuel, purchased raw materials and other inputs, transport of our inputs and products, and a number of other data. This monitoring and measurement are important. It is the only way to make sure that we are on a right track to meet our goals.



## MOVING TOWARDS CARBON NEUTRALITY

# CARBON FOOTPRINT REDUCTION TARGETS UNTIL 2030

Our strategic goal is to reduce, until 2030, the CO<sub>2</sub> emissions per production of an average product by at least 20% within the Scopes 1 and 2 compared to 2021.

Within our carbon footprint reduction project, we have identified the total of 33 measures that we gradually implement.

### Emission reduction measures by scope

	Scope 1	Scope 2	Scope 3
Measures to be implemented in 2023	8	12	14
Measures to be implemented within the Strategy 2028	7	7	7
<b>Total</b>	<b>15</b>	<b>19</b>	<b>21</b>

### Expected reduction of CO<sub>2</sub> emissions after implementation of measures

	Expected reduction of CO <sub>2</sub> emissions (t/year)
Measures to be implemented in 2023	3 500
Measures to be implemented within the Strategy 2028	11 500
<b>Total</b>	<b>15 000</b>

### Goals for reduction of CO<sub>2</sub> emissions by 2030

	Expected reduction of CO <sub>2</sub> emissions (%)
Scopes 1 to 3	4 %
Scopes 1 to 2	22 %

Project	Implementation	Positive impact on scope		
		1	2	3
Circular scan	2023			
Product innovations and promotion of innovative products with low carbon footprint	2023			
Optimisation of the axle forging process	until 2028			
Promotion of rail transport	2023			
Extending the use of returnable metal pallets for wheel transport	until 2028			
Reduction of internal and external nonconforming production	2023			
Extending automatic inspection processes	2023			
Optimisation of production planning process	until 2028			
Detailed environmental impact assessment of new investments	2023			
Automation of product inspection and testing	2023			
Optimisation of inspection operations	until 2028			
Extension of improvement proposals and Kaizen to the area of energy savings	2023			
Defining the minimum energy class for purchased electric appliances and computer equipment	2023			
Equipping the car fleet with electric vehicles	2023			
Support of public transport, car pooling	2023			
Replacement of skylights	2023			
Participation in the "Bike to Work" challenge	2023			
The widest possible application of new generation BONASILENCE R+ ring noise dampers	2023			
Environmentally friendly maintenance of machinery and equipment	2023			
Support of university and applied research projects to reduce the carbon footprint, use of student projects and theses to reduce the carbon footprint	2023			

Evaluation of benefits of the implemented measures will be performed within the annual carbon footprint calculation.

## CURRENTLY IMPLEMENTED CARBON FOOTPRINT REDUCTION PROJECTS

We currently also work on other projects to reduce the carbon footprint, the most significant of which are recovery of waste heat from the production process, construction of a 5 MWp photovoltaic power plant and an increase in the forging press and manipulator accuracy.

Their completion will bring annual reduction of CO<sub>2</sub> emissions by 17.500 t.

Project	Implementation	Positive impact on scope			Effect in CO <sub>2</sub> reduction (CO <sub>2</sub> t/year (estim./calculation))
		1	2	3	
Recovery of waste heat from production	In progress				12 000
Construction of 5 MWp photovoltaic power plant	In progress				2 500
Increasing forging press and manipulator accuracy	In progress				1 600
Gradual replacement of lights by LED/smart LED	In progress				800
Reduction of scale rate during heating	In progress				400
Reduction of AKU station consumption	In progress				70
Preferred use of videoconferencing over business travel	In progress				50
Building insulation	In progress				30
Home office for selected positions	In progress				20
Customer portal (online availability of inspection documents)	In progress				3.5
Use of digital media	In progress				3
Use of heat pumps	In progress				3
Tree planting as a part of employee volunteering activities	In progress				1
Extension of supplier audits to include the carbon footprint and social responsibility in general	In progress				1
Signing contracts by electronic signature	In progress				0.3
Installing direction signs in Bohumin	In progress				0.1



ALL OUR PRODUCTS  
ARE RECYCLABLE

## Research and development

Thanks to investments in extensive testing facilities and accreditation, we no longer have to order tests of newly developed products outside the company in accredited testing laboratories, thus saving time and costs. This has also reduced the carbon footprint associated with testing or transporting samples or full-size axles, wheels and wheelsets to external testing laboratories.

## Design

Eco design, an integral part of the BONATRANS design school for many years, is now even more evident in the design of rolling stock wheelsets. The priority is given to requirements associated with sustainability and reduction of the carbon footprint, such as significant service life extension, weight optimisation, reduction of maintenance costs and its simplicity. Reduction of product noise emissions is also important.

**Our goal is to achieve the following with products designed by us:**

- Minimum maintenance costs,
- Low life cycle costs,
- Maximum damping of rolling and squealing wheel noise,
- Low carbon footprint thanks to high durability of our products,
- Minimum weight,
- Use of 100% recyclable materials.

## Recycling

**Production of our products does not generate any waste to be deposited on dumps.**

Our goal is to further minimise the waste. Nevertheless, when waste is generated, we follow strict waste management rules. We regularly monitor and evaluate the waste management system and its implementation, and we seek for ways how the reuse and recycle the waste.

All our products and materials for their production are recyclable. Nevertheless, even the recycling process requires energy and therefore rises carbon emissions. For that reason, we have focused on increase of service life of our products, which leads to fewer recycling cycles in a long-term view.

**We achieve this by:**

- Products with extended service life,
- Repeated usability of products and their parts,
- Combination usability options.

Waste separation in production and in offices is a matter of course.

**We focus also on reduction of material consumption:**

- We use returnable pallets,
- We reduced paper consumption substantially,
- We introduced electronic invoicing (since the end of 2016),
- We prefer electronic signatures of contracts,
- We use electronic measurement sheets,
- We are currently implementing the project of electronic acceptance reports.

We want to continue in this direction and therefore we decided to perform a circular scan in 2023 to look for further reserves.

## Energy consumption

As a part of implementation of our sustainable development goals, our sister company MS UTILITIES & SERVICES a.s. finished the first stage of a photovoltaic power plant construction in the production site. The construction is built on the brownfield site created by remediation of environmentally unfriendly production units of previous foundry.

After installation of all photovoltaic panels is completed in August 2024, the green energy will be up to 5,000 MWh/year. This photovoltaic power plan will cover 10-15% of the total electric energy consumption in our company, and it will bring the carbon footprint reduction by approximately 2,500 t CO<sub>2</sub>/year.

## Biodiversity

We strive to create an environment at our site that provides shelter for a variety of species and supports diversity of life.

We carefully maintain green areas at our site, and also deliberately leave part of the greenery in its natural state. As a result, many small animals have found their place there.

We are currently preparing a butterfly meadow project, which we want to implement on larger open spaces in our area. Flowery meadows have their place in the Czech landscape. They have a positive influence on biodiversity, cool the air in hot summer and provide habitat for many small and bigger animals.

## Land and forest protection

We have been protecting agricultural land and forests for many years. We decided years ago that we would use solely brownfield areas on our premises for extension of our production capacities and implementation of our projects. We are aware of the fact that quality agricultural land is very important. We protect forest by targeted reduction of paper consumption and use of returnable pallets. Nevertheless, we also actively help nature, by cleaning up our nearby mountains, the Beskydy Mountains, or by planting new trees in the countryside.

## Clean air

We actively work to minimize negative impacts on the air quality and strive to create clean and healthy environment for employees and the surrounding community.

We have implemented modern technologies and procedures that minimize emissions of harmful substances and pollutants into the air. We regularly monitor and inspect the air quality in order to meet strict environmental standards and regulations. We also help reduce air pollution through our new energy source – photovoltaic power plant on our company premises.

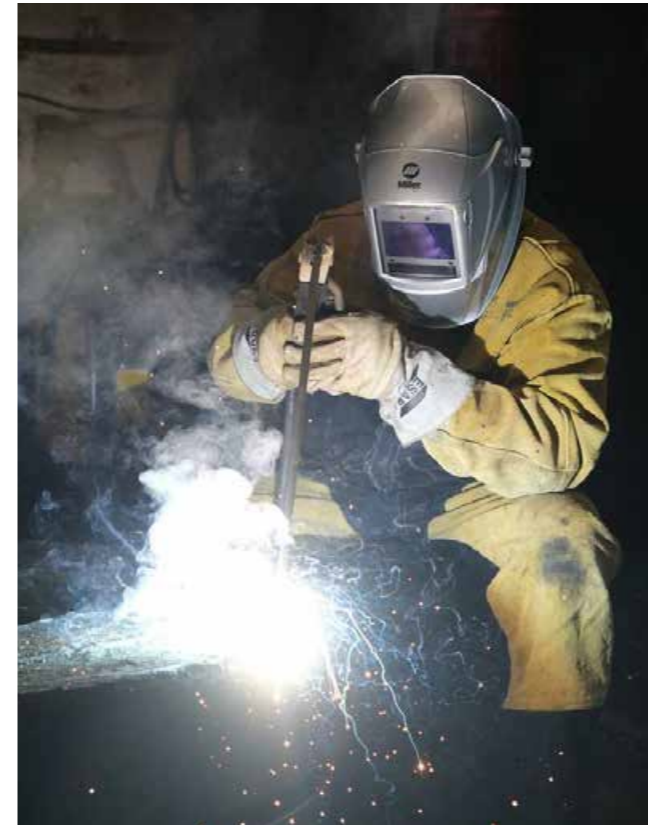
For our production technology, we use a close water circuit, the main part of which is a biotope water tank that also collects rainwater. We regularly check the water quality. Nevertheless, the best proof of quality are the fish that have inhabited the biotope tank for many years and naturally help us maintain cleanliness and ecological balance in the tank, preventing excessive spreading of water plants there.

We further invested in a modern waste water treatment plant that effectively treats and cleans all waste water produced in our plant. We thus minimise negative impacts on surrounding waterways and contribute to protection of the aqueous environment.

## SOCIAL SUSTAINABILITY



# SOCIAL SUSTAINABILITY



## Our employees

We are located near the borders with Poland and Slovakia. Citizens of those countries have been traditionally members of our team. And not only them. We see the multiculturalism of our region as a great competitive advantage.

For our former employees who have already retired, we regularly organize meetings where they can learn about current events in our company and about new projects. They can thus continue to share the success of the company to which they dedicated their hearts.

## Wage policy

BONATRANS will continue striving to ensure fair remuneration in accordance with applicable regulations and also corresponding to the respective job position and responsibilities. With the help of fair wage policy, employee satisfaction and their loyalty to our company will be ensured.

## Health and safety of employees

The Occupational Health and Safety management system is designed to minimise risks related to occupational accidents and diseases and to ensure that employees have the necessary protection and equipment to perform their work in a safe and healthy environment.

The Occupational Health and Safety management system includes regular training of employees in occupational health and safety and also a thorough evaluation of risks and their management in accordance with recognized procedures.

## Talent management

In order to remain at the forefront of our industry, we constantly look for and develop our talented employees. Thanks to the use of their potential, we are able to bring new solutions and achieve better and better results.



## Benefits

To be a perspective employer does not only mean ensuring safe work environment and the possibility of training and career growth, but also an interesting range of benefits. BONATRANS has been striving for a long time to broaden the list of these benefits and to adapt it to the needs of employees as much as possible.



## Personal development and training

We place great emphasis also on training in the area of ecology, sustainability and social responsibility. And we also use our company Magazine for this.

In addition, our employees take part in external expert trainings and workshops focused on sustainability and CSR where they can exchange knowledge with colleagues from other companies even outside our industry. Such trainings provide a deeper insight into current trends, technologies and best practices in the sustainable development field.

## OUR PEOPLE





## SOCIAL INVOLVEMENTS AND SOCIAL PROJECTS



### Social responsibility

We believe that every company should take responsibility for its customers, employees and region of which it is a part. We are one of the biggest employers in Bohumín that has 20,000 inhabitants. For many families, we are the only source of income. Cooperation with the city is a matter of fact for us, and we greatly appreciate good relationships with the Bohumín town hall and the citizens of our city.

Thanks to this cooperation and mutual understanding, a number of environmentally friendly projects have been created, such as connecting our company with the city by a cycle path, optimisation of traffic signs with marking the routes for freight transport heading to our company, a roundabout that resolved the transport problem not only for our employees, but also for the city residents, and many others. Every year, we organize open days where families of our employees as well as the city residents can visit us and learn what is happening in our company.

### Involvement in the local community

**Social projects:** we support various social projects in areas where our employees are involved. The company financially supports non-profit organisations, charity events, social programs and projects to improve living conditions in the community.

**Education support:** we invest in education and development of young people. The company provides scholarships, sponsors educational programs, cooperates with educational institutions and supports technical and engineering education.

**Local employment:** we contribute to the local economy and employment by preferring employment of local residents, which strengthens job opportunities and brings economic benefits to the community.

**The environment:** we commit ourselves to protect the environment in areas where we operate. The company invests in green technologies, minimises its environmental impact and supports green projects and initiatives.

### BONAGRANTY

This type of financial support is another benefit that we provide to our employees. They can apply for a financial contribution to public benefit projects.

**The contribution is directed to the following areas:**

- Environment,
- Local community development (social development, education, etc.).



### Employee involvement in environment protection

Our company has long supported sustainable development, and therefore the third area on which the Foundation focuses is support of initiatives aimed at protecting and improving the environment.

Employees who conduct awareness-raising activities, such as lectures, seminars, workshops and competitions with environmental topics, and also employees actively participating in beneficial events, such as the Earth Day or Clean Beskydy, or those involved in planting greenery and cultivating the Beskydy Mountains or planting new trees in the countryside, may ask for a grant.

## Volunteering

BONATRANS supports volunteering as the means for involvement of the employees in community activities, thus supporting and strengthening the community through their skills, time and energy.

Here are some of the ways how BONATRANS supports volunteering:

- Cooperation in voluntary activities with the non-profit organization ADRA (collecting toys and books for the low-floor facility Maják, help at the senior citizens' home, walking dogs from the shelter with clients from the Vesna home),
- Cooperation with the non-profit organization for the environment protection ARNIKA (planting 116 oaks in Bravantice, planting trees in Bohumín)

## Regional partnerships

BONATRANS has been actively involved in regional partnerships that strengthen relations with local organisations, companies and communities.

These partnerships serve to promote economic, social and environmental development of the region.

- Charita Ostrava
- Křižovatka Foundation
- Dolní Vítkovice area
- Arnika
- ADRA
- Post Bellum
- Tereza, training centre
- Raná péče
- Bohumín model railway
- Permoník Foundation
- Andělé stromu života, mobile hospice

In addition, BONATRANS is the partner of young talent development in the Czech Philharmonic.

Česká filharmonie

## JCK Foundation



We help each other, we are one team.

The JCK Foundation was founded by the company owner, Mrs. Jitka Cechlová Komárková, with the aim to support employees in the areas of health, education and the environment. All company employees may ask for a Foundation contribution of up to EUR 6,000 in the mentioned areas, both for themselves and their relatives.

The intention of the Foundation in the area of health and social support is to help employees and their relatives to cope with effects of disabilities, or to help during serious long-term illnesses. The contribution is intended to ensure better integration into society and to help remove social, physical barriers that can prevent the disabled from full enjoyment of their personal and working lives.

Education is one of the most important values that we can offer to our descendants, and also one of the best investments in the development of the whole society. The purpose of the second pillar of the Foundation is therefore to support education and talent development of children of our employees. Children and students between 6 and 25 can receive a financial contribution to support their study or talent development in leisure activities.

## EMPLOYEE SUPPORT



# SUPPLY CHAIN SUSTAINABILITY



## Suppliers

In terms of strategic commodities purchased, we work on building and maintaining long-term relationships with suppliers. It is based, among others, on the need for a relatively long time necessary for full involvement of a new supplier, i.e. its adaptation, testing, certification according to the customer requirements, etc., but also on the need to build mutual trust. When it is possible, we conclude framework agreements, hold regular meetings and contribute to supplier development. We are also a member of industry organisations (for details, see page 22), where we hold discussions and participate in industry cooperation with suppliers and competitors.

We cooperate with verified suppliers who guarantee the quality of supplied materials and a responsible approach to running their business. The main material used in the production of our company – steel – is currently purchased from the European sources.

## Cooperation with suppliers

We value good relations and cooperation with our suppliers. It is crucial for us that they share our commitment to ethics, human rights, sustainability and environment protection. Transparency of the overall supply chain is also important to us.

We have decided to procure our inputs in the European Union because we want to support local suppliers and to minimise negative impacts on the environment due to shorter transport distances. We have also focused on the use of rail transport that brings many benefits, as it reduces emissions of greenhouse gasses and limits road transport.



## RESPONSIBLE MANAGEMENT

### Ethics

BONATRANS has adopted a formal code of conduct, a conflict-of-interest statement and an insider trading statement. The code of conduct is based on the principles of honesty, fairness and integrity and is consistent with the Guiding Principles for Business and Human Rights. Our company has also a comprehensive competitive conduct policy that complies with all legal regulations relating to competitive conduct. The company strives to compete fairly and ethically in the market and to promote innovation and free consumer choice.

We also focus on lobbying, respecting the principles of integrity, transparency and ethical conduct in accordance with European regulation. Last but not least, our company has a strict policy of zero tolerance to discrimination and harassment. We regularly conduct diversity and inclusion trainings and provide confidential channels for reporting incidents.

### Transparency

We adhere to all local and international tax laws and regulations, including those relating to transfer pricing, in particular the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations. Our strategy is to optimize and maintain an effective tax rate that is competitive, while ensuring full compliance with regulations and transparency. To support this strategy, we also use services of external tax advisors.

### Conclusion

Sustainability and an environmentally friendly approach are our key values in the production of rolling-stock wheels, axles and wheelsets. We believe that our responsibility to the environment is an integral part of our activities and a contribution to sustainable future. We are proud to have been a part of the global railway industry for almost 60 years and be able to contribute to positive changes at our planet.

Railway is our green future.  
Join us!



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**GREEN WHEELSET**