

SUPPLIER CODE OF CONDUCT

APA Sp z o.o. with its registered office in Gliwice





At APA Group, we believe that ethics and compliance have a direct impact on the trust and satisfaction of all our stakeholders and are a source of pride for our employees. Therefore, in our company, we promote and strictly adhere to business ethics and we always conduct business in accordance with applicable laws and regulations.

Artur Pollak

CEO of APA Group

1. PREAMBLE

1. Based on the company's values of business ethics, social and environmental commitments, APA Sp. z o.o. [hereinafter: APA] requires its suppliers to comply with the enumerated principles set forth in the body of this Code.
2. Supplier agrees to use its best efforts to comply with the principles set forth herein for the entire supply chain.
3. The provisions of this code do not supersede the rights and obligations applicable in Poland or any country in which Supplier operates.
4. Under this Code, Supplier is obligated to respect these laws and regulations contained herein.
5. Supplier also agrees to comply with international trade sanctions (including embargoes), including sanctions imposed as a result of resolutions passed under Chapter VII of the UN Charter by the UN Security Council and any sanctions imposed by the European Union.
6. Supplier shall obligate its contractors and/or subcontractors [hereinafter referred to as: Subcontractors] involved in the process of providing products to APA, to comply with the Code.
7. APA seeks to work with Suppliers who understand and share the company's policy on responsible business and sustainability and who are committed to improving and developing their best practices.

2. RESPECTING HUMAN RIGHTS AND PROHIBITION OF SLAVERY



1. Supplier is committed to respecting internationally recognised human rights and to avoiding any violation of these rights.
2. The use of slavery in any form (servitude, forced/compulsory labor, human trafficking, etc.) is prohibited.
3. Supplier is committed to respecting the personal dignity, privacy, and rights of each individual.
4. Supplier agrees to comply with all standards set forth by the International Labour Organisation (ILO).
5. Supplier agrees to treat all its employees with respect, not to use corporal punishment, mental or physical coercion, any form of abuse or harassment, and will not threaten such treatment.

3. PROHIBITION OF DISCRIMINATION

Supplier agrees to not condone and to combat all forms of discrimination, including on the basis of race, color, sex, sexual orientation, language, religion, political or philosophical beliefs, national or social origin, property, birth or other grounds, and will promote diversity, equal opportunity and equal treatment at work.

4. PROHIBITION OF CHILD LABOR

1. Child labor is not permitted.
2. 'Child labor' shall be defined by the Parties in line with the definition of the International Programme on the Elimination of Child Labour (ILO-IPEC) and Article 32 of the UN Convention on the Rights of the Child.
3. If any child is found to be working on Supplier's premises, Supplier agrees to take immediate steps to resolve the situation in the best interest of the child.
4. Minors' work is permitted only if the laws of the state in question provide for it, and only in accordance with the rules set forth in such laws.

5. FREEDOM OF ASSEMBLY AND RIGHT TO COLLECTIVE BARGAINING

1. Supplier undertakes to comply with internationally recognised standards, e.g., ILO conventions, without violating national law.
2. Supplier will provide to its employees and representatives, including temporary agency workers, the opportunity to openly express their views on issues related to working conditions, the right to association, freedom of assembly, and the right to collective bargaining.

6. REMUNERATION

1. Supplier agrees to pay wages in accordance with national minimum wage laws and to avoid deducting wages in violation of applicable laws as a disciplinary measure.
2. If there is no such law in the country concerned, the salary must be sufficient to cover the basic needs of the employee (according to Convention 131 of the International Labour Organisation concerning Minimum Wage Fixing).
3. The basis on which employees are paid must be communicated to them clearly and in a timely manner.

7. WORKING TIME

1. Working hours, including overtime, shall be in accordance with applicable national laws.
2. If there are no regulations in the country, the ILO standards shall apply.
3. Supplier agrees to respect each employee's need for rest and to ensure that each employee is entitled to paid annual leave.

8. HEALTH AND SAFETY AT WORK



1. Supplier undertakes to provide employees with safe, hygienic, and comfortable working conditions.
2. If necessary, Supplier agrees to implement programs to improve the work environment.
3. Supplier shall make efforts to prevent situations that endanger the life and health of employees.
4. Supplier shall provide regular training on health and safety regulations. This training shall include provisions and instruction in the use of appropriate personal protective equipment.
5. If Supplier provides housing for employees, the living quarters shall be clean, safe, and meet the basic needs of employees and, where applicable, their families. Supplier is encouraged to implement a Health and Safety Management System in accordance with international standards.
6. Supplier shall comply with national regulations on employee health before allowing employees to work, as well as conducting periodic occupational health examinations.

9. ANTI-CORRUPTION POLICY

1. Supplier shall refrain from all forms of corruption, use of extortion and actions that could be perceived as corrupt.
2. Corrupt activities are defined as requesting, offering, giving or accepting, directly or indirectly, a bribe or any other undue advantage or the promise thereof which distorts the proper performance of any duty or conduct required of the person receiving the bribe, undue advantage, or the promise thereof.
3. Supplier shall not offer, promise or give any advantage to domestic or foreign officials or private sector decision makers to obtain preferential treatment or favorable decisions. The above also applies to donations, gifts, and invitations to meals and business events.
4. Supplier will not allow benefits to be offered or promised to him, and will not accept benefits if to accept them creates an impression that the party providing such benefits can thus influence business decisions. Supplier will also not claim any benefits.

10. AVOIDANCE OF CONFLICTS OF INTEREST

1. Supplier shall avoid conflicts of interest that may lead to corruption risks.
2. If Supplier is also an APA customer, he shall not take unfair advantage of this and shall keep purchasing and sales issues separate.

11. FAIR COMPETITION

1. Supplier agrees to respect the principles of free and fair competition in all business relationships.
2. In particular, Supplier undertakes to desist from any practices threatening the development and protection of competition, as well as to desist from and counteract any practices limiting competition or consumers' collective interests, and to verify, on an ongoing basis, the contractual models used with a view to eliminating any abusive clauses.
3. Supplier agrees to comply with the antitrust rules.

12. SPONSORSHIP ACTIVITIES

All sponsorship activities, if any, undertaken by Suppliers shall comply with applicable laws and regulations.

13. MONEY LAUNDERING

Supplier will take measures to prevent money laundering within its sphere of influence.

14. ENVIRONMENTAL PROTECTION



1. Supplier shall undertake environmental protection activities and initiatives to promote greater environmental responsibility.
2. Supplier shall work to minimise its environmental impact and implement environmental protection measures.
3. Supplier shall encourage the development and use of environmentally friendly technologies and shall comply with national and international environmental standards and applicable national laws by adhering to the highest standards, in particular the RoHS (Restriction of Hazardous Substances in Electrical and Electronic Equipment) and WEEE (Selective Collection of Waste Electrical and Electronic Equipment) Directives.
4. Supplier is committed to a circular economy throughout the product life cycle: from design, development, production, transportation, use and disposal to recycling.
5. Supplier agrees to make efforts to:
 - a. avoid the emissions of pollutants into the atmosphere,
 - b. monitor the air quality,
 - c. minimise energy consumption and CO2 emissions
 - d. design products and services that are characterised by low life-cycle energy consumption and greenhouse gas emissions (energy efficiency, renewable energy, etc.),
 - e. minimise water consumption,
 - f. monitor water quality.

15. NATURAL RESOURCES AND WASTE MANAGEMENT

1. Supplier shall work to reduce the use of materials and resources during procurement and production of goods to minimise its environmental impact.
2. Use of scarce resources should be reduced or discontinued where possible.
3. Supplier shall implement measures to trace the source of supply and promote supply chain transparency.
4. Waste generated by Supplier shall be identified, monitored, and properly managed. Supplier will make efforts to reduce waste.
5. Waste management should be carried out in accordance with the relevant environmental regulations.

16. SECURITY AND PROTECTION OF PERSONAL DATA

1. Supplier agrees to comply with all data protection laws and security and privacy requirements.
2. To this end, Supplier shall sign non-disclosure agreements and comply with the information obligation under the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (GDPR).

17. MONITORING IN APPLYING THE PROVISIONS OF THE CODE



1. In order to ensure compliance with the provisions of the Code, Supplier shall provide to APA upon request any information needed to confirm that compliance by Supplier or any of its Subcontractors is maintained.
2. APA or its authorised representative shall have the authority to monitor the activities of Supplier and its Subcontractors to assess compliance with the Code, including conducting an audit at Supplier to ensure that Supplier is effectively implementing APA's requirements under this Code regarding corporate social responsibility principles.
3. Supplier agrees to promptly notify APA of any known non-compliance with the Code on its part or on the part of a third party/subcontractor as well as corrective measures taken to ensure compliance with the Code.
4. Suppliers shall provide an opportunity for their employees and others to report any irregularities or violations through appropriate channels while respecting the confidentiality of the whistleblower.
5. Any retaliation against whistleblowers is unacceptable. It is prohibited to take any action that is hostile to any person providing information about infringement or other violations.
6. Any concerns, suspected violations of the Code, or instances of non-compliance with the Code should be immediately reported to the CEO of APA, Mr Artur Pollak, by email at artur.pollak@apagroup.pl or in person at the company's headquarters at 251 Tarnogórska Street, 44-105 Gliwice.
7. Should APA become aware of an irregularity, APA's first step is to conduct an investigation of the indicated violation to determine whether it actually occurred and to assess the level of its real and/or potential negative impact.
8. Once reported and investigated, an appropriate corrective plan should be implemented in a timely manner.
9. Upon request by APA, Supplier will provide information on measures taken to ensure compliance with the Code.

 **APA**GROUP