

## **Code of Ethics**

### **1. Purpose**

This Code of Ethics is a collection of norms, rules and guidelines which describe ethical conduct during business operations of KUŹNIA POLSKA S.A. (hereinafter referred to as the "Company"). Values and regulations contained here are applicable to all employees and other persons working either in KUŹNIA POLSKA S.A. or for the benefit of KUŹNIA POLSKA S.A.

Continuous adherence to principles and ethical values enables building a positive image of the Company on the market and enhances identification of employees with the Company.

### **2. Mission Statement and Company Values**

The Company's mission focuses on the development and creation of the Company values thanks to quality products and services to ensure maximum customer satisfaction, while respecting fair work practices, safety and health at workplace as well as compliance with regulations relating to fair competition.

To achieve this goal the Company requires its employees to respect the highest standards of conduct, including the principles set forth in this Code of Conduct.

### **3. Employment and Remuneration Policy**

All employees of the Company are equally treated with regard to employment conditions and they are ensured equal access to promotion and trainings enhancing their professional qualifications, in line with objective criteria for assessing employees, applicable in the Company.

Creating employment policy, the Company respects, in particular, prohibition of discrimination, prohibition of forced labour, corporal punishment, mental and physical coercion and abuse.

Only the criteria based on candidates' qualifications and skills are applied in the recruitment process. Remuneration for work depends on the employee's contribution to the Company's business.

### **4. Prohibition of Discrimination, Harassment and Mobbing**

The Company is committed to ensuring equal chances to its employees both with regard to their work and development of professional career.

The manager of each department ensures that employees at every level, stage and in all respects, starting with recruitment, training, remuneration, position assignment, responsibilities, through goals and ending with assessment of progress and duration of employment are treated in accordance with their skills, while avoiding at the same time any forms of discrimination, in particular discrimination against a person based on race, sex, age, nationality, religion and personal convictions.

The Company requires all employees, in particular persons holding management and executive positions, to respect provisions prohibiting any discrimination with respect to age, race, sex, ethnic origin, nationality, religion, health disability, civil status, sexual preferences, political or philosophical convictions, trade union membership or other aspects protected by law.

The Company prohibits to:

- a) practice any forms of discrimination,
- b) use mobbing regardless of its form, in particular: humiliation, insult, verbal abuse and intimidation of employees,
- c) sexual abuse in any form,
- d) take advantage of one's position to achieve personal benefits or to violate personal rights of other employees,
- e) spread false information, rumours, or slanders concerning other employees.

No form of bullying, repression and humiliation of employees is accepted by the Company, and each employee is obligated to condemn and report to the Company's managers any manifestations of mobbing and discrimination in the Company. It is forbidden to undertake any activities aimed at retaliation against employees submitting such a good faith report.

## **5. Basic Rules Connected with Work in the Company**

Work in the Company is characterised by the following principles:

- a) the employee should strive for continuous self-development and achieving the best possible results at work to the best of their knowledge, experience, qualifications and abilities, thanks to which they contribute to improvement of the Company's business as a whole,
- b) the employee should share their knowledge and experience with other employees,
- c) the employee should care for favourable work atmosphere based on the principles of ethics and high personal culture, thus contributing to the efficiency of operations,
- d) the employee should care for interpersonal relations, in compliance with generally accepted principles of good conduct and respect of human rights,
- e) while working in a team, the employee should aim at harmonious cooperation and elimination of conflict situations,
- f) employees must not be taken advantage of by the Company for the purpose of any operations in breach of provisions hereof.
- h) the management staff is obligated to create proper work atmosphere, supporting work efficiency mostly by displaying the partnership-like attitude to employees, supporting teamwork and exchange of knowledge between employees.

## **6. Work Environment, Health and Safety of Employees**

The Company respects and implements the provisions of labour law regulating the principles of health and safety at work and provides its employees with any necessary information concerning health and safety and it ensures that employees become acquainted with such information on their own account.

Employees should make any possible effort to maintain a positive work environment, in which dignity of each person is respected, in particular by observing the rule that work must not be provided under the influence of alcohol or drugs and that smoking in the workplace is forbidden (except in the outside areas where smoking is not banned) in order to protect the health of employees and other people against the effects of passive smoking.

The employees are required to report any forms of breach of health and safety obligations both by other employees and by the Employer, as well as to inform the Employer about any accidents at work and other incidents of that nature of which they have become aware.

#### **7. Enjoyment of the Company Assets**

Employees shall use the Company assets (including, *inter alia*, cars, telephones, computers, office space, commercial software, specialised information, communications and measuring equipment, etc.) only for the purpose and within the scope of their official duties – subject to the rules applicable in the Company.

It is forbidden to use the Company assets in an illegal manner to achieve personal material and non-material benefits.

#### **8. Non-Competition Clause**

Without the Company's consent, employees are forbidden to conduct any competitive activities, in particular cooperation with companies competitive to the Company business, i.e. companies whose interest interfere with the interest of the Company (conflict of interest) within the following scope:

- a) provision of advisory and consulting services,
- b) provision of work or performance of functions in the governing bodies of a competitive company,
- c) holding shares in a competitive company,
- d) making decisions or influencing making a decision on establishing cooperation with a counterparty whose shares are held by the employee or in which their next of kin is employed or the owner of which is their next of kin.

#### **9. Relations with Customers**

The Company treats all his customers fairly and impartially.

The purpose of the Company is to provide the customers with the highest quality products and services so as to satisfy their needs.

Employees negotiating terms of the employment contract shall make sure that all information, presentations and statements our customers are provided with are true and reliable.

None of the Company's employees is authorised to make any statements on behalf of the Company, nor are they allowed to transfer any information about the Company or about its customers without a prior authorisation of the Company's managing director, on the basis of a general or special power of attorney.

The Company's employees are not authorised to disclose to anyone any confidential, sensitive and private information relating to customers, unless it is necessary or permitted under a contract between the Company and the customer.

#### **10. Duty to Observe Secrecy, Confidentiality, Personal Data Protection and Disclosure of Information**

Access to confidential and proprietary information relating to the Company's business, including

information about customers and suppliers or personal data is reserved solely to the employees whose position and duties require working with, using or transferring such data.

The scope of such right of access depends on the nature of the position and scope of duties. Each employee who comes into possession of confidential or proprietary information must keep such information confidential and use it only for authorised purposes.

Any personal data and confidential information must be kept in an appropriate database, the access to which should be restricted only to authorised persons.

Confidential information includes, in particular:

- information about prices negotiated between parties,
- financial results,
- forecasts and other financial data,
- HR and personal data,
- customers' data,
- information concerning acquisitions and sales of companies,
- data relating to new products,
- data relating to orders,
- business strategies,
- strategies of product improvements,
- technical information,
- systems,
- inventions,
- business secrets,
- know-how designed or acquired by the Company,
- any other information which has not been made publicly available by the Company.

If an employee is not certain whether they are allowed to transfer or use the information in their possession, they should consult their superior.

The obligations of employees connected with the duty to observe secrecy of confidential information remain valid after termination of employment contract, in accordance with the applicable provisions of law.

## **11. Prohibition of Acceptance and Offering Material Benefits**

In performance of their duties, Company's employees are forbidden to accept or solicit material benefits from other companies or persons, including the Company's customers and suppliers.

Material benefits shall mean, in particular, money, gifts, prizes, credits, trips, employment or a service provided by customers, contractors, suppliers, etc.

Acceptance of material benefits is allowed only if the object of such benefit is of advertising or promotional nature or if it is an item of insignificant value not exceeding PLN 200, which is customarily given during special occasions and does not entail reciprocity.

If the value of an item excess of PLN 200 or if its value is difficult to assess, an employee should immediately notify their superior of the fact of receiving such an item.

Employees of the Company shall not accept any invitations regarded as a material benefit from contractors or business partners (dinners, banquets, trips), if they were likely to have an adverse effect on the Company's relations and concluded transactions.



In performance of their duties, the Company's employees shall not offer any material benefits to contractors, customers or other entities cooperating with the Company, which benefits could have an impact on establishing cooperation relationship or on the rules of cooperation between such entities and the Company.

Furthermore, none of the Company's employees, either voluntarily or under pressure, shall promise or give governmental officials any cash or benefits in kind, irrespective of their value, in exchange for interceding in settling of a matter or favouring the Company's interest, except for small gifts or courtesies given or shown occasionally during presentation, events or other meetings organised by the Company.

## 12. **Conflict of Interests**

Without the Company's consent, it is forbidden to copy and/or use any materials and information owned by the Company.

The employees must avoid any situations that involve or may involve a conflict between their personal interest (or interest of their family members) and the interest of the Company and they must not allow a situation leading to a conflict between the interest of the Company and private interest of an employee.

In order to protect employees and the Company against actual or apparent conflicts, the Company has established the following rules:

- a) employees shall not hold any shares in the companies of suppliers, customers, competitors, in advisory companies and contractors if such an investment could have an impact on business decisions made on behalf of the Company;
- b) employees shall not conduct any direct transactions with a counterparty, i.e. with a customer, supplier, agent, advisor or any other third party if such employees or members of their families hold shares in the companies owned by such third parties; should such situation arise, the employee concerned must receive a written consent to undertake such actions;
- c) employees shall not seek employment outside the Company with suppliers, customers or the Company's competitors, nor are they allowed to perform any work outside the Company, which may adversely affect performance of the employee or their decisions to be made in execution of their duties.

Any situation that creates or which is likely to lead to occurrence of a conflict of interest between employee's private interest and the Company's interest must be immediately reported to the person directly responsible. Each employee shall notify in writing their immediate supervisor about conducting any activity for the benefit of another company or about existence of any relation of financial, commercial, professional, family or personal nature, which could adversely influence impartiality of conducted financial activity with a third person.

Information referred to above should be submitted upon becoming acquainted with these rules, or if such a situation occurs at a later time – immediately after its occurrence.

### **13. Unfair Competition, Monopolistic Practices**

The Company competes fairly with its competitors on the market and does not undermine their reputation, focusing its attention on its own possibilities.

In their contacts with competitors of the Company, employees avoid situations facilitating transfer of confidential information about the Company.

The Company acquires information about competitors by fully legal means. It does not use any illegitimate means, such as industrial espionage, engagement of the competitors' employees, inducing the competitors' staff to disclose information that are in their possession.

The Company does not apply any restrictive trade practices, in contravention of law.

The Company assigns a priority value to competitors and it is obligated to comply with all applicable provisions of laws in respect of its competitor, wherever it conducts its business.

The Company and its employees should avoid such actions as price fixing in a cartel, establishing market segmentation, implementing production or sale restrictions, entering into tie-in contracts, etc., which are likely to constitute a breach of competition law.

### **14. Final Provisions**

This Code of Ethics confirms the highest standards of fairness and reliability in our mutual relations.

Each employee will receive this Code and will be able to become fully acquainted with it and superiors will discuss the topics presented herein with their subordinates.

All employee are personally responsible for ensuring that their conduct and that of those reporting to them fully complies with this Code of Ethics.

The Company expects all employees to follow the Code of Ethics.

In order to ensure that the Code of Ethics has been duly respected, all employees of the Company should:

- a) become fully acquainted with details regarding responsibilities lying with them and they should participate in appropriate trainings,
- b) act and behave in accordance with written rules and refrain from actions which may be detrimental to the Company or which may jeopardise its integrity, impartiality or reputation,
- c) immediately report any infringements of this Code,
- d) consult the HR department in order to obtain information about interpretation of this Code.

Violation of certain instructions may have a severe negative impact on the overall image, business relations and financial standing of the Company.

In the event of unethical practices entailing significant social and organisational danger, there may be enforced sanctions against employees, stipulated under the provisions of the Labour Code, including termination of employment relationship.

Furthermore, where justified by the circumstances, the Company may institute civil or criminal proceedings against an employee and impose appropriate sanctions.