



Sustainability Policy for Suppliers and Business Partners of PROPOINT S.A. (Policy)

General Information

PROPOINT S.A. and all its affiliates (hereinafter jointly referred to as the “Company”) take consistent care to conduct their business by promoting a long-term development strategy based on the principles of economic development, corporate, social and environmental responsibility. The Company requires its Suppliers and Business Partners to comply with this Policy. This policy should be interpreted broadly and is also applicable to other entities whose activities in any scope are related to the Company, including clients, contractors, cooperators and collaborators (hereinafter “Suppliers”). We further require our Suppliers to ensure the observation of these rules also by their affiliates.

For the purposes of this Policy, an “affiliate” shall mean either a partnership related with the Supplier through the individual partners, or a company in which the Supplier controls, directly or indirectly, at least 50% of votes at the meeting/assembly of shareholders, including under agreements with other parties.

Human Rights & Fair Work Practices

1. Fair and Equal Treatment, Non-discrimination and Harassment, Employee rights and freedoms

The Supplier is obliged to ensure equal employment and remuneration opportunities. It is strictly forbidden to discriminate against anyone on the grounds of gender (rights of women and men are equal), age, ethnicity, nationality, religion, sexual identity, trade union membership, disability, beliefs or political views etc. Suppliers are required to comply with the principles of professional equality applicable in all aspects of work, including recruitment, hiring, promotion, remuneration, and improving professional qualifications. Any form of discrimination and harassment is forbidden. The Company expects that everyone is treated with respect and that situations which may be considered inappropriate are avoided.

The Supplier respects all employee’s rights resulting from applicable regulations as well as good practices. Employees are entitled to, among others, the following rights:

- a) the right to freely choose labor, profession and place of work, freedom from slavery, including modern slavery (i.e. slavery, servitude and forced or compulsory labour and human trafficking),
- b) equal rights due to equal fulfillment of the same obligations, equality before the law, freedom of opinion and expression,
- c) the right to fair remuneration for work,
- d) the right to remuneration during the notice period,
- e) the right to rest,
- f) the right to leave related to pregnancy and child care,
- g) the right to breaks at work,



- h) the right to equal treatment with dignity in terms of establishing and terminating an employment relationship, terms of employment, promotion and access to training in order to improve professional qualifications, in particular regardless of gender, age, disability, race, religion, nationality, political beliefs, trade union membership, ethnicity, religion, sexual orientation, employment for a fixed or indefinite period, full-time or part-time employment,
- i) the right to safe and hygienic working conditions,
- j) the right to refrain from work if its conditions do not comply with occupational health and safety regulations and pose a direct threat to the employee's health or life, or if the work performed by its poses such a danger to other persons.

2. Ethical recruiting

Following point 1, Suppliers's employee get equal employment and remuneration opportunities. It is strictly forbidden to discriminate against anyone on the grounds of gender (rights of women and men are equal), age, ethnicity, nationality, religion, sexual identity, trade union membership, disability, beliefs or political views etc. The Company pursues an ethical recruitment policy, which goes beyond legal compliance and aims to create equal opportunities for all candidates. It is the responsibility of the Supplier to ensure that their recruitment practices fulfil the same criteria and are unbiased and inclusive.

3. Women's rights

The Supplier shall abide by the following principles regarding women's rights, which are adhered to by the Company: The Supplier ensures the protection of women's rights and equality in the workplace. Women are entitled to all rights on an equal standing with men, which includes, in the first place, equal pay for equal work and applies to all contractual benefits as salary, overtime rates, bonuses and other payments.

Women enjoy equal promotion opportunities with men. Employees cannot be treated differently, or less favourably, because of their sex, which includes pregnancy and maternity, sexual orientation, gender identity and marital status. Employment decisions cannot be based on stereotypes about abilities or traits associated with gender.

4. Diversity, equity and inclusion

The Company pursues a policy of diversity, equity and inclusion, creating equal opportunities and equitable labour conditions for employees of different races, ethnicities, religions, abilities, genders, sexual orientations, physical abilities and neurodiverse individuals. The Supplier is expected to act in compliance with the same principles.

5. Land, forest and water rights and forced eviction, rights of ethnic minorities and indigenous peoples

Company requires from itself and its Suppliers to protect environment, including land, forests and waters, the use of which guarantee the livelihood of all local people (indigenous peoples as well as ethnic minorities) and recognizes the right of local people to freely use land, forests and waters for their livelihood. Company definitely rejects any form of expropriation or wrongful forced eviction and expects the same thing from its Suppliers. All actions shall be taken into account respect for the above-mentioned goods and values. The Company and its Supplier respects the Rights of Minorities and Indigenous Peoples as they are enshrined in national legislations and international documents, first of all in the United Nations Declarations on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities (1992) and on the Rights of the Indigenous Peoples (2006).

6. Prohibition of Child and Forced Labour and opposing human trafficking

The Company does not condone any form of exploitation of children and teenagers. The Company and its



Suppliers shall not employ children below the minimum age laid down in regulations of the International Labour Organisation applicable in a specific country. It is strictly prohibited to make use of any sort of forced labour. Mobbing and mental or physical coercion are absolutely illegal. The Company prohibits trafficking in persons and slavery. The Company and its Suppliers must not engage in any practice that constitutes trafficking in persons or slavery. Suppliers guarantee its employees the right to freely choose labor, profession and place of work, freedom from slavery, including modern slavery (i.e. slavery, servitude and forced or compulsory labour and human trafficking).

7. Remuneration (wages), Benefits & Working Time (working hours)

The Company requires its Suppliers to fully comply with applicable domestic regulations related to working time (working hours) and ensures adequate daily and weekly rest. Overtime work must be done voluntarily and must not exceed the limits set by law.

Furthermore, the Company expects that Suppliers' employees will receive remuneration in accordance with applicable national regulations regarding the minimum wage. The Supplier ensures that its employees receive remuneration, which is adequate to type of job and corresponds, among others, to: skills, experience, education and qualifications of Employees.

The Company supports all benefits that constitute the additional form of remuneration for employees and expects the same from its Suppliers

8. Freedom of Association and Collective Bargaining

The Supplier ensures employees the freedom of membership in trade unions/representations of employees, freedom of peaceful assembly and association, according to their own choice, without exposure to any threats or intimidation and collective bargaining, as well as Employees participation of, among others, by submitting motions, proposals and participating in workplace satisfaction surveys. Employees are guaranteed diversity, equity, and inclusion.

9. Safe and Healthy Workplaces

The Supplier complies with relevant legal requirements regulating occupational health and safety and health protection. The Supplier has implemented high occupational health and safety standards in its operations. The Supplier, among others, through its Occupational Health and Safety Committee, it conducts regular research and introduces actions and remedial measures appropriate to the situation.

Incident and accident management

Potential risks should be assessed regularly and appropriate countermeasures implemented on an ongoing basis. In the event of an accident at work, the person responsible for occupational health and safety is obliged to conduct post-accident proceedings, determining the causes of the accident and a recovery plan. Each accident must be registered and assistance provided to the injured person in accordance with applicable law.

Emergency preparedness

The Supplier must have emergency procedures in place in the event of an emergency. The Supplier's employees are suitably qualified and trained in occupational health and safety.

Personal protective equipment

The employer is also obliged to provide its employees with appropriate work clothes necessary to perform work.

Machine safety

All devices and equipment must be used in accordance with the manufacturer's recommendations, possible threats must be clearly marked and the technical condition of the equipment used must be regularly examined. In the event of a failure, such equipment is immediately decommissioned.

Workplace ergonomics



Employees are provided with ergonomic working conditions in accordance with applicable regulations and standards. Monotonous work is avoided.

Handling of chemical and/or biological substances

Any chemical or biological substances (if any) that may pose a threat are subject to special control in terms of storage, transport, disposal and reuse.

They must be handled carefully, in accordance with the attached documentation and safety data sheets, which are mandatory. In this respect, the Suppliers will be guided by a proactive attitude and will provide information on health, environmental and safety risks that may be posed by given substances.

Fire protection

The Supplier ensures fire protection safety for its employees by providing fire-fighting equipment (e.g. fire extinguishers, extinguishing blankets), regularly reviewing their validity, creating emergency exits, conducting training and evacuation tests, etc.

10. Use of Private or Public Security Forces

If the involvement of security personnel is required, the Supplier will ensure that they comply with this policy.

Environmental Protection

1. Compliance with Regulations

The Supplier shall observe all applicable provisions, regulations, approvals and standards related to natural environment, which are relevant for the field of its business activity. The Company, its Suppliers and their Employees are obliged to take into account the following environmental protection issues in all their activities:

- a) GHG emissions,
- b) energy efficiency,
- c) renewable energy,
- d) decarbonisation,
- e) water quality and consumption & management,
- f) air quality,
- g) responsible chemical management,
- h) sustainable resources management,
- i) waste reduction,
- j) reuse and recycling,
- k) animal welfare,
- l) biodiversity, land use and deforestation,
- m) soil quality,
- n) noise emissions,
- o) other areas.

The Company commissions an environmental protection audit to be carried out by an external entity that professionally deals with it, conducts continuous measurements and strives to improve environmental protection result. The Company expects the same from its Suppliers.

2. Conscious and Prudent Use of Resources

The Supplier limits the use of raw materials in its business activities, in particular by reducing water and energy consumption. Insofar as possible, the Company undertakes to use raw materials from renewable resources. Wastewater management, hazardous and non-hazardous waste management is managed in accordance with applicable standards and law, based on contracts concluded with entities authorized to do so. All removal of any production waste is thoroughly documented. To protect the environment, the Suppliers



independently or through a professional entity conducts environmental audits, depending on the needs and changing conditions.

3. Reuse and recycling

The Supplier pursues a policy of reusing and recycling of materials as well as increasing the efficiency of usage of usage of these resources.

4. Waste and Emissions

The Supplier is obliged to avoid, to the maximum extent possible, generating waste material, or it should recycle it. Insofar as possible, used materials should be re-used. Any activities that potentially adversely affect the health or the natural environment are to be eliminated, and if this not feasible, they are to be properly controlled. Substances shall be appropriately processed prior to their release to the environment. The supplier is obliged to minimize emissions of pollutants and greenhouse gases into the environment, taking care of health and clean air.

5. Safety of Products

Any substances which upon their release endanger humans or the environment should be avoided. If the use of these substances is unavoidable, the Supplier undertakes to ensure their safe use, transportation, storage, re-processing, re-use and utilisation. Suppliers are obliged to submit safety data sheets containing information related to safety at any request of the Company.

Mutual Relations

1. Prohibition of Corruption

The Supplier shall not offer or promise (either directly or indirectly) money, or any other monetary or personal advantages in order to exert influence on official proceedings, or in order to conclude or maintain business transactions. Any gifts and invitations may be accepted only if their value has no bearing on the decision-making process. The Company undertakes to fight against bribery and corruption, and Suppliers are required to comply with anti-corruption regulations. Gifts in the form of money are not acceptable. The above requirements apply to all persons involved in any business relationship.

2. Prevention of Conflicts of Interest

In business relations, the Company requires its Suppliers to take decisions based exclusively on objective criteria. Any factors, which can potentially influence Suppliers' decisions due to private, business or any other conflicts of interest must be eliminated at the initial stage. The same applies to relatives or affiliates.

3. Money Laundering

The Company requires of itself and its Suppliers to comply with all applicable regulations governing money laundering prevention. The Company expects its Suppliers not to participate in any activities involving money laundering and will not to engage in or facilitate activities related to money laundering and terrorist financing.

4. Financial responsibility (accurate records)

The Company requires its Supplier to comply with the principles of proper accounting and financial reporting. All transactions should be reflected in accounting documents and be true. This documentation should be kept



in a reliable, orderly and detailed manner and kept for a period in accordance with applicable regulations. The storage process should guarantee the security of documents. The above also applies to other forms of data storage than the paper version. Any failure to do so, or falsifying or creating misleading information or influencing others to do so, could constitute fraud and result in fines or penalties.

5. Prohibition of Unfair Competition and anti-trust

The Company requires its Suppliers at all times to compete in a fair manner, and to observe applicable antitrust provisions and regulations. The Company further requires its Suppliers not to enter into any agreements with competitors that could represent infringements of antitrust laws, not to take advantage of the dominant market position they could possibly enjoy and to ensure that this expectation is maintained throughout the entire supply chain.

6. Non-Solicitation of Employees

The Supplier shall not consciously encourage the Company's employees to act to the detriment of the Company through negligent work performance. The Supplier shall not deteriorate the Company's standing by offering, either directly or indirectly, work to the Company's employees and subcontractors.

7. Prohibition of retaliation

Any person who raises objections and comments regarding violations of these principles and provisions of generally binding law should enjoy anonymity, protection and a guarantee of non-retaliation against them.

8. Import/export controls and economic sanctions

We expect Suppliers' business practices to comply with applicable law governing the export / import of goods and services of domestic and foreign origin.

The Supplier is obliged to have policies and processes in place which ensure that export controls restricting or prohibiting the export or import of certain goods or services as well as economic sanctions prohibiting business dealings with specified individuals, entities or countries, or, are adhered to.

It is recommended to collect all evidence of proper performance of these duties. They must be presented immediately upon the Company's request.

9. Counterfeit parts and Intellectual property

The Company, its Employee and its Suppliers guarantee respect for the intellectual property rights of the PROPOINT Group and third parties. The rights of trademarks, patents, copyrights, etc. are respected. The objects of the contract to which the Company is a party should be free from legal defects and the Company's Contractors and the Company guarantee that they will not infringe intellectual property rights. If counterfeit parts are found, it is necessary to immediately report this fact to the party whose rights have been violated and to law enforcement authorities. Patents, copyrights, trademarks, and trade secrets and other intellectual property rights and the consequences of their possible infringement are furthermore always to be taken into consideration in the accomplishment of assignments by the each Party.

Suppliers are required to produce goods and provide services of the highest quality. They are also required to implement and maintain methods and processes appropriate to their products and services, minimizing the risk of introducing counterfeit parts and materials for delivered products.

Counterfeit parts, or suspect counterfeit parts, shall be controlled to prevent re-entry into the supply chain by checking the copyright, patent, trademark and other corresponding intellectual property rights.

Available reliable techniques are to be used to authenticate products at various stages of the supply chain.



Data Confidentiality

Suppliers are obliged to comply with all provisions of law concerning the protection of personal data of employees, clients, suppliers and other entities. Concurrently, they undertake to maintain confidentiality and to protect the know-how, patents and company secrets – in reference both to the Company and to third parties. Any disclosure of confidential information without the Company's consent is illegal. All and any confidential information shall be protected and utilized in an appropriate manner. For this purpose, the Supplier undertakes to sign a non-disclosure agreement with the Company. The Company has implemented, among others: TISAX system to protect data and implements its standards. Suppliers shall do the same.

Disclosure of Information

Unless necessary, the Company does not disclose any information, even other than confidential information. The Supplier ensures that all required information, other than confidential business information, is disclosed to the public, investors, employees, customers, creditors and other relevant parties in a timely, accurate, complete and understandable manner.

Whistleblowing and protection against retaliation

Everyone, including the Company, the Company's Suppliers and their employees and contractors, is encouraged to report possible violations through communication channels. Such reporting will not result in retaliation, intimidation or mobbing. Each report will be treated as confidential and corrective action will be taken. Reports can be submitted to incidenty@propoint.pl or by post, in accordance with the procedure. Reports may concern any violations, including human rights, environmental violations, as well as unfair business practices.

Supply Chain Due Diligence

In terms of purchasing raw materials, materials and components used for production (products), in particular to ensure continuity of supplies and counteract the effects of unexpected accidents in the supply chain, the following rules apply in the Company:

- a) at the Company does not conduct business without the permits, licenses or entries in the register of regulated activities required by law,
- b) products are purchased directly from producers after their prior verification;
- c) if it is impossible to purchase products directly from the producer, they are obtained from alternative sources after prior verification;
- d) if delivery dates are postponed, a business partner is consulted to find an alternative product from another manufacturer or a product from the same manufacturer with similar functionality;
- e) for rotating products, an appropriate stock is kept in the warehouse to maintain production for a sufficiently long period, and they are issued for production in accordance with the FIFO principle.
- f) supply chain management is carried out in compliance with the principles of necessity and indispensability of the incurred expenses and taking into account the reserve of time in case of unexpected situations. The Company monitors inventory levels on an ongoing basis and responds immediately to any irregularities



Implementation of the Policy towards own tier-1 Suppliers

The Supplier is obliged to define and to implement standards similar to standards set out in this Policy towards their own tier-1 Suppliers and to oblige these tier-1 Suppliers in a binding manner to pass on these standards along the supply chain

Compliance with the Policy

The Company reserves the right to regularly verify compliance with requirements specified in this Policy by Suppliers. For this purpose, the Company reserves the right to assign an appropriately qualified third party to conduct an audit at the Supplier's premises. Any breach of rules specified herein shall be deemed as a substantial breach of contractual obligations by the Supplier.

In case of non-compliance with, and breach of, the rules of this Policy, the Company reserves the right to discontinue cooperation with defaulting Suppliers. If, in spite of the Company's call to discontinue infringements, the Supplier continues not to comply with rules set out in this Policy, the Company reserves the right to terminate any relations and agreements with the Supplier with immediate effect.

To the extent regulated by this Policy, it acknowledges the UN Global Compact principles and other rules established by relevant universal or regional international organizations as a basis for shaping the Supplier's obligations resulting from its application.

Declaration of Commitment

I, the undersigned, confirm that I understand, and undertake to comply with, all the provisions and principles of the above *Sustainability Policy for Suppliers and Business Partners of PROPOINT S.A. (Policy)*. The Company requires its Suppliers to undertake necessary corrective measures to promptly resolve any cases of non-compliance with generally applicable regulations and provisions of this Policy.

The Supplier's name:

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The Supplier's address:

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hereby represents that:

- it has received the Sustainability Policy for Suppliers and Business Partners of PROPOINT S.A. and that in cooperation with the Company and its own supplier network, it shall apply best efforts to effectively implement this Policy;
- this Policy and the Supplier's declaration of commitment are governed by Polish law.

.....
Place and date

.....
Supplier's signature and stamp

References:

United Nations Global Compact: <https://unglobalcompact.org/what-is-gc/mission/principles>

United Nations Universal Declaration of Human Rights: <https://www.un.org/en/about-us/universal-declaration-of-human-rights>

International Labour Standards (ILO): <https://www.ilo.org/global/standards/lang-len/index.html>



PROPOINT S.A.
Bojkowska 37R 44-100 Gliwice, Poland



phone: +48 32 270 60 50
fax: +48 32 700 32 88



info@propoint.pl
www.propoint.pl

