



# LPP RULES

MANUAL FOR EMPLOYEES

# LPP

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At each stage of our company's development, we want to take proper care of its exceptional atmosphere and attitude to work. These are our distinguishing marks.

One of the reasons we gain our successes is that, among others, we are a well-tuned, ambitious and effective team that values professional challenges. The common denominator of LPP's culture is our values gathered under the acronym FAST. Working in a family-run company is our strength – the owners know the employees in person, calling them by their names and working desk to desk with them.

For us, it is important WHAT we do and HOW and IN WHAT STYLE we do it. Bringing attention to some fundamental rules which determine the type of company we are and what we care for, in those Rules, we want to facilitate your daily operations and your decision-making process.

In those Rules, you will find both the manual and practical advice. Some of them are given in detail, other are more general, yet all of them affect the way we work and our performance both today and in the future.

I do hope that each current and future employee of LPP will have the knowledge of those rules and will identify with them..

**Marek Piechocki**

# I. INTRODUCTION

## WHO DOES THIS RULES APPLY TO AND HOW TO USE IT?

„LPP Rules – Rules for Employees” is a document that applies to, and should be observed by, employees **at all levels**. Each of us is required to have the knowledge of, and adhere to the rules specified in, this document.



Our principal rules specified in the first part of this Rules apply also to all persons working on our behalf under contracts other than an employment contract with LPP.

### HOW TO USE IT?

This Rules are aimed at ensuring coherence of our rules and facilitating, in practice, the daily operations of LPP's employees.

Each of us:	If you are a manager, you should additionally:
<ul style="list-style-type: none"> <li>• is required to know the wording of this Rules and observe the rules set forth in this document,</li> <li>• should, in all operations, raise a question whether they are compatible with the principal rules of LPP,</li> <li>• should courageously discuss any doubts arising with reference to the rules provided for in the Rules with:               <ul style="list-style-type: none"> <li>- direct superiors,</li> <li>- the ethics officer,</li> </ul> </li> <li>• is required to report any events of infringing the rules set forth in this document to one's direct superior and/or the ethics officer.</li> </ul>	<ul style="list-style-type: none"> <li>• ensure that each member of your team/subordinate has the knowledge of this Rules,</li> <li>• pay special attention that each new employee in your team is given this Rules,</li> <li>• use the Rules on a day-to-day basis and monitor to what extent the operations of your team are compatible with the rules provided for in this document,</li> <li>• at least once a year, remind your employees of the rules specified in this Rules,</li> <li>• once a year, ask your employees whether there have been any situations or doubts concerning the rules of conduct in the company, which are worth clarifying and should be added to the Rules.</li> </ul>

## II. II. WHO WE ARE?

When gaining our successes, we always want to be fair and act ambitiously, efficiently and with style.

On a daily basis, we prove that companies with Polish roots can achieve great things.

We are a family-run company with a long-term development perspective, which relies on talented managers and employees, cares for the needs of customers and investors and values fact-based trust and credibility in their eyes.

### MISSION

We help our customers express their emotions and fulfil their dreams through the way they look.

### VISION

Passion drives us forward, making the company the top fashion retailer in the world.

## OUR VALUES



### FIRE-FUELLED

We are full of energy. We are passionate about our business, our brands and our customers. We are proud to be part of LPP.



### AMBITION-DRIVEN

We seek new challenges every day and strive for excellence. We dare for more. We expect unexpected.



### SOCIALLY RESPONSIBLE

We care for our closer and further surroundings. We support our employees and partners. We listen to their needs to act in harmony with nature



### TEAM-ORIENTED

The opinion of each team member is just as important. We treat everyone as we would like to be treated ourselves. Respect, justice and tolerance are our guideposts for action.

## OUR FIVE PRINCIPAL RULES

**If you are part of our team, in all your operations, please remember that:**

1. We care for our company's development and good name.
2. We always respect other people.  
The ETHICAL CODE has priority over the DRESS CODE – we are FAIR to ourselves and each other.
3. We observe the rules of domestic and international law.
4. We strive to ensure that our actions positively affect people, the economy and the environment.
5. We do not accept any violation of human rights at work or outside the workplace.



Never force or incite any other employee of LPP to act against those five principal rules even if their violation could be beneficial for the company in business terms. Bear this in mind specifically if you are a member of our company's management staff..

## SEVEN HELPFUL QUESTIONS

**If you have any doubts as to whether you act in a right way, ask yourself the following questions:**

First of all, consider the following:	If you still have doubts:
1. Does your decision/conduct infringe any of the five principal rules of LPP?	5. Would you be ashamed of your action/conduct if it became known to persons whose respect you value the most?
2. May your decision/conduct be perceived as unethical and/or as acting in bad faith?	6. Would you be proud of your decision/conduct if you were to present it when sharing good practices in our company or to outsiders?
3. May your decision/conduct result in financial losses for LPP?	7. Would you like others to behave in the same way to you / in relations with you?
4. May your decision/conduct be detrimental to the renown of LPP?	

## BETTER TO ASK A WAY THAN TO GO ASTRAY – YOU CAN ALWAYS POP IN FOR A COFFEE TO HAVE A TALK WITH THE ETHICS OFFICER

Please remember that you can always discuss your doubts or have a talk on any issue relating to this Rules specifying LPP rules, which you would like to understand better, with one of the ethics officers. No other person will know about your conversation unless you decide otherwise and specify explicitly that you want other persons to take part in the conversation about your concerns.

**Contact details of ethics officers: [ethics@lppsa.com](mailto:ethics@lppsa.com)**



## III. OUR RULES AT WORK

*We create a friendly place to work, where we inspire and support each other in the ambitious development of our people and our company.*

### 3.1 RESPECT FOR COLLEAGUES AND COUNTERACTING MOBBING

1. The rule we have in mind on a daily basis and at any stage of our work is respect for other people. In practice, this means that, among others, we try to behave towards our colleagues, subordinates and superiors in a way we want to be treated by others – with respect and kindness.
2. In our work, we do not accept any violations of law, including violations of human rights.
3. We neither tolerate any actions in bad faith, which would bring harm to other employees or the entire company – its welfare and renown.
4. In LPP, mobbing and bullying of employees are prohibited. Any irregularities reported in this respect will be carefully and diligently analysed, with due observance of the principle of safety and anonymity of a person reporting any such irregularity.
5. Any confirmed cases of mobbing or bullying another employee, a subordinate or superior at work will bring about severe consequences. The HR Department will be involved in any decisions in that respect.



**Mobbing:** A variety of actions or behaviours by or against an employee, involving notorious and long-term harassment or intimidation.

### 3.2 DIVERSITY AND EQUALITY OF CHANCES

1. We value diversity at our workplace. LPP offers equal chances to all employees and evaluates their performance at work in a professional way only, analysing our achievements and attitude to work. DIVERSITY is added value.
2. We do not accept any forms of discrimination at the workplace (for example, in terms of sex, age, sexual orientation, disability and the health condition, nationality, philosophical or religious beliefs), starting from the recruitment process through the period of cooperation with employees, the remuneration level, decisions on promotions and career development.

### 3.3 EMPLOYING FAMILY MEMBERS VERSUS RELATIONS AT WORK

1. We are a family-run company gathering many talented people. For us, it is natural that some of them are closely related. However, it is important for us that family relationships do not affect professional relations in any improper way.
2. Any situations involving superior-subordinate relations and other dependency relationships in the decision-making process between ourselves and our relatives are to be reported first of all to the head of the department.
3. The head of the department is required to report any such present and prospective situations to the HR department. In certain cases, upon consultation with the head of the department, the HR department may offer relatives such jobs in our company which will prevent direct superior-subordinate relations or other dependency relationships.
4. Family relationships or close personal relationships may not affect our merit-based decisions made in the course of our work, for example, decisions regarding the choice of a project made or service provided by a person close to us.



**What is a close relationship?** A close relationship is a family relationship and formal and informal intimate relationships. They must be reported to the head of the department in the event of reporting lines existing between two people in their professional context.

**Example** Your close friend from other department has made a graphic design for our company. This is one of several designs taken into consideration. Choose the right way of acting:

- A. You inform the head of the department that, among designs being evaluated, there is one made by your close friend and, therefore, you cannot take part in the decision-making process involving the choice of the design.
- B. You inform the head of the department and/or your team that, among designs being evaluated, there is one made by your close friend and, consequently, you may not be the only person making the decision. You ask another person from your team to take part in the decision-making process.
- C. You agree with your friend that your decision will be objective in 100% and you try to stick to that. You make decisions as usually, without informing anyone.

Correct answer: A. The head of the department is to make the decision whether and on what grounds you may, in such a case, take part in the decision-making process involving the choice of the design.

5. You do not know how to act? Any doubts or irregularities relating to private relationships of LPP employees and associates may be reported to your direct superior, the HR department or the ethics officer.

### 3.4 BUSINESS TRIPS

1. During business trips, we always care for our company's good name.
2. We never accept any invitations to meetings, training sessions, concerts or other events which may be considered as having the features of a bribe and unfair methods of influencing our business decisions.



3. When planning a business trip, including the choice of means of transportation, and when making any expense-related decisions, we act reasonably and fairly towards the company. We choose the most optimal solutions in terms of costs, timing and performance.

**Example** When planning a business trip, you have the following options available:

- A. flight lasting 2 hours, which is more expensive than a travel by train,
- B. a travel by train, which lasts 5 hours longer, yet is substantially less expensive.

Choose the option which will enable you to plan the budget and the travel time well. If, choosing the cheaper travel by train, you will have to book additional accommodation (as your trip will be longer) or you will be very tired and, consequently, distracted at a business meeting, then your trip by plane will be a more reasonable and more advantageous option.

4. We may combine business trips with private stays and, for example, prolong a business trip by adding days off following the end of the business trip provided that:
  - a. this does not adversely affect the quality of our work during the business trip,
  - b. this does not generate additional costs for LPP,
  - c. our superior consents to the above.
5. When planning and settling business trips, please apply the rules for settling business trips provided for in the separate Business Travel Policy to be found in our Intranet.

### 3.5 ENVIRONMENT PROTECTION

1. Working for our company, we bring attention to the environmental impact of our decisions and daily habits. This is fair towards nature and ourselves.
2. We do not unnecessarily waste water, electric energy or any other natural resources. We also try to minimise the quantity of waste we produce.



What can you do? Turn off your computer and the power strip at the end of the working day, use duplex printing, reusable cups, and take one car when you go to a business meeting with a colleague...these are small things that make a big difference.

### 3.6 DISPUTE RESOLUTION AT THE WORKPLACE

1. Differences of opinion and disputes happen everywhere, it is natural because we have the right to differ. We resolve disputes with interested parties because we are an open organisation and we try to communicate directly. We try to understand the other party's perspective - why they think so and what drives their behaviour. Once we have exhausted this path, we engage our immediate superiors.
2. Any irregularities and major disputes involving work relations, which may not be resolved as given above, may be reported to the HR department and/or the ethics officer.

## IV. HOW DO WE COUNTERACT CONFLICTS OF INTERESTS?

*The best way to avoid conflicts is to look together in the same direction.*

### WHAT IS A CONFLICT OF INTERESTS?

A conflict of interests is a situation in which the personal interests of yourself, another LPP employee or companies/institutions/organisations contradict the interests of LPP or there is a risk that any such situation may occur.

#### Examples of conflicts:

- a designer working for LPP makes, at the same time, fashion designs for a small Polish clothing brand,
- a company managed by the sister of a manager working in LPP's purchase department takes part in the tender procedure for LPP.

We should definitely avoid any conflicts of interests. However, if there is any conflict of interest or a major risk of any such conflict in your work, you are required to notify the head of your department accordingly.

### 4.1 WORK FOR OTHER ENTITIES, PERFORMED BY LPP EMPLOYEES

1. If you are employed in LPP, then, during your employment with LPP, you may perform chargeable-work and/or carry out assignments for entities other than LPP provided that:
  - a. they are not carried out for entities competitive to LPP and are not concordant with your position at LPP,
  - b. a consent is given in writing by the head of your department or a member of LPP's Management Board.

**NOTE:** No consent is required for any temporary or short-term work or minor assignments not performed on a continuous basis.

2. You may also pursue your own economic activity which is not competitive for LPP, however, you are required to notify the head of your department accordingly and obtain his/her written consent.
3. If you are a superior, you should provide information on the above-mentioned cases to the HR department.
4. Any work/assignments carried out by us for other entities may not be executed during LPP's working hours or using LPP's software and/or other resources or any internal data of LPP, in particular, any confidential or sensitive data.

**Examples 1** I work as a graphic designer for LPP. I have been asked to draw up graphic materials promoting my friends' coffee shop. May I accept this assignment?

- A. Yes, if this is a single and minor assignment, you may do it without your superior's consent. If you plan to provide graphic services for the coffee shop on a permanent basis, you may do it provided that you notify the head of your department in advance and obtain his/her consent. Please remember that you may carry out that assignment outside LPP's working hours and you may not use any equipment or software owned by LPP.
- B. Yes, because this assignment is not carried out for an entity competitive to LPP. You may make your own decisions in that respect even if, ultimately, you will prepare graphic designs of a coffee shop menu on a daily basis.

Correct answer: A. The important principle you should remember is your engagement. In order to perform a regular chargeable work on a permanent basis, you must obtain a written consent of the head of your department.

**Examples 2** I am an IT specialist and I have been recently employed in LPP. So far, I have carried out my own economic activity. May I still carry out such activity and accept assignments from other companies and non-governmental organisations I have been cooperating with?

Answer: Yes, you may if the head of your department consents to the above. Please remember that LPP employees may not carry out any chargeable work for entities competitive to LPP.

## 4.2 USE OF ELECTRONIC EQUIPMENT AND SOFTWARE OWNED BY THE COMPANY

1. We respect tangible and intangible assets of our company and we care for them. This applies both to equipment and objects owned by LPP as well as its know-how and intellectual resources.
2. You may not use, for profit-earning purposes, any software or hardware purchased with the company's funds to render work/carry out assignments for entities other than LPP, in particular, for other companies.
3. However, you may, with your superior's consent, use the company's resources for community purposes such as corporate volunteering or support for important community initiatives.

## 4.3 POSITIONS OF EMPLOYEES AND MANAGERS OF LPP IN OTHER COMPANIES AND ORGANISATIONS

1. You may hold positions and/or perform supporting or advisory functions in companies and organisations other than LPP following the rules set forth in section 4.11.
2. You may not, however, hold positions and/or perform any supporting or advisory functions:
  - in companies competitive to LPP,
  - in other companies from the clothing industry or in other companies providing goods and/or services to LPP.



If you are a member of community organisations or you take part in interesting projects, you should inform the Communication and Sustainable Development Department of LPP. Information on any such activities may help developing our community operations. We might be able to help an organisation you are engaged with.

## **4.4 POLITICAL ACTIVITY AT AND OUTSIDE THE WORKPLACE**

1. We respect each person's right to have different political views yet we do not accept any political agitation or electoral campaigns at LPP's premises and/or while performing employment duties. LPP has always been and will remain apolitical.
2. In LPP, we also respect our right to become engaged in a political activity if, when doing so, we make no reference to our company and we do not make an impression that LPP supports a given political organisation or our political views.
3. If you intend to run for a position in local or parliamentary authorities, you should inform the head of your department accordingly..

## V. CONFIDENTIAL INFORMATION

*Information is often as valuable as, and sometimes even more valuable than, any object or money.*

### 5.1 WHICH DATA WE ARE REQUIRED TO TREAT AS CONFIDENTIAL?

confidential information is any piece of information on the company's operations and staff the disclosure of which may be detrimental to LPP. In particular, this applies to information on the company's intended yet not officially communicated plans and goals.

- do not provide unauthorised persons with any information which should not be made known to our competitors.
- do not provide unauthorised persons with any information the disclosure of which could weaken LPP's position and increase market opportunities of our competitors.



Examples of confidential data: unpublished sales data, pricing policy, remuneration policy, planned investments that are not yet disclosed or store closures.

### 5.2 CONFIDENTIAL INFORMATION VERSUS COMMUNICATION BETWEEN BRANDS

1. Our brands should recognise one another as "competitors" mobilising and inspiring one another.
2. LPP brands share their experience and cooperate as part of internal technical and business processes. We pursue common projects and implement new solutions together.
3. Healthy competition between LPP brands drives our creativity, therefore, despite close cooperation, we do not provide our other brands with information on projects and creative work involving our products and their marketing.



If you have any doubts whether a given piece of information may be given to an employee of another LPP brand, discuss that issue with your direct superior.

## VI. OUR RELATIONS WITH BUSINESS ENVIRONMENT AND CLIENTS

*We build our market position based on fair play.*

### 6.1 FAIR COMPETITION RULES

1. We build relations with our competitors based on integrity, respect for others and fair play.
2. We refrain from expressing publicly any negative opinions and comments on the offer and/or other activities addressed to customers by competitive entities. This applies also to our communications on private profiles in social media.
3. We respect copyright and make all endeavours to adhere to copyright laws.



Any doubts concerning the observance of copyright law should be notified to, and discussed with, your superiors. You may also consult these matters with our patent attorney or the Communication and Sustainable Development Department. **Contact to the patent attorney: [prawaautorskie@lppsa.com](mailto:prawaautorskie@lppsa.com)**

### 6.2 TRANSPARENT PURCHASE POLICY

1. Our aim is to build and maintain fair relations with suppliers and contracting parties, based on high standards of pursuing business activity.
2. We apply transparent purchase policy rules.
3. We expect our suppliers and contracting parties to observe human rights and pursue business activity ethically.
4. In relations with suppliers and other current or prospective business partners, we definitely do not accept any form of bribery and corruption.
5. In relations with current and prospective suppliers or contracting parties, we avoid any conflicts of interests and counteract any irregularities which may arise due to any such conflict.
6. For transparency reasons, as a rule, we do not place any orders for services with former employees unless the Management Board consents to the above.

**Please remember:** If you are to influence a decision on the selection of a supplier and, at the same time, you have family ties or friendly relations with representatives of our prospective suppliers:

- you may not participate in a decision-making process involving the selection of a supplier,
- you are required to notify your direct superior, who will make a decision as to who will substitute you.



**GOOD PRACTICE:**

**The four eyes principle** – when selecting a service provider or supplier, you should ask at least one person from your team for advice.

**“Do it the way you would do it for yourself” principle** – make as good and fair decisions as you would make for yourself.

**Three-offer principle** – it is good to have a choice, therefore, make sure you compare three offers before making your final choice.

**Example** Do you know how to proceed if a member of your family or close friend is a manager in a company taking part in a tender procedure?

- A. If this person is a member of my nearest family, I should notify my direct superior accordingly. If this person is my cousin or friend, I do not have to report that matter. In the tender procedure, it will be enough for me to try assessing that company just like other participating companies.
- B. It doesn't matter whether the persons working for that company are immediate or distant family members or friends. I should always report that matter to my superior and wait for his/her decision as to who will substitute me in the decision-making making process involving the selection of a supplier.

Correct answer: B

This document provides basic rules. For details, see the rules of cooperation with contacting parties, available in the Intranet.

## 6.3 SRESPECT FOR CULTURE DIFFERENCES

1. We respect culture differences which may arise between us and suppliers and contracting parties from other countries and regions of the world. It means that, among others, when getting ready for a meeting, we try to get knowledge on customs and cultural factors in a given country, relating to situations which may take place in business relations, during talks and at meetings held.
2. Similarly, we expect our suppliers and contracting parties to respect our customs and principles.



If you do not know how to act, talk to your team and/or ask a more experienced employee. In particular, your superior will advise you accordingly.

**Example** Do you know the basic Chinese principles of etiquette and showing respect to newly met persons? Choose the right option:

- A. Business cards should be exchanged being kept with two hands, by their corners. They should also be accepted with two hands and studied in detail in the presence of the person exchanging it. A business card should be kept with your thumb and index finger. This gesture will be appreciated as a sign of our respect for Chinese norms and customs.
- B. Business cards should be exchanged with two hands and accepted with one hand. Next, you should smile and, if possible, place it on the desk or table. A business card should be kept with your thumb and index finger. This gesture will be appreciated as a sign of our respect for Chinese norms and customs.

Correct answer: A\*

You may obtain information on cultural factors in the country of origin of a supplier you are to contact or meet:

- by talking to more experienced employees,
- by taking part in LPP's on-line training session on cultural differences.

• Źródło: <http://www.gochina.gov.pl/index/?id=f457c545a9ded88f18ecee47145a72c0>

## 6.4 ACCEPTING GIFTS

1. We have the right to accept gifts from external entities (including community and business partners such as suppliers or contracting parties) provided that their value does not exceed PLN 250 gross.
2. All accepted gifts should be reported to your direct superior.
3. In case of any doubt as to whether a given gift may be recognised as symbolic and/or of a value of less than PLN 250 gross, we consult the possibility of accepting such gift with our direct superior, trying to assess its value by using, for example, the Internet resources.
4. If it is probable that the value of a gift you received exceeds PLN 250 gross, you have to return it/ send it back.
5. If you refuse to accept a gift, please remember to show gratitude to the person who gave it. By doing so, you will show respect. Apologise and explain that, according to company rules, you may not accept that gift as it is too expensive.

**WHEN YOU RECEIVE A GIFT:**

*Example* **Christmas gifts sent to the company by business partners.**

1. You report the gift received to your direct superior.
2. You check the gift's value.
3. If you have any doubts as to whether a given gift may be considered symbolic, of a value of less than PLN 250 gross, or if you know the gift's value exceeds that amount, give it back at the next meeting or send it back.

PLEASE REMEMBER: in such a case, express your gratitude and explain why you may not accept the gift.

6. Heads of Investment, Controlling, Main Purchase Departments may implement more strict rules due to the specific nature of their work.

**NOTE:** The same value limits apply to gifts we give.

## 6.5 CUSTOMER RELATIONS

1. In all our operations, we observe the principle of respect for our customers and their expectations.
2. Our goal is to know best our customers' needs and duly react to them. The development of our company depends on our customers and their satisfaction with our offer and service quality.
3. In customer relations and when communicating with customers, we avoid all forms of discrimination. It means, among others, that:
  - a. we develop solutions to make our products and stores more accessible to everyone regardless of age or disability.
  - b. as a rule, our advertisements and marketing communications do not have contents including any forms of discrimination and/or reinforcing any damaging stereotypes related to sex, age, ethnic denomination or any other features.
  - c. our priority is to learn the needs and expectations of our customers, to support them both in the product selection process and offering after-sales and customer claim services.

## VII. EXTERNAL COMMUNICATION AND ETHICS IN ADVERTISING

### 7.1 ETHICS IN ADVERTISING

1. In our advertising and all other marketing communications, we are guided by integrity and fair play.
2. It means that, among others, we give no false information on our products or services in our advertisements and any other marketing communications.
3. The important principle is respect, therefore, in our advertisements and other marketing communications, there is no content involving any forms of:
  - discrimination of any group of people,
  - inciting others to discriminate any group of people,
  - reinforcing any damaging social stereotypes, for example, based on sex, health condition or colour,
  - presenting women or men as sexual objects being viewed based on sexual attractiveness,
  - inciting aggression,
  - inciting any other unethical and damaging attitudes and behaviours.

### 7.2 RULES OF SPEAKING ON THE COMPANY'S BEHALF

1. Only authorised persons who have been trained in communication issues may speak on the company's behalf.
2. If you are invited to speak on behalf of the company, for example, in local media or at a conference, please report this to your direct superior. If, after consulting the Communication and Sustainable Development Department, your superior gives his/her consent, you may make a public appearance and speak on behalf of LPP.

### 7.3 EMPLOYEES' STATEMENTS IN SOCIAL MEDIA

1. While using social media in a private context, we must always remember that our comments and behaviours may affect the way our company and its attitudes are perceived.
2. Our market position is built on fair play and, therefore, we avoid any practices involving criticism of our competitors' products or services during our private social media activity. In the same way, we do not criticize LPP or any of its brands in such statements, and in no other way do we act to the detriment of the image of the company or its individual brands.
3. We address our shortcomings or weaknesses within the organization through constructive criticism of the issue to our supervisors rather than through the publication of our own comments in social media.

4. In our private social media activity we do not post any entries related to our professional duties or internally available information about our company.
5. We do not comment on the allegations against LPP in the case of negative posts in social media, but inform the Communication and Sustainable Development Department or the marketing departments of individual LPP clothing brands as far as possible, if the criticism does not concern our own LPP activities or those of our brands.

**PLEASE REMEMBER THAT YOU ARE AN LPP AMBASSADOR.**

Therefore, you should make sure that your personal statements and all materials (even private) published in social media:

- do not infringe any commonly acceptable principles of public decency,
- do not include information which may violate the principle of protection of LPP's confidential data.
- do not damage the company's reputation.

## VIII. HOW CAN YOU REPORT POTENTIAL IRREGULARITIES?

1. Any wilful violation by employees or managers of the rules adopted by LPP and provided for in this Rules may bring about adequate consequences.
2. In any situation, in which you will consider that:
  - our company acts in breach of the law or the rules provided for in this document,
  - our employee or member of the governing bodies acts in breach of the law or the rules provided for in this document, you should report any such breach for the good of us all and entire LPP following a procedure of your choice.
3. If you want to report any potential irregularities or situations to be controlled or clarified, you may do it as follows:

### Contacting your direct superior or member of the Board - CFO

- a. direct or telephone conversation,
- b. reporting by email.

### Contacting LPP's ethics officer

- a. direct conversation,
- b. telephone conversation (see the Intranet for the ethics officers' contact details),
- c. reporting by email at [ethics@lppsa.com](mailto:ethics@lppsa.com),
- d. reporting by email to LPP's ethics officer (see the Intranet for the ethics officers' contact details),
- e. by post to: LPP ethics officer, LPP SA,  
ul. Łąkowa 39/44, 80-769 Gdańsk.

The direct superior, of an employee reporting irregularities, member of the Board - CFO and the ethics officer are required to:

- a. respect the right to anonymity of the employee consulting the rules/reporting an irregularity and not to provide his/her personal data to any third parties without the employee's consent;
- b. take first actions, within the maximum of 14 days from the reporting date, to examine the irregularity reported;
- c. make a decision in respect of the procedure for examining the irregularity reported;
- d. inform the person reporting the irregularity (if he/she discloses his/her contact data at the time of reporting) of the results following the examination of the irregularity reported.





You will decide whether you want to stay anonymous when consulting the rules or reporting an irregularity. We will respect your decision and make endeavours to ensure you feel comfortable when consulting the rules of interest to you/when reporting irregularities or situations you find ambiguous.

4. In justified cases, the procedure for clarifying an irregularity reported will be carried out by LPP's Ethics Commission. Permanent members of LPP's Ethics Commission are members of the Management Board and ethics officers. The Management Board of LPP has the right to appoint other members to join LPP's Ethics Commission. Just like ethics officers, members of LPP's Ethics Commission are required to respect the decision made by an employee reporting an irregularity in respect of non-disclosure of his/her personal data to third parties. It means that the Ethics Commission does not disclose personal data of the person reporting an irregularity to any person outside the Commission.

In special cases, it is also possible to report directly to the Supervisory Board of LPP SA.

## IX. WHO CAN CLARIFY YOUR DOUBTS?

1. If you have questions or doubts concerning the most appropriate conduct or you want to ask about the rules and issues discussed in this document, consult specific situations, propose supplementations or methods of increasing the employees' knowledge on the rules provided for in this Rules, we invite you to:
  - a. talk to your direct superior,
  - b. inform member of the Board – CFO,
  - c. contact the ethics officer.
2. Just like in cases of reporting irregularities, the information that you are the person asking a question, bringing up an important issue or reporting doubts concerning the issues of ethics and the rules provided for in this Rules are confidential and may be given to other persons with your consent only.

## X. WHO IS LPP'S ETHICS OFFICER

1. In LPP, at least two employees are ethics officers. They are appointed annually, by the end of the first quarter, by the Management Board of LPP.
2. LPP's ethics officers have the following duties:
  - a. merit-based support – they help employees in any doubts involving ethical principles / rules of conduct recognized by LPP as appropriate.
  - b. support in case of occurrence of irregularities – they are obligated to accept and conduct an initial analysis of all reports involving improper behaviour at LPP, which require examination by, and attention of, the company. Ethics officers inform the employee reporting an irregularity of the results if its examination and, if the employee so requests, make sure that he/she remains anonymous by preventing disclosure of his/her personal details to any third parties.
3. LPP's ethics officers decide whether a given matter will be examined by themselves, with the assistance of other persons or requires engagement from LPP's Ethics Commission.
4. Every six months, the ethics officers are obligated to inform the Management Board of the quantity of irregularities reported and the range of topics as well as the results or their examination either by the ethics officers or with the participation of LPP's Ethics Commission. The results of the said reports will affect LPP's preventive measures concerning the observance of the rules of conduct and ethics, including employee training activities.



## COMPLIANCE MECHANISM

**Employee**

Question, doubt, wants to report violation of ethics

**Direct superior / Member  
of the Board - CFO**

*may consult*

**Ethics officer**

- Directly
- By phone
- Anonymously:  
[ethics@lppsa.com](mailto:ethics@lppsa.com)

*may consult*

**LPP ethics commission**

The Ethics Officer has 14 days to respond.

The Ethics Officer is obligated to keep all reports confidential.



**LPP**