



RULES OF

COOPERATION WITH BUSINESS
PARTNERS

LPP

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INTRODUCTION

Given the need to establish clear and transparent rules governing business contacts of LPP SA employees and associates with external entities, the following rules shall apply. All persons providing work and services to LPP SA are obliged to observe these rules.

In case of any doubts as regards the obligation to apply these rules or how to apply them in a particular situation, please contact your head of department and HR director who shall present the binding interpretation. If the person requesting the interpretation applies it - they shall not be burdened with negative consequences in that regard.

I. COOPERATION OF LPP SA EMPLOYEES AND ASSOCIATES WITH EXTERNAL ENTITIES

GENERAL RULE:

Each LPP SA employee and associate shall exercise due diligence in selecting partners – suppliers of goods and service providers. Due diligence means taking all measures possible to select the best providers with the interest of LPP SA in mind, having regard to the qualitative, quantitative and price-related parameters, in accordance with the business policy of the Company and the particular department, as well as the principle of economy.

LPP SA EMPLOYEES AND ASSOCIATES SHALL NOT:

1. enter into contracts, give orders or assign work based on any legal form of cooperation with employees who are currently employed by the company or who cooperate with the company on a permanent and continuous basis, without the prior written consent of the member of the management board supervising the department commissioning the work in question and the member of the management board supervising the department accepting the work to be performed;
2. conclude contracts, give orders or assign work based on any legal form of cooperation to relatives, spouses or persons with whom they share a household or with persons in a relationship that hinder objective assessment the offer of cooperation;
3. use their position in the company to exert influence in order to select entities – with which they have family relations or significant financial relationships – as suppliers of goods and services;
4. conclude contracts for the purchase of goods and services for LPP SA with entities in which they or their spouses or persons they share a household with hold shares, are members of corporate bodies, or finance their activities in any form, or are employed under any legal basis.

II. ACCEPTING GIFTS OR OTHER GRATUITIES

Employees and associates of LPP SA strive to maintain impartiality and transparency in business relations, avoiding situations that could result in business partners' influence on business decisions taken by employees of LPP SA. Given that in business relations any form of gratification may directly or indirectly influence the decisions made by the employee, it is agreed that employees of LPP SA are obliged to comply with the following principles concerning the situation of receiving gratification from the company's business partners.

LPP SA EMPLOYEE SHALL NOT:

1. accept cash from business partners and associates of LPP SA.
2. accept gratuities in the form of discounts/rebates/services apart from those normally offered by business partners to the wider public;
3. accept gifts from business partners in the form of goods, services or discounts, the value of which exceeds PLN 250 gross;
4. be a shareholder of entities from which they purchase goods and services (with the exception of holding shares of public companies in a package not exceeding 5% of votes at the Annual General Meeting);
5. accept loans in any amount from business partners or entities seeking to do business with LPP SA.
6. receive from business partners or entities seeking to do business with LPP SA any benefits such as accommodation, use of buildings/facilities, transport, meals, entertainment, sports events, etc., which exceed the normal and reasonable costs incurred in the normal course of business.

It is permissible for employees to participate in training courses and trips organised by business partners in order to learn about new products, technologies and developments, with the written agreement of the head of department and the knowledge of the member of the board supervising the department.

III. COMPETITIVE ACTIVITY

Persons providing work and regular services to LPP SA shall take care of the interests of LPP SA as an employer, in particular by not engaging in activities which could expose LPP SA to damage through competitive activity.

Employees and associates of LPP SA should not provide work or services of the same or similar scope in relation to the duties performed at the same time for LPP SA to third parties under employment relationship, contract for services under any basis. This prohibition also comprises running a business, individually or as part of a civil or commercial partnership, the object of which would be the same or similar to the scope of duties performed by said person at LPP SA at the same time.

Employees and associates of LPP SA should notify the head of department in writing if they commence work or services or business in any form during the course of their employment or regular provision of services to LPP SA.

EXEMPTION:

By decision of the Management Board of LPP SA, the obligations and prohibitions listed in items I, II and III above may be subject to exemptions of individual or generic nature, unless they pose a significant risk to the interests of the Company. Exemptions from the application of the aforementioned rules shall be granted on the basis of a written application to the Management Board.

Management Board of LPP SA

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