

## Code of conduct for Suppliers and Subcontractors of Merx Polska Ltd.

This Code of Conduct sets the rules and requirements of MERX Polska Sp. z o.o. ("MERX") for all its suppliers of goods and services, for all its subcontractors and companies from the group of suppliers and subcontractors (hereinafter collectively referred as "contractor" or "contractors"), regarding their responsibility to society, the environment and persons involved in the production of goods and/or services. In case of changes to the MERX Compliance Program (MERX Compliance Program) MERX reserves the right to supplement the requirements of this Code of Conduct.

The condition for doing business with MERX is that suppliers comply with these requirements. MERX intends to maintain this Code of Conduct in a spirit of constructive dialogue and partnership relations with suppliers. If MERX finds out, or suspects, the occurrence of non-compliance with this Code of Conduct, MERX will notify the supplier, the supplier is expected to investigate the issue and correct these irregularities as soon as possible within the agreed period of time. If the supplier will not be willing to correct these irregularities, MERX reserves the right to initiate appropriate legal actions, including the termination of business relations, or demand to apply the corrective actions, to control them and assure its enforcement.

This Code of Conduct is mandatory for suppliers and sets the following rules:

### **General rules**

Suppliers shall comply with laws and regulations of all countries in which they operate, deliver and/or sell goods and services, and also act accordingly to them. In case the local legal requirements are less stringent than mentioned here international standards, suppliers are required to comply with the most up to date international standards.

Suppliers shall respect human rights and minimize the environmental impact their activities or companies may cause.

Suppliers need to implement the requirements of this Code of Conduct in their supply chain.

### **Labor and social policy**

#### **Prohibition of Child Labor**

MERX respects the rights of children to education and their development.

Suppliers are prohibited from employing children in violation of the International Labor Organization (ILO Convention concerning the lowest age of admission to employment No. 138, 182).

The lowest age of admission to employment should be the lowest legal age in the country or the age of completing the compulsory education in that country, where the higher age form the above shall apply.

#### **Prohibition of forced labor**

Under no circumstances may suppliers use, promote or otherwise encourage the use of forced labor. Forced labor may, with no limitation to, include limiting the movement of persons; withholding payment of salary or identification documents to keep the person in the workplace; maintaining

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them in a state of false indebtedness or setting off remuneration which they cannot avoid; loss of social status (see ILO Convention No. 29, 105).

Suppliers shall ensure that employees understand their rights regarding remuneration, overtime and keeping their identification documents.

Suppliers shall ensure that employees are treated fairly and that their rights are respected.

Suppliers shall pay particular attention to compliance with these principles when the employees are employed by third parties.

### **Working hours**

Working hours (and overtime) must comply with applicable laws and regulations, collective bargaining agreements and international conventions. Suppliers shall reject overtime as a substitute for insufficient regular salary. Overtime payments shall be made on the basis of relevant legal provisions and/ or collective bargaining agreements. Threatening the employee with a penalty to force him to performing work or services outside normal daily working hours shall be prohibited.

### **Fair wage**

Suppliers shall comply with all applicable laws and regulations, including minimum wages, overtime and benefits imposed by law. Suppliers shall pay rates that are not lower than the rates specified for the trade or industry in which the work is performed. In countries where there are no legal requirements regarding the minimum wage, the basis for its determination will be paragraph 131 of the ILO Convention. The employees have their rights to fair wage always payed on time.

### **Non-discrimination and equal wage**

MERX respects cultural differences. Suppliers shall not discriminate or marginalize any employees because of their race, skin color, age, sex, sexual orientation, ethnicity, disability, religion, political affiliation, trade union membership, ethnic origin, social origin or marital status in their recruitment and employment processes, such as job applications, promotions, awards, access to training, job assignments, salaries, allowances, discipline, termination of employment or retirement (see ILO Convention 100, 111).

### **The right to organize gatherings and the right to association**

Suppliers shall respect the right of employees to freely associate, create employee organizations and join self-elected employee organizations, use employee representation and collective bargaining agreements in accordance with applicable laws and regulations. Suppliers shall ensure that representatives of such employees will not be discriminated (see ILO Convention 87, 98). Suppliers must strive for a fair relationship between their economic interests and those of their employees.

### **Health and safety**

Suppliers shall ensure that the risks to their employees, contractors and members of the public regarding health and safety arising from their activities are limited.

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MERX requires suppliers to carry out their activities in a safety manner, in accordance with all legal provisions, approved codes of conduct and best industry practices.

Suppliers are also expected to have a clear commitment to health and safety management, as well as effective and proactive policies and procedures. Suppliers should support guaranteeing and creating safe working environment. MERX will very seriously analyze and actively monitor the occurrence of accidents, as well as require full disclosure of statistics. At the request of MERX the suppliers shall provide their health and safety indicators, risk assessment and improvement plan.

### **Environment**

#### **Environmental policy**

Suppliers shall implement actions to improve environmental protection during the product life cycle; in the field of design, development, production, transport, utilization or recycling. MERX expects from its suppliers to strive to save valuable resources, less energy usage and create less waste and emissions through sustainable usage. Products and services shall then continue to be exceptionally environmentally friendly in the future. In order to meet international standards suppliers shall cooperate more closely with local offices and relevant state institutions at local level.

#### **Natural resources protection**

Suppliers shall be focused on reducing the use of raw materials and resources, as well as eliminating waste generated as part of their activities. Appropriate processes should be implemented.

#### **Conflict materials**

MERX expects its suppliers to promote principles and practices of social responsibility through the entire supply chain and to give great importance to ethics in procurement. The delivery and ordering of conflict materials such as tin, tantalum, tungsten or gold require particular monitoring in terms of transparency, security and the latest EU regulations.

#### **Reduction of CO<sub>2</sub> emissions and water consumption**

Suppliers should support the development of technologies to reduce CO<sub>2</sub> emissions and water consumption, as well as recycling solutions and to implement logistic strategies that minimize overall environmental impact.

### **Principles of business ethics**

#### **Fair competition**

All suppliers are committed to fair competition and not to distort it, as well as to comply with all applicable antitrust laws. They are required to avoid anti-competitive agreements with competitors, suppliers, distributors, agents and customers, as well as anti-competitive practices.

#### **No corruption, bribery and money laundering**

## **Code of conduct for Suppliers and Subcontractors of Merx Polska Ltd.**

Suppliers are required to comply with all anti-corruption laws. The use and tolerance of any form of corruption is prohibited. Suppliers shall not offer bribes to their business partners or accept bribes, or other illegal benefits, from them. Suppliers shall not offer MERX employees gifts or other personal benefits resulting from relationships with suppliers.

Suppliers are required to comply with all money laundering laws.

### **Data protection**

Suppliers shall comply with all applicable data protection laws. In particular, suppliers shall act in an appropriate manner to ensure the personal data protection of MERX employees, clients or other personal data, processed as part of business relations with MERX.

### **Respect and protection of intellectual property**

Suppliers shall respect and protect the intellectual property rights of MERX and MERX customers. They will protect and use confidential information properly and only for the purpose of business relationship.

### **Compliance with international trade regulations**

Suppliers shall ensure that transactions with third parties do not violate applicable international trade embargoes or regulations, import and export controls or international financing anti-terrorist regulations. The supplier shall use the appropriate measures to comply with the above.

### **Audit**

At the MERX request the suppliers shall submit all necessary and/ or required documents confirming compliance with this Code of Conduct.

The Supplier shall inform MERX without undue delay of any violation of the principles of this Code of Conduct, or of such presumptions, as well as provide the recovery plan to remedy such violation that MERX will be able to accept. In addition, the supplier grants MERX the right, in the extent permitted by applicable law, to conduct individual, unannounced tests, to a reasonable extent and where applicable, to ensure that the supplier complies with this Code of Conduct.

## Code of conduct for Suppliers and Subcontractors of Merx Polska Ltd.

The supplier confirms:

(1) receipt of the "Code of Conduct for suppliers of MERX Polska Sp. z o.o.";

(2) Recognition and compliance with the principles of the "Code of Conduct for suppliers of MERX Polska Sp. z o.o."

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Name and Surname / Company name

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Supplier's Address

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Signature

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Name and surname / Name with capital letters

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Title

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Place / date

Contact person responsible for matters related to sustainable development:

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Name and surname with capital letters / e-mail

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Title / Telephone

**(If the supplier refuses to sign the Code of Conduct for MERX suppliers because of his own Code of Conduct, which is more extensive than the rules set out in the Supplier's Code of Conduct, please feel free to contact us immediately and provide a written statement containing detailed information about supplier's rules / obligations).**

This statement should be signed by a person duly authorized to sign it on behalf of the supplier. This declaration must be returned within **20** working days of receipt.