

Piła, 21st of August 2023

Code of Conduct
for Suppliers
MAG sp. z o o.

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1. Introduction

This document defines standards and contains minimum requirements for Suppliers setting standards of conduct at MAG Sp. z o.o. in accordance with the 10 fundamental principles of the United Nations Global Compact, ILO conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child.

The purpose of the Code is to:

- / increase the quality of products delivered and services provided,
- / minimize the occurrence of social, environmental and ethical risks associated with the business activities of MAG Sp. z o.o. and Suppliers,
- / unifying the standards of conduct of Suppliers throughout the value chain.

Suppliers are obliged to comply with laws, regulations, legal directives and guidelines, as well as all obligations under the contract that the Supplier has entered into with MAG Sp. z o.o. In addition, Suppliers shall ensure that they communicate the principles of this Code to their employees and expect them to adhere to the standard described herein.

2. Scope of Application

This Code of Conduct applied in MAG Sp. z o.o.

- / The Code of Conduct for Suppliers is addressed to all Suppliers of goods and production services, excluding suppliers of utilities, with an annual turnover of more than PLN 500,000.
- / The primary material for assessing compliance with the Code of Conduct for Suppliers will be signed declarations submitted every 2 years. In case of key updates to this Code, MAG Sp. z o.o. reserves the right to require signing of the declaration more frequently.
- / All confirmed violations of the Code of Conduct for Suppliers must be documented and reported, and remedial measures must be applied.
- / Suppliers agree to cooperate in providing information or inspections, which MAG Sp. z o.o. may carry out on its own or with the use of third parties, in order to confirm Suppliers' compliance with the obligations of the Code.

- / Violation of the provisions of this Code of Conduct for Suppliers shall be considered as a material breach of the provisions of the contract between MAG Ltd. and the Supplier. If a violation of the Code is confirmed, the Supplier agrees to plan and immediately implement mutually agreed corrective actions. In justified cases, the company reserves the right to suspend business operations until the non-compliance is remedied or, in extreme cases, to terminate the contract if the Supplier finds it impossible to apply the provisions of the Code.
- / MAG Sp. z o.o. has procedures and mechanisms in place for reporting irregularities without fear of reprisals or negative consequences. Suppliers may submit a report by mail to MAG Sp z o.o., ul. Warsztatowa 24, 64-920 Piła with the note: "Whistleblower - Code of Conduct for Suppliers" or by e-mail to the Purchasing Department Manager. Irregularities can also be reported via the platform www.mag.whiblo.pl by filling out a form, available 24/7 from any device with Internet access. By reporting through the platform, a person or entity will remain fully anonymous, unless he or she chooses to provide his or her data in the body of the report. MAG Sp. z o.o. will not take any steps to determine the identity of the person reporting the violation anonymously, and declares that it does not retaliate in any way against persons or entities who report inappropriate behavior or suspicion of such behavior in good faith. "Good faith" means that, to the best of one's knowledge and belief, everything that is reported is true and that nothing essential is concealed.

3. Key Issues of the Code of Conduct for Suppliers

3.1. Human Rights and Labor Standards.

All the provisions of this Code are based on the need for Suppliers to manage their relationships with their employees, including temporary, contract, direct, immigrant, and trainee workers and other types of workers meeting the requirements to respect the Universal Declaration of Human Rights and eliminate all human rights violations.

- / Suppliers undertake to comply with the applicable Labor Law, including regulations on minimum wages, working hours, safe working conditions, social benefits, etc.
- / Suppliers provide all employees with working conditions that meet the standards of occupational safety, health protection and fire protection, in accordance with the requirements of the law and applicable standards, with appropriate use of scientific and technological achievements.

- / Suppliers are obliged to treat all employees fairly, with respect and dignity. They build relationships with co-workers based on professionalism and the highest ethical standards.
- / The supplier undertakes to prevent any discrimination against employees on the basis of gender, age, disability, race, religion, nationality, political beliefs, union membership, ethnicity, religion, sexual orientation or any other factors unrelated to individual ability to perform the work required for the position.
- / Suppliers are obliged to promote equal opportunities in the sphere of recruitment, employment, career development, promotions, and to prevent any form of sexual harassment or bullying.
- / Suppliers have procedures or mechanisms in place to allow employees to raise concerns without fear of reprisals or negative consequences.
- / Suppliers shall not use or permit any form of forced, coerced and slave labor, nor shall they permit it. Work must be performed voluntarily, and all employees must have the right to terminate their employment at any time in accordance with the law. It is forbidden for the Supplier to keep identity documents of employees.
- / Suppliers shall not use child labor at any stage of their operations in violation of the law. In accordance with International Labor Organization Convention No. 138, the lowest age of a Supplier employee shall not be below the age at which compulsory schooling ceases or below the legal minimum age for admission to employment, whichever is more restrictive, but not less than 15. Suppliers may use legal, properly managed apprenticeship programs such as student internships. Minor workers under the age of 18 will not perform work that may pose danger to their health and safety, according to the law.
- / Employees of Suppliers have the right to freely associate, bargain collectively and elect representatives in accordance with local laws. Suppliers allow employees to communicate openly with management and raise complaints about working conditions without fear of reprisal or harassment.

3.2. Natural Environment Protection.

- / Suppliers, in all activities arising from the conduct of their business, shall exercise due diligence to develop processes for the manufacture of products and services that minimize negative impacts on the environment and natural resources.

- / Suppliers are required to comply with all applicable laws and regulations and environmental regulations, including but not limited to those governing hazardous materials, air and water emissions and waste handling. Suppliers are required to obtain and maintain all required permits, regulatory approvals and registrations required by environmental regulations.
- / In their business activity, Suppliers will strive to reduce consumption of resources, including raw materials, energy and water, and seek ways to increase energy efficiency and use cleaner energy sources. If waste cannot be eliminated, Suppliers are required to manage all waste streams in accordance with applicable laws and regulations. Suppliers are committed to complying with national and local regulations related to waste handling (including transportation, processing, and storage), with a particular focus on hazardous waste.

3.3. Anti-Corruption.

- / Suppliers will prevent all forms of corruption in their operations and implement preventive practices. In the event of any form of corruption, Suppliers will take firm corrective and preventive steps against further incidents and will inform MAG Sp. z o.o. of any irregularities observed.
- / Suppliers will not use or condone bribes, extortion or embezzlement. Nor will they make illegal payments directly or indirectly.
- / Suppliers will observe the principles of fair competition and beware of taking actions that unreasonably restrict competition, unlawfully fixing and controlling prices, dividing the market or customers, participating in bid rigging and limiting the production or sale of products.
- / Suppliers shall not offer or accept forms of hospitality or gifts that may inappropriately influence - or may give the appearance of influencing - business decisions related to cooperation with MAG Ltd. Suppliers accept that it is only permissible to give MAG Sp. z o.o. employees small, customary, occasional gifts. The usual form of business hospitality consisting of covering the cost of lunch or dinner is also acceptable, if the cost is moderate and does not inappropriately influence business decision-making.
- / In making decisions regarding cooperation, Suppliers shall be guided solely by considerations of merit, free from self-interest or personal connections. Suppliers shall

avoid conflicts of interest and shall promptly disclose any known family or personal relationships with the employees of MAG Sp. z o.o. affect cooperation.

/ Suppliers will protect the privacy and personal information of everyone they work with, including their suppliers, customers, consumers and employees.

4. Final Provisions

/ The owner of this Code and the body approving its content is the Board of Directors of MAG Sp. z o.o.

/ This document enters into force as of the date of its publication. The content of this regulation is subject to periodic review to make any required changes.

/ When establishing cooperation with MAG Sp. z o.o., Suppliers undertake to read the Code of Conduct for Suppliers and to comply with its content, which they confirm by signing the Supplier's Declaration constituting Annex 1 to this Code.



MAG Sp. z o.o.
ul. Warsztatowa 24
64-920 Piła

NIP 7641007494

Data of the Supplier:

Name

Place, date

Address

Tax ID no.

Supplier's Declaration

I declare that in our activity we are guided by the values and principles described in the Code of Conduct for Suppliers of MAG Sp. z o.o. and we undertake to observe them within the framework of the undertaken cooperation.

The person responsible for the implementation of this Code on behalf of my company will be:

(first name and surname)

(e-mail address)

(phone no.)

For and on behalf of the Supplier:

(date and signature)