

Code of Conduct for Suppliers of Huta Łaziska S.A.

Our understanding of sustainability in cooperation with suppliers

At Huta Łaziska S.A., sustainability is a crucial element of our business processes. For this reason, our suppliers, contractors, and business partners are integral to our sustainability strategy. In all our procurement activities, we carefully consider a range of economic, process, and technical criteria, as well as significant social and environmental factors, such as human rights, working conditions, anti-corruption issues, and environmental protection.

The Code outlines the principles that all our suppliers, subcontractors, business partners, contractors, and sub-contractors commit to observing and respecting. The document specifies the obligations of Huta Łaziska's business partners regarding employment conditions, including remuneration policies, the prohibition of child labour, voluntary employment, freedom of association, and equal treatment of all employees. It also establishes standards for occupational health and safety and requires care for the natural environment.

The purpose of the Code is to ensure the safety of individuals employed by Huta Łaziska's business partners, provide the best possible working conditions, and achieve comprehensive environmental protection. Therefore, it is crucial for all business partners, especially Huta Łaziska's suppliers, to be familiar with and comply with its provisions, as well as to be informed of any potential amendments to its terms. All signatories of the Code will be notified of any modifications well in advance.

I. Compliance with Laws and Standards

1. The Supplier commits to conducting its operations and managing its business in compliance with the provisions of the Code, as well as maintaining and collecting documentation confirming adherence to the principles established in the document.
2. The Supplier is obligated to comply with applicable national laws, all other industry-specific regulations and standards, as well as the provisions of the Universal Declaration of Human Rights, relevant conventions of the International Labour Organisation (ILO), the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. In the event of any discrepancies between various regulations, the Supplier is required to adhere to the provisions that are most favourable from the perspective of the employees they employ.

II. Human Rights and Workers' Rights

At Huta Łaziska, we expect our suppliers to respect international regulations on human rights, exercise due diligence regarding these rights, eliminate any negative impact on them, and address the consequences as appropriate.

III. Non-discrimination

At Huta Łaziska, we expect our suppliers to promote equal opportunities and equitable treatment.

In the cooperation between Huta Łaziska and its suppliers, no employee shall be discriminated against on the basis of gender, age, skin colour, race, ethnic or social origin, nationality, sexual orientation, disability, religion or belief, or political views.

IV. Employment Conditions, Voluntariness, and Working Conditions, Underage Employees

Recognising that freedom is an inalienable right of every person, employees shall undertake and perform their work voluntarily. Child labour, illegal work, slavery, forced labour, prison labour, debt bondage, and all other forms of labour that are not the result of the worker's conscious and free choice, as well as human trafficking, are strictly prohibited.

1. Employment conditions

Employees must perform their work based on a document prepared in a language they understand, outlining the form of employment and its terms, including annual leave entitlements and the corresponding monetary equivalent. All employment-related procedures must comply with the legal regulations in force in the respective country and be documented in writing. Transparency in employment procedures is mandatory. Employees have the right to terminate their employment with the supplier, provided they adhere to the notice period stipulated by law and the document defining their employment conditions.

2. Remuneration policies

Employee's remuneration must be paid regularly and on time by the employer. Remuneration must not be lower than the minimum wage established in the respective country and should be sufficient to meet the basic living needs of employees and their families. There must be no gender-based remuneration discrepancies for performing the same job.

Deductions from remuneration are acceptable only under conditions and within the limits allowed by local law. All disciplinary measures and remuneration deductions must be documented, and employees must consent to them.

3. Working hours

The standard working week, excluding overtime, must comply with local legal regulations, however, it must not exceed 48 hours. Overtime work, if applicable, must not exceed 12 hours per week.

Employees have the right to leave the workplace at the end of their regular workday. Overtime work must be voluntary, accepted by the employee, and obligatorily compensated at a rate higher than the standard hourly wage. The supplier is required to allow employees to take breaks during the workday as specified by local legal regulations. The supplier must also ensure employees have time off on public holidays recognised in the respective country.

4. Employment of individuals under the age of 18

A child means any individual under the age of 15, unless national laws specify a higher minimum age for employment or completion of compulsory education. In such cases, the supplier is obligated to comply with the higher age threshold for employment eligibility.

Children under the age of 15 must not be recruited or employed. The use of child labour and the denial of children's right to education are strictly prohibited.

A young worker is defined as any employee between the ages of 15 and 18.

The supplier is obligated to ensure the safety and health of young workers with particular care. Under no circumstances may the supplier expose young workers to any workplace situations that pose risks or dangers to their physical or mental health and development.

Young workers must not perform work that prevents them from attending school. They may not work longer than eight hours per day or perform duties during night-time hours.

5. Accommodation

If the supplier provides accommodation for employees, it must be safe and well-maintained.

V. Freedom of association

The supplier is obligated to recognise and respect employees' rights to freely join organisations such as workers' councils, trade unions, or associations aimed at representing employees' interests. The employer must not obstruct, dominate, or control such bodies. Discrimination against employees who are members of these organisations is strictly prohibited.

The supplier must respect the rights of employee organisations to represent their members and address collective disputes in accordance with the definitions and interpretations of the International Labour Organisation (ILO) and the laws of the respective country.

Individuals representing employees must perform this role voluntarily and be elected through free and transparent elections free from the influence of any other entities, particularly the employer.

VI. Diversity

The supplier is obligated to treat all employees equally, with dignity and respect. Discrimination against employees is prohibited in all aspects, including hiring, compensation, access to training and promotions, termination of employment, or retirement, based on gender, age, disability, origin, race, marital status, sexual orientation, pregnancy, political views, membership (or lack thereof) in organisations, religion, or caste affiliation. Dignity and personal integrity are fundamental rights of every individual. The use of physical or verbal violence, harassment, or sexual harassment against employees is strictly unacceptable.

VII. Occupational health and safety

Employee safety is a paramount and non-negotiable value. Ensuring appropriate working conditions that allow tasks to be performed without risking health or life is a top priority for every employer. All suppliers working with Huta Łaziska are required to take the utmost care for the safety of their employees and to create appropriate, stable working conditions. The supplier is particularly obligated to ensure the safety and health of young workers and pregnant women.

All employees must participate in training on fire safety procedures and other potential hazards. Suppliers are responsible for conducting these trainings and maintaining records of them.

The supplier must provide employees with a safe and hygienic work environment, taking into account the current knowledge of the industry and any specific risks. Their responsibilities include preventing potential accidents and injuries during and as a result of work-related tasks. The supplier is required to implement appropriate procedures in the event of serious injuries and to provide employees with clear instructions on accident prevention procedures.

The supplier must ensure that employees have access to potable water, clean sanitary facilities, adequate lighting and ventilation, and, where necessary, proper food storage conditions.

The supplier must provide employees with protective equipment suitable for their tasks, as required by law and occupational health and safety standards. Employees must also be informed of the risks associated with not using protective equipment. Employees are obligated to use the provided protective equipment, which must not include any elements hazardous to the user.

Suppliers are required to conduct regular health and safety training for all employees, with particular emphasis on newly hired employees or those transitioning to new positions.

Additionally, specialised training must be provided for employees working in specific roles. In the event of any accidents at the workplace, such training must be repeated.

VIII. Environmental protection

The supplier is obligated to comply with the environmental laws in the respective country, particularly regarding air pollution, water pollution and consumption, noise generation, and waste management and disposal. The supplier must manage waste in a manner that ensures the protection of human life and health as well as the environment. In waste management, it is recommended to prioritise waste prevention and reduction, preparation for reuse, recycling, other recovery processes, and safe disposal. The supplier is required to exercise particular care in managing hazardous waste.

Efforts should be made to continuously improve the environmental safety of production processes. It is recommended that suppliers measure energy and water consumption, emissions to air, and the amounts of waste and wastewater generated, and share these data with Huta Łaziska upon request.

IX. Prohibition of Corruption and Bribery

At Huta Łaziska, we expect our suppliers to have zero tolerance for corruption and bribery.

In particular, suppliers, their employees, subcontractors, and business partners must not offer, promise, or provide any benefits to Huta Łaziska employees or associated parties to secure contracts or any other preferential treatment in business transactions.

Suppliers must also prevent any factors that could influence their decisions due to conflicts of personal, business, or other interests.

X. Implementation of the Code

The supplier is required to comply with this Code with regard to all employees, subcontractors, external workers, remote workers, or subcontractors involved in the supply chain and to communicate it in a language they understand. We expect third parties to adhere to the provisions of the Code as well.

The supplier must ensure that its employees and subcontractors understand the provisions of the Code and act in accordance with its requirements. The Code should be accessible for review in the workplace.

Suppliers should also enable employees to report and discuss violations that conflict with the provisions of the Code in a confidential way.

XI. Verification of Compliance with the Code

In the event of violations of the Code, Huta Łaziska expects suppliers to plan and implement corrective actions.