

# **ERG S.A. CODE OF ETHICS**



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## I. Letter from the Management Board of ERG S.A.

Ladies and Gentlemen,

We hereby give you the ERG S.A. Code of Ethics, an important document containing a set of general principles, standards, values and modes of conduct providing the foundation for business ethics.

ERG S.A. is a public company listed on the Warsaw Stock Exchange, and at the same time a company which has been operating on the market for many decades. The company's further development relies on a shared commitment and joint work, carried out on the basis of ethical conduct. This Code of Ethics organises and structures the standards which we have applied so far and which we will continue to apply in the future. However, the ethical principles set forth will never replace our own responsibility and awareness of proper conduct. Our collective wisdom, experience and knowledge are very important here, and we should share them.

We are certain that ethics and professionalism in the performance of the day-to-day duties which are the foundations underlying our organisation will contribute to the further development of our company and the employees who form it.

Yours faithfully,

Grzegorz Tajak – President of the Management Board of ERG S.A.

Tomasz Gwizda – Member of the Management Board of ERG S.A.



## II. Purpose of the Code of Ethics

We have developed the Code of Ethics of ERG S.A. as a set of rules, principles, standards, values and modes of conduct which the organisation's Employees should follow on a daily basis. The document is based on the shared values followed at ERG S.A., determining ethical conduct in relations between people and in business.

## III. Glossary of terms

**CODE** ---> The ERG S.A. Code of Ethics

**THIRD PARTY** ---> person or organisation directly or indirectly influencing the activities of ERG S.A. This group also includes all kinds of recipients of the Company's financial statements. Third parties include e.g. customers, suppliers, local communities, authorities, financial institutions, media, competitors, etc.

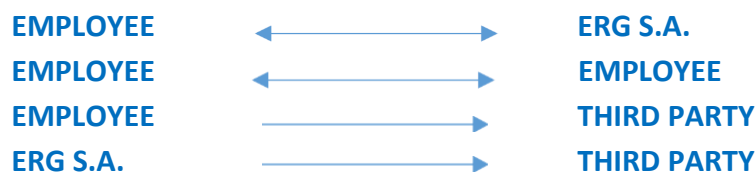
**CONFLICT OF INTEREST** ---> occurs when an individual (or the organisation) is obliged, as a result of external circumstances or their own actions, to have double loyalty. A conflict of interest may be actual (when the employee pursues their private interest at the expense of the company's interest or of the public interest) or potential (when an actual conflict of interest is likely to arise).

**CORRUPTION** ---> offering, requesting, giving or accepting, directly or indirectly, a financial benefit, as well as promising one. Corruption distorts the appropriate performance of duties or proper behaviour.

**MONEY LAUNDERING** ---> a set of activities aimed at bringing into legal circulation money or other assets, coming either from illegal sources or used to finance illegal activities.

## IV. Who the Code of Ethics applies to

This code governs the ethical standards of ERG S.A. on four levels, in the following relations:



### V. Ethical values of ERG S.A.

**RESPECT** – we treat each other honourably and with mutual respect;

**INTEGRITY** – compliance with the law is the basis of ERG S.A.'s credibility. For our company, integrity includes acting in accordance with the accepted principles of ethics and morality;

**RESPONSIBILITY** – we feel responsible for our place of work, the Company's assets, the duties entrusted to us and the achievement of the goals set. We approach our duties with diligence and commitment. We look after our company's reputation, thus creating a credible and trustworthy organisation;

**COLLABORATION and PROFESSIONALISM** – we care about teamwork based on knowledge and experience. Open communication and dialogue are important to us. We build partner relations together. We are constantly improving our qualifications, using the access to knowledge the company provides us with. We share our knowledge and experience with others, all in order to achieve together the goals set;

**QUALITY** – we seek to perform all the actions we undertake in the best possible way. We set ourselves ambitious goals. We pay attention to the quality of our work and of the products we manufacture.

### VI. Conflict of interest

ERG S.A. does not allow situations to occur in which personal interests or the interests of persons the organisation's employees have relationships with or are related to would be in conflict with the company's interests. If such situations arise, the Employee is obliged to report this fact to their immediate superior, who in turn shall report it to the COO or directly to the Management Board (if the Management Board rather than the COO is the superior of the direct superior of the Employee who has reported the conflict of interest). For example, a conflict of interest occurs when:

- an Employee engages in such activities of other entities or supports such activities of other entities that might infringe the interests of ERG S.A.;
- it results from the scope of an Employee's duties that the respective Employee may make personnel-related decisions concerning e.g. remuneration, promotion or recruitment of relatives or other close persons;

- an Employee places orders or, as a result of their placement, is responsible on behalf of ERG S.A. for working with relatives or other close persons, as well as with companies owned by the Employee, the latter's relatives or other close persons.

### VII. Corruption, money laundering, fraud, non-market activities

ERG S.A. does not tolerate, it prohibits and it condemns giving and accepting of material benefits by its Employees. We avoid any situation that could bear the hallmarks of corruption or other paid protection that would harm our organisation's reputation.

The Company firmly condemns all kinds of activities aimed at perpetrating broadly understood fraud, money laundering or financing of terrorism.

ERG S.A. attaches great importance to respect for our customers and suppliers, both domestic and foreign. It is important for us to observe the rules of fair competition. We do not tolerate the transmission of unreliable or untrue information to our contracting parties and business partners. The Company does not resort to obliqueness or deception.

In the event of an ethically questionable situation or of one that bears obvious signs of violation of the Code, each employee is obliged to report the situation to their immediate superior. If the situation concerns a direct superior, it should be reported to that person's superior or the Company's Management Board. If the situation involving a violation concerns the Management Board, the competent body it should be reported to is the Supervisory Board of ERG S.A.

Additionally, ERG S.A. has a Financial Controlling Department whose tasks include verification and possible detection of potential irregularities arising in the books of account, auxiliary records, or billing/settlement systems. The Controlling Department is obliged to report any doubtful events directly to the Company's Management Board.

### VIII. Protection of information

Each of our Employees is obliged to represent the Company with dignity. We respect the privacy of every individual and organisation working with us and maintaining business relations with us, so we also seek to protect all information entrusted to us. This includes the personal data of our Employees as well as secret data of our business partners and data of the following kinds: financial, logistic, manufacturing, contractual, etc.

ERG S.A. is a company listed on the Warsaw Stock Exchange. The status of a public company obligates us to be fully transparent and to comply with all the rules concerning information protection, both within the meaning of the national laws and of the Regulation of the European Parliament and of the Council referred to as MAR, which sets forth the standards for management and handling of confidential information in contacts with Investors.

