

**Code of Conduct for Business Partners of companies belonging
to the Grupa Azoty Capital Group
(Grupa Azoty Polskie Konsorcjum Chemiczne sp. z o.o.)**

Preamble

Whereas the Grupa Azoty Capital Group conducts business activity in a responsible, transparent manner and in accordance with the highest legal and ethical standards and the companies belonging to the Grupa Azoty Capital Group expect all of their Business Partners to adopt similar attitudes and standards as part of their cooperation, this Code of Conduct for Business Partners of companies belonging to the Grupa Azoty is hereby established.

The Code of Conduct for Business Partners of companies belonging to the Grupa Azoty Capital Group (Grupa Azoty Polskie Konsorcjum Chemiczne sp. z o.o.) has been established on the basis of the valid Code of Conduct for Business Partners of companies belonging to the Grupa Azoty Capital Group implemented by virtue of the Resolution of the Management Board No. 328/XI/2019 of 31st July 2019. The implementation of the said Code constitutes fulfilment of the recommendations of Grupa Azoty S.A. (Letter of the Corporate Management and Communication Department of Grupa Azoty S.A. of 14th Aug. 2019, ref. No. KN/964/2019).

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Definitions and abbreviations

Grupa Azoty S.A. - the parent company of the Grupa Azoty Capital Group with its registered office in Tarnów.

Grupa Azoty Capital Group - a capital group being one economic entity without separate legal personality, comprising the Grupa Azoty S.A. and legally autonomous affiliates subordinated to the Grupa Azoty S.A. in the capital or organisational scope and subject to its control within the meaning of the competition laws.

Management - Members of the Management Boards and Supervisory Boards of companies belonging to the Grupa Azoty Capital Group.

Code of Ethics - the Grupa Azoty Capital Group Code of Ethical Conduct.

Code of Conduct for Business Partners - this Code of Conduct for Business Partners of companies belonging to the Grupa Azoty Capital Group (Grupa Azoty Polskie Konsorcjum Chemiczne sp. z o.o.)

Corruption - promising, offering, giving, demanding or accepting, directly or indirectly, a Material or Personal Benefit, for oneself or another person, as well as accepting such an offer or promise in exchange for acting or omitting to act in the course of official duties (public functions or business activities).

Material Benefit - objects or activities which lead to obtaining any undue or unjustified increase in assets (whose value may be expressed in an amount of money) for oneself or another person, e.g. gifts, meals, invitations to a sporting or cultural event, donation, release from debt or winning a tender.

Personal Benefit - an undue or unjustified increase in assets improving the situation of a person or other persons related thereto, e.g. a promise of employment made to a given person, a promise of promotion for a close relative, a foreign scholarship, an award or sexual relations.

Business Partner - every business partner (i.e. supplier, service provider or recipient of products or services of companies belonging to the Grupa Azoty Capital Group), representative (i.e. entity or person representing the Grupa Azoty Capital Group or a company belonging thereto in contacts with business partners or state authorities, e.g. consultant, law firm), intermediary (i.e. entity or person supporting the Grupa Azoty Capital Group or a company belonging thereto in attracting business partners or sells products or services

on behalf of the Grupa Azoty Capital Group or a company belonging thereto) or another entity with which companies belonging to the Grupa Azoty Capital Group have any business relation.

Compliance Management Representative - a person in the structure of Grupa Azoty Polskie Konsorcjum Chemiczne sp. z o.o., appointed by the Chairman of the Board, who is responsible for conducting or coordinating internal investigations connected with the reported irregularities or abuse.

Gifts Policy - the Grupa Azoty Capital Group Policy on Giving and Accepting Gifts.

Whistleblowing Policy - the Grupa Azoty Capital Group Whistleblowing Policy.

Employee - the Management and every person employed by a company belonging to the Grupa Azoty Capital Group on the basis of an employment contract or cooperating with a company belonging to the Grupa Azoty Capital Group on the basis of any other civil-law contract.

President - the President of the Management Board of Grupa Azoty S.A.

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Purpose of the Code of Conduct for Business Partners

1. The purpose of this Code of Conduct for Business Partners is to present the standards and principles which companies belonging to the Grupa Azoty Capital Group expect their Business Partners to observe when conducting business activity. These are the basic requirements for Business Partners, in particular in the scope of respect for human rights, principles and provisions of labour law, environmental protection, competition and consumer protection, as well as the principles of business integrity and transparency.
2. In order to achieve this purpose, the Management of each company belonging to the Grupa Azoty Capital Group hereby presents its Business Partners with this Code of Conduct for Business Partners. The rules presented therein should constitute the cornerstone of cooperation between the Business Partners and each company belonging to the Grupa Azoty Capital Group, with their cooperation being based on partnership, mutual respect and trust.

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Principles and values observed by the Grupa Azoty Capital Group

1. The cornerstone of all activities as well as an element of the strategy of the Grupa Azoty Capital Group is responsible business operation - in line with the principles of sustainable development and social responsibility. The Grupa Azoty Capital Group minimises its impact on the environment, improves its management systems, has an open information policy and communicates with the local community, as well as ensures the safety of its Employees.
2. All companies belonging to the Grupa Azoty Capital Group operate in accordance with applicable provisions of law and internal regulations while respecting trading rules and practices.
3. Companies belonging to the Grupa Azoty Capital Group effectively counteract employment discrimination, eliminate cases of violation of human rights, counteract Corruption and protect the natural environment.
4. The Grupa Azoty Capital Group operates in line with the values which are described in detail in the Code of Ethics: Cost Efficiency, Professionalism, Cooperation, Respect and Transparency.

5. Observance of the above values as well as other values specified in the Code of Ethics is required from all Employees of all companies belonging to the Grupa Azoty Capital Group, including the Management, as well as Business Partners, shareholders and other stakeholders.

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Rules of procedure for Business Partners

Having regard to the indicated principles and values, Business Partners shall be obliged:

1. to comply with any and all applicable provisions of law throughout the supply chain as part of their activities,
2. to respect human rights and prevent violation thereof throughout the supply chain as part of their activities,
3. not to engage in Corruption (regardless of form or type) in line with the principle of “Zero tolerance for Corruption”,
4. not to finance political parties or representatives thereof as well as candidates for public offices,
5. to respect the rules and principles indicated in the section on giving gifts to Employees of companies belonging to the Grupa Azoty Capital Group which can be found on the website of these companies,
6. to pursue sponsoring activities in a transparent manner, without the aim of obtaining Material or Personal Benefits,
7. to abide by the principles of fair competition (including provisions of competition law),
8. to counteract money laundering and terrorist financing,
9. to avoid any conflict of interest (including potential conflict of interest),
10. to treat people fairly, with respect and dignity,
11. to respect the basic employee rights, in particular by caring for the employees’ health and safety, as well as the right to form and join associations and organisations,
12. not to discriminate against employees,
13. not to employ children or use child labour,
14. not to use bonded or forced labour,
15. to protect the natural environment, among other things by minimising the negative impact of their business activity on the natural environment, which shall consist first and foremost in:
 - a. using a rational environmental management system,
 - b. holding up-to-date permits as required by law and an operating permit,
 - c. complying with any and all registration obligations,
 - d. minimising emission of pollutants into the air, water and soil,
 - e. reducing environmental risks through effective preventive and intervention measures,
 - f. using natural resources sparingly, with respect for the right of other entities to use the same resources,
16. to avoid using raw materials, products and materials originating in conflict zones,
17. to promote the rules of procedure specified in the Code of Conduct for Business Partners among their own business partners.

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Expectations of the Grupa Azoty Capital Group and whistleblowing

1. Companies belonging to the Grupa Azoty Capital Group expect their Business Partners to be committed to observing the indicated rules of procedure and ethical standards at least to the extent specified in the Code of Conduct for Business Partners or an equivalent extent.

2. Companies belonging to the Grupa Azoty Group Capital Group expect their Business Partners to apply at least the same rules of procedure and ethical standards to their business partners as the ones specified in the Code of Conduct for Business Partners.
3. Companies belonging to the Grupa Azoty Capital Group have whistleblowing systems in place. They also protect whistleblowers, i.e. people who report (potential) irregularities in good faith. Anyone can be a whistleblower - this includes Employees and Business Partners. Information on suspicion or occurrence of irregularities in the activity of companies belonging to the Grupa Azoty Capital Group should be reported to the Compliance Management Representative on the following phone number: +48 14 637 30 94, or to the Chairman of the Board.