



 **mosty** łódź

book of business
ethics

Mosty Łódź S.A.

www.mostylodz.pl

Dear Reader,

Mosty Łódź S.A. is a company with long traditions. We are a commercial company with an entirely Polish share capital, and all our shareholders are former and current company employees. We have been operating in our present form since 1992, always enjoying a good reputation amongst our customers, partners and employees.

Today, the market is constantly changing. New forms of business, new legal standards and new technologies often become key factors in how businesses operate. However, we believe that there are values that should determine all economic activity, regardless of the times we live in. In our opinion, these values are:

- honesty,
- reliability and integrity,
- safety,
- compliance with the law,
- compliance with social standards,
- compliance with environmental standards.

To cultivate these values, we have prepared this document. The principles described herein are a result of the existing regulations and the standards we follow. Therefore, they determine how our Company operates. They are also essential in building relationships inside and outside our business.

We adhere to the applicable law and respect the interests of all our stakeholders. All of us know the importance of mutual trust, which is why we make every effort to make our work and its effects the determinant of our honesty and integrity. We are convinced that the long-term success in the market largely lies in the approach to the standards and regulations applicable in the industry. Thus, we make every effort not only to carry out our core business, but also to conduct it in a secure and transparent manner.

This Book of Business Ethics should be treated as a set of principles applicable to the Management Board, all our employees, as well as the entities working for the Company and on its behalf. The Book is also a declaration of a proactive attitude, which should characterise all those involved in the Company's operations. It should be noted that the provisions hereof do not exempt from liability for the decisions made. In case of any doubts, the ultimate basis for any action should be personal integrity and conscientiousness.

Sincerely,
Wojciech Pater

President of the Board of Mosty Łódź S.A.

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1. Key values

Today, the objective of any enterprise is profit - so that it can safely operate in the future and guarantee a profit for its shareholders and employment for workers. However, it is increasingly important to also ensure sustainable development, proactive social attitude and respect for ethical standards. While fully agreeing with this change, we believe that the main objectives of every enterprise should be pursued in a fair and reliable way, with respect for the laws and applicable standards. Below there is a description of the key values guiding the company's operations.

Quality

The investment projects completed so far are our hallmark; we work in such a way as to be proud of the projects in which we participate. We believe that the appropriate parameters of materials, prefabricated elements and the standard of workmanship are a key to achieve perfection. We work using the materials whose quality ensures the correct results.

In addition, all the processes in our Company are subject to ISO quality standards.

Safety

The construction industry is special because of the need to comply with all the safety rules. We should bear in mind the specificity of work of construction teams, office staff, as well as the future users of the structures we build. Therefore, our every action is characterised by the greatest concern for safety.

Honesty and reliability

We carry out our tasks and fulfil our commitments. We do not use and are against any activities which encourage practices such as delays in the work performed, delayed payments, intentional misconduct, etc. We are convinced that an honest and reliable attitude is the element that determines the company's long-term competitive advantage.

Priorities

We perform our work in a reliable way, in accordance with regulations, especially the provisions of the Construction Law. We are professionals who never neglect their professional duties. An example of our honesty and reliability is the fact that our Company has never failed to perform or improperly performed any assigned order as a result of a deliberate action or gross negligence. All orders have been completed by us, and none of the public procurement contracts in which our Company was one of the parties has been terminated. Our common objective is to maintain the above in the future.

Openness (non-discrimination)

We follow the principle of openness. We believe that anyone with appropriate qualifications and potential deserves a chance. Thus, we do not discriminate contractors because of their origin or the size of their business. We are also open in terms of our staff policy - we pay attention to competence, not age, gender, sexual orientation, origin or religion.

Compliance with the law

We are against any actions aimed at the so-called: "circumvention of the law". We operate in accordance with applicable regulations, in particular the Labour Law, regulations on conservation and environmental protection, heritage protection, competition laws, the Public Procurement Law, the law on intellectual property protection, as well as the Civil, Administrative and Criminal Code. We deliver on the principles resulting from the codes and any other standards that define how enterprises should operate in the market.

Sustainable development

We know how important it is to care for the natural environment and its resources. We all are inhabitants of the Earth, so in our work we make every effort to ensure that the environment is cared for in every possible area. We segregate waste, as well as optimise the consumption of energy and other resources.

Continued improvement and innovation

Perfection is a journey, and we know that by not moving forward we stand idle. Therefore, we are constantly looking for new solutions, we train our staff and improve management processes. Our Company introduces innovative solutions and strives to create an atmosphere conducive to its development.

2. Main legal acts and directives affecting the Company's activity

Labour Law, Workplace Regulations, Organisational Regulations

The Company makes every effort to satisfy all the standards under the existing Labour Law and the Workplace and Organisational Regulations established on the basis thereof. We respect labour and social rights, including the laws relating to employment, health, safety and social issues. We also make sure our employees have access to all the rights which are legally available to them.

We require that our employees comply with all applicable laws, with a particular emphasis on the rules on safety at work. Every new employee is informed of:

1. The rules of the job, including information on any possible hazards and how to prevent them.
2. The applicable Occupational Health and Safety rules and fire regulations.
3. The applicable rules and regulations governing equal treatment, regardless of gender, age, religion, origin, sexual orientation, etc.
4. The rules for preventing mobbing and the consequences of its use.

The above-mentioned rules of conduct apply to every employee, as well as the management and the persons employed temporarily and cooperating with the Company on other terms, not listed here.

At the same time, every employee has regular access to the full text of the indicated regulations. Moreover, every employee is required not only to observe the rules, but also to be proactive in the case of any identified violation of the regulations by his or her colleagues or supervisors.

In view of the nature of the Company's activity, special attention must be paid to possible situations related to:

1. Abuse of alcohol and other psychoactive substances.
2. Theft of the Company's property or actions aimed to destroy that property.

The absolute prohibition on the consumption of alcohol during working hours, as well as prohibition on working under its influence applies to the Company's employees as well as other individuals acting on behalf or for the enterprise.

Anyone who notices anything that suggests a violation of these rules should immediately report it to the supervisor or the person responsible for the adherence to the OHS rules.

We comply with the rules regarding working hours. Our Company pays the salaries for the work performed on time. We also ensure appropriate working conditions for particular jobs. We take all reasonable precautions to ensure the health and safety of our employees in cooperation with local health authorities and emergency medical services, and we hold numerous training courses, including those in the area of first aid.

We employ our workers under employment contracts. They are all appropriately qualified individuals with experience relevant to their job positions. They perform their duties properly, with due diligence and care.

As an employer, we provide equal treatment and no direct or indirect discrimination to the contractors and employees from other Member States of the European Union.

We do not entrust our work to foreigners residing in the Republic of Poland in violation of the law.

Law on Unfair Completion

This law is a legal act and applies to all the operators on the market. Each enterprise should comply with the provisions of that law. Thus, any business activity should be carried out in compliance with this legal act, and employees should be aware of the criminal liability that may result from the violation of its regulations.

As a Company whose activity is largely based on cooperation with other operators, we pay special attention to the provisions under the said act. In particular:

- We choose contractors only on the basis of their competence, professionalism, reliability and the relevant offer; we are never influenced by other factors.
- We do not take any actions that are illegal or contrary to the principles of social coexistence, which could result in losses incurred by other operators. At the same time:
 - we make every effort to ensure that the information about our Company and its services is consistent with the facts and reliable. We also take care not to spread misinformation about our competitors,
 - and we do not take any actions to illegally acquire and/or use the information about other operators when it constitutes a trade secret and its disclosure could result in violation of the company's interest. We expect a similar attitude from our partners,
 - we consider reprehensible to take any actions that could influence third parties (e.g. employees of other enterprises, customers, public persons) in order to convince them to perform, neglect or improperly perform their activities to the detriment of other companies.

In our business, we adhere to the principle of fair market competition. Therefore, we do not use monopolistic practices, such as the provision of services below the costs incurred, unjustified differentiation in the treatment of customers, or bribery. We also do not enter into agreements to distort the competition between the contractors applying for contracts.

Any behaviour that raises reasonable doubts in this regard should be immediately reported to and discussed with supervisors or with the Management Board, or reported to the relevant authorities. Examples of such unacceptable behaviours include:

- high-value gifts, invitations or promotions offered by partners, as well as other financial benefits for specific individuals,
- proposals of cooperation aimed at excluding other market operators from the offer,
- other situations raising doubts as to their compliance with the Law on Unfair Competition.

Every employee is also required to exercise caution when commencing cooperation with other operators. He or she should, among others:

- consider whether the offered gifts, services or discounts result in any obligations of the third party concerned,
- prevent any situations that could lead to economic or social pressure,
- avoid any forms of agreements that restrict competition.

Public Procurement Law

Since the Company operates in the construction industry, it is often engaged in public procurements. As an entity that values its reputation and good name, we make every effort to ensure that our activity in the area related to public procurement is transparent and in no way suggests behaviour that is inappropriate or, what is more, contrary to the applicable law. We in particular do not allow for any situations involving corruption or bribery.

All employees as well as the persons and entities acting on behalf of the Company are obliged to strive to make their behaviour transparent in relation to persons holding public offices. Therefore, the following are unacceptable:

- any cash prizes or other inappropriate gifts, services, etc., which would be given to persuade a public official to actions aimed at improving the situation of the Company in the context of the public contract,
- any action that would deteriorate the position of other participants in the particular tender or other procedure whose purpose is to select the entity performing a public contract,
- any action that could be considered an illegal influence or attempt to illegally influence the activities of the entities placing a public contract.

This also applies to the use or persuasion of others to achieve this type of competitive advantage.

Any situations that bear the hallmarks of an activity that is illegal and inconsistent with the commonly accepted principles of integrity should be approached with full attention and responsibility. Therefore, all employees and persons acting on behalf of the Company should demonstrate impeccable attitude, as defined by law and ethical standards. In addition, any ambiguous situations should be reported to superiors or the relevant entities.

A company applying for public contracts is each time committed to present its capabilities and experience in a fair manner.

OHS laws and directives

Safe and appropriate working conditions are one of the key values of the Company, and thus we make every effort to prevent situations that can pose a threat to employees, cooperating entities as well as future users of our investment projects.

Our objectives in this respect are to protect the lives and health of our employees, customers, partners and users whenever we can affect it. Therefore, we comply with all the regulations and permits in this regard. We also prepare our own policies, procedures and instructions, which should contribute to the best possible protection in the said fields. These include:

- The list of legal requirements for OHS
- Standard operating procedures
- The list of hazardous substances
- The list of messages - risks and safety measures
- Risk assessments for respective jobs
- The list of particularly dangerous jobs
- Procedures of standard PN-N ISO 18001
- OHS monitoring plan

The indicated documents include the rules, precautions and procedures to be followed to guarantee the safety of employees, their associates and other persons affected by our activity.

These rules also apply to the subcontractors who work with us. We always require that the entities cooperating with us adhere to the applicable rules of safety.

The OHS management system used in the Company is continuously monitored and improved to maintain the highest level of safety.

Other laws, standards and rules

The Company complies with all the laws and regulations applicable in the Republic of Poland. In addition to the documents indicated in the previous sections hereof, they also include the applicable regulations for conservation and environmental protection, heritage protection, provisions of the Construction Law, protection of intellectual property, as well as the Civil, Administrative and Criminal Code.

Financial data and documents

The Company makes every effort to reliably and transparently prepare all financial statements. The documents and reports prepared in this area are characterised by as accurate as possible reflection of the Company's situation. In addition, any persons involved in reporting should act in an accurate and reliable manner, so that they perform their duties on time and with due diligence.

We maintain the confidentiality and take care of the safety of the archived documents.

We pay all the taxes, fees and premiums (including social and health insurance) under the applicable law on time and in the required amounts.

The Company does not use and is against any practices that could suggest the so-called money laundering. This applies, among others, to payments for services that were not provided, or were performed to a different extent than described in the accounting documents.

Personal documents and other sensitive data

All the documents and studies that contain personal data are under special protection. This applies mainly to the secure storage of data, without access of unauthorised persons. Those who have access to such data are required to strictly comply with the rules of confidentiality and due care for the security of the data they have access to.

This principle is also used for any other documents that may contain sensitive data of the Company or entities cooperating with it.

Copyright

We respect the authors' rights to their works. We use only legal software. Whenever the copyright law is applicable, we always exercise due diligence to comply with all of its provisions.

Our declaration

We would like to operate in a world in which:

- there are no criminal organisations, corruption, financial fraud, or money laundering,
- there is no child labour and other forms of human trafficking,
- there is no destruction of fauna and flora, environmental pollution in any form that can pose a threat to human life or health or cause a significant reduction in the quality of water, air and soil,
- there is no terrorism and terrorist financing,
- there is no deception, violence and theft.

We do not agree to the above ways of conduct and do not wish to be a part of them.

3. Continued, smart and sustainable development

The enterprise's surroundings are constantly changing, just like the customers and their expectations. To meet these changes, the Company must continually improve. Such an attitude is reflected by the implemented quality standards and integrated management systems. Furthermore, the Company makes every effort to promote a proactive attitude among its employees, so that they achieve increasingly better results.

The Company has been using an integrated management system for quality, environmental protection and OHS, in accordance with the requirements of PN-EN ISO 9001, PN-EN ISO 14001, and PN-N-18001. In addition to observing the rules and procedures resulting from the standards, we make every effort to ensure that our behaviour is characterised by the care for the natural environment. Detailed procedures can be found in the Company's public records and include:

- a set of legal acts relating to the principles of Environmental Protection
- waste management rules
- plans for monitoring and improvement of the Environmental Protection management processes

Employees of all departments also strive to make their work more and more effective. Therefore, we have been introducing and working using new integrated management processes in the Company. Currently, we use the IFS (Industrial and Financial System) and have been implementing the BIM (Building Information Modelling) system.

We appreciate and promote innovation, including eco-innovation. We are looking for new solutions in this area to meet the needs of the market.

Our pro-innovative approach to projects is always accompanied by the care for the natural environment. We also appreciate the local communities and respect their rights. We make every effort to ensure that our activities do not negatively affect the lives of local residents.

We support

In 1998, the Company management established the Foundation for Helping People with Leukaemia. Today, the Foundation is located in the Company's registered office, and its activity is supervised by the Audit Committee. In addition to the statutory activity, every year we run the "1% of income tax" promotional campaign for the Foundation.

We also regularly support the Polish Red Cross and the Brother Albert Foundation.

4. General rules of conduct

Any person acting on behalf of the Company - Board Members, employees and cooperating entities should make every effort to ensure that their activities are transparent and do not raise doubts as to the respect for the above-mentioned law and rules. This in particular applies to those whose behaviour has an effect on the Company's image, both inside it and in its external relations.

In addition to observing the rules contained herein, each person should set an example with his or her behaviour for other associates and partners. Thus, such positive behaviour will build an environment friendly to the applicable rules. Furthermore, a proactive attitude is very important. This is true in particular in situations in which we observe a violation of the rules, or situations that might lead to such a violation. Appropriate actions should be taken at that time. Depending on the specific situation, these can be as follows:

- conversation with the person taking the action against the accepted rules in order to prevent such an action
- reporting the situation to the immediate supervisor or Board Member
- reporting any violations of the law to the relevant authorities

The actions of each person acting on behalf of the Company affect its image. Consequently, our common duty is to make sure that our behaviour does not negatively affect the perception of the enterprise.

This Book of Business Ethics is not a collection of ready solutions and does not exempt from liability and the principles of common sense. This is because decisions are always made by individuals. Therefore, whenever this document does not specify a particular behaviour or does not show the document to which a reference should be made, a series of questions can be used to determine whether the planned behaviour is appropriate. You should ask yourself the following questions:

1. *Is the behaviour consistent with the values prevailing in the Company?*
2. *Is the behaviour in accordance with the law and the Company's regulations and instructions?*
3. *Does the behaviour work for the benefit of the Company?*

In addition, when there are doubts as to the ethical aspect of the behaviour, you might ask yourself the following question:

- *Would I like my behaviour to be described and published in the media, and would I like the members of my family and my friends to read such publications?*

Each entity cooperating with the Company or acting on its behalf should read this Book and adhere to its rules. The duty of the persons engaging in the relationship with third parties is to notify them about the principles of this document.

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