



Appendix to the Rules for selection of bidders in KGHM Polska Miedź S.A. introduced by Organisational Arrangement DZ/ /2024

**CONTRACTOR'S CHARTER**

Dear Contractor,

KGHM Polska Miedź S.A. (KGHM) has undertaken to comply with the principles of socially responsible business, as well as compliance with ethical, environmental and organizational standards necessary to carry out the due diligence process in the supply chain in accordance with the adopted Responsible Supply Chain Policy in the KGHM Polska Miedź S.A. Group, available at the website address: <https://kgmh.com/pl/biznes/produkty/odpowiedzialny-lancuch-dostaw>.

In order to ensure the highest possible standards of sourcing materials from conflict-affected and high-risk areas, KGHM has adopted a risk-based approach. It enables the identification of high-risk business relationships based on criteria consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, as well as with the criteria under the Joint Due Diligence Standard implemented in the KGHM's Smelter Divisions (The Copper Mark, International Lead Association, International Zinc Association, Nickel Institute and Responsible Minerals Initiative).

KGHM Polska Miedź S.A. Group adheres to the highest production standards, as well as ethics of business and business activities. We follow these protocols in the whole value creation chain, which is reflected in the Code of Ethics for KGHM Polska Miedź S.A. Group. In order to comply with the United Nations Global Compact Initiative, KGHM confirm their commitment to compliance with the basic principles of human rights, labour standards, environmental protection and corruption counteracting, which are reflected in the Human Rights Policy adopted by KGHM Polska Miedź S.A. Moreover, we also support initiatives for responsible mining of minerals from areas affected by armed conflicts and we have made Corporate Social Responsibility (CSR) a part of our long-term strategy.

KGHM understands that organisations co-operating with us differ significantly when it comes to size, time of presence on the market, organisational complexity and the level of maturity of the management process. However, we are of the opinion that a set of principles, values and practices that are universal values exists. It is important that these principles are respected by all parties, both KGHM and the Contractors, because such approach allows full implementation of the principles and commitment to them.

With respect to the management of the risk of serious fraud in supply chains, please be advised that our cooperation with Contractors shall be immediately suspended or terminated, should we determine that there is a significant, apparent risk of serious fraud involving them or their suppliers in the areas specified below.

ETHICS AND BUSINESS ACTIVITIES		
Prohibition of corruption and influence peddling Conflict of interest	Environmental protection Responsibility for the product and quality	Anti-Money Laundering and Countering the Financing of Terrorism
<p>No tolerance for any form of corruption, including direct or indirect influence peddling of business partners and/or public officials, or for acceptance of gifts from business partners, other than customary, in exchange for the purchase of products or services.</p> <p>Not influencing or forcing decisions in cases that can cause actual or potential conflict of interest due to private or business interest, economic or non-economic reasons. Conflicts of interest can be direct or indirect (through a close person).</p> <p>Should the Contractor reveal a possible conflict of interest they are required to immediately notify KGHM about it.</p>	<p>Applying environmental and OHS standards in own operations and in own products to reduce the environmental impact of the product during its life cycle.</p> <p>Minimising the pollution generated and constant improvement of environmental protection standards, as well as running operations in compliance with local and international environmental standards.</p> <p>Applying the 4Rs principle: Refuse - replace disposable products with reusable items; Reduce - reduce the use of raw materials; Reuse - repair or find a new replacement; Recycle - recover valuable materials/raw materials.</p> <p>Preventing the degradation of cultural and natural heritage sites.</p>	<p>No support or contributions to, nor benefits from money laundering and terrorism financing. Monitoring transactions in terms of anti-money laundering and countering the financing of terrorism.</p>
HUMAN RIGHTS AND LABOUR STANDARDS		
OHS	Prevention of forced and child labour	Fundamental human and employee rights
<p>Control over hazards and taking preventive actions to avoid accidents and occupational diseases.</p> <p>Moreover, commitment declared to educate their employees in OHS.</p>	<p>Complying with international human rights standards applicable to the Supplier, elimination of all forms of slavery, illegal, forced or compulsory employment and illegal work of minors, in accordance with local regulations.</p>	<p>Eliminating all forms of torture and cruel, inhuman and degrading treatment and other serious human rights violations and abuses.</p> <p>Not supporting or contributing to, or benefit from, war crimes or other serious violations of international humanitarian law, war crimes, genocide or any crimes against humanity.</p> <p>Promoting equal opportunities for employees and ensure a working environment free of discrimination, harassment, mobbing and other actions that violate the principles of social coexistence.</p> <p>Moreover, commitment declared to compliance with local law on working time, minimum wage and the employees' right to associate in their organizations.</p> <p>Not charging recruitment fees to job applicants (also applies to employment agencies).</p>
COMPLIANCE		
Public levies	Sanctions lists	Conflict minerals
<p>Fulfilling the obligations to pay public levies to the state and local government authorities and no illegal forms of avoiding payments of taxes or other public fees.</p>	<p>Not establishing business relationships or endorse any activities (notwithstanding the fact that such relationship or activity may be legal) either for or on behalf of any person, entity, territory or organization subject to sanctions imposed by the UN, UK, USA, Canada, EU, Poland.</p>	<p>Commitment to take actions countering the illegal and unethical sourcing of materials from conflict and high-risk areas.</p>

**As a KGHM Contractor, I hereby confirm that:**

a) we have read, understood and agree with the principles contained in the Contractor Charter and in the contents of the Human Rights Policy in KGHM Polska Miedź S.A. and the Responsible Supply Chain Policy in the KGHM Polska Miedź S.A. Group available on the KGHM corporate website.

b) we declare compliance with the principles and agree to immediately notify KGHM should our compliance with the indicated principles be lost, without need for an inquiry from KGHM;

c) we will promote the implementation of these principles by our contractors and partners;

(d) we understand that, should it become apparent at any stage of the performance of the contract that the statement made is inaccurate, KGHM reserves the right to terminate or withdraw from the contract with immediate effect or to suspend all or part of the contract at any time without being obliged to pay contractual penalties or otherwise be held liable.

Contractor:

First and last name:

Date:

Signature: