

## **PROCEDURE ON OFFERING AND ACCEPTING GIFTS**

## **1. TERMINOLOGY.**

**CHO** – CELSA "Huta Ostrowiec" Sp. z o.o. with registered office in Ostrowiec Świętokrzyski (27-400), Samsonowicza 2, entered in the National Court Register kept by the District Court in Kielce, 10th Commercial Department, under KRS number 0000123124;

**Employees** – all persons employed in CHO and providing services to CHO, regardless of the legal form and type of employment contract, as well as all other persons who perform activities on behalf and for CHO, including temporary trainees and apprenticeships at CHO;

**Gift** – offered or accepted benefits (property and personal), for which the host does not pay. For example, a gift will be an item, an invitation to an entertainment event, tickets, gift vouchers, loans, the use of vehicles from a different company, the use of other holiday facilities, other gifts, etc.

## **2. SUBJECT OF THE PROCEDURE.**

The object of the Procedure is to determine acceptable forms of giving and receiving gifts by employees and to define the rules related to offering and accepting gifts by employees in dealing with contractors, suppliers, public administration bodies and other cooperating entities.

## **3. SCOPE OF SUPPLY.**

The procedure applies to all Employees who offer or accept gifts as part of their official tasks.

## **4. PROCEEDINGS.**

### **4.1. General rules.**

- 4.1.1 Offering or accepting gifts must comply with legal provisions, common rules of ethics and this Procedure.
- 4.1.2 It is forbidden to offer and accept gifts in the form of money, as well as luxury gifts, subject to point 4.2.3.
- 4.1.3 Request for any gift, regardless of the circumstances of its formulation, is prohibited.
- 4.1.4 Failure to comply with the provisions of this Procedure, including the unconscious violation of its rules related to offering (giving) and accepting gifts, will result in imposing on the Employee of procedural penalties under the rules specified in the Labor Code.
- 4.1.5 Responsibility for non-compliance with the Procedure lies with both the person who committed non-compliance and the person whose duties include supervision or control over the perpetrator of the violation, and these duties have not been properly fulfilled.

## **4.2. Offering and accepting gifts in contacts with contractors**

- 4.2.1. It is prohibited in CHO to offer or receive any gifts in exchange for a promise of a property or personal benefit or in exchange for any benefit connected with the purchase or sale of goods or services.
- 4.2.2. In CHO, it is also prohibited to mediate in offering and accepting such benefits.
- 4.2.3. It is allowed to offer or accept small occasional marketing or promotional gifts (related to CHO or contractor's business), whose total value in relation to the entity or person in one calendar year does not exceed PLN 200.00 gross. An employee accepting a gift is required to estimate its value. If it is not possible to estimate the value of the received gift, if there is a reasonable suspicion that its value exceeds the indicated amount, the gift shall be returned in the manner specified in item 4.2.5.
- 4.2.4. It is prohibited to offer (give) and accept gifts that could be considered insulting or could cause embarrassment or in any other way negatively affect the relationship between CHO and any other entity or person.
- 4.2.5. Each case of giving or accepting a gift, as well as an attempt to offer (give) a prohibited gift must be reported to the Director of Compliance. Such notification should take place whenever there is a doubt regarding the acceptance of the gift. In case of reception of a non-permitted gift, it must be reported to direct supervisor or Compliance Director, after consultation with which the gift should be returned to the sender with the reason for the return, citing the provisions of this procedure.

## **4.3. Offering and accepting gifts in contacts with organs of public administration.**

- 4.3.1. It is prohibited to offer and receive any gifts in relations with officials (public administration bodies) in connection with the CHO Procedure they are seeking, the issuing of a decision or other action concerning directly or indirectly the activity of CHO or mediation in offering (giving) or demanding (receiving) such benefits.
- 4.3.2. In CHO, it is only allowed to provide officials with small occasional gifts of a marketing and information nature (gadgets and materials such as calendars, notebooks or pens). The materials provided must be associated with the promotion or advertising of CHO, and their total value transferred to the same entity or person in one calendar year cannot exceed PLN 100.00 gross.
- 4.3.3. It is forbidden to offer (give) and receive gifts in the form of money, as well as in the form of alcohol and nicotine products.
- 4.3.4. Each case of giving or accepting gifts, as well as an attempt to offer (handing over) a forbidden gift must be reported to the Director of Compliance. Such notification should take place whenever there is a doubt regarding the acceptance of the gift.

## **4.4. Own evaluation**

- 4.4.1. Before offering or accepting a gift, regardless of the above rules, each Employee should answer the following questions:
  - Is the purpose of offering or accepting a gift solely building positive business relations or exerting influence / affecting a decision that is within the competence of the other party?
  - Does the gift have little value and it is offered sporadically, or its acceptance may arouse the willingness of the other party to repay?

- Is the gift value appropriate to the position occupied by the other party?
- Is the Code of Ethics or internal procedures binding on the other party to offer or accept a gift?

4.4.2. If the answer to any of the above questions is negative ("No") then you should not offer or accept a gift.