



## GTC Ethical compliance manual

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## **1. Definitions**

MB – GTC Management Board;

Employees – refers all GTC Employees and MB Members;

CC – GTC Compliance Coordinator;

Contractor – a company providing works or services for GTC;

## **2. Code of Conduct**

### **2.1 Principles underlying our conduct**

Our prime purpose is to run and develop a profitable business. We assume corporate responsibility for our business towards the Republic of Poland, the community, and the environment the business affects, as well as towards our shareholders, employees, business partners, and the broadly understood public.

Therefore, we have defined the fundamental principles guiding us in our activities:

- We comply with the laws of the countries we operate in;
- We covenant to do business in accordance with the top standards of reliability and morals;
- We are open to dialogue with natural persons and entities affected by our activities.
- We react to external signals in a timely and effective manner and respond to those whom our business affects.

We use our best efforts to cause that our contractors and subcontractors follow the principles laid down in our Code of Conduct.

### **2.2 Employee relationships**

We care about dedicated and harmonious relationships with our employees, built on mutual respect. To that aim, we satisfy the minimum requirements of the law valid in the Republic of Poland, the rules laid down by the International Labour Organisation and the regulations of the Universal Declaration of Human Rights relating to the labour conditions.

We provide equal opportunities to our employees, irrespective of the race, skin colour, sex, nationality, faith, ethnic origins, or distinctive individual features. We do not accept discrimination, debasing, bullying or harassment.

We ensure safe and healthy working conditions and support continual improvement. We shall maintain our management systems embracing all work posts, dedicated to ensuring continuity of the improvement process, and change support systems to address the rising needs.

We respect the employee's right to establish and join in trade unions in accordance with the respective regulations and rules.

### **2.3 Ethics in business**

We shall not take any actions in contravention with the applicable letter of the law.

We shall not offer or present any undue pecuniary gratifications or financial advantages to any person or entity to induce them to take any illicit actions to generate any financial or business gain for GTC.

We shall maintain the following implemented programmes to assure compliance with the relevant regulations of the law and this Code of Conduct:

- Hospitality and gift program – see 3 below
- Whistle-blower program – see 4 below
- Anti-bribery program – see 5.1 below
- Anti-corruption program – see 5.2 below
- Conflict of Interest program – see 6 below

#### **2.4 The GTC Code of Conduct is based on the following norms:**

- The rule of law, i.e. abidance by the laws of the Republic of Poland where the business is conducted;
- The ban on abusing authority, i.e. making references to the influence enjoyed because of e.g. the position or function held at GTC;
- The rule of non-discrimination i.e. the above-described equality of the sexes, nationalities, citizenships, ethnical groups, disabilities, age, or membership in social or professional groups;
- The rule of honesty transpiring in commitment of the GTC Employees to respecting and abiding by the principles of ethics;
- The rule of kindness, i.e. courtesy and kindness in dealing with clients, citizens, superiors, subordinates and co-worker, which may have impact on the GTC image;
- The duration of the decision-making process, or the set of principles of diligence and timeliness in the operations pursued;
- Data protection, construed as protection of personal data, according to internal GTC procedure: P 7 21-ADM-EN-Information Safety;
- Maintaining registers of personal data – this applies to the GTC employees being personal data administrators.

#### **2.5 Nature and environment**

Care for the environment should permeate our work. Compliance with the labour regulations relating to environment protection, and those consistent with the expectations of our clients, lay the foundation for our ambition of acting in the spirit of ecology. We covenant we shall take care of the natural environment, minimise any negative impact thereon, and protect the natural resources.

We forecast the environmental effects of our actions and make informed decisions based on significant available facts.

We avoid employing materials and methods posing a risk to the environment, if any reasonable alternative solutions exist. We also endeavour to encourage our clients to reach for environmentally friendly solutions, whenever the circumstances allow.

We do not engage in actions potentially hazardous to the environment or the society. Our goal is to identify any such potential risks as early as possible so that proper decisions and actions can be taken at their appropriate time.

### **3. Inducement, gifts and entertainment**

#### **3.1 Inducements**

An inducement is a reward for a specific behaviour and is designed to encourage that behaviour. It may take a form of a monetary or non-monetary incentive that is paid or provided to, or by, GTC, an Employee or a Contractor in relation to the provision of a service. Within GTC no inducements are permitted other than:

- proper fees and commissions calculated on commercial terms;
- a benefit designed to enhance the quality of the service to GTC;

#### **3.2 Gifts and Entertainment**

A gift is when a GTC Employee gives/receives a tangible benefit of item of value to/from an Investor of any commercial service provider without receiving/providing fair compensation. Gifts may also take the form of credit, property, or any service, facility, system or information. The giving or receiving of gifts may result in the opportunity for financial advantage (to make, receive, or increase any gain or revenue; to avoid or reduce any loss or expense) or create an inappropriate expectation or feeling of obligation.

Employees are prohibited from offering, giving, soliciting or accepting a gift if it is likely to give rise to a conflict of interest with any duty that the Employee owes to its Investors. Under no circumstances may money or cash convertible gifts be offered or accepted.

Normal business courtesies, subject to the limitations below, such as lunch and dinner, invitations or entry to concerts, exhibitions, social or sporting events, do not require prior approval provided GTC's host is present. Repeated and/or lavish entertainment of hospitality is not acceptable.

## 4. Whistleblowing

GTC recognises the importance of having an effective whistle-blowing policy to establish a belief in Employees, Contractors and stakeholders that GTC views unacceptable conduct seriously.

### 4.1 Unacceptable conduct

It is impossible to give an exhaustive list of activities that may constitute unacceptable conduct but broadly speaking, including but not limited to, an activity that may be:

- dishonest, fraudulent or corrupt (including offering or accepting bribes);
- illegal (including theft, drug sale/use, violence or threatened violence and criminal damage against property);
- in breach of any legal or regulatory obligations;
- unethical;
- other improper conduct; and
- any unsafe work practices.

If an Employee or Contractor reasonably suspects that unacceptable conduct has occurred or will occur, they must disclose their suspicions to the CC;

It is not always clear that an action is unacceptable conduct and an Employee and Contractor must use their own judgement in this regard. If there are any doubts they should in advance informally discuss the matter with the CC. If a report is made in good faith, then even if it is not confirmed by the investigation, the initial concern will be valued and appreciated, and that individual will not be liable to disciplinary action. If a false report is made, maliciously or for personal gain, then disciplinary action may result.

### 4.2 Making a report and what happens afterwards

A report must be made in good faith and can be made orally or in writing to the CC. GTC does not expect absolute proof of the alleged conduct however the reporter will need to be able to show the reason for their concern. A request can be made to clearly set down the concerns giving rise to the reporting in writing, together with any supporting evidence.

Upon receiving the report, if in CC's opinion there is enough evidence of unacceptable conduct the matter will be investigated by PMB. In case the report concerns PMB, the matter will be investigated by other MB Member.

PMB reviews the input provided by the CC and, if necessary further investigates on the nature of the misconducts. Upon the review/investigation the PMB decides to take it to the MB, where further revision and investigation is carried out, followed by the decision on the consequences. Where a person has committed or been involved in unacceptable conduct, the MB will consider an appropriate course of disciplinary actions. Where allegations of unacceptable conduct made against a person cannot be sustained by the MB, that person will be advised to be entitled to continue in their role as if the allegations had not been made. The records of such MB investigation should be made in a written form and kept confidential, unbiased and fair.

If it is decided there is not sufficient evidence of unacceptable conduct the CC must arrange for the person who made the report to be informed to the decision and the reasons thereof.

As an outcome of the investigation a written justification of the decision made by the MB should be submitted to the CC which should summarise the investigation and evidence, draw conclusions about the extent of any non-compliance and recommend actions to remedy any

non-compliance to ensure that it does not reoccur. Once the investigation is completed, a written report will be made available to the individual who made the report. The report will cover the findings, actions taken within commercial, legal and confidential constraints.

## 5. Anti-bribery and corruption

- GTC takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates and implementing and enforcing effective systems to counter bribery.
- Any non-compliance with provisions set forth in the Policy constitutes a breach of employee's obligations and may result in taking relevant disciplinary measures, and in criminal liability, as imposed by the generally applicable legislation.
- Bribery and corruption are punishable for individuals. Depending on the severity of the offense, the penalty may be a fine, restriction of liberty or even deprivation of liberty for up to 12 years, and if GTC as an employer fails to prevent bribery it could face significant fine, be excluded from tendering for public contract and face severe reputation damage. Therefore, GTC takes its responsibility seriously.

### 5.1 What is bribery?

A bribe is an inducement or reward offered, promised or provided to gain any commercial, contractual, regulatory or personal advantage.

Examples:

#### *Offering a bribe*

An Employee or Contractor offers a business contact tickets to a major sporting event, but only if they agree to provide GTC with confidential information.

This would be an offence since the Employee or Contractor is making the offer to gain a commercial and/or contractual advantage. In such case GTC may also be found to have committed an offence because the offer has been made to further GTC's interests. It may also be an offence for the business contact to accept the offer.

#### *Receiving a bribe*

A supplier gives an Employee's or Contractor's son a job but makes it clear that in return they expect the Employee or Contractor to use their influence in GTC to ensure it provides them with increased levels of business.

It is an offence for a supplier to make such an offer. It would be an offence for the Employee or Contractor to accept the offer as they would be doing so to gain a personal advantage.

#### *Bribing a public official*

An Employee or Contractor arranges for GTC to pay an additional payment to a public official to speed up an administrative process.

The offence of bribing a public official has been committed as soon as the offer is made. This is because it is made to gain a business advantage for GTC. GTC may also be found to have committed an offence.

## **5.2 What is corruption?**

Corruption is the abuse of entrusted power or position for personal gain.

### **5.2.1. Gifts and hospitality**

The receipt, or provision of reasonable and appropriate gifts and hospitality in the ordinary course of business from third parties is acceptable to GTC. Please see section 3.2 above.

### **5.2.2. Facilitation payments and kickbacks**

GTC does not make and will not accept, facilitation payments or „kickbacks” of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine governmental action by a governmental official.

If the Employees or Contractors are asked to make a payment on GTC’s behalf, they should always be mindful of what the payment is for whether the amount requested is proportionate to the goods or services provided. Employees and Contractors should always ask for a receipt which details the reason for the payment. If Employees or Contractors have any suspicions, concerns or queries regarding a payment, they should raise these with the CC.

Kickbacks are typically payments made in return for a business favour or advantage. All Employees must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by GTC.

### **5.2.3. Donations**

GTC does not make contributions to political parties. GTC only make charitable donations that are legal and ethical under local laws and practices. No donation can be offered or made on behalf of GTC without the prior approval of the GTC Management Board.

### **5.2.4. Responsibilities**

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of everyone in GTC and those providing services for or on behalf of GTC. All Employees are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

Employees and Contractors must notify the CC as soon as possible if they believe or suspect that a conflict with this Policy has occurred, or may occur in the future, e.g., in a case a supplier or potential supplier offers an Employee or Contractor something to gain a business advantage with GTC, or a counterparty indicates that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in Appendix 1 below.

Any Employee or Contractor who breaches this Policy will face disciplinary action, which could result in dismissal for gross misconduct. GTC reserves the right to terminate its contractual relationship with third parties if they breach this Policy.

#### 5.2.5. How to raise a concern?

Employees and Contractors are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If an Employee or Contractor is unsure whether an act constitutes bribery or corruption, or if they have any other queries, these should be raised with the CC. Any further concerns should be reported by following the procedure set out in the Whistleblowing section (see point 4).

## 6. Conflict of Interest

GTC has a duty to act in its Investors' best interests and is required to put the interests of its Investors ahead of its own, subject to statutory limitations, and to ensure that all Investors are treated fairly. Employees and Contractors must always act honestly, in good faith and in a manner, which is in the best interests of GTC and its Investors.

Employees and Contractors must not:

- misuse their position within GTC, or use information they receive during their employment, to procure personal benefits to themselves, their family or friends, or any other person or to cause detriment to GTC;
- participate in any activity or employment which may compete or conflict with the interests of Investors of GTC or GTC itself; or
- participate in acts and/or decisions on behalf of GTC where dealing with an entity in which an Employee or Contractor has a material personal interest, a role as officer or other duty or a personal relationship with a person who has a role with the counterparty to the transaction being considered that may give rise to a conflict.

GTC will take all reasonable steps to avoid conflicts of interest, and when they cannot be avoided, to manage, and monitor conflicts of interest.

### 6.1 Identifying Conflicts of Interest

Every conflict of interest situation can be unique. Employees or Contractors need to identify any persons or entities whose interests they must consider in their proposed activity and must evaluate any potential conflict of interest that may arise.

A conflict of interest is the real or potential conflict between the interests of two different parties in relation to the same matter. A conflict of interest may exist even if no unethical or improper act(s) result but there is potential for the appearance of impropriety, which can undermine confidence in, or the reputation of, GTC. The key element of any conflict of interest is a divergence of interests between a person or firm and the interests of another person or firm to whom a duty is owed.

## Attachment 1 Potential Risk Scenarios: "red flags"

The following is a list of possible red flags that may arise during the course of business and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If an Employee and Contractor encounters any of these **red flags** while working at GTC, they must report them promptly to the CC:

- (a) an Employee or Contractor becomes aware that a [potential] business party engages in, or has been accused of engaging in, improper business practices;
- (b) an Employee or Contractor learns that a [potential] business party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- (c) a [potential] business party insists on receiving a commission or fee payment before committing to sign up to a contract with GTC, or carrying out a government function or process for GTC;
- (d) a [potential] business party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- (e) a [potential] business party request that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (f) a [potential] business party requests an unexpected additional fee or commission to "facilitate" a service;
- (g) a [potential] business party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (h) a [potential] business party request that a payment is made to "overlook" potential legal violations;
- (i) a [potential] business party request that an Employee or Contractor provides employment or some other advantage to a friend or relative;
- (j) an Employee or Contractor receives an invoice from a [potential] business party that appears to be nonstandard or customized;
- (k) a [potential] business party insists on the use of side letters or refuses to put terms agreed in writing;
- (l) an Employee or Contractor notices that GTC has been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- (m) a [potential] business party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to GTC; or an Employee.