

# **BFF POLSKA GLOBAL COMPLIANCE GUIDELINES ON CORPORATE CRIMINAL LIABILITY**

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## 1. The BFF Polska Group

BFF Polska S.A. (“**BFF Polska**” or “**Company**”), as part of the International Banca Farmafactoring Banking Group (“**BFF**”), is an independent institution focused on providing solutions for the healthcare and public sector markets in Europe, as well as factoring for business.

BFF Polska is a leading partner to hospitals, providing them with financing for their current activities, to suppliers of medical products and services, as well as to international pharmaceutical corporations, corporations supplying medical equipment, small and medium-sized enterprises, local governments and entities cooperating with local government units.

The Company runs its business within the territory of Poland through its subsidiaries, i.e. BFF MEDFinance S.A., with its registered seat in Łódź, DEBT – RNT sp. z o.o., with its registered seat in Łódź, as well as within the territories of Czech and Slovakia through its subsidiaries, i.e. BFF Česká Republika s.r.o., with its registered office in Prague and BFF Central Europe s.r.o., with its registered office in Bratislava (the “**Subsidiary**” or “**Subsidiaries**”).

Both in BFF and in BFF Polska context, integrity is perceived as an essential value for conducting their business. Therefore, BFF and BFF Polska personnel is required to operate with loyalty, correctness, transparency and strict compliance with domestic and foreign legislations and regulations, international standards and guidelines.

## 2. The Global Compliance Guidelines

The Global Compliance Guidelines (“**Guidelines**”) are designed as a tool to reinforce BFF Polska’s and its Subsidiaries’ commitment to the highest ethical, legal and professional standards for enhancing and preserving the BFF Polska’s and Subsidiaries’ reputation, as well

as for aligning BFF Polska and the Subsidiaries with BFF's policies and best practices on corporate criminal liability.

In the last years, countries have progressively recognized a criminal or quasi-criminal corporate liability regime, allowing courts to sanction corporate entities for criminal activities by their representatives, employees or third parties acting on their behalf.

In certain jurisdictions, including those in which BFF Polska and its Subsidiaries operate, applicable laws and regulations encourage companies to adopt corporate governance structures and risk prevention systems, with the aim of making efforts to prevent managers, executives, employees, consultants and contractors from committing crimes and as a factor of possible mitigation of liability, as well as applicable penalties, in the event of the adoption of adequate preventing measures.

The Guidelines, inspired to the most relevant international regulations, aim at defining general standards of conduct and preventive measures applicable to employees, directors and any other member of the management and control bodies ("**Corporate Recipients**"), as well as consultants or other contractors and, in general, third parties ("**Third Parties**", "**Third Party**" or "**Recipients**" "**Other Recipients**"), which are respectively employed, appointed or deal with/act on behalf of BFF Polska and/or the Subsidiaries.

With this aim, the Guidelines have been drafted in accordance to the most relevant international Conventions on corporate criminal liability, such as, among others, i) the Brussels Conventions of 26 July 1995 and 26 May 1997 on the protection of the Communities' financial interests and the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, ii) the OECD Convention of 17 December 1997 on Combating Bribery of Foreign Public Officials in International Business Transactions, iii) the United Nation Convention against corruption adopted on 31 October 2003, iv) the International Convention for the Suppression of the Financing of Terrorism of 1999, v) the United Nations Convention and Protocols against Transnational Organized Crime adopted by the General Assembly on 15 November 2000 and 31 May 2001, vi) the Convention on cybercrime, drafted in Budapest on 23 November 2001, vii) the Directive 2008/99/EC on protection of the environment through criminal law.

The Guidelines apply to BFF Polska and the Subsidiaries in accordance with the legal and corporate governance as well as the cultural, social and economic differences among the various countries where BFF Polska and the Subsidiaries operate.

If any conflict arises between the Guidelines and other private standards or technical standards, the Guidelines shall prevail.

Where local laws and regulations provide specific requirements that differ from the provisions of the Guidelines, such requirements shall prevail.

### **3. Aims and general purposes of the Guidelines**

The Guidelines represent an opportunity to reinforce the prevention of corporate criminal liability by strengthening the governance, as well as the internal control system and are designed to support proper and legal conducts throughout BFF Polska and the Subsidiaries.

The Guidelines identify the specific standards of conduct expected by all Corporate Recipients and, if applicable, by Other Recipients in order to:

- i. provide BFF Polska and the Subsidiaries with a standard set of rules expected at preventing a corporate criminal liability in their own country;
- ii. integrate any local compliance program adopted by BFF Polska and the Subsidiaries in accordance to any applicable law on corporate criminal liability.

The rules provided in the Guidelines are also integrated by:

- a. the provisions set out in the Code of Ethics of the BFF Polska Group, which represents BFF Polska and the Subsidiaries ethical principles to which all Recipients are required to comply;
- b. Anti-Money Laundering (AML) and Countering Financing of Terrorism (CFT) Regulation;
- c. Whistleblowing Procedure;
- d. BFF Regulation on Internal Audit Regulation;
- e. Policy for the management of compliance risk for Banca Farmafactoring Banking Group;
- f. Regulation of the Compliance and AML Functions of the BFF Polska S.A. and Regulation of Risk Management Department of BFF Polska S.A.;
- g. provisions on corporate governance adopted by BFF Polska, reflecting the applicable legislation and international best practice;
- h. the internal control systems adopted by BFF Polska and the Subsidiaries;
- i. regulations on the administrative, accounting, financial and reporting system adopted by BFF Polska and the Subsidiaries;
- j. provisions set out in any local compliance program adopted by BFF Polska and the Subsidiaries as to comply with their own local legislations on corporate criminal liability and in any related guidelines, policy or internal organizational documents.

### **4. Crimes Categories**

The Guidelines apply to the following types of Crimes (hereinafter, “**Crime**” or “**Crimes**”):

- 1. Bribery Crimes**
- 2. Other Crimes against Public Entities**
- 3. Accounting Fraud**

**4. Obstruction to the exercise of Public Supervisory Authorities' functions**

**5. Market Abuse**

**6. Financing of Terrorism and Money Laundering Crimes**

**7. Crimes against Individuals**

**8. Health and Safety Crimes**

**9. Environmental Crimes**

**10. Cyber Crimes**

**11. Copyrights Crimes**

**12. Criminal conspiracy and mafia-type conspiracy (along with related offenses)**

Sections 5 and 6 below of the Guidelines identify the areas of activity to be monitored by BFF Polska and the Subsidiaries and the applicable standards of conduct for each of the crimes mentioned above.

The list included in the section herein does not exempt BFF Polska and the Subsidiaries by carrying out their own risk assessment and definition of specific standards of conduct, whether deemed appropriate.

Therefore, BFF Polska and the Subsidiaries might identify:

- a. further business activities which may entail specific risk of committing a Crime through an analysis of business processes and the possible means of commission attributable to the types of offences;
- b. additional standards of conduct which all Corporate Recipients and – where expressly provided – Other Recipients should deal with in order to abstain from any behavior that gives rise to – or potentially could turn into – any of the Crimes described above.

**5. Guidelines Control System**

The Guidelines provide for the following two main levels of control in relation to the areas to be monitored:

- a. general standards of control provided for all the categories of Crimes;
- b. specific standards of conduct provided for each category of Crimes and applicable to each area to be monitored.

**5.1 General standards of control**

BFF Polska and the Subsidiaries shall comply with the following general standards of control:

- a. segregation of duties: the assignment of roles, tasks and responsibilities within BFF Polska and the Subsidiaries is made in compliance with segregation of duties according to which no individual may autonomously perform an entire process. In accordance with this principle, no individual can be autonomously in charge of performing an action,

authorizing it and subsequently check it; an adequate segregation of duties can be granted also using IT systems, enabling only identified and authorized persons to perform certain transactions;

- b. power of signature and authorization: formal rules shall be provided regarding the exercise of internal powers and powers of signature. Powers of signature shall be consistent with the organizational and managerial responsibilities assigned to each proxy holder within BFF Polska and the Subsidiaries;
- c. transparency and traceability of processes: the identification and traceability of sources, information and controls carried out supporting formation and implementation of BFF Polska's and the Subsidiaries' decisions, as well as the management of financial resources shall always be guaranteed; proper storage of data and relevant information must be guaranteed, through information systems and/or paper support.
- d. appropriate management of Third Parties relationships:
  1. appropriate due diligence on honorability requirements before any relationship is established. The extent of each due diligence assessment (which could include issuing enquiries through business contacts, local chambers of commerce, business associations, or internet searches) and following up any business references and financial statements shall be proportional to the actual or perceived risk that any prospective partner, consultant or supplier may not possess the above-mentioned requirements; in this regard, the following circumstances can be considered red flags:
    - i. the Third Party is incorporated in a country that, according to international indices, such as the Transparency International Corruption Perceptions Index, is known for widespread corruption, or in a country which is considered as a "non-cooperative country", according to FATF blacklist or other international list prepared by international institutions in relation to the global fight against terrorism financing and money-laundering;
    - ii. the Third Party refuses to comply with the compliance program adopted by BFF Polska and/or the Subsidiaries and does not have in place any code of conduct or similar set of rules;
    - iii. the Third Party has been (or had been) suspended to join tenders or enter into contract with state-owned or public companies, governmental agencies due to compliance investigations carried out by the public authorities;
    - iv. the Third Party has been already subjected to criminal proceedings;
    - v. the Third Party has a family relationship with a key officer of the government agency or with a foreign official;
    - vi. a public official is the owner, executive manager or major shareholder of the Third Party;
    - vii. the address of the Third Party's business is a virtual office;

- viii. the Third Party has an undisclosed beneficial owner;
2. additional checks, in the event that, during the due diligence phase, any "red flags" arises;
3. periodical monitoring during the course of the relationship to ensure that the counterparty continues to meet the requirements approved by BFF Polska and/or the Subsidiaries, and
4. appropriate measures to be applied in the event that a Third Party does not preserve these requirements or any other "red flag" arises during the course of the contractual relationship such as:
  - i. the Third Party insists on dealing with government officials by itself, not allowing any participation of BFF Polska and/or a Subsidiary;
  - ii. the Third Party requests uncommon advance payments;
  - iii. the Third Party offers to submit or submits inaccurate invoices or invoices for services which have not been assigned or have not been carried out;
  - iv. the Third Party requests payments to be made in cash, or bearer instrument;
  - v. the Third Party requests payments be made outside its home country, in a jurisdiction that has no relationship to the entities involved in the transaction or to the transaction;
  - vi. the Third Party requests payment be made to an intermediary or to another entity or requests that payments be made to two or more bank accounts;
  - vii. the Third Party requests funds to be donated to a nonprofit institution or foundation.

## **5.2 Specific standards of conduct**

A list of exemplificative specific standards of conduct is provided in section 6 below, for each of the criminal offences to which the Guidelines apply.

### **Descriptions of Crimes, examples of illicit conducts, areas to be monitored and crimes specific standards of conduct**

#### **6.1 Bribery Crimes**

##### **6.1.1 Description**

This type of Crimes refers to the offering, requesting, providing, or receiving of money, or any other profit, gain or advantage, for the purpose or with the intent of persuading or influencing the recipient, which can be an individual belonging to a private company or a public official, by any means that is favorable to the party which provides the bribe.

Bribes generally include gifts, payments of money, other forms of goods, privileges, entertainments and favors in exchange for favorable treatment.



The above said favorable treatments, which trigger the briber, may consist, for example, in:

- a. the engagement of the briber for a relevant contract, either with a public administration or a private company;
- b. the award of a public tender;
- c. a false deposition, favorable to the briber, by a witness in a trial;
- d. a lenient report by a public official.

### **6.1.2 Bribery Crimes' areas to be monitored**

In relation to this type of Crimes, the following areas require to be monitored:

- a. relationships management as well as negotiation and/or execution of material contracts with any Party, such as Public Authorities, companies, associations, foundation, rating agencies and investment funds;
- b. participation to public or private tenders;
- c. management of relationships – other than contractual relationships – with community organizations and Public Authorities, concerning health, safety and environment requirements, management of personnel or payment of taxes;
- d. factoring services management and credit management;
- e. selection of all partners, intermediaries, consultants and negotiation, execution and management of appropriate contracts;
- f. management of financial resources and cash;
- g. hiring of personnel;
- h. reimbursement of expenses incurred by employees;
- i. definition of compensation incentives addressed to BFF Polska and/or the Subsidiaries executives;
- j. management of non-profit initiatives;
- k. management of gifts, entertainments and hospitality expenses;
- l. regulatory compliance management;
- m. management of disputes as lawsuits, arbitrations and out-of- court proceedings.

### **6.1.3 Bribery Crimes' standards of conduct**

In conducting business with private companies as well as public administrations, international, national, state and local governments (the “**Public Authorities**”), BFF Polska, the Subsidiaries and their Representatives are committed to act with integrity and honesty and shall comply with all applicable laws and regulations.

1. Recipients and Third Parties, under specific contractual terms, are specifically forbidden to:

- a. offer money or grant other benefits of any kind to Public Authorities' representatives as well as to individuals belonging to a private company - or to members of their families (collectively, the "**Private Individuals**") - with which BFF Polska and/or the Subsidiaries intend to engage in or already manage a business relationship with or, when dealing with Public Authorities' representatives, any other relationship including the request of public fund, submission of any public clearance or authorization;
  - b. offer gifts or entertaining activities to the individuals listed at lett. a. above, other than those admitted according to standard corporate practice. 1) **Admitted gifts and entertainment benefits include, but are not limited to:** i) modest occasional meals; ii) occasional attendance at local sports events, theatre or other cultural events; and iii) gifts of low nominal value such as pens, calendars, or other small promotional items. 2) **Gift and entertainment benefits that are not admitted include, but are not limited to:** i) weekend trips or trips with no longer duration; ii) gifts or entertainment involving parties, with whom BFF Polska and/or the Subsidiaries are currently engaged in a tender, a competitive bidding process or other public proceedings. Gifts offered - except those of modest value - must be documented in order to allow the required inspections;
  - c. utilize cash as means of payment other than the cases allowed by regulations (e.g. petty cash);
  - d. sustain any promotional or sponsorship expenses, unless the expenses have been approved, in advance, in writing by the competent function;
  - e. make any contributions to nonprofit institutions, approved, in advance, in writing by the competent function;
  - f. assign services to Third Parties that are not sufficiently justified in relation to BFF Polska and/or the Subsidiaries needs;
  - g. pay money to Third Parties that is not adequately justified for the assignment to be performed, having also regard to the local practices at the time of the transaction.
2. BFF Polska and/or the Subsidiaries shall evaluate the opportunity to adopt proper organizational measures for preventing any Recipient from enacting any of the activities described above. Furthermore, BFF Polska and the Subsidiaries shall evaluate the opportunity to adopt adequate procedures as to ensure that:
- a. adequate evidence is provided in relation to any material relationships, as an administrative proceeding aiming at obtaining an authorization, a license or similar act, joint ventures with public entities or a submission of a filing to obtain a certain public clearance, entered with Public Authorities and any material commercial relationship;

- b. dealings and relationships with Public Authorities, when matters concerning BFF Polska's and/or the Subsidiaries' interest are at stake, shall be managed by at least two authorized persons;
- c. any recruitment procedure is carried out solely based on a real and demonstrable business need and any selection process involves at least two distinct functions and shall be grounded on criteria of objectivity, competence and professionalism aimed at avoiding any possible favoritism or nepotism, as well as conflict of interest;
- d. management incentive plans are adequate to guarantee that the objectives set thereto do not lead to abusive behavior and are, instead, focused on a realistic outcome, determined, measurable and proportionate to the time required to achieve them;
- e. in relation to the planning of projects, realistic timeframes are set;
- f. in relation to expenses' refund, proper documentation, including original receipts supporting the payment of the expenses or incurring the cost, needs to be submitted to the appropriate accounting department before payment and that the subsequent payment or expense or receipt thereof is accurately described in the relevant BFF Polska's and/or the Subsidiaries accounting records.

#### **6.1.4 Bribery Crimes' examples of illicit conducts**

Bribery Crimes may occur if someone within BFF Polska and/or the Subsidiaries:

- a. gives an amount of money to a Public Authority functionary during an inspection as to persuade him to bypass some irregularities;
- b. provides a government official with a gift for the sake of obtain a tender award;
- c. promises to hire a competitor's company's employee in exchange of obtaining access to secret documents of the said competitor;
- d. gives some money to a witness as to persuade him/her to provide a false statement in a trial in which the BFF Polska and/or the Subsidiaries are involved.

### **6.2 Other Crimes against Public Authorities**

#### **6.2.1 Description**

This type of Crimes primarily relates to fraud against public entities and occurs when a company executes an artifice or another illicit scheme as to defraud a public entity or to obtain any economic advantage through false or fraudulent representations, promises or pretenses.

This category of Crimes is often connected to public funding and grants and occurs when a company claims for public funding or grants that it is not eligible for or utilize them by means different than those provided in the grant agreement.

Crimes against Public Authorities can take place for numerous reasons, which are normally related to the procurement of a profit or any other sort of economic advantage.

### **6.2.2 Other Crimes against Public Authorities' areas to be monitored**

In relation to this type of Crimes, the following areas require to be monitored:

- a. participation to public tenders and public procedures in general;
- b. management of relationships with Public Authorities, as for instance, regarding health, safety and environment requirements, management of personnel, payment of taxes;
- c. application for public funding, grants, subsidies or guarantees issued by Public Authorities;
- d. management of the public funding, grants subsidies or guarantees already obtained.

### **6.2.3 Other Crimes against Public Authorities standards of conduct**

In addition to the standards of conduct set out in paragraph 6.1.3 where applicable, Corporate Recipients and Third Parties, pursuant to specific contractual terms, shall abstain from:

- a. submitting false or altered documents, either fully or in part, during the participation in public tender offers;
  - b. inducing, by any means, Public Authorities to provide a wrongful assessment during the examination of requests for authorizations, licenses, authorizations, clearances, concessions, etc.;
  - c. omitting due information in order to direct a Public Authorities' decisions in BFF Polska's and/or the Subsidiaries' favor, with regard to any of the circumstances described at lett. a) and b) above;
  - d. any conduct aimed at obtaining by a Public Authority any type of grant, funding, facilitated loan or other disbursements, through altered or falsified statements and/or documents, or the omission of relevant information or by means of artifice or deception, aimed at misleading the grantee institution;
  - e. using money received by Public Authorities as funds, contributions or loans for purposes other than those for which they were granted.
2. Furthermore, as to implement the standards of conduct described above, BFF Polska and the Subsidiaries shall evaluate the opportunity to adopt proper organizational measures as to ensure that:
- all statements rendered to national or international public authorities for the sake of obtaining funds, grants or loans include only true information and are signed by authorized signatories and, when funds, grants or loans are obtained, these are properly accounted;
- a. proper segregation of duties controls are adopted, ensuring that request, management and reporting phases in relation to public proceedings for the purpose of obtaining

funds, grants or loans are managed by different Corporate Recipients within BFF Polska and the Subsidiaries;

- b. the activities of collecting and analyzing the information which are necessary for reporting purposes are carried out with the support of the competent functions;
- c. the documentation and the subsequent reporting to be submitted in relation to the request of subsidies, grants, loans and guarantees needed are approved by adequate hierarchical levels.

#### **6.2.4 Other Crimes against Public Authorities' examples of illicit conducts**

Other Crimes against Public authorities may occur if someone within BFF Polska and/or the Subsidiaries:

- a. during the process of submission of documents or data for the participation to a tender, provides untruthful information to a Government Agency in order to secure itself the relevant award;
- b. gives a false representation of BFF Polska and/or the Subsidiaries financial and business situation for the sake of obtaining public funding;
- c. refrains from complying with the grant agreement, misuses the funding received by a public entity.

### **6.3 Accounting Fraud**

#### **6.3.1 Description**

Accounting Fraud is a type of Crime primarily consisting in deliberately manipulating financial statements as to generate a false representation of a company's financial health towards investors, creditors, shareholders and other stakeholders.

Accounting Fraud can take place for various reasons, including but not limited to:

- a. keep obtaining financing by a bank;
- b. report unrealistic profits or hide losses;
- c. hide circumstances which could affect negatively the company;
- d. cause the inflation of the share price;
- e. disguise the creation of slush funds;
- f. cover up misconducts, carried out by company's managers;
- g. omit material facts which may mislead any interested party (i.e. stakeholders, creditors, stock exchange authorities etc.).

#### **6.3.2 Accounting Fraud Crimes' areas to be monitored**

In relation to this type of Crimes, the following areas require to be monitored:

- a. drafting documents to be released to shareholders or to the public, as financial statements or periodic financial reporting, regarding the assets and liabilities, revenues and expenses or cash flows of BFF Polska and/or the Subsidiaries, even if such documents are other than the periodical accounting ones;
- b. management of relationships with the external auditors and supervisory boards;
- c. factoring services management and credit management (for example, classification of loans as non-performing).

### **6.3.3 Accounting Fraud Crimes' standards of conduct**

BFF Polska and the Subsidiaries are required to keep books, records and accounts in a reasonable detail, duly and accurately also to properly reflect the transactions and disposals of their assets.

BFF Polska and the Subsidiaries shall evaluate the opportunity to apply appropriate measures to keep books, records and account updated; in addition, personnel assigned are required to properly act to ensure that:

- a. data and information used for the preparation of periodic financial reporting are accurate and diligently verified;
- b. all balance items, whose determination and quantification entail discretionary valuations, are objective and supported by appropriate documentation;
- c. transactions are executed in accordance with the management's general or specific authorizations;
- d. invoices and other relevant documents related to the transactions are properly assessed, recorded and stored;
- e. transactions are recorded as necessary to permit the preparation of financial statements in conformity with the applicable or generally accepted accounting principles or any other criteria applicable to such statements;
- f. access to such transactions records is allowed exclusively in accordance with management's general or specific authorizations.

Furthermore, in order to ensure that complete and fair information are provided to the market, BFF Polska and the Subsidiaries are prevented to perform any conduct which impedes and, in any case, obstructs the checking and auditing activities by the external auditors through the concealment of documentation or the use of other fraudulent means.

### **6.3.4 Accounting Fraud Crimes examples of illicit conducts**

Accounting Crimes may occur if someone within BFF Polska and/or the Subsidiaries:

- a. fails to report relevant losses suffered by BFF Polska and/or the Subsidiaries in the financial statement in order to create a representation of financial health;

- b. dissimulates the creation of slush funds by overestimating the cost of consultant services received by BFF Polska and/or Subsidiaries.

## **6.4 Obstruction to the exercise of Public Supervisory Authorities' functions**

### **6.4.1 Description**

This category of Crimes mainly embraces two distinct forms of criminal conduct:

- a. the first conduct is carried out i) when material facts not corresponding to the truth relating to the assets, the economic or financial situation of the company under supervision have been included in notices required to be made by law to Public Supervisory Authorities with the purpose of preventing such bodies from performing their duties, or ii) when circumstances are concealed by other fraudulent means, concerning the same assets or the economic or financial position of the company, which should have been so communicated. The Crime may also be performed in circumstances where the information relates to property held or managed by the company on behalf of third parties;
- b. the second conduct consists of intentionally preventing a Public Supervisory Authority by performing its supervisory duties, including, the omission of notices required to be made to the Public Supervisory Authority itself.

### **6.4.2 Obstruction to the exercise of Public Supervisory Authorities' functions areas to be monitored**

In relation to this type of Crimes, the following areas require to be monitored:

- a. activities relating to the recognition, recording and representation of the BFF Polska's and/or the Subsidiaries' operations in the accounting records, reports and other corporate documents, as the preparation of the financial statements, reports on operations, consolidated financial statements and other corporate communications such as analysis and research on financial instruments;
- b. management of the internal capital adequacy assessment process (ICAAP or similar), regarding the procedure of the submission of the report to the Supervisory Authority (approval and revision);
- c. assessment of the internal control system and of the risk management system;
- d. regulatory compliance management.

### **6.4.3 Obstruction to the exercise of Public Supervisory Authorities' functions standards of conduct**

- 1. In addition to the specific standards of conduct set out in paragraph 6.3.3., Corporate Recipients are expressly required to:

- a. send all communications required by law and regulations to the Supervisory Authorities promptly, correctly and in good faith, without obstructing in any way the exercise of said Authorities' duties;
2. Each Recipient is also expressly prohibited to:
- a. fail to submit complete, accurate and timely reports as required by law and applicable regulations to the Public Supervisory Authorities that monitor BFF Polska and/or the Subsidiaries business, or provide the information and documents required by the regulations and/or specifically requested by the above-mentioned authorities;
  - b. disclose untruthful facts, or withhold significant facts on BFF Polska and/or the Subsidiaries financial position, in the above-mentioned communications and reports;
  - c. engage in any conduct that obstructs supervisory bodies (including during inspections by the Public Supervisory Authorities) from exercising their duties (express opposition, spurious refusals, obstructive behavior or failure to co-operate).

#### **6.4.4 Obstruction to the exercise of Public Supervisory Authorities' functions examples of illicit conducts**

Obstruction to the exercise of Public Supervisory Authorities' functions may occur if someone within BFF Polska and/or the Subsidiaries:

- a. fails to submit complete, accurate and timely corporate reports to the competent Public Supervisory Authority regarding the internal capital adequacy assessment process (ICAAP or similar);
- b. discloses untruthful facts, or withhold significant facts on BFF Polska and/or the Subsidiaries financial position, in the above-mentioned communications and reports;
- c. fails to cooperate during an inspection of the supervisory bodies or the Public Supervisory Authorities by delaying in communication or providing documents or by express opposition.

### **6.5 Market Abuse**

#### **6.5.1 Description**

This type of Crimes primarily includes three different types of conducts: (1) buy or sell financial instruments by means of information which is not publicly available (“**Inside Information**”) or unlawfully communicate them to Third Parties; (2) alter the price-setting mechanism of financial instruments by knowingly spreading false or misleading information in order to influence the price of a financial instrument; (3) execute sale and purchase orders which provide or are aimed at (i) providing false or misleading indications related to the offer, demand or price of financial instruments, (ii) setting the market price of one or further financial instruments at an abnormal or artificial level.



These types of conducts can take place for the benefit of a company for various reasons, including but not limited to:

- a. decrease the share price of a target company before an acquisition;
- b. weaken the reputation of a competitor company;
- c. alter the price of a certain financial instrument in portfolio before carrying out any trading activity relating to it.

### **6.5.2 Market abuse Crimes' areas to be monitored**

In relation to this type of Crimes, the following areas require to be monitored:

- a. with regards to all BFF Polska's and the Subsidiaries' departments and functions, management of public information such as in relation to investors, financial analysts and journalists and other representatives of the mass media, as well as organization of participation in meetings of any form with the aforesaid subjects;
- b. with regards to all BFF Polska's and the Subsidiaries' departments and functions, management of Inside Information connected to listed companies in general and listed companies belonging to BFF and BFF Polska and the relevant financial instruments, as new products or services and markets, period accounting data, forecast data and quantitative targets concerning corporate performance, mergers or de-mergers, and particularly significant new undertakings, such as conversations and/or agreements concerning the acquisition and/or sale of significant assets;
- c. any kind of transactions relating to financial instruments in portfolio.

### **6.5.3 Market abuse crimes' standards of conduct**

Each Recipient is expressly prohibited to:

- a. use Inside Information to negotiate, directly or indirectly, financial instruments to obtain personal advantage, or to favor Third Parties, BFF Polska and/or the Subsidiaries;
- b. disclose Inside Information to Third Parties, except when this is required by law, or other regulatory provisions or specific contracts in which the counterparties are bound to use the information only for the purpose originally intended and to keep information confidential;
- c. recommend or induce a person, on the basis of certain Inside Information, to carry out any kind of transactions on financial instruments;
- d. spread false or misleading information through the media, whether concerning BFF Polska and/or the Subsidiaries or relating to any other company, including the Internet, or by any other means, with the sole purpose to alter the shares' process, derivatives, or underlying activities which support already planned transaction by the subject which spreads the hereof information;

- e. perform any transactions on a financial instrument in violation of the market abuse regulations.

#### **6.5.4 Market abuse crimes' examples of illicit conducts**

Market abuse crimes may occur if someone within BFF Polska and/or the Subsidiaries:

- a. discloses Inside Information to a relative concerning an incoming acquisition and inducing him/her to buy BFF's, BFF Polska's, Subsidiaries' or another company's shares, possibly with the aim of obtaining undue profits or other economic advantage in favor of BFF, BFF Polska and/or the Subsidiaries;
- b. discloses false information concerning the financial situation of BFF, BFF Polska and/or the Subsidiaries in order to influence the price of their shares, possibly with the aim of obtaining undue profits or other economic advantage in favor of BFF, BFF Polska and/or the Subsidiaries;
- c. spreads false or misleading information relating to a competitor company as to damage its market reputation.

### **6.6 Financing of Terrorism and Money Laundering Crimes**

#### **6.6.1 Description**

Financing of terrorism involves the solicitation, collection or provision of funds with the intention to use them to support terroristic acts or organizations.

The primary goal of individuals or entities involved in the financing of terrorism is to conceal both the financing and the nature of the financed activity.

Money laundering involves the procedure by which proceeds from a criminal activity are veiled to conceal their unlawful origin. More precisely, it may encompass three different, alternative conducts:

- 1) the conversion or transfer of funds, knowing that are proceeds of crime;
- 2) the concealment of the true nature, ownership, source, location, disposition or movement of rights relating property, knowing that the said property consists of the proceeds of a crime;
- 3) the acquisition, possession or use of property, knowing, at the time of the receipt, that such property is the proceeds of a crime.

In case the proceeds of a crime are created by the same person concealing their illicit origin, this behavior is punished in certain countries as self-money laundering.

Money laundering and financing of terrorism frequently display similar transactional features, typically referable to concealment. Money launderers send illicit funds through legal channels so as to conceal their criminal origins, while those who finance terrorism transfer funds that may be legal or illicit by means suitable as to conceal their source and ultimate use.

These types of conducts can take place for the benefit of a company for various reasons, including but not limited to:

- a. acquire proceeds or any other advantage arising from illegal activities carried out by the terroristic organizations which have been financed;
- b. shield the business by terroristic organizations, in countries where such organizations are influential;
- c. conceal the illegal origin of criminal proceeds.

### **6.6.2 Financing of Terrorism and Money Laundering Crimes' areas to be monitored**

In addition to the areas to be monitored set out in paragraphs 6.1.2. and 6.2.2. where applicable, the following areas require to be monitored:

- a. financial or commercial transactions carried out with individuals or corporations and/or potential private customers (for example, pharmaceutical corporations) – and legal entities controlled directly or indirectly by the above-mentioned subjects – having their residence or a registered office in a country representing a high-risk and non-cooperative jurisdiction and/or with strategic deficiencies in their frameworks to combat money laundering and the financing of terrorism proliferation, according to the assessment made by international authorities (as, for example, the Financial Action Task Force – FATF).

### **6.6.3 Financing of Terrorism and Money Laundering Crimes' standards of conduct**

BFF Polska and the Subsidiaries shall condemn the use of their resources for the financing or execution of any activity aimed at reaching objectives associated with the financing of terrorism as well as any mishandling or misappropriation of financial instrument and/or operation aimed at concealing the source of BFF Polska's and/or the Subsidiaries' funds.

More generally, BFF Polska and the Subsidiaries shall condemn any possible conduct aimed at, even indirectly, facilitating offences such as receiving, laundering and use of money, goods or any other utility of unlawful origin; in this regard, BFF Polska and the Subsidiaries are committed to implement all the requested preventive and subsequent control activities necessary to achieve that goal, regulating also relations with Third Parties by means of contractual provisions requiring the compliance to the applicable laws.

1. Purely by way of example, it is specifically prohibited to:

- a. use blank payment or cash for any operation of collection, payment, funds transfer etc.;
- b. make or receive payments on anonymous bank accounts or on bank accounts located in tax havens;
- c. issue or receive invoices as well as release documents in relation to non-existent transactions;

2. Additionally, in order to implement the standards of conduct described above, BFF Polska and the Subsidiaries shall:

- a. provide analytical controls of the cash flows;
- b. verify the validity of payments, by controlling that the relative beneficiary is the effective counterparty involved in the transaction;
- c. carry out procedural controls, regarding possible transactions occurring outside the ordinary corporate processes;
- d. retain evidence of all the transactions carried out;
- e. ensure the traceability of every financial operation, as well as agreement or any other investment or business project;
- f. verify the economic consistency of such operations and investments;
- g. regularly check the international black list regarding terrorism and tax havens.

#### **6.6.4 Financing of Terrorism and Money Laundering Crimes' examples of illicit conducts**

Financing of Terrorism and Money Laundering Crimes may occur if someone within BFF Polska and/or the Subsidiaries:

- a. receives money by, or transfer money to, a company located in a tax haven or whose bank account is with a bank in a tax haven in order to hide the criminal source of such money;
- b. pretending to pay a company for consultancy services, transfers money to bank accounts which are secretly owned by an illegal organization which finances terroristic attacks;
- c. uses slush funds, whose creation has been dissimulated by the manipulation of BFF Polska's and/or the Subsidiaries' financial statement, to finance political parties which are linked with terroristic organizations.

### **6.7 Crimes against Individuals**

#### **6.7.1 Description**

Crimes against individuals commonly refer to categories of criminal offenses which usually involve personal injuries, the threat of bodily harm, or other actions committed against the will of an individual.

For the purpose of the Guidelines, Crimes against Individuals mainly refer to those crimes which can more likely occur in the management of a company, such as those referring to forced labor practices and breaches of health and safety regulations.

This type of Crimes can take place for numerous reasons, including but not limited to:

- a. employ workforce with minimal expenses;

- b. employ fully subservient workforce;
- c. breaches of occupational health and safety regulations.

### **6.7.2 Crimes against individuals' areas to be monitored**

In relation to this type of Crimes, the following areas require to be monitored:

- a. management of BFF Polska's and the Subsidiaries' health and safety system;
- b. contractual relationships with suppliers, partners and contractors that utilize unskilled personnel and/or operating in countries where individual rights are not fully protected by international or local legislation.

### **6.7.3 Crimes against individuals' standards of conduct**

In addition to the standards of conducts set out at Section 6.8.3 below, BFF Polska and the Subsidiaries are required to:

- a. select external Third Parties – especially those providing non-technical services – only after having accurately verified their reliability;
- b. execute proper contractual documentation with external contractors requiring them to comply, and requiring their subcontractors to comply, with any applicable international and local legislation on forced labor, protection of child labor and of women and compliance hygienic-sanitary conditions;

### **6.7.4 Crimes against individuals' examples of illicit conducts**

In addition to the examples of illicit conducts provided at Section 6.8.4 below, Crimes against individuals may occur if someone, within a contractual relationship with BFF Polska and/or the Subsidiaries:

- a. taking advantage of a worker's situation of physical or psychological state of need, exploits him/her;
- b. compels individuals to work, using threats, abuse of authority and/or violence;
- c. compels immigrant individuals to work under threat of complaint to the Immigration Authorities.

## **6.8 Health and Safety Crimes**

### **6.8.1 Description**

Health and safety Crimes are mainly related to the non-compliance with local legislations and labor standards to be granted in the workplace as to avoid employees' accidents and illnesses.

These types of conduct can take place for the benefit of a company for various reasons, including but not limited to:

- a. reduce costs, since the adoption of the required measures often entails additional expenses for a company;

- b. increase productivity, given that working without considering precautionary procedures and policies might accelerate the production process.

### **6.8.2 Health and Safety Crimes' areas to be monitored**

The risks of commission of this category of crimes affect all BFF Polska's and the Subsidiaries' processes and activities. All processes related to the compliance with the applicable health and safety laws, as well as Bribery Crimes areas to be monitored set out at section 6.1.2, seem particularly at risk.

### **6.8.3 Health and Safety Crimes' standards of conduct**

Notwithstanding the local dimension of local legislation of health and safety in the workplace, BFF Polska and/or the Subsidiaries shall foster and enhance a strong culture of workplace safety protection, increasing awareness regarding risks and responsibilities of individual behaviors.

For this purpose, notwithstanding the compliance with applicable local legislation on health and safety in the workplace, BFF Polska and the Subsidiaries are committed to adopt all the necessary measures, as to protect its workers' physical and moral integrity.

In particular, BFF Polska and/or the Subsidiaries shall ensure that:

- a. the respect of the provisions of law governing the safety and health of workers on the workplace is a priority;
- b. the risks for workers, as far as possible and allowed by the best techniques' evolution, are evaluated with the aim of protection, as to reduce the risk at the source;
- c. the non-avoidable risks are correctly evaluated and adequately mitigated by the appropriate individual and collective safety measures;
- d. the information and training of workers is widespread, up to date and specific with reference to the activity performed;
- e. the workers are periodically heard on matters regarding health and safety on the workplace;
- f. any non-compliance or improvement area, emerged during the working activity or during inspections, is timely and effectively considered;
- g. the organization of the working activity is structured in order to protect the integrity of workers, Third Parties and the community within which BFF Polska and the Subsidiaries operate.

In order to fulfill the above described standards of conduct, BFF Polska and each of the Subsidiaries assign organizational, instrumental and economic resources both to ensure the full compliance with the current provisions of law on industrial accidents prevention and to continuously improve the health and safety of employees in the workplace, as well as the relevant preventive measures.

Corporate Recipients, each according to the role within the organization, shall ensure the full respect of the provisions of law, corporate procedures and of any other internal regulation aimed at protecting the safety and health of workers in the work place.

#### **6.8.4 Health and Safety Crimes' examples of illicit conducts**

Health and Safety Crimes may occur if someone within BFF Polska and/or the Subsidiaries, acting not in compliance with applicable health and safety legislation:

- a. omits to make first-aid available kit in the work-area;
- b. omits to ensure the application and efficacy of the procedures adopted and records the activities performed to protect occupational health and safety;
- c. omits to provide appropriate information and training for workers, directors, managers and workers' health and safety representatives;
- d. omits to ensure workers' compliance with the safety procedures and work instructions.

### **6.9 Environmental Crimes**

#### **6.9.1. Description**

Environmental Crimes refer to a broad list of illicit activities, including illegal trade in wildlife, water management crimes, illicit trade and disposal of hazardous waste substances and smuggling of ozone-depleting substances.

Environmental Crimes usually affect the quality of air, water and soil, threaten the survival of species and may cause uncontrollable disasters and might have a security and safety threat to a large number of people.

Led by huge financial gains and facilitated by a minimal risk of detection and scarce conviction rates, criminal networks and organized criminal groups are becoming increasingly interested in such illicit and more likely transnational activities.

These types of conducts can take place for the benefit of a company for various reasons, including but not limited to:

- a. reduce costs, since the adoption of the measures needed to safeguard the environment often entails additional expenses;
- b. increase productivity, given that working without considering the environmental issues might speed up the production process.

#### **6.9.2. Environmental Crimes' areas to be monitored**

In relation to this type of Crimes, the following areas require to be monitored:

- a. relationships with customers, with respect to provide services in favor of subjects involved in the illegal activities in question;

- b. commission of illegal deeds concerning the production of waste, discharges, atmospheric emissions and ground pollution.

### **6.9.3. Environmental Crimes' standards of conduct**

BFF Polska and the Subsidiaries shall continuously enforce the principle of safeguarding the environment in the course of their business activities.

In particular, BFF Polska and the Subsidiaries:

- a. contribute to dissemination and awareness-raise on environmental protection and manage the activities that are entrusted, in compliance with the applicable legislations;
- b. adopt all appropriate instruments for the protection and preservation of the environment, as well as condemn any form of damage and harm to the eco-system.

In the agreements signed with Third Parties where BFF Polska's and/or the Subsidiaries' liability under environmental law may arise, concerning, in particular, waste management and disposal, BFF Polska and/or the Subsidiaries shall include provisions imposing to such Third Parties the compliance with applicable laws and shall provide for contractual sanctions in the event of violation.

### **6.9.4. Environmental Crimes' examples of illicit conducts**

Environmental Crimes may occur if someone within BFF Polska and/or the Subsidiaries:

- a. receives, carries, exports, imports or operates abusively massive quantities of waste (e.g. electronic equipment or removable media) and hazardous waste (used toners, nickel-cadmium and lithium batteries, etc.);
- b. performs the abovementioned activities without the necessary permissions.

## **6.10. Cyber Crimes**

### **6.10.1. Description**

Cyber Crimes are criminal offenses that involve two distinct categories of Crimes: one in which the target is the network or a computer and one in which Crimes are accomplished or furthered by a computer.

For the purpose of the Guidelines, Cyber Crimes do not include crimes that can be facilitated by a computer, such as fraud, theft, blackmail, forgery and harassment, as cyber-bullying or cyber-stalking.

Therefore, Cyber Crimes considered by the Guidelines consist, for example, in:

1. unauthorized intrusion into a protected network;
2. introducing computer viruses into a computer system;
3. interception of data by a computer network.

Cyber Crimes can take place for various reasons, including but not limited to:



- a. steal a competitor company's business secret;
- b. jeopardy or damage a competitor company's computer system;
- c. obtain confidential information about competitor companies' market strategies.

### **6.10.2. Cyber Crimes' areas to be monitored**

In relation to this category of Crimes, the following areas require to be monitored:

- a. BFF Polska's and the Subsidiaries' activities carried out by Recipients using Intranet, Internet, the mail system or any other IT instruments;
- b. management and protection of workstations;
- c. management of storage devices;
- d. planning of the measures to be adopted on telematics system and security, classification and processing of information and data;
- e. management of system administrators' profiles.

### **6.10.3. Cyber Crimes' standards of conduct**

BFF Polska and the Subsidiaries shall evaluate the opportunity to apply proper technical, physical and organizational measures in order to avoid the execution of Cyber Crimes and, in this regard, each Recipient is also obliged not incur into:

- a. an improper use of IT credentials;
- b. the illicit access of Third Parties to the IT systems;
- c. the unauthorized sharing of business information outside of BFF Polska and the Subsidiaries;
- d. the use of personal or unauthorized devices to transmit or store corporate information or data;
- e. the tampering or alteration of BFF Polska's and the Subsidiaries' computer system;
- f. the illicit pulling of Subsidiaries data;
- g. the tampering, theft or destruction of BFF Polska's and the Subsidiaries' information assets, such as files, data and programs;
- h. the use of any lacks in the security measures of corporate information system for access to the information without proper authorization;
- i. spamming practices;
- j. the access to BFF Polska's and the Subsidiaries' computer systems of external devices such as personal computer, peripherals and external hard drives, as well as the installation of software and databases without prior authorization;
- k. the installation of harmful software, as worms and virus;

1. the use of unauthorized software and/or hardware that could be utilized to evaluate or compromise the security of computer systems, like systems to identify the credentials, decrypt encrypted files, etc.

BFF Polska and each Subsidiary, in order to identify unusual behaviors, potential vulnerabilities and deficiencies in corporate systems, shall ensure a periodical monitoring on the activities carried out by BFF Polska's and the Subsidiaries' personnel on the corporate IT system thereof, in compliance with the local applicable law.

Furthermore, BFF Polska and the Subsidiaries shall periodically remind Corporate Recipients to use the IT tools in their possession appropriately, also through specific training sessions where required.

#### **6.10.4. Cyber Crimes' examples of illicit conducts**

Cyber Crimes may occur if someone within BFF Polska and/or the Subsidiaries:

- a. installs an illegally copied software on work devices;
- b. enters a competitor company's computer system by hacking it in order to steal computer secrets;
- c. introduces a virus to a competitor's computer system in order to damage it;
- d. hacks a competitor computer system in order to be always able to have access to its confidential information.

### **6.11 Copyrights Crimes**

#### **6.11.1 Description**

Copyright infringement might consist in the use of works (e.g. softwares, databases, videos, images) protected by copyright law without permission, infringing certain exclusive rights granted to the copyright holder, including but not limited to the right to use, distribute or to develop derivative works.

For the purpose of the Guidelines, Crimes against Copyrights mainly refer to those criminal offences which can be more likely contemplated in the management of a company such as those referring to illicit use of software and databases.

This type of Crimes can take place for various reasons, including but not limited to:

- a. reduce costs, by refraining from paying for software licenses.

#### **6.11.2 Copyrights Crimes' areas to be monitored**

In relation to this type of Crimes, the following areas require to be monitored:

- a. corporate activities carried out by Recipients utilizing Intranet and any IT tool made available by BFF Polska and/or the Subsidiaries;
- b. management of corporate events and representation events.

### **6.11.3 Copyrights Crimes' standards of conduct**

In addition to the specific standards of conduct set forth in paragraph 6.10.4 where applicable, BFF Polska and the Subsidiaries shall evaluate the opportunity to adopt proper technical, physical and organizational measures in order to avoid:

- a. any illegal use or dissemination to the public, through computer based networks or through connection of any type, of protected original work, or part thereof;
- b. use, distribution, extraction, sale or lease of the contents of a database breaching the exclusive right of execution and authorization by the copyright holder;
- c. illegal download of any software without the execution of any proper contractual documentation;
- d. the download of peer to peer software or any other software not directly connected to the corporate activity.

In case BFF Polska and the Subsidiaries sign a contract with external contractors for the performance of activities potentially affected by the risk of violating any copyrights rights, such contract shall contain provisions requiring the compliance with applicable laws and regulations.

### **6.11.4 Copyrights Crimes' examples of illicit conducts**

See paragraph 6.10.2 on Cyber crimes' examples of illicit conducts.

## **6.12 Criminal conspiracy and mafia-type conspiracy (as well as related offenses)**

### **6.12.1. Description**

Criminal conspiracy (also qualified as criminal association) occurs when a structured group of three or more persons, existing for a period of time, acts in concert with the aim of committing one or more serious crimes or offences, in order to obtain, directly or indirectly, a financial or other material benefit. The seriousness of the Crime of criminal conspiracy differs depending on participants' role in the organization, the affiliates number, and the crimes they aim to commit. A particular form of criminal conspiracy is the mafia-type conspiracy, a criminal offense that punishes anyone who is part of a mafia-type association. An association is defined as mafia-type if its members use the power of intimidation of their association - and the resulting condition of subjection and loyalty – as to commit crimes, to directly or indirectly acquire management or control of economic activities, concessions, authorizations, public contracts and services or to obtain a profit or undue advantage for themselves or others, as well as for the purpose of hindering and preventing the free exercise of voting powers or the power to procure votes for themselves or others on the occasion of an election.

### **6.12.2. Criminal conspiracy and mafia-type conspiracy areas to be monitored**

Due to the 'cross-cutting' nature of offences of criminal conspiracy, a risk of committing such offences could potentially arise in all BFF Polska's and the Subsidiaries' processes and

activities. Processes involving relations with the Public Administrations are particularly sensitive.

### **6.12.3. Criminal conspiracy and mafia-type conspiracy standards of conduct**

1. Recipients are required to:

- a. comply with BFF, BFF Polska and/or the Subsidiaries Ethical Codes, any local compliance program adopted by BFF, BFF Polska and/or the Subsidiaries and with the Guidelines;
- b. act, in exercising their functions, in compliance with the law, with BFF Polska's and the Subsidiaries' regulations and with the general principles of legality, correctness and honesty;
- c. notify the Supervisory Body or other equivalent body when Recipients commit or are suspected of committing the offences provided herein.

2. Moreover, Recipients are prohibited to:

- a. setting up, collaborating in or causing conducts which directly or indirectly, individually or collectively, constitute one or more crimes or offences or facilitate the commission of such crimes and offences.

### **6.12.4. Criminal conspiracy and mafia-type conspiracy examples of illicit conducts**

Criminal conspiracy and mafia-type conspiracy may occur if:

- a. a group of three or more persons, including someone within BFF Polska and/or a Subsidiary acts in concert with other individuals in order to corrupt a public functionary with the aim the public functionary takes a favorable decision for BFF Polska and/or the Subsidiaries;
- b. a group of three or more persons, including someone within BFF Polska and/or a Subsidiary acts in concert with other individuals in order to illegally convert or transfer funds within a transaction with a counterparty and/or client with the aim to obtain an unjust enrichment for BFF Polska and/or the Subsidiaries.

## **7. Adoption, implementation, responsibility and subsequent amendments**

Guidelines have been approved by the Management Board of BFF Polska on 12.07.2017 and shall be approved by the Management Board, or other governing body, of the Subsidiaries, with any amendments and/or additions required due to the organizational and operating features of each Subsidiary.

The Management Board of BFF Polska and of each Subsidiary (or other governing body), in compliance with their own autonomy and independence:

- i. adopt the most appropriate measures for the implementation and monitoring of the Guidelines, having regard to the size and the complexity of the activities carried out, to

their internal control system and specific risk profile, as well as to their regulatory framework;

- ii. are responsible for the correct implementation of the areas to be monitored and the standards of conduct, as set forth by sections 5 and 6 of the Guidelines.

Guidelines shall be applied by BFF Polska and the Subsidiaries in accordance with the applicable legislations, type of businesses they run, as well as with the specific features of their organizational structure.

Further substantive changes in the Guidelines shall be entrusted to the Management Board of BFF Polska and shall be thereafter approved by the Management Board, or other governing body, of the Subsidiaries.

BFF Polska and each Subsidiary will report changes or particular interpretations made in accordance with local legislations or customs.

The Management Board of BFF Polska and/or of the Subsidiaries shall identify the structure (individual or body) in charge of providing support in the implementation and monitoring of Guidelines and of executing the related controls, in accordance with the proportionality principle (“**Global Compliance Guidelines Supervisor**” or “**GCG Supervisor**”). In this regard, it is also understood that the GCG Supervisor to be appointed for the implementation of the Guidelines by each of the Subsidiaries can be also identified in the BFF Polska’s structure, whether necessary and appropriate considering the Subsidiaries’ organization chart and pursuant to the proportionality principle. The Global Compliance Guidelines Supervisor shall be independent and have the technical and professional skills required to perform its duties, as well as sufficient financial resources and adequate powers (including sanctions), to ensure that all monitoring and implementation activities are provided efficiently and effectively. Furthermore, GCG Supervisor shall not perform any operational task that might influence its overall view of the activities required in relation to the implementation and monitoring activities pertaining the Guidelines.

The GCG Supervisor shall form an organic part of BFF Polska’s and/or the Subsidiaries’ structure, to ensure that supervision is ongoing and integrated, as well as to oversee the implementation of the Guidelines and update them on a continual basis.

In case the GCG Supervisor is collegial, members of that body shall meet at least on a four-months basis. In addition, the GCG Supervisor of BFF Polska and each Subsidiary shall report directly to the Board of Directors therewith on a six-months basis. The GCG Supervisor of BFF Polska and each Subsidiary may also ask to be heard by the Board of Directors therewith, if it should deem that an examination or intervention by said body is necessary for the functioning or implementation of the Guidelines.

BFF Polska’s and each Subsidiary’s Management Board may also ask the competent Global Compliance Guidelines Supervisor therewith to report on particular circumstances or situations relating to the functioning of, and compliance with, the Guidelines.

Each GCG Supervisor also submits to BFF a written report on the implementation, updating and effectiveness of the Guidelines every twelve months. In addition, a specific reporting system for suspected or known infringement of the Guidelines shall be identified by BFF Polska and the Subsidiaries.

The Management Board of BFF Polska shall also ensure that updating and amendments of the areas to be monitored and of the Guidelines, in view of any updating requirements which might become necessary.

## **8. Dissemination of the Guidelines and training activities**

The adoption of the Guidelines and subsequent additions or amendments are notified to all BFF Polska and Subsidiaries personnel, by clearly indicating the following link of BFF Polska web-site by which the text of the Guidelines should be downloaded:

[https://pl.bffgroup.com/documents/138192/154315/BFF Polska compliance guidelines on corporate criminal liability.pdf](https://pl.bffgroup.com/documents/138192/154315/BFF_Polska_compliance_guidelines_on_corporate_criminal_liability.pdf)

At Country level, specific training activities shall be provided to all personnel to ensure the dissemination and correct understanding of the Guidelines, the areas to be monitored as well as the relevant conducts to prevent the commission of the Crimes. The above said training activities can be organized also in the context of any training program adopted by BFF Polska and the Subsidiaries relating to the compliance with local criminal laws and local compliance programs.

## **9. Communication to Third Parties**

BFF Polska and the Subsidiaries promote awareness of the Guidelines and compliance therewith among Third Parties. Third Parties shall be acknowledged regarding the principles and contents of the Guidelines over proper contractual documentation, which shall provide for standard clauses that, based on the activity regulated by the contract, shall be binding to Third Parties.

## **10. Sanctioning System**

Appropriate disciplinary measures shall be provided and applied by the competent BFF Polska's and Subsidiaries' functions, in the event of breach of any standard of conduct set out in the Guidelines, in accordance with the disciplinary system already in force, pursuant to applicable rules or local compliance programs and without prejudice for the protection afforded to employees under local legislation, such as the right to defense or the principle of adversarial process.

Contractual documentation shall provide for adequate sanctions, including but not limited to the termination of the contract, in accordance with applicable laws in case of a breach of any provision contained in the Guidelines by Third Parties.

The application of disciplinary measures for breaching the rules of conduct and failing to comply with BFF's, BFF Polska's and/or the Subsidiaries' procedures is distinct by any

criminal proceedings, since the Guidelines rules and standards of conduct shall be adopted and implemented independently by BFF Polska and/or the Subsidiaries, although a certain conduct may also be of a criminal nature.

#### **11. Reporting of Guidelines' possible violations**

Reporting of possible violations of the Guidelines shall be issued to the following BFF Polska's e-mail address [compliance-AML@bffgroup.com](mailto:compliance-AML@bffgroup.com). BFF Polska and the Subsidiaries expressly declare that reporting persons will not be subject to any form of retaliation, discrimination or penalization and that absolute confidentiality will be provided, except for the obligations arisen under all the applicable laws and local regulations.