

# Anti-corruption policy

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LS TECHNICS sp. z o.o.

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# I. Introduction

Corruption is a destructive phenomenon detrimental to free market values such as fair competition and transparent business relationships. Corruption-related abuses may result in legal liability not only for those involved in the prohibited practices, but also cause serious consequences for the Company itself. Tolerance of corruption damages the Company's reputation, limits the possibility of promoting its services, makes it difficult to cooperate with contractors and to win new orders, and, above all, may result in high financial sanctions.

Corruption threats may occur in various situations related to the performance of professional duties, at various levels of employment and regardless of the position held. Corruption may occur in winning and processing of orders which require cooperation of employees and other persons, in selling and purchasing goods or services necessary for the Company's operations, as well as in situations where people's influence and professional position are used to pursue their own interests.

The factors that create favourable conditions for violations are pressure, opportunity and rationalisation ('fraud triangle'). The desire or need to improve financial situation may cause **pressure** and trigger behaviours aimed at seeking **opportunities** to obtain undue advantages (e.g. accepting benefits in the form of money or other material benefit). Unethical conduct is accompanied by



depreciation of its significance by pointing out the reasons allegedly justifying fraudulent actions, i.e. **rationalisation** (e.g. feeling of injustice, a relatively small monetary value of the accepted benefit, etc.).

Whoever we deal with and wherever we operate, we must do it legally, ethically and fair. If there is any doubt as to appropriate conduct, always seek guidance from your superior. Always show common sense and follow the principle: "If you don't know how to behave, behave decently".

A handwritten signature in black ink, appearing to read 'Pilariski', written over a light blue background.

**PAWEŁ PILARSKI,**  
Prezes Zarządu LS Technics



## II.Goal

It is our common goal and commitment to prevent and combat corruption. Therefore, this Policy takes a **zero-tolerance** approach for such practices in an unequivocal and unconditional manner. As part of this commitment, all forms of bribery and corruption are unacceptable and shall not be tolerated.

Fighting corruption involves not only disciplinary actions, but also prevention. An effective fight against this form of crime requires, first and foremost, the identification of the circumstances conducive to its occurrence. Therefore, this Policy sets out the basic standards for conduct. However, it does not replace the national and international regulations concerning the aforementioned issues as regards liability of any kind, including of a civil, penal, penal-fiscal and administrative nature.

Implementation of this Policy involves raising awareness and promoting good practices while performing daily tasks and duties.

This Policy applies to all Company's Employees and Third Parties, regardless of their positions and tasks performed.

The Company's Management Board and persons appointed by it periodically monitor and review the application of this Policy.

# III. Definitions

For the purposes of this document, the following terms shall have the following meanings:

1. **Policy** – this Anti-corruption Policy;
2. **Employee** – any person employed by LS Technics Sp. z o.o. under the provisions of the Labour Code, as well as persons employed under civil-law contracts and persons providing work under contracts with third-party entities, including persons performing management or supervisory functions within the meaning of the Polish Code of Commercial Partnerships and Companies;
3. **Third Party:**
  - a. a natural person, legal person or organisational unit without legal personality, providing or offering services or goods for the Company or to whom the Company provides or offers services or goods;
  - b. a natural person having financial/business or family links with the Employee;
  - c. a person performing public functions – a person performing public functions is a public officer, a member of a local government body, a person employed in an organisational unit disposing of public funds, unless they provide services, as well as any other person whose powers and duties with respect to public activities are defined or recognised by the law or by an international agreement binding for the Republic of Poland;
4. **Company** – LS Technics Sp. z o.o. (hereinafter also referred to as the “Company”);
5. **Management Board** – Company’s Management Board;
6. **Decision-maker** - a person who performs managerial or supervisory functions in the Company;
7. **Material benefit** - a material benefit is something which has economic value and satisfies primarily a material need that can be expressed in money, such as a certain sum of money;
8. **Personal benefit** - a personal benefit is something that may also have an economic value, but primarily satisfies a non-material need – a non-material benefit that improves the situation of the person who receives it, e.g. a promise to get promotion;

**9. Corruption practices (bribery/venality)** - offering and giving (bribery) and accepting and requesting (venality), directly or indirectly, an undue advantage (e.g. a sum of money, recruitment, promotion, reduction of professional duties) or the promise thereof, in a manner that compromises the proper performance of professional duties by the persons involved in the situation described. Corruption practices also include situations in which the message is not expressed directly, but a vague expression is used, such as “Maybe we’ll handle it differently”.

As far as corruption practices are concerned, there are the following phenomena:

- a. Official corruption** – these are corruption practices involving a public official, which are employed to ensure a favourable position for the Company as part of their control or official activities;
- b. Managerial corruption** – corruption practices on the part of the Decision-maker, which may cause material damage to the Company or constitute an act of unfair competition or an unacceptable advantage for the benefit of the Third Party or the Employee;
- c. Influence peddling** – consists in invoking one’s influence and position in the Company or the organisation of the Third Party, as well as in inducing the belief that such influence exists, in order to act a mediator or to directly settle a matter in exchange for a material benefit, personal benefit or promise thereof.

**10. Corporate gadget** – a low-value gift with the logo of the Company or Third Party, used for promotional and advertising purposes;

**11. Conflict of interest** – occurs when private and professional interests exist at the same time, i.e. when the interest of the Employee or their closest relatives is not in line with their interest and duties in the Company. When a conflict of interest arises, one must act transparently, demonstrating objectivity and impartiality with respect to decisions made for the Company. A conflict of interest is a situation in which the Employee’s or their closest relative’s private interest differ from the Company’s interest, as well as situations in which the performance of more than one function leads to a conflict of tasks and duties. The occurrence of a conflict of interest must always be reported to a superior.

**12. Whistleblowing Procedure** – “Procedure for Anonymous Reporting of Irregularities at LS Technics Sp. z o.o.”;

**13. Investigation** – an internal investigation conducted in accordance with the applicable procedure.



## IV. Employees' obligations

It is essential that each of us in our daily work puts a special emphasis on building trust, following the principles of integrity and responsibility, equal treatment and fair competition. In implementing this Policy, Employees must protect Company's reputation and interests. In particular, they are required:

- a. to remain vigilant and to exercise due caution at all times as far as corruption risks in the Company are concerned and in their contacts with Third Parties;
- b. to report all corruption practices;
- c. to make sure that in a situation when the Employee is allowed to give or receive a permitted benefit, they follow the rules set out in the Policy.

Every Employee is required to read this Policy, which is to be confirmed by putting their signature on the Statement which forms Appendix 1 hereto, and comply with its provisions.



## V. Prohibited practices

Prohibited practices include corruption practices and practices that undermine the impartiality and objectivity of the decision-making process, most often occurring without following the procedures, regulations, instructions and policies in force at the Company, as well as the contracts concluded by the Company.

It is unacceptable to accept or give any benefits in the form of money.

It is unacceptable to accept or give gifts, presents or invitations whose value exceeds PLN 200.

It is unacceptable to accept or give any kind of benefit in exchange for the abuse of authority or non-performance of a duty imposed on a given person. This applies in particular to accepting or giving any gifts or obtaining or accepting preferential treatment contrary to fair competition rules. Examples of the latter include the following:

- a situation when a contractor offers to do a minor repair at no cost in exchange for a promise of support in being awarded a contract for higher value work in a future procurement process;
- a situation when the Employee who is taking an examination which is to allow them to work independently offers the examiner compensation, e.g. money, in exchange for a positive result of the examination.

It is unacceptable to accept unreasonable gifts, such as gifts of a personal nature (e.g. perfume and jewellery), regardless of whether they are given or received, as they may create the impression that we are trying to obtain favourable treatment for the Company or Third Parties.

It is unacceptable to give or receive any benefit that is inappropriate, i.e. indecent or damaging the Company's reputation. If the Employee has received such a benefit (e.g. courier parcel), they should immediately notify their superior and return it as soon as possible.



## VI. Permitted benefits

Receiving and giving gifts is part of a tradition that relates to maintaining and developing interpersonal and business relationships. However, all gifts and hospitality should have a real purpose and should be common-sense.

It is acceptable to accept and give gifts whose value is less than or equal to PLN 200, provided that they are accepted or given not in order to obtain preferential treatment, e.g. during or prior to the procurement process conducted at the Company or the Third Party.

Acceptable gifts within the above-mentioned amount include, in particular, accepting and giving flowers, corporate gadgets and small occasional gifts, e.g. gifts given during Christmas and on the occasion of name days, birthdays, promotions and anniversaries. This also applies to tickets to the cinema, theatre and other cultural or educational events.

At the same time, it should be remembered that accepting or giving permitted benefits, taking into consideration their value, should be proportional to the situation in which they are accepted or given and should be in accordance with customs accepted in business relationships and in the Company.

In the case of a benefit whose value is uncertain, although it is likely that it exceeds PLN 200, but the estimation of its market value is difficult, the Employee shall, upon accepting the benefit, report this fact to their superior in order to establish whether the accepted benefit does not constitute a violation of this Policy.

Reporting is also required when it is known that the amount of the benefit exceeds the permitted value. In such situations, the benefit received shall be returned or donated to charity if it is not possible to return it.

It is acceptable to attend business meetings outside the Company's headquarters in accordance with accepted customs and business dealings ethics. This applies in particular to casual meetings, e.g. lunches/dinners in a catering establishment:

- to discuss the existing business relationships or to maintain the relationship between the Company and the Third Party, not intended to convince any party to, for example, enter into a contract, or resulting in any other form of favourable treatment;
- when the offered meal, e.g., diner/coffee, is a form of hospitality and at the same time a presentation of a place and service during a visit aimed at evaluating and possibly choosing this place (e.g. a hotel or restaurant) prior to entering into a contract for using the services offered by this place.

The key to assessing the nature of the meeting is always its purpose and the possibility of linking it to the specific activities and duties of the invited person. If a cause and effect relationship exists, corruption is to be suspected. An example might be a meeting which, in addition to maintaining the existing business relationship, is also intended to expedite certain activities, to provide services to the contracting party out of turn, etc. The line manager, in case of doubt as to whether an appropriate decision in accordance with this Policy has been taken, shall report this doubt directly to the Decision Maker.

This Policy applies mutatis mutandis to the receipt or giving awards related to the Employee's participation in competitions, tournaments and sports competitions if the Employee has officially represented the Company. Such cases may be treated on an individual basis in consultation with the Company's Management Board.



## VII. Reporting abuse

Employees are required to report all suspected violations of the Policy by:

- sending a report to the dedicated e-mail address: [sygnalista@lst.aero](mailto:sygnalista@lst.aero);
- filling in the form for reporting irregularities available at [www.sygnalista.lst.aero](http://www.sygnalista.lst.aero);
- using the boxes located in the Company's organisational units;
- sending a registered or unregistered letter addressed to the Company to the Corporate Affairs Office;
- delivering the report in person to the Company's Corporate Affairs Office.

The Employee knowing about the corruption practice should, where possible, secure evidence of such practice, e.g. recordings and documents, and then provide it by the chosen means to the Corporate Affairs Office or tell where it is stored.

Reports of suspected violations or incidents of violations of this Policy are treated in a confidential manner and are investigated with due diligence in accordance with the Company's internal investigation procedure. Data contained in reports shall be treated in accordance with national legislation and internal procedures on personal data protection.

A special ad hoc working group may be set up in the Company or a person or organisational unit may be designated to supervise and control anti-corruption issues at the Company level.



## VIII. Cooperation with third parties

Every Third Party cooperating with the Company should read this Policy and agree to comply with it.

When establishing cooperation with the Third Party, it is necessary to determine whether it has internal regulations on the prevention of corruption in order to familiarise with them.

## XI. Final provisions

The Anti-corruption Policy is introduced for an indefinite period of time.

The Anti-corruption Policy is subject to periodic review and shall be updated when necessary.

The valid text of the Policy is available at [www.lst.aero](http://www.lst.aero).

The Anti-corruption Policy enters **into force 23.02.2021**





# Appendices



**Appendix 1**

to the Anti-corruption Policy

in force at LS Technics Sp. z o.o.

and adopted by the resolution of the Management Board ..... of .....

**EMPLOYEE'S STATEMENT  
CONFIRMING THAT THEY HAVE READ THE POLICY**

First name .....

Surname .....

Employee's reference number .....

I hereby declare that I have read the Anti-corruption Policy in force at LS TECHNICS Sp. z o.o.

I agree to:

- a. comply with the Anti-corruption Policy of LS Technics Sp. z o.o.
- b. report any identified violations of the Anti-corruption Policy of LS Technics Sp. z o.o. in accordance with the applicable procedures.

**NOTE:**

Irrespective of the liability defined in the provisions of generally applicable law, violation of the Anti-corruption Policy of LS Technics Sp. z o.o. may be considered a breach of basic employee's obligations and result in termination of the employment contract without notice due to the employee's fault within the meaning of article 52 § 1(1) of the Labour Code or constitute a basis for imposing a disciplinary sanction on the employee.

.....  
Date and signature of the employee making  
the statement

## Appendix 2

to the Anti-corruption Policy

in force at LS Technics Sp. z o.o.

and adopted by the resolution of the Management Board ..... of .....

### **ANTI-CORRUPTION CODE OF CONDUCT**

- Set a good example: show by your behaviour that you do not tolerate or support corruption.
- Immediately reject corruption attempts and inform your superior straightaway.
- If you suspect that someone is going to offer you an advantage in exchange for taking certain actions, ask a colleague to witness the conversation.
- Always keep your personal and professional life separate. Make sure your personal interest is not in conflict with your professional duties.
- Support the company you work for in identifying and investigating corruption cases. Inform your superior if you suspect corruption practices.
- Participate in corruption prevention training.
- What to do when you have done something wrong? Give yourself a break and stop living in constant fear of getting caught! Report the violation and give explanations. As a result, the consequences you will have to face may be less severe.