

LAMBERTZ POLONIA sp. z o.o.

SANCTIONS POLICY

for dealing with entities which directly or indirectly support Russian Federation or Belarus in aggression against Ukraine

I. Definitions

1. **Ultimate Beneficial Owner:** one or more natural persons having direct or indirect control over an entity by virtue of rights resulting from legal or factual circumstances and enabling them to exert decisive influence on the activities or actions undertaken by that entity or a natural person on behalf of whom business relations are established or an occasional transaction is performed
2. **Parent (Company):** a commercial or state-owned company which controls a subsidiary according to the Polish Accounting Act of 29 September 1994 (Journal of Laws 2021.217)
3. **LAMBERTZ POLONIA:** Lambertz Polonia sp. z o.o. with its registered office in Ruda Śląska
4. **List:** the list of individuals and organisations subject to sanctions, kept by the minister competent for internal affairs, published in Public Information Bulletin on his website <https://www.gov.pl/web/mswia/lista-osob-i-podmiotow-objetych-sankcjami>
5. **Statement:** a statement made appendix no. 1 to the Sanctions Policy of LAMBERTZ POLONIA
6. **Policy:** this sanctions policy of LAMBERTZ POLONIA
7. **Regulation 269/2014:** Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (OJ EU L.2014.78.6)
8. **Regulation 765/2006:** Council Regulation (EC) No 765/2006 of 18 May 2006 concerning restrictive measures in view of the situation in Belarus and the involvement of Belarus in the Russian aggression against Ukraine (OJ EU L.2006.134.1)
9. **Regulation 2022/263:** Council Regulation (EU) No 2022/263 of 23 February 2022 concerning restrictive measures in response to the recognition of the non-government controlled areas of the Donetsk and Luhansk oblasts of Ukraine and the ordering of Russian armed forces into those areas (OJ EU L.2022.421.77)
10. **Public Procurement Act:** Polish Public Procurement Act of 11 September 2019 (Journal of Laws 2021.1129)
11. **Act:** the Act of 13 April 2022 on Specific Steps to Counteract Supporting Aggression against Ukraine and to Protect National Security (Journal of Laws 2022.835)
12. **Registers:** registers of individuals and organisations subject to sanctions under Regulation 269/2014 and Regulation 765/2006

II. Subject matter and scope of the policy

1. Following the Russian Federation's aggression against Ukraine launched on 24 February 2022 and the ensuing restrictive measures implemented on the basis of Regulation 765/2006, Regulation 269/2014, Regulation 2022/263 and the Act, LAMBERTZ POLONIA undertakes and requires all its employees, associates, suppliers, customers and contractors to abide by the prohibitions and orders listed in Regulation 765/2006, Regulation 269/2014, Regulation 2022/263 and the Act on terms and conditions set out in this Policy.

SANCTIONS POLICY

2. LAMBERTZ POLONIA will take all appropriate actions and measures to ensure compliance with this Sanctions Policy.

III. Screening of business partners

1. Each time before establishing a business relation with a new business partner (supplier or buyer) LAMBERTZ POLONIA will procure the Statement signed in accordance with the current rules of representation plus explanations in which the business partner will have to state whether it or members of its governing bodies and its ultimate beneficial owner are on the List or in the Registers, and whether they comply with the Act, Regulation 765/2006, Regulation 269/2014, Regulation 2022/263.
2. As regards existing business partners, LAMBERTZ POLONIA will procure the Statement signed in accordance with the current rules of representation plus explanations in which the business partner will have to state whether it or members of its governing bodies and its ultimate beneficial owner are on the List or in the Registers, and whether they comply with the Act, Regulation 765/2006, Regulation 269/2014, Regulation 2022/263. As regards existing business partners, the Statement will be required before the first new transaction with that business partner after the effective date of this Policy.
3. The business partner is obliged to inform LAMBERTZ POLONIA immediately, no later than within 24 hours, about any changes in the circumstances and information contained in the Statement.
4. The Statement will be procured exclusively to observe due care and fulfil obligations arising from generally applicable laws, and its content will be kept strictly confidential. LAMBERTZ POLONIA will not share the Information included in the Statement with any third parties, unless it is required to do so by the generally applicable laws or a decision of competent state authorities, of which LAMBERTZ POLONIA will notify the business partner.

V. Inclusion of a business partner on the List or in the Registers or discovery of the business partner's sanctions violation

1. If a business partner is found to be, directly or indirectly, on the List or in the Registers, LAMBERTZ POLONIA will fulfil its duty to freeze cash, funds or business resources or prohibit access to cash, funds or business resources by discontinuing the business relationship with that business partner.
2. LAMBERTZ POLONIA will discontinue the business relationship with a business partner if he is found to be in breach of the prohibitions and orders stipulated in the Act, Regulation 765/2006, Regulation 269/2014, Regulation 2022/263 in the course of his business relationship with LAMBERTZ POLONIA. LAMBERTZ POLONIA's liability for damages is excluded in such a case.
3. Without prejudice to the applicable reporting and confidentiality rules, LAMBERTZ POLONIA will:
 - a. immediately share with competent state authorities all information which may facilitate compliance with the Act, Regulation 269/2014, Regulation 765/2006, i.e. information about accounts and amounts frozen pursuant to V.1 of the Policy and will share this information with the competent authorities directly and indirectly, and
 - b. co-operate with the competent authorities on verification of this information.

4. If LAMBERTZ POLONIA's business partner fails to submit the Statement, the business relationship with that partner may be terminated to the exclusion of LAMBERTZ POLONIA's liability for damage suffered by that business partner.

VI. Public procurement

1. In the case of a public procurement contract or tender conducted pursuant to the Public Procurement Act, LAMBERTZ POLONIA will exclude:
 - a. contractors and bidders who are on the List or in the Registers;
 - b. contractors and bidders whose Ultimate Beneficial Owner is on the List or in the Registers, or who became such Ultimate Beneficial Owners on or after 24 February 2022 if they have been added to the List on the basis of a decision on inclusion on the list, which imposes the restrictive measure in the form of a ban from public procurement or tender procedures conducted pursuant to the Public Procurement Act;
 - c. contractors and bidders whose Parent Company is on the List or in the Registers, or who became such a Parent Company on or after 24 February 2022 if they have been added to the List on the basis of a decision on inclusion on the list, which imposes the restrictive measure in the form of a ban from public procurement or tender procedures conducted pursuant to the Public Procurement Act.

VII. Other liabilities

1. LAMBERTZ POLONIA undertakes to comply with the provisions of Regulation 2022/263, especially with the provisions prohibiting to:
 - a. import into the European Union goods originating in non-government controlled areas of the Donetsk and Luhansk oblasts of Ukraine;
 - b. provide, directly or indirectly, financing or financial assistance related to the import of the goods referred to in point (a);
 - c. sell, supply, transfer or export goods and technology listed in Annex II to Regulation 2022/263 to any natural or legal person, entity or body in non-government controlled areas of the Donetsk and Luhansk oblasts of Ukraine or for use in the specified territories;
 - d. provide technical assistance or brokering services, construction or engineering services directly relating to infrastructure in non-government controlled areas of the Donetsk and Luhansk oblasts of Ukraine in the sectors defined on the basis of Annex II to Regulation 2022/263, independently of the origin of the goods and technology.
2. LAMBERTZ POLONIA also undertakes to comply with the provisions of Regulation 765/2006, especially:
 - a. to freeze all funds and economic resources belonging to, owned, held or controlled by natural or legal persons, entities or bodies, as listed in Annex I to Regulation 765/2006;
 - b. not to make available, directly and indirectly, any funds and economic resources to or for natural or legal persons, entities or bodies listed in Annex I to Regulation 765/2006;
 - c. not to participate, knowingly and intentionally, in activities the object or effect of which is, directly or indirectly, to circumvent the measures referred to in points a or b;

SANCTIONS POLICY

- d. comply with the prohibitions referred to in Article 1a to 1zb of Regulation 765/2006.
3. LAMBERTZ POLONIA also undertakes to comply with the provisions of Regulation 269/2014, especially:
 - a. to freeze all funds and economic resources belonging to, owned, held or controlled by any natural persons, or natural or legal persons, entities or bodies listed in Annex I, or natural persons or legal persons, entities or bodies associated with them as listed in Annex I to Regulation 269/2014;
 - b. not to make available, directly and indirectly, any funds and economic resources to or for natural persons, or natural or legal persons, entities or bodies, or natural persons or legal persons, entities or bodies associated with them as listed in Annex I to Regulation 269/2014;
 - c. not to participate, knowingly and intentionally, in activities the object or effect of which is, directly or indirectly, to circumvent the measures referred to in points a or b.
4. LAMBERTZ POLONIA is obliged to each time check if its business partners fulfil the obligations listed in points 1–3 above.
5. If LAMBERTZ POLONIA has a reasonable doubt that its business partner is in breach of the obligations listed in points 1–3 above, LAMBERTZ POLONIA may request the business partner to submit a relevant statement and documented explanations.

VIII. Final provisions

1. If the Act, Regulation 269/2014, Regulation 765/2006, Regulation 2022/263 are amended or any other legal acts enter into force to impose additional sanctions or obligation, the Policy will be extended or amended as necessary. Any amendments or additions to the Policy must be made in writing, or else will be null and void.
2. All appendices to the Policy form an integral part hereof.
3. The Policy is an internal document of LAMBERTZ POLONIA and enters into force on 01.08.2022

Appendices:

1. Statement in Polish, English and German
2. Internal procedure in respect of business partners in connection with the sanctions policy