



**MAKROchem
CODE OF CONDUCT**

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Review date: 11.01.2022

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I. PREAMBLE

1. Who We Are

MAKROchem is a privately-owned company operating from Poland since 1995. Among our Partners in rubber and tire industry we are known as a stable and reliable supply chain integrator. We own three transloading stations in Poland, a transloading base in the USA and one in Spain, as well as offices in Poland, Russia and Ukraine, India and in Germany.

MAKROchem, basing on its 25-years commercial experience, is the first-choice CARBON BLACK partner for rubber and tire industry. Our five transloading stations, 130+ silo trucks and scalable big bag transport capability allow us to serve our partners in EU and overseas on an end-to-end basis - directly to their plants, just-in-time and with high level of quality of the product.

Our "CARBON BLACK ONLY" motto means that we do not use our warehouses, reloading facilities and silo trucks for storing, transporting or reloading of any other material than pure CB. This allows us to ensure that the product ordered is the product delivered with no questions regarding its purity and integrity.

Our vision is to become the preferred Carbon Black integrated supply chain partner to rubber, tire, plastics and pigment companies in Europe and overseas.

We strive to seamlessly supply our Partners with products they require, acting reliably and responsibly as we were a part of their business, just as we believe we are.

Our strategy is to follow Voice-of-Customer requirements in order to achieve perfection in product quality, delivery time, punctuality and geographical coverage.



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2. The Purpose Of The Code Of Conduct

The MAKROCHEM Group is firmly committed to high standards of legal compliance, integrity and business ethics. We believe that all of the Company's activities shall be aimed at preserving fundamental ethical values, while recognizing commitments to all parties interested. Honesty, transparency and reliability are prerequisites for achieving business stability and success.

This Code of Conduct is an expression of our responsibility, but also a set of principles that each of our employees shall follow on regular basis when making business decisions and establishing or maintaining business contacts. Adoption of the Code means recognition of those values and a commitment to regularly monitor compliance with adopted standards.

The purpose of this Code of Conduct is to prevent the occurrence of unlawful or questionable behaviours, eliminate such proceedings as soon as they are disclosed, take appropriate actions in the event of violating the rules set out in the Code of Conduct or other applicable regulations, as well as implement policies and procedures to prevent recurrence of any infringements.

The Code of Conduct provides general information on ethics and their daily application in MAKROCHEM's operations and shall apply equally to all employees, managers, officers, contractors, suppliers and business partners. Nonetheless, the description on the following pages is by no means exhaustive and provides solely an orientation framework of standards that we are faithfully committed to. The purpose of the Code is therefore to present the spirit, tenets and core intentions of the MAKROCHEM policies on Business Ethics, Environment, Labour & Human Rights, Sustainable Procurement and Quality.

Furthermore, the Code of Conduct does not summarize all laws, rules and regulations applicable to the Group, its employees, officers, contractors and suppliers. It is the responsibility of each employee, officer, contractor and supplier to adhere to all applicable requirements and prohibitions imposed by those laws, rules and regulations, both on the local and international level.



3. Corporate Social Responsibility (CSR)

MAKROCHEM's Management Board and its employees are fully aware that corporate social responsibility is the ability to run a business in such a way as to minimize business risk and maximize the chance of success in the long run, which will enable the company's positive contribution to the society's development. Responsible business is the way in which the company treats its customers, contractors, employees and the local community on a daily basis.

MAKROCHEM constantly raises its standards of conduct towards contractors, customers and employees. These changes improve the level of the company's organizational culture based on trust, responsibility and transparency for all interested parties. The company applies transparent business practices based on respect for employee and social rights, timely settlement of obligations towards employees, public liabilities towards the Tax Office, the Social Security Fund, Lublin City Hall and other Municipal Offices (where branches are located), as well as payment of receivables towards all contractors in due time.

Respect for labour and human rights is based on compliance with basic principles of conduct in our Company, such as human dignity, the prohibition of forced adult labour and the complete prohibition of child labour, non-discrimination based on sex, citizenship, skin colour, religion, age, disability, sexual orientation and political beliefs, and the provision of adequate working conditions that meet safety and health standards. We are committed to providing equal opportunities for all employees for their further development and we strictly prohibit any blackmail and corruption against contractors, employees and suppliers.

The Company set out its environmental policy and took specific pro-ecological actions which proves responsibility for the environment and local community.

Responsible business policy of MAKROCHEM improves relations with the society and local authorities through participation in the life of local community, co-financing of local educational initiatives, supporting the local labour market by employing unskilled workers and financing the improvement of qualifications.



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MAKROCHEM's Management Board will strive to run the Company where the priority is to achieve balance between its effectiveness, profitability and social interest. The Company will participate in new projects and activities guided by the principles of running responsible business.

II. CODE OF CONDUCT

1. Business Ethics

1) Compliance With Laws And Regulations

MAKROCHEM is committed to conduct its worldwide business operations lawfully and in a manner which is consistent with applicable legal requirements. Compliance with law, rules and regulations of all jurisdictions in which the Group runs its business activity, including the standards relating to accounting and auditing, is the core of our business ethics policy.

We ensure that all subsidiaries and branches comply with the laws and regulations applicable in each country where the MAKROCHEM Group is conducting its business operations.

Our Legal Department verifies each area of the Company's activity in terms of compliance with the abovementioned requirements. Transparency, honesty and political assertiveness in contacts with government offices and other interested parties is one of the determinants of our activity. Appropriate internal control and training methods ensure compliance with business ethics, anti-corruption laws and principles of fair competition and responsible marketing.

The selection of business partners is also conducted in accordance with the guidelines of this business ethics policy, and all reported cases of fraud, abuse, money laundering and other irregularities are reviewed and, where appropriate, may be the basis for disciplinary action initiated by the Company.

2) Avoiding Conflicts Of Interests

MAKROCHEM expects that its Management Board, directors, officers and employees maintain a high degree of reliability in their daily work and avoid any actions, investments, interests or associations which may cause



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others to doubt their fairness, integrity or ability to perform their duties objectively. We believe that personal relationships or interests must not affect business activities.

Our employees must anticipate and avoid any conflicts of interests of the Company with their personal, whether direct or indirect, interests (i.e. with regard to entities or natural persons with whom they have connections, in particular family members, relatives, friends or other interested parties).

If an employee finds himself in such a situation or thinks that such a situation may potentially occur, he should immediately inform his supervisor in order to determine what measures shall be taken to ensure compliance and avoid any undue influence.

3) Anti-Corruption & Gifts Policy

MAKROCHEM rejects all forms of corruption. We strongly disapprove and oppose accepting, as well as transferring, any hidden, direct or indirect payments or benefits from (and for the benefit of) representatives of government offices, agencies, institutions, public authorities or any other interested third parties.

The Company's directors, officers and employees are further advised not to provide our customers, contractors or suppliers with any financial gains, gifts and other tangible or intangible assets which can be treated as material benefits. We recognize that offering, promising, granting, demanding, accepting or approving such benefits may lead to situations perceived as an attempt to induce others to offer benefits in return, and we strongly disapprove such unfair market practices. Similarly, our staff is advised not to accept any personal benefits such as financial rewards, gifts, loans, services, holiday trips, excursions, invitations, accommodation or any other special privileges offered with the intention to influence business decisions or relationships. Gifts and hospitality gestures can only be accepted if they are of low value, reasonable, appropriate and understood as simple business courtesies which are compatible with customary business practices.

Any expensive or inappropriate gifts must be immediately reported to the Company's managers who shall decide on their further treatment (e.g. donation to charity or return to the donor).

4) Fair Competition And Antitrust Laws



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Our Company believes in fair competition on the market and strongly disapproves any unethical or illegal business practices. Stealing sensitive or confidential information, possession of information obtained without the consent of the owner, or inducing disclosure of such information by former or current employees of other companies is strictly prohibited. All employees shall strive to comply with applicable competition laws and treat contractors, suppliers, competitors and associates in a fair and transparent manner.

The MAKROCHEM Group defines its commercial policy independently. We undertake not to enter into any contracts, agreements or arrangements with our competitors which would be aimed at or result in restricting fair and free trade. In particular, we do not agree on prices, customers allocation or division into areas of influence in any agreements or collusions with our competitors. We refrain from engaging in any discussion or activity which constitutes anti-competitive behaviour or in any other way violates anti-trust laws. Any measures or practices aimed at increasing sales through illegal market activities shall not be tolerated.

5) Preventing Money Laundering

Money laundering is the illegal process of accepting, owning, using, transferring or converting any means of payment, financial instruments, securities, foreign exchange, property rights, movable property or real estate derived from illegal sources or used to finance illegal acts. MAKROCHEM remains firmly opposed to such practices and does not participate in any activities aimed at money laundering or terrorist financing. Neither the Company nor its employees shall in any way or under any circumstances be involved in the legalisation of funds derived from illegal or criminal activities. In addition, they must not provide assistance to any person or organization trying to benefit from a criminal act or illegal activity.

To support this policy, MAKROCHEM cooperates only with customers, contractors and suppliers who conduct legitimate, reliable and transparent business operations, with funds obtained from legitimate sources. Before establishing business relationship, starting cooperation or signing a contract with any supplier or other long-term partner, we verify the moral qualifications, reputation and good name of the contractor. We undertake to comply with all domestic and international regulations on preventing money laundering and terrorist financing, and we expect our contractors to adopt the same standards in their business activity.

6) Transparency In Accounting And Reporting



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The MAKROCHEM Group's accounting reflects all of the actual business operations carried out by our companies. We ensure that our records are conducted accurately, reliably and in accordance with applicable laws and regulations. All assets and liabilities of the Company are disclosed in the financial statements pursuant to relevant accounting principles.

To ensure the accuracy and reliability of the accounting records, our annual financial statements are subject to examination by a statutory auditor. The audit is conducted in accordance with International Auditing Standards, by independent auditors who act pursuant to the Code of Ethics for Professional Accountants adopted by International Federation of Accountants (the "IFAC Code").

Since 2018, as required by relevant legal provisions, MAKROCHEM publishes its financial records on the online platform of Financial Documents Repository (Repozytorium Dokumentów Finansowych – RDF) which is accessible free of charge to any interested parties (https://ekrs.ms.gov.pl/rdf/pd/search_df) and operates as part of the Business Registers Interconnection System (BRIS). The documents uploaded to the website include annual financial statements, the Management Board's reports on the operations of the Company and of the Group, consolidated financial statements, reports of the statutory auditor on the examination of annual financial statements, as well as resolutions of the Management Board on the approval of the annual financial statements and on the distribution of profits/covering the loss. Through these measures, the MAKROCHEM Group ensures full compliance with its statutory reporting obligations and hopes to foster a culture of transparency and accountability.

7) Data Privacy & Data Protection

MAKROCHEM ensures the processing and protection of personal data in accordance with applicable regulations, primarily in accordance with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), and the Personal Data Protection Act of 10 May 2018 (Journal of Laws of 2018, item 1000).

In our business activity, we attach great importance to issues related to the processing of personal data and the protection of information. It is not only because such an obligation is imposed by legal provisions, but primarily because we ourselves respect the right to privacy of others and believe that it is one of the most fundamental elements of successful cooperation, building trust and good image of the MAKROCHEM Group.



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For the purpose of complying with the abovementioned objectives, we have adopted a separate Personal Data Protection Policy which provides for the definition of the administrator of personal data and data sets, specifies the purpose and method of collecting and processing personal data, indicates rules regarding storing personal data and the rights of the persons to whom these data refer, and sets out the notification procedure on violations. The Policy is accessible to all interested parties and attached as Appendix 1 to this Code of Conduct.

2. Environment

1) General Principles Of The Environmental Policy

MAKROCHEM, as a significant supplier of technical carbon black in the region, recognizes the importance of environmental aspects in the course of its business operations and makes sure that economic considerations do not take priority over safety, health and environmental protection. We believe that compliance with applicable environmental laws and regulations shall be considered as a minimum requirement, therefore we often strive to reach beyond these standards and improve our procedures to minimize the Company's environmental impact.

The Company ensures that all reloading and transport operations, including technical carbon black transfers and logistic processes, are managed in accordance with environmental protection regulations. To confirm compliance with laws covering this area, MAKROCHEM periodically commissions the conduct of environmental audits (e.g. energy audit, environmental impact report for carbon black reloading stations) to an external auditing entity. We make sure to carry out reliable assessments of the Company's impact on the environment and identify factors which have or may have environmental implications.

We strive for continuous improvement of reloading and transport technologies in order to minimize the impact on the environment, in particular reduction of noise emissions and emissions of carbon black and pollutions to atmosphere through the use of carbon black filters.

Further environmental protection measures involve reasonable purchases of consumables and efficient use of office and hardware resources, thereby reducing energy, paper, water and fuel consumption. We conduct rational waste management in all of our branches and offices, and segregate office equipment and packaging for the purpose of their utilization, regeneration, reuse or reprocessing in specialized units.



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We make sure that our team recognizes and understands the importance of environment protection, therefore we include ecological education of the Company's employees as part of periodic training programmes.

2) Identification Of Environmental Aspects

At MAKROCHEM, we believe that identification and evaluation of environmental aspects occurring in the Company underpin the success of an effective environmental policy and form its core element. Driven by this conviction, we strive to determine environmental impacts which we can control or have influence over, assess their significance and prioritize, so that we can adopt a systematic approach in managing environmental issues.

To meet this assumption, our Quality Representative and managers of individual departments cooperate in terms of identifying environmental aspects in their areas of operation, sharing collected data and making sure that the employees are familiar with identified aspects.

We strive to carry out the identification process as precisely as possible, therefore we evaluate a vast group of environmental issues, including consumption of electricity, water, gas, chemicals, emission of noise, vibration, radiation, fumes, pollution, solid waste generation, or probability of emergency situations. As for the significance of the abovementioned aspects and determining the level of risk, we adopt criteria such as harmfulness to the environment, impact range, risk of occurrence, impact of legal requirements (e.g. emission limits, environmental decisions) and opinions of interested parties.

3) Reduction Of Fuel Consumption And CO₂ Emissions

We recognize that factors such as speed, nature of the road, load carried and other parameters apart from the distance may affect the emissions and the consumption of fuel. To ensure efficient reduction of fuel consumption and CO₂ emissions, we use appropriate IT tools for optimizing route planning (e.g. WEB-SAT program). When planning a route, live traffic information is analyzed by the coordinator in the office and the driver who develop alternative routes in case of extensive traffic jams. Owing to this, the fuel consumption and overall impact on the environment are significantly limited.

Further measures adopted at MAKROCHEM to reduce CO₂ emissions from transport involve maintaining a fleet of transport trailers and using the services of carriers with modern low-emission equipment. Our own fleet



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of cars, used mainly for transporting people, mostly meets the requirements of fuel efficiency standards of EURO V and EURO VI.

We systematically optimize loadings and conduct cabotage services in a way that maximizes our transport capabilities.



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4) Waste Management

MAKROCHEM ensures that all waste is disposed in accordance with applicable legal provisions. When using services of third parties for this purpose, we make sure that they maintain the same standard and similarly comply with environmental laws and regulations.

Our Quality Representative is responsible for collecting data regarding waste generated in the Company and establishing waste register, whereas the managers of individual departments or other persons supervising processes in their areas are responsible for ongoing supervision in the field of waste incineration prevention, preventing mixing of waste (through segregation by given codes), proper labeling of containers with particular waste types, as well as ensuring that all employees are familiar with instructions on how to proceed in emergency situations.

To further guarantee proper waste management and environment protection, we are constantly working to prevent pollution of land, air, groundwater and surface water (e.g. through proper disposal of liquid waste), minimize the amount of waste generated (e.g. by reusing or modernizing equipment), and, where possible, use and utilize waste at the place of its origin. We take the necessary measures to ensure safe transport of waste within the company premises, i.e. without the risk of contaminating land, air, groundwater and surface water, secure an adequate supply of means to reduce the effects of any leakage or spillage of substances classified as hazardous, provide access to a waste collection site for an external recipient and obtain confirmation of waste receipt.

5) Emissions

As part of its pollution prevention policy, MAKROCHEM strives to apply processes, materials, techniques, products and services aimed at reducing or removing releases of pollutants to the environment.

Our Operating Department remains in charge of identifying pollution sources, monitoring emission limits and developing annual emission reports (for our headquarter and reloading bases). To reduce emissions to the environment, we use emission reduction devices, in particular carbon black filters. We are constantly monitoring their effectiveness and efficiency in order to steadily introduce necessary improvements and consequently contribute to improving overall air quality.



Furthermore, we make sure that we comply with all applicable laws and regulations on the emissions management, hence we keep our duty and we are regularly submitting reports to the National Centre for Emissions Management (KOBIZE).

6) Energy Efficiency

We believe that energy efficiency is the cornerstone of sustainable energy policy, allowing for reducing greenhouse gas emissions, mitigating climate change and improving energy security.

To facilitate energy efficiency and foster sustainable energy consumption, MAKROCHEM undergoes comprehensive energy audits (most recent in July, 2019) conducted in accordance with Directive 2012/27/EU and relevant European and International Standards, such as EN 16247, EN ISO 50001, EN 16212, as well as other applicable laws and regulations on energy efficiency. The purpose of the audit is to provide a detailed overview of the consumption of energy utilities in the company, along with the presentation of information on feasible measures for increasing energy efficiency.

Owing to this solution, we get to know the structure of energy media consumption, as well as technical condition of objects, devices and installations in our Company. The audit report further identifies the most energy-consuming processes, followed by recommendations for specific projects to improve energy efficiency and sustainable energy consumption, which we will strive to implement in the course of our future activities.

7) Emergency Preparedness And Response Plans

At MAKROCHEM, we have a procedure in place for responding to emergency situations, such as fire, power grid failure, accident at work or equipment failure. The emergency procedures and response plans have been adopted because we are convinced of the need to take immediate, yet well thought-out, actions in case of incidents or site emergencies which may result in a threat to human health, life or the environment.

When developing response procedures, we recognize the safety of our employees as a top priority, followed by objectives such as mitigating environmental impact, fostering continuity and resilience of business operations, as well as minimising any potential loss of property and assets.



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In order to ensure the effectiveness of our emergency planning policy, all employees are obliged to report emergency to their supervisors. Next, the managers of individual departments have duties in the scope of diagnosing the causes and locations of failure, removing its effects, assessing the risk of recurrence of the event, developing instructions for future emergency prevention and implementing preventive actions (e.g. providing training, reviews and continuous monitoring of threats).

Apart from preplanning and developing coordinated procedures, we strive to promote safety awareness among our team and prove the Company's commitment to the safety of workers. Therefore, we are continually making sure that our employees are familiar with the emergency procedures, in particular they know how to prevent and respond to potential threats.

3. Labour & Human Rights

1) Human Rights

The MAKROCHEM Group creates its organizational culture based on the implementation of the internationally recognized human rights policy. The Company supports the principles contained in the International Bill of Human Rights, the OECD Guidelines for Multinational Enterprises, the International Labour Organization Core Conventions, the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) and the UN Guiding Principles on Business and Human Rights.

We emphatically declare ourselves in favour of prohibiting any kind of forced labour, human trafficking and modern slavery.

Within its sphere of influence and the area of operations, MAKROCHEM seeks to identify, evaluate and manage human rights issues in line with its economic objectives. We recognize and respect the fundamental rights of employees, including non-discrimination and non-harassment, the prohibition of child and forced labour, freedom of association, the right to a safe workplace environment and the right to participate in collective agreements. We are constantly striving to strengthen our approach to the protection of human rights. As part of our efforts to improve living conditions, we are committed to providing a work environment which enhances our team's motivation and overall satisfaction.



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This is an area of great significance for our shareholders, employees, suppliers, customers and stakeholders. Therefore, we take care to ensure that human rights at MAKROCHEM are respected which is vital for both business and ethical reasons.

2) Equal Treatment & Non-Discrimination

MAKROCHEM is firmly committed to equal employment opportunities and compliance with all applicable laws and regulations which prohibit discrimination in the workplace. We strive to ensure that this policy applies to all employment decisions, including recruiting, hiring, training, job rotations, promotions, pay practices, benefits, disciplinary actions and terminations. Our relations with employees are based primarily on respect for their personal dignity.

All decisions regarding employment and filling vacancies in the Company are made regardless of race, colour, ethnic origin, religion, political belief, age, gender, sexual orientation, disability, trade union membership, or any other similar reason. We create equal opportunities for all employees in the area of remuneration, bonuses, skills improvement or promotion, basing on individual possibilities, achievements and work results. We formulate the factors underpinning career development in a transparent manner, similarly as our expectations towards the employees.

We strictly prohibit and do not tolerate any forms of sexual harassment, physical or mental abuse and mobbing in the workplace. We are committed to treat all of our employees with due respect, without using any forms of corporal punishment, mental or physical coercion, abuse or harassment, or threat of such treatment. Our employees are also advised to apply the principles of social coexistence as well as kindness and courtesy in order to foster well-being and mental health in the workplace. We promote a diverse and inclusive workplace environment where all employees must treat each other with respect and dignity.

3) Child Labour Avoidance

The MAKROCHEM Group strongly opposes child labour and strives to secure the effective abolition of child labour in its operations. We respect the minimum age for admission to employment or work pursuant to applicable laws and regulations of each country where we conduct business activity. We do not tolerate child labour in our supply chain.



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Furthermore, we follow the principles set out in the ILO Conventions and Recommendations on Child Labour and we expect our suppliers and contractors to adopt the same standards.

4) Working Conditions

At MAKROCHEM, we believe that clear working conditions policy helps reinforce and clarify standards expected from both employer and employees, therefore our Company has adopted Work Regulations and Remuneration Regulations. We make sure that these policies are fully compliant with applicable labour laws and regulations, in particular with the provisions of the Labour Code. At the same time, we often strive to reach beyond these standards, best proof of which is our bonus scheme policy.

Furthermore, we adopt specific measures to ensure that our employees are fully informed about their rights and privileges, e.g. through requirement to sign the regulations by each employee, posting the regulations on the notice board, and providing access to regulations in the Legal Department.

MAKROCHEM undertakes to fulfill its obligations towards the employees, in particular through ensuring employment in accordance with the employment contract and qualifications held, timely settlement of remuneration for work, providing rest during non-working days, after the end of working time and during holidays, equal treatment of employees for fulfilling the same obligations, creating work conditions consistent with OHS rules, and ensuring effective employee representation which enables constructive dialogue between the Company and its workers.

We respect the relevant labour law provisions on working time, and adapt the appropriate working time system to a particular job position (e.g. basic, equivalent or task-oriented work time system). To correctly determine remuneration for work and other work-related benefits, we maintain a record of working time. Furthermore, we make sure that our employees receive compensation for extra or atypical working hours, i.e. for work at night, during bank holidays, or overtime work.

To acknowledge our employee's above average performance and maintain high level of job satisfaction in the workplace, MAKROCHEM has adopted a bonus scheme as part of the Remuneration Regulations. When developing our bonus policy, we strive to make it straightforward, transparent, understandable for all employees, and fair across the whole Company. Our employees are therefore entitled to bonuses for their work based on their performance assessment, using clearly defined and measurable performance standards defined in the regulations. Additionally, our incentive plan provides for cash bonuses related to the Company's performance.



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5) Freedom Of Association

MAKROCHEM recognizes and fully respects the employee's fundamental right to the freedom of association and the right to participate in collective agreements. We believe that mutual trust, cooperative relations and shared understanding form the key components of successful employer-employee relationship and constitute solid grounds for constructive dialogue.

The MAKROCHEM's Management works closely with the Employee Representative who acts as an interface between the Company and all employees with the aim of achieving a fair balance of interests.

6) Occupational Health & Safety

Being fully aware that the Company's success depends mainly on meeting the needs and expectations of customers and their satisfaction, the MAKROCHEM's Management accepts as a superior goal the provision of high-quality services while protecting the health and life of our employees.

We declare a continuous improvement of our activities in accordance with the requirements resulting from the provisions of law, committing ourselves to steadily improving occupational health and safety.

To maintain safety and mitigate health risks in the work environment, we set ourselves objectives such as prevention of accidents, breakdowns and potentially accidental occurrences, as well as elimination or reduction of risk factors. We also strive for continuous improvement of occupational health and safety, and make sure that our employees are familiar with applicable OHS policies adopted in the workplace.

Objectives defined in this way are achieved primarily through constant monitoring of legal requirements in the scope of health and safety, implementation of OHS tasks and programmes, involving all staff in health and safety matters, as well as securing appropriate measures to ensure safe and hygienic working conditions. Further measures involve systematic training to improve our staff's health and safety in relation to risks occurring in individual departments, eliminating accidents, potentially accidental events and micro-injuries among employees, and developing risk assessments for individual workplaces.



The elaborated version of the OHS policy adopted in MAKROCHEM, along with the provisions on safety and hygiene at work, fire prevention, pre-employment and periodic health examination, as well as risk assessment, is part of the Work Regulations and is freely accessible to all of our employees.

4. Sustainable Procurement

1) Integrating Economic, Environmental & Social Activities

MAKROCHEM consistently implements the principles of sustainable procurement, integrating its economic, environmental and social activities to maintain the natural balance and integrity of the Earth's ecosystem. The company's strategy assumes maintaining economic efficiency and raising the quality of life of the society, bearing in mind the strength of the ecological system and the durability of basic natural processes. The main elements of this policy are, among others, sustainable management of natural resources and waste, reduction of pollutant emission, identification of threats and legal requirements concerning the environment, joint responsibility for natural heritage, meeting social needs.

The elements of our policy are also reflected in the internal processes and procedures of MAKROCHEM, e.g. in the processes of supplier qualifications, material orders, customer satisfaction assessment, etc. Another assumption of the implemented strategy is skilful management, enabling future generations to use resources and meet needs at a similar level as at present.

2) Suppliers' Qualifications

At MAKROCHEM, the purchases of products, services and processes are made solely at qualified and reliable external suppliers, based on specific selection and evaluation criteria. The purchases involve resources and activities such as technical carbon black, services (e.g. transport), processes (e.g. maintenance services), or any other resources and activities which affect the compliance of products and services offered by the Company.

Cooperation with external suppliers is subject to evaluation through quality control of deliveries, as well as periodic verification (and re-verification) of the suppliers activities. Through these measures, we hope to ensure continuous compliance of the deliveries with suitable requirements, avoid any negative impact on the conformity of products and services, and foster sustainability in our supply chain.



To facilitate transparency in contact with suppliers and contractors, our Company stores documents and information related to the qualification assessment of the external suppliers. We provide the suppliers with necessary information related to the ordered products, services and processes, as well as other necessary aspects ensuring proper cooperation, supervision of suppliers and their activities.

3) Business Continuity Policy

Providing MAKROCHEM's stakeholders with continuous availability of services and products, also in cases of crisis situations, is an integral part of the Company's strategy. The goal of the Business Continuity Policy is to continue business operations in the face of sudden, difficult to predict events, potentially affecting the ability to provide services and deliver products.

Within the MAKROCHEM structures, there is a separate unit called Operations Department which coordinates and supervises the infrastructure and equipment (with the assistance of personnel of reloading depots), limiting the risk of stopping the reloading of the final product.

Suitable human, infrastructure and hardware resources are maintained to ensure business continuity. A procedure describing how to respond to failures was developed and implemented in the Company. Furthermore, indicators that facilitate the monitoring of process correctness have been identified.

Risk assessment is part of the MAKROCHEM Integrated Management System. Appropriate definitions and indicators have their place in the intranet electronic system, therefore the risk awareness in the organization is maintained at a high level.

5. Quality

1) Product & Service Quality

MAKROCHEM's prime objective is to provide our customers with the highest quality service guaranteeing complete satisfaction, so that the MAKROCHEM® mark is associated with high credibility, trust in business relationships and is recommended to other companies as a reliable business partner.

Through constant growth and optimization of orders, we ensure our Company's sustainable development and stable position on the international market. The MAKROCHEM's Management Board inspires to foster team work in developing innovative solutions and ensures the availability of resources and necessary infrastructure.



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We are constantly committed to ensure the highest quality of services by continuous monitoring and identification of our customers' needs and expectations, guided by the principle that good service has no price, and bad service has no customer.

We guarantee continuity, quality and timeliness of deliveries as well as negotiating prices and quality directly with the supplier (USP).

2) Customer Satisfaction

To guarantee full satisfaction with MAKROCHEM services, our employees make sure to receive maximum feedback from the customers. The customer's needs and requirements are identified during the process of submitting the offer and reviewed prior to signing the contract. Compliance with the requirements is further monitored and supervised during cooperation. Through these measures we hope to increase the customer's trust, strengthen business relations and improve overall customer satisfaction.

Our employees are advised to pay special attention when handling any complaints. The reason for the complaint must always be analyzed in detail and every effort should be made to resolve the case in the best possible way.

The MAKROCHEM Group regularly monitors customer satisfaction. Once a year, customer satisfaction surveys are sent, the results of which are carefully analyzed by our team. The outcomes of the analysis are later presented to the MAKROCHEM's Management which develops corrective actions and remedies based thereon.

3) Integrated Management System

MAKROCHEM S.A. adopts the Integrated Management System in accordance with the ISO 9001:2015 and ISO 14001:2015 standard in the scope of "Import, warehousing, reloading, transport and sales of raw materials for tire and rubber industry. Distribution of chemicals to other industries. Single-grade carbon black mixing".

The MAKROCHEM Quality Management System involves the Company's headquarter in Lublin, Poland, as well as reloading bases in Poland and Spain. To ensure compliance with ISO standards and develop framework for enhanced quality management, the Company has appointed the Quality Representative who is responsible for constant monitoring of quality processes within the MAKROCHEM Group's structure.



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4) Raising Qualifications Of Our Team

We make sure that MAKROCHEM staff constantly raises its qualifications to meet the tasks and requirements of the rapidly changing market and modern competitive environment. The essential staff motivation is achieved through such human resources management that the Company's success remains closely related to the achievements of our employees, which is reflected in the remuneration system and bonus schemes.

To ensure that our employees replenish their knowledge and acquire new qualifications, MAKROCHEM has introduced a skills development training system. The programme is supervised by the Company's Quality Representative who is responsible for the preparation of training plans, cooperation with the Management Board in selecting trainers and training topics, keeping records and schedules of the trainings, as well as analysis of the training outcomes and development of possible improvements in the skills development programme.

We believe that it is essential to ensure that trainings are tailored specifically to the needs of our employees and aimed at improving their daily work, therefore MAKROCHEM's Department Managers are obliged to submit training requirements annually. Based on the requirements, the Quality Representative develops a general training schedule which is later approved by the Management Board. The supervisors of employees who have completed the training are required to assess its usefulness, i.e. to determine whether the employee's training has brought positive results in terms of employee's performance of tasks. The supervisor interviews the employee or performs analysis based on the observations of the employee's day-to-day work. The results of the assessment are described in the "Assessment of Training Effects" form which is later handed to the Quality Representative who develops improvements in the training schemes.



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III. AMENDMENTS, MODIFICATIONS & WAIVER

The MAKROCHEM's Management Board shall be responsible for approving and issuing the Code of Conduct, which shall be periodically reviewed and updated by the Quality Representative. The Code of Conduct may be amended, modified and waived where justified and necessary, in particular if the amendment, modification or waiver is aimed at raising ethical and legal standards of the Company. All such amendments, modifications and waivers, both express and implied, shall be subject to the requirements of all applicable laws, rules and regulations. Except as otherwise provided, any waiver, amendment or other modification of this Code of Conduct will not be effective unless in writing and signed by the Management Board.



IV. APPENDICES

Appendix 1: Personal Data Protection Policy

MAKROCHEM ensures the processing and protection of personal data in accordance with applicable regulations, primarily in accordance with:

- Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (GDPR),
- Personal Data Protection Act of 10 May 2018 (Journal of Laws of 2018, item 1000).

1. The administrator of personal data and data sets

Within the meaning of the Art. 4 (7) of the GDPR, the administrator of personal data is MAKROCHEM S.A. with its registered seat in Lublin at M.Rapackiego 2 Street, 20-150 Lublin (Poland). Administrator is an entity that decides about the purposes and means of processing personal data. The personal data files processed by the administrator include, among others, details of employees, job candidates, contractors and their employees.

2. The purpose and method of collecting and processing personal data

The MAKROCHEM company collects and processes data for specific, explicit and legitimate purposes, in accordance with the conditions indicated in the Art. 6 (1)(a-f) of the GDPR. In addition, it applies the principle of data minimization as defined in the Art. 5 (1)(c) of the GDPR, which means that the scope of collected and processed data is adequate to the purpose of processing and limited to the necessary minimum in terms of the type and amount of data.

3. Storing personal data and the rights of the persons to whom these data refer

Personal data is stored in a form that permits identification to the data subject: in a manner that protects them against damage, loss or access by the unauthorized persons; for the period necessary to achieve the purpose for which they were obtained. Detailed rules regarding the period of storage of each category of personal data and the manner of their removal have been specified in the internal documentation of the Company. Every person whose data is processed has the right to access their data, to rectify it, delete it, limit its processing,



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and object to their processing or transfer of their data – in accordance with the cases indicated in the Art. 12-23 of the GDPR.

4. Notification procedure on violations

If a breach of the protection of personal data is detected, the MAKROCHEM company is obliged without undue delay, no later than within 72 hours after finding the violation, to report to the Office for Personal Data Protection in Warsaw, with a detailed description of the breach, the scope of the data it may relate to the possible consequences of the infringement and describe the corrective measures taken to avoid similar violations in the future.