

# ANTI-CORRUPTION POLICY

## Recitals

To ensure security of business operations, protect the recognized values and the good image, Cyfrowy Polsat S.A. conducts anti-corruption activities whose goals and principles are formulated in the present Anti-Corruption Policy.

## Goals and scope of the Anti-Corruption Policy

1. The goal of the Anti-Corruption Policy is to assure that the Company's stakeholders:
  - 1.1. are aware of and understand the expectations and the declarations addressed to them,
  - 1.2. understand what type of acts constitute corrupt practices and what is the Company's attitude towards corruption and corrupt conduct (*zachowania korupcyjne*),
  - 1.3. are aware of the consequences faced for permitting corruption or corrupt conduct,
  - 1.4. are aware of the Company's actions undertaken to prevent, detect and eliminate corruption and corrupt conduct from its environment,
  - 1.5. are aware of the possibilities of reporting suspected corruption or corrupt conduct and of the protection to which the reporting persons are entitled,
  - 1.6. are aware of the consequences of violating the principles formulated in the Anti-Corruption Policy
2. The present Anti-Corruption Policy applies to Cyfrowy Polsat S.A. and its subsidiaries as well as all Obligated Entities. If the subsidiaries have their own anti-corruption policies in place, then such policies may not be contradictory to the present Policy.
3. The Company is not entitled to address any requests or impose any obligations formulated in the Anti-Corruption Policy on its remaining stakeholders, however the Company may expect that in their respective operations they will observe the ban on corruption and they will not permit any corrupt practices. For these entities the Policy is a declaration of ethical values

and the information on the anti-corruption activities undertaken by the Company.

## Basic definitions

The following meanings of the notions used in the Policy, or having direct relation to the Company's anti-corruption activities, are adopted for the purpose of proper understanding of the Anti-Corruption Policy:

1. Corruption – proposing, requesting, accepting, promising any undue financial or personal benefits in return for taking actions or desisting from one's official duties in a manner taking the form of bribery, influence peddling and trading in influence.
2. Behavior of corrupt nature – behavior not being at risk of criminal liability but being a case of dysfunctional behavior which causes disturbance to proper functioning of business entity.
3. Financial benefit – any goods item which satisfies a specific need whose value can be expressed in money; it can be increase of one's assets, a beneficial contract (e.g. a loan granted on favorable terms), a donation, release from debt, winning of a tender, etc.
4. Personal benefit – any benefit of non-financial nature which improves the situation of a person obtaining the benefit, e.g. being promoted, being offered a job, getting professional training, reduction of one's scope of professional duties, being accepted as a trainee for an internship, etc.
5. Venality – a form of bribery/corruption which involves intentional acceptance of an undue benefit or of a promise of such a benefit while holding a public office (a politically exposed person).
6. Bribery – a form of corruption which involves intentionally giving an undue benefit or promising such a benefit to a person holding a public office (a politically exposed person).
7. A person holding public office (a politically exposed person) – anyone holding a public office or also a position in the organizational structures of any legal persons or any organizations without legal personality, as long as the public office or a position involves disposing of national or local assets or being involved in managing the matters associated with performance of the duties of public authorities, as well as any other entities who hold such offices or who manage municipal property or State Treasury assets.
8. Influence peddling (*płatna protekcja*) –intermediation, while claiming to have influence, in finalizing matters in a public institution or in a local office, an international organization or a national organization, or an international

- organization which manages public funds, in return for obtaining undue benefits or promise thereof.
9. Trading in influence (*handel wpływami*) – granting or promising to grant an undue benefit to an intermediary in return for exerting illegal influence on a decision, an action or desisting from one’s public duties, i.e. in return for an act which has the nature of influence peddling.
  10. Unfair lobbying – any lobbying activity, i.e. representing or promoting the interests of business entities or social groups when conducted using illegal methods with an aim of exerting influence on public authorities in the law-making process.
  11. Nepotism – using one’s position to favor relatives. The basic indication of dealing with nepotism is the existence of a direct reporting relation.
  12. Cronyism – use of one’s position to favor people with whom one has social connections.
  13. Favoring – treating someone in a special way (in the context of siding with someone to achieve an intended result), treating someone in a privileged manner compared to others without justifying this in generally acceptable circumstances, distinguishing someone in a way not having the nature of rewarding that person for achievements in the sphere of a Company’s operations or interests.
  14. Conflict of interests – maintaining private contacts which may affect the behavior and the decision-making process, thus creating doubts as regards the impartiality of the person holding a given function or taking a given decision.
  15. Obligated Entity (*Podmiot Zobowiązany*) – a Company’s stakeholder to whom the Company may direct requests or on whom it may impose the obligations formulated in the Anti-Corruption Policy. The following are termed as stakeholders:
    - 15.1. currently employed employees,
    - 15.2. potential employees, i.e. the persons who are in the recruitment process, or those who, due to their knowledge or experience, are within the Company’s sphere of interest,
    - 15.3. trainees,
    - 15.4. volunteers who act for the benefit of the Company or who are involved in the projects which are being implemented by the Company,
    - 15.5. proxies and representatives of the Company, both current and potential i.e. those who are in the process of being granted a power of attorney or to whom representation of the Company is being entrusted,

- 15.6. associates and suppliers of goods or providers of services, irrespective of the type of the contract they have the Company,
  - 15.7. social organizations which cooperate with the Company,
  - 15.8. business partners, i.e. distributors, advertising brokers, scientific institutions, industry organizations and trade chambers, sports associations, marketing partners, parties cooperating with the Company,
  - 15.9. nationwide and industry media, i.e. the press, the Internet, radio, television, influencers who cooperate with the Company, or are in the process of establishing of cooperation with the Company
16. Anti-Corruption Policy or the Policy – the present Anti-Corruption Policy of Cyfrowy Polsat S.A.
17. the Company – Cyfrowy Polsat S.A.

### **General principles of the Company's anti-corruption activities**

1. The Company's intention is to run its operations in accordance the highest standards of ethical conduct, which include in particular respect for the law. The will to respect the law and the adopted ethical values mean total lack of tolerance for any form of corruption, including by using bribery, in order to achieve the Company's goals.
2. Moreover, the following behavior, having the nature of corrupt practices, is not accepted:
  - 1.1. intentional, incompliant with the adopted principles disposal (use) of any of the Company's assets,
  - 1.2. entering into agreements with the entities with regard to whom there exists certainty or suspicion that they expect undue benefits in return for signing the agreement,
  - 1.3. nepotism, cronyism,
  - 1.4. any form of favoring anyone in order to obtain undue benefits,
  - 1.5. non-observance of the order to avoid conflict of interests or non-disclosure of existing conflict of interests in any situation when avoidance of the conflict was possible.
3. In the event of doubt, one should recognize that the Company does not tolerate corruption in the broadest sense of the term, i.e. it does not tolerate any malpractices associated with accepting, promising or presenting any undue financial or personal benefits which could emerge in connection with the Company's operations, or to the disadvantage of the Company's operations, or in the Company's business environment.

4. Prevention of corruption and corrupt practices is implemented by means of preventive actions as well as detection and proper response to the discovered irregularities. At the same time, the formula of the anti-corruption system and its proper functioning are verified systematically and modified as needed.
5. The following are considered by the Company as particularly important preventive actions:
  - 5.1. delegating persons with relevant experience and sense of responsibility to the tasks in the areas exposed to risk of corruption,
  - 5.2. employing, across all the aspects of activities, of the “glass walls” principle, i.e. maintaining the transparency and the decision-making process that are relevant for the given type of activity,
  - 5.3. employing, across all aspects of activities, the “four eyes” principle, i.e. the principle of the employees complementing one another in the decision-making process.
6. The Company considers the following factors as particularly important in the process of identifying cases of corruption and corrupt conduct:
  - 6.1. organizing an effective system which will enable reporting of suspected cases of corruption or corrupt conduct,
  - 6.2. effective protection of the persons reporting suspected cases of corruption or corrupt conduct
  - 6.3. identification and response to the so-called red flags, that is the symptoms of behavior and events which should serve as a warning of existence of potential threats to ethical functioning of the organization.
7. Response to confirmed cases of corruption or corrupt conduct must be adequate to the type of the offence, the amount of financial loss, the value of image-related harm caused to the Company by the perpetrator’s activities, the degree in which the perpetrator is willing to cooperate in eliminating all the negative consequences of their acts.
8. The method of investigation and the response to the confirmed cases of corruption or corrupt conduct assume equality of all in respect of the defined principles, irrespective of such persons’ position/role in the organization.
9. The Compliance Officer for Prevention of Corruption has been named by the Company to resolve all doubts associated with assurance of proper functioning of the corruption preventing system..
10. The Compliance Officer for Prevention of Corruption shall be responsible for planning and implementation of the training related to prevention of corruption. The fulfillment of this obligation is subject to annual reporting.

## **Role of the Management Board and of the managers in the Company's anti-corruption activities**

1. Creation of a highly ethical business culture is possible only with the involvement of the Company's Management Board and its managers.
2. The Company expects that the Management Board and the managers will demonstrate visible and active attitude by promoting principles of honesty, transparency and responsibility, which will inspire ethical conduct among the employees.
3. The Management Board has overall responsibility for the implementation and supervision of observance of the Anti-Corruption Policy and for the adequacy of the Policy's provisions to the scope of the Company's business operations.
4. The Management Board's activities are focused on assuring effective operation of the anti-corruption system and should prevent emergence of any factors that are considered as fostering corruption, including:
  - 4.1. insufficiently active attitude of managers when promoting ethical business,
  - 4.2. pressure for achievement of results,
  - 4.3. lack of procedures,
  - 4.4. lack of training,
  - 4.5. low awareness,
  - 4.6. lack of supervision and control.

## **Special principles of conduct in the areas with high risk of corruption**

1. The following areas are considered to be particularly exposed to corruption and corrupt practices:
  - 1.1. concluding of agreements, including through inviting tenders or participation in tender procedures,
  - 1.2. marketing and promotional activities,
  - 1.3. hiring of employees, determining employees' compensation and awarding of benefits,
  - 1.4. activities associated with financial matters and financial reporting,
  - 1.5. activities of proxies and representatives of the Company,
  - 1.6. security of the information which is protected by law and which constitutes business secrets.
2. The following principles shall be observed to mitigate the risks in the areas of operations which are particularly exposed to occurrence of corruption and corrupt conduct:
  - 2.1. When concluding agreements, including as a result of inviting tenders or participation in tenders:

- 2.1.1. None of the agreements concluded by the Company may have the purpose of bringing undue benefits to any of the parties to the agreement, or to any other party.
  - 2.1.2. Influencing the course of a tender or a procurement process, as well as obstructing such a process in any manner, or preventing it in order to obtain undue benefit is prohibited.
  - 2.1.3. Persons acting on behalf of the Company are obliged to provide the content of the Policy to a future contracting party, prior to signing the contract, or to indicate the location where the Policy is published, place a corruption prohibiting clause in the contract, and moreover obtain, from the contracting party, a declaration confirming that the contracting party has become acquainted with the Policy and commits to adhere by its principles.
  - 2.1.4. Anti-corruption clause shall contain the assurance and the commitment stating that no part of the compensation on account of implementation of the contract will be used to cover the cost of conferring, by any of the parties to the agreement, of any undue financial or personal benefit to anyone.
  - 2.1.5. In justified cases the anti-corruption clause may contain a provision giving the Company the right to conduct an audit of compliance of implementation of the contract with the provisions of the anti-corruption clause.
  - 2.1.6. Refusal to sign the anti-corruption clause is synonymous with refusal to sign the contract. A contract which has been signed without signing the anti-corruption clause or without the anti-corruption clause being included shall be invalid.
- 2.2. The following principles shall be observed in marketing and promotional activities:
- 2.2.1. Obligated Entities whose duties include managing of marketing and promotional activities of the Company, are prohibited from indulging in any activities which are not justified by marketing or promotional goals of the Company but which have the purpose of conferring any undue benefit to any party.
  - 2.2.2. Obligated Entities whose duties include determining of budgets and plans of marketing and promotional activities are forbidden from setting goals, determining forms of activity, and accepting financial parameters which are not justified by the Company's needs or market conditions but which have the purpose of conferring undue benefits to any party.
  - 2.2.3. Handing of or promising any undue benefits in return for concluding a transaction related to marketing and promotional activities of the Company is prohibited.

2.3. The following principles shall be observed in the process of hiring, determining the remuneration and awarding benefits to an employee:

- 2.3.1. Any behavior having the nature of nepotism, cronyism or favoring of anyone is prohibited.
- 2.3.2. The processes of hiring, determining of the remuneration and awarding of benefits shall be carried on the basis of and in accordance with the procedures valid in the Company.
- 2.3.3. Waiver of the valid procedures is possible only in the situations indicated in these procedures as permitted exceptions, or only on the basis of the decisions of the persons duly authorized to take such decisions. Decisions to waive the procedure should be made only in the event of extraordinary circumstances that are justified by important interest of the Company or by important social interest.

2.4. The following principles shall be observed in the activities related to financial matters and financial reporting:

- 2.4.1. Obligated Entities are forbidden from using own funds or the Company's funds for the purpose of accomplishing of any goals prohibited by the law or from achieving the goals in manner which is illegal or contradictory to the principles of the present Policy.
- 2.4.2. Use of any of the Company's assets in a deliberate manner which is contradictory to the principles adopted in the company is prohibited.
- 2.4.3. Obligated Entities which are bound by the duty of keeping the Company's financial documentation should keep the aforementioned documentation, including the ledgers, in a manner that is compliant with the law and reliably, while documenting on an on-going basis all the events in a manner which properly reflects the course of all financial transactions.

2.5. The following principles shall be observed in the activities of the proxies and the Company's representatives:

- 2.5.1. Entrusting of management of the Company's matters to a proxy or a representative should be preceded by reliable verification of the skills and the experience of a candidate in the context of their usefulness for the Company, in particular verification of whether the candidate has not been validly sentenced for corruption, or if there are no penal proceedings currently undergoing against the candidate on charges of corruption.
- 2.5.2. The Company's proxies and representatives are prohibited from handing any undue benefits or promising such benefits in return for a positive influence on finalization of any business for the Company.
- 2.5.3. The Company's proxies and representatives are prohibited from accepting any undue benefits in return for gaining influence on the



manner in which they fulfill their duties as a Company's proxy or representative.

2.6. The following principles shall be observed in the area of security of the information which is subject to legal protection and which constitutes company secret information:

2.6.1. Elimination of corruption and of corrupt conduct is an indispensable element of the information and business secrets security system.

2.6.2. The area of security of the information which is subject to legal protection and which constitutes company secret information shall be subject to reviews, conducted at defined frequency and scope, with an aim of supporting the management and protection of the resources. Such reviews shall account for the resistance of the resource-protecting systems to corrupt practices.

2.6.3. In the area of security of the information which is subject to legal protection and which constitutes company secret information, the Company identifies an additional, comprehensive set of "red flag" warnings.

3. All the areas demonstrating higher risk of occurrence of corruption and corrupt practices shall be covered by an inspection program and a dedicated training program.

### **Reporting of suspected cases of corruption and corrupt conduct**

1. Obligated Entities have the duty of immediately reporting all the cases of suspected corruption or corrupt conduct while observing the principles laid down by the Procedure of Reporting Cases of Internal Offences and Follow-up Actions.
2. Cases of corruption or corrupt conduct in the Company or of any conduct causing loss to the Company can be also reported by other entities who are aware of such situations.
3. No reported case of suspected corruption or suspected corrupt conduct shall be left without being reviewed and without adequate actions being taken, if confirmed.
4. No retaliatory actions or attempts of retaliatory actions, or threat of such actions may be made against a person who reported violation of the law or of the principles of the Policy.
5. The condition for granting protection to the person reporting suspected corruption or corrupt conduct, as per Procedure of Reporting Cases of Internal Offences and Follow-up Actions, is for the reporting person to be acting in good faith.
6. If the reporting person acted in bad faith, being aware that the reported information is not true, then such a person will face the responsibility for harm

caused by their action, based on the general principles stipulated by the Civil Code.

## **Consequences of non-observance of the provisions of the Anti-Corruption Policy**

1. Depending on the circumstances, non-observance of the principles of the Anti-Corruption Policy by the Obligated Entity may result in refusal to sign an agreement or termination of the agreement binding the Obligated Entity with the Company, without the Obligated Entity's right to receive any compensation.
2. Every time when the sanction indicated in item 1 above is applied, the Company will request the Obligated Entity who did not observe the principles of the Policy to provide explanations and to eliminate, from its operations or from the operations of the entities for which the Obligated Entity is responsible, any behavior leading to such a violation.
3. Violation of the principles of the Policy by an employee, especially by a member of the Company's management, may result in disciplinary actions, including termination of the employment contract or the managerial contract with immediate effect, without observing the notice period.
4. The Company will act impartially, reliably and with a common sense when assessing the degree and the nature of violation of the principles of the Policy, while accounting for all the circumstances which influence the assessment of a given situation.

## **Final provisions**

1. The Anti-Corruption Policy is an element of the Company's system of business ethics and it should be interpreted and applied together with other regulations related to the system of business ethics. Observance of the principles of the Policy does not release one from observing the law.
2. The Policy is published on the Company's Internet website: <https://grupapolsatplus.pl/pl/odpowiedzialny-biznes> as well as on the following corporate Intranet websites <https://gkcp.sharepoint.com/> and <http://onlineinfo/dokumenty/>.
3. Compliance Officer for Prevention of Corruption is the party responsible for maintaining the compliance of the Policy with the law and for its publication. The Policy should be subjected to a review process once every two years and it should be updated on the basis of the results of such a review and of the Company's requirements.