

AB Group's Supplier Code of Conduct

*AB Group's Supplier Code of Conduct adopted by Management Board
Resolution No. 8/2022 dated December 2, 2022.*

The resolution, signed by the full Management Board, became effective on the date of adoption.

INTRODUCTION

AB Group is a leading IT and consumer electronics distributor in the CEE region in terms of turnover and number of customers. With direct operations in CE countries, we are a strategic distribution partner for most of the world's new technology manufacturers.

AB Group aims to develop long-term relationships with suppliers. We strive to bring products to market efficiently, with the right level of support for channel partners and end users. Our goal is to build relationships in a sustainable way. We believe that it is essential to consider the long-term needs of suppliers, trading partners and end users when developing any relationships.

We want our activities, principally oriented on commercial matters, to also comply with applicable laws and social norms. Through this, we are building a strong business foundation for our and our suppliers' growth. The Supplier Code sets standards for mutual cooperation, in accordance with relevant legal regulations and standards of a society.

ENVIRONMENTAL

1. Environmental Protection

We expect the supplier to act in accordance with accepted environmental protection laws.

- We expect the supplier to implement procedures to ensure compliance of the operation with accepted regulations on the use of natural resources.
- The supplier should ensure safe conditions for the transportation of raw materials and goods, especially those that are hazardous to the environment in case of accident or damage.
- We expect the supplier to implement changes toward a closed-loop economy, including the use of packaging that can be reused, recycled and that is derived from recycled raw materials.
- The supplier should strive to design and manufacture products in a way that reduces their environmental impact, including environmental impact during use.
- The supplier should follow trends and developments in environmental technology to maximize the effects of its own positive actions in this regard.

SOCIAL

1. Employees' health and OHS

Keeping healthy and safe working conditions for suppliers is crucial for stable development of cooperation.

- We do not tolerate or condone situations where supplier employees seek to accomplish business objectives at the risk of life or health.

- We require subcontractor companies working at AB Group sites to follow AB Group's adopted and lawful health and safety rules, including adequate work clothes and tools.
- We expect suppliers to train their employees in health and safety comprehensively.
- We expect suppliers to be supportive and cooperative if we see a legitimate need to audit a supplier's compliance with occupational health and safety.

2. Labour and human rights

AB Group identifies with a universally accepted catalog of human and worker rights and expects the same from its suppliers.

- AB Group observes the following international standards:
 - The Universal Declaration of Human Rights enacted by the UN General Assembly;
 - International Labour Code - Conventions and Recommendations of the International Labour Organization.
- We expect suppliers to adhere to their employment contracts with employees, including to pay wages on time and in accordance with the contract as to amount.
- We do not accept any discriminating behaviors of suppliers who discriminate employees on the basis of gender, disability, religion, age, ethnic or social origin, marital status, sexual orientation, and other aspects protected by law according to the jurisdictions relating to us.
- We do not accept slavery, forced labour and child labour below the legally accepted age.

GOVERNANCE

1. Anti-corruption rules

Supplier will not engage in breaking the law through corrupt behavior

- Employees of the supplier will not offer or accept any benefits in exchange for illegal conduct.
- Employees of the supplier will not offer any benefits to employees of other organizations in exchange for activities that are not in the interest of those organizations
- Specific rules are regulated in the AB Group's anti-corruption policy.

2. Tax rules

Supplier will not engage in illegal forms of tax evasion.

- We expect the supplier to legally declare and pay taxes to the competent authorities.
- Supplier should train employees not to assist third parties in illegal tax evasion.

- We expect the supplier to inform the AB Group of any suspicious tax activities undertaken by partners who work with the AB Group.

3. Confidentiality of information and privacy protection

Supplier shall not misuse any confidential information and shall process any personal data in compliance with applicable laws.

- We expect the supplier to maintain confidentiality with respect to the information it has received as confidential from us.
- If confidential information is mistakenly shared with a third party, the supplier will immediately inform us of this fact, and will endeavor to have the third party delete the information received.
- We do not expect the supplier to provide us with information that is considered confidential under agreements with third parties.
- A supplier who processes personal data under a contract with an AB Group company should train employees to use the data only for the purpose specified in the contract.
- The supplier should implement adequate security on the IT side to protect against unauthorized access to data.
- In the event the personal data received from us leak from the supplier's infrastructure, the supplier must notify us immediately and act in accordance with the reporting obligations of such incidents required by law.

4. Protection of competition and intellectual property

Supplier is obliged to comply with relevant competition and intellectual property protection laws.

- We expect the supplier to train its own employees on applicable antitrust laws.
- The supplier will not engage in the sale of goods or services that intentionally or explicitly infringe on intellectual property.
- We expect the supplier to use trademarks and product designs that it has legally obtained.

5. Product quality

Products purchased from the supplier and placed on the market should be safe to use and meet the requirements set by law.

- We expect the supplier to provide product documentation, confirming the safety of its use according to legal requirements.
- If the supplier discovers a product defect, it is mandatory to immediately inform and assist us in correcting the product defect or in performing the recall procedure.

- The supplier will work with the AB Group to improve quality and customer satisfaction in the use of products and services.

6. International sanctions

Supplier is obliged to comply with sanctions in accordance with regulations adopted in the country of operation and in countries to which it supplies products, services and technologies.

- We expect the supplier to implement appropriate internal controls to prevent the practice of knowingly or unknowingly going against the systems of bilateral or collective sanctions regulations.

7. Conflict minerals

AB Group does not engage in the sale of products containing conflict minerals.

- The supplier should implement a system of control of the origin of minerals with the purpose of preventing conscious or unconscious violation of regulations in force in the European Union prohibiting the use of minerals from conflict areas.

FINAL PROVISIONS

In the case of acquiring credible information about the conduct of a supplier or its employee that does not comply with the standards contained in the Code, please contact us through the e-mail box esg@ab.pl.