

Group Vendors Due Diligence Principles



1. Introduction

The purpose of these Group Vendors Due Diligence Principles (hereinafter “the Group Principles”) is to outline the rules and guidelines that govern the procurement processes within CTP Group, with a focus on Compliance, Health & Safety, and Environmental, Social, and Governance (ESG) aspects. These principles are designed to complement and align with our Code of Conduct, Suppliers’ Code of Conduct, and Anti-Bribery and Corruption Policy and other applicable company policies.

2. Scope

These principles apply to all employees, contractors, and other external staff (hereinafter “CTP Staff”), who are engaged in procurement activities on behalf of or for CTP in all jurisdictions where CTP operates.

While these principles serve as a broad framework for procurement activities across all jurisdictions, it's important to note that more detailed or nuanced guidelines may exist in local procurement policies. These local policies are designed to adapt to jurisdiction-specific legal requirements, market conditions, and other factors. CTP Staff are required to refer to and adhere to the local procurement policies relevant to their operating jurisdiction, in addition to these Group Principles, to ensure full compliance and effective implementation.

3. General Principles

1. Vendor Approval and Selection

- 1.1. A list of potential suppliers is approved based on contractual status, market knowledge, and our previous experience with the supplier.
- 1.2. The number of suppliers is chosen to ensure adequate competition and market options.
- 1.3. For new suppliers, basic company details are reviewed (e.g., annual turnover, employee numbers) to determine if they meet the necessary criteria for project execution. Criteria include:
 - 1.3.1. Minimum of 2 years of establishment or approved by Group AML Compliance Officer and Country CEO
 - 1.3.2. Annual turnover proportional to the scope of the project
 - 1.3.3. At least one reference project of similar scope

1.3.4. Personnel capacity suitable for the project

1.4. For new suppliers, the Group AML Compliance Officer performs a preliminary screening in the company database, aligned with the Suppliers' Code of Conduct, and approves the supplier in writing (see 4.3 further).

2. ESG Requirements

All suppliers are subsequently asked to provide the following:

- 2.1. Compliance with the Occupational Health and Safety Management System (ISO 45001/other)
- 2.2. A documented Occupational Health and Safety Policy
- 2.3. Documented overall and final responsibility for health and safety within the organization; provisions specified in Annex I shall be incorporated into the agreement.

New companies will be additionally asked for the following documents or statements:

- 2.4. Confirmation of compliance with Occupational Health and Safety standards (ISO 45001 or suitable alternatives). Proof of certification is required.
- 2.5. Evidence of a well-documented Occupational Health and Safety policy. Proof of certification is required.
- 2.6. Identification of the individual with comprehensive and final accountability for Occupational Health and Safety. Documentation of their name, position, and email address is necessary.
- 2.7. Documentation of Environmental Product Declaration (EPD) materials.
- 2.8. Certification for Environmental and Sustainability Standards, including EFC, ISO 14001, and ISO 6001.

3. Compliance

- 3.1. All processes, activities, and obligations must meet the relevant legal requirements and criteria defined either globally, regionally, or locally by CTP.
- 3.2. CTP expects suppliers to act in alignment with our values, especially concerning sustainability. They are required to comply with applicable laws, standards, and conditions outlined by CTP, including occupational health and safety, fire protection, and environmental legislation.
- 3.3. CTP has established a Supplier Check Process to ensure that our partners meet a minimum standard of conduct with respect to our ESG principles. The following are monitored:
 - Adverse media
 - Sanctions lists
 - Enforcement data
 - Human rights
 - PEP (Politically Exposed Persons)
 - SOE data (State-Owned Enterprises)
 - Other negative information

These checks are performed by the Compliance Department, who evaluates the findings, determines the level of risk, and approves or rejects the counterparty.

4. Reporting irregularities

4.1 Whistleblowing Channel

CTP maintains a confidential anonymous whistleblowing channel. The channel allows CTP Staff and third parties, including suppliers, to raise complaints or concerns on non-compliance with our Group Code of conduct, respective policies and ethical standards, to report fraudulent behaviour or to seek advice in compliance matters.

All reports delivered through this channel will be handled fairly, properly and without undue delay. The whistleblowing channel is anonymous. However, providing one's name and contact details will help to get more details if necessary and improve the investigation. CTP is committed to protect whistleblowers submitting disclosures in good faith against retaliation. All whistleblowers will be treated with respect, dignity and confidentiality.

For further details, please consult our Whistleblower Policy available on our website.

4.2 Whistleblowing contact details

EMPLOYEES AND THIRD PARTIES CAN RAISE CONCERNS VIA

	e-mail address: whistleblowing@ctp.eu		post mail or personal visit: CTP Invest, spol. s r.o. Group AML & Compliance Officer Národní 135/14, 110 00 Prague, Czech Republic
	hot line: (+420) 607 287 287		External independent web application FaceUp. https://www.report.faceup.com/en/ (Password FACEUP)

ANNEX I: Health & safety issues to be included in agreements (with consultants, contractors, and suppliers)

1. Appointed Contractors shall adhere to local health & safety best practices and fulfil local legal obligations.
2. The Contractor shall adhere to the Health & Safety programme agreed upon and approved by CTP, if such has been established.
3. The Contractor shall appoint a dedicated individual as the Health & Safety representative for the selected project.
4. Employees of the Contractor and all persons present at the construction site are required to possess and utilise personal protective equipment, specifically safety helmets, reflective vests, and safety shoes of class S3. Additional protective equipment must be used in accordance with identified hazards (e.g., protective glasses, gloves, goggles, ear protection, masks, fall arrest systems, etc.).
5. Health & Safety Reviews must be carried out at least once a week.
6. Health & Safety audits may be conducted by the Client or appointed third parties at the premises of consultants, contractors, suppliers, and their subcontractors/sub-suppliers to verify compliance with requirements. The Contractor hereby consents to the performance of Health & Safety audits by CTP at the Contractor's premises as well.
7. CTP and its appointed representatives reserve the right to halt any activities deemed hazardous to the life and health of employees. In such instances, the Contractor is obligated to immediately rectify the situation. Should the Contractor fail to make improvements, CTP reserves the right to impose contractual penalties.
8. The Contractor shall ensure that all employees and subcontractors engaged in the work covered by the contract are familiarised with on-site health and safety standards. This will be confirmed through written statements from these individuals.
9. All accidents within construction sites involving injuries to personnel belonging to contractors and suppliers must be reported to the Client.
10. Fatalities must be reported immediately to the CTP Project/Site Manager. Information required to complete the Fatal Accident Protocol shall be provided to CTP upon request.
11. The Contractor shall submit monthly Environmental Health & Safety (EHS) reports for the project to CTP, in accordance with the submitted templates.

Health and Safety Indicators Monthly Data Collection Template

Month:			Date of report:	
CTP Project name:		Site manager:		
CTP project manager:		EHS Inspector:		
Indicator	Definition	Result	Comment	Signature
LTI – Lost Time Injury	Number of incidents that result in a disability or an employee missing work due to injury.			
Number of Man-hours	Total number of workers × Total number of hours worked in a day × Total number of days worked over month.			
Number of Fatalities	Number of work-related fatal cases.			
Number of Near Misses/Dangerous Occurrences	An unplanned event which did not result in injury, illness, or damage but had the potential to do so.			
Number of days lost due to injury/illness.	Number of days lost due to work-related injury/illness.			