Confidentiality level:

HPB - PUBLIC

HRVATSKA POŠTANSKA BANKA, p.l.c.
Division for Strategic Development and Business Transformation
Jurišićeva ulica 4, HR-10000 Zagreb

SUPPLIER PRINCIPLES

Hrvatska poštanska banka p.l.c. (hereinafter: the Bank) upholds high ethical standards in business, aligned with all applicable laws and regulations of the Republic of Croatia and the European Union, the prevailing standards of the financial market, and the Bank's internal regulations. The Bank expects its suppliers to fully align with these ethical values and objectives.

The Bank's environmental, social, and governance (ESG) impact is framed by the 17 United Nations Sustainable Development Goals (SDGs). While the Bank supports all 17 global goals, it recognises its strongest influence in the following areas:

SDG 3 Ensure healthy lives and promote well-being for all at all ages

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

SDG 5 Achieve gender equality and empower all women and girls

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

SDG 12 Ensure sustainable consumption and production patterns

SDG 13 Take urgent action to combat climate change and its impacts

The Bank has adopted a Code of Business Ethics founded on principles of corporate social responsibility. These principles are also embedded in this Supplier Principles document (hereinafter: the Principles).

The Principles set out the fundamental values and expectations that the Bank places on all suppliers who have, or seek to establish and maintain, a long-term business relationship with the Bank. The document also provides references to relevant positions and policies concerning the Bank's supplier base.

By adhering to these Principles, suppliers agree to:

- Comply with all applicable laws of the Republic of Croatia, relevant regulations, rules, ordinances, licences, approvals, directives, standards, prohibitions, and sanctions as prescribed by EU regulatory authorities, as well as all other requirements covered by these Principles

- Maintain up-to-date and valid documentation related to the performance of their business activities
- Regularly monitor and verify the status of their organisation and affiliated entities, including beneficial owners and legal representatives, against applicable sanctions lists published by the EU and other competent authorities

- Communicate openly and transparently with the Bank on any areas requiring improvement, and promptly notify the Bank in the event of non-compliance with these Principles, or any occurrence that may impact adherence to applicable contracts for the delivery of products and services

• Grant access, upon request, to the Bank's internal auditor or an authorised external auditor, for the review of documentation, premises, or operations related to these Principles

• Commit to applying the ethical and socially responsible business practices outlined herein to third parties throughout the value chain involved in supplying products and services to the Bank

Ethical Principles[1]

• By complying with the Principles, the recipient undertakes to act in compliance with the principles of responsibility, truthfulness, efficiency, transparency, quality, good faith and observance of fair business practices towards the Bank as a business partner, business and social environment and their employees

• By complying with applicable legislation, each business entites are expected to adhere to applicable legislation and uphold ethical principles in their commercial conduct

• In their mutual business activities, companies shall abide by the principle of reciprocity which implies the right to mutually determined benefits from the performed activities

• Unfair patterns of competition are not allowed, for example dumping, unethical obtaining of information on competitors and dissemination of any, especially untrue, information

• Unfair forms of cooperation with competitors are not allowed, such as activities related to price fixing, market sharing, boycott of customers or suppliers, controlling outputs, or any form of secret collusion to gain a privileged market position

• Products and services must be developed and placed on the market in a socially and environmentally responsible manner

• The development, production, and distribution of products and services must not have an unlawful or adverse impact on society or the natural environment

• Failure to comply with these Principles does not relieve other stakeholders in the business process of their obligation to act in accordance with ethical standards

• The recipient of these Principles shall not undertake obligations that they knowingly cannot fulfil

• Bank suppliers are required to provide information about their operations to business partners, government bodies, or the public when such disclosure is mandated by law, contract, or a legitimate public interest

• The deliberate provision of false or misleading information intended to deceive business partners or the public is strictly prohibited

• Suppliers must not abuse the Bank's trust or take advantage of any lack of experience, knowledge, or good faith

• When entering into contracts with the Bank, suppliers shall ensure that contractual provisions are clear, precise, and not open to interpretation contrary to the true intent of the parties

• Products and services must meet declared quality standards and be safe and suitable for their intended use

• It is strictly forbidden to conceal any known adverse effects of a product used by the Bank, or to misrepresent any material characteristic of such products in any way

[1] The ethical principles outlined below are consistent with the provisions of the Bank's Code of Ethics.

● Suppliers are required to respond to the Bank's inquiries, comments, and complaints within the time frame specified in the contract

● Business partners may exchange appropriate gifts or courtesies that are customary within the business environment, provided such exchanges are in accordance with the Bank's Conflict of Interest Management Policy, publicly available at www.hpb.hr. However, the acceptance of such gifts or courtesies must not influence business decisions or create an unfair competitive advantage

● The form and value of gifts or courtesies must comply with applicable laws and accepted business practices

● Recipients of these Principles undertake to resolve any disputes amicably, through negotiation and voluntary settlement, or by fulfilling obligations voluntarily

● The use of insider information and the misuse of confidential data is strictly prohibited

● Export and trade compliance: Suppliers must not supply the Bank with any materials, products, services, software, or technical data originating in, or otherwise procured directly or indirectly from, any country, territory, individual, or entity subject to sanctions or export control regimes, including, but not limited to, those imposed by the United Nations, United States, Israel, United Kingdom, Canada, and the European Union, where the receipt or transfer of such items by the Bank would constitute a breach of such regulations

● Suppliers must maintain effective business controls, ensure accurate reporting, and retain complete and truthful records in accordance with international accounting standards

● Data integrity: All documentation submitted to the Bank must be complete, accurate, and consistent

● Suppliers must actively encourage employees to report concerns or unlawful conduct in the workplace without fear of retaliation, intimidation, or harassment, and must ensure proper investigation and corrective measures are taken where necessary

● Should a supplier be offered, or become aware of, counterfeit, illegally diverted, or stolen products within their supply chain that could impact the goods or services provided to the Bank, the supplier is obliged to notify the Bank immediately

● Suppliers who believe that any employee of the Bank—or any person or entity acting on behalf of the Bank—is engaging in unlawful or inappropriate conduct must report such concerns without delay through one of the following channels:

a) By email, to the designated address: antikorupcija@hpb.hr, which is accessed solely by the Bank's Designated Person for Irregularities and their Deputy.

b) By post, addressed to: Hrvatska poštanska banka p.l.c., Jurišićeva ulica 4, 10000 Zagreb, Irregularity Report – marked for the attention of the Designated Person for Irregularities or their Deputy (authorised to open such correspondence)
Suppliers who believe that a Bank employee, in their dealings with colleagues, clients, suppliers, competitors, institutions, shareholders, or the general public, is not adhering to ethical principles based on moral values, fairness, integrity, conscientiousness, or professional conduct, are obliged to report the matter without delay:

a) By email, to the designated address: eticki.kodeks@hpb.hr, which is accessed solely by the Ethics Commissioner and their Deputy

b) By post, addressed to: Hrvatska poštanska banka p.l.c., Jurišićeva ulica 4, 10000 Zagreb, Ethics Code Violation Report – marked for the attention of the Ethics Commissioner or their Deputy (authorised to open such correspondence)

Labour Standards

Suppliers are expected to operate in full compliance with applicable labour laws, ethical employment practices, and procedural standards. Under no circumstances may suppliers employ, engage, or otherwise benefit from bonded labour, forced labour, or human trafficking. Suppliers must monitor and ensure compliance with laws prohibiting forced labour in the country or countries in which they operate. This includes, but is not limited to, evaluating and requiring the same standards from their own supply chains. To that end, suppliers shall clearly communicate their policies on forced labour to all relevant stakeholders, including, though not limited to, employees, managers, supervisors, supply chain oversight personnel, and their own subcontractors and suppliers.

Suppliers are expected to uphold the following principles:

● Respect for the Universal Declaration of Human Rights, recognising it as a comprehensive framework for the protection of fundamental human rights

● Compliance with the International Labour Organization (ILO) Convention on the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, and its relevant provisions

● Provision of a workplace free from harassment, violence, discrimination, exposure to criminal activity, or inhumane treatment

● Promotion of inclusion and diversity in the workplace, in alignment with non-discrimination principles and the protection of employee dignity

● Wages, benefits, and working hours: Employees must be clearly informed of the basis for their compensation, the method of wage calculation, and all entitlements as required by local legislation. Any housing or accommodation provided by the supplier must meet relevant local standards

Occupational Health and Safety

The health, safety, and well-being of our employees, and of all workers within our supply chain, are critical to the Bank's operational integrity. Compliance with all applicable occupational health and safety laws represents the minimum standard that suppliers are required to meet. This includes maintaining safe and sanitary facilities, ensuring appropriate ergonomic working conditions, and providing employees with access to clean drinking water. The Bank encourages suppliers to develop and implement programmes that contribute to the improvement of workplace health and safety conditions. These may include, but are not limited to:

● Protecting employees from exposure to hazards and unreasonably strenuous physical tasks, and ensuring the provision and proper use of personal protective equipment (PPE), in accordance with all relevant laws, regulations, and safety requirements

● Emergency preparedness and response, including scenario planning and the implementation and maintenance of emergency plans and response procedures

● Providing access to hazard-related information, including data on pharmaceutical compounds and materials, and ensuring proper compliance and monitoring through appropriate documentation such as Safety Data Sheets (SDS)

● Occupational safety education and training, including practical instruction, as appropriate, for all employees on workplace safety, fire protection, and other safety measures as required based on the classification of their roles

Sustainable and Socially Responsible Business Practices

The Bank is firmly committed to the integration of environmental, social, and governance (ESG) factors across all areas of its operations and strategic activities.

Recognising sustainable development as a cornerstone of sound corporate governance and a driver of long-term competitiveness, the Bank considers economic advancement and environmental stewardship to be intrinsically linked. As such, sustainability and socially responsible business conduct are among the Bank's core strategic priorities.

Suppliers are encouraged to preserve natural resources, minimise the use of hazardous materials, and actively support waste reduction, reuse, and recycling efforts. In doing so, they are expected to adhere to the following principles:

● Implementation of waste management systems to ensure responsible handling of all waste materials - including wastewater and emissions - with processes for assessment, control, treatment, and reporting in full compliance with legal requirements, particularly where such waste poses risks to human health or the environment

● Making reasonable efforts to promote transparency and publicly disclose ESG data and targets in line with EU regulations, including information on greenhouse gas (GHG) emissions, energy and water consumption, and other relevant sustainability indicators

● Establishment of risk management systems aimed at identifying, assessing, and mitigating risks, including the development of business continuity and risk response plans

● Continuous improvement, through the setting of performance targets, implementation of action plans, and timely corrective measures to address deficiencies identified via internal and external audits, inspections, or governance reviews

Division for Strategic Development and Business Transformation

Sustainable Business Department, HPB, 2025