

## Human rights

Human rights: equality regardless of sex, prohibition of discrimination, freedom and personal inviolability, the right to privacy and protection of personal data and freedom of association and freedom of opinion are a reference point for Polish law and form the grounds for the activities relating to the employees' affairs also in the PKP CARGO Group.

102-12, 102-31  
PKP CARGO S.A. treats developing proper interpersonal relations and ethical behaviors in the working environment as a priority. Considerable attention is paid to monitoring and effectively fighting all instances of mobbing and other forms of employee discrimination through the introduction of a number of organizational, legal, informational and cultural measures.

There are **Anti-mobbing Committees** and **Trustees** at the Company's Head Office and Units, which employees can turn to on a confidential basis in any matter that involves undesirable behavior. The **Trustees** cooperate with the **Ethics Officer**.

The anti-mobbing principles found in the Labor Code have been reflected in adopted internal regulations, forming the core of the Company's anti-mobbing policy. The obligation to prevent mobbing has been introduced into labor bylaws of PKP CARGO S.A. organizational units.

Particular attention in the mobbing prevention policy is paid to preventive actions, especially as regards education and information. To this end, employees and especially managerial staff are trained and the issues of mobbing and protecting against instances of mobbing are included in OHS training. An e-mail address is also available to which instances of mobbing can be reported, and employees are kept informed on this topic via the PKP CARGO intranet site.

Employees can also report irregularities outside the organization's structures. To achieve this, the Company began to work with an external "Ethics Hotline" that allows anonymous reporting of mobbing instances as well as ethical irregularities and corruption, conducts explanatory investigations and organizes training.

The subsidiaries of PKP CARGO S.A. have implemented documents and rules containing regulations of the human rights. The Group plans to unify the internal documents and regulation within this area.

In 2018, no risks related to exploitation of child labor or risks of exploitation of forced labor were identified in the PKP CARGO Group. Moreover, in 2018, no cases of discrimination, mobbing or sexual harassment were recorded in the Group.

The Group give the employees:

## Freedom of association

### TRADE UNIONS IN THE GROUP IN 2016-2018

102-41

Item	2018	2017	2016
Number of trade unions in the Group (organizations)	179	174	172
Number of employees who are members of trade unions (persons)	17,973	17,637	16,937
trade union membership percentage ratio	76.0%	75.6%	73.0%

Source: Proprietary material

## Right to safe working environment

### NUMBER OF ACCIDENTS AND ACCIDENT RATIO IN THE GROUP IN 2016-2018

403-2

Item	2018	2017	2016
Number of accidents at work (cases)	239	236	205
Accident ratio (‰)	10.1	10.1	8.7

Source: Proprietary material

The PKP CARGO Group makes every effort to continuously increase the level of safety, with regard to the working environment as well as the cargo shipped. Usage of the fleet of unmanned drones resulted in increasing the safety level, as well as in a significant reduction of theft of the shipped cargo (by almost one-half).

In its day-to-day activities, the Operating Group uses Unmanned Aerial Vehicles (hereinafter referred to as UAVs) to increase the range of its observations in the field. This also allows observation of locations where theft may occur outside of the Operating Group's region. UAVs make it possible to catch the perpetrators because their escape routes can be followed with the drones.

- A security audit of the areas belonging to PKP CARGO or used by PKP CARGO pursuant to an agreement with other Group companies. An analysis of the processed materials collected by UAVs and a security audit from the point of view of the infrastructure located in the audited areas;
- Prevention activities conducted in the sites of PKP CARGO units;
- Increasing the number of UAVs in the fleet in response to bigger demand for utilization of the technology in various areas managed by PKP CARGO;
- Utilization of UAVs fitted with an RGB camera (which allows observation during the day) or a thermal vision camera (which allows observation during the night) to monitor train routes.