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POLICY

of STARA PLANINA HOLD Plc AND THE COMPANIES IN THE GROUP AGAINST CORRUPTION

I. Introduction

Stara Planina Hold Plc is a leading Bulgarian public company with nearly 30 years of history that unites industrial enterprises from mechanical engineering, electrochemistry, finance, perfumery and cosmetics and textile industries.

Stara Planina Hold Plc is a parent company and its economic group includes subsidiaries and associated companies.

The corporate policy of Stara Planina Hold Plc is based on responsible, sustainable and transparent management in accordance with the recognized standards and principles of good corporate governance, with the changes in the regulatory, financial and economic environment in which the companies of the group operate and with the principles of corporate social responsibility, reflecting the responsibility of enterprises for their impact on society, the environment and the economy as a whole.

This Anti-Corruption Policy (the Policy) is an expression of the principles adopted by Stara Planina Hold Plc and the companies in the Group for the implementation of responsible, ethical, sustainable and transparent business in accordance with the highest standards of good corporate and socially responsible management.

Stara Planina Hold Plc and the companies in the Group oppose and do not tolerate any forms of corruption and illegal actions and practices, do not offer, do not give or do not accept bribes and do not carry out any corrupt or other illegal actions in their relationships with state or municipal authorities, non-governmental organizations, business partners, persons employed in the companies.

Stara Planina Hold Plc and the companies in the Group do not tolerate such behavior on the part of the persons employed in the companies, their business partners and state or municipal authorities, as well as on the part of all persons with whom they have business relations.

Stara Planina Hold Plc and the companies in the Group do not tolerate any activity that may be related to money laundering or illegal financing.

The Anti-Corruption Policy is part of the overall Policy of Stara Planina Hold Plc and the companies in the Group for Sustainable

Development and has been prepared based on the principles and recommendations of the following leading global agreements:

- The United Nations Global Compact ("Global Compact") (UN GC)
- The United Nations Sustainable Development Goals (UN SDG)
- The Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, which include the principles of good corporate and socially responsible governance as a means of contributing to sustainable development.

The Policy shall be applied in addition to and in accordance with the Code of Ethical Conduct, the Whistleblowing Rules and all other internal corporate rules and policies of Stara Planina Hold Plc and the companies in the Group and based on the current Bulgarian anti-corruption legislation.

If some of the requirements of this Policy are less restrictive than the current legislation, Stara Planina Hold Plc and the companies in the Group shall comply with the more restrictive current regulatory provisions.

II. Objectives and scope

This Anti-Corruption Policy aims to:

- clearly express the commitment of Stara Planina Hold Plc and the companies in the Group to prohibit and prevent all forms of corruption and to ensure compliance with applicable anti-corruption regulations;
- formulate the forms of corrupt behavior and provide instructions to employees of Stara Planina Hold Plc and the companies in the Group and all external stakeholders on what steps they should take in case they become the subject of or witness corrupt behavior;
- impose a model of behavior and set guidelines for identifying, reporting and preventing potential corrupt acts and practices, fraud, irregularities and abuses;
- ensure that all established corrupt acts, as well as any reasonable suspicion of corrupt acts, will be addressed fairly and objectively.

This Policy shall apply to all members of the management bodies, operational managers and employees of Stara Planina Hold Plc and the companies in the Group in internal relations, as

well as in relation to their relationships with representatives of state and local administration, political parties and public organizations, politicians and public figures, media, suppliers, clients, consultants, subcontractors and other business partners.

Employees at all levels of Stara Planina Hold Plc and the companies in the Group are familiar with the Policy. Upon conclusion of an employment contract, as well as upon the emergence of other types of legal relationships with third parties, this Policy is provided for their familiarization.

Measures are taken with respect to employees of Stara Planina Hold Plc and the companies in the Group who have violated the principles and rules set forth in the Policy and other internal corporate rules and policies related to legal and ethical behavior, including engaging their disciplinary responsibility.

Persons falling within the scope of this Policy are not entitled to offer, give, request or accept any personal payment, gift or service in exchange for more favorable treatment or for the purpose of obtaining a business advantage in an illegal manner, as well as to engage in any other form of corrupt behavior.

Persons falling within the scope of this Policy are committed to promoting it and informing third parties that for Stara Planina Hold Plc and the companies in the Group any forms of corruption, unethical and illegal business and professional behavior are unacceptable, by setting an adequate example with their behavior.

III. Basic principles

Zero tolerance for corruption

Stara Planina Hold Plc and the companies in the Group declare zero tolerance for any forms of corruption and other manifestations of unethical and/or illegal business and professional behavior.

Stara Planina Hold Plc and the companies in the Group do not allow manifestations of any form of corruption, unethical and illegal business and professional behavior by its employees and management, as well as by all third parties related to the activities of the companies.

Stara Planina Hold Plc and the companies in the Group guarantee that any reported behavior related to a possible act of corruption or other illegal business and professional behavior violating the provisions of this Policy will be assessed and, where appropriate, investigated, and disciplinary measures and all other actions will be taken in accordance with applicable regulations.

Commitment to fighting corruption

Stara Planina Hold Plc and the companies in the Group are committed to actively combating all forms of corruption and other manifestations of unethical and/or illegal business and professional conduct in the environment in which they operate.

Stara Planina Hold Plc and the companies in the Group strive to apply the highest ethical standards and good practices to combat corruption and other manifestations of illegal business and professional conduct, including by investing in training and awareness of employees and all their business partners.

Stara Planina Hold Plc and the companies in the Group reserve the right to refrain from relations with third parties when there are reasonable suspicions of a potential manifestation of a form of corruption or other manifestations of unethical and/or illegal business and professional conduct.

Obligation to comply with the regulation

In addition to the provisions of this Policy, the Code of Ethical Conduct and other internal corporate rules and policies related to legal and ethical conduct, Stara Planina Hold Plc and the companies in the Group are committed to complying with applicable regulatory provisions in the field of anti-corruption, as well as the highest ethical standards of business and professional conduct.

IV. Forms of corrupt behavior covered by the Policy. Definitions.

For the purposes of this Policy, the following definitions of corruption and forms of corrupt behavior have been adopted:

- *Corruption* – according to the Civil Convention on Corruption of the Council of Europe, ratified in Bulgaria in 1999, is: “...requesting, offering, giving or accepting, directly or indirectly, a bribe or any other undue advantage or the promise of such, which affects the proper performance of certain duties, or the conduct required of the person receiving the bribe, the undue advantage or the promise of such”. Corruption occurs when, because of the position held, the person abuses power, violates or fails to perform official duties to directly or indirectly obtain an undue material or immaterial advantage for himself or herself or for other persons. It includes not only the act itself of giving or receiving a bribe or committing another corrupt activity, but also the attempt to incite, incite and complicity in a corrupt act. These forms of conduct may lead to criminal prosecution of persons involved in corrupt activity.

- *Benefit* is any income in money or property, including the acquisition of shares or stocks, as well as the granting, transfer or waiver of rights, the receipt of goods or services free of charge or at prices lower than market prices, the receipt of a privilege, assistance, support, influence or advantage, the receipt or promise of a job, position, gift, reward or promise to avoid loss, liability, sanction or other adverse event.

- *Bribery* - the promise, offer or giving, directly or through an intermediary, of an undue benefit, regardless of its nature, to a person with the aim of him performing or refraining from performing an act in violation of his duties (active bribery);

- *The request or receipt*, directly or through an intermediary, of an undue advantage, regardless of its nature, or the promise of such an advantage to a person for him to perform or refrain from performing an act in breach of his obligations (passive bribery).

- *Money laundering* – a crime within the meaning of Art. 253 of the Criminal Code:

1. carrying out a financial operation or a transaction with property, or concealing the origin, location, movement or effective rights in property, which a person knows or believes to be the proceeds of a crime or other socially dangerous act;

2. acquiring, receiving, possessing, using, converting or assisting in any way whatsoever in the conversion of property which a person knows or believes at the time of receipt to have been obtained through a crime or other socially dangerous act;

- within the meaning of the Anti-Money Laundering Measures Act (AMLMA):

1. conversion or transfer of property, knowing that such property was acquired by a crime or by an act of participation in a crime, in order to conceal or disguise the illicit origin of the property or to assist a person who participates in the commission of such an act in order to avoid the legal consequences of that person's act;

2. concealment or disguise of the nature, source, location, disposition, movement, rights in or ownership of property, knowing that such property was acquired by a crime or by an act of participation in a crime;

3. acquisition, possession, holding or use of property knowing at the time of receipt that it was acquired by a crime or by an act of participation in a crime;

4. participation in any of the acts under items 1 - 3, association for the purpose of committing such an act, attempt to commit such an act, as well as aiding, instigating, facilitating or giving advice in committing such an act or its concealment;

5. Money laundering also occurs when the crime from which the property under items 1 - 4 was acquired was committed in another Member State or in a third country and does not fall under the jurisdiction of the Republic of Bulgaria.

- *Gray economy* (shadow economy) - economic activity that, regardless of whether it is legal or illegal, does not fall into national statistics and, accordingly, the goods and services produced by it are not considered when calculating the gross domestic product (GDP).

- *Abuse of official position* - the performance or failure to perform an act in violation of obligations by a person while carrying out economic, financial, business or commercial activities to obtain undue benefit for that person or a third party;

- *Misuse of property* - the negotiation, expenditure, appropriation or use, while carrying out economic, financial, business or commercial

activities, of any property, the management of which is directly or indirectly entrusted to a given person, in contradiction with the purpose for which it was provided and in violation of official duties;

- *Payment aimed at obtaining a certain facility* – offering, promising, soliciting, demanding, giving or accepting any payments or other forms of material benefit aimed at securing or accelerating the receipt of certain undue facilities or advantages;

- *Unregulated relations* with persons external to Stara Planina Hold Plc or the companies in the Group – offering/giving or requesting/receiving a bribe or engaging in any other form of corrupt behavior by or towards officials of national regulatory authorities or national revenue authorities, central and local authorities, law enforcement authorities, judicial and other competent authorities, media and journalists, persons or organizations that carry out inspections, audits or have other control functions, suppliers, subcontractors or clients, in order to influence the lawful performance of official, contractual, business or other professional activities or the objective content of acts or decisions and thus facilitate or lead to the receipt of undue benefit for the person committing the act;

- *Political donations* – offering and/or giving money to finance political parties or politicians, providing indirect benefits or providing gifts of high size and value and/or other forms of benefit that may lead to a risk to the donor's reputation, related to suspicion of influence peddling, illegal lobbying, making political or power decisions in his favor.

- *Conflict of interest* in the performance of official duties – a situation in which two or more competing interests related to the activities of Stara Planina Hold Plc and the companies in the Group are in conflict and impede the possibility of making objective and impartial business decisions or lead to the possibility of obtaining undue benefit;

- *Misuse of documents* and personal data – creation and use in an unregulated and impermissible manner by the regulatory and internal corporate acts of commercial, business, administrative, banking, financial and any other documents or personal data related to the activities of Stara Planina Hold Plc or the companies in the Group, including falsification, concealment or seizure, destruction, replacement with forged or untrue or other manipulation or distortion of facts to create a misleading and biased view of the factual situation, for the purpose of realizing a certain personal interest or creating undue benefit.

For the purposes of this Policy, any of the listed forms of conduct, as well as any combination of such forms of conduct, are considered corruption and are prohibited, regardless of whether they are carried out by, for the benefit of or against a member of a management body, an operational manager or an

employee of Stara Planina Hold Plc or the companies in the Group or by, for the benefit of or against a local or foreign person, a state or municipal employee or a private person acting on behalf of a company; regardless of the place of their performance and regardless of whether the result of the action leads to a real unjustified advantage or improper performance of a function or activity or to obtaining another improper advantage in the course of carrying out the activity.

Any unlawful disclosure of the identity of a person who has filed a report, or constituting a retaliation against such a person, is considered a violation of this Policy.

V. Standard of conduct

All members of the management bodies, operational managers and employees of Stara Planina Hold Plc and the companies of the Group are responsible for compliance with this Policy, the relevant internal rules and procedures and all applicable regulatory acts for combating corruption in the performance of their official duties, as well as in their professional relations with third parties.

All members of the management bodies, operational managers and employees of Stara Planina Hold Plc and the companies of the Group are obliged to know and respect in their official and personal conduct the principles and rules of this Policy.

By joining Stara Planina Hold Plc or a company of the Group, all members of the management bodies, operational managers and employees agree to be subject to inspections related to the implementation of this Policy, to participate in training, assessments and certification regarding its implementation, if any.

Any member of the management body, operational manager or employee of Stara Planina Hold Plc and the companies of the Group who has become the subject of corrupt behavior or has reasonable suspicions of committing such behavior is obliged to report the case by contacting his/her direct manager, the heads of the Legal Department or the Human Resources Department or directly to the company's management body.

Reports may be submitted orally or in writing to the telephone number, email address and correspondence address indicated on the website of Stara Planina Hold Plc or the relevant company of the Group. Reports of corruption may also be submitted in accordance with the Rules for Internal Reporting and Follow-up Actions Thereon in accordance with the Law on the Protection of Persons Filing Reports or Publicly Disclosing Information on Violations.

Suppliers, customers, subcontractors, other contractors and business partners who have become the subject of corrupt behavior by a member of a management body, operational manager or employee of Stara Planina Hold Plc or a company in the Group, or who become aware of

or have reasonable suspicions of corrupt behavior, may report the case in accordance with the preceding paragraphs.

Stara Planina Hold Plc and the companies in the Group consider all signals of corruption, including anonymous ones, unless the signal lacks sufficient information regarding the nature of the alleged form of corrupt behavior, which provides an objective opportunity for it to be determined as such within the meaning of this Policy or when the signals received contain obviously false or misleading statements of facts.

Stara Planina Hold Plc and the companies in the Group guarantee full confidentiality of the identity of the person who has filed a signal, when this is permissible under the current legislation.

Stara Planina Hold Plc and the companies in the Group do not allow and do not tolerate any form of repressive behavior towards an employee who has informed in good faith about his/her reasonable suspicions of possible corrupt behavior.

In the event that Stara Planina Hold Plc or the companies of the Group have been subject to a form of corrupt behavior or have established or have been duly notified of corrupt practices or actions by a third party - supplier, client, subcontractor, other counterparty and business partner, with whom they have commercial, business or other business relations, they undertake to terminate their relations with the relevant person, to inform the competent authorities and to take appropriate disciplinary measures against their employees who have committed or participated in corrupt practices.

Inspections of external counterparties, suppliers, subcontractors, clients, etc. business partners are carried out if part of the contractual relations with Stara Planina Hold Plc or a company in the Group. They may be inspected with their consent, and the scope of these inspections is determined within the framework of the contractual process, while respecting the principles of good business ethics and the rules for trade secrets, protection of personal data, etc., related to the activities of the relevant business partner.

All questions or concerns regarding bribery and other forms of corrupt behavior should be immediately addressed to the heads of the Legal and Human Resources departments, and in all cases, their instructions should be followed. When it comes to actual or suspected money laundering, reporting should be made, in addition to the heads of the Legal and Human Resources departments, to the management body of the relevant company.

Failure to comply with the obligations specified in the preceding sentences may serve as a basis for engaging the criminal liability of the relevant person, which is personal, as well as expose Stara Planina Hold Plc and the companies of the Group to potential legal or regulatory risks.

The operational management of the companies in the Group of Stara Planina Hold Plc

periodically provide information to the management body of the relevant company regarding the implementation of this Policy and any cases of violations found.

Charity, sponsorship, donations

Stara Planina Hold Plc and the companies in the Group are committed to being responsible members of society and the communities where they operate and to supporting them in the form of participation in charity campaigns, sponsoring various events, initiatives and organizations or donations.

Charitable contributions, sponsorship or donations cannot be used as a pretext for committing corruption.

All charitable and donation activities are carried out in good faith and are not aimed at acquiring business or any other advantage that may be considered unethical.

If the performance of acts of charity, donation or sponsorship gives rise to a potential risk of corrupt action, an anti-corruption check is conducted before their implementation to determine whether they are appropriate.

Political donations as defined in this Policy are prohibited.

Human Resources Activities

Human Resources activities, such as job offers, internships, trainings, etc. are considered to have a certain value, therefore, giving, offering and promising such, with the aim of illegally acquiring or retaining a business advantage, are considered bribery and corruption.

Stara Planina Hold Plc and the companies in the Group condemn all types of unethical activities in the field of Human Resources that violate the principles of objectivity, competence, professionalism and ensuring equal opportunities, regardless of whether they fall under the formal definition of bribery and corruption.

In order to avoid the risk of perceiving certain activities as corrupt, all practices in the field of Human Resources, including, but not limited to, the offer of employment, paid and unpaid internships providing opportunities for training or development, promotions or transfers to another position, the review of remuneration, etc. similar, are made only on the basis of demonstrated qualities and, where applicable, through a competitive process.

Gifts and Business Hospitality

Stara Planina Hold Plc and the companies in the Group accept that giving gifts and providing business hospitality to express respect, approval and gratitude are a normal and legitimate part of conducting business activities.

When the value or nature of the gift or business hospitality can be considered disproportionate or unreasonable in view of the circumstances and therefore have an impact on their recipient, they are perceived as committing a corrupt act.

To avoid the above risk, Stara Planina Hold Plc and the companies in the Group follow the following principles:

- gifts or business hospitality must be aimed exclusively at promoting, maintaining and developing general business relations or expressing gratitude;
- the conditions for providing a gift or business hospitality must be in accordance with the applicable legislation, the Code of Ethical Conduct and other internal corporate rules of Stara Planina Hold Plc and the companies in the Group;
- gifts or business hospitality may not be given or received when it could be considered that they would call into question our integrity or that they would bind or influence the recipient or would be accepted as compensation for the realization of upcoming or anticipated business interests or as an influence on our professional decisions;
- gifts in the form of a cash amount are prohibited;
- all gifts or business hospitality above a certain threshold must be approved in advance by the management body of the relevant company;
- an exception is allowed only for promotional items and souvenirs of insignificant value (e.g. pens, calendars), when their acceptance would not lead to a conflict of interest;
- gifts should be politely refused, in a manner that does not constitute a show of disrespect for the giver. The employee must inform his/her immediate supervisor of any situation related to the issue of offering and accepting gifts;
- all expenses related to gifts or business hospitality are accurately reported and accounted for in accordance with the requirements of applicable law.

Mergers, acquisitions and investments

When Stara Planina Hold Plc and/or a company from the Group participate in a transformation through merger, acquisition or make investments in other companies, in addition to the procedures under the Public Offering of Securities Act, the Commerce Act and the applicable internal corporate acts, in order to eliminate risks related to the possible involvement of the external company (including continuing such) in the form of corruption, due diligence is undertaken to ensure that all risks of possible prior or continuing corrupt practices are identified, in relation to the target or other parties involved in the transaction, as the final decision whether to carry out the transaction must take into account the findings of the inspection.

In the event of an acquisition or investment in another company, which leads to the acquisition of control or significant influence over that company, Stara Planina Hold Plc or the relevant acquiring company from the Group shall apply this Policy also in relation to the new company.

VI. Implementation of the Policy

Responsibility for implementing this Policy lies with the management bodies (Boards of Directors)

of Stara Planina Hold Plc and the companies in the Group.

They perform their duties directly or through the operational management of the companies in the Group through the Legal Department and the Human Resources Department of the respective company by granting powers to specific employees in this area or hiring external consultants on a permanent or ad hoc basis.

One of the key tasks of the Policy of Stara Planina Hold Plc and the companies in the Group is the creation and maintenance of a culture in which bribery and all forms of corruption are never acceptable. To this end, Stara Planina Hold Plc and the companies in the Group invest in the knowledge and awareness of all employees in the companies.

To implement this Policy, Stara Planina Hold Plc and the companies in the Group apply the following measures and actions for awareness and prevention of forms of corrupt behavior:

- Training and discussion of the Policy and provision of relevant guidelines for its implementation with the persons employed in the companies and increasing their responsibility in the performance of their direct duties;
- Informing suppliers, customers, subcontractors, other contractors and business partners, as well as other interested parties about the Policy, its objectives and the requirements for its implementation;
- Implementing activities and relevant procedures to identify corruption risks and prevent corrupt acts or practices.

To ensure a minimum level of knowledge about the Policy, mandatory training is envisaged, and all employees in Stara Planina Hold Plc and

the companies in the Group are required to participate in anti-corruption training at least once every two years. New employees are also trained within two months of joining.

Each Group company should also provide specialized training to employees from different business areas or to key senior management personnel who have been identified as being most at risk of corrupt acts or who have a key role in exercising control.

To reduce the risks associated with giving or receiving bribes and engaging in other corrupt activities, Stara Planina Hold Plc and the companies in the Group carry out regular inspections and implement control mechanisms as part of the internal risk control system.

Stara Planina Hold Plc and the companies in the Group are obliged to keep and maintain accurate and reliable accounting records regarding all transactions, expenses, funds, assets, etc. in accordance with applicable accounting standards.

VII. Final provisions

Amendments and additions to the Policy are made in the order of its adoption.

The Policy is published on the website of Stara Planina Hold Plc and on the websites of the companies in the Group, where it is also available to all our business partners, from whom we expect them to share our principles.

The Anti-Corruption Policy of Stara Planina Hold Plc and the companies in the Group was adopted by the Board of Directors of Stara Planina Hold on 23.05.2024 and shall enter into force from the date of adoption.