

Version: 1.0 | 2025

Anti-Corruption and Anti-Bribery Policy

ETHICAL AND SUSTAINABLE PARTNERSHIP
SUSTAINABILITY AND GOVERNANCE

1.0 Introduction

Balkancar ZARYA Plc (hereinafter “the Company”) is a long-standing and responsible participant in Bulgaria’s industrial and manufacturing ecosystem. We believe that sustainable business begins with strong values. As part of its commitment to ethical conduct, Balkancar ZARYA applies a **zero-tolerance policy towards corruption, bribery, and all forms of unethical influence**.

Our partners, employees, and suppliers must be confident that their relationship with us is based on trust, professionalism and transparency. This Policy defines the principles and actions through which we oppose any form of corrupt conduct.

2.0 Policy Objective

The primary purpose of this Policy is to protect the reputation and business integrity of Balkancar ZARYA, as well as to establish clear rules for the prevention of and response to any suspicions or occurrences of corruption, bribery or similar forms of misconduct.

3.0 Scope

This Policy applies to:

- Members of the Company’s governing bodies and executive management;
- All individuals working at Balkancar ZARYA, regardless of their position and whether they are employed on a permanent or temporary basis;
- All suppliers, subcontractors, agents, consultants, and other third parties performing activities on behalf of or in cooperation with the Company.

This Policy has been developed as a continuation of, and applies in addition to, the existing internal rules, policies, and operating procedures applicable to the Company, the internal code of conduct, as well as the applicable Bulgarian legislation and regulatory acts related to corruption and corrupt practices.

4.0 Bribery and Corruption: Definition and Approach

Bribery is the offering, giving, receiving, or soliciting of anything of monetary or non-monetary value for the purpose of obtaining an improper advantage.

Corruption involves the abuse of power for personal gain, whether directly or through third parties.

Balkancar ZARYA **strictly prohibits** all forms of bribery and corruption in all business relationships, whether public or private.

5.0 Gifts, Hospitality and Business Expenses

Balkancar ZARYA **allows** symbolic and reasonable gifts or acts of hospitality when they:

- Do not exceed a market value that would be perceived as “customary”;
- Are in line with good business practices;
- Are not offered with the intention of influencing a decision or a service.

The following are strictly prohibited:

- Cash gifts or cash equivalents (e.g., vouchers);
- Expenses that could be interpreted as a “payment for a service”.

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6.0 Facilitation Payments

Payments made with the purpose of “speeding up” administrative processes that should be carried out through the regular official procedure **are considered a bribe** and are strictly prohibited.

7.0 Charity and Sponsorship

Balkancar ZARYA supports social causes, but **all donations and sponsorships are made transparently and only after approval by management**. They must comply with applicable legislation and the Company’s internal ethical rules.

8.0 Political Donations

The Company **does not provide political donations** unless an explicit decision has been taken by the Board of Directors, accompanied by written approval and an assessment of compliance with the internal policies and the Code of Ethics of Balkancar ZARYA.

9.0 Reporting of Violations

Every employee or third party who has a suspicion of corrupt conduct **has the right and responsibility to report it to:**

- their direct supervisor;
- the Company's Management, represented by the Executive Director;
- or by email to the person responsible for ethical conduct: whistleblower@balkancarzarya.com.

Balkancar ZARYA **guarantees the protection of individuals who submit a report** and prohibits any form of retaliation against them.

10.0 Sanctions for Violations

Violations of this Policy may result in:

- disciplinary measures;
- termination of employment and/or contractual relations;
- reporting the matter to the competent authorities in cases where a criminal offence is established.

No employee of Balkancar ZARYA shall be sanctioned for **refusing to give or accept a bribe**, even if such refusal may result in a loss for the Company or other negative consequences.

The intentional submission of false allegations may constitute a criminal offence under the Criminal Code.

11.0 Control and Review

The Board of Directors of Balkancar ZARYA conducts a periodic review of the Policy and its implementation.

Employees are required to actively contribute to maintaining the ethical environment that this Policy aims to ensure.