

Third Party Code of Ethics

Ref. No: CG_103



**Together we are forward
looking,
we think big,
we work purposefully,
we take more care.**

Code of Ethics for conduct of third parties (suppliers, clients and agents) of VM Finance Group Jsc., including subsidiaries and companies on which shareholders of VM Finance Groups exert control.

The Code of Ethics for third parties specifies the main rules and requirements, set by VM Finance Group Jsc., which we require to be observed by our partners - suppliers, clients and third parties-agents, when carrying out business activities with VM Finance Group or with entities, in which VM Finance Group Jsc. or VM Finance Group Jsc. shareholders exercise direct or indirect control (hereunder called “Group”).

Partners are among our major stakeholders. We desire to work with partners who are committed to the principles set out in this Third Party Code of Ethics, which is part of our overall Corporate Sustainability and Liability Strategy. We are convinced that by integrating sustainability, responsibility and accountability into our business, we will be able to achieve high value for all stakeholders.

The adoption of this Code of Ethics is a precondition for concluding a contract with a company from Group. The rules and requirements of the Code of Ethics are complementary and not a substitute for the provisions of all legally binding agreements or contracts between third parties and the Group.

Our suppliers, clients and third parties-agents should organize its activities and relationships with its partners, personnel and employees, so as to meet the requirements of this Code of Ethics.

The third party (supplier, client or third party-agent) hereby declares that it shall follow and observe the following ethical norms:

- **Compliance with laws, rules and ordinances:**
 - To comply with all applicable laws and regulations.

- **Health and safety:**
 - To create favorable working environment and to provide healthy and safe labor conditions to all employees in compliance with the requirements of the valid legislation.
 - To perform its activity in a manner, protecting the health and safety of employees, clients and environment.

- **Bribery and corruption:**
 - To perform its activity with integrity and to have an internal policy, prohibiting fraud, money laundering and bribery.
 - Not to offer, directly or through intermediaries, or promise personal or illegal financial or other benefit, not to arrange or accept bribes in order to acquire or keep a business or other benefit from a third party, whether public or private.
 - Not to accept such benefit or privilege from third parties in return for a certain conduct or a promise of such conduct.
 - To have zero tolerance for corruption.
 - Not to encourage and mislead third parties, employees of the Group and stakeholders into corruption.

- **Antitrust and fair trade:**
 - To act in today's business environment, adhering to all applicable laws on antitrust, competitiveness and fair trade.
 - To respect the intellectual property right of third parties.

- **Commitment to quality:**
 - To provide all the time accurate, complete, reliable, timely and trustworthy information about its products, services and business activities.
 - To maintain a focus on ensuring professional service, guaranteed by standards and certificates in the various fields and activities it operates in.
 - To provide products and services, meeting the quality and safety criteria, specified in the relevant contractual clauses.

- **Corporate Social Responsibility:**
 - To ensure that all products available in the warehouses and facilities used by him are of proven authentic origin, taking and applying the necessary measures in order to control and ensure the fulfillment of the requirement for authentic origin, including:

- A. To store and maintain all the necessary documentation certifying the authentic origin of the products, incl. any documents from the manufacturer, quality certificates, invoices, etc. commercial documents certifying the origin of the goods.
 - B. To ensure that the products available in its warehouses and facilities are packaged with all the necessary labels, attributes, signs, stickers, designations, excise marks, etc., certifying their authenticity and compliance with the original packaging of the products distributed by the manufacturer and/or by the distributor company for Bulgaria.
 - C. To store and maintain available documents certifying the receipt and delivery of the goods in a way that clearly indicates the commercial origin of the products from the distributor company for the territory of Bulgaria.
- To strive that the products available in the warehouses and facilities managed by him are from manufacturers and/or distributors, complying with the principles and values laid down in the current Third Party Code of Ethics of VM Finance Group.

- **Conflict of interests:**

- To avoid conflict of interest that may adversely affect trading relations. A conflict of interest arises when a person, occupying a position (employment agreement, service agreement, management agreement, or other) with a third party of an entity from the Group, has a private interest that may influence the negotiation process or the impartial and objective fulfillment of the obligations under the contract with a company from the Group. Any interest which results in a benefit of a material or non-material nature to that person or to his/her related persons, including any commitment, is a private interest. Benefit is any income in cash or in property, including the acquisition of stakes or shares, as well as granting, transferring or denying rights, receiving a privilege or honor, receiving goods or services free of charge or at prices below market rates, assistance, vote, support or influence, advantage, obtaining or promise of work, position, gift, reward or promise to avoid loss, liability, penalty or other unfavorable event.
- To avoid situations that represent or create the impression that there is a conflict between its interests and those of VM Finance Group Jsc. and the companies from the Group.
- To notify VM Finance Group (the relevant company from the Group) immediately of any situation where there appears to be a conflict of interest and to notify if any of the employees of the company or the specialists working under contract with it, might have an interest of any kind in relation to the third party' business activity or any economic relationship with it.
- Not to offer gifts or gratitude to the employees of the Group in monetary form, as well as others when given with expectation of influence or reward. Employees of the companies from the Group are not allowed to accept gifts in the form of money or money equivalents, as well as any gifts or gratitude worth over EUR 50 that would influence or appear to influence business decisions. Employees of the companies from the Group may attend representative events as part of the usual business process only in the case of business events.

- **Confidential information:**

- Not to spread facts, circumstances and information that have become known to it in connection with or on the occasion of the activity carried out, and it commits to prevent the unauthorized use thereof in its favor or for the benefit of third parties.
- To keep and maintain the confidentiality of the information obtained in the course of work with VM Finance Group Jsc. and the companies from the Group.
- To use the obtained information from VM Finance Group Jsc. and the companies from the Group solely for the purpose of performing its obligations to the Group.
- To take appropriate steps to protect and maintain confidential information and information subject to company secrecy of its business partners and to use it only for the purposes permitted under the contract agreement concluded with them.

- **Frauds, protection of company assets, accountability:**

- Not to engage in fraudulent or other unfair conduct, including when providing information about its property, financial and accounting statements, availability of resources and experience to perform certain activities.
- To protect and safeguard provided assets of companies from the Group against theft, waste or misuse.
- To provide accurate, complete, reliable, timely and trustworthy information in its financial statements and any other management and operating reports it submits to a company from the Group or which are subject to disclosure under the legislation in force.
- To provide complete and accurate information about its activity and financial status in the documents it provides to a company from the Group or which are subject to disclosure under the legislation in force.

- **Trust in the workplace:**

- To be guided by the basic principles of direct or indirect non-discrimination on grounds of nationality, origin, sex, sexual orientation, race, skin color, age, political and religious beliefs, membership in trade unions or other public organizations and movements, marital and material status, physical disability.
- To maintain strict policy of equal opportunities for all employees and to have respect for human rights.
- To respect the inviolability rights of personal life of workers and employees.
- To have an effective training program that achieves an appropriate level of knowledge, skills and abilities in management and staff to meet these expectations and perform the required services. The documented training of all employees shall be available as evidence that the trainings have taken place.

- **Environmental, Social and Governance (ESG) aspects:**

- To strive for the products available in the warehouses and facilities managed by him to have the smallest carbon footprint as a result of transport. In the sense of this Code, "goods with the smallest carbon footprint as a result of transport" should be understood as goods with an optimized delivery route to the final customer, which have been transported via the shortest possible route and limited to a maximum of two steps in the supply chain from the manufacturer to the wholesalers.
- To act in accordance with the applicable legal and international standards concerning the environmental protection.
- To minimize environmental pollution and to continually improve the environmental protection systems.

- **Reporting of illegal or unlawful conduct:**

- To encourage its employees to report problematic issues or illegal activities at the workplace without being threatened by reprisals, intimidation or harassment.
- To report immediately when it deems that an employee of VM Finance Group Jsc. or an entity from the Group or a person or organization acting on behalf of VM Finance Group Jsc. participates in illegal activities or otherwise has unlawful conduct.
- To maintain appropriate documentation demonstrating compliance with the requirements of the valid legislation, including required permits, licenses, approvals, orders, availability and compliance with standards, etc.
- Reports of misuse, violations and irregularities can be sent to e-mail hotline@vmfgroup.com, through an electronic reporting form or on 24-hour phone number +359 888 201 886, published on the website of VMFG in the section of Hotline (<https://vmfgroup.com/en/hotline>).

Taking into account the great public significance of the values and principles laid down in this Code of Ethics, and the commitment of the VM Finance Group to environmental protection and corporate social responsibility, the companies of the Group reserve the right to request additional information and/or documents from their partners, incl. to carry out on-site inspections in the warehouses and facilities managed by them, in order to establish the fulfillment of the requirements of this Code of Ethics.

If VM Finance Group Jsc. or an entity from the Group becomes aware of any actions or conditions that do not comply with this Code of Ethics for Third Party, the Company reserves the right to take corrective action.

Where the non-compliance with the principles and obligations of this Code of Ethics is found by enforced writ of penalty (or other sanction writ) or enforced judicial decision, VM Finance Group Jsc. or the respective entity from the Group has the right to terminate any contractual relationship with such third party with a one-week written notice.

The third parties are encouraged to contact a representative of VM Finance Group Jsc. on any issues including inquiries regarding the appropriateness of an activity.

VM Finance Group Jsc. reserves the right to introduce reasonable changes to this Code of Ethics when updating it. In the event of such a change, VM Finance Group Jsc. expects the partners of the Group to accept and observe them. In the event that the third party does not object within two weeks from the notification of the amendments to the Code of Ethics, it is deemed to have accepted these amendments. If the third party, within the period referred to in the preceding sentence, objects to the amendments, the parties commit to negotiate and reach a mutually acceptable solution.

Date:

Partner:
/ Name of legal entity /

City of

Representative:.....
/ Name, Surname and signature of the authorized person /