

Buchim and Borov Dol Policy for the Prevention of Bribery and Corruption

Identification number POL.000.003

In force from 17.12.2024



РУДНИК ЗА БАКАР | COPPER MINE
БУЧИМ | **BUCIM**

СОДРЖИНА

Purpose	3
Objectives	3
Range	3
Additional Applicable Documents	3
General Anti-Bribery and Anti-Corruption Policy	3
Public Officials.....	4
Facilitation Payments	4
Extortion Situations	4
Solicitation of Bribes	4
Bribery of Buchim and Borov Dol Managers or Employees.....	5
Gifts, Entertainment and Hospitality	5
Third-Party Travel.....	5
Working with Third Parties	6
Investment Management and Due Diligence	6
Political Donations	6
Lobbying	6
Charitable Donations	7
Sponsorships	7
Books and Records	7
Definitions.....	8

Purpose

Buchim and Borov Dol (hereinafter: the Companies) are committed to ethical and responsible business conduct and strictly prohibit all forms of corruption wherever Buchim and Borov Dol or our business partners operate. Our Anti-Bribery and Anti-Corruption Policy ("ABC") establishes clear principles and rules for the prevention of bribery and corruption. This Policy ensures that we adhere to the relevant laws and regulations in all our business activities and that we refrain from bribery or any other corrupt practices that could provide us with an unfair business advantage.

To the extent that applicable laws or regulations impose stricter requirements, those requirements shall supersede the requirements of this Policy.

In line with the objectives of this Policy, Buchim and Borov Dol also expects third parties who work for us or act on our behalf to conduct themselves in accordance with this Policy.

Objectives

The purpose of this Policy is to prevent any form of bribery and corruption by establishing:

- Preventive measures: processes and controls to avoid improper conduct.
- Detective measures: processes and controls to identify potential irregularities.
- Reactive measures: to improve or adopt processes and controls in the event of failures related to bribery or corruption.

Range

This Policy applies to all business activities of Buchim and Borov Dol globally, in all geographic areas, and will be regularly reviewed to reflect changes in external and internal factors that may affect our exposure to bribery and corruption risk, or other relevant information that would warrant a review.

No waivers or exceptions to these Policy requirements are permitted. The requirements apply to all employees, managers and directors of Buchim and Borov Dol.

This Policy applies to all businesses in which Buchim and Borov Dol holds ownership or management control. In cases where Buchim and Borov Dol does not have management control, we will seek to influence the adoption of these policy requirements.

Additional Applicable Documents

- Solway Group Code of Conduct
- Policy: Buchim and Borov Dol Policy on the Use and Retention of Third Parties
- Policy: Buchim and Borov Dol Policy on Third-Party Travel
- Policy: Buchim and Borov Dol Policy on Gifts, Entertainment and Hospitality
- Policy: Buchim and Borov Dol Policy on Charitable Donations and Sponsorships
- Policy: Buchim and Borov Dol Policy on Reporting Concerns (Whistleblowing)
- Buchim and Borov Dol Supplier Declaration
-

General Anti-Bribery and Anti-Corruption Policy

Buchim and Borov Dol is committed to combating corruption and does not permit the bribery of public officials or private individuals in order to obtain an unfair business advantage. This also applies to indirect bribery through third parties and to the acceptance of bribes by Buchim and Borov Dol employees.

This Policy covers situations that are often associated with corruption risk in the business world. These situations include facilitation payments, gifts, entertainment and hospitality, third-party travel, interaction with third parties and

public officials, the acquisition and establishment of joint ventures, political donations, lobbying, charitable donations, sponsorships, and the management of books and records.

Managers play a key role in upholding this Policy by promoting integrity, fostering trust, and addressing employee concerns. They educate employees on proper conduct and the consequences of non-compliance. We encourage all employees to report potential violations of laws or internal rules without fear of retaliation, ensuring the protection of our values. All reports may be sent to the Global Compliance Leadership Team (GCLT) by email: cco@solway.ch

Public Officials

Public officials are often subject to significantly stricter anti-corruption rules and restrictions than private individuals. Particular caution and appropriate documentation are required when dealing with public officials.

Any dealings with public officials must strictly comply with the rules and regulations applicable to those officials, and any benefit provided to a public official must be fully transparent, properly documented, and based on a genuine and legitimate business need.

For detailed guidance, please also see our Group Policy on Gifts, Entertainment and Hospitality and Group Policy on Third-Party Travel.

Facilitation Payments

In certain jurisdictions, public officials may request small payments, known as facilitation payments, to expedite or secure routine government actions such as issuing permits, licenses or other official documents, processing government documents such as visas, customs clearance, providing police protection, or the provision of utility services.

Facilitation payments are a form of bribery. Buchim and Borov Dol prohibits making, or authorizing, facilitation or expediting payments.

Facilitation payments should not be confused with payments that Buchim and Borov Dol may be required to make to government agencies under local laws or written regulations in order to obtain various types of government services.

Extortion Situations

In an extreme case where you have no alternative but to make a payment to a public official in order to prevent an immediate and serious threat to the health or safety of yourself, another employee, a business colleague, or a family member, such a payment would be permitted, but it must be reported and properly documented in a timely manner.

All payments made under duress must be reported immediately to the GCLT and may be escalated immediately to the Risk and Compliance Committee (RCC), with precise details of the situation. Such payments must be transparently and accurately documented in the books of Buchim and Borov Dol.

Solicitation of Bribes

If a public official or other third party attempts to solicit or extort an improper payment or anything else of value in exchange for granting Buchim and Borov Dol an improper advantage, such attempts or requests must be refused immediately and reported to the RCC through the GCLT without delay.



Anyone making such requests or demands must be reminded that bribery violates both Buchim and Borov Dol's strict anti-corruption policies and applicable anti-corruption laws. Promising or providing anything of value may result in sanctions up to and including dismissal of the Buchim and Borov Dol employee involved and/or their criminal prosecution, regardless of whether anything was actually given or paid.

You must immediately report any such attempt/request to the RCC through the GCLT without delay.

Bribery of Buchim and Borov Dol Managers or Employees

Bribery does not apply only to public officials but also to private individuals. If someone offers an improper payment or anything else of value in exchange for obtaining an unfair business advantage, the employee must refuse such an offer and immediately report such attempts. Anyone making such offers will be informed that bribery is strictly prohibited under Buchim and Borov Dol's anti-corruption policies and applicable laws.

You must report all such incidents to your supervisor and to the Compliance team without delay. Buchim and Borov Dol will report all such incidents to the senior management of the company offering the bribe. Buchim and Borov Dol may decide not to continue working with the business partner as a result of such improper business practices.

Gifts, Entertainment and Hospitality

Gifts, entertainment and hospitality ("GEH") provided in the ordinary course of business serve a legitimate business purpose. They must be effectively managed and documented to avoid misuse of these activities and their potential characterization as bribery. All GEH given or received must follow the defined approval process and be properly recorded in the books and records of Buchim and Borov Dol and the relevant GEH registers. Appropriate GEH limits will be established for each region by the Buchim and Borov Dol Board of Directors or by decision of the RCC.

All GEH offered or accepted must be modest, appropriate and approved by the responsible supervisor. Whether a gift, entertainment or hospitality is modest and appropriate must be assessed from the recipient's perspective, taking into account the specific circumstances, economic status and location of the individual recipient. Offering and accepting gifts in the form of cash or cash equivalents is prohibited.

Gifts, entertainment or hospitality must not be offered or accepted, directly or indirectly, with the intent or apparent intent of obtaining an improper business advantage for Buchim and Borov Dol or of avoiding an unfavorable position.

Repeated or systematic gifts, entertainment or hospitality to the same recipient are not permitted, regardless of value. Branded gifts agreed by management are acceptable and may be repeated and systematic depending on the occasion.

For detailed guidance, please see our Group Policy on Gifts, Entertainment and Hospitality.

Third-Party Travel

Buchim and Borov Dol only covers travel and accommodation costs for external third parties (such as clients, suppliers or public officials) where there is a legitimate business purpose for doing so. The type and amount of costs to be covered, as well as the travel participants and business reasons, must be agreed in advance in writing with the third party and with Senior Management, and the amounts must be modest, appropriate, and in accordance with Buchim and Borov Dol's travel and expense policies.

The recipient must confirm in advance that third-party travel is permitted under the rules of the recipient's organization. This is particularly relevant for public officials, who are subject to especially strict regulations. In all cases, Buchim and Borov Dol prohibits the payment of daily allowances (*per diems*) for third-party travel.

Costs for authorized third-party travel must be recorded in a detailed and transparent manner and, ideally, paid directly to travel service providers on behalf of the third party or into the third party's official bank account.

For detailed guidance, please see our Group Policy on Third-Party Travel.



Working with Third Parties

Buchim and Borov Dol must only engage third parties where there is a legitimate business need for the services or goods they provide. The third party must comply with all applicable laws, offer services or goods at fair market value, and possess the necessary qualifications and authorizations, including a proven ethical track record. In addition, all third parties must agree to comply with the requirements of the Buchim and Borov Dol Supplier Code of Conduct.

Before establishing a business relationship, a risk-based compliance assessment must be carried out, and any identified ABC risks or red flags must be assessed, evaluated, and addressed appropriately. Contracts with third parties must include appropriate compliance clauses based on the goods or services provided and taking into account the identified risks related to ABC or red flags.

The Procurement Department of Buchim and Borov Dol will ensure the integration of these and related policy requirements into all procurement practices.

For detailed guidance, please see our Policy on the Use and Retention of Third Parties.

Investment Management and Due Diligence

Buchim and Borov Dol may acquire companies, invest through debt or equity instruments, enter into long-term commercial, investment or financial partnerships, or engage in joint ventures. Buchim and Borov Dol's compliance standards must be implemented in the acquired company, and subsidiaries and joint ventures must adhere to comparable compliance standards.

Before any investment decisions are made — whether these involve acquiring a majority or minority stake in a company, establishing a joint venture, raising funds, or loan transactions — thorough due diligence and a risk-based compliance review must be carried out, covering the transaction, the target company, the borrower, etc. When making any decision under the Group's Investment Management Policy, it is necessary for the SRS to express its opinion on the matter and provide the necessary recommendations, including risk-mitigation aspects.

For detailed guidance, please see our Group Investment Management Policy.

Political Donations

Buchim and Borov Dol prohibits political donations, whether in cash or in kind. This also includes indirect donations through sponsorship or donations to organizations, charities or associations that may be affiliated with political parties, politicians, or members of their families.

Lobbying

Buchim and Borov Dol may engage lobbyists to communicate and protect its legitimate business interests. All lobbying agreements must be approved in advance by Buchim and Borov Dol's legal counsel.

Lobbying arrangements must be fully documented in writing. In particular, the agreement must clearly state the nature and scope of the assignment, as well as the fees charged for the services provided. The lobbyist must disclose to all discussion partners that they are engaged by Buchim and Borov Dol. A current government employee may not be engaged as a lobbyist.

All lobbyists must be processed and approved in accordance with the Group's Policy on the Use and Retention of Third Parties.



Charitable Donations

Charitable donations must support Buchim and Borov Dol's social commitment and be made without any expectation of other benefits, such as brand awareness, advertising, or any other form of return. They must never be offered or given, directly or indirectly, to individuals or organizations in order to obtain any business advantage for Buchim and Borov Dol.

Charitable donations must be recorded in a detailed and transparent manner.

For detailed guidance, please see our Group Policy on Charitable Donations and Sponsorships.

Sponsorships

Unlike donations, sponsorships are intended to promote awareness of the Buchim and Borov Dol brand, but must not be conditioned on obtaining any business advantage other than marketing. Sponsorships must be agreed in writing, specifying the amount of the contribution, the recipient, the intended purpose of the contribution, and the sponsored activity.

Sponsorship payments must be recorded in a detailed and transparent manner.

For detailed guidance, please see our Group Policy on Charitable Donations and Sponsorships.

Books and Records

Buchim and Borov Dol must maintain accurate and transparent books and records, including all documents related to its business affairs and assets. This requirement extends beyond the accounting system to cover all records, whether in printed or electronic form.

All financial transactions must be properly documented, regularly reviewed, and accurately recorded in the relevant books and records of Buchim and Borov Dol or the Asset, following existing processes.

Any form of concealment, or incomplete, inaccurate or false entries in the commercial books and records is strictly prohibited. All financial records must clearly and accurately document the nature and purpose of the expenditure. The archiving of Buchim and Borov Dol's records must comply with applicable standards and other relevant laws and regulations.

Definitions

Term	Definition
Something of Value	A bribe is not limited to cash but may include various forms of benefits, such as gifts, entertainment, travel expenses, employment opportunities, stock options, and other tangible or intangible items that could potentially influence the actions or decisions of public officials or individuals involved in international business transactions.
Books and Records	All documents relating to the business affairs of Buchim and Borov Dol, including commercial books, accounts, invoices, business correspondence, memoranda, and any other document or recorded information of any kind, whether electronic or in paper form, that is clearly business-related.
Bribery	Bribery is the (attempted) influencing of a person's actions or decisions by offering, giving, soliciting, or accepting something of value in order to obtain an improper business advantage. Bribery is not limited to the bribery of public officials but applies equally to the private sector, where improper means are used to influence a business decision in order to gain an unfair advantage.
Corruption	Corruption is the abuse of entrusted power or position for personal gain or for the unlawful benefit of others. It includes dishonest or unethical conduct by individuals or institutions, typically involving bribery, fraud, nepotism, embezzlement, or other forms of misconduct.
Global Compliance Leadership Team (GCLT)	A group within the organization responsible for overseeing and leading compliance-related efforts, comprising all Group compliance officers and those of subsidiary companies (asset level) functioning as a single entity (team).
Daily Allowances (or <i>per diems</i>)	A specific amount of money provided daily to cover living or travel expenses (typically related to meals and accommodation) when traveling for work.
Entertainment	Performances, concerts, sporting events and other events where entertainment is the primary purpose of the occasion in addition to the business purpose. Details on approvals and proper conduct regarding invitations to or attendance at entertainment events can be found in the <i>Group Policy on Gifts, Entertainment and Hospitality</i> .
Extortion	Threatening or using violence or business sanctions to obtain something of value or another action.
Facilitation Payments	Small payments to secure or expedite a routine government action to which someone is legally entitled, such as issuing a business license, processing a visa, or connecting utility services. Facilitation payments are considered bribery and are punishable in most countries under their anti-corruption laws.
Fraud	Any unlawful act characterized by deceit, concealment, or breach of trust. These acts do not depend on threats of violence or physical force.
Gifts	A gift may be any item of value, whether tangible or intangible, given to a foreign official or members of their family or associates, with the intent to influence or obtain an improper advantage in business dealings. However, permitted gifts are those given as part of customary hospitality, promotional activities, or to maintain goodwill, provided they are not intended to improperly influence the recipient, remain within reasonable and appropriate limits, and are properly documented.
Lobbying	Lobbying means engaging, directly or indirectly, with politicians, governments and/or their representatives in order to communicate with them on matters related to Buchim and Borov Dol's business and to influence their decisions in

	favor of Buchim and Borov Dol. This may be done directly, through intermediaries, or through certain business associations.
Political Donation	Monetary or non-monetary (in-kind) donations to support a political party, politician, or political initiative. Buchim and Borov Dol strictly prohibits all political donations.
Public Official	All employees of governments, ministries, authorities or other quasi-governmental agencies such as the United Nations, the World Bank, etc. This also applies to close family members, such as spouses or children.
Risk and Compliance Committee	A specialized group within the organization responsible for overseeing and managing risk management and compliance activities.
Supplier Code of Conduct	A set of guidelines and requirements setting out the ethical, social and environmental standards expected of all Buchim and Borov Dol suppliers. It ensures alignment with Buchim and Borov Dol's values and promotes transparency and trust within the supply chain.
Third Party	A third party is any legal entity or natural person who is not an employee of Buchim and Borov Dol. This may include suppliers, purchasers (customers), contractors, agents, or consultants.
Third-Party Travel	Travel and/or accommodation in the context of inviting external parties to visit Buchim and Borov Dol's facilities or projects, or to attend a Buchim and Borov Dol business event (for example, a trade fair or investment forum).
Whistleblowing	The disclosure or reporting of information which the discloser (whistleblower) reasonably believes evidences wrongdoing, made to an authorized recipient through an agreed channel.