

According to Act 67 of the Statute of the Prilep Brewery AD Prilep, the Board of directors had a meeting on 18.01.2021 and brought the following:

CODE of conduct for suppliers

Goal and area of implementation

In the Prilep Brewery AD Prilep, we strongly believe that ethics and responsibility are the true and only way for running a business. Our code of conduct for suppliers sets our expectations from the suppliers in the fields of business integrity and anticorruption, operational practices, health and safety and environmental management.

The code of conduct for suppliers is intended to strengthen and enhance our relationships with suppliers, which are based on our opinion that a successful corporate management is essential for a long-term business success and it also has to be properly reflected in the relationships with our employees, our relationship toward the market, the environment and the wider community.

We expect from all suppliers, contractors, consultants and other goods and service providers that work with or on behalf of the Prilep Brewery AD Prilep (“suppliers”) to implement the Code and all other relevant policies as a condition to collaborate with the Prilep Brewery AD Prilep.

Principles of corporate behavior

The Prilep Brewery AD Prilep expects from its suppliers to work responsibly, with integrity, honestly and transparently and follow these principles:

1. Obeying effective laws and regulations

The supplier will conduct their business activities in accordance with all effective laws, bylaws and requirements for production and distribution of products and goods and in the process of providing services for the Prilep Brewery AD Prilep.

2. Ban on all forms of forced or obligatory labor

The suppliers of the Prilep Brewery AD Prilep will respect and promote the fundamental human rights, including the right to freedom of movement of workers. Employment decisions must be based on free choice and they won't include forced labor, physical punishment and violent threats or any other forms of physical, sexual, psychological or verbal harassment as a method of discipline or control. Employment conditions must be explicitly stated in employment contracts and they mustn't limit workers' movement with retention of personal documents or other activities that would prevent the worker to resign. Moreover, the workers mustn't be asked to pay for employment, or to get or keep the employment.

3. Ban on child labor

Suppliers must follow the minimum employment age defined by national laws or regulations, as well as the effective standards of the International Labor Organization. By no means shall the

supplier allow children to be involved in activities that expose them to excessive physical risks that could harm their physical, psychological or emotional development or that have improper influence on their need to educate or develop professionally.

4. Encouraging workforce versatility and providing a workplace free from discrimination, harassment or any other form of abuse

The suppliers of the Prilep Brewery AD Prilep will create a working environment where employees and business partners will feel respected and valued for their contribution. Harassment, also including unintentional verbal, physical or any other behavior that makes the working environment to be discouraging, abusive or unfriendly won't be tolerated. Suppliers will practise open and honest communication with their employees based on equity, dignity and respect.

Employment decisions must be based on qualifications, skills, performance and experience. Suppliers will give their employees opportunities to develop personally and develop their professional skills and capabilities.

5. Fair treatment of employees in relation to salaries, allowances and working hours

The suppliers of the Prilep Brewery AD Prilep must obey all effective laws and regulations in relation to salaries, allowances and working hours.

Suppliers are obliged to follow international standards and local regulations in the field of labor relations in regard to working hours and recess periods. If supplier's practices are not in accordance with international standards and labor law, the supplier should identify the reasons for the problem and try to improve those practices as soon as possible.

6. Respect of employees' rights to freedom of association and collective bargaining

In accordance with effective laws, the suppliers of the Prilep Brewery AD Prilep will respect employees' rights to join workers associations and trade unions.

7. Provision of safe and healthy working environment

The suppliers of the Prilep Brewery AD Prilep will proactively manage health and safety risks to create a working environment with minimal risk of workplace injuries and illnesses. Suppliers are supposed to implement management and control systems which identify dangers and assess and control risk.

8. Taking care of the environment in accordance with effective environmental laws and regulations

When making everyday business decisions, one should consider their potential impact on the environment, as well as the need to preserve natural resources, minimize waste sources, recycle and control pollution, provide cleaner air and water, and minimize deposit. The Prilep Brewery AD Prilep encourages its suppliers to identify dangers, as well as determine and implement action plans to minimize environmental threats in the fields of water, waste water, energy, gas emissions, waste and packaging.

9. Proper maintenance of financial books and business documents in accordance with effective laws and regulations and established accounting practices.

Suppliers must keep and store accurate reports and records of every matter related to the collaboration with the Prilep Brewery AD Prilep.

10. Delivery of goods and services in accordance with the effective standards on food quality and safety.

The Prilep Brewery AD Prilep is determined to produce quality and safe products.

Suppliers that are involved in the process of development, production, packing, transport, storage and so on of our products are expected to:

- Know and follow the standards for quality of products, and the policies, instructions and procedures that apply to products;
- Know and follow good production practices and testing protocols;
- Obey all effective local and international laws and regulations on food safety;
- Immediately notify the Prilep Brewery AD Prilep if there is a problem that can have a negative impact on quality and public perception of the products of the Prilep Brewery AD Prilep.

11. Fair competition and anti-corruption fight as a condition for business collaboration with the Prilep Brewery AD Prilep

The Prilep Brewery AD Prilep is dedicated to running business in legal and ethical way and strictly bans corrupt contracts with clients, suppliers, government officials and third parties. Therefore, the Prilep Brewery AD Prilep forbids its suppliers to take part in any form of corruption in the public or private sector. Under no circumstances can the supplier, working on behalf of the Prilep Brewery AD Prilep, offer or give something, directly or indirectly, to a public official or to any other people or subjects from the private sector if their intention is to encourage the recipient to misuse their position and let them gain or keep undeserved business advantage or personal benefit.

In accordance with these principles, suppliers must obey anti-corruption regulations. Suppliers are obliged to conform their behavior to this code and the Code of professional and ethical behavior.

The supplier won't, and they guarantee that any people that act on their behalf (including, but not limited to their employees and agents) won't, take part in an activity that will help them gain personal benefit or business advantage with the use of illegal or illegitimate means. This includes:

- Offers, promises or giving any kind of financial or other advantages to a public official with the intention to influence the way they do their public function;
- Offers, promises or giving any kind of financial or other advantages to any person with the intention to make them do their public function improperly, or where the sole acceptance of that advantage would be considered improper.
- Taking or giving bribery with the intention to gain or keep business activities or any other commercial advantages in the relations with the Prilep Brewery AD Prilep.

Before employing any third parties that can bring benefit to some public officials, the Prilep Brewery AD Prilep conducts an in-depth anti-corruption analysis of those people. This in-depth analysis may include the use of available sources of information, databases of the capital ownership structure, access to data on imposed sanctions and tracking of information about supplier's business reputation and their relationships with public official. The supplier is obliged

to immediately provide any data or information requested by the Prilep Brewery AD Prilep for the purposes of this in-depth anti-corruption analysis.

12. Obligation to follow the rules of the Prilep Brewery AD Prilep related to presents and conflict of interests in the relations with the employees of the Prilep Brewery AD Prilep.

Suppliers of the Prilep Brewery AD Prilep, or any other person that acts on behalf of the company, are forbidden to offer presents to the employees of the Prilep Brewery AD Prilep that can have negative influence on the business decisions made by the Prilep Brewery AD Prilep or that can give them undeserved advantage.

Suppliers are obliged to do their business activities completely honestly and in the best interest of the company. If a supplier's employee is in a family relationship with an employee from the Prilep Brewery AD Prilep or if there is another reason for a potential conflict of interest, this has to be immediately reported to the General and legal section of the Prilep Brewery AD Prilep.

13. Protection of confidential data

Suppliers must take all reasonable and necessary precautions to protect the data of the Prilep Brewery AD Prilep that are available to them. Suppliers are not allowed to disclose confidential information of their business collaboration with the Prilep Brewery AD Prilep, unless it is approved properly.

The supplier is also obliged not to share with the Prilep Brewery AD Prilep information related to any other company if they are under contractual or lawful obligation not to share that information.

14. Reporting of possible violation of the Code

The Prilep Brewery AD Prilep expects from its suppliers to have an efficient system to tackle any complaints filed by workers or third-parties within their business activities.

Suppliers and their employees can report a possible violation of this Code by email at pravnik@pripiv.com.mk or by mail at ul. "Cane Kuzmanoski" 1, addressed to "General and legal section".

The Prilep Brewery AD Prilep encourages all its suppliers to immediately report any employees of The Prilep Brewery AD Prilep or other people that act on behalf of the company that are involved in any behavior that is contrary to this Code or illegal.

All reports are deemed as confidential, whether sent by email or mail, and can remain anonymous if permitted by law.

Reporting of possible violations won't interrupt our relationship with the supplier.

15. Statement of conformity

To be able to work with the Prilep Brewery AD Prilep, suppliers have to sign contracts and perform activities in accordance with the Code of conduct for suppliers. With prior notice, the Prilep Brewery AD Prilep can perform reasonable checks to confirm supplier's conformity to the principles specified in the Code.

The supplier must confirm their conformity to the principles specified in the Code.

The supplier is expected to take immediate corrective actions if not conformed to any of the requirements specified in the Code. The Prilep Brewery AD Prilep reserves the right to terminate the contract with the supplier that cannot confirm their conformity to the requirements of this Code.

This Code is effective as of 01.02.2021.

Prilep Brewery AD Prilep
General Director and President of
the Board of directors
Sasko Samardzioski

By signing this document, the supplier confirms that they have read, understood and accept to follow the principles and responsibilities that arise from the Code for the whole period of collaboration with the Prilep Brewery AD Prilep under any contract.

Signature:

Date:
