

Based on Act 67 of the Statute of Prilepska Pivarnica AD Prilep, the Board of Directors, at the meeting held on 18th January 2021, passed the following:

ANTI-CORRUPTION POLICY

Alongside the Code of Professional and Ethical Conduct, this policy emphasizes Prilepska Pivarnica AD Prilep's obligation to act ethically and responsibly in all business activities, providing a clear framework that:

- Prohibits public sector bribery and commercial bribery.
- Explains the rules regarding gifts, meals, travel and entertainment concerning officials and customers, suppliers and other third parties.
- Emphasizes the importance of keeping and maintaining accurate business books and records for all transactions related to Prilepska Pivarnica AD Prilep.

All employees of Prilepska Pivarnica AD Prilep have the responsibility to act in accordance with the anti-corruption principles stated in this policy.

1. DEFINITIONS

For the purposes of this policy, the terms "official", "bribe", "anything of value" and "facilitating payments" are defined below.

Definition of "Official"

- Officials at the state or local level, including members of legislative bodies, representatives of the executive authorities, members of governing bodies, state organizations and agencies, and representatives of the judiciary, and other people employed in the public sector, whether appointed or elected.
- Political candidates.
- Any political party or official of a political party.
- Representatives of public international organizations.
- Employees of a state enterprise.
- Members of royal families.
- Employees of public international charities.
- Spouses or immediate family members of any of the above.

Definition of "Bribe"

A "bribe" is any payment or offer to pay anything of value (to an official or to any person or entity in the private sector) if the payment is intended to make the recipient abuse their position or to obtain or retain an unfair business advantage.

Definition of "Anything of value"

"Anything of value" can include cash, gift cards, vouchers, gifts, meals, goods, services, event tickets, entertainment, travel benefits, use of vacation homes, airline tickets or accommodation, special services, donations to specified charities, discounts, personal services, loans, promises of future employment and the like—items that may be considered to have some value.

Definition of "Facilitating payments"

A "facilitating payment" or "lubrication payment" is a payment made to an official to expedite non-discretionary activities or services. This includes obtaining licenses or work permits, processing documents, obtaining visas or customs clearance procedures, providing police protection services, and provisioning utility services such as telephone services, water, and power, etc.

2. BRIBE AND FACILITATING PAYMENTS

The employees of Prilepska Pivarnica AD Prilep must not give or offer bribes or facilitating payments. Even though facilitating payments may be legal according to the laws of certain countries, Prilepska Pivarnica AD Prilep does not allow facilitating payments and considers them a violation of this policy. Accordingly, all recommendations within this bribery policy also apply to facilitating payments.

If any employee of Prilepska Pivarnica AD Prilep receives a bribe request, they must refuse to make the payment (unless it is unsafe to do so, as outlined below) and must immediately report the request to the General and Legal Department. Employees of Prilepska Pivarnica AD Prilep can only make a payment if they have a reasonable belief that refusing to pay would endanger their health and safety. If they are forced to pay a bribe to avoid a dangerous situation, the payment and the circumstances must be reported to the General and Legal Department immediately after the danger has passed. As stated in point 5 below, all payments must be accurately recorded.

3. RISK OF BRIBERY ASSOCIATED WITH THIRD PARTIES

According to this policy, a third party is any legal or natural person hired on behalf of Prilepska Pivarnica AD Prilep to perform business activities, such as suppliers, distributors, intermediaries, agents, marketing companies, consultants, vendors, service providers, etc.

The company may be liable for the actions of third parties who offer or pay bribes to officials. Therefore, this policy prohibits bribes given through third parties. It is also a violation of this policy to ignore warning signs that suggest that a third party's activities may result in the giving or offering of a bribe.

Any employee who hires third parties to interact with officials on behalf of the company must conduct a "due diligence" analysis first.

4. GIFTS, MEALS, TRAVEL AND ENTERTAINMENT

It is never permissible to give or receive a gift, meal, trip or entertainment with the purpose of improperly influencing an official or customers, suppliers or other third parties.

CUSTOMERS, SUPPLIERS, AND OTHER THIRD PARTIES

As a gift or hospitality to or from an employee of Prilepska Pivarnica AD Prilep holds value, it has the potential to be considered a bribe. Before offering or accepting a gift or hospitality, please ensure that at least:

- It is given in good faith, without expecting any return favor, improper benefit, or business advantage;
- It is reasonable and adheres to the generally accepted standards of professional courtesy;
- Transparency is ensured;
- It is given rarely without creating the appearance of impropriety;
- It is permitted under local laws and regulations.

Any gift must meet the following additional criteria:	Any hospitality must meet the following additional criteria:
<input type="checkbox"/> It must have a nominal value below EUR 50	<input type="checkbox"/> It has to be bona fide and for a legitimate business purpose
<input type="checkbox"/> It has to be given on behalf of Prilepska Pivarnica AD Prilep and not on behalf of an individual	<input type="checkbox"/> It has to be directly related to the conduct of company's activity

OFFICIALS

According to this policy, the employees of Prilepska Pivarnica AD Prilep are generally prohibited from giving anything of value, including gifts, to officials, since such actions may violate the anti-corruption laws. However, under limited circumstances, a reasonable gift or hospitality to an official may be allowed, provided that the employee of Prilepska Pivarnica AD Prilep has received prior approval from the CEO or the D/CEO, and that the expense meets the conditions described above.

REIMBURSEMENT DOCUMENTATION

When seeking reimbursement of expenses for any gifts, meals, travel and entertainment provided to officials, the employees of Prilepska Pivarnica AD Prilep must clearly state the name of the official and their institution, the purpose of the expense and a statement for the expense in the reimbursement report, no matter the value.

EXCEPTIONS TO PRIOR APPROVAL REQUIREMENT

Prior approval is not required for expenses related to officials only in the following situations:

- Providing promotional or advertising items with the logo of Prilepska Pivarnica AD Prilep (such as branded t-shirts, branded cups, hats or similar items), with a value of EUR 50 or less, while not exceeding EUR 50 per official on an annual basis, and not exceeding EUR 150 annually for the legal entity the official works at;
- Hospitality for officials (de minimis) such as sandwich, drink, snacks, etc., regardless of whether it is inside or outside the premises of Prilepska Pivarnica AD Prilep and with a total amount of EUR

10 per person, as long as it is provided in relation to the active conduct of business activities of the company. Recurring hospitality for an official is not permitted.

5. ACCURATE BUSINESS BOOKS AND ORDERLY RECORDS

Many anti-corruption laws mandate companies to maintain accurate business books and records, and establish robust internal controls over all business transactions to prevent concealing improper payments, among other reasons. Prilepska Pivarnica AD Prilep requires its business books and records to be an accurate and orderly reflection of the facts, providing sufficient information for a full understanding of transactions. Transactions should never proceed without proper approval from superiors and must be recorded transparently to facilitate accurate preparation of financial statements.

6. REPORTING OF VIOLATIONS

All employees of Prilepska Pivarnica AD Prilep are obliged to report suspected violations of this policy or any anti-corruption law. Violation reports should be addressed to the General and Legal Department. Prilepska Pivarnica AD Prilep prohibits retaliation against any person who, in good faith, reports behavior that is believed to represent a violation of the Code of Professional and Ethical Conduct, the policies of Prilepska Pivarnica AD Prilep, or the law.

7. DISCIPLINARY MEASURES

Any employee of Prilepska Pivarnica AD Prilep who violates this policy may be subject to a disciplinary procedure established by the company and may be subject to disciplinary measures including termination of employment.

Prilepska Pivarnica AD Prilep

CEO and President of the Board of Directors
Sashko Samardzioski