



Anti-Bribery Policy

Identification: **PL-SC-1**

Version: **1 / 22.01.2020**

Security Level: **C2 / Internal use only**



Approved:
Miroslav Vichev
CEO, BORICA AD



Agreed:
Ivan Lazarov
Head of Compliance and risk assessment



Agreed:
Hristo Neshev
General Counsel



The document was prepared by the law firm "Georgiev, Todorov & Co"

Document references

Keywords: bribery, corruption, social commitment

Notes:

File: PL-SC-1_Anti-Bribery Policy БОРИКА_v1

Number of pages: 6

History of the changes in the document

Version	Autor(s)	Date	Status	Comment
1	Law firm "Georgiev, Todorov & Co"	22.01.2020	Approved	First edition of the document

Contents:

1. Introduction	4
2. The purpose of the anti-bribery policy	4
3. Scope and applicability.....	4
4. Combating bribery and corruption	4
4.1 Bribery	4
4.2 Gifts and hospitality, promotional and other business expenditure	5
4.3 Facilitation payment	5
4.4 Charitable contributions and Sponsorship	5
4.5 Political contributions	5
5. Reporting	6
6. Sanctions	6
7. Monitoring and review	6

1. Introduction

BORICA JSC (hereinafter referred to as "BORICA") is a joint-stock company owned by the Bulgarian National Bank and the commercial banks in the Republic of Bulgaria. BORICA meets the needs of its stockholders and customers by maintaining high standards of quality and security.

BORICA is aware of its responsibilities as an operator of the main IT infrastructure of the payment industry in the Republic of Bulgaria and the importance of the messages it send to all of its employees, customers and third parties. Therefore, BORICA takes a zero-tolerance approach to bribery and corruption. All contracts, relationships and transactions should be conducted in an honest and professional manner, which is why BORICA shall develop, implement and enforce effective systems to counter bribery.

BORICA's zero-tolerance approach to bribery and corruption must be communicated to all contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

2. The purpose of the anti-bribery policy

The main purpose of BORICA is to prevent the undermining of support and confidence of its business environment as a result of corruption and other unethical practices.

BORICA shall uphold the relevant legislation to countering bribery and corruption in the jurisdictions in which it conducts business.

If applicable legislation requires higher standards than this Policy, such standards shall be followed

3. Scope and applicability

This Policy shall apply to all managers and employees, working for BORICA, whether permanent or temporary. Any third person working for and on behalf of or with BORICA shall also uphold the principles and rules of this Policy.

This Policy is an integral part of BORICA's Internal Rules of Conduct and acting in breach of it may lead to criminal sanctions and/ or disciplinary measures under the Labor Code.

4. Combating bribery and corruption

4.1 Bribery

Bribery is giving someone an undue financial or other advantage or reward offered or promising them to encourage a person to perform their functions or activities improperly or to reward that person for having already done so. Bribery is also requesting such an undue financial or other advantage or reward or accepting a promise about them:

- Basic composition of active bribery - Art. 225c, para. 2 of the Criminal Code and Art. 304, para. 1 of the Tax Code
- Basic composition of passive bribery - Art. 225c, para. 1 of the Criminal Code, Art. 225b, para. 1 of the Criminal Code and Art. 304, para. 1 of the Tax Code

The acts listed hereinabove may constitute an offence under the Penal Code, namely giving, promising or offering a bribe and receiving or soliciting a bribe. It does not matter whether the bribe is given, offered, received or solicited by a public official or a person, working for or on the behalf of a legal entity or a sole trader.

BORICA is not liable under the Penal Code if it fails to prevent bribery by an associated person. However, BORICA acknowledges that bribery and corruption may undermine legitimate activities, ruin reputation and cause other non-pecuniary damage.

4.2 Gifts and hospitality, promotional and other business expenditure

BORICA does not prohibit genuine hospitality, appropriate gifts or similar business expenditures that are reasonable and proportionate. Gifts and hospitalities such as stationery and office supplies, wine, flowers, tickets to sports, cultural or other social events, taking client to lunch or dinner or pay for reasonable travel expenses in order to demonstrate BORICA's services to clients or business partners shall not be considered for bribery by presumption.

Gifts in cash or equivalent to cash are prohibited for BORICA's employees to promise, give, receive and solicit.

Notwithstanding the above, BORICA's employees shall evaluate whether the promised, offered, received or solicited gift or hospitality is proportionate and reasonable on a case-by-case basis. If not, the employee is obliged to decline it or to cease its illegal behavior.

Should it not be appropriate to decline the offer of a gift, the gift may be accepted, provided it is then declared to the employee's manager and donated to charity.

4.3 Facilitation payment

Facilitation payments, which are payments to induce someone to perform routine functions they are otherwise obliged to perform, are considered bribe. BORICA is against facilitation payments and will actively oppose them should it meets them

- Main staff - Art. 225b, para. 1 of the Tax Code

4.4 Charitable contributions and Sponsorship

BORICA only makes charitable contributions and provides sponsorships that are legal and ethical under local legislation and practices and which are in accordance with BORICA's Code of Ethics and other internal policies

4.5 Political contributions

BORICA does not make any contributions to political parties, party officials and/ or candidates. BORICA will only do so if the members of the Board of Directors decide to do so in writing and with assurance that these acts do not violate this Policy and the principles listed in the Company's Code of Ethics.

5. Reporting

All those working for or under the control of BORICA are responsible for the prevention and reporting of bribery. If an individual is in any doubt, he or she can seek advice of either their direct manager or the Executive Director of BORICA.

Employees who choose to report directly to the prosecutor's office or to the police shall not face reprisal. However, the employee is then obliged to report to its direct manager or to the Executive Director. Failure to do so may lead to undertaking disciplinary measures.

If any third person is aware of any illegal activity which may lead to breach of this Policy, they should raise their concerns with BORICA's Executive Director Mr. Miroslav Vichev at / mvichev@borica.bg/

6. Sanctions

No employee of BORICA will be sanctioned for declining a bribe, even if doing so may cause BORICA to suffer losses or any other negative consequences.

No employee of BORICA will be sanctioned for reporting bribery if it is subsequently revealed that no bribery has been given, promised, received or solicited, except to the extent this report is proved for a slander or other offence under the Penal Code. Deliberately providing false accusations may constitute an offence under the Penal Code.

7. Monitoring and review

The Direction Internal Audit shall monitor the effectiveness and review the implementation of this Policy, regularly considering its suitability, adequacy and effectiveness.

All employees are responsible for the success of this Policy and should ensure they use it to disclose any suspected danger or wrongdoing.

* * *