

# Corporate Social Responsibility (CSR) Procurement Policy

“Sirma Group Holding” JSC

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## Introduction

„Sirma Group Holding“ JSC and its daughter companies recognize the significant impact that our procurement practices can have on the environment, society, and the economy. As part of our commitment to corporate social responsibility, this policy outlines our approach to integrating ethical, social, and environmental considerations into our procurement processes. Our aim is to ensure that our buying practices promote sustainable development and reflect our dedication to operating responsibly.

All policies established by „Sirma Group Holding“ JSC are binding and applicable across all subsidiary companies within the group, ensuring a uniform standard of practice and adherence to our core values and operational guidelines.

## Scope

This policy applies to all procurement activities and decisions within „Sirma Group Holding“ JSC and its subsidiaries. It covers all employees involved in procurement, as well as suppliers, contractors, and partners.

## Policy Objectives

1. **Promote Sustainable Procurement:** To integrate sustainability into procurement practices, ensuring that all purchases made by „Sirma Group Holding“ JSC and its daughter companies contribute to social progress, environmental protection, and economic development.
2. **Ensure Ethical Sourcing:** To only engage with suppliers and contractors who demonstrate a clear commitment to ethical business practices, including labor rights, environmental protection, and anti-corruption measures.
3. **Encourage Supplier Diversity:** To support diversity in our supply chain by actively seeking out and working with suppliers from diverse backgrounds, including minority-owned, women-owned, and small businesses.
4. **Enhance Transparency:** To increase transparency in our procurement processes, ensuring that decisions are made based on fair and objective criteria.
5. **Support Community Development:** To prioritize suppliers and contractors who contribute positively to their communities and help foster economic growth in the regions where we operate.

## Implementation Guidelines

1. **Supplier Selection and Evaluation:** Develop criteria for selecting suppliers that include sustainability, ethics, and social responsibility considerations. Regularly evaluate existing suppliers against these criteria.
2. **Training and Awareness:** Provide training for all employees involved in procurement on the importance of CSR and how to implement this policy in their day-to-day activities.
3. **Collaboration and Partnerships:** Work collaboratively with suppliers to improve their CSR performance, offering support and resources where possible to help them meet our standards.
4. **Monitoring and Reporting:** Establish mechanisms for monitoring compliance with this policy and for reporting on CSR procurement activities and outcomes, both internally and to external stakeholders.

## Compliance and Enforcement

All employees and suppliers are expected to comply with this policy. Non-compliance will be addressed promptly and may result in corrective action, including the reevaluation of supplier contracts or relationships.

## Review and Improvement

This policy will be reviewed annually to ensure it remains aligned with „Sirma Group Holding“ JSC CSR goals and objectives, as well as evolving best practices and legal requirements. We are committed to continuously improving our procurement practices to better support our CSR commitments.

The last revision of this policy has been effected during March 2024.

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