



PUBLIC JOINT-STOCK COMPANY "SOFTLINE"

Anti-corruption policy Softline Group

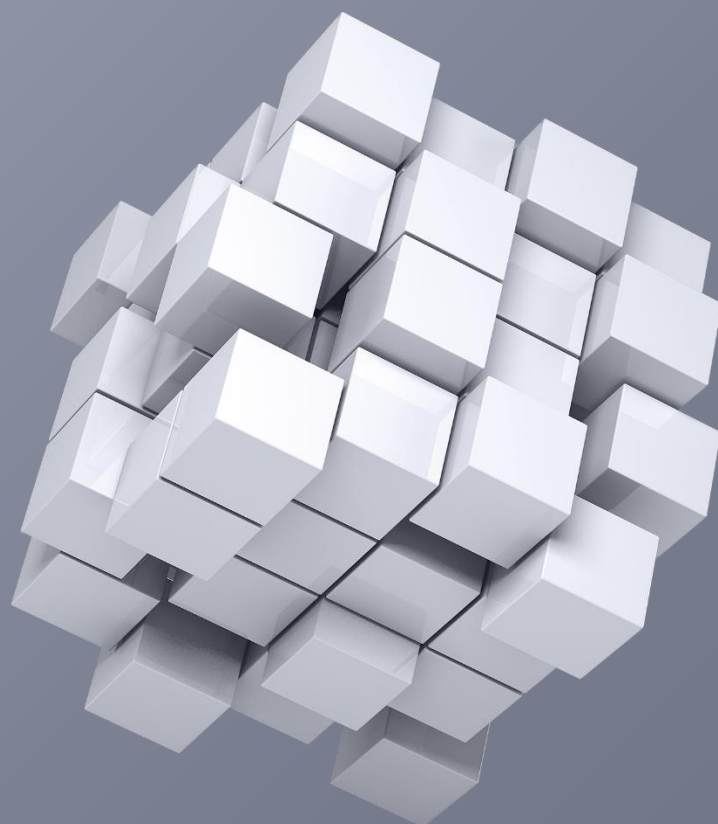


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1. General Provisions

The Softline Group of Companies (hereinafter referred to as "Softline") strives to conduct its business transparently and in accordance with the highest ethical standards. This means that Softline's business must always be conducted in strict compliance with all applicable laws and regulations, including those related to Bribery, Corruption, and Fraud.

Softline maintains a zero-tolerance approach to all forms of bribery, corruption, and fraud and makes every effort to eliminate and prevent the causes and situations that could give rise to bribery, corruption, and fraud. Such efforts and integrity are crucial to Softline's success.

Softline expects all Employees and Business Partners to adhere to and fully support the rules set out in this Policy and applicable Bribery, Corruption and Fraud regulations.

This Policy sets the standards and describes the instructions that Softline Employees and Business Partners must follow when conducting business to prevent Bribery, Corruption and Fraud.

2. Scope of application

This Policy applies to all Employees and Business Partners. Additional information and requirements for Business Partners are contained in the Business Partner Due Diligence Policy.

3. Terms and definitions

The terms used in this Policy have the following meanings:

- Books and records – means accounts, books, records, invoices, correspondence, papers and other documents that record and reflect the business, transactions and other activities of Softline in written or any other form (including electronic).
- Bribery or bribe – means any direct or indirect offer, promise, provision, request, agreement to receive, acceptance or receipt of any payment, gift or other valuable advantage (financial or otherwise) to or from any person (including any person or entity) to induce that person (or any other person) to perform their role improperly or to secure any improper benefit or advantage for Softline or any other person.
- Business Partner – means any person who is a counterparty to Softline or acts on behalf of and/or on the instructions of Softline, including suppliers, Clients, consultants, advisors, contractors, distributors, agents, commercial and other intermediaries.
- Commercial sponsorship means the provision of financial or in-kind support to an event, person or organization in exchange for the opportunity to promote that organization's brand and/or personnel or access to services, the event or other marketing opportunities.
- The Chief Ethics and Compliance Officer is the Chief Compliance Officer.
- The Compliance Service is a division of Softline that performs functions to ensure compliance with this Policy and the anti-corruption requirements applicable to Softline.

- Conflict of interest means any situation in which an individual or family member has a personal or outside interest that may affect the objective performance of official duties at Softline, regardless of whether it actually affected their performance.
- Corruption means any act committed with the purpose of obtaining an undue advantage incompatible with official duties; abuse of one's official position to obtain any benefit personally or for someone else contrary to official duties.
- Director - means any member of the governing body of a company, association or other body of a company.
- Employee – a manager, Director, employee or official hired by Softline on a permanent basis or under a fixed-term employment contract, civil law contracts, including any Softline agency workers, temporary workers working part-time or full-time, and interns.
- Facilitation payments – means any payment to a public official made to expedite or secure the performance of a routine government action (such as processing a visa or issuing a customs invoice or permit) that is not expressly provided for by law.
- Fraud means any intentional misrepresentation of a fact to obtain an unfair or illegal advantage for business or personal gain, theft, abuse of position or authority, or the willful and wrongful waste or destruction of property or resources.
- Lobbying means any individual or collective action taken to influence decisions made by government bodies, officials, legislators or other authorized bodies.
- Political contributions – means any monetary or non-monetary contribution, such as resources and funds, to support political parties, candidates or campaigns.
- Public officials – refers to any of the following persons:
 - a public servant or any person authorized by law to perform any public function;
 - an elected or appointed official;
 - an employee or official of state and/or local government bodies, including, but not limited to, educational, medical and military institutions, law enforcement and customs agencies, tax and immigration services, organizations issuing state licenses, sanctions and permits;
 - an employee or official of a company, enterprise, agency, business organization or legal entity that is wholly or partly owned or controlled by the government;
 - an employee or official of an international organization, including, but not limited to, the United Nations, the International Olympic Committee, the International Committee of the Red Cross and Red Crescent;
 - leader and activist of a political party; candidate for political office;
 - members of royal families;
 - honorary civil servants;
 - and other persons holding legislative, administrative, military or judicial office of any kind.
- Softline, Softline Group, Softline Group – Softline PJSC and affiliates.
- Material or intangible values mean:
 - money (including Incentive Payments);
 - present;
 - entertainment or hospitality expenses;

- job offers (including for relatives);
- promises of future employment;
- discounts on products not available to regular customers;
- payment for travel, accommodation and entertainment;
- personal services;
- Political contributions;
- charitable donations;
- commercial sponsorship;
- and/or any other advantages or benefits (material or intangible).

4. Responsibilities

4.1. Employee Responsibilities

Employees are required to:

- read, understand and comply with this Policy and any other documents aimed at its implementation;
- Always demonstrate ethics, honesty and responsibility and expect the same from others;
- direct any questions, concerns, or information about any known or suspected violations of this Policy to the Chief Ethics and Compliance Officer or through the channels described in the Whistleblowing Policy;
- Undergo training on this Policy upon hiring and at Softline's request, but at least once a year. Employees must successfully complete this training;
- within the scope of their official duties, notify Business Partners of the requirements of this Policy and apply the Business Partner Due Diligence Policy.

4.2. Responsibilities of Managers

Managers are responsible for ensuring that Employees and Business Partners comply with the requirements and instructions set forth in this Policy. Managers must also ensure that Employees receive training on the requirements of this Policy.

4.3. Compliance Service / Director of Ethics and Compliance

- annually reviews and, if necessary, updates this Policy and any other documents aimed at its implementation;
- organizes training and education on issues of combating Bribery and Corruption for all Employees upon hiring and on an annual basis;
- Within the framework of approved activities, reports to the Softline Board of Directors on the implementation of this Policy. The Director of Ethics and Compliance will promptly notify the Softline Board of Directors of any actual or suspected violations of this Policy or violations of any laws related to Bribery, Corruption, or Fraud;

- provides Employees and Business Partners with advice and support on matters of compliance with this Policy and relevant regulations.

5. Basic Provisions

5.1. Prohibition of bribery

Bribery and corruption can take many forms: they can be overt, such as a cash bribe, or more subtle, such as job offers, commission payments, and excessive gifts or hospitality. To ensure compliance with the law and this Policy, our anti-bribery management system has developed the following rules and instructions, which must be followed by all Employees and Business Partners.

Employees and Business Partners are prohibited from:

- make, support, offer or authorize, promise, request, agree to receive, approve and/or receive any payments, financial or non-financial benefits (directly or indirectly);
- directly or indirectly (including through intermediaries) promise, pay, give, transfer, offer, or provide any tangible or intangible value in any form to public officials for reasons not expressly provided for by law (for example, legally established and justified payments provided to public officials for services rendered are not prohibited). Employees and Business Partners should always exercise caution when communicating with public officials;
- transfer, directly or indirectly (including through third parties), any Material or Intangible Values to the children, spouses, other immediate family members of a Public Official or persons related to him or her, or to any other person to whom the Public Official has instructed such transfer for purposes that are not expressly provided for by law (and if Employees or Business Partners propose to transfer Material or Intangible Values to such persons, even if this is expressly provided for by law, they must nevertheless obtain the prior written approval of the Chief Ethics and Compliance Officer);
- Facilitating payments or payments of any kind are not permitted, except where such payment is required to avoid risk to life or personal injury (in such circumstances, the payment must be reported to the Chief Ethics and Compliance Officer as soon as possible and properly maintained in the relevant books and records). Certain administrative fees or expedited review fees are permissible and will not be considered Facilitating Payments, provided that they are permitted or specifically required by applicable law. However, payments made in accordance with customary practice or cultural traditions that are contrary to established law are unacceptable.

The above prohibitions apply regardless of whether Softline funds are used to offer or receive a Bribe, Material or Intangible Value, and regardless of whether they are promised, given or offered, directly or indirectly, through third parties (e.g. agents, consultants, sales managers, distributors, resellers and subcontractors).

Upon receipt of a request or demand for a Bribe, an Employee or Business Partner must:

- refuse to pay or provide a Bribe and explain that Softline does not make such payments or provide undue advantages under any circumstances, as they are contrary to the provisions of applicable law and policies;
- explain that such refusal is final;
- not to use non-verbal means of communication, including gestures and postures, and not to give any hints that imply mutual understanding regarding actions that are not consistent with this Policy;
- The Employee must notify the immediate supervisor and the Chief Ethics and Compliance Officer, and the Business Partner must notify the contact person in Softline, who will be obliged to inform the Chief Ethics and Compliance Officer;
- Softline's partners or representatives must be notified that they are not authorized to make payments or provide any other benefits on behalf of Softline. Partners and relevant individuals must be aware that their relationship with them will be terminated if such a payment is made or a benefit is provided.

5.2. Inadmissibility of fraud

Fraud can take many forms. For example, it can include falsifying invoices, financial reports, or inventory information, misrepresenting expenses, and committing fraudulent transactions.

All Employees and Business Partners must:

- not to participate in fraud (directly or indirectly) or otherwise facilitate any fraud;
- protect Softline property and use it conscientiously and carefully;
- understand the internal management and control mechanisms, know and comply with the procedures related to your work that are aimed at reducing the risk of fraud.

5.3. Expenses, gifts and donations

All expenses (including hospitality and entertainment), gifts and donations must meet the following criteria:

- be intended for legitimate business purposes directly related to Softline's business;
- Comply in nature and cost with industry standards in the place of transfer or receipt, and be reasonable and appropriate. Costs may vary by country or region, so you should always be aware of the risk that even small expenses in one location may be unacceptable in another;
- are unacceptable if they can be regarded as a bribe;
- must not place you or Softline in an uncertain or difficult position;
- must not be used to influence or attempt to influence you or anyone else improperly with the intent to improperly obtain or retain business or other advantages;

- must not be offered or accepted from any person or organization with a reputation for dishonest, unethical or illegal conduct;
- must not be offered or accepted by any party with whom Softline participates in open bidding or tender procedures;
- be one-time or infrequent;
- should not lead to a Conflict of Interest;
- must not violate any policies, applicable laws, rules, or regulations applicable to you or the person giving or receiving them. You are responsible for verifying this;
- must be pre-approved in writing by your supervisor before any expense, gift, or donation is made, purchased, or accepted if its value exceeds 3,000 Russian rubles or the equivalent in another currency. All expenses related to government employees must be approved regardless of value (see below);
- be supported by receipts, checks (if possible) and must be promptly and fully recorded in the relevant books and records of Softline in accordance with applicable legal and accounting requirements.

Gifts should never be given in cash or its equivalent (e.g., gift cards).

Any gifts or hospitality received from or offered to Public Officials (where permitted by applicable law), regardless of value, must be subject to prior written approval by the Chief Ethics and Compliance Officer.

Items of small value intended for advertising purposes (which typically bear the printed logo of Softline or a business partner) are not considered gifts and may be given to Government Officials without prior approval, provided they are intended for legitimate business purposes and are properly recorded in Softline's books and records.

Charitable donations to third parties may not be used to influence the client's purchasing decisions, government officials, or third parties to obtain business advantages or other benefits. Charitable donations may only be made to registered charities and must be appropriately reflected in Softline's books and records.

5.4 Political contributions, lobbying, commercial sponsorships and commission payments

Any political contributions, commercial sponsorships, or commission payments may never be used as bribes and must not result in any business advantage for Softline. All such payments, where permitted by applicable law, must be properly reflected in Softline's books and records.

You may not make political contributions or engage in lobbying on behalf of Softline without prior written permission from the Chief Ethics and Compliance Officer. Any political activity you undertake for personal purposes and in your personal capacity must be conducted separately from Softline. You may not link to Softline or use Softline resources.

All commercial sponsorships and commission payments must be formalized in a legally binding agreement and reflected in the relevant books and records. Prior written approval for these payments, regardless of their amount, must be obtained from the Chief Ethics and Compliance Officer.

5.5. Conflict of Interest

Employees and Business Partners must strive to avoid any relationships, influence, or activities that could negatively impact their ability to perform their jobs or make decisions that are fair, objective, and in Softline's best interests. For example, business transactions with related parties, such as spouses, children, parents, and other individuals with close personal relationships, could negatively impact their ability to perform their jobs.

In the event of a potential Conflict of Interest, Employees and Business Partners should:

- promptly report the situation to the Compliance Service/Director of Ethics and Compliance before entering into any commercial transaction;
- perform any actions required by the Compliance Service/Chief Ethics and Compliance Officer to resolve the Conflict of Interest.

5.6. Books and records

Softline employees and Business Partners are required to adhere to established accounting and reporting procedures to accurately reflect each transaction and maintain a system of internal accounting controls. All transactions and payments (including gifts) must be properly, honestly, and accurately reflected in the accounting books and all source documents, including invoices, receipts, and expense documents. These requirements are designed to prevent bribery and fraud.

6. Reporting violations

Any Employee who knows of or suspects a violation of this Policy or an event or circumstance indicating a violation of Bribery, Corruption or Fraud Laws by another Employee or Business Partner is required to report such information in accordance with the Whistleblowing Policy.

How Employees respond to these issues is critical to Softline's ability to prevent Bribery, Corruption and Fraud, and to maintain its ethical principles and business reputation.

Softline's senior management will provide full support to any Employees or Business Partners who refuse to engage in Bribery, Corruption, or Fraud, and who report any concerns in good faith in accordance with the Whistleblowing Policy. In accordance with the Whistleblowing Policy, negative reactions following a good-faith report are unacceptable. Employees and Business Partners will not be subject to any sanctions for reporting in good faith, even if their

concerns are unfounded, and those who engage in negative reactions will be subject to disciplinary action.

7. Violation of this policy

If Softline becomes aware of any violation of this Policy, or of an event or circumstance indicating a violation of applicable laws on Bribery, Corruption or Fraud, an internal investigation will be initiated with the involvement, if necessary, of law enforcement agencies and other competent persons.

All Employees and Business Partners are responsible for compliance with this Policy and other documents aimed at its implementation. Failure to comply with the requirements of this Policy will be grounds for disciplinary action, including dismissal or termination of the business relationship.

In addition, persons who violate the laws on Bribery, Corruption or Fraud may be held liable under the law, including criminal liability.

Any questions regarding the Policy can be directed to the Director of Ethics and Compliance or sent to the Compliance Service by email at compliance@softline.com.

Vladimir Lavrov,
General Director of PJSC Softline

