



MusalaSoft

Part of Qinshift

Code of Conduct

Business Philosophy

With the current globalization it is becoming more and more important to imply social responsibility based on the fundamental principles by which people live and work together.

The **Mission** of Musala Soft is to understand clients' needs, effectively provide high-quality solutions that meet client expectations and be a long-term reliable partner of satisfied customers.

We are a **value-driven** company. Our **Business Philosophy** is to empower people and talents, promote technology and innovation, provide high-quality products and services, contribute to society, thus creating more value for a better global society.

Creating Shared Value at Musala Soft

Creating Shared Value is the basic way we do business. In order to create long-term value for shareholders we have to create value for society. In order to be environmentally sustainable and create shared value for shareholders and society we comply with our Business Principles. This involves **compliance** with national laws and relevant conventions, as well as our own regulations, which go beyond basic legal obligations.

Our business is based on **sustainability** – ensuring that our activities preserve the environment for future generations. At the same time, Creating Shared Value goes beyond compliance and sustainability. Any business that thinks long term and follows sound business principles creates value for shareholders and for society through its activities, in terms of jobs creation, taxes to support public services and economic activity in general.

Company Profile

Musala Soft is a leading Bulgarian software engineering services company, specialized in the delivery of complex and large-scale software projects, IT consulting and solution implementation.

Since becoming part of ARICOMA Group in late 2022, Musala Soft has accelerated its long-term growth and value creation. Joining forces with ARICOMA, now Qinshift, is a new faster chapter of our development.



Business Philosophy

Being part of Qinshift we are grasping an opportunity to participate in the construction of one of the key software development players with various centers in EMEA region and clients in numerous countries around the world. With that being said, this big adventure respectively holds its potential risks.

The overall company goal is to enable its clients to leverage cutting edge information technologies while focusing on effectively using their existing assets. The company reputation of a reliable service provider is a result of a trackrecord of successful projects and satisfied clients.

Company Processes

The activities in Musala Soft are conducted in accordance with the implemented and constantly improved Integrated Management System based on the ISO 9001 standard for quality management, Agile and Lean - methodologies and best practices for software development, ISO 27001 for information security and ISO 27701 as its extension which covers data protection, ISO 14001 for environmental management and ISO 45001 for occupational health and safety as well as Responsible Business Alliance Code of Conduct's social, environmental and ethical industry standard.

We maintain a focused and flexible organization, and as a result we are able to react quickly to the needs of each client. We recognize that our clients do not have time to wrestle with bureaucracy, so we place our developers in project teams that are designed to be efficient and responsive, keeping management overhead low. Team members are committed to non-stop learning, knowledge sharing and a high degree of personal involvement. As a result, each team is able to achieve more than individual members could accomplish alone.

Management Commitment and Corporate Governance

Musala Soft positions continual improvement of corporate governance as an important part of business operations and is striving to enhance corporate governance in a proactive manner. Musala Soft declares its commitments to each of the stakeholders - shareholders, customers, employees, and local society, in its **Corporate Philosophy** as set forth below, and is aiming to fulfill those commitments:



- **Commitment to Customers** – fully satisfy the customers by

continuing to offer high-quality and valuable products and services, based on new and recognized technologies, creativity and innovations.

- **Commitment to Shareholders** – sustain continuous development

through high-quality and transparent management while ensuring healthy profits and sustainability.

- **Commitment to Employees** – be an organization in which all the

people respect each other's individuality and creativity and fully demonstrate their abilities.

- **Commitment to Society** - contribute to the development of society,

culture, and economy as a good corporate citizen by observing laws with ethics and protecting the environment.

ESG Reporting

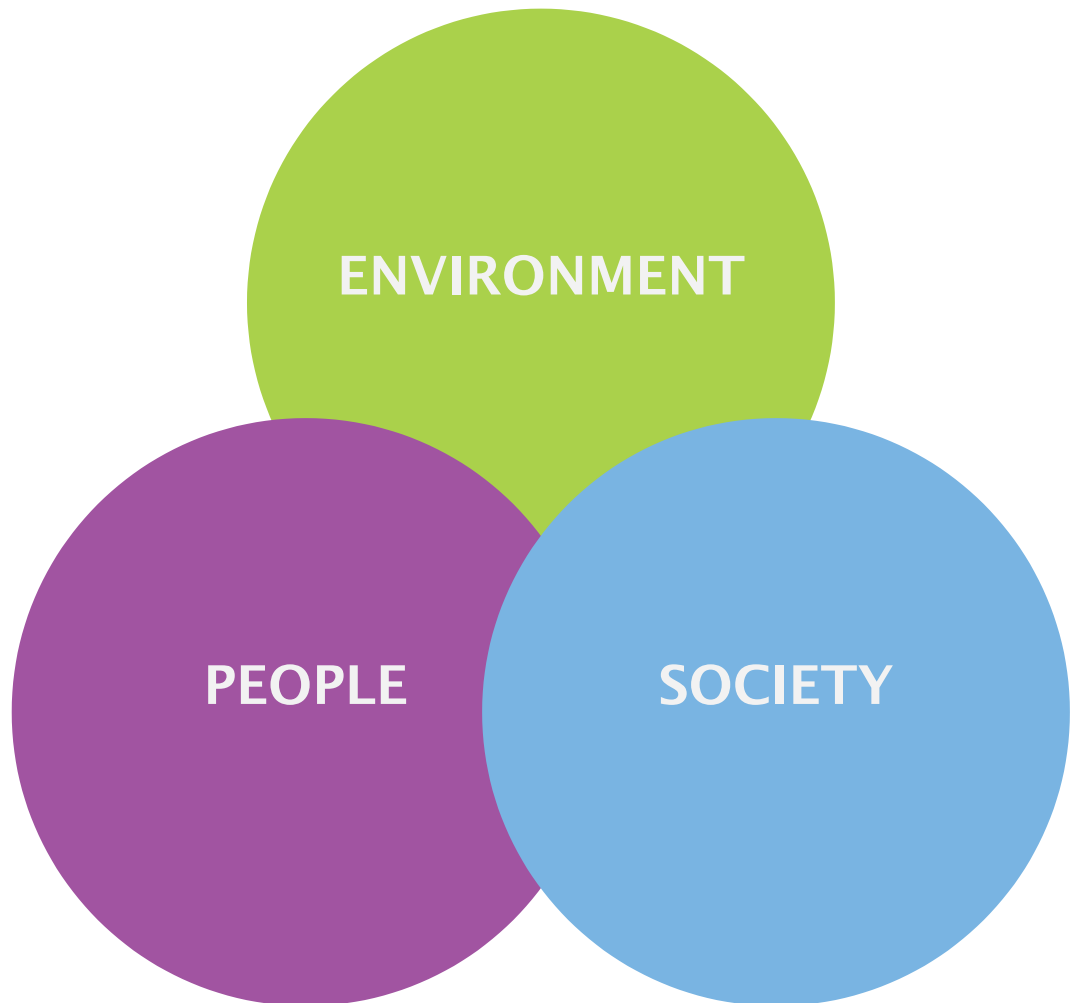
Since becoming part of the group, Environmental, Social, and Governance (ESG) considerations are firmly integrated into our business operations and reporting. Our ESG reporting includes tracking our environmental impact, social initiatives, and governance practices. Through transparent reporting, we aim to demonstrate our commitment to responsible and sustainable business practices, aligning with the expectations of our stakeholders and contributing to long-term value creation for our shareholders and society at large.

Purposes and Application of the Code of Conduct

We recognize that to enhance the corporate value of Musala Soft, the corporate social responsibility has to be an integral part of our day-to-day work. Therefore, we highly respect and support the provisions of this Code of Conduct, directed to all company staff.



Dimensions of Musala Soft's CSR



Child Labor Avoidance

Child labor is not to be used in any of our operations. The term “child” refers to any person employed under the age of 16. In addition, employees under the age of 18 (young employees) will not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.

If an underage employee (under 16 years old) is discovered, the contract must be terminated immediately and action must be taken to remediate any negative consequence of the underage work or contract termination, in accordance with our Child Labor assistance procedure.

The use of legitimate workplace apprenticeship programs, which comply with all local laws and regulations, is highly supported.

Freely chosen employment

Musala Soft supports the elimination of any form of forced or involuntary labor.

When hiring new employees, they are provided with a written employment agreement that contains a description of terms and conditions of employment in a language they can understand. Migrant employees are verbally informed of the key employment terms and conditions prior to the employee departing from his or her country of origin. No change(s) in the employment agreement between departure and arrival in the receiving country is permitted unless these changes are made to meet local law and provide equal or better terms.

Employees shall not be required to pay Musala Soft or to recruitment agents' recruitment fees or other related fees for their employment under any circumstances. If a proved case is discovered where the employee has paid fees, the employee must be reimbursed either directly in full or as repayment installments within a maximum of 30 days. When using recruitment agencies we incorporate the non-payment of fee for the employees term in our contractual requirements with them and verify their compliance at least on a yearly basis.

In addition, Musala Soft does not practice giving loans to employees.



People

In the context of their duties and working hours, employees are not unreasonably restricted in their movement within Company facilities, except for safety, security or confidentiality reasons.

Working hours

We comply with the national laws and agreements concerning working hours and regular paid holidays. All overtime is voluntary and agreed to by the employees. If need for overtime occurs, it will be used responsibly, and employees will not face penalties of any kind for refusing overtime.

Minimum Wages and compensation:

We compensate our employees with wages and benefits that meet or exceed the legally required minimum. In compliance with local laws, if overtime occurs, it is compensated accordingly. We respect the principle of «Equal pay for equal work», e.g. for women and men, within the framework of national legislation. We do not deduct or withhold from employee's wage due to disciplinary reasons unless it is required by law.

Non-discrimination

We ensure equal opportunities in hiring and employment. We promote and embrace diversity in all aspects of its business operations. No one is discriminated or harassed on the basis of race, color, gender identity and expression, ethnicity or national origin, age, religion, sexual orientation, disability, political affiliation, union membership, pregnancy or marital status. Furthermore, employees or potential employees are not to be subjected to any additional medical tests or physical exams aside from the ones required by law.

We aim to provide our employees with reasonable accommodation in order to allow them to comply with their religious beliefs upon request to their line manager.

No Harsh or Inhumane Treatment:

We are opposed to any harsh or inhumane treatment, whether in the form of gestures, words or physical contact, including violence, gender-



People

based violence, sexual harassment, sexual abuse, corporal punishment mental or physical coercion, bullying, public shaming or verbal abuse of employees. We ensure that complaints are dealt with immediately and that appropriate measures are taken.

Diversity

We hire people from diverse backgrounds, nationalities, and cultures, to bring a fresh array of perspectives to our business. Our workforce is comprised of individuals with a range of characteristics, such as gender, religion, race, age, ethnicity, sexual orientation, education, and other attributes.

Gender equality

With the majority of employees in the IT business being engineers and a large part male, there is a need to encourage more women to join and excel in these vocations. Musala Soft values gender diversity, supporting the careers of female employees, promoting information sharing internally and with parties outside Musala Soft, and building networks. As a result, we have a high number of female employees, including in management positions.

Respect for the right of Association

We respect the right of our employees to join employee associations as well as the basic right of peaceful assembly, individually or collectively, to express, promote, pursue, and defend associates' concerns or ideas, or to refrain from doing so.

We do not interfere with and will not finance a trade union.

We respect the legal rights of all our employees to bargain collectively, or refrain from doing so.

Non-Retaliation

Our highly professional staff and open-minded atmosphere ensure an informal and unconstrained communication process, so that our employees are free to raise concerns without fear of retaliation.



We encourage and secure reporting from employees, business partners and other stakeholders should they believe that a conflict arises between Musala Soft's operations and this Code and corresponding Policies through a whistleblowing system, either by reporting to people.care@musala.com or anonymously through Our corporate website [form](#) while protecting the Reporter from discriminatory sanctions.

For more information on reporting violations and non-retaliation please consult our Whistleblowing Policy.

Health and safety - regulations and workplace

We strive to adopt sound labor and employment practices and to maintain an excellent healthy, safe and productive work environment. We ensure safety at work and protection of health at the workplace according to the national regulations in force. Employees comply with the regulations concerning health and safety at the workplace. We provide programs that contribute to the productivity, health and well-being of employees.

Emergency Preparedness

Emergency situations are identified and assessed. We implement emergency plans and response procedures, including employee training and drills, appropriate fire detection and suppression equipment, emergency reporting, employee notification and evacuation procedures.

Exposure to risk at the workplace

Due to the specifics of our business, focused on delivering IT software products, solutions and services, and using cutting-edge technologies in our day-to-day work, our employees are not exposed to high risk of work-related injury and illness. Nevertheless, we ensure managers and employees are trained and accountable for preventing work-related injuries and illnesses according to national regulations.



Musala Soft for Musala People

We provide competitive social and professional benefits to our employees, striving to achieve professional and personal life balance:

Social:

- Variety of programs, oriented towards employees and their families, with special offers and discounts (hardware, sports programs and equipment, optics, health and beauty services, etc.)
- Additional health insurance for employees and their children
- Food coupons, rest zone with snacks and beverages
- Competitive vacation scheme tied to the length of service with the company
- Social events, parties, team buildings, information bulletin with latest company news

Professional:

- Ergonomic workspace in a class-A office building with state-of-the-art hardware and software
- Opportunities for education, training and building technology expertise
- Regular performance evaluations
- Strong career development opportunities and clear career path
- Challenging work environment of knowledge sharing culture with smart colleagues and experienced professionals

For any recommendations, opinions and concerns you may have, please feel free to share at people.care@musala.com



Ethical Business Conduct:

Musala Soft's principles of business conduct require that business be conducted with honesty and reflect high ethical standards that are the basis for achieving our goals. All employees are expected to comply with these standards.

Contributions

We make contributions only after careful consideration of the necessity and appropriateness, while maintaining compliance with applicable laws, rules, and regulations.

Political Funds

We adhere to applicable laws and regulations, such as laws to regulate money used for political activities and laws to regulate public elections, for all political funds and donations as well as expenditures related to elections and political activities. We respect employees' right to join political organizations, but we as a company are not connected to and do not support any political party.

Prohibition of Involvement in Anti-Social Activities

We take determined actions against anti-social influences and groups that threaten public order and safety, and all contact with such entities is strictly forbidden. We do not involve ourselves in any acts that would promote the activities of anti-social groups.

Handling of Confidential Information

We strictly manage our company's confidential information. That is, we do not disclose or leak such information in a manner that violates the procedures stipulated in in-house regulations, not only during employment at our company but also after departure from the company.



We do not use our company's confidential information improperly or inappropriately for own benefit, not only during employment at our company but also after departure from the company.

We do not use for any inappropriate purpose information on or held by customers, suppliers, distributors, or other business partners that was obtained through the execution of our duties. Moreover, we strictly manage such information so that it is not disclosed or leaked in a manner that violates in-house regulations.

We do not access or obtain confidential information on or held by customers, suppliers, distributors, other business partners, or competitors by improper means.

Handling of Personal Information

We recognize the importance of protecting personal information. Thus, we appropriately obtain, utilize, and provide personal information in accordance with GDPR and all applicable laws, rules, regulations, and in-house regulations and upon hiring, we do not hold on to employees' government issued identification and personal documentation originals as applicable by local laws. In case of local law requirement for keeping of original documents, at no time are the employees denied access to their documents. Moreover, we take the necessary and appropriate security measures for such information so that it is not disclosed, leaked, or causes any damage whatsoever. All detailed information regarding the handling of personal information can be found in our Policy for protection of personal data.

Protection of intellectual property rights

Intellectual property rights are crucial assets of the company, and we will actively make use of those rights and make efforts to protect them.

With respect to inventions associated with production and development, we promptly apply for patents or protect the relevant know-how and take other actions to protect the intellectual property rights of the company.



In pursuing production and development, we conduct appropriate research in advance to ensure that we do not infringe upon the intellectual property rights of other parties.

We properly use and manage only the licenses that have been formally acquired and comply with the conditions of usage for any and every piece of software and will not use illegal copies.

Compliance with competition laws of other countries

When pursuing business activities abroad, we ensure compliance with the laws and regulations of the respective countries.

We do not only comply with the local laws and regulations but also respect the cultures, traditions, customs, religions and other characteristics of the respective country or region.

Legal compliance and prohibition of corruption and bribery

We consider legal compliance to be our primary duty. As part of our Corporate Responsibility, we also expect this from our suppliers.

We are committed to the rules of fair play, honest competition, legitimate and justifiable services and expectations, and transparency in dealing with any domestic or foreign public official, customers, or any other party having a business relationship with Musala Soft.

We tolerate no form of and do not engage in any form of corruption or bribery, including giving, promising or receiving anything of value to obtain or retain business, favored treatment or an advantage, any payment or other form of benefit conferred on any government official for the purpose of influencing decision making in violation of law as prescribed in our Anti-Bribery Policy.



Conflict of interest

Decisions made by Musala Soft are based on objective, transparent criteria, such as quality, performance and price.

A conflict of interests is a situation where personal interests and the company's interests are incompatible or where judgement is influenced by personal interests. Therefore, any situation which could give rise to a conflict of interests must be avoided.

In accordance with our Conflict of Interest Policy, in cases of doubt as to whether there is a conflict of interests, employees should first consult their line manager who will help find an acceptable, transparent solution.

Relations with Customers, Business Partners, and Competitors

We always focus on customer satisfaction, observe all applicable laws, rules, and regulations, and give full consideration to the quality and safety of our products and services.

Free Competition and Fair Commercial Transactions

We conduct fair commercial transactions with all business partners based on the principle of free competition and in compliance with anti-trust, competition, and fair-trade laws and all other applicable laws, rules, and regulations.

We do not undertake any action that inhibits free and fair competition, including collusion and cartel formation, nor do we participate in meetings or in exchanges of information that may limit free competition or engage in any activity that may be construed as doing so.



We always keep relations with customers, business partners and competitors open and fair. In addition, we carry out all commercial transactions with integrity by adhering to social and business ethics.

Policies on Transactions with Suppliers of Materials and Services

We carry out commercial transactions with suppliers of materials and services, including companies such as advertising agencies in a fair and equal manner while being compliant with applicable laws, rules, regulations, and contracts.

We do not abuse any superior position that we may have as a customer to cause inappropriate disadvantage to suppliers.

We do not seek personal gain by accepting any benefits or special convenience in procurement or other purchasing operations.

Policies on Transactions with Distributors

We carry out commercial transactions with distributors in a fair and equal manner while being compliant with applicable laws, rules, regulations, and contracts.

We do not take inappropriate or unlawful actions against distributors, including exclusionary measures, discriminatory treatment, and restrictions on their business operations.

Policies on Entertainment and Gifts

We conduct ourselves with sound business practices and social norms when we provide or receive entertainment or exchange gifts with business partners or others.



We do not, under any circumstances, offer bribes to members of any governmental organizations, heads of regional public organizations, members of municipal assemblies, or officials of government agencies or regional public organizations (including personnel of public corporations and other government-affiliated organizations who shall be deemed to be public officials under applicable laws, rules, and regulations). In addition, we do not provide any benefits to gain unfair business advantage, entertain in a way that could be construed as offering benefits, or offer gifts or any other treatment that lacks justifiable grounds.

We do not conduct any acts involving foreign officers such as officials of foreign governments or regional public organizations that could be construed as bribery or the provision of benefits to gain an unfair business advantage under any circumstances under applicable laws, rules, and regulations.

Policies on Import-Export Transactions

We carry out the import and export of products, technology, and services in compliance with all applicable domestic and international laws, rules, regulations, and in-house regulations.

Policies on Publicity and Advertising

We avoid displays and expressions that are not based on facts or that are misleading for customers with respect to the quality, performance, or specifications of our products or services in publicity, advertising, and other sales-related activities.

Communication with the society

Through interacting with the local community and pursuing promotional activities, we will promote mutual communication between the company and the society.



Musala Soft in help of Society

At Musala Soft, our efforts to contribute to the larger community are manifested in our employee volunteerism, strategic philanthropic funding, and partnerships with non-profit organizations that support, develop, and implement initiatives focused on education, innovation, and business ethics. We share our unique resources – our talented employees and enabling technology – to build capacity in non-profit organizations.

Musala Soft has formulated a corporate policy based on investing in various academic programs designed to promote the study of Informatics, supporting the advance of young people and developing significant Bulgarian presence in the International Informatics Society.

Musala Soft and the IT Society

We keep our ethics and work on the highest level to contribute to a better competitive environment.

Musala Soft and Quality

We earn customer loyalty by providing products and services of the highest quality and greatest value according to our Quality Policy.



Environment

As a software company, Musala Soft's impact on the environment from its own operations is relatively low.

Still, we are committed to reducing our environmental impact and continually improving our environmental performance as an integral part of our business strategy and operating methods, with regular review points. We encourage customers, suppliers and other stakeholders to do the same.

With respect to research, development, production, sales and waste disposal, we recognize the importance of environmental protection at all times, comply with environmental laws and regulations, and make every effort to manufacture products with due consideration to the environment.

When outsourcing, transport and disposal of industrial wastes, we take adequate precautions in selecting the service provider in order to prevent illegal disposal and will conduct periodical audits.

The key points of our strategy to achieve this are:

Policy Aims

We comply with all relevant regulatory requirements.

We continually improve and monitor environmental performance. We continually improve and reduce environmental impacts.

We incorporate environmental factors into business decisions. We increase employee awareness and training.

Paper

We minimize the use of paper in the office. We reduce packaging as much as possible.

We seek to buy recycled and recyclable paper products. We reuse and recycle all paper where possible.



Energy and Water

We seek to reduce the amount of energy used as much as possible, taking advantage of state-of-the-art technologies and equipment.

Lights and electrical equipment are switched off when not in use. Heating is adjusted with energy consumption in mind.

The energy consumption and efficiency of new products and services are taken into account when purchasing.

Office Supplies

We evaluate if the need can be met in another way.

We evaluate if renting/sharing is a better option before purchasing equipment.

We evaluate the environmental impact of any new products we intend to purchase.

We seek to buy more environmentally friendly and efficient products. We reuse and recycle everything we are able to.

Transportation

We reduce the need to travel, restricting to necessity trips only.

We promote the use of travel alternatives such as e-mail or video/phone conferencing.

We make additional efforts to accommodate the needs of those using public transport or bicycles.

Maintenance and Cleaning

Cleaning materials and materials used in office refurbishment are as environmentally friendly as possible. We only use licensed and appropriate organizations to dispose of waste.



Management and Proper Use of Company's Assets

We properly manage our company's assets (tangible and intangible) in accordance with in-house regulations and will not use them for private purposes or any other use unrelated to the company's business operations.

Culture

We involve staff in the implementation of this policy, for greater commitment and improved performance.

We update this policy at least annually in consultation with staff and other stakeholders where necessary.

We provide staff with relevant environmental training.

We work with suppliers, contractors and sub-contractors to improve their environmental performance.

