

Corporate Donations Policy

All Donations and Sponsorships provided by Halychyna-Zahid LLC. must be consistent with our business activities, reflecting our commitment to positively contribute to the local community in a transparent manner while observing the highest ethical standards.

Objective

Through support of key value areas beneficial for the local community the aim of Donations and Sponsorships is to raise and maintain a high level of awareness that Halychyna-Zahid acts as a responsible member of the community, who provides not only workplaces but also contributes positively to the quality of life within the community.

Focus

Halychyna-Zahid contributions via Donations and Sponsorships to the local communities focuses on 3 key areas:

- Local healthiness activities (including sport events)
- Community welfare projects (including local infrastructure projects and cultural activities)
- Environmental enhancing projects (e.g. local energy saving projects)

Geographical Limitations

Halychyna-Zahid restricts its local community support to projects within the boundaries of the villages in which the Company operates. However, regional programs may be considered occasionally.

Eligible Donations and Sponsorships

- Primarily projects and organizations publicly accepted being of a charitable nature. Non-charitable donations may be considered only when the allocation and final recipient is transparent and in line with the present company policy.
- Preferably projects having long lasting beneficial effects rather than short-term one-off donations.

Kind and amount of Donations and Sponsorships

- Donations may be offered in terms of cash, goods, working-hours of individual Halychyna-Zahid-employees, as well as by making available selected equipment belonging to the Company in order to perform services. The choice of option to be decided from case to case.

- Contributions and Sponsorships shall maximum come to EUR 3.50 per hectare of rented agricultural land per community. The amount to be agreed upon by the Board of Directors of Halychyna-Zahid in connection with the approval of the annual operating budget.
- No contribution to a single Organization can exceed EUR 2,000.- per calendar year.

Non-Eligible projects

Halychyna-Zahid does **not** fund the following type of projects:

- Non-charitable individual requests serving personal interests, only
- Political parties or candidates. Donations and Sponsorships cannot be allocated organizations which links the Company to any political party or group.
- Activities promoting alcohol, tobacco, and narcotics
- Fundraising activities

Application

Allocations of sponsorships and donations are based on written applications submitted to the Company.

The Company may contact relevant authorities to obtain their opinion on the requested issue.

Application Process for Sponsorship and Donation

The applicants, which are seeking funding, shall provide Halychyna-Zahid with the following information:

1. A written request (preferably on the organization's letterhead)
2. Background information on the organization, including:
 - a. Name of organization, address, telephone number, bank account
 - b. Contact person, telephone & fax numbers, e-mail address
 - c. History and mission
3. Specific amount or service requested
4. Specific proposed for the use of the donation /sponsorship. If the request is related to an event then also information on the event, including name, date, time, location.
5. List of other contributors
6. Deadline for Halychyna-Zahid's response

Requests are to be addressed to:

Andriy Talama, Deputy CEO
1, Stryyska str., v.Kavsko
Stryy district, Lviv region
Ukraine 82420 or via email: avt@halwest.com.ua

Decisions on granting donations and sponsorships

Based on recommendations from the Deputy-CEO of the Company, the final decisions on granting donations and sponsorships shall be made in writing by the CEO of Halychyna-Zahid in accordance with the present policy. Only written approvals by the CEO are valid.

Monitoring and Review

The Company will closely monitor the performance of the granted donations and sponsorships to ensure compliance with the present policy.

On a quarterly basis the Deputy-CEO shall present a status report to the CEO on the implementation of the donations and sponsorships. Regularly, the CEO shall present a summary to the Supervisory Board of Halychyna-Zahid.

Morten Johansen
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