

**APPROVED**

with Minutes of the Extraordinary General Meeting of Members  
of Thyssen Schachtbau EuroKHim Burenije  
Limited Liability Company  
of 07.04.2017

**C O D E**

**OF CORPORATE CONDUCT OF**

**Thyssen Schachtbau EuroKHim Burenije**

**Limited Liability Company**

**Kotelnikovo**  
**2017**

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## 1. GENERAL PROVISIONS

- 1.1 **Tissen Schachtbau EuroKHim Burenije** limited liability company (hereinafter - the **Company**) observes in its activity the legislation and follows the common standards of business behavior. The company does not accept any mode of business conduct contradicting these rules.
- 1.2 The present Code of Corporate Conduct (hereinafter - the **Code**) has been developed according to the legislation of the Russian Federation, the standard principles of corporate behavior and taking into account conditions of the Company activity.
- 1.3 Purposes of the Code are as follows:
  - adoption of uniform criteria of acceptable behavior of workers within the Company, as well as in relationship with business partners, state bodies and public organizations;
  - formation and maintenance of atmosphere of mutual respect, trust and openness among the employees;
  - strengthening the Company’s image as a fair and responsible member of the business community and increasing its investment appeal;
  - development of uniform corporate culture for all structural divisions.

## 2. TERMS AND DEFINITIONS

- 2.1 The following terms and corresponding definitions are used in this Code:

“**Business assets**” – any material and non-material assets of the Company.

“**Business partner**” - any physical or legal person having some sort of involvement into commercial activity of the Company, including without limitation sellers, buyers, contractors, services providers, etc.

“**Close partner**” - any physical or legal person having any sort of relation with the Company’s employee.

“**Code**” - the present Code of Conduct.

“**Confidential information**” - information which is not generally accessible or has not become generally accessible yet, including without limitation commercial, corporate, contractual, executive, internal, administrative, scientific and technical, technological, industrial, financial, economic and other information (including know-how information), as well as any notes, analyses results, compilations, researches, documents and other data prepared by any employee of the Company in written form or in any other form, as well as these ones made on the basis of such information or reflecting it.

“**Conflict of interests**” - any situation when personal interests of employees compete to the Company’s interests and can potentially influence the impartial execution by employees of their functions.

“**Corruption**” - the dishonest or illegal behavior expressed in the abusing of entrusted powers to suit self-profit.

“**Employee**”, “**employees**” - officials, directors and workers of the Company.

“**Gifts**” - gifts in any form, including souvenirs, invitations, gratuitous provisions or discounts.

“**Insider information**” - not public information on the Company and its business partners, which could be considered important by a reasonably acting investor at decision-making concerning purchase or sale of securities, including in particular possible merges, acquisitions and alienations, strategic alliances, financial results, new products, changes in capital structure, important license agreements, important legal proceedings or contracts.

“**Insiders**” – employees or other persons receiving, whether intentionally or casually, the Insider information.

“**Compliance specialist**” – an employee, whose duty is to provide for the consistent observance of the Code within the entire Company.

**“Intellectual property”** - non-material assets, including trade secrets, patents, trademarks, copyrights, know-how, regulations data, domain names and the corresponding rights, as well as business plans and marketing plans, etc.

**“Money-laundering”** - the process of transformation of money or assets, received in the result of any illegal actions, into allegedly lawful means through concealment of their origin to make them look as received from a lawful source.

**“Relative”** - a person related to an employee by blood or close relation, including in the result of marriage, adoption and relationship on the part of husband/wife.

### **3. APPLICABILITY**

- 3.1 The Code is in force in respect of the Sole Executive Body of the Company, the managing board and other employees of the Company.
- 3.2 All employees of the Company shall be acquainted with the provisions hereof, and shall observe them in their work, whether being at the workplace or in business journey.

### **4. LEGISLATION COMPLIANCE**

- 4.1 Doing business, the Company shall strictly comply with law and ethical standards.
- 4.2 The Company and its employees shall observe any applicable legislation, rules and norms, including governmental regulations. In case if an employee doubts, whether he should observe a specific legislation or provision in relation to infringement of any current legislation, the employee shall consult his direct managers and the Compliance specialist.

### **5. CONFLICT OF INTERESTS**

- 5.1 Employees shall avoid situations implying any conflict of interests.
- 5.2 Employees shall not take part in, pretend to take part in or influence any decision-making leading to the conflict between their interests and the interests of the Company.
- 5.3 Employees shall not use their position in the Company for the personal benefit or for the benefit of their relatives or close partners.
- 5.4 If the situation of the conflict of interests occurs or if employees fall into a situation leading to the conflict of interests, they shall disclose this information to the Compliance specialist to find a suitable solution.

### **6. INSIDER INFORMATION AND TRADE**

- 6.1 Insiders shall:
  - i. keep any insider information in strict secret and not transfer it to third parties, except for needs of business. The third parties include without limitation family members and other persons living in the same house, colleagues, friends, journalists, clients, financial analysts and advisers;
  - ii. not buy/sell or make any transactions with securities or their derivatives of the Company or any other participating companies, if such information is not publicly accessible.
- 6.2 In case if there are doubts, whether a person owns any insider information and/or is considered being insider, employees shall immediately contact the Compliance specialist.

### **7. MONEY-LAUNDERING**

- 7.1 Employees shall not participate in any way in money-laundering or in any other illegal practice and shall not allow such activity.
- 7.2 In case if there are doubts about any financial transaction or practice, employees shall consult the Compliance specialist as soon as possible.

## **8. CORRUPTION AND BRIBERY**

- 8.1 The Company forbids any forms of corrupted behavior (at the state or private level, either active or passive), also through agents, partners or intermediaries.
- 8.2 The Company adheres to principles of the anticorruption legislation in business relations of any kind and irrespective of countries where the Company operates.
- 8.3 According to provisions of the anticorruption legislation applicable to the Company, the employees are not allowed, whether directly or indirectly, to execute, offer, promise or approve payments in money or in any other values, as well as to provide any financial or any other benefit or advantage to any third parties with the aim to influence, using their position, their actions (or to induce their inaction) or to induce or remunerate the undue execution of their business functions or other duties provided by law.
- 8.4 The Company's employees are not allowed, whether directly or indirectly, to demand, agree to receive or receive any payments, in money or in any other values, as well as any financial or any other benefit or advantage if the reception of such payments, benefits or advantages represents in itself the inadequate execution of business functions or other duties provided by law or compensation for their inadequate execution, as well as in cases when such payments have the purpose to provide for execution or acceleration of execution of duties, fixation of dates of duties performance in the absence of signs of their inadequate execution.
- 8.5 The applicable anticorruption legislation is meant to be the anticorruption legislation of the Russian Federation.
- 8.6 In any situation arising doubts concerning the conformity to the law on corruption or bribery, employees shall consult the Compliance specialist as soon as possible.

## **9. GIFTS AND ENTERTAININGS**

- 9.1 It is not allowed to influence employees by gifting them.
- 9.2 The employees are not allowed to receive any gifts, which can cause concern about the integrity and independence of the Company or professional impartiality of employees, irrespective of the fact itself or visibility of the event.
- 9.3 The employees are allowed to accept widely used not expensive souvenirs, invitations and other donations if they do not exceed the limits of the standard politeness, represent common local business customs and do not influence business decisions. For the purposes of this item, the price is considered to be low if it does not exceed three thousand (3000) rubles.
- 9.4 At assessment of the situation in the light of the aforesaid, employees shall apply the most limitative local rules to avoid even the semblance to any inadmissible actions. In case of any doubts concerning a gift accepting, employees shall consult the Compliance specialist.
- 9.5 The above provisions shall be applied as well in the situation when the Company's employees are gifting the existing or potential business partners of the Company.

## **10. COMPETITION AND FAIR TRANSACTIONS**

- 10.1 The antitrust legislation is aimed at maintenance of diligent market competition between companies.
- 10.2 The Company and its employees shall strictly observe in any respect the antitrust legislation in force.
- 10.3 All employees, especially those participating in marketing, sales, purchases, tender procedures, shall get acquainted with main principles of the antitrust legislation and realize the importance of compliance therewith.
- 10.4 Any agreements potentially able to break any valid provisions concerning competition, are subject to revision by the Compliance specialist.

## **11. CONFIDENTIALITY**

- 11.1 The provision concerning the confidential information make part of the labor contract and remain in force after the employment termination.
- 11.2 The employees are not entitled to disclose any confidential information related to the Company or to its activity, and shall not allow such disclosing, except when it is required under the legislation and is authorized by the management.
- 11.3 The conclusion by the Company of any agreements with third parties shall be conditioned by signing of the confidentiality agreement or by inclusion of corresponding provisions in the agreement to be signed with such parties. Signing of each such agreement is subject to check on the part of the Compliance specialist.
- 11.4 The Company and its employees shall observe the confidentiality of information of its business partners and third parties and shall treat it with the same care, as it was the confidential information of the Company.

## **12. INTELLECTUAL PROPERTY**

- 12.1 The employees undertake to protect intellectual property of the Company and immediately inform the direct managers and the Compliance specialist right after they become aware of any infringement thereof.
- 12.2 The Company and its employees shall respect the intellectual property of third parties.

## **13. FINANCIAL ACCOUNTING AND REPORTING**

- 13.1 The Company undertakes to observe the effective accounting and reporting standards and to secure that any information submitted by it, including financial reports, design data, as well as information submitted to auditors, investors and governmental bodies is true, fair and complete.
- 13.2 The employees shall not participate in any dishonest or fraudulent activity concerning the financial reporting and accounting, and shall not make any false or misleading statements.

## **14. BUSINESS ASSETS**

- 14.1 The business assets shall be used only for the industrial and commercial activity of the Company.
- 14.2 The employees shall secure the safety of industrial assets and shall use them only for the designated purpose. The employees shall strive to protect the business assets against losses, damage, unauthorized use, theft, swindle, plunder and destruction.

## **15. LABOUR SAFETY AND ENVIRONMENT PROTECTION**

- 15.1 The Company shall provide the healthy and safe work environment for the employees.
- 15.2 The Company shall strive to minimize the negative impact to the environment through introducing new technologies and procedures.
- 15.3 The Company and its employees shall strictly observe in any respect the effective legislation provisions in the field of environment protection. The Company and its employees shall strive to prevent accidents, failures or eventual damage to environment.
- 15.4 If any employee becomes aware of infringement of any provision or regulation in the field of labor safety and environment protection, the employee shall contact the Compliance specialist as soon as possible.

## **16. DISCRIMINATION AND OPPRESSION**

- 16.1 The Company shall never allow any form of discrimination or oppression. The Company shall guarantee to its employees the protection of personal dignity, rights, private life and safe workplace protected from discrimination and oppression.

- 16.2 The employees discrimination based on such features as gender, age, origin, nationality, religion, race, physical inability, citizenship, public and other position, is unacceptable.
- 16.3 Such principles shall also be applied to all aspects of labor relations, including employment, promotion, indemnification, discipline and termination of employment.

**17. CODE EXECUTION**

- 17.1 Each employee is responsible for observance of the rules of corporate conduct. All employees shall, without fail, strictly comply with the present Code, irrespective of their position or office in the Company.
- 17.2 The Company management is responsible for execution of the present Code and its introduction into the employees training programs.
- 17.3 In case if employees have any questions concerning the content of the present Code, or interpretation of any provisions hereof, or else doubts concerning the correct behavior in a specific situation, they shall contact the Compliance specialist.

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