

Anti-corruption Policy of Svarog LLP

1 Purpose of the document

- 1.1 The present anti-corruption policy of the Company (hereinafter referred to as the "Policy") shall be the core document of Svarog LLP (hereinafter referred to as the "Company") determining the key principles and requirements aimed at prevention of corruption and compliance with the norms of the applicable anti-corruption legislation by the Company, Company employees and other persons who can act for and on behalf of the Company.
- 1.2 The Policy is developed in accordance with the legislation of the Russian Federation, Articles and other internal documents of the Company.
- 1.3 The Policy is drawn up in accordance with the condition that in Russia "corruption", "corruption practices" and "acts of corruption" mean bribery, intermediation in bribery, abuse of power or authority, commercial bribery, facilitation payments, illegal use by an official body of his/her position to gain benefit in the form of finances, values, other property, services, any rights for him/her or other persons or illegal granting benefit or rights to him/her by other persons.

2 Objectives of the Policy

- 2.1 The Policy shall reflect commitment of the Company and its responsible executives to ethical standards and principles of open and fair operations, as well as the aim of the Company to improve corporate culture, follow the best practice of corporate management and support of business reputation of the Company at a proper level.
- 2.2 The Company aims at:
 - minimizing risk of involving the Company and employees of the Company hereinafter together referred to as the "Employees"), regardless the position, into corruption practices.
 - developing a uniform conception of the Company policy concerning non-admission of corruption of any forms and types for contractors, employees and other persons.
 - defining duties for employees of the Company to know and follow the principles and requirements of the present Policy, key norms of the applicable anti-corruption legislation, as well as reasonable corruption preventing procedures.

3 Field of application and responsibilities

- 3.1 All Employees of the Company shall follow the present Policy and observe its principles and requirements strictly.
- 3.2 The Director of the Company shall be responsible for organization of all the events aimed at realization of principles and requirements of the present Policy, including appointing persons responsible for development of anti-corruption procedures, their introduction and control.
- 3.3 Principles and requirements of the present Policy shall be applicable to contractors and Employees of the Company, as well as to other persons in cases when the corresponding obligations are assigned in contracts with them, in their internal documents or result directly from law.

4 Applicable anti-corruption legislation

- 4.1 Russian anti-corruption legislation: the Company and all Employees shall follow the norms of Russian anti-corruption legislation also stated by the Criminal Code of the Russian Federation, Code of the Russian Federation on Administrative violation, Federal law "About corruption control" and other regulatory acts, core requirements of which include prohibition

against bribery, prohibition against commercial bribery and prohibition against intermediation in bribery.

- 4.2 Core principles of Federal law «About corruption control» are the following:
- prohibition against bribery, i.e. provision or promise to provide any financial or other benefit/advantage with intent to impel any person to execute his/her official duties unduly;
 - prohibition against bribery, i.e. obtaining or agreement to obtain any financial or other benefit/advantage for execution of his/her official duties unduly;
 - prohibition against bribes to public officers, i.e. provision or promise to provide (directly or via third parties) any financial or other benefit/advantage to public officer with the purpose to affect execution of his/her official functions unduly.
- 4.3 In consideration of the stated hereinabove all Employees of the Company must not directly or indirectly, in person or by intermediation of third parties, to participate in corruption actions, offer, give, promise, ask for and obtain bribes or make facilitation payments for administrative, official and other procedures in any form, including in the form of money, values or other benefits, to any persons and from any persons or organizations, including commercial organizations, bodies of authorities and management, public officers, private companies and their representatives.

5 Core principles

The Company shall follow the principle of non-admission of corruption any forms and types (principle of "zero tolerance") when realizing daily activities and strategic projects, including when interacting with contractors, representatives of bodies of public authorities and management, political parties, its Employees and other persons.

5.1 Principle of correspondence of the anti-corruption policy with the applicable legislation of the RF and general rules

Correspondence of the realized anti-corruption events of Constitution of the Russian Federation, international contracts concluded by the Russian Federation, legislation of the RF and other laws and regulations applicable to society.

5.2 Principle of tone at the top

Key role of officers of society in developing culture of non-admission of corruption and in developing system of corruption control and prevention.

5.3 Principle of employees involvement

Awareness of the employees about provisions of anti-corruption legislation of the RF, their active participation in development and realization of anti-corruption standards and procedures.

5.4 Reasonable anti-corruption procedures

The Company shall develop and introduce reasonable procedures for prevention of corruption and monitor compliance.

5.5 Inspection of contractors

The Company shall use reasonable endeavors to minimize risk of business relations with contractors that can be involved into corruption activity. For this purpose inspection of contractors for tolerance concerning bribery shall be organized, including inspection of existence of their own anti-corruption procedures and policies, their readiness to follow the requirements of the present Policy and include anti-corruption terms (conditions) in contracts, as well as to provide mutual assistance for ethic conduct of business and prevention of corruption.

5.6 Provision of information and training

The Company shall make the present Policy freely available, declare openly of non-admission of corruption, fosters and encourages following the principles and requirements of the present Policy by all contractors, its Employees and other persons.

5.7 Principle of business transparency

Provision of information about anti-corruption business standards applied in society to contractors and other persons.

5.8 Monitoring and control

In connection with possible amendment in time of corruption risks and other factors influencing economic activity, the Company shall monitor the introduced reasonable procedures for prevention of corruption, control them, as well as review and improve them if necessary.

6 Gifts and representation expenses

6.1 The gifts that can be presented by the Employees on behalf of the Company to other persons and organizations, or that can be obtained by the Employees from other persons and organizations in connection with their work in the Company, as well as representation expenses, including expenses for business entertainment and promotion of the Company, that can be made by the Employees on behalf of the Company, shall simultaneously correspond with five following criteria:

- to be directly connected with legitimate aims of activity of the Company, for example, with presentation or termination of business projects, successful completion of contracts or with national holidays, memorable dates and anniversaries;
- to be reasonable, proportioned and not to be luxuries; gift cost shall not exceed 3 000,00 (three thousand) RUR (p. 2 art. 575 of the Civil Code of the RF);
- not to be a veiled fees for a service, action, inaction, condonation, protection, authorization, taking definite solution about a deal, agreement, license, resolution etc. or an attempt to affect a recipient with another illegal or unethical purpose;
- not to create reputation risk for the Company, Employees and other persons in case of disclosure of information about gifts or representation expenses;
- not to contradict the principles and requirements of the present Policy, Code of business conduct, other internal documents of the Company and regulation of the applicable legislation.

6.2 Gifts on behalf of the Company, its Employees and representatives to third parties in the form of money both cash and non-cash regardless the currency, are prohibited.

7 Participation in charity

The Company can take decision concerning participation in charity events aimed at development of image of the Company as a sustainable business. The Company shall finance charity project in purpose of obtaining commercial benefits in specific projects.

8 Political participation

The Company shall not finance political parties, organizations and movements in purpose of obtaining commercial benefits in specific projects of the Company and Societies.

9 Interaction with public officers

The Company shall not attempt to pay any expenses for public officers and their close relatives (or in their interests) in purpose of obtaining commercial benefits in specific projects of the Company

and Societies, including expenses for transport, accommodation, meals, entertainment, PR campaigns etc., or obtaining another benefits by them at the Company's expense.

10 Interaction with employees

- 10.1 The Company shall require following the present Policy by its Employees, by informing them about core principles, requirements and sanctions for violation and including them in employment duties of the employees of the Company.
- 10.2 The Company shall organize safe, confidential and available means for informing the Heads of the Company.
- 10.3 To develop the proper level of anti-corruption culture, new Employees shall be trained on the provisions of the present Policy and the documents connected with it and periodic informative seminars in person or remotely shall be organized for current employees.

11 Interaction with agents and other persons

In purpose of execution of the principles and requirements stated in the Policy, the Company shall provide inclusion of anti-corruption terms (conditions) in contracts with agents, partners, joint ventures and other bodies. Anti-corruption terms (conditions) shall contain information about the Policy and system of anti-corruption procedures applied in the Company, and if necessary to provide the Policy as an appendix to contracts, and determine responsibility of contractors for violation of principles and requirements of the Policy.

12 Accounting and recording

- 12.1 All financial operations shall be reflected and documented in accounting records of the Company accurately, duly and with proper level of detail, as well as be available for inspection.
- 12.2 The Company shall have appointed Employees being responsible for preparation and presentation of complete and accurate accounting reports within the terms stated by the applicable legislation, in accordance with the current legislation of the Russian Federation.
- 12.3 Misinterpretation or adulteration of accounting reports of the Company are strictly prohibited and are considered as fraud.

13 Information about disadvantages

In case of arising any doubts in justification or correspondence with the aims, principles and requirements of the Policy, of his/her actions, as well as actions, inactions or offers of other Employees, contractors or other persons, interacting with the Company, an Employee or another person can inform the Director or his/her line manager about that.

14 Refusal of countermeasures and sanctions

The Company declares that any Employee shall not be subjected to sanctions (including dismissal, downgrading, bonus revoking), if he/she informed about a supposed fact of corruption or if he/she refused to bribe or get a bribe, commit commercial bribery or execute bribery intermediation, including if in the result of such refusal the Company or Society had lost trade or commercial and competitive advantage were not obtained.

15 Liability for non-performance (improper performance) of the present Policy

- 15.1 All Employees of the Company, regardless the position, shall be responsible for following the principles and requirements of the present Policy, as well as for actions (inactions) of their subordinates violating these principles and requirements, in accordance with the current legislation of the Russian Federation.

15.2 The persons being guilty of violation of the requirements of the present Policy, can be hold accountable for actions, disciplinary, criminal, administrative and civil liability, upon initiative of the Company, law bodies or other persons in the manner and on the grounds stated by the legislation of the Russian Federation, Articles of the Company, internal policies and procedures, and labor contracts.

16 Cooperation with law bodies concerning corruption prevention

Cooperation with bodies shall be an obligatory factor of actual commitment of the Company to the declared anti-corruption standards of behavior. Such cooperation can be realized in different forms:

- it is necessary to inform the corresponding law bodies about cases of corruption offences that became know in the Company;
- to assist authorized representatives of regulatory and law bodies when they inspect activity of the Company concerning corruption prevention and avoidance;
- to assist authorized representatives of regulatory and law bodies when they conduct events for prevention or investigation of corruption-related crimes, including special investigation activities;
- the Heads and employees of the Company shall not allow interference in execution of official duties by officials of legal or law bodies.

17 Making amendments

If insufficient effective measures of the present Policy or anti-corruption events connected with it, or when amending requirements of the applied legislation of the Russian Federation, are found out, the Director as well as responsible persons shall develop and realize strategy for revisions and amendment of the present Policy and (or) anti-corruption events.

Director

11.12.2017



S.N. Duginov