

AZFEN JOINT VENTURE

CODE OF BUSINESS CONDUCT

&

ANTI-BRIBERY AND CORRUPTION (ABC) POLICY

DOC. NO: AZF-POL-2005-01

<i>C4</i>	<i>10.10.2019</i>	<i>Issued for use</i>	<i>J. Taghiyev</i>	<i>H. Hasanov</i>
<i>C3</i>	<i>30.11.2018</i>	<i>Issued for use</i>	<i>J. Taghiyev</i>	<i>H. Hasanov</i>
<i>C2</i>	<i>30.07.2017</i>	<i>Issued for use</i>	<i>J. Taghiyev</i>	<i>H. Hasanov</i>
<i>C1</i>	<i>01.10.2015</i>	<i>Issued for use</i>	<i>A. Samadov</i>	<i>H. Hasanov</i>
REV.	DATE	DESCRIPTION	PREPARED by	APPROVED by

REVISION HISTORY

Date	Revision	Detailed Description of Change	Ref. Section
10.10.2019	C04	Gifts and Hospitality pre-approval requirement by Azfen Senior Management has been added	3.2
10.10.2019	C04	Requirement for annual refresher ABC and CoC trainings has been added	3.8
10.10.2019	C04	Responsibility for Training Departments has been added	3.8
10.10.2019	C04	The Policy amended and responsibilities allocated to Project Managers for establishing and implementation of Project Anti-Corruption and Due Diligence and Anti-Money Laundering Procedures	3.8, 6.3, 6.5, 6.6,
10.10.2019	C04	Responsibilities of General Director have been added	6.1
10.10.2019	C04	Ethics and Compliance Manager's reporting line and responsibilities revised <ul style="list-style-type: none"> • responsibility to review all subcontracts and service/purchase orders to ensure that ABC and Audit Rights provisions included. 	6.4
10.10.2019	C04	The Policy amended and responsibilities for conducting Integrity (ABC) Due Diligence, Risk Assessments and supplier ABC compliance monitoring allocated to Projects in line with Project Anti-Corruption and Due Diligence and Anti-Money Laundering Procedures	6.5, 6.6
10.10.2019	C04	"Sound Off" online application from Azfen JV website (www.azfen.com) has been added	6.6, 6.8
10.10.2019	C04	The availability of this Code on AZFEN's website (www.azfen.com) has been added	6.10
10.10.2019	C04	AZF-COC-FRM-008_ Azfen Gifts and Entertainment Log has been added	Appendix 4
10.10.2019	C04	Project Anti-Corruption and Due Diligence and Anti-Money Laundering Procedure (sample -Note: shall be reviewed by each Project per their Contract requirements) has been added	Appendix 5

Signed sheets



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General Manager's Message

Dear
Colleagues,

We observe, know and are proud of the fact that, due to its established culture of doing business and communication within its own community and its business partners, AZFEN JV, who is one of the leading contracting companies of Azerbaijan, is a reliable institution with its increasing credibility along years; and is taking an important role in the building up, maintaining and encouraging of the public trust and belief in the business community.

As known by all and observed time to time, credibility of some powerful companies having international reputation and reliability can easily be harmed due to behaviors of one or more employees or managers non-conforming to internationally accepted rules of business ethics, and therefore concerned institution may incur great and irreparable damages. In such circumstances, the company credibility established through diligent and sacrificial efforts of all its members and employees along many years can be lost in a very short time.

As our success and achievements for the better depend on protection and enhancement of our credibility, the task of ensuring and maintaining this does fall upon all our employees together with our managers.

Continuing to do business with integrity and within the harmony and peace among all its employees do require maintenance of the working environment conforming to the existing positive public perception and credibility of our Company. Maintaining this asset is possible by way of doing right things by each and every individual of us and being aware of the value of this asset. In order to ensure that we will be in these right-doings we must comply with the principles and rules set out hereunder (AZFEN's Code of Business Conduct & Anti Bribery and Corruption Policy) and we are all assigned with this task. As the compliance of our behaviors and practices with the principles and rules set out hereunder are the expectations of our clients and business partners from us, we are also expecting, and will expect, their behaviors and practices being compliant with these and similar international rules.

Dear colleagues, these principles and rules are the guides for all AZFEN community in doing and managing business. Let us all carefully read, review and understand these principles and rules. You must attend all the trainings that will be given from time to time

on the subject matter, and in case of questions and queries, you should ask for clarification and opinion from the Ethics and Compliance Manager and/or Legal Department.

I am sure that, with the consciousness and the care that you will show and exercise to comply with these principles and rules, our Company will continue to protect and enhance its credibility and the trust it has built in its business market place.

Thanks in advance for the support to the stance and efforts of our Company on the subject matter; for the contributions to, awareness and care that you will give and dedicate for this purpose.

Hamid Hasanov
General Director of AZFEN JV

AZFEN JOINT VENTURE
CODE OF BUSINESS CONDUCT
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ANTI-BRIBERY AND CORRUPTION POLICY

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AZFEN JOINT VENTURE
CODE OF BUSINESS CONDUCT
&
ANTI-BRIBERY AND CORRUPTION (“ABC”) POLICY

1. Purpose of Code of Conduct & ABC Policy

This Code of Business Conduct & ABC Policy (“Business Code” or “Code”) reflects AZFEN’s commitment and requirements with regards to ethical business practice and personal behavior of its employees and business associates. This Business Code applies to AZFEN, its and their upper management including Board of Directors, its or their employees, hired personnel, subcontractors and suppliers, business partners, intermediaries, and any others who may act for or on AZFEN's behalf, or in business association of any form with AZFEN. AZFEN is implementing this Business Code due to its commitment to comply with all applicable laws and regulations, without omitting the universal human rights and the ethical values irrespective of the magnitude of any of its businesses or the location of its operations.

The main areas of conduct that are covered by this Business Code are indicated below. It is important to emphasize that these areas are not to be understood in a limitative way; there could be some other areas or circumstances that are not mentioned herein, which may give rise to risks to be handled in regards of business ethics and ethical conduct matters.

2. Areas of Conduct

2.1 Respect for Law and Regulations

AZFEN's reputation for reliability is built upon its respect for laws, regulations and such other moral and ethical norms and requirements that apply to the conduct of business in all the countries in which it operates. It is the responsibility of AZFEN (AZFEN) and its employees to be aware of the laws, regulations and requirements relating to its businesses and their activities. All employees should be aware that any breach of these laws and regulations may lead to disciplinary actions in addition to civil and criminal prosecution. Activities which may cause the AZFEN or any employee to be involved in unlawful practices are prohibited.

In order to achieve and ensure our high ethical goals, we require compliance with certain standards that may exceed those required by applicable national laws and regulations. Among others, AZFEN is attached to the spirit and the provisions of laws governing human rights and labor, health and safety standards, protection of environment, prevention of corruption, fair competition, regulations of taxation and the accurate communication of financial information. We comply with the guiding principles of the OECD, the United Nations Universal Declaration of Human Rights, and the principles of the International Chamber of Commerce (ICC).

2.2 Antitrust

Competition is one of the essential conditions of global market economy. AZFEN believes that companies should compete fairly in the global market.

We are aware that heavy fines may be imposed on the AZFEN for breach of competition laws, and our employees may be liable for civil, labor or criminal sanctions, including possible imprisonment for any violations. In addition, third parties may seek to recover damages from AZFEN in connection with alleged competition law breaches. Therefore, every AZFEN employee should understand what these laws mean and act in compliance therewith.

Therefore, AZFEN employees shall be very careful and shall not participate in any agreement with competitors that has the purpose or effect of distorting a bidding process, division of markets or customers, or illegally boycotting a customer or supplier.

AZFEN employees should be aware of what commercially sensitive information is and shall not exchange such information with competitors in violation of the competition laws and must take particular care of this requirement when participating in business occasions and transactions.

Because the related rules are complex and may differ from one country to another, employees should consult the AZFEN's Ethics and Compliance Manager or Legal Department for clarification as and when necessary. Nevertheless, AZFEN employees shall be familiar with applicable laws in general, where they are in regular contact with

competitors or suppliers by virtue of their positions.

AZFEN is always committed to fair competition principles in its business. The same principle shall also apply to AZFEN's employees, outsourced employees, sub-contractors and suppliers, business partners, intermediaries, lobbyists, when applicable customers and any others who may act for or on AZFEN's behalf or together with AZFEN. Even where some behaviors may be lawful in some of territories (for example in some countries that have not adopted antitrust or competition laws) AZFEN shall not enter into any arrangements for unfair competition.

2.3 Trade Restrictions and Export Boycotts

Due to its business goals and interests, AZFEN is active in various markets and regions worldwide. In connection with some of those territories; local, national or international laws, regulations or similar requirements establishing embargoes or other trade restrictions on goods, services, software or technology are enacted from time to time. AZFEN is committed to comply with such legal restrictions and boycotts provided that they are sanctioned by competent authorities and organizations and those restrictions and boycotts are not in conflict with the laws of the Republic of Azerbaijan. For any conflict issue that AZFEN employees may face, they are strongly advised to consult the Ethics and Compliance Manager or the Legal Department of the AZFEN.

2.4 Combating Corruption and Bribery

AZFEN's policy is to prohibit all unlawful payments and practices. AZFEN rejects corruption and bribery in all of its business operations and transactions and is fully committed to comply with the requirements of all anti-corruption and bribery laws that exist in all countries in which it is, and will be, operating. AZFEN's Anti Bribery and Corruption Policy are elaborated in the following Section 3 of this Code.

2.5 Partners, Suppliers and Subcontractors

Business partners, subcontractors and suppliers are expected and required to adhere to ethical standards which are consistent with AZFEN's ethical requirements. This may be exercised by inserting related provisions into the related business contracts or agreements so that a contractual commitment exists between the parties involved.

AZFEN shall give the utmost importance to the choice of its business partners, subcontractors and suppliers based on their compliance or commitment to the principles of this Code. The following basic rules shall be applied by any employee or any party authorized to act for or on AZFEN's behalf or in business partnership with AZFEN:

- Ensure that this Code is made known to partners, sub-contractors and suppliers who are involved in AZFEN's operations;
- Avoidance of conflicts of interest, inappropriate gifts and entertainment, or any kind of favoritism that might compromise the fairness of the selection;
- Preference of only such partners, sub-contractors and suppliers who comply with all requirements, including legal, in respect of the matters set out in this

Code and are prepared to make a contractual commitment for such purpose;

- Conduct of due diligence on new partners, subcontractors and suppliers or intermediaries acting on AZFEN's behalf;

Any Employee or anyone acting for or on AZFEN's behalf or in business association with AZFEN shall never:

- Accept or offer gifts and entertainment from or to the parties involved in a tender or competitive bidding process that AZFEN is engaged in, unless and to the extent allowed by this Code or unless prior approval from the Ethics and Compliance Manager is received;
- Share the partner's or subcontractor's or supplier's confidential business information (for example proposed prices or rates or other commercial or proprietary information) with any other subcontractor or supplier or competitor involved in the same process.

2.6 Use of Intermediaries

In cases where AZFEN hires a third party who acts as an intermediary between AZFEN and the end user, the AZFEN responsible manager shall ensure that the intermediary's reputation, background and abilities are appropriate and satisfactory on the basis of Integrity Due Diligence examination. AZFEN expects that intermediaries act in accordance with AZFEN's ethical requirements and this condition must be included in the intermediary's contract with AZFEN.

Contracts between AZFEN and intermediaries shall be made in writing and describe the complete, exact and true relationship between the parties.

The performance of the intermediary relative to AZFEN's ethical requirements should be regularly monitored and necessary improvements should be made time to time as appropriate.

2.7 Lobbying and Political Activity

A lobbyist is a special type of intermediary used to influence opinions or decisions, both in the public and private sectors.

It is only permitted to use a lobbyist if such person fully discloses to the other party its intention to influence and that he represents AZFEN. Contracts with lobbyists should impose on the lobbyist this obligation.

AZFEN does not support individual political parties or individual politicians and does not make payments to political parties, organizations or their representatives. Nevertheless, AZFEN may participate in public debate when this is considered by the AZFEN's upper management to be in AZFEN's interest.

An employee is free to participate in democratic political activities, but this must be reported in advance to the Ethics and Compliance Manager and carried out without reference to or connection to AZFEN without using any of AZFEN's resources.

2.8 Preventing Money Laundering

AZFEN is committed to preventing the use of AZFEN's means and resources for the purposes of "money laundering" which is an attempt by individuals or organizations to hide their illegitimate or illegal proceeds by making those proceeds look legitimate or legal. This includes concealing the criminal origin of money or other property – sometimes called the proceeds of crime – within legitimate business activities. It also covers the use of legitimate funds to support crime or terrorism.

AZFEN never condones, facilitates or supports money laundering, which means:

- AZFEN will always comply with anti-money laundering laws and regulations;
- AZFEN shall take all reasonable and appropriate actions to identify and assess the integrity of its business counterparties, and in this respect;
- AZFEN shall at its best endeavors conduct business with compliant reputable partners and subcontractors and suppliers and always check as far as reasonably practical the origin of the funds.

Every employee or outsourced employees, subcontractors and suppliers, business partners, intermediaries, lobbyists and any others who may act for or on AZFEN's behalf or together with AZFEN need to be cautious with the manner in which payments are made in the relevant AZFEN operation in order to detect if irregularities may exist, especially with partners or subcontractors or suppliers who demonstrate suspicious behaviors in their operations. If anything about a proposed transaction does not feel appropriate or may violate applicable laws, regulations or the provisions of this Code, then the employees should refer the matter to their superior they are reporting to, and/or directly to the Ethics and Compliance Manager.

In the absence of any clearance from their superior they are reporting to, and/or the Ethics and Compliance Manager, AZFEN employees shall never:

- Make a payment to an entity that is not a party to the transaction (e.g. third party) or that is not legally entitled to receive payment
- Accept a payment from an entity that is not a party to the transaction (e.g. third party) or that is not legally entitled to make payment
- Accept payment in cash, unless no secure banking system exists
- Ship customer orders in a manner inconsistent with standard procedures
- Conduct foreign exchange operations with unauthorized institutions

3. Anti-Bribery and Corruption (“ABC”) Policy

3.1 Scope

AZFEN shall conduct its business in accordance with applicable industry practices and laws. AZFEN grants an utmost importance to business ethics and fair competition. Therefore, AZFEN shall not tolerate any violation of the anti-bribery and corruption provisions contained in this document.

It is a must that at all times AZFEN, including its employees, officers as well as outsourced employees, subcontractors, suppliers and business partners, intermediaries, lobbyists and any others who may act for or on AZFEN’s behalf or together with AZFEN; shall comply with the provisions of this ABC Policy.

AZFEN shall use its best endeavors to ensure that any and all hired personnel, intermediaries, agents, lobbyists and any others who may act for or on AZFEN’s behalf shall comply with the provisions of this ABC Policy.

Anti-corruption laws exist in all countries and are generally designed to prohibit various forms of bribery and other corrupt practices. A breach of any of these laws is a serious offence and risk which may result in heavy fines for companies and imprisonment for individuals. Even a suspicion or impression of an existence of a breach of national or international anti-corruption laws may damage AZFEN’s reputation and put its employees at risk therefore such a suspicious case should be reported to the Ethics and Compliance Manager and the Legal Department immediately right after it’s being noticed.

Bribery exists when an attempt is made to influence someone in the conduct of his or her duties, through the provision of an improper advantage. Trading in influence exists when an improper advantage is provided to someone in order to influence the performance of a third party’s duties. Such improper advantage may take different forms, for example cash, objects, credits, discounts, travel, accommodation or services.

Corruption is an improbity or decay in the decision-making process in which a decision-maker consents to deviate or demands deviation from the criterion which should rule his or her decision-making, in exchange for a reward or for the promise or expectation of a reward, while these motives influencing his or her decision-making cannot be part of the justification of the decision; which is absolutely refused by this policy.

In particular, it is forbidden for AZFEN’s employees, officers and directors, to offer, promise or provide any pecuniary advantage or any other advantage to any person with a view to improperly obtaining or retaining business, rewarding a decision or securing any facility or favor that infringes regulations. Nor can any AZFEN employee respond to solicitations with the same objective. This applies whether the improper advantage is made directly or indirectly, including request for assistance from a third party, such as an intermediary, a supplier, a subcontractor, and a joint venture or consortium partner.

For the purposes of the above prohibition, “person” means any Government Official, political party, employee or agent of a customer in the public or private sector or employee or agent of

a lending agency or bank. Government Officials include, but are not limited to, public or government officials, agents, employees, or representatives, any political party or political party officials, agents, employees or representatives, candidates for public or political party office, members of public assemblies, officials and employees of international organizations, judges or officials of international courts, and employees of government controlled administrations and state owned companies.

Furthermore, it is forbidden for AZFEN's employees, officers and directors, to receive any kickback, which is a pecuniary advantage, or any other advantage, in return for a decision in favor of a third party.

The prohibition against bribes and trading in influence applies both to the party giving or offering an improper advantage and to the party, who requests, receives or accepts such advantage. For the matter to be considered incompliant, it is sufficient that a demand or an offer of improper advantage is made. It is not a prerequisite that the improper advantage accrues to the person upon whom an attempt is being made to exercise influence.

AZFEN may be held liable for bribery or any other corrupt acts made by third parties contracted by AZFEN (such as subcontractors or suppliers). AZFEN is therefore implementing and will continue to implement measures to mitigate such risks and will in all its contractual relations with third parties make substantial effort to include a commitment to and from third parties for adherence to the same rules and procedures in relation to bribery and corruption.

Facilitation payments are used to facilitate mandatory administrative procedures and formalities normally carried out through proper legal channels. Such payments may constitute petty corruption, and although they may be tolerated in some countries, they are illegal in many countries. To avoid any confusion, AZFEN prohibits in principle any such practices. However, if the individual believes that its own life or others' lives or health are or may be imminently in danger, making a payment is not a violation of this prohibition. Such payments shall be correctly described in the accounts and reported to the Ethics and Compliance Manager.

AZFEN will not sanction an employee who complies with these rules by refusing any form of corruption and bribery, even if such a decision results in losing business or in any other adverse commercial consequences for the AZFEN.

3.2 Gifts Meals and Entertainment

AZFEN aims to ensure that any business decision taken by its employees, outsourced employees, subcontractors or suppliers, business partners, intermediaries, lobbyists and any others who may act for or on AZFEN's behalf or together with AZFEN are made solely through the proper business channels — fundamentally based on competitiveness, performance and the quality of the services and know-how it offers — and that they are not driven by any form of personal improper advantage or conflict of interest.

Any gift or the granting of any form of hospitality cannot be made with the purpose or effect of obtaining an advantage of any kind or to influence the outcome of a business

decision. The same applies when receiving a gift or benefiting from a hospitality.

AZFEN employees shall not offer, accept, or authorize a family member or relative to accept gifts, money, loans, invitations or any other form of special treatment from anyone involved in business dealings with AZFEN, if the ultimate goal is to influence business decisions.

Therefore any employee or individual acting for or on behalf of AZFEN must not, directly or indirectly, give or accept gifts except for promotional items of minimal or nominal value normally bearing a AZFEN logo. Other gifts may be accepted in situations where a refusal would clearly be perceived as an offence, in which case the gift must be handed over immediately to AZFEN corporate body and will be regarded as AZFEN property.

Hospitality such as social events, meals or entertainment may be offered or accepted if there is a clear and fair business reason for AZFEN. The cost of any hospitality must be kept within specific pre-approved limits and the list of guests should be recorded using Azfen Gift and Entertainment Log (Appendix 4). The approval for any hospitality should be gained from Azfen JV General Director or Deputy General Director by Project Managers. Travel, accommodation and other expenses for AZFEN individual in connection with such hospitality must always be paid by AZFEN. All matters concerning the acceptance or offering of gifts, hospitality and similar advantages must be discussed and agreed between the individual and his superior and Project Managers.

3.3 Dealing with Government Officials

AZFEN shall not make, offer, or authorize any direct or indirect payment, in cash or otherwise, gift, promise, or other advantage, whether directly or through any other person, such as an intermediary, agent or a close family member of an intermediary or agent for the use or benefit of any Government Official or any political party or any third party, where the payment, gift, promise, or advantage would violate any relevant anti-corruption legislation.

The term “*close family member*” includes among others, spouses, domestic/civil partners, children (either biological or adopted), grandchildren, parents, grandparents, siblings, partners and children of siblings or any other household member and the term shall not be interpreted in a limitative way. Thus, payments to more distant relatives of an intermediary or Government Official may also be a matter for legal liability. In case of a doubt in the matter, advice should be obtained from the Ethics and Compliance Manager.

In connection with the above, AZFEN, including its employees, officers, branches and subsidiaries, as well as subcontractors, suppliers and business partners, shall not attempt to offer or receive money (or anything of value), gifts, kick-backs or commission, with the purpose of obtaining business or contract awards, or create an “unrecorded fund” for any purpose.

AZFEN shall not engage in business with any person while knowing that any of the provisions of the Anti-Corruption Legislation may be violated.

The term “*anything of value*” includes goods, services and non-cash benefits or advantages including, but not limited to, cash or cash equivalents, the purchase or sale of property or services at inflated or discounted prices, hospitality, cars, jewelry, home improvements, travel, loans, loan guarantees and shares. A thing of value may also include intangible benefits, such as inside information, stock tips, or illegal assistance in arranging a business transaction or obtaining other benefit or advantage.

Particular care must be given in dealings with Government Officials.

AZFEN should not authorize any gift or payment or offer anything of value to Government Officials, except as expressly allowed in this Code.

AZFEN may cover the reasonable and legitimate expenses of Government Officials related to the purposes of (i) promotion, demonstration, explanation of products or services, or (ii) proper execution or performance of a contract with a government or government agency. Such expenses may include reasonable cost of travel to AZFEN's premises, reasonable accommodation or cost of training when there is a legitimate purpose in connection with AZFEN's relationship with the relevant authority.

The principles set out in this Code having been duly considered, in case of a doubt, advice from the Ethics and Compliance Manager and/or approval from the AZFEN Senior Management must be obtained (please refer to the Appendix 3) in advance for promotional expenditures for Government Officials.

No authorization for coverage of expenses related to Government Officials may be made if it violates any applicable laws on corruption or the regulations of the Government Official's employer, or if it may be presumably perceived by the public as a bribe or improper payment.

3.4 Social Investments, Charitable & Political Contributions

A social investment is a transaction which is financed by the AZFEN for the benefit of a third party or the public for the purpose of generating social and/or financial returns for the same.

Charitable contributions are direct payments made to an organization officially registered for charitable, educational, scientific, artistic purposes.

Although social investments and charitable contributions are both legal and generally accepted within the international business environment, they may present a corruption risk which needs to be assessed carefully. Under no circumstances shall the social investments or charitable contributions be made for the purpose of influencing an individual or entity, especially a Government Official, to act or refrain from acting in the manner directed by AZFEN.

At all times, an integrity due diligence shall be conducted to determine if any Government Official will personally, directly or indirectly, benefit from the social

investment or the charitable contribution, in which case such social investment or charitable contribution shall not be approved.

All social investments and charitable donations shall be made based on a written contract that clearly sets out AZFEN's contribution, any other participating organization's contribution and the project's objective, beneficiaries, milestones, timelines and cost scale.

Such contract shall contain anti-corruption clauses as approved by the Ethics and Compliance Manager or the Legal Department, and the necessary audit rights shall be implemented therein.

AZFEN, including its employees, officers, branches and subsidiaries, as well as subcontractors, suppliers and business partners, intermediaries, lobbyists and any others who may act for or on AZFEN's behalf or together with AZFEN shall not make any political donations, or support individual political parties or individual politicians.

3.5 Petty Cash

AZFEN shall create and maintain adequate mechanisms for transaction controlling, recording and reporting of petty cash payments. In principle each and every transaction shall be duly controlled, recorded and reported.

The use of petty cash without the necessary control measures constitutes a high corruption risk.

To mitigate such risk, AZFEN shall implement and maintain a reliable control system over the use and accounting of the petty cash.

Petty cash shall only be used in instances where electronic payment or bank transfers are not possible. All petty cash expenditures, irrespective of value, must be booked in the accounting system and reconciled with original receipts that accurately describe the purpose of such payment.

All advance payments of petty cash shall be based on a written demand of the requester describing the purpose and the value of the anticipated payment. The written demand shall also be signed by the requester's line manager/superior.

All reimbursements of petty cash payments must be accompanied by original receipts that accurately describe the nature of the payment.

AZFEN shall keep a petty cash register that records all petty cash transactions. This register will be updated and reconciled by AZFEN on a monthly or no less frequent than quarterly basis.

3.6 Accounting Policies

Applicable laws, financial reporting and tax laws and regulations all require AZFEN to keep accurate and complete accounting records of each business transaction. AZFEN's records must conform to applicable accounting standards, and must completely and

transparently reflect the facts of each transaction. All costs and charges, revenues and proceeds, receipts and payments and commitments have to be entered into the financial information in timely, complete and accurate form and have adequate support documents issued in conformity with any applicable legislation and the relevant internal control system provisions. All the book entries and related informative documentation have to be at disposal of the external auditor for the audit activities.

Consistently with the above requirements, it is AZFEN's policy, that all payments by, and transactions of, AZFEN, must be recorded accurately in the relevant AZFEN's books and records, such that AZFEN's books, records and accounts accurately and fairly reflect its transactions and the sales and acquisitions of its assets, in reasonable detail. This requirement applies to all transactions and expenses, whether or not they are material in an accounting sense. To this purpose, as provided for by the Administration and financial reporting Policy, AZFEN shall adopt, and keep updated the relevant books, registers and accounting entries; AZFEN's accounting handbooks define accounting principles as well as the accounts details to be adopted for such accounting entries. The circumstance that all the transactions are entered into the books in a true and fair form and that all the documentations are at disposal of the external auditor are reflected in the representation letter issued by AZFEN entities to the external auditor.

3.7 Recordkeeping And Internal Controls

It is AZFEN's policy that all payments by, and transactions of, AZFEN, must be recorded accurately in the relevant AZFEN's books and records, such that AZFEN's books, records and accounts accurately and fairly reflect its transactions and the dispositions of its assets, in reasonable detail. This requirement applies to all transactions and expenses, whether or not they are material in an accounting sense.

It is also AZFEN's policy to establish and maintain adequate internal accounting controls sufficient to provide reasonable assurances that:

- a) transactions are executed in accordance with management's general or specific authorization;
 - b) transactions are recorded as necessary:
 - (i) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements; and
 - (ii) to maintain accountability for all corporate assets;
 - c) access to assets is permitted only in accordance with management's general or specific authorization;
- and
- d) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

On the basis of a top-down and risk based approach, focused on significant accounts, disclosures, entities and processes, as defined in the AZFEN's Internal Control over Corporate Reporting Policy, AZFEN maintains a system of internal controls related to financial information designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with generally accepted accounting principles, including those internal regulations that:

- 1) pertain to the regular maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the issuer;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the issuer are being made only in accordance with relevant authorizations; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or dispositions of issuer's assets that could have a material effect on the financial statements.

The system of internal controls is intended to provide the reasonable assurance that the reduction to a low (remote) level of the risk that misstatements, caused by errors or fraud in amounts that would be material in relation to the annual financial statements or interim reports, may occur and not be detected on a timely basis.

The system of internal controls related to financial information consists of specific controls and pervasive controls, as defined below, at the different organizational levels, with different implementation methods.

3.8 Training Of AZFEN Personnel

AZFEN Personnel shall be informed about the applicable Anti-Corruption Laws and the importance of compliance with those laws and this Policy, so that they can clearly understand and be aware of the different crimes, the risks, the relevant personal and corporate responsibilities and the actions to implement in order to contrast bribery and the potential penalties in case of violation of this Policy and Anti-Corruption Laws (both to the individuals concerned and AZFEN).

In particular, all At-Risk Personnel are subject to a mandatory anti-corruption and code of conduct training program and annual refresher trainings. To this purpose:

- At-Risk Personnel shall receive a copy of this Policy and training on this Policy and relevant Anti- Corruption Laws when hired or given new responsibilities, or if it is not practicable for some reason, as soon as reasonably possible.
- At-Risk Personnel should receive periodic refresher training:
- each At-Risk Personnel shall be responsible of completing the defined training activities;
- each manager is responsible for ensuring that all At-Risk Personnel under his supervision complete training periodically.
- The Human Resources Department, in coordination with the Projects' Training Departments is responsible for planning and providing training identifying the recipients of the training and the kind of training to be provided.
- The Human Resources Department collects the attendance records, the names and titles of participants, the results of self-testing, the copies of training materials and the dates of the training. It is responsible also for keeping all records in compliance with the applicable labor, privacy or other laws.
- In defining and implementing the anti-corruption training program, the Human Resources Department, Training Department must consult with the AZFEN Ethics and

Compliance Manager and Legal Department for appropriate support and guidance in terms of the contents of the training materials and the carrying out of the training. The training program shall provide the necessary knowledge of the Anti-Corruption Laws and the instructions to recognize “Red Flags” and avoid ethically questionable actions. The program will assist the participants through the presentation of practical questions and scenarios that may occur in the course of the AZFEN operations.

3.9 Reporting

3.9.1 Reporting Requests

Any direct or indirect request by a Government Official or private parties for a payment (including a Facilitation Payment), gift, travel, meals or entertainment, employment, investment opportunities, personal discounts or other personal benefits other than reasonable and bona fide expenditures for the Government Official or private party or a Family Member or designee must be immediately reported to the direct supervisor and to the Ethics and Compliance Manager by the AZFEN Personnel who has received such request.

The direct supervisor will be responsible for advising AZFEN Personnel on the proper course of action, which shall be in compliance with Anti-Corruption Laws and this Policy. To this purpose, the direct supervisor must consult with the AZFEN Ethics and Compliance Manager.

3.9.2 Reporting Violations

Any suspected or known violation of the Anti-Corruption Laws or of this Policy must be reported immediately to one or more of the following:

- the employee’s direct supervisor or to the Business Partner’s primary contact at AZFEN;
- the Manager of Administration, Finance and Control Function;
- the Ethics and Compliance Manager;
- AZFEN’s Legal Department,
- and in any case, through the dedicated channels indicated in the AZFEN Anti-Corruption Regulation concerning whistle blowing reports, including the anonymous ones, received by AZFEN.

The direct supervisor, the Legal Department and the Human Resources Department will consult with each other to identify the proper course of action and they will assure the maintenance of the communication channels, the monitoring of received documents and the reporting of the results of the denunciations to the corporate control functions and bodies. Any disciplinary measure which will be implemented shall be in compliance with the Anti-Corruption Laws and this Policy.

AZFEN Personnel will not be discharged, demoted, suspended, threatened, harassed or discriminated against, in any manner in the terms or conditions of employment, based upon any lawful and made in good faith reporting activity of such employee with respect

to reporting of concerns regarding compliance with this Policy and/or the Anti-Corruption Laws.

3.10 Disciplinary Actions And Contractual Remedies

AZFEN shall use every reasonable effort in order to prevent any conduct in violation of Anti-Corruption Laws and/or this Policy and to interrupt and sanction any contrary conduct by AZFEN Personnel.

AZFEN will take appropriate disciplinary actions against any AZFEN Personnel (i) whose actions are found to violate the Anti-Corruption Laws or this Policy, and collective employment agreements or other applicable national regulations, (ii) who fail to conduct or complete adequate training, and/or (iii) who unreasonably fail to detect or fail to report such violations or who retaliate against others who report such violations. Disciplinary actions may include the immediate termination of employment.

AZFEN will take appropriate measures, including but not limited to termination of contract and claim for damages against Business Partners whose actions are found to violate the Anti-Corruption Laws or this Policy.

Contracts entered into by AZFEN with Business Partners will include specific provisions to ensure compliance by Business Partners of the Anti-Corruption Laws and this Policy and to allow AZFEN to take appropriate remedies, according to the AZFEN Anti-Corruption Regulation concerning standard contractual clauses on Administrative Responsibility deriving from criminal offences.

4. Employees' Duties and Commitments

4.1 Code of Personal Conduct

AZFEN sets high ethical standards for everyone who acts on behalf of the AZFEN. The individuals must abide by applicable laws and regulations and carry out their duties in accordance with the requirements and standards that apply in AZFEN.

AZFEN expects a high level of courtesy and respect during work activities. Each employee must refrain from all conduct that may have a negative effect on colleagues, the working environment or the AZFEN. This includes any form of harassment, discrimination or other behavior that colleagues or business associates may regard as threatening or degrading. When applicable, each AZFEN employee, agent and/or representative shall give the utmost importance not to offend in any manner, local customs or culture in the place of operation.

4.2 Health, Safety and Environment

AZFEN is committed to providing a safe and healthy work environment at all its sites, offering the same standards applicable wherever it operates. These standards are set out in the relevant Health, Safety and Environment (HSE) policy and apply to employees and subcontractors and suppliers working at AZFEN's sites. Specific effort is to be made to reduce (and maintain) the number of accidents to zero by giving strong attention to high-risk activities. This is supported by intensive training of managers and employees and a zero tolerance for deviation from these standards.

Measures to eliminate any risk related to health and safety issues are applied at all sites and throughout every project. These measures or acceptable similar are also implemented in case of partnerships with different business partners.

AZFEN expresses its commitment to comply with applicable environmental laws and regulations existing wherever it operates in order to prevent or otherwise reduce and minimize negative impact of its activities on the environment. In this respect, relevant local

and international laws, regulations and conventions are followed by AZFEN. This commitment involves AZFEN's subcontractors and suppliers and business partners as well.

Our health, safety, security and environment (HSSE) goals are no accidents, no harm to people and property, and no damage to the environment.

AZFEN has built a reputation for adhering to high safety standards of performance. To uphold this reputation and maintain high safety standards, AZFEN expects all its employees to take responsibility for their own safety on or near the workplaces. In demonstrating this responsibility, employees must:

- Comply with all AZFEN and project safety policies, procedures, rules and instructions;
- Where necessary or instructed, use personal protective equipment;
- Familiarize themselves with emergency procedures in their immediate workplace;
- Ensure their condition is not impaired by alcohol or drugs (over the counter medically prescribed, or illegal);
- Not consume alcohol whilst at work, unless at authorized work-related functions;
- Immediately stop work that is unsafe;
- Promptly report any unsafe working conditions, near misses, accident, injury or illness to their supervisor/manager.

AZFEN aims to take preventive and sustainable measures to protect the environment and to minimize the environmental impact of its activities.

Employees must:

- Be familiar with and comply with any environmental standards and regulations that relate to their work;
- Promptly report any incident that may have a hazardous effect on the environment to their supervisor/manager;
- Consider and minimize the environmental impact of the operations within their sphere of influence;
- Use AZFEN resources efficiently and sustainably.

4.3 Conflict of Interest

AZFEN employees shall always behave loyal to the AZFEN and in integrity in the business dealings. They will not give or facilitate improper advantages to other companies, organizations or individuals. AZFEN employees shall avoid involvement in relationships that could give rise to an actual or perceived conflict of interest situation or could in any way have a negative effect on their own freedom of action or judgment while carrying on their duties in the AZFEN.

No AZFEN employee shall work on or deal with any matter, without giving prior information to the AZFEN, including their superior or the Ethics and Compliance Manager, in which themselves, their spouse, partner, close relative such as children (either biological or adopted), grandchildren, parents, grandparents, siblings or their children or any other household member or person with whom they have close relations, has a direct or indirect financial interest.

No AZFEN employee shall work on or deal with any matter where there are other circumstances that might undermine trust in the employee's integrity in respect of its work. Any employee who finds himself/herself in this kind of a conflict of interest situation shall notify his or her superior in writing of the facts, who shall in turn notify the Ethics and Compliance Manager. The employee's superior together with the Ethics and Compliance Manager shall decide on how the conflict of interest shall be addressed.

Employees shall not use AZFEN's property or information acquired through their position or office in AZFEN for personal advantage or for the purpose of competing with AZFEN. Any suspicion of a conflict of interest should be reported to the line management.

Below, some non-limitative circumstances in which conflicts of interest may arise are listed:

- Being employed (as employee or a close family member such as spouse, partner, children (either biological or adopted), grandchildren, parents, grandparents, siblings or their children or any other household member) by, or acting as a consultant or advisor to, a competitor or potential competitor, supplier or subcontractor, or a business partner regardless of the nature of the employment, while the employee is being employed by the AZFEN;
- Serving as a board member or in a management position for an outside commercial AZFEN or organization which is a competitor of AZFEN;
- Owning or having a substantial interest in a competitor, supplier or subcontractor;
- Having a personal interest, financial interest or potential gain in any AZFEN transaction;
- Placing a AZFEN business with a firm owned or controlled by the employee or his or her spouse, partner, children (either biological or adopted), grandchildren, parents, grandparents, siblings or their children or any other household member);
- Accepting or offering gifts, discounts, favors or services from or to a customer/potential customer, competitor or supplier, unless allowed or to the extent allowed by this Code.

“Relative” or “Family Member” is defined hereunder by way of example and not by way of limitation as follows:

A spouse, parent, sibling, grandparent, child, grandchild, mother- or father-in-law, or same or opposite sex domestic partner are all considered relatives. Also included is any family member who lives with the employee or who is otherwise financially dependent on the employee, or on whom the employee is financially dependent.

Even when dealing with family members beyond this definition, the employee must take care to ensure that his or her relationship does not interfere, or appear to interfere, with the employee's ability to act in the best interests of the AZFEN.

4.4 Directorship and Other Assignments

All directorships, employment or other assignments held or carried out by employees working for or on behalf of AZFEN in other enterprises competing with AZFEN must be reported without delay in writing to and approved in writing by AZFEN management. Should the AZFEN consider that a conflict of interest arises, or if the employee's ability to perform their duties or fulfill their obligations to AZFEN is compromised, such approval shall not be granted, or will be withdrawn if granted earlier.

4.5 Equality and Diversity

AZFEN does not tolerate any form of abuse or harassment, coercion or bullying of the employee whether sexual, physical, psychological or otherwise. Using abusive or inappropriate language towards the employee during performance conversations and reviews is also prohibited.

Harassment is an unwelcomed or unreciprocated behavior which makes an employee feel intimidated, offended, or belittled in the workplace. It may take place between:

- an employee and a manager or supervisor; or
- co-workers; or
- an employee and any other person in the workplace.

Examples of harassment:

If unwelcomed or unreciprocated, the following behaviors could be examples of harassment:

- physical contact or requests for sexual favors;
- persistent following (stalking);
- suggestive looks implying a sexual interest;
- persistent verbal abuse or threats;
- persistently disrupting an individual's work, work space, equipment or interfering with his/her personal property.

Other forms of harassment whether directed at a person or a group may include:

- jokes, derogatory or dismissive comments;
- gestures that are insulting or belittling;
- circulating, displaying written or pictorial material that is offensive or belittling.

The recruitment, training and personal development of employees from different backgrounds are an important asset for AZFEN. AZFEN recognizes and values these differences by building teams that reflect the markets and communities in which it operates. AZFEN commits to offer equal employment opportunity to all qualified employees and applicants.

AZFEN employees must comply with all laws and regulations forbidding any discrimination with respect to age, race, gender, ethnic origin, nationality, religion, health, disability, marital status, sexual preference, political or philosophical opinions, trade union membership or other characteristics protected by applicable laws and regulations.

If an employee observes or experiences any form of abuse, he/she can report it to his/her HR management.

No adverse action can be undertaken against such employee for making such a report in good faith.

The recruitment process is exclusively based on the applicant's qualifications and skills.

Remuneration is determined on the basis of the AZFEN's relevant policy and standards as well as the employee's contribution to the AZFEN.

AZFEN shows respect to all individuals without any distinction and spends active efforts to ensure a favorable working environment based on equality and diversity. However, it may sometimes be legal and justifiable to use positive discrimination to achieve equity and diversity.

4.6 Intoxicants

It is not permitted for the employee to be under the influence of intoxicating substances, including alcohol, while at work for AZFEN.

Limited amounts of alcohol may, however, be served when the local custom and occasion make it appropriate to do so, and provided that the consumption will not be combined with operating machinery, driving or any other operation that is incompatible with the use of alcohol. This also applies while at work on assignments or at work during business trips for the AZFEN.

No one should use, or encourage others to use, intoxicants in violation of this Code.

4.7 Privacy and Confidentiality of Personal Information

AZFEN is committed to respect persons' privacy and the confidentiality of personal information. AZFEN will only acquire and keep personal information that is needed to operate the AZFEN effectively or to comply with the law. In adhering to this principle, AZFEN respects an individual's right to privacy, and as a result AZFEN usually shall not take an interest in what anyone does outside of work – unless it impairs their work performance, or threatens AZFEN's reputation or legitimate business interests.

The following basic rules shall always be followed by any employee or anyone working for or acting on behalf of AZFEN:

- Classify personal information as confidential. Limit the access to duly authorized individuals who have a clear business need for that information;
- Use the authorized personal information only for purposes known to, or expected by, the individual in a fair way and with absolute integrity;
- Keep the personal information no longer than necessary to accomplish the legitimate purpose for which it was collected or to satisfy a legal, regulatory or legitimate business need;
- Be aware of the existence of local privacy laws, specifically when transferring personal information outside its country of origin, and seek for consultation if necessary;
- Be objective when making written comments about individuals (including at the conclusion of a recruitment interview) and remember that documents containing comments may be disclosed. All personal information, including human resources opinions, should be relevant, appropriate, accurate and justifiable;
- Exercise care and discretion when you use electronic media. Information created or stored on computers or other electronic devices may not be secure or private. It may also be accessed, monitored or audited at any time without notice, subject to local laws and regulations.

Employee or any person working for or acting on behalf of AZFEN shall never:

- Seek access to personal information while he/she is not authorized to do so or when there is not a valid business reason to have it;
- Provide personal data to anyone inside or outside of the AZFEN without ensuring that it is appropriate to do so.

5. Responsibility for AZFEN's Assets

5.1 Protection of Assets

Every employee of AZFEN is responsible for making sure that AZFEN's assets are not misused or wasted. AZFEN's assets include physical property, time, proprietary information, corporate opportunities, AZFEN's funds, and AZFEN's equipment. This means AZFEN's employees must always:

- Make sure that any AZFEN property that employees use, or have contact with, is not damaged, misused or wasted;
- Give the time needed to the work to fulfill their responsibilities;
- Protect AZFEN's confidential and proprietary information and intellectual property;
- Advance AZFEN's legitimate business interests when the opportunities arise;
- Protect AZFEN's assets, and use those assets in the manner intended;
- Not use AZFEN's assets for their personal benefit or the benefit of anyone other than AZFEN;
- Use common sense in using AZFEN's assets. Occasional personal phone calls or e-mails from the workplace would be acceptable. Excessive personal calls or e-mails may constitute misuse of AZFEN's assets;
- AZFEN policy may allow additional personal use of certain assets, such as AZFEN's car or mobile phone or wireless communication device. Employees should always check relevant policies to ensure that they are using AZFEN's assets as intended.

Theft of AZFEN's assets—whether physical theft such as unauthorized removal of AZFEN's product, equipment or information, or theft through embezzlement or intentional misreporting of time or expenses—may result in termination of the employment contract and criminal prosecution. AZFEN treats workplace theft of assets belonging to other employees the same way it treats theft of AZFEN's assets.

The use of AZFEN's assets outside of the employee's job responsibilities— such as using the employee's AZFEN's work product in an outside venture, or using AZFEN's materials or equipment to support personal interests—requires prior written approval of the Ethics and Compliance Manager. Employees shall have this approval renewed annually if he/she continues to use the asset outside of work.

Use of Time, Equipment and Other Assets:

- Employee shall not engage in personal activities during work hours that interfere

with or prevent him/her from fulfilling job responsibilities;

- Employee shall not use AZFEN's computers and equipment for outside businesses, or for illegal or unethical activities such as gambling, pornography or other offensive subject matter;
- Employee shall not take for himself/herself any opportunity for financial gain from the information he/she acquires because of his/her position at AZFEN, or through the use of AZFEN's property or information.

Examples of AZFEN's Assets:

- AZFEN's money
- AZFEN's fixed assets
- Employees' time at work and work product
- Computer systems and software
- Telephones
- Wireless and mobile communication devices
- Photocopiers
- Printers
- Tickets to concerts or sporting events
- AZFEN's vehicles
- Proprietary information
- AZFEN's trademarks

5.2 Correct Information, Accounting and Reporting

Investors, creditors and other stakeholders have a legitimate interest in AZFEN's financial accounting and reporting. The reliability of the financial accounting and reporting depends on the accuracy, completeness and timeliness of the accounting entries.

Therefore, AZFEN records and reports AZFEN's information honestly, accurately and objectively. This includes financial and non-financial information. Any information created accurately reflects transactions and events. This includes financial data and other information such as HSSE performance information or HR records. AZFEN creates, retains, and destroys paper and electronic information in accordance with the applicable laws and related AZFEN procedures. False or misleading records or misrepresenting the facts shall never be justified or excused. AZFEN does not tolerate any kind of fraud.

AZFEN complies with all the applicable laws and regulations in the way of recording, retaining and reporting information where required. These include International Financial Reporting Standards (IFRS) and the relevant Generally Accepted Accounting Principles (GAAP) practiced where AZFEN does business. AZFEN's motto is to be always honest, straightforward and transparent about its operations and performance, results thereof.

AZFEN Joint Venture's Disclosure Policy has been developed by AZFEN Joint Venture's Board of Directors upon the recommendation of the Corporate Governance Committee. The Board of Directors is responsible for following up and reviewing the Disclosure Policy. The Investor Relations and Corporate Governance Coordination Department of AZFEN Joint Venture are responsible for the implementation of the Disclosure Policy.

5.3 Documentation and Archiving

AZFEN is committed to transparency and accuracy in all its dealings, while respecting its confidentiality obligations. Employees in charge, therefore, have the responsibility to maintain necessary records of AZFEN's business and business relations. No false or misleading or untrue entries may be made on AZFEN's books and records. All monetary transactions must be fully and completely recorded in AZFEN's accounting records.

Employees in charge must never conceal, alter, destroy or otherwise tamper with AZFEN's information or property relating to actual, pending or threatened litigation or government/regulatory investigations. This requirement also applies to situations where litigation or an investigation is reasonably likely to occur in the future. Likewise, employees in charge shall never remove or destroy records before a specified date without obtaining authorized permission.

5.4 Insider Trading

In the normal course of business, an AZFEN employee may have access to information that may affect the value of shares, options or other securities, if such information were to become public. Since AZFEN Joint Venture is a publicly quoted AZFEN, it is subject to the securities laws and regulations which regulate the use and disclosure of information to the public.

Information which may affect the value of AZFEN Joint Venture's shares, options or other securities is considered insider information and must be kept confidential until publicly disclosed by AZFEN or AZFEN Joint Venture. Acting on this information for personal gain or disclosing it to anyone else before it has been officially released is likely to violate securities laws.

Penalties for violations are severe and may include fines and imprisonment.

This rule also applies to confidential information concerning other companies, including subcontractors, suppliers and any business partner, listed on any stock exchange, should any employee have non-public information relating to AZFEN.

Holders of insider information relevant to the share price of other companies may only pass this information to individuals who need this information in their work for AZFEN and only subject to authorization from the related line management.

For the avoidance of doubt, disclosure of this information to lawyers, independent auditors, tax consultants, credit institutions and financial service providers who are bound by rules of confidentiality is not considered unauthorized disclosure provided that these persons need to know this information while performing their duties. To this end, the person to whom the information is to be disclosed must be under the obligation of confidentiality based on a legal arrangement or a special agreement.

5.5 Information and IT Systems

The individual's use of information, IT systems and, in particular, internet services must be based on the needs of the job and not on personal interests. Information produced and stored on AZFEN's IT systems is regarded as AZFEN's property. AZFEN therefore reserves the

right to access all such information except where limited by law or agreement.

The employee in charge is responsible for maintaining electronic files and archives in an orderly manner. Private use is only permitted to a limited extent. Information that may be considered illegal, offensive or inappropriate such as fraudulent, illegal harassing, offensive or obscene photographs, messages or files –including racial or sexual slurs- shall not be processed, downloaded, stored or disseminated. AZFEN is committed to fully complying with the provisions of applicable law and licensing agreements pertaining to copyrighted materials, including written material, photographs and software. Therefore, any downloading, storing or disseminating in breach of any law or provision regarding intellectual property is prohibited. Any use of software in breach of any law or provision regarding copyrights is also prohibited.

6. Organization, Responsibilities, Enforcement, Implementation

6.1 Organization

This Code sets out the broad principles of the behaviors that are expected from the employees, subcontractors, suppliers, business partners when engaging in business with AZFEN.

It is the responsibility of the General Director to ensure as far as possible that all employees are aware of this Code and that employees uphold the principles of this Code at all times.

6.2 Personal Responsibility

Each employee shall be familiar with and perform its duties in accordance with the requirements set out in this document and applicable laws and regulations.

6.3 Project Manager Responsibility

Azfen Project Managers shall ensure that Project Anti-Corruption and Due Diligence and Anti-Money Laundering Procedures (Appendix 5) are established and implemented.

6.4 Managerial Responsibility

Managers must ensure that activities within their area of responsibility are carried out in accordance with the requirements set out in this document. Managers are responsible for communicating the requirements thereof and for providing advice to the employee with respect to the interpretation and application of the rules of this Code.

6.4 Ethics and Compliance Manager

AZFEN Ethics and Compliance Manager is responsible for managing the implementation, monitoring and enforcement of this Code of Business Conduct & Anti-Bribery and Corruption Policy.

The Ethics and Compliance Manager shall report directly to the Azfen JV General Director.

Any guidance and procedures developed and issued by the Ethics and Compliance Manager, as approved by the Azfen JV General Director, shall be binding on every person to whom this Code relates.

The Ethics and Compliance Manager's duties and responsibilities shall include, without limitation, the following:

- Preparing update proposals for this Code and documents and materials related to ethical business practices of AZFEN;
- Developing and facilitating suitable regular and periodic training for employees, intermediaries, agents, subcontractors and suppliers to ensure familiarity with and understanding of this Code and applicable laws;

- Responding to inquiries by employees regarding any aspect of this Code or other compliance matters and escalating the issues as appropriate to senior management;
- Conducting periodic reviews of the effectiveness of AZFEN Projects' anti-corruption programs (how well relevant policies and procedures are being implemented and followed up throughout AZFEN's Projects');
- Investigating, or overseeing, the investigation of any information or allegations concerning violations of this Code or other improper or unethical business conduct; and
- Review all contracts, service and purchase orders to ensure that necessary anti-corruption and audit rights provisions are included

The Ethics and Compliance Manager may be seconded with, or may designate, if and as needed, appropriate trained employees to assist in the performance of these duties.

6.5 Integrity Due Diligence

Each and every contractual engagement made with a third party is a source of risk for AZFEN as these third parties acting for or on AZFEN's behalf may be direct or indirect causes for legal liabilities and/or reputational damage. As there is a risk that individuals or entities acting for or on behalf of or with AZFEN may cause such damages, it is imperative that AZFEN uses its best endeavors to oblige these individuals and entities to adhere to the ethical standards consistent with AZFEN's ethical requirements.

For the avoidance of doubt, "third party" includes without limitation business partners, operators, subcontractors, suppliers, intermediaries, agents, lobbyists, customers and any others who may act for or on AZFEN's behalf or together with AZFEN.

A business relationship with a potential third party shall only be established or amended if the resulting relationship satisfies AZFEN's requirements for Integrity Due Diligence.

Integrity Due Diligence is conducted for the identification and further examination of any integrity concerns, conflicts of interest or **"red flags"**, and helps to ensure that AZFEN does not conduct business with corrupt parties or otherwise becomes associated with illegal or unethical practices.

Azfen Project Managers shall ensure that Project Anti-Corruption and Due Diligence and Anti-Money Laundering Procedures (Appendix 5) are established and implemented with the clear guidance and responsibilities to conduct supplier / subcontractor Integrity Due Diligence (Anti-Corruption Due Diligence) and risk assessments.

The extent of Integrity Due Diligence examination that should be conducted depends on the risk associated with a particular transaction or counterparty.

Each AZFEN employee shall remain alert with regard to the "red flags" that would signify that there is a compliance or corruption risk. An illustrative list of 'red flags' can be found in the Appendix 2 hereof.

All contracts with counterparties shall include necessary provisions to ensure compliance with

AZFEN's ethical requirements, and with all applicable laws, in particular Anti-Corruption Legislation. The Ethics and Compliance Manager shall review anti-corruption contract provisions. Substantial deviations from the model provisions must be approved by the Legal Department or the Ethics and Compliance Manager.

Intermediaries, agents, subcontractors must adhere to the same rules and procedures in relation to ethical behavior and anti-corruption while working for or on behalf of AZFEN, and this condition must be included in the agreements/contracts to be signed with such counterparties.

6.6 Anti-Corruption Risk Assessment and Reporting

Project Managers shall ensure that AZFEN's exposure to potential external risks of corruption are assessed as per Project Anti-Corruption and Due Diligence and Anti-Money Laundering Procedures (Appendix 5), e.g. the risk of certain transactions or business partnerships, and internal risks of corruption, such as the risk of non-compliance with anti-corruption policies and procedures.

Any concerns relating to the overall risk assessment shall be reported to the Project Business Services Manager and Project Manager. Where deemed necessary Project Managers shall escalate concerns to Azfen JV General Director and Ethics and Compliance Manager for further assessment and advice.

Internal reporting of potential violations: All employees are required to report immediately any suspected violation of this Code. Suspected violations can be reported to the employee's manager, his/her manager's manager, the Ethics and Compliance Manager, any member of the Legal Department, any member of the Azfen JV Senior Management or using other reporting mechanisms established at each Azfen JV Project or "Sound Off" online application from Azfen JV website www.azfen.com.

AZFEN shall not implement sanctions in any form for such reporting against any person who, in good faith and in a responsible manner, informs persons in positions of responsibility or internal entities about possible breaches of this Code or applicable laws. AZFEN prohibits retaliation against anyone for making a good-faith report as aforesaid. All reports of suspected violations shall be taken seriously and shall be followed up as appropriate by the Ethics and Compliance Manager. Reports may be made anonymously, or if not made anonymously the Ethics and Compliance Manager shall treat the source as confidential.

Any manager, who receives a report of a suspected violation of anti-corruption laws and regulations, or this Code, shall immediately notify the Ethics and Compliance Manager in writing.

The Ethics and Compliance Manager shall ensure that any recommended follow-up action has been implemented and shall evaluate whether to incorporate any issues or questions raised by a report into training and education programs, alerts, or informal reminders at meetings, as deemed appropriate.

6.7 Communication

In order to ensure a coordinated interface with external parties; general enquiries about AZFEN or its employees and any enquiry from media, investors, brokers and analysts shall be directed to the relevant communications department or the Ethics and Compliance Manager.

Enquiries from external attorneys shall be passed on to the Legal Department or the Ethics and Compliance Manager.

Employees and Board Members needing to make public statements shall co-ordinate these in an appropriate way as stated above. Employees shall not make public statements about AZFEN, its existing financial results, forward-looking financial statements or its business activities unless they are specifically authorized to do so. Employees shall always take care not to cause any harm to AZFEN's reputation or its Shareholders in any external communication.

It must be very well known that anyone contravening the rules and regulations of selective disclosure of non-public information would cause himself/herself and AZFEN to be liable to prosecution.

6.8 Handling Cases of Doubt and Breaches of Code

An individual can report his/her concerns to his/her superior, or to his/her superior's superior, or to the Ethics and Compliance Manager. A manager who receives such a query must consult its own superior in case of doubt.

If any employee comes across cases of ethical doubts or breaches of the AZFEN's ethical requirements, these concerns must be reported immediately through a “**sound off**” mechanism.

Sound Off is a mechanism for:

- allowing confidential complaints by employees and subcontractors or suppliers about any breaches of this Code, including any questionable accounting and auditing matters and matters that are unethical or fraudulent; and
- receiving, keeping and handling such confidential complaints.

Sound Off (www.azfen.com) should only be used when all other avenues have been exhausted or are not reasonable in the circumstances, such as when the employees' line manager is the subject of the matter of complaint. The usual place to start with regarding the complaint is the line manager that may follow up the matter through the line authority.

Employees or others may send in a complaint anonymously. However, concerns raised anonymously should be in a detailed manner to assure an effective investigation. The criteria used to decide whether to consider a matter as a possible incident will include whether enough information has been provided for an investigation.

If the employee submitting a complaint gives his/her name, it will be kept confidential and the matter being treated with honesty, integrity and fairness, in compliance with this Code.

However, if the employee feels uncomfortable for any reason using regular channels of complaint, the concern may be reported directly to the Ethics and Compliance Manager. The employee may remain anonymous if he/she wishes so. The Ethics and Compliance Manager shall treat its sources as confidential in case of necessity in compliance with this Code.

AZFEN shall not implement sanctions in any form against any employee who, in a responsible manner, informs persons in positions of responsibility, relevant AZFEN departments or other relevant AZFEN authorities about possible breaches of the AZFEN's ethical guidelines, applicable laws or other blame-worthy circumstances in AZFEN operations.

6.9 Consequences of Infringement

Breaches of AZFEN's ethical requirements or relevant statutory provisions may result in disciplinary action, or dismissal with or without notice, and may be reported to relevant authorities, if appropriate or required.

6.10 Distribution and Training

This Code shall be provided to all employees. The Code is also available on AZFEN's website (www.azfen.com) and on each Azfen Project Public Folders.

The contents of the Code are elaborated through employee initial training sessions, regular internal communications and annual refresh training sessions.

6.11 Compliance Acknowledgment

All employees are required to sign an acknowledgment that they have read the Code and understood and agreed to comply with the provisions of the Code. All employees will be required to make similar confirmations on a periodic basis.

Failure to read and understand the Code or a failure to sign the acknowledgement does not excuse an employee from compliance with the Code.

New clients, joint venture or consortium partners, suppliers, subcontractors and others working with or for AZFEN will receive a copy of the Code and be required to adhere to the standards contained in the Code.

6.12 Compliance Monitoring

Compliance with the Code by is monitored regularly by the Ethics and Compliance Manager.

6.13 Review of Code

AZFEN reviews the Code on an annual basis and may modify or supplement this Code from time to time.

Comments and suggestions in relation to the content of the Code are welcome from all employees.

Employees will be notified of any major revisions to the Code through internal communications.

7. Employees Responsibilities towards PROJECTS

Project Standards of Behavior

Conformity with AZFEN Project Code of Conduct, as well as with normal accepted standards of community behavior, is expected from all Project employees in offices, at all work sites, camps, guest house accommodations and in local communities and surrounding cities. This is for the benefit and wellbeing of all Project Workforce and members of Local Communities. AZFEN will ensure that induction tool-box sessions on this Code of Conduct are constantly provided by Social Team to all Project employees and in-coming personnel. Unacceptable conduct in either offices, work sites or in local communities will not be tolerated. This Code of Conduct requires that all Project employees, subcontractors and vendors abide by the following:

- Adherence to National Laws and regulations;
- Protect and Maintain Project/Employer Good Image;
- Respect for Local Residents and Customs;
- Dignified behavior while interacting with local residents;
- Respect and Protect National Cultural Heritage Objects;
- Zero tolerance of bribery or requesting gifts from settlements, suppliers, vendors etc. Any 'gifts' are to be immediately reported to line manager;
- Zero tolerance of illegal activities by Project personnel including:
 - ✓ involvement in prostitution;
 - ✓ consumption of alcohol during work hours;
 - ✓ excessive consumption of alcohol after work hours which may lead to violence or other illegal activities, fighting, conflict with co-workers or with local community members;
 - ✓ sale, purchase or consumption of drugs;
 - ✓ gambling;
 - ✓ fighting;
 - ✓ carrying firearms or knives.
- Alcohol and Drugs policy (both in and out of work hours);
- Non-Smoking Policy;
- Safe use of vehicles in communities;
- Use of security badges by all Project employees and temporary visitors badges by all other visitors;
- No stealing AZFEN's materials and/or fabricating various items for sale;
- No purchase of goods or services at sites or office entrances;
- No hunting, fishing or unauthorized gathering of products;
- Physical, verbal, visual and any other harassment will not be tolerated by anyone - including vendors, suppliers etc.
- No recruitment at worksites or in front of offices.

7.1 Period of Leave and out of Business Hours Allowance

All Employees are required to comply with contractual requirements governing periods of leave and out of business hours allowance. All Employees are required to strictly comply with the Labor Code and HR Procedures.

7.2 Safety and Environment

To assure your safety and that of your co-workers and the public, Project workforce shall:

- Follow safe driving principles
- Use of appropriate life-saving personal protective equipment (PPE) when on sites
- Follow electrical safety testing and grounding rules
- Follow clearance and energy lock-out/tag out rules
- Follow confined space entry rules
- Follow lifting and suspended load rules
- Follow safe working at heights rules
- Follow hot work safety rules
- Follow excavation procedures
- Follow scaffolding safety procedure
- Follow working over board procedure
- Follow proper handling of hazardous substance
- Follow environment procedures including waste management, flora and fauna rules

Project employees are reminded to be mindful of the environment while on this Project and strive to minimize pollutions, dust and gaseous emissions from construction activities, minimize water use, recognizing it as an important aspect of behavior. Employees are required to turn lights and air-conditioners off when not in the room, and, turn off engines of vehicles when parked. All litter and rubbish shall be disposed of in receptacles provided in offices and work sites. Where possible, recycle bins are to be used for the disposal of cans, bottles, and materials of a recyclable nature. Flora or fauna (dogs, cats, etc.) shall not be brought in offices and work sites. No feeding of dogs to avoid encouraging them into camp or guesthouse.

7.3 Drug and Alcohol Policy

It is the policy of AZFEN to provide employees with a safe and healthy workplace. Project requires that all employees and Subcontractor employees abide by the Zero tolerance of illegal sale, purchase or consumption of alcohol and illegal drugs. There will be zero tolerance policy of drunkenness in workplace during business hours. AZFEN implements zero tolerance of drugs.

No Alcohol consumption is permitted in AZFEN's offices and construction sites. Alcohol is strictly forbidden to be at any work site. This includes offices, vehicles, and places of work. In order to assure healthy working environment, the following policies will be strictly enforced:

- Employees are prohibited from reporting to work, performing assigned duties or engaging in Project business while under the influence of alcohol, illegal drugs or controlled substances;
- Workers are not permitted to bring alcohol to Offices or Work Sites for personal consumption;
- Employees are also prohibited to use illegal drugs outside working hours, e.g. Project provided accommodation units;
- Onshore Employees are permitted to drink alcohol after work hours including within Project provided accommodation provided that excessive consumption of alcohol which leads to violence or other illegal activities, fighting, conflict with co-workers or with local community members does not occur;
- The sale, use, possession, distribution or purchase of alcohol or illegal drugs or controlled substances while performing Project business or when using a Project vehicle is strictly prohibited;
- Any employee who violates these rules will be subject to immediate dismissal from Project. Furthermore, employees should be aware that AZFEN may also inform the police or drug enforcement agencies for further legal actions.

This policy does not prohibit employees from working while under the influence of prescribed drugs, provided that such drugs are being used as prescribed by a doctor and do not prevent the employee from performing the essential functions of the job or present a direct threat to the health or safety of the employee or others in the workplace.

Furthermore, if an employee is aware that his/her use of an over-the-counter or properly prescribed medication is likely to alter his/her senses or impair his/her ability to perform on the job, the employee should promptly report those facts to his/her Supervisor. Failure to do so may result in disciplinary actions. All local employees, as a usual procedure during employment process, must to present to AZFEN medical report, signed by doctor, stating that the person is not on the national registration list for drugs and alcohol abuse.

Any Project Employee may be requested to pass a drug and alcohol test whenever a Supervisor or Manager has reasonable suspicion that an employee has violated any of the rules set forth in this policy. Reasonable suspicion may arise from such factors as, but not limited to, supervisory observation, co-worker reports or complaints, decline in performance, attendance or behavioral changes. Supervisors and Managers who suspect that an employee is under the influence of alcohol, illegal drugs or controlled substances, or is selling, purchasing or distributing alcohol, illegal drugs or controlled substances both, in or out of work hours, should immediately contact line manager.

AZFEN will aim at preventing its personnel from excessive consumption of alcohol at Project provided accommodations.

Irresponsible behavior in the community due to intoxication will not be tolerated and will result in disciplinary actions being implemented against those that are involved in this type of behavior.

7.4 Non-Smoking Policy

Smoking is not allowed on construction sites, except at strictly designated areas arranged by Project. Smoking is not permitted in the Project Office. AZFEN will arrange a designated area outside of a building for all smokers. Employees may smoke during break times and lunch periods only.

Project employees-smokers should follow below requirements:

- do not put cigarettes out on the ground;
- do not throw butts or ashes into any container which is not meant for that purpose;
- do not litter on the ground of the smoking area;
- the responsibility of maintaining smoking areas lies solely with the smokers using this facility.

When working outside of Project premises, smoking is not desirable while directly interfacing with customers and co-workers, if it is offensive to co-workers. Wishes and preferences of nonsmokers will take precedence over those of smokers.

7.5 Emergency Procedures

All Project personnel must identify the location of emergency assembly point/muster station, be familiar with emergency evacuation ways and all emergency and safety devices (Fire extinguisher locations, eye wash stations, First aid kits etc.)

All Project personnel are required to read emergency evacuation procedure and understand alarm signals as promulgated in offices and work sites and emergency numbers to be called in case of real emergency.

7.6 Prohibited Items

Items prohibited in offices, at work sites include, but are not limited to the following:

- The possession of, or use of, firearms, weapons and explosives;
- Posting on office wall or placing in public view pornographic, political and religious material or other material of a like nature which could give offense;
- The possession of, and or use of, any illegal drug or substance, corrosive or obnoxious substances of like matter;
 - ✓ Animals or live pets of any kind;
 - ✓ Any illegal item, implement, subject matter whatsoever.

7.7 Dress Code

In order to maintain professional image of AZFEN, as well as to protect the honor and dignity of employees AZFEN's employees must present themselves in presentable dresses which conforms to the standards of AZFEN's business ethics. All employees must maintain professional appearance which reflects the respect to AZFEN's culture and to colleagues. Personal Protective Equipment (PPE) shall be worn at all times during activities as per HSE requirements. In order to avoid contamination, it is prohibited to enter canteens/dining rooms with excessively filthy clothes/coveralls. All employees shall adhere to this regulation during business hours in offices, camps and work/site premises.

7.8 Transport during Business Hours

In order to decrease traffic movement within PROJECTS, AZFEN and its Subcontractors will assure Project transport is arranged for all Project Workforce. Every morning appropriate sized vehicles will collect expatriate and local personnel at definite time and transport them to worksites.

At the end of the work day the vehicles will collect personnel from the worksites at a set time and transport them back to the city. Local staff coming from surrounding communities and working on the Project will be collected every working morning at definite locations at the communities where they reside, by appropriate sized vehicles and shall be delivered to worksites. Every evening the same bus will return them to their communities.

All Project Personnel shall preferably not use its own private transport to drive to and from offices and work sites back home.

7.9 Vehicle Parking and Speeding

Safe driving procedure must be strictly followed by all Project drivers. Project designated construction access routes only must be used by Project vehicles.

Authorized Project vehicles must be parked in designated parking areas only. No trucks, trailers, or construction equipment is to enter communities parking area.

All vehicles are required to observe speed restrictions of 20 km/hr for a vehicle parking area and max 40 km/hr in a community area. AZFEN may change this speed limit at its discretion.

There will be no use of Project vehicles for non-work business before or after working hours unless there is special approval from Project Manager or Construction Manager.

7.10 Personal Belongings

Each member of Project team is solely responsible for any valuables that he/she brings in to offices or Work Sites. AZFEN accepts no liability for loss or damage of any personal items.

7.11 Bribery and Gifts

Bribes, unlawful favors, collusions, requests for personal benefits for oneself or others, either directly or through third parties, are prohibited, without any exception. It is prohibited to pay or offer, either directly or indirectly, money and material benefits and other privileges of any kind to third parties, whether representatives of governments, public officers, civil servants or private employees, in order to influence or remunerate the actions of their office.

Commercial courtesy, such as small gifts or forms of hospitality, is only allowed when the value thereof is small, when it does not compromise the integrity and reputation of either party or when it cannot be construed by an impartial observer as aimed at obtaining undue advantages.

In any case, these gifts must at all times be authorized by designated managers in compliance with internal rules and regulations and be accompanied by appropriate documentation.

7.12 Relations with Media

Contractor undertakes to provide outside partners with true, prompt, transparent and accurate information, hence all relations with media will be dealt by managers specifically appointed to the task. Before discussing information with media representatives, or undertaking to disclose such information, Project authorized manager must first of all receive approval from AZFEN Corporate.

7.13 Harassment or Mobbing at Workplace

Contractor supports any initiatives aimed at implementing working methods to achieve greater organizational wellbeing.

Contractor demands that there be no harassment or mobbing in personal relationships either inside or outside AZFEN. Any behavior of this sort is forbidden, without exception.

The following fall within the categories of harassment or mobbing:

- The creation of an intimidating, hostile, or, any event, environment for individual employees or groups thereof;
 - Unjustified interference in the work performed by others;
 - Placing of obstacles in the career path of others for reasons of personal competitiveness or due to the ambitions of other employees.

Any form of violence or harassment, either sexual or based on personal and cultural diversity, is forbidden. Harassment of this sort includes:

- subordinating decisions taken in relation to the working life of a person to the acceptance of sexual favors or to personal and cultural diversity;
- obtaining sexual favors using the influence of one's role;
- continuing to propose private interpersonal relations despite the recipient's explicit or reasonably clear rejection;
- making allusions to disabilities and physical or mental impairment, or to forms of cultural, religious or sexual diversity.

7.14 Workplace Violence Policy

Contractor expressly prohibits any acts or threats of violence by any employee or Subcontractor employee against any other employee or Subcontractor employee or local community member in or about AZFEN's facilities. AZFEN shall also not condone any acts or threats of violence against other employees, customers, or visitors in AZFEN's premises at any time or while any of these persons are engaged in business with or on behalf of AZFEN.

- No firearms (of any kind) or knives (other than small household use knives so called penknife) are allowed to be kept, stored or carried by Project employees or Subcontractor employees;
- Any employee or Subcontractor employee who displays a tendency to engage in violent, abusive, or threatening behavior will be subject to disciplinary actions, up to and including immediate dismissal.

In support of this policy, employees need to inform their supervisors of any suspicious workplace activity. This includes situations or incidents that they observe or of which they are aware that involve other employees, Subcontractor employees, customers, local community members or visitors who appear to present a problem. This includes, for example, threats or acts of violence, aggressive behavior, offensive acts and threatening or offensive comments or remarks.

All reports should be promptly investigated and, where appropriate, actions shall be taken. Employees shall not be penalized or retaliated against for good faith reporting of actual or potential violent situations.

In cases where AZFEN believes that workplace and/or firearm/knife violence has occurred, it will fully cooperate with all law enforcement agencies to facilitate investigations of incidents which may constitute violations of criminal law. AZFEN will also cooperate in the prosecution of individuals charged with committing crimes of workplace violence.

8. Misconduct and Serious Misconduct of Code of Conduct

Below disciplinary measures will be implemented by Project Management for infringement of this Code of Conduct.

8.1 Misconduct

The following forms of behavior constitute Misconduct.

Misconduct will be a basis for Warning Letter or any other disciplinary actions.

In case a warning Letter is issued to an employee, and repeat and/or multiple violations are proven, it will result in immediate termination of employment in line with the National legislation.

Behavior which constitutes ‘misconduct’ includes, but is not limited to the following:

- Breaches of any item of this Project Code of Conduct;
- Unsanitary use of any facility and acts against acceptable hygiene standards;
- Smoking in designated non-smoking areas of Offices and Work Sites;
- Riotous, drunken or noisy behavior during and after working hours;
- Provocative or insulting language or offensive behavior;
- Causing a nuisance to others, or causing a disturbance;
- Posting of posters of a sexually explicit or pornographic nature anywhere within office areas;
- Failure to maintain office spaces or office desks or personal accommodations at worksite in a clean and hygienic condition;

- Failure to observe appropriate dress code during working hours in offices.

8.2 Serious Misconduct

The following forms of behavior constitute **Serious Misconduct**.

Breaches of these items, upon completion of due investigation processes, will result in termination of employment in line with the National legislation.

Behavior which constitutes ‘Serious Misconduct’ includes, but is not limited to the following:

- Negligence or willful acts, which cause and/or may cause potential fire;
- Inappropriate use, tampering, willful damage to firefighting equipment, including fire extinguishers, alarms, hoses, etc.;
- Abuse of, or damage to AZFEN’s facilities and amenities; Intentional or willful damage or destruction of AZFEN’s property or property of the accommodations rented by AZFEN for AZFEN’s Workforce;
- Fighting, and/or offensive, intimidating or violent behavior (either initiating and/or in response to actions of others);
- Harassment of any kind (including on the basis of sex, religion, race, ethnicity, color, ancestry, age, impairment);
- Inciting or abetting others to commit offences;
- Possessing or using firearms, dangerous weapons, explosives, illegal drugs, noxious substances of like matter;
 - Conducting or participating in any illegal activity or act;
- Willful interference with or damage to property belonging to another person, or AZFEN, or its Subcontractor, including offices, sites, facilities and amenities, and property in local community;
 - Selling, keeping for sale, or permitting to be sold alcohol in any office or work site area;
 - Possessing or consuming alcohol in offices, work sites, in vehicles and in areas of the local community where consumption of alcohol is not permitted;
 - Theft, or unauthorized use of property belonging to another person, AZFEN, or its Subcontractor or a local resident;
 - Stealing of AZFEN’s materials for fabrication of items for sale;
- Willful refusal to comply with safety, security, hygiene, environmental rules and/or instructions;
 - Fight, entice others to fight, or participate in the harassment or bullying of others;
 - Any practices and attitudes linked to the commission of or participation in the commission of fraud (both civil wrong and criminal offence) are forbidden without any exception;
 - ✓ Civil fraud actions examples: obtaining a driver’s license by way of false statements;
- ✓ Criminal offence examples: hiring personnel by accepting bribe, sign non-legal contract with suppliers;
 - ✓ Have in their possession drugs or drug paraphernalia including synthetic drug substances.

APPENDIX 1
Supplier Due Diligence Questionnaire
(Sample List – please refer to Project ABC Procedures)

1	General Information
1.1	Name of Legal Entity (or, if an individual, full name)
1.2	In which country is the Legal Entity incorporated (or if an individual, country of residence).
1.3	Please provide corporate registration number (or equivalent) in the country of incorporation
1.4	Registered address of Legal Entity (or home address if an individual).
1.5	Address of place of business (if different to 2.4 above)
2.6	Provide name and address of parent company and ultimate holding company where applicable
2	Ownership Structure
2.1	Please state corporate structure of Legal Entity

2.2	Is the entity listed on a stock exchange? If so, please state which one
3	Banking Information
3.1	Will payments be made to a bank account in the name of the Legal Entity (or individual where applicable) and in a jurisdiction in which the Legal Entity is registered or where the contract or services are to be performed?
4	Sanctions / Trade Restrictions
4.1	Do you manufacture, sub-assemble, assemble or import raw materials / products or obtain goods / services in or from any of the following countries: Cuba, Libya, Myanmar, North Korea, Sudan, Syria.
4.2	Has the Legal Entity (or individual where applicable) or any of its owners or key employees been identified as a restricted, blocked or Specially Designated National by the UN, EU, UK, Canada or the US?
5	Ethical Practices
5.1	Do any of the Directors or officers of the Legal Entity (or individual if applicable) have a relationship with an AZFEN employee which could lead to a conflict of interest or appear to do so? If so, please provide details.
5.2	Does the Legal Entity (or individual if applicable) have policies in place that require compliance with applicable anti-corruption laws and prevent the payment of bribes?

5.3	Has the Legal Entity (or individual if applicable) ever been suspended from doing business in any capacity, fined or charged with fraud, misrepresentation, corruption, bribery, money laundering or other related activities? If so, please provide details.
5.4	Have any of the Directors, officers, or Key Individuals of the Legal Entity ever been convicted of or suspended from doing business in any capacity for, or charged with fraud, misrepresentation, corruption, bribery or other related activities? If so, please provide details
5.5	Has the Legal Entity (or individual if applicable) made any disclosures involving fraudulent or corrupt misconduct or improper accounting, including bribery to any government authorities? If so, please provide details.
5.6	Has the Legal Entity (or individual if applicable) or any of its affiliates provided any Government Officials with entertainment, gifts, trips, money or any other thing of value in connection with work related to AZFEN? If so, please provide details
5.7	Has the Legal Entity (or individual if applicable) or any of its affiliates, Directors or officers paid or received any incentive, finder's fee, commission or gratuity in connection with work for AZFEN? If so, please provide details.
5.8	Has the Legal Entity (or individual if applicable) used or intended to use any agent, consultant or other third party to deal in any way with Government Officials in connection with work for AZFEN? If so, please provide details

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Signed by:

Name:

Position:

Date:

Please kindly ensure the date of completion is inserted before submission.

APPENDIX 2
“Red Flags”
(Illustrative List)

The following list intends to compile circumstances and/or facts that may give rise to “red flags” to which each AZFEN employee shall be sensitive. The list shall not be construed in a limitative way and may be subject to further development based on new circumstances and/or experiences.

1. Availability of Relevant Information

- Unavailability or unreliability of information on ownership and structure.
- The counterparty is a ‘shell’ AZFEN or has some other unorthodox corporate structure.
- The records from an official registry of companies do not agree with the information given by the counterparty.
- The counterparty or its holding AZFEN or affiliates that may become involved in doing business with AZFEN, are registered or headquartered in a tax heaven without a legitimate reason.
- The counterparty requires that the identity of its owners or executives not be disclosed.
- The owners or executives of the counterparty are nominees.
- The counterparty is insolvent or discloses previous involvement in insolvency proceedings
- The owners or executives of the counterparty are on a list of denied parties or other official ‘blacklist’.
- The counterparty has multiple addresses or appears to use its affiliates interchangeably.

2. Conflicts of Interest

- A Government Official or other decision maker holds shares or other interests in the counterparty in his own right, or for the benefit of family members.
- The counterparty has been recommended by a Government Official who may have influence or decision-making authority over or an interest in the business at issue.
- A director, executive or key employee of the counterparty who is actively involved is a current Government Official.
- An executive or key employee of the counterparty has an interest in a competitor.
- An executive or key employee of the counterparty is related to an executive or key employee of a competitor.
- Officers, directors or key employees are related to Government Officials or former Government Officials.
- Close associations exist between the counterparty and local or national politicians, potential competitors or criminals.

3. Legal

- The counterparty, its owner, executive or director, or a current employee has been convicted of or has been the subject of a civil action for bribery, corruption or a similar offence.
- There are accusations of corruption or the payment or receipt of kickbacks, in the

media or elsewhere.

- There is a current or outstanding criminal case or civil action regarding bribery, corruption or a similar offence against the counterparty or a current employee.
- The counterparty will not confirm its intention to abide by all local and international laws regarding bribery and corruption, or that it will fulfill AZFEN's requirements for ethical business conduct.
- The counterparty is ignorant of local laws and customs concerning AZFEN's business or of AZFEN's requirements for ethical business.
- Refusal to grant appropriate audit rights.

4. References and Financial Data

- Unwillingness on the part of the counterparty to provide information, without legitimate reason.
- There are significant disparities between the information provided by the counterparty and that provided by the business references.
- Financial references express reservations regarding the probity of the counterparty.
- The individual or AZFEN appears on a list of those debarred from bidding on local, national or international contracts.
- The counterparty auditors have qualified the accounts produced by the counterparty for reasons that are relevant to the due diligence analysis.
- A reputable credit agency has provided a poor credit rating on the counterparty or individual or has advised previous liquidity problems not disclosed by the counterparty.
- Substantial complaints regarding non-payment or ethical standards are received from sub-contractors of the counterparty.
- Lack of appropriate financial transparency.

5. Payments

- The counterparty asks for payment to a numbered account held by an unidentified person.
- The normal terms of business quoted by the counterparty differ to a material extent to local business terms and conditions.
- There is a significant difference between the remuneration rate quoted by the counterparty and local market rates for similar goods or services.
- Payment instructions quoted by the counterparty include split payments or payments to a third party.
- Payment instructions quoted by the counterparty specify a bank account in an offshore tax regime.
- Payment of extraordinary, ill-defined or last-minute expenses is requested by the counterparty.
- Payment is requested on inflated invoices with credit notes to follow.
- Any other unusual invoicing or payment arrangements or practices.

6. Service Provided, Delivery or Acquired Asset

- The counterparty is found to have little or no real expertise, qualifications or experience in the industry.
- The counterparty is unable to handle AZFEN's business with the quality and quantity of resources at his command.

- The asset has been obtained by unethical means, including the misuse of privileged information obtained through an entrusted position.
- The counterparty offers to use undisclosed intermediaries or other counterparties.
- A request is made for side-deals or other off-the-record payment arrangements, including retainers.
- A request is made for donations, gifts or charitable payments.
- There are indications of possible unethical practices (such as evidence of document falsification, past press reports regarding improprieties, or false answers to questions posed by AZFEN).
- Other clients have terminated relationships.

7. Human Rights and Reputational Issues

Media searches or other sources reveal accusations against the counterparty of human rights abuses against the community or any individual, including:

- Inappropriate land acquisition
- Involuntary resettlement
- Abuses affecting indigenous and tribal people
- Lack of prior and informed consultations, stakeholder issues
- Negative impacts on livelihoods and social organization
- Emissions, discharges or waste
- Inappropriate use of natural resources including water
- Lack of transparency, leading to suspicions of corruption

Media searches or other sources reveal accusations against the counterparty of labor rights abuses, including breaches of core labor standards, including:

- Use of child labor
- Use of forced labor
- Denial of the right to organize
- Discrimination
- Poor working conditions and pay
- Migrant labor abuse
- Workplace health and safety issues

Media searches or other sources reveal accusations against the counterparty related to security, including:

- The use of armed security services, either public or private
- Use of the AZFEN's assets by armed groups, including police, military or armed guards
- Other collaboration with armed groups
- Violent conflict in area, on site or among workers

There is other evidence that the counterparty is not discharging its responsibility to respect human rights.

APPENDIX 3

APPROVAL FORM

FOR HOSTING OF GOVERNMENT OFFICIALS

This form must be filled in and approval from the AZFEN Senior Management must be obtained in advance for any promotional expenditures for Government Officials

Requester's Name & Surname		Position	
Date		Signature	

1. Please insert Name, Surname and Title of Government Official(s)

2. Reason for hosting of Government Official (please explain in detail)

Does that require any expenditure: **Yes** **No**

If Yes, please include

Cost for travel:

Cost for accommodation:

Cost for training:

Other cost (include details):

Total Cost:

Requester's Manager		Position	
Name & Surname			
Date		Signature	

Note: This form must be submitted to the Legal Department to confirm that the request does not violate any relevant anti-corruption legislation requirements

Legal Department		Position	
Name & Surname			
Date		Signature	

Comments:

Approval:

Note: This form can be approved only by Azfen JV General Director or Deputy General Director.

Signed by:

Name & Surname:

Position:


Date:

APPENDIX 4

AZFEN JV GIFTS AND ENTERTAINMENT LOG



AZF-COC-FRM-008_
Azfen Gift and Enter

								
AZFEN JV GIFT AND ENTERTAINMENT LOG								
<i>Note: This document will be filled in every month and reported to Ethics & Compliance Manager</i>							<i>Date:</i>	
Type	Azfen JV Request Owner	Request Date	Value	Type of Counterparty	Full Name of Counterparty	Approver	Approval Date	Compliance Remark
Gift				Supplier				Yes
Entertainment				Customer				No
Travel				Intermediary				
Hospitality								

AZF-COC-FRM-008
Rev. 0-14.05.2019

APPENDIX 5

Project Anti-Corruption and Due Diligence and Anti-Money Laundering Procedure (sample)



Anti-Corruption
and Due Diligence a