

“APPROVED”
by the Order No. 71/UD dated December 30, 2020
of the Director General
of Limited Liability Company
NORCHEM

CODE
of Corporate Ethics
of Limited Liability Company
NORCHEM

Nizhny Novgorod
2020

1. INTRODUCTION

1.1. The Code of Corporate Ethics (hereinafter referred to as the Code) of NORCHEM LLC (hereinafter referred to as the Company) sets out the corporate values of the Company and defines the most important rules of business conduct based on them and adopted by the Company.

1.2. The Code applies to all employees of the Company. The Code, to the extent it does not contradict the essence of the existing obligations, is advisory for individuals employed under civil law contracts concluded with the Company, as well as for the contractors and consultants being the agents executing orders or representing the Company before third parties, if their actions are carried out on behalf of the Company.

1.3. When developing the Code, the generally accepted standards of corporate and business ethics, as well as the experience of leading Russian companies, were taken into account.

1.4. If certain provisions of the Code conflict with the applicable legislation of the Russian Federation, then the provisions of the applicable legislation of the Russian Federation apply. If certain provisions of the Code conflict with traditions, customs or someone's concepts of the relevant rules of conduct, the provisions of the Code apply.

1.5. Each employee of the Company:

- signs a written commitment to comply with the provisions of the Code (annex to this Code);
- is guided by the provisions of the Code and the rules of conduct relevant to his/her work;
- if there are any questions about the rules of conduct, he or she applies for clarifications to his/her line manager or to the Corporate Ethics Committee (hereinafter also referred to as the Committee);
- promptly notifies his/her line manager of all cases of contacting him/her by any person in order to induce him/her to commit actions leading to a violation of the Code;
- complies with other rules of conduct, as well as restrictions specified in the Code.

1.6. Company's managers:

- act as a personal example of ethical conduct;
- carry out explanatory work with subordinate employees in order to implement the provisions of the Code, as well as prevent violations of the rules of conduct set forth in it;
- take into account the commitment of employees to the rules of conduct established by the Code when evaluating, encouraging and promoting employees.

2. COMPANY'S STRATEGY AND CORPORATE VALUES

2.1. The strategic guidelines of the Company are:

- use of advanced technologies and developments, creation of new products with high added value, increase in the efficiency of production and management activities aimed at the balanced development of the economy;
- improvement of the Company's policy in the field of health, safety and environment;
- respecting the interests of all employees of the Company;
- ensuring transparency of financial and economic activities both before the state regulating authorities and before the employees of the Company and its partners.

2.2. The corporate values of the Company are:

- **professional competence** - extensive mastering of one's specialty, timely and high-quality performance of job duties, constant striving for excellence;
- **mutual respect** - trust, friendliness, which form a favorable psychological environment in the team;
- **thriftiness** - a responsible and careful attitude to the property and other assets of the Company;
- **continuity** - respect for the work and experience of older generations, occupational training and mentoring;

- **image** - use of various techniques that reasonably create a positive image of the Company.

3. RELATIONS OF THE COMPANY AND EMPLOYEES

- 3.1. The relations between the employee and the Company are based on trust and mutual understanding.
- 3.2. The Company ensures the transparency and openness in management, creates favorable working conditions for employees, an opportunity for qualification and implementation of their potential.
- 3.3. The remuneration system is aimed at attraction, motivation and retention of employees, whose skills and job performance ensure the implementation of the Company's strategic plans.
- 3.4. The Company implements a social policy in relation to employees, which is aimed at increasing the prestige of work in the Company and comfortable and safe working conditions for employees.
- 3.5. The Company provides young specialists with conditions conducive to their early adaptation in the team, the realization of their potential and efficient work.
- 3.6. The Company guarantees its employees protection against any form of discrimination, as defined by the applicable legislation of the Russian Federation and regulations of international law. When implementing personnel policy, remuneration policy, social security policy, any preferences by nationality, gender, age, etc. are prohibited.
- 3.7. An employee of the Company who believes that he/she is not protected against discrimination may apply for protection to the Corporate Ethics Committee.
- 3.8. The Company appreciates its employees' competence, initiative, creative approach to work, honesty, decency, dedication and loyalty to the Company.
- 3.9. Forced labor in the form of slavery, bonded labor or any other form is prohibited. Mental and physical coercion, slavery and human trafficking are prohibited.
- 3.10. Under no circumstances the Company employs the employees under the age of 15 or the minimum age for work as stipulated by local legislation. Minor employees shall not perform mentally, physically, socially or morally hazardous work.

4. SECURITY, SAFETY, HEALTH AND ENVIRONMENT

- 4.1. Security, safety, health and environment are among the main priorities of the Company.
- 4.2. The Company strives to ensure the safety of working conditions based on compliance with the applicable legislation of the Russian Federation and technical standards.
- 4.3. Each of the Company's employees is responsible for compliance with safety conditions and technical standards.
- 4.4. These standards are mandatory not only for the Company's employees, but are also taken into account in relations with the partners, including contractors.
- 4.5. The Company treats the human life as the highest value and pays special attention to support a healthy lifestyle and protection of health. There is a strict prohibition on the storage and use of alcohol and drugs throughout the territory of the Company. At the same time, physical education and sports, and other recreational activities are actively encouraged.

5. RULES OF INTERACTION WITH COLLEAGUES

- 5.1. The main principle of interaction between all employees of the Company is respect for the individual and human dignity, openness and friendliness, and willingness to always help a colleague.
- 5.2. Respecting each other's dignity, the employees of the Company shall not allow themselves to be rude and gross regardless of the situation.
- 5.3. Discrimination and hostility towards any employee on the basis of his/her race, religion, gender, age, nationality, physical disability or the same characteristics among his/her relatives or friends shall not be tolerated in any form.

5.4. Interpersonal conflicts shall not in any way affect the professional interaction between the conflicting parties.

5.5. Both parties to the interpersonal conflict arose must settle it as soon as possible, if the parties failed to agree, then they have the right to seek help from their line managers or the Corporate Ethics Committee.

5.6. Conflicts that arose on the basis of job tasks are subject to settlement by the managers of the conflicting parties.

6. RULES OF INTERACTION BETWEEN THE MANAGERS AND SUBORDINATES

6.1. The main task of the manager is to help subordinates to grow and develop professionally, see the prospects of their activities in the context of the work of the departments and the entire Company, feel involvement in a common cause.

6.2. The manager should:

- organize in optimal way the work of the team and take into account the abilities of employees so that each of them have the opportunity to work at the highest level and enjoy their work;
- encourage personal successes and achievements of employees;
- demonstrate a high level of professionalism by his/her own example;
- encourage initiative, creativity, independent thinking of employees;
- promptly inform employees about the decisions made, maintain a friendly business atmosphere in the team, prevent possible conflicts between employees;
- remember that lack of proper publicity gives rise to mistrust and misunderstanding;
- constantly conduct a dialogue with subordinates, be ready for compromises.

6.3. The functional subordinate should:

- observe the official chain of command when interacting with the manager;
- address the line manager by name and patronymic, unless otherwise mutually agreed (addressing other managers is possible only by name and patronymic);
- interact with other departments only through the line manager or in agreement with him/her, unless otherwise specified in the job description;
- apply to the line manager for help in the event of a difficult, complex or disputable situation related to professional activities.

7. RELATIONS WITH CONTRACTORS AND COMPETITORS

7.1. The Company builds up its relations with contractors on the principles of responsible partnership.

7.2. The Company strives to work with counterparties who have an impeccable reputation, comply with the law, as well as generally accepted standards of corporate and business ethics.

7.3. All forms of bribery, corruption and extortion are prohibited, and appropriate procedures are in place to prevent bribery in all commercial transactions with counterparties.

7.4. Interaction with consumers.

The Company aims to maintain the long-term stable, mutually beneficial relations with consumers. For these purposes, the Company when interacting adheres to the following rules:

- act respectfully, honestly and openly in its work with the consumer on the basis of the principle of mutual benefit;
- provide assistance in choosing products that best meet the interests of the consumer;
- provide timely and quality service;
- provide the consumers, upon their requests and on their own initiative, with all information about our products and the Company, provided that such information is not classified as a trade secret;
- ensure the confidentiality of information about the consumer during and after negotiations and conclusion of contracts;

- pay close attention to comments, complaints and claims to the Company and the Company's products;
- promptly and carefully consider emerging difficulties and conflicts, quickly resolve claims and complaints and take the necessary measures to eliminate the consequences of violations;
- the employee and his/her line manager are equally liable for poor quality or untimely customer service.

7.5. Interaction with suppliers and contractors.

When working with suppliers of services and products and contractors, the employees of the Company shall proceed from the following principles:

- the main principle in the choosing of suppliers and contractors is to ensure fair competition;
- the selection of suppliers and contractors shall be carried out in accordance with the corporate policies in this field;
 - when choosing a supplier, a contractor, a responsible employee or a group of employees shall proceed only from the "quality-cost" ratio that is beneficial for the Company;
 - the partner must have a good reputation, sufficient experience, resources and competence;
 - the terms and conditions of the contract must comply with all applicable in a particular case requirements and regulations of the legislation of the Russian Federation;
 - when dealing with suppliers and contractors the employees shall act strictly in the interests of the Company.
 - the conflict of interest is inadmissible.

Responsible employees shall not ask for or accept (directly or indirectly) any payment, gifts or anything of similar value from the actual or potential partner of the Company as a sign of gratitude for the transaction made or to be made.

7.6. Relations with competitors. The Company treats competitors with respect and interacts with them in accordance with generally accepted standards of business ethics, while observing the requirements of the antimonopoly legislation of the Russian Federation. All information about the Company's competitors must be obtained legally and used only for lawful purposes.

8. CONFLICT OF INTEREST

8.1. Conflict of interest is a situation in which the employee's personal interest affects or may affect the objective and impartial performance of his/her job duties and in which a contradiction arises or may arise between the employee's personal interest and the legitimate interests of the Company, which can harm the legitimate interests of the Company.

8.2. The Company's employees shall avoid situations in which a conflict of interest arises.

8.3. In the event of any conflict of interest the employees must inform their line manager about it.

8.4. In a situation of a conflict of interests between the employee and the Company, if it is impossible to eliminate the said conflict of interests, the interests of the Company shall prevail.

8.5. Some examples of the conflict of interest.

8.5.1 Relatives working together

Relatives working together under direct or indirect subordination may create the following problems.

The decisions made by relatives-superiors in relation to relatives-subordinates may be biased or be viewed as such by other employees of the Company and/or third parties.

The Company restricts cases of relatives working together.

Labor dynasties are welcomed in the Company, but their members are not granted additional rights or opportunities. A labor dynasty is understood as professional continuity in the families of employees in working specialties (where none of the Company's employee is a manager, specialist or employee), whereby professional skills are passed on from the older to the younger generation.

Nepotism-based protectionism is prohibited.

The Company does not allow situations when a relative-superior being the line manager of a relative-subordinate.

8.5.2 Gifts

A gift is any valuable thing in tangible or intangible form for which there is no obligation to pay the regular price, including money, securities and other property, benefits and property-related services (works, services, payment for entertainment, recreation, transportation costs, loans, discounts, provision of property for use, including housing, charitable donations, etc.) received in connection with work in the Company.

The Company restricts the ability to accept gifts.

The employees of the Company are not allowed to accept gifts from any third parties:

- for committing any actions (inaction) related to work in the Company;
- worth over 1,000 rubles;
- in the absence of obvious, generally accepted reasons for such gift.

The restrictions on accepting gifts established by this Code do not apply to the relations of the employee and the donor based on obvious family relationship (gifts from parents, children, spouses) or other close personal relations that exist regardless of employment with the Company.

If there is any doubt about the appropriateness of a gift or any other issues regarding the procedure for dealing with gifts, the employee shall seek clarification from his/her line manager or the Corporate Ethics Committee.

9. INTERACTION WITH THE EXTERNAL ENVIRONMENT

9.1. Authorities

The Company interacts with local and regional authorities building up cooperative relationships with them.

The Company complies with all requirements of the legislation of the Russian Federation related to the entrepreneurial activities, pays taxes in full and pays salaries, carries out professional management in the field of personnel health, safety and environment.

The Company does not participate in financing the activities of political parties and movements.

9.2. Mass media, state regulatory authorities, other companies

When interacting with the media, state regulatory authorities, representatives of other companies, the employees of the Company shall adhere to the following rules:

- any interaction with the media, state regulatory authorities, representatives of other companies, etc. is carried out exclusively by employees authorized to do so and strictly in compliance with the job description and other local regulations of the Company;
- when applying for or inquiries from government agencies, other companies, the media, etc. the employee must first of all inform his/her line manager;
- interviews, publication of articles in the mass media about the activities of the Company may be carried out only after the content of the text has been agreed in advance with line manager and the management of the Company;
- if there is a suspicion that someone from the external environment is interested in information about our Company, then the employee shall immediately contact his/her line manager, the security department officer;
- participation of employees in the activities of political and public organizations is their inalienable constitutional right, however, such activities shall be carried out outside the premises of the Company and beyond working hours, while each employee acts as a private person without using the resources of the Company;
- an employee of the Company is strongly recommended not to participate in the activities of extremist and other illegal organizations; any kind of campaigns in the premises of the Company, including

posting of advertising materials or dissemination of relevant information in support of political candidates or other public campaigns, is prohibited except for various official charitable events;

- an employee of the Company must notify his/her line manager if, in addition to his/her main job in the Company, he/she is engaged in related paid professional activities or provides paid consulting services to third-party organizations.

9.3. Internet

The use of the Internet by the Company's employees requires mandatory compliance with a number of restrictive rules:

- never post work materials and/or information about the activities of the Company on the Internet.

Only authorized employees of the marketing department, in agreement with the director of the Company, have the right to post certain information on the Company's website;

- do not use corporate mail and Internet for personal purposes; do not post on the Internet photo, audio, video materials from corporate events, workplaces and production facilities of the Company; do not participate in the discussion of the news of the Company, decisions of the management or individual employees, as well as information concerning the business partners and counterparties of the Company;

- act as a representative of the Company with statements, comments, assessments only with the appropriate authority.

10. ANTI-CORRUPTION MEASURES

10.1. In the field of combating corporate fraud and involvement in corruption, the Company's employees comply with the requirements and restrictions determined by the legislation of the Russian Federation, as well as other local regulations of the Company.

11. PRIVACY COMPLIANCE

11.1. Protection of information containing trade secrets, personal data, other important information about the activities and development of the Company is carried out in accordance with the existing local regulations.

11.2. Disclosure of confidential information is a violation of the terms and conditions of the employment agreement with the employee by the latter and entails liability up to dismissal. Similar sanctions may be applied to an employee who has allowed any transfer of information to third parties or organizations that damages the image and reputation of the Company.

11.3. Any negative information about the Company or its managers disseminated or transferred by the employee to third parties, as well as information that can be unambiguously interpreted as discrediting the reputation of the Company, is deemed by the Company's management as a violation of the terms and conditions of the employment agreement.

12. USE OF THE COMPANY'S ASSETS AND RESOURCES

12.1. The assets and resources of the Company in the context of this Code include:

- movable and immovable property;
- the results of intellectual activity;
- working hours of employees (labor resources).

12.2. The assets and resources of the Company are its property and the basis for achieving the set strategic goals.

12.3. Each employee shall use the resources of the Company at his/her disposal as efficiently as possible and exclusively for work purposes. Each employee shall take good care of the resources at his/her disposal

12.4. The use of the Company's assets by employees for personal purposes, as well as for personal benefit, is forbidden.

13. SPECIAL PROVISIONS

13.1. Workplace

Each employee must maintain a clean and tidy workplace.

It is prohibited in the workplace:

- engaging in outside matters not related to business matters;
- eating. The exception is drinks (tea, coffee, water, etc.), sweets, cookies and fruits. Eating is carried out in specially designated places;
- smoking, which is also allowed only in specially designated places (and not more than 15 minutes per hour).

Responsibility for clean and tidy room is borne by the line manager of the department working such room.

13.2. Appearance

Employees of the Company who according to their job duties perform work that requires the availability of a special uniform, must be dressed appropriately.

Other employees shall wear a business-like style, and their clothes shall be clean, tidy and not provocative.

14. LIABILITY OF EMPLOYEES TO THE COMPANY

14.1. All employees of the Company are liable for compliance with the norms of all local regulations, this Code, the applicable legislation of the Russian Federation in the field of labor, as well as generally recognized human standards of morality and ethics. Each employee is also liable for:

- quality of the work performed by him/her;
- efficient use of his/her working time;
- maintaining a working environment and social and psychological climate in the team;
- any damage caused by his/her own actions or inaction.

15. LIABILITY OF THE COMPANY TO EMPLOYEES

15.1. The Company is liable for compliance with the norms of all local regulations, this Code, the applicable legislation of the Russian Federation in the field of labor, as well as generally recognized human standards of morality and ethics.

15.2. The Company is also liable for:

- creation of optimal conditions for the work of each employee;
- creation of: equal conditions for the professional and career development of all employees;
- support and development of the initiative and production know-how of employees.

16. FINAL PROVISIONS

16.1 Compliance with the provisions of the Code is an integral part of the corporate culture of the Company.

16.2 The responsibility for organization of work to comply with the requirements and provisions of the Code rests with the Corporate Ethics Committee.

The Committee consists of 3 people. The composition of the Committee and its Chairman are determined by the order of the Company.

The main tasks of the Committee are to clarify the provisions of this Code to employees and develop recommendations for the management of the Company to prevent or eliminate conflicts of interest.

Addressing the Committee is carried out either by direct access to the members of the Committee, or by transferring information to the Chairman by his/her contact working phone number or via his/her corporate e-mail.

For clarification of the provisions of the Code, as well as for questions of application (including information on violation of the provisions of the Code) the employees shall contact their linemanager or the Committee.

In case of any conflict of interest the employees shall contact their line manager, unless otherwise expressly established by this Code.

If the line manager does not take measures aimed at preventing or eliminating the conflict of interests, or the measures taken did not entail the elimination of the conflict of interests, the employee of the Company shall inform the Committee about this.