

*Adopted by the Decision of the Management Board of "R GROUP HOLDING" LLC dated December 12, 2024, No. RGH/1212/2024-İH*



## **CODE OF CONDUCT AND ETHICS**

**Baku 2024**

## **1. SCOPE AND APPLICATION AREA**

1.1. The present Code of Conduct and Ethics (hereinafter referred to as the "Code" or/and "Document") is valid for "R Group Holding" Limited Liability Company, its subsidiaries and joint operations (hereinafter referred to as the "Holding") and applies to all employees, as well as consultants and agency personnel who work at holding premises or under the direction of holding (all referred to in this Policy as the "Employees").

1.2. Current Code of Conduct and Ethics encompasses a set of guidelines, rules and principles of R Group Holding's doing business and behavioral expectations for employees, management, and other stakeholders within holding.

## **2. PURPOSE**

2.1. The present Code serves as a guiding framework that articulates our unwavering commitment to upholding the highest standards of ethical behavior, integrity, professionalism, compliance, accountability, responsibility, respect, fairness, transparency, and excellence in all aspects of our business operations, interactions, relationships, and practices. The Code embodies our core values, principles, beliefs, aspirations, expectations, and commitments to creating and maintaining a positive, inclusive, supportive, respectful, and ethical work environment, culture, and practices that promote and protect the well-being, success, growth, trust, reputation, sustainability, and prosperity of our Holding, employees, clients, customers, partners, vendors, suppliers, stakeholders, and the community.

2.2. The purpose of the Code is to:

- Guide Behavior and Decision Making
- Promote Ethical Culture and Integrity
- Protect and Uphold Reputation and Trust
- Ensure Compliance and Accountability
- Support and Empower employees
- Build and Strengthen Relationships and Partnerships.

## **3. PRINCIPLES**

At Holding, as a group of companies operating in a wide range of businesses to provide development of sustainable and reliable services, we act in compliance with ethical norms of business conduct and behavior. We comply with laws and are committed to integrity, commitment and transparency in our business practices. By embracing and adhering to the standards set forth in this Code, we collectively contribute to fostering a culture of ethics, integrity, and accountability across the Holding, thereby supporting the overarching mission, values, and long-term success of the Holding.

## **4. RESPONSIBLE PARTIES AND ROLES**

4.1. Members of the Management Board, HR, department managers, supervisors, employees, security team, and third-party vendors or contractors, are responsible for different aspects of enforcing, managing, and ensuring compliance with the present Policy.

4.2. Collaborative efforts, clear roles and responsibilities, effective communication strategies, and continuous monitoring and evaluation are essential to maintain a

professional, respectful, and harmonious work environment and uphold the policy's guidelines and standards across the Holding.

#### 4.3. Policy implementation roles:

- Senior executives and management are responsible for endorsing, supporting, and promoting the present Policy across the holding. They are accountable for setting the tone, demonstrating commitment to the policy, and ensuring alignment with the Holding's values, culture, and strategic objective.
- The HR and Legal & Compliance Departments play a crucial role in developing, implementing, and managing the present Policy. They are responsible for communicating the present Policy to all employees, providing training and guidance, monitoring compliance, and addressing any violations or concerns raised by employees.
- All employees are responsible for adhering to the present Policy, demonstrating professionalism, respect, and consideration towards their colleagues, and contributing to maintaining a positive and harmonious work environment. Employees should familiarize themselves with the policy, seek clarification or guidance when needed, and report any violations or concerns to their supervisors, HR, or management.
- The Security Team is responsible for ensuring the security and confidentiality of sensitive information, including confidential documents and personal belongings, as outlined in the present Policy. They should monitor and address any security breaches, unauthorized access, or suspicious activities within the office premises, supporting compliance with the Policy's guidelines and protocols.

## 5. CONFIDENTIALITY AND DATA PROTECTION

At Holding, we recognize the importance of safeguarding sensitive and confidential information, including employees' personal data, proprietary business information, and financial data. All employees are expected to adhere to the following guidelines to ensure the protection, integrity, and confidentiality of such information:

### 5.1. *Protection of Employees' personal data.*

We respect and protect confidentiality of our employees' personal information by not disclosing it to anyone unless it is required by work and we have a legal permission for doing so. All personal information is kept in compliance with local legislative and respective internal rules. The access to employees' personal data should be limited to authorized individuals only, implement appropriate security measures to prevent unauthorized access, loss, or misuse, and regularly review and update data protection practices and controls

### 5.2. *Protection of Holding's proprietary information.*

We protect our proprietary and confidential business information from unauthorized disclosure. Any information owned by Holding and providing a competitive advantage refers to a confidential proprietary information including but not limited to:

- Customers/vendors/partners, their contacts/agreements, purchasing history
- Financial statements, budgets, forecasts, etc.
- Business strategy and performance, business plans, etc.
- Organizational structures, corporate policies, job descriptions, compensation packages, etc.
- Intellectual property.
- Any kind of contracts/agreements.

Protecting proprietary information is crucial for maintaining a competitive advantage, preserving Holding's business relationships, complying with legal and

regulatory requirements, and safeguarding our company's reputation, intellectual property, assets, and financial interests.

### *5.3. Protection of third parties' proprietary information.*

If an employee has access to third parties' proprietary information, such as clients, customers, partners, vendors, suppliers, or service providers, they must maintain strict confidentiality, refrain from disclosing, sharing, or using the information for unauthorized purposes, and comply with any applicable non-disclosure agreements or confidentiality agreements.

## **6. EQUAL EMPLOYMENT OPPORTUNITIES AND DIVERSITY**

At R Group Holding, we are committed to fostering a diverse, inclusive, and equitable workplace where all employees are treated with respect, dignity, and fairness, regardless of their race, color, ethnicity, nationality, gender, age, religion, disability, sexual orientation, or any other protected characteristic. We firmly believe that diversity enriches our workforce, drives innovation, and strengthens our competitive advantage, enabling us to better understand and serve our diverse customer base, adapt to changing market dynamics, and achieve sustainable growth and success.

### *6.1. Diversity and inclusion.*

We actively promote and celebrate diversity by embracing different perspectives, experiences, backgrounds, and ideas, and recognizing the unique contributions and talents of all employees.

We create an inclusive work environment where all employees feel valued, respected, and empowered to contribute their best work, collaborate effectively with colleagues, and achieve their full potential.

### *6.2. Equal Employment Opportunities.*

Holding ensures fair and equitable treatment in all aspects of employment, including recruitment, hiring, selection, promotion, training, development, compensation, benefits, and termination, based on merit, qualifications, skills, and performance.

The reasonable accommodations and support is provided to all employees with disabilities or special needs to enable them to perform their job duties effectively and participate fully in the workplace, in compliance with applicable laws, regulations, and company policies.

Hiring and promotion decisions should be made only based on employees' educational background, skills, competencies, key performance indicators, compliance to the corporate rules and guidelines, policies and procedures and employment relationships. No kind of favoritism, bias or discrimination is allowed in these processes.

### *6.3. Zero Tolerance to Discrimination and Harassment.*

We maintain a strict zero-tolerance policy for discrimination, harassment, bullying, and retaliation against any employee based on protected characteristics, and promptly address and resolve any allegations or complaints of discrimination or harassment through thorough and impartial investigations and appropriate corrective actions.

We appeal everyone at Holding to foster a respectful, inclusive, and harassment-free workplace culture where all employees are encouraged to speak up, raise concerns, and report any incidents or behaviors that violate the company's policies or undermine the principles of diversity, inclusion, and equal employment opportunities.

## **7. WORKPLACE ETHICS AND BEHAVIOUR**

At our Holding, we uphold the highest standards of ethical conduct, integrity, and professionalism in all our business activities, interactions, and relationships. Our commitment to ethical behavior is fundamental to building trust, maintaining credibility, fostering respect, and sustaining long-term success and growth. All holding employees are expected to adhere to the following ethical standards and principles:

#### *7.1 Act with Integrity and Honesty.*

It is important to be honest, truthful and transparent in relationship with colleagues, in communications, representations. Avoid any types of conflict of interest and disclose about any potential conflict of interest that could compromise impartiality, objectivity, or integrity in decision-making, actions, or relationships, and refrain from engaging in activities that could conflict with the company's interests or violate ethical standards.

#### *7.2 Professionalism and respect.*

All holding employees should conduct responsibly, professionally and courteously and all times and treat everyone with respect, dignity, fairness and courtesy regardless of their role, position, background. We appeal to foster a collaborative, inclusive and supportive environment to encourage teamwork, collaboration, cohesion, strong team spirit and unity. Employees should refrain from engaging in disruptive, offensive, inappropriate, or unprofessional behavior, interactions, conversations, or activities that could negatively impact the work environment, relationships, collaboration, morale, or reputation of the individual, colleagues, or the company.

#### *7.3 Building Trust.*

At Holding, building and maintaining trust is foundational to our success, reputation, relationships, and culture. We appeal to build and foster trust, confidence, and mutual respect through positive, supportive, and constructive relationships, interactions, collaborations, and partnerships with colleagues, clients, customers, partners, vendors, suppliers, stakeholders, and the community, and demonstrate a genuine interest, commitment, and investment in the success, well-being, and growth of others. We foster a culture of openness, accessibility, and approachability by encouraging open communication, dialogue, feedback, questions, suggestions, and ideas, and creating opportunities for meaningful, constructive, and transparent interactions, discussions, and exchanges with colleagues, managers, leaders, and stakeholders.

#### *7.4 Compliance and accountability.*

All holding employees should take personal responsibility for their work, decisions, words and other actions, accept accountability for their mistakes, errors. It is the responsibility of each party to comply with all applicable laws, regulations and corporate policies, procedures and act and conduct business honestly, correctly, ethically, legally and responsibly.

#### *7.5 Ethical Decision-making and Conduct.*

We strongly recommend to make ethical decisions based on ethical considerations, principles, values, and guidelines, and apply ethical reasoning, judgment, and integrity in evaluating situations, assessing risks, and determining appropriate actions, resolutions, and outcomes. Conduct all business activities, operations, and interactions with integrity, fairness, honesty, and respect for ethical standards, and promote a culture of ethics, integrity, accountability, responsibility, and compliance within the organization.

### *7.6 Non-alcohol policy.*

Consumption, possession, distribution, sale, or use of alcohol, alcoholic beverages, or intoxicating substances is strictly prohibited in the workplace, during working hours, at company events, functions, or gatherings, and while representing the company, attending business meetings, or interacting with colleagues, clients, customers, partners, vendors, suppliers, stakeholders, or the public.

## **8. HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION**

8.1. The health, safety, and well-being of our employees, clients, customers, partners, vendors, suppliers, stakeholders, and the environment are paramount priorities for us. We are committed to creating and maintaining a safe, healthy, inclusive, and sustainable work environment, culture, and practices that protect and enhance the physical, mental, emotional, and environmental health and well-being of everyone associated with our organization. All employees are expected to adhere to the corporate HSE rule and guidelines.

8.2. All employees should comply with all applicable health, safety, environmental, occupational health and safety, workplace wellness, and sustainability laws, regulations, standards, codes, permits, licenses, approvals, and requirements; and demonstrate a commitment to legal and regulatory compliance, ethical conduct, responsible behavior, and corporate citizenship in all activities, operations, and interactions.

8.3. Everyone is expected to take personal responsibility and accountability for their actions, decisions, behaviors, compliance with health, safety, environmental, and occupational health and safety policies, procedures, guidelines, and standards; and recognize the importance of health, safety, and environmental responsibility in protecting and enhancing the well-being, safety, health, quality of life, reputation, and sustainability of the organization, community, and planet.

## **9. ANTI-BRIBERY AND CORRUPTION, ANTI-MONEY LAUNDERING AND INTERNATIONAL TRADE REGULATIONS**

9.1. Holding has zero tolerance to bribery and corruption and we always comply with the law. Holding does not tolerate bribery and corruption in any of its forms. The Holding is committed to dealing openly and honestly with governments and government officials and avoiding corruption.

9.2. All holding employees are prohibited do not offer or accept bribes, kickbacks or any other kind of improper payments, including facilitation payments. Here in holding we keep all our books and records accurate so that all payments are described honestly.

9.3. Holding does not accept or provide gifts or hospitality in return for any business, services, confidential information, any other advantage to the Holding or if the intent is to influence a decision.

9.4. Holding also complies with laws and regulations that prevent money laundering and the financing of crime and terrorism. Holding always seeks to know whom we are doing business with by following our counterparty due diligence procedures.

9.5. Holding complies with all applicable sanctions and trade controls, including economic sanctions and import/export controls. Sanctions can target countries, entities and individuals and change frequently, therefore reach out with questions when unsure whether and how they apply.

## **10. CONFLICTS OF INTEREST**

10.1. Holding proactively manages conflicts of interest, because conflict of interest may occur when our interests or activities affect our ability to make objective decisions for the Holding. We disclose to the Legal and Compliance Department of the Holding situations that might create a conflict, or even the appearance of a conflict. Once disclosed, we then have the opportunity to appropriately address and mitigate the risks of conflict according to the Holding's Conflict of Interests Policy.

10.2. Holding declares that being in a position of a conflict is not a misconduct in itself. Misconduct under the Code is a failure to disclose and manage such conflict.

## **11. COMPETITION AND ANTI-TRUST**

11.1. Anti-competitive practices can damage our business that's why Holding believes in free and fair competition.

11.2. Holding never seeks, accepts or discusses confidential information with competitors. We do not participate in any arrangement to rig bids, fix prices, restrict supply, or allocate markets.

11.3. Holding competes for business fairly and honestly and comply with anti-trust and competition laws wherever we operate. These laws are complex, therefore reach out for help if unsure whether and how they apply.

## **12. ASSETS AND FINANCIAL INTEGRITY**

12.1. Holding always protects any kind of its property and operate with financial integrity.

12.2. We have a duty to the Holding to protect and make the best use of its resources and property. We are responsible for using good judgment to ensure that the Holding property is not misused or wasted. The Holding's property includes physical property such as premises, equipment and computers, but also working time, information and funds. All employees must protect the Holding resources as we would our own, guarding against misuse, loss, fraud or theft.

12.3. Holding ensures that all financial decisions and transactions are made in compliance with appropriate delegation of authorities.

12.4. Fair and accurate books are essential for managing business in the Holding. We ensure that all financial records and non-financial information is complete, accurate and objective. The financial and business information we produce must meet legal, financial, regulatory and management requirements.

## **13. COMMUNITIES AND SOCIETY**

13.1. Holding conducts business in a way that respects both the people and the communities we interact with. Holding works together with governments and communities to play a positive role in every community in which we do business by contributing to wider development goals and reducing environmental impacts.

13.2. Holding seeks to embed Environmental, Social and Governance (ESG) principles throughout our operations to help ensure that our business model will be sustainable well into the future.

## **14. COMMUNICATION & ENFORCEMENT**

14.1. The Code cannot cover every situation. Seek advice from the HR and Legal and Compliance Departments if you are unsure about the right course of action.

14.2. As stated above this Code extends to all employees of the holding and authorized spokespersons. New directors, managers, officers and employees will be

provided with a copy of this Policy and will be educated about its importance and will be required to acknowledge, through their signature, their understanding and acceptance of compliance as a term of employment.

14.3. This Code should be available to all employees. Any employee who violates the present Code may face disciplinary action up to and including termination of his or her employment.

14.4. It is responsibility of each of us to speak up if we see anything that appears to breach this Code, the Holding requirements, policies, procedures, or any laws. Because no code of conduct can cover every possible situation, the Holding relies on us to use good judgement and to speak up when we have questions or concerns. The Holding does not tolerate retaliation against anyone who speaks up in good faith. Below is the Holding's Compliance Hotline Channel. It is available 24 hours a day, seven days a week, via a telephone number, email and postal address as per below:

Postal address: 37, Daghliq str., Sabail dstr., AZ1023, Baku, Azerbaijan.

Mobile phone: +994 50 231 03 93, email address: [compliance@r-group-holding.com](mailto:compliance@r-group-holding.com)

14.5. The violation of this Code may also violate certain laws of the Republic of Azerbaijan. If it appears that an employee may have violated such laws as on commercial secrets, on personal data, etc., the holding may refer the matter to the appropriate regulatory authorities, which could lead to the application of the appropriate civil, administrative or criminal liability.



