



**Lemi Trafo**  
Transformers



# CODE OF CONDUCT

## STANDARDS OF BEHAVIOUR FOR LEMI TRAF0 JSC EMPLOYEES

### I. GENERAL PROVISIONS

This Code establishes the moral and ethical norms, principles and standards of conduct for employees of **LEMI TRAF0 JSC** according to general company values stated in the general company policy and principles of the UN Global Compact as a basis for well-being of the company and everyone working in it.

The purpose of the Code is to encourage and foster the ideal of service for humanity, nurturing high ethical standards of business, recognition of the importance of any useful work, aspiring each employee in the company to protect his name, the name of his profession and LEMI TRAF0 JSC.

The Code of Conduct is a system of moral and ethical norms and rules that everyone in the company, including temporary staff, voluntarily undertakes to respect and comply with.

### II. RULES OF CONDUCT

#### General rules of conduct

During performance of their duties the company's employees must comply with the following rules of conduct:

- 1) Unconditional observance and respect of the primacy of law, protection of the indivisible, universal values of human dignity, freedom, equality and solidarity.
- 2) Actions which are in contrary to legal provisions or good sales practice, are unacceptable, regardless of the reasons justifying them. The good intentions do not justify the performance of illegal acts.
- 3) Workers / employees should avoid any action that is or could possibly be qualified as undermining the reputation of LEMI TRAF0 JSC.

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- 4) Compliance of the legal regulations is the foundation of ethical business behavior. However, it should not be expected the employees will know in detail all applicable laws, they must be familiar with the general rules concerning their field of activity, and in case of doubt, seek the assistance of counselor of the company.
- 5) Contractual agreements are considered to be completely mandatory. It is unacceptable to use power over the subcontractor or supplier, to not be fulfilled a condition of the contract or to be performed an action, which is not part of the contractual obligations of the subcontractor or supplier.
- 6) In their personal and professional life for everything they think, say or do the employees of LEMI TRAFÓ JSC ask these four questions that manage the ethical standards of the individual:
  - *Is this the truth?*
  - *Is it fair to all that it considers?*
  - *Will it build goodwill and better friendships?*
  - *Will it be beneficial to all concerned?*

## Intercompany behavior

- 1) In their relations employees of LEMI TRAFÓ JSC obey only to the interests of the company. Applying the established rules for a positive attitude, honesty, respect the honor and dignity of the others.
- 2) In communicating with each other our employees are equal. Relations between them are based on trust, tolerance, ethics and mutual assistance. Professional and personal disagreements are not the subject of public controversy.
- 3) Behavior prejudicial to personal dignity and honor of each worker is not allowed.
- 4) The employees of LEMI TRAFÓ JSC:
  - ✓ Respect the hierarchy and on the occasion of their official relations;
  - ✓ Aspire to objectivity and impartiality in decision-making;
  - ✓ Take responsibility for their actions;
  - ✓ Encourage the feedback on each activity and each workplace. Seek and accept advice and opinions given by others. Actively participate in solving the problems in the company;
  - ✓ Tolerate free communication between the manager and workers. Establish and maintain a professional attitude in teams;
  - ✓ Do not use their position in the company to gain any advantage or benefit for them or their relatives;
  - ✓ Aspire to organization in their thoughts and actions;

It's unethical to submit unfounded complaints and to publish defamatory statements about employees of the company. Their public statements are aimed at objectivity and truth.

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## Personal behavior

In the performance of their duties and in public life the employees of LEMI TRAFÓ JSC follow behavior, not undermining the prestige of the company, in the following way:

- 1) Perform properly their obligations and commitments to the company.
- 2) Develop themselves and people around them, and in this process, identify what is important, what is crucial and what is inappropriate. Do not threaten and violate the rights of their colleagues and business partners.
- 3) Condemn all forms of direct and indirect discrimination.
- 4) Cannot receive personal benefits (except remuneration of the company) from activity or service undertaken by and on behalf of the company. Cannot accept cash or gifts except when these gifts are promotional materials.
- 5) They are honest in their relationships with partners and competitors.
- 6) Use Intercompany information only in the course of execution of work connected with LEMI TRAFÓ JSC. Protect corporate and business partners' intellectual property. Their relations ensure the confidentiality of our business and this of our partners.
- 7) Exclude personal interest towards business partners or competitors companies and do not get involved in any transactions that are incompatible with their position, functions and duties.
- 8) They comply with the Labour Code and standards for health and safety at work, observe the laws governing the company's performance and the adopted Internal rules of the Company.

## Relationships with business partners

- 1) This Code provides a transparent and open policy of the activities in the company.
- 2) Provides protection for and encourages the competition, build feelings of trust in the society.
- 3) Encourages the fight against all forms of corruption and personal gain.
- 4) The employees of the company participate and negotiate with business partners with a good tone in accordance with generally recognized principles and norms of propriety, paying due respect to their partner without evidence of unacceptable aggression. They're positive in their actions and relationships.

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### III. MANAGEMENT COMMITMENT

- 1) The management is committed to apply only the highest degree and competently organize the implementation of these shared intercompany values in conditions of transparency, dialogue and free exchange of opinions, ideas and proposals.
- 2) Takes all necessary actions to ensure the highest standards of quality, safety and health at work, environmental protection, human capital development and transparent cooperation with all the interested parties inside and outside the company.
- 3) Respects the principles of transparency and disclosure of commitments as a component of the ISO standards of management of quality, environment and health and safety at work.
- 4) Realizes that is responsible for its employees to feel respected, respecting their personal dignity, promoting their strengths and creating a feeling of security in their workplace.
- 5) Provides to all employees equal opportunity for professional development and performance, assessing objectively and correctly the achieved results
- 6) Develops leadership qualities. Leadership is to learn how to motivate, influence and direct others.
- 7) Stimulates personal initiative; develops the individuality and works to increase motivation of the staff, including fair and adequate compensation.
- 8) Encourages a sense of collegial respect, trust and loyalty to the company, does not tolerate acts contrary to the shared policy and values.
- 9) Shows zero tolerance to all forms of irresponsibility, hypocrisy, envy, gossip, lying, laziness, negligence, meanness, toadyism by adhering to the motto: *"It is good to be someone important, but more important to be a good contributor to the place you occupy in the company."*
- 10) Ensures the protection of personal data and any confidential personal information about employees in the company, which became known to him during the performance of official duties, preventing invasion of privacy.
- 11) Ensures the observance of all human rights and freedoms of the individual, or in connection with the performance of duties.
- 12) Leads a policy of open communication with the aim of future improvement and development of this Code, general company policy and culture.

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## IV. ADDITIONAL PROVISIONS

The norms of this Code are voluntary moral and ethical obligation of conduct for employees in LEMI TRAF0 JSC. Upon starting work, the immediate superior shall be obliged to acquaint the employee / worker with the provisions of this Code, providing for his signature the following statement:

*"Guided by moral and ethical principles of conduct in business, I understand and agree to observe this Code of Conduct."*

The company's employees are required to comply with the provisions of this Code and in this regard, to be informed by the management for corrections and modifications of its provisions.

The rules of this Code shall apply to the extent not contrary to the Labour Code and other legislation.

**APPROVED:** .....  
**EVGENI SLAVENIN**  
/Managing Director/

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