VDS Company

**ANTI-CORRUPTION POLICY**

Minsk, 2015

1. DOCUMENT PURPOSE
	1. This Company Anti-Corruption Policy (hereinafter referred to as the Policy) is the basic document of VDS LLC (hereinafter referred to as the Company) which defines the key principles and requirements aimed at preventing corruption and ensuring compliance with the applicable anti-corruption legislation by the Company, its employees and other persons who may act on behalf of the Company.
	2. The Policy is developed in accordance with the legislation of the Russian Federation, the Charter and other internal documents of the Company.
	3. The Policy takes into account the fact that in Russia "corruption", "corrupt practices", "corrupt activities" are defined as giving or receiving bribes, mediation in giving or receiving bribes, abuse of official position or authority, commercial bribery, payments to facilitate formalities, illegal use by an officer of its position to obtain benefits in the form of funds, valuables, other property, services, any rights for itself or for other persons or illegal provision of benefits or rights to this person by other persons.
2. POLICY PURPOSES
	1. The Policy reflects the commitment of the Company and its management to high ethical standards and the principles of open and fair business conduct, as well as the Company's desire to improve its corporate culture, adhere to best corporate governance practices and maintain its business reputation at an appropriate level.
	2. The Company aims to the following:
* To minimize the risk of the Company and the Company's employees irrespective of their position (hereinafter collectively referred to as Employees) to engage in corrupt activities.
* To create a uniform understanding among contractors, Employees and other parties of the Company's policy of zero tolerance of corruption in any form or manifestation.
* Establish the obligation of the Company's Employees to know and comply with the principles and requirements of this Policy, the key provisions of applicable anti-corruption legislation and adequate procedures to prevent corruption.
1. SCOPE AND OBLIGATIONS
	1. All Employees of the Company shall be guided by this Policy and shall strictly comply with its principles and requirements.
	2. The Director General of the Company shall be responsible for arranging all activities aimed at implementing the principles and requirements of this Policy, including the appointment of persons responsible for the development of anti-corruption procedures, their implementation and monitoring.
	3. The principles and requirements of this Policy shall apply to counterparties and Employees of the Company, as well as to other persons, where the respective obligations are set out in contracts with them, in their internal documents or are expressly

derived from the law.

1. APPLICABLE ANTI-CORRUPTION LEGISLATION
	1. The Russian anti-corruption legislation: the Company and all its Employees shall comply with the Russian anti-corruption legislation provisions set out, among others, in the Criminal Code of the Russian Federation, the Code of Administrative Offences of the Russian Federation, the Federal Law "On Combating Corruption" and other regulations the main requirements of which are prohibition of giving bribes, prohibition of receiving bribes, prohibition of commercial bribery and prohibition of mediation in bribery.
	2. Basic principles of the Federal Law "On Combating Corruption"

represent the following:

* prohibition on giving bribes, i.e. giving or promising to give any financial or another benefit/advantage with the intention of inducing a person to perform its official obligations improperly;
* prohibition on receiving bribes, i.e. receiving or agreeing to receive any financial or another benefit/advantage for the improper performance of one's official obligations;
* prohibition on bribing public officials, i.e. giving or promising to give (directly or through third parties) a public official any financial or another benefit/advantage in order to influence the improper performance of its official obligations;
	1. Subject to the foregoing, all Employees of the Company are strictly prohibited from engaging, directly or indirectly, personally or through third parties, in corrupt practices, offering, giving, promising, requesting or receiving bribes or making payments to facilitate administrative, bureaucratic or other formalities in any form, including funds, goods, services or other benefits, to and from any persons or entities, including commercial organizations, government and local authorities, public officials, private sector entities and their representatives.
1. KEY PRINCIPLES

The Company establishes the principle of zero tolerance of corruption in all forms and manifestations (zero tolerance principle) in its day-to-day activities and strategic projects, including in its interactions with contractors, representatives of government and local authorities, political parties, its Employees and other persons.

* 1. Adequate anti-corruption procedures

The Company develops and implements adequate procedures to prevent corruption and monitors compliance with them.

* 1. Counterparty inspection

The Company makes reasonable efforts to minimize the risk of business relationships with counterparties that may be involved in corrupt practices by checking counterparties' tolerance of bribery, including checking if they have their own anti-bribery procedures or policies, their willingness to comply with this Policy and to include anti-corruption terms and conditions (reservation clauses) in their contracts, and to provide mutual assistance for ethical business conduct and corruption prevention.

* 1. Information sharing and training

The Company makes this Policy freely available on its corporate website, openly declares its zero tolerance for corruption and welcomes and encourages compliance with the principles and requirements of this Policy by all contractors, its Employees and other persons.

* 1. Monitoring and controlling

Due to potential changes over time in corruption risks and other factors affecting business operations, the Company monitors the adequate procedures implemented to prevent corruption, monitors compliance with them, and revises and improves them as necessary.

1. GIFTS AND REPRESENTATION EXPENSES
	1. Gifts that Employees may give to other persons and organizations on behalf of the Company or that Employees may receive from other persons and organizations in connection with their employment with the Company, as well as representation expenses, including business hospitality and promotion expenses, which Employees may incur on behalf of the Company, shall simultaneously meet the five criteria set out below:
* they shall be directly related to legitimate business purposes of the Company, such as presentation or completion of business projects, successful execution of contracts, or to national holidays, commemorations, anniversaries;
* they shall be reasonably justified, proportionate and not constitute luxury goods;
* they shall not constitute a covert fee for a service, action, omission, connivance, patronage, granting of rights, making a certain decision on a transaction, agreement, license, authorization, etc. or an attempt to influence the recipient for another illegal or unethical purpose;
* they shall not pose a reputation risk to the Company, Employees or other persons in the event of disclosure of information about gifts or representation expenses;
* they shall not contradict the principles and requirements of this Policy, the Code of Conduct, other internal Company documents and applicable laws.
	1. Gifts on behalf of the Company, its Employees and representatives to third parties in the form of funds, both cash and non-cash, regardless of currency, shall not be permitted.
1. PARTICIPATION IN POLITICAL ACTIVITIES

The Company does not finance political parties, organizations or movements for the purpose of gaining commercial advantage in specific projects of the Company and the Companies.

1. INTERACTION WITH PUBLIC OFFICIALS

The Company refrains from paying any expenses on behalf of public officials and their close relatives (or for their benefit) in order to obtain commercial advantages in specific projects of the Company and the Companies, including expenses for transportation, accommodation, meals, entertainment, campaigns, etc., or to obtain other benefits at the Company's expense.

1. INTERACTION WITH EMPLOYEES
	1. The Company requires its Employees to comply with this Policy by informing them of its key principles, requirements and sanctions for violations and including them into official obligations of Employees of the Company.
	2. The Company arranges safe, confidential and accessible means of informing the Company's management (hotline).
	3. To develop an appropriate level of anti-corruption culture, new Employees undergo introductory training on the provisions of this Policy and related documents, and for current Employees, periodic information seminars are held in person and/or remotely.
2. INTERACTION WITH INTERMEDIARIES AND OTHER PERSONS

In order to comply with the principles and requirements set out in the Policy, the Company shall include anti-corruption terms and conditions (reservation clauses) in contracts with intermediaries, partners, agents, joint ventures and other persons. Anti-corruption terms and conditions (reservation clauses) shall contain information on the Policy and the system of anti-corruption procedures in place at the Company, provide for the Policy as an annex to contracts where necessary and define the liability of counterparties for failure to comply with the principles and requirements of the Policy.

1. KEEPING BOOKS AND RECORDS
	1. All financial transactions shall be accurately, correctly and in sufficient detail recorded in the Company's accounting records, documented and available for inspection.
	2. The Company has designated Employees responsible under the applicable legislation of the Russian Federation for the preparation and presentation of full and fair financial statements within the terms prescribed by the applicable legislation.
	3. Misrepresentation or falsification of the Company's financial statements is strictly prohibited and is treated as fraud.
2. WHISTLEBLOWING

Any Employee or another person in the event of any doubt as to the legality or compliance with the purposes, principles and requirements of the Policy of their actions, as well as the actions, omissions or suggestions of other Employees, counterparties or other persons who interact with the Company, may report this to the Company hotline or to their direct manager.

1. REFUSAL OF RETALIATORY MEASURES AND SANCTIONS

The Company declares that no Employee will be subject to sanctions (including dismissal, demotion, loss of bonus) if they report an alleged act of corruption or if they refuse to give or receive a bribe, to commit commercial bribery or to mediate a bribe, including if such a refusal results in a loss of expected profit or a commercial and competitive advantage for the Company.

1. LIABILITY FOR FAILURE TO COMPLY (IMPROPER COMPLIANCE) WITH THIS POLICY
	1. All Employees of the Company regardless of their position shall be liable under the applicable legislation of the Russian Federation for compliance with the principles and requirements of this Policy, as well as for the actions (failure to act) of their subordinates that violate these principles and requirements.
	2. Persons guilty of violating the requirements of this Policy may be held disciplinarily, administratively, civilly or criminally liable at the initiative of the Company, law enforcement agencies or other persons in accordance with the procedure and on the grounds stipulated by the legislation of the Russian Federation, the Charter of the Company, local regulations and labor contracts.