**PJSC ALROSA SUPPLIERS BUSINESS ETHICS CODE**

**PJSC ALROSA SUPPLIERS BUSINESS ETHICS**

**CODE**

**2020**

**PJSC ALROSA SUPPLIERS BUSINESS ETHICS CODE**

**1.** **GENERAL PROVISIONS**

1.1 The Public Joint Stock Company ALROSA (PJSC ALROSA) Suppliers Business Ethics Code (hereinafter referred to as the Code) was developed in order to set out the key requirements for the responsibility of suppliers with whom PJSC ALROSA (hereinafter – the Company) enters into business relations.

1.2. The Code is a public document posted permanently on the corporate website at: [www.alrosa.ru](http://www.alrosa.ru) .

1.3. The Company declares an open competitive system of procurement in accordance with the PJSC ALROSA Procurement Regulations approved by the PJSC ALROSA Supervisory Board on 15.11.2018 (Protocol No. A01/283-PR-NS) based on the following objectives and principles:

– expanding the opportunities for participation of legal entities and individuals, including individual entrepreneurs, in the procurement of products for the needs of the customer, stimulating such participation;

– development of fair competition;

– prevention of corruption and other abuses in the organization of procurement activities;

– information openness and transparency of procurement activities;

– equity, fairness, absence of discrimination and unreasonable restrictions of competition in relation to the participants;

– establishing measurable requirements for the participants of procurement procedures.

1.4. The Company approved The PJSC ALROSA Rules for Non-discriminatory Access of Suppliers to Procurement of Goods, Works and Services (Company Order No. A02-1300/243-r dated 01.10.2018). Non-discriminatory access of suppliers to competitive procurement procedures of the Company includes ensuring equitable conditions for the implementation of rights of potential suppliers regardless of their organizational and legal status.

1.5. The Company builds relationships with suppliers in strict compliance with the legislation of the Russian Federation and with ethical principles generally accepted in business practice.

1.6. The Company respects its suppliers and, in turn, expects suppliers and their subcontractors to comply with legal requirements, adhere to ethical standards, and abstain from any activity that violates such norms.

1.7. The requirements that the Company, in its turn, imposes on its employees, including those related to the principles and approaches to relations with the Company’s suppliers and business partners, are set out in the PJSC ALROSA Code of Corporate Ethics, which is publicly available on ALROSA’s official website <http://www.alrosa.ru/wp-content/uploads/2013/12/Кодекс-корпоративной-этики.pdf.>

1.8. We propose to our suppliers and contractors to be guided in their operations by the principles outlined in this document. We also request our suppliers and contractors to recommend to their contractors that they also comply with these requirements and impose the same on their contractors.

**PJSC ALROSA SUPPLIERS BUSINESS ETHICS CODE**

**2.** **LEGAL FRAMEWORK**

2.1. The Company's activities are based on compliance with the requirements of both Russian

law and the laws of the countries in which the Company operates. The Company strictly

follows the letter of the law and considers any legal compromises unacceptable.

2.2. The Company expects its suppliers to respect and comply with laws and other regulations when doing business.

2.3. The Company ensures a fair and equitable approach to participants of its procurement procedures, setting unified requirements in order to prevent unreasonable restriction of competition in relation to tenderers. The Company ensures that all tenderers have equal rights to make a bid proposal.

2.4. The Company ensures fair consideration and evaluation of tenderers’ bids, based on the requirements, criteria and evaluation procedure established in the tendering documentation.

2.5. Decisions on the selection of the winner of a tendering procedure are made collegially by the procurement body in strict compliance with the rules and regulations of procurement

procedures established by the legislation of the Russian Federation, the Company's

Procurement Regulations, as well as other internal documents of the Company, regulating

Procurement activities.

2.6. A tenderer, in turn, must comply with the rules of participation in tendering for

goods, works and services and adhere to ethical standards during the procurement process.

2.7. Suppliers should not exchange information about prices and other conditions that may affect the selection of the winner of the tendering procedure.

2.8. Suppliers should not engage in conduct that restricts competition.

2.9. A supplier undertakes to respect intellectual property of the Company, its trade secrets and any other information.

2.10. Asupplier is obliged to provide to the Company and publish in the public domain only reliable information. Falsification of data or misrepresentation of information are unacceptable.

2.11. A supplier has the right to appeal against terms and conditions of the procurement documentation, actions (inaction) of the Purchaser, the organizer of the procurement procedure, the procurement office, if such actions (inaction) violate the rights and legitimate interests of this person associated with his participation in the procurement procedure.

2.12. A supplier also has the right to apply to the PJSC ALROSA Procurement Complaints

Commission. The procedure for filing and reviewing complaints is posted on the Company's

official website.

2.13. The Company encourages its suppliers to impose the same legal compliance requirements on

their suppliers and contractors in relations to their companies, and to their suppliers and contractors’ internal practices, as well as in their interactions with their counterparties.

It is recommended that their suppliers and contractors should impose the same requirements on their contractors.

**PJSC ALROSA SUPPLIERS BUSINESS ETHICS CODE**

**3.** **COUNTERING CORRUPTION**

3.1. The Company, being committed to high legal, business and ethical standards of work, is developing a culture of zero tolerance to abuses of official position. The Company has adopted The Anti-Bribery and Anti-Corruption Policy. The provisions of the Policy are available on the corporate website at [www.alrosa.ru.](http://www.alrosa.ru/)

3.2. The Company strives to secure the trust of suppliers and invites them to an open dialogue. Through the whistleblowing hotline (<https://www.alrosa.ru/о-нас/противодействие-коррупции/> ) suppliers can actively participate in countering malpractice within the Company by reporting negative events that come to their attention.

3.3. A supplier should not engage in conduct that qualifies as bribery (bribe paying/ bribe taking), bribery intermediation, commercial bribery, bribery or commercial bribery provocation.

3.4. A supplier should not perform actions aimed at offering the Company's employees financial incentives, including by providing money, gifts, gratuitous work, services or other ways that make an employee dependent on the incentive provider.

3.5. The Company reserves the right to take action against a supplier who offers or attempts to

offer a reward or bribe to the Company’s employees, including conducting its own investigation, contacting law enforcement authorities and the courts.

3.6. The company encourages its suppliers to impose the same anti-corruption requirements on their suppliers and/or contractors, to carry out compliance checks on them, recommend that their suppliers and contractors should impose the same on their counterparties.

**PJSC ALROSA SUPPLIERS BUSINESS ETHICS CODE** 

**4.** **OBSERVANCE OF ETHICAL PRINCIPLES AND UNIVERSAL HUMAN**

**VALUES**

4.1. The company complies with legal requirements, respects human rights and invites its suppliers to comply with fundamental laws and principles in their operation.

4.2. A supplier is obliged to comply with labour laws in terms of payment wage, minimum wage, and working hours.

4.3. A supplier should comply with the requirements of international conventions, declarations, covenants and other UN and ILO acts that set standards for the regulation of labor, including those prohibiting the use of child and forced labor.

4.4. A supplier should comply with health and safety standards and create a healthy work

environment and safe working conditions for all of its employees.

4.5. A supplier should make every effort to provide its employees with social security,

medical care and other elements of social care and assistance.

4.6. A supplier should not discriminate employees on the basis of personal characteristics or

beliefs, nor practice any form of harassment based on nationality, gender, ethnic, gender,

age, cultural or other characteristics, provide all employees with equal opportunities.

4.7. The company encourages its suppliers to impose the same requirements for ethics and human values on your suppliers, contractors, and to conduct compliance audits. Recommend your suppliers and contractors to impose the same on their counterparties.

**THE CODE OF BUSINESS ETHICS FOR PJSC ALROSA SUPPLIERS** 

**5.** **ENVIRONMENTAL PROTECTION, ENVIRONMNETAL FRIENDLINESS**

5.1. The Company seeks to work with suppliers who share the Company’s principles and accept environmental protection as an integral part of their business.

5.2. Suppliers of the Company should strictly comply with the legislation in the field of ecology and environmental protection, strive to improve the environmental component of their

production by controlling and monitoring the main environmental pollution parameters,

rationally use natural resources, reduce the volume of waste from production activities, try

to use recycled raw materials and renewable energy sources, strive to use new, more

environmentally friendly production technologies.

5.3. The company encourages its suppliers to impose the same environmental and sustainability

requirements on their suppliers, contractors, and to conduct audits of their compliance with

these standards. Suppliers should encourage their suppliers and contractors to impose the same on their contractors.