

# POLICY OF COMPLIANCE CODE & ETHICS

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**The English version is the legally binding \ language that will be enforced by laws and all jurisdictions will refer to it regarding all translations.**

It is the declared policy and practice of **Canaf Petro-Chemicals Refinery™** (hereinafter **CPCR**) to maintain in all its business relations and activities dealing in oil and gas, in particular in the field of oil and gas sourcing, high standards of ethical conduct, to comply with all applicable laws, to exercise full transparency of our transactions and engage only with persons and / or companies who themselves abide by laws and ethical principles. Furthermore, we are strongly committed to only source oil and gas from operations in conformance with internationally accepted environmental practices, to ensure not to degrade the environment.

This policy is applicable to the entire organization and all businesses, including representatives and other organizations over which **CPCR** has control.

We expect from all our employees, officers and directors to comply with this policy. We provide regular training and ensure that all of these persons learn and comply with company standards and laws applicable to their job responsibilities, and to adhere to the guiding principles of this policy, encouraging them to raise any suspicious relation and/or transaction to management and/or compliance officer immediately. We guarantee the actuality of our policy by periodic reviews and ensure the implementation by elaborating specific codes and procedures, effective communication, training and regular monitoring.

In addition to adherence in our home countries, by the applicable Swiss laws, to the **Oil and Gas Control Act** and the **Money Laundering Act**, we apply the same principles, expressed through this policy, throughout the world, wherever and whenever **CPCR** operates and does business. We however are aware of and, recognize that there are differences in laws and standards throughout the world, and that a single rigid code of conduct will not fit all circumstances. The principles of honesty, fairness and high ethical standards will never and for no reason are compromised.

We also are aware of and recognize that in some parts of the world governments are weak, that legal and ethical infrastructures are poor, and that sometimes armed conflict takes place. We will not, under any circumstances, engage in business that arises from criminal or illegal activities, or from criminals or terrorist groups, or that is used to finance criminal or terrorist activities (**Supply Chain Due Diligence Policy**). However, following the guidance of the United Nations, we will not simply embargo such areas; we will not unthinkingly deprive them of our technical and financial expertise, and of the opportunity to improve their situations through legitimate, transparent trade. We will, instead, exercise particular diligence to uphold this policy.

For further information on our **Code of Conduct** and our due diligence process please don't hesitate to contact us.

## 1. PURPOSE AND SCOPE OF THIS CODE:

- 1.1 The purpose of this code is to promote and enforce ethical business practices and standards in the group.

- 1.2 This code reflects the company's policy on ethics and accordingly should be carefully studied as it forms part of the expectations the company has of all its managers and employees. An acceptance of employment with the company is deemed to be an acceptance of the principles set out in this code.
- 1.3 The company subscribes to the principles of the King Report on Corporate Governance, which principles are embodied in this code.
- 1.4 Adherence to this code is seen as a strategic business imperative and a source of competitive advantage.

This code is intended for use to raise ethical awareness, and as a guide in day-to-day decisions. It can also be used in training programmes, and to help assure customers, suppliers and competitors of the integrity of the group companies with which they deal.

## 2. APPLICATION AND GENERAL OBLIGATION:

- 2.1 Application of this code

This code applies to execution directors, non-executive directors, managers and all the other employees of the company.

## 3. OBLIGATIONS OF MANAGERS:

- 3.1 The managers shall:

- 3.1.1 Be responsible for communicating this code and ensuring its understanding by all employees.
- 3.1.2 Be responsible for the observance of the ethical obligations of their companies; and
- 3.1.3 Take the necessary steps for compliance, within their companies, within the provisions of this code.

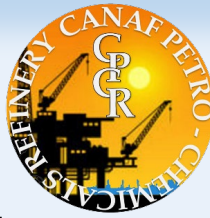
- 3.2 Obligations of managers to customers

### A message shall:

- 3.2.1 Market the products of the company accurately;
- 3.2.2 Disclose all relevant information regarding the products which customers cannot reasonably learn for themselves;
- 3.2.3 Charge the agreed price or, where no price was agreed, a fair price;
- 3.2.4 If applicable, package the product in a manner which is not misleading and meets the customer's reasonable expectations;
- 3.2.5 Supply the products with promptness that meets with the reasonable expectations of the customer and, where supply is delayed, inform the customer of the delay before expiry of the contemplated delivery period.

### 3.2.6 A manager has a responsibility to customers of the company to fix and maintain quality standards and, in particular, shall:

- 3.2.6.1 Determine minimum quality standards for the products of the company, ensuring that the products conform to these standards;
- 3.2.6.2 Provide customers with a ready means of lodging complaints about the quality of the company's products;
- 3.2.6.3 Provide a reasonable guarantee that its products conform to the standards of the company, and replace any product which is below standard; and



- 3.2.6.4 Not knowingly supply a defective or dangerous product.
- 3.2.7 A manager shall manage the company with a view to achieving the greatest possible savings and other benefits for customers and consumers, and in particular shall;
- 3.2.7.1 Strive to reduce inefficiencies in the company, and establish standards of efficiency in consultation with other employees of the company;
- 3.2.7.2 Introduce and maintain in the company an awareness by all employees that the resources of the company, including time resources, are in limited supply;
- 3.2.7.3 Keep the cost of the company at the lowest reasonable level;
- 3.2.7.4 Not abuse a position of market dominance or engage in a restrictive trade practice, and
- 3.2.7.5 Not permit any acts of bribery (See point 6).
- 3.3 Obligations of managers to the shareholders:**
- 3.3.1 A manager shall at all times, act honestly and in good faith, and in particular shall;
- 3.3.2 Not allow company services including the use of labour, workshops, training centres, etc., and/or equipment which does not normally form part of any employee's service benefits, to use for private purposes, unless special approval has been obtained from his managing director. Any such approval would be subject to the employee paying for the use of the service on the basis of cost to the company.
- 3.3.3 Act at all times in the best interest of and for the benefit of, the company;
- 3.3.4 Carry out duties with skill and care expected from the person of his or her knowledge and experience, and exercise his or her own judgment;
- 3.3.5 Not permit wastage of the assets of the company;
- 3.3.6 Report accurately on the performance and prospects of the company;
- 3.3.7 Furnish to auditors all information and explanations which the auditors require for the performance of their functions; and
- 3.3.8 Not carry on the business of the company negligently or recklessly;
- 3.3.9 Managers shall not place themselves in a position where their personal interests could conflict with their duties to the company, and in particular they shall;
- 3.3.9.1 Not divulge confidential company information to competitors or otherwise make improper use of such information;
- 3.3.9.2 Not carry on business on their own account or have other conflicting interests, without full disclosure (See Point 7)
- 3.3.9.3 Not accept secret profits, bribes or any other corrupt, or unconscionable benefits (See Point 6)
- 3.3.9.4 Not use information which is not yet available to the public for their own gain; and
- 3.4 Obligations of managers to suppliers**
- 3.4.1 Managers shall ensure good buying practices with suppliers of the company and in particular they shall;
- 3.4.1.1 Inform suppliers of any bribe or attempted bribe by the supplier's personnel of an employee of the company (See Point 6);
- 3.4.1.2 Terminate dealings with any supplier which bribes or attempts to bribe employees of the company; and
- 3.4.1.3 Ensure that no bribe is paid to personnel of a supplier of the company.
- 3.4.2 **Managers shall ensure compliance with debt obligations to suppliers to the company on credit, including lenders of money, and in particular a manager shall:**
- 3.4.2.1 Not apply funds acquired from a lender to a purpose which is contrary to any agreement with the lender;
- 3.4.2.2 Manage the company in a way which does not unjustifiably increase the risk to creditors of the company; and
- 3.4.2.3 Report honestly on the financial position of the company to its creditors.
- 3.5 Obligations of managers to employees of the company**
- A manager shall:**
- 3.5.1 Deal courteously with employees, having regard to sensitivities and individual dignity;
- 3.5.2 Give due attention to the training and development of employees;
- 3.5.3 Provide safe working conditions, including adequate machinery and equipment and competent supervision;
- 3.5.4 In the appointment or promotion of employees, the company shall:**
- 3.5.4.1 Not discriminate on any ground expect to the extent strictly required by the inherent requirement of a particular job;
- 3.5.5 Recognize employees' efforts by fair and adequate remuneration and other means;
- 3.5.6 Ensure a workplace that is free from racial, sexual or any other form of harassment;
- 3.5.7 Comply and uphold with all local countries laws, in places of fulfilment's where the registered business establishments of **CPCR** reside. Jurisdictions in all countries which the local laws are established in the regions where **CPCR** is based will adhere to the following: The Employment Laws; Including Inter Alia, The Labour Protection Act; Labour Relations Act; The Act Establishing the Labour Court and Labour Court Procedure; Provident Fund Act; Social Security Act; Workmen's Compensation Act; The' Countries Civil and Commercial Code; Make this code of ethics and the reasons for it known to employees, and
- 3.5.8 Deal openly and fairly when involved in collective bargaining processes with representatives of the employees of the company.
- 3.6 Obligations for managers with regard to competitors: Managers shall not:**



- 3.6.1 Make dishonest allegations concerning competitors of the company or their product;
- 3.6.2 Damage their competitors other than by accepted commercial competitive practice; or
- 3.6.3 Acquire confidential information of a competitor by espionage, the subordinating of the competitor's employees or any other improper means.

**3.7 Obligations of managers to society at large:**

Managers shall, in carrying on the business of the company:

- 3.7.1 Pay due regard to environment and public health considerations, and
- 3.7.2 Participate within the means of the company in projects which will uplift the community in which the company operates.

**4. OBLIGATIONS OF EMPLOYEES:**

**4.1 Obligations of employees to customers:**

An employee, other than the manager, shall;

- 4.1.1 Support and assist management to fulfil its commercial and ethical obligations as set out in this code;
- 4.1.2 Avoid any waste of the enterprises resources, including time;
- 4.1.3 Respect the confidentiality of sensitive customer information, and
- 4.1.4 Help fellow employees meet their obligations.

**4.2 Obligations of employees to owners of the company:**

**Employees shall:**

- 4.2.1 Avoid unreasonable disruption of production;
- 4.2.2 Use their capabilities and develop their potential as much as possible, particularly in return for training received;
- 4.2.3 Not divulge any confidential information of the company to its competitors or otherwise make improper use of such information;
- 4.2.4 Act honestly at all times and report any harmful activity they may observe or come across at the workplace;
- 4.2.5 Commit to honouring their agreed terms and conditions of employment, and
- 4.2.6 Not act in any way that conflicts with or jeopardizes the interests of the company and its shareholders and their right to reasonable return on investment.

**4.3 Obligations of employees to managers:**

- 4.3.1 Employees shall perform their duties diligently and efficiently, and in particular shall:
- 4.3.2 Support and assist management to fulfil its commercial and ethical obligations as set out in this code;
- 4.3.3 Avoid any waste of the enterprise's resources, including time;
- 4.3.4 Refuse any bribe, and report attempted bribery to a manager (See Point 6);
- 4.3.5 Report any harmful activity observed at the workplace;
- 4.3.6 Not engage in unlawful or unprotected industrial action; and
- 4.3.7 Join management in a commitment to improve productivity.

**4.4 Obligations of employees to fellow employees:**

**Employees shall:**

- 4.4.1 Not make false accusations against a fellow employee;
- 4.4.2 Not intimidate a fellow employee; and
- 4.4.3 Recognize fellow employees' rights to freedom of association.

**4.5 Obligations of employees to society at large:**

- 4.5.1 Employees shall pay due regard to environmental and public health considerations in and around the workplace.

**5. BRIBERY:**

All large and expensive gifts could be regarded as bribes and must not be given or accepted. Examples of these are TV sets, refrigerators, flight tickets and cases of hard liquor, which may not, under any circumstances, be accepted by group employees from outside organisations of third parties. Offers of this kind must be declined politely but firmly or immediately returned circumstances. Any offers of travel which could be construed as influencing the allocation of business, must be referred to an executive director for authorization.

Any offers of shares made to an employee by way of preferential allocation, which offer is made as a consequence of the employee's position in the company, should be referred immediately to an executive director, who shall determine whether the offer should be rejected on the grounds that may place the employee in a potential conflict of interest's situation. By the same token, gifts of the nature mentioned above may not be given by employees in order to secure any business advantage. The onus is on the employee to seek clarification from his superior in the of event uncertainty in this regard.

**6. CONFLICTS OF INTEREST:**

**6.1 Policy on outside interests:**

A conflict of interest exists when employees and their immediate families have direct or indirect personal interests in, or derive benefits from, transactions to which the group is also a party. Such situations must be avoided and prevented at all times, in the interest of honest and bona fide business practices. The purpose of this code is to promote and enforce ethical business practices. The purpose of this code is to promote and enforce ethical business practices and standards in the group.

**6.2 Procedure to be followed in declaring outside interests.**

**6.2.1 Definition of outside interests to be disclosed.**

The onus rests on employees and directors to disclose all potentially conflicting interests. These interests should be declared on the following basis:

Any position or beneficial interests (excluding shares of less than 15% in a public company) that an employee or his immediate family may hold in any company (public or private), partnerships, closed corporations, bodies corporate, or business venture of any nature, must be disclosed. This situation does not apply to the acceptance of office on club committees, welfare organizations or bodies of a similar non-profit making nature.





All existing outside interests of divisional board directors which have been established before the issue of this policy document, must be disclosed or declared. All exiting and new appointments to the divisional board will be required to declare any outside business interests in accordance with the above policy, and provide details of any changes in the future.

6.2.2 **Procedure for disclosure.**

In the case of operational executives, this information should be disclosed to the group secretary, who will be responsible for recording the interest concerned in a confidential register and submitting it to the group managing director. Details of the interest are required in order to decide whether the interest conflicts with group business. In the case of all other employees, the group executive directors are responsible for ensuring that the principles of this policy are fully implemented throughout their operations.

**Changes of Policy of Compliance Code & Ethics**

CPCR reserves the right to make changes to the Policy defined in this [Policy of Compliance Code & Ethics](#) from time to time. In case of incongruence between the different versions of these regulations, the English version shall overrule.

Client will be informed of any such changes. The respective changes shall be considered binding and agreed to unless the Client notifies CPCR of the contrary no later than 30 business days after the date of the announcement.

**Concluding Provisions**

All other aspects of the legal relations between CPCR and the Client shall be governed by the [General Terms and Conditions / Scope](#) and by the applicable Swiss law.

The [General Terms and Conditions / Scope](#) shall complement the [Policy of Compliance Code & Ethics](#). However, in case of discrepancies or conflicts, the [Policy of Compliance Code & Ethics](#) shall prevail and supersede the [General Terms and Conditions / Scope](#).

**Legal Intellectual Property Notices**

This confidential business information is provided to sophisticated and accredited individuals, FOR INFORMATIONAL PURPOSES ONLY, in response to a request for information, for their own interests and purposes, and not for distribution. The information is not intended for distribution to, or use by, any person or entity resident in any jurisdiction or country where such distribution or use would be contrary to law or regulation or which would subject the publisher to any registration requirement. Neither the information nor any opinion contained herein constitutes a solicitation or an offer to buy or sell securities or other regulated products or provide any investment advice or service. Any enterprise contemplated hereunder is strictly one of private placement and, in no way relies upon, nor is related to, current Securities laws and regulations, and does not involve the sale of registered securities. While certain elements were received from the client that contribute to this [POLICY OF COMPLIANCE CODE & ETHICS](#) this proprietary packaging and certain wording of this information created by CPCR and subject to copyright laws is the sole property of CPCR until satisfactorily compensated otherwise?