

# Code of Conduct for Counterparties



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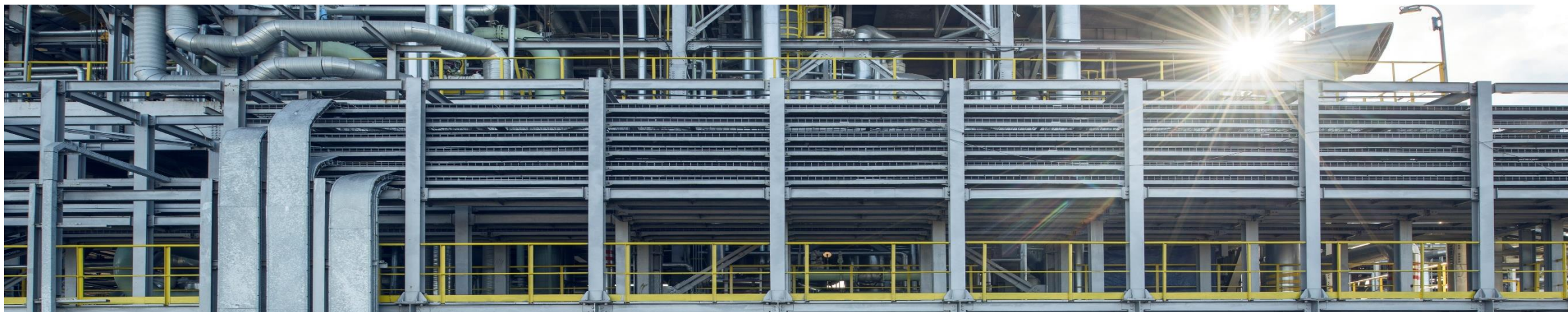
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# Introduction



PJSC PhosAgro (the “Company”) is a vertically integrated Russian company and one of the world’s leading phosphate-based fertilizer producers. The Company focuses on production of phosphate-based fertilizers, high-grade phosphate rock, as well as feed phosphate, nitrogen-based fertilizers and ammonia.

## Terms and Definitions

### *Contractor / Contractors*

Organizations (including their Personnel\*) or individuals involved in performing work for the Company or in joint work, or who supply goods or provide services to the Company.

\*Personnel: employees or subcontractors of Contractors.



## Whistleblowing and Safety Guarantees

### *Our Principles*

The Company ensures proper functioning of PhosAgro Hot Line established for countering fraud, corruption and embezzlement, revealing conflicts of interest in employee performance and violations of the Company's internal regulations. The Company protects all its partners, officers and employees who report concerns in good faith from retaliation.

### *Principles applicable to Contractors*

The Company expects its Contractors to report in good faith any and all instances related to the Company's activities which cause concern (including supply of goods and provision of services to the Company) as well as potential violations of this Code, laws, regulations or ethics standards. Except where prohibited by law or other regulations, the Company expects its Contractors to use the hot line available at <https://www.phosagro.ru/about/anticorruption/>. Any concerns can be reported anonymously. The Company expects Contractors to inform their employees that they will not be penalized for reporting potential violations in good faith. The Company will process the reports in accordance with established procedures.

Hot Line Regulations  
<https://www.phosagro.ru/about/anticorruption/>

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## Legal Compliance

### *Our Principles*

Employees shall comply with the Russian laws and regulations pertaining or applicable to the Company or applied by the Company, as well as the internal regulations of the Company. In conflict situations, which may result in legislation non-compliance and damage the Company's reputation, employees should immediately consult the business unit providing legal support for the Company.

### *Principles applicable to Contractors*

Contractors shall comply with the relevant Russian and international laws and regulations. Contractors are also expected to comply with this Code. The Company believes that, to ensure compliance with this Code, Contractors will implement the relevant rules, procedures and training programs within their organizations. The Company does not cooperate with Contractors which have tax arrears, penalties for significant administrative violations, or criminal convictions of key officers for economic or other crimes. Willingness to cooperate with the Company and regulatory authorities with regard to tax payments to the budget is a mandatory condition for becoming the Company's supplier.

### Code of Ethics

[https://www.phosagro.ru/upload/docs/ethics\\_code.pdf](https://www.phosagro.ru/upload/docs/ethics_code.pdf)

## Internal Control and Monitoring

### *Our Principles*

The Company's risk management and internal control system should ensure an impartial, fair and clear vision of the current condition and prospects of the Company, consistency and transparency of reporting, feasibility and acceptability of the risks assumed by the Company.

### *Principles applicable to Contractors*

The Company expects its Contractors to have established procedures and controls in place to ensure compliance with this Code and the Tender Participant Declaration / Electronic Trading Platform requirements. If necessary, the Company carries out a comprehensive review (audit) of Contractors as part of assessment of its relations with such Contractors. The Company believes that Contractors will, upon request, provide complete and accurate information required for comprehensive review. If the Company finds that any Contractor has breached the requirements of this Code or the provisions of the declarations, the Company may require remedial action and may suspend or terminate its relations with such Contractor.

### Risk Management and Internal Control Policy

<https://www.phosagro.ru/upload/iblock/e9c/e9c94f7f045dfc6cb897858e405bd44e.pdf>





## Conflict of Interest

### *Our Principles*

Timely identification of conflicts of interest in activities of the Company's employees is one of the key elements of corruption offenses prevention. The Company has developed a system for regulating and preventing conflicts of interest in activities of the Company's employees as well as possible adverse implications of such conflicts for the Company.

### *Principles applicable to Contractors*

The Company expects its Contractors and their employees to immediately inform the Company about any actual or potential conflict of interest between the Contractor and the Company (their employees), including via the Company's Hot Line. As the case may be, Contractors may need to take appropriate measures to resolve the conflict of interest or to address a situation requiring particular attention.

### Regulations on Conflict of Interest

[https://www.phosagro.ru/upload/docs/about\\_conflict\\_of\\_interests.pdf](https://www.phosagro.ru/upload/docs/about_conflict_of_interests.pdf)

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## Fair Competition

### *Our Principles*

The Company's key principle is legitimate, competitive and transparent procurement. In competitor relations, the Company is committed to mutual respect and refrains from unfair competition and unethical business practices to gain competitive advantages, including industrial espionage, slander and commercial bribery. The Company complies with all the relevant Russian and foreign anti-trust laws.

### *Principles applicable to Contractors*

The Company expects that both its employees and other persons involved in its activities, including representatives of Contractors, should endeavour to meet the criteria of ethical and good faith conduct supporting fair competition. Contractors shall refrain from any form of unfair competition as provided by applicable anti-corruption legislation, the Competition Protection Law and competition regulations.

Procurement Policy  
<https://www.phosagro.ru/procurement/policy/>

Code of Ethics  
[https://www.phosagro.ru/upload/docs/ethics\\_code.pdf](https://www.phosagro.ru/upload/docs/ethics_code.pdf)

## Countering Corruption

### *Our Principles*

The Company aims to comply with the generally accepted business ethics standards and assigns high priority to development, implementation and subsequent control of anti-corruption procedures. Suspected violations of the Russian anti-bribery and corruption laws may damage the Company's reputation.

### *Principles applicable to Contractors*

We acknowledge that any violation of law is a threat to successful business development and try to minimize the risk of business relations with our Contractors who may be involved in corrupt practices. This principle is implemented through verification of Contractors' reliability, availability of Contractors' own procedures and policies to counter fraud and corruption, their willingness to comply with anti-corruption laws, to include an anti-corruption clause in contracts, and to cooperate in the area of fraud and corruption prevention.

Anti-Corruption Policy  
<https://www.phosagro.ru/upload/docs/anti-corruption.pdf>

Code of Ethics  
[https://www.phosagro.ru/upload/docs/ethics\\_code.pdf](https://www.phosagro.ru/upload/docs/ethics_code.pdf)

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## Inside Information

### *Our Principles*

The Company prohibits persons having access to inside information from making transactions using such information, disclosing it in violation of the relevant rules, recommending or inducing other persons to make insider transactions, as well as from engaging in market manipulation. The Company defines “inside information” as precise information, not public, which, if public, would have a significant effect on the price of the Company’s shares.

### *Principles applicable to Contractors*

Upon receipt of the Company's notification on inclusion of the Contractor or its employees in the list of the Company's insiders, the Contractor (or its employees) shall not perform transactions using inside information, disclose inside information in violation of established rules, recommend or induce other persons to perform insider transactions, or engage in market manipulation regardless of whether such information was received in the course of works performed for the Company or jointly with the Company.

Regulations on Inside Information  
<https://www.phosagro.ru/ori/phosagro/inve-vnutrennie-dokumenty-obshchestva/>





## Equal Employment Opportunity

### *Our Principles*

The Company's purpose is to engage highly experienced staff and efficient head officers for their maximum professional development. The Company's approach to personnel selection is based on permanent monitoring of the labour market of Russia, near and far-abroad countries, for engagement of highly skilled staff and efficient head officers with work experience in the world's leading companies, who are always ready to stay ahead of the curve and make with confidence plans for the future. PJSC PhosAgro acknowledges its commitment to equal opportunities. Recruitment, promotion, salary, benefits and allowances depend entirely on the employee's professional qualifications, efficiency, skills and experience.

### *Principles applicable to Contractors*

Contractors shall not discriminate against any applicant or employee. In particular, the Company expects its Contractors to refrain from any discrimination on grounds of gender, color, religion, sexual orientation or disability. The Company declares that it may refuse to cooperate with Contractors and business partners who allow discrimination and forced labour against their employees and employees of their contractors.

Personnel  
Management Policy  
[https://www.phosagro.ru/upload/docs/hr\\_policy.pdf](https://www.phosagro.ru/upload/docs/hr_policy.pdf)

Code of Ethics  
[https://www.phosagro.ru/upload/docs/ethics\\_code.pdf](https://www.phosagro.ru/upload/docs/ethics_code.pdf)

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## Requirements for Salary and Working Time

### *Our Principles*

In its business, the Company is committed to respecting legal labour rights of its employees, recognizing the right of employees to decent remuneration for their work, and encouraging employees to be successful in their labour activity.

### *Principles applicable to Contractors*

The Company expects its Contractors to recognize labour rights as an integral part of human rights, including the right to decent remuneration for work.

Contractors shall set working hours, salary and overtime pay as provided by relevant laws. Contractors shall pay salaries at least equal to the existing minimum wage. While the Company admits that overtime may be needed, it expects Contractors to operate in such a way as to limit the overtime work to a level that meets the standards of decent and productive working conditions.

Personnel  
Management Policy  
[https://www.phosagro.ru/upload/docs/hr\\_policy.pdf](https://www.phosagro.ru/upload/docs/hr_policy.pdf)

Modern Slavery  
Statement  
[https://www.phosagro.ru/upload/docs/About\\_modern\\_sl.pdf](https://www.phosagro.ru/upload/docs/About_modern_sl.pdf)

Tender Participant  
Declaration /  
Electronic Trading  
Platform

## Safe Working Environment

### *Our Principles*

The Company's goal is to ensure a workplace environment free of any constraints or limitations on the grounds of nationality, gender, age, religion and other criteria protected by the relevant laws. The Company expects its employees to demonstrate professional behavior and show respect for colleagues and other persons, including clients, suppliers and other stakeholders. Any restrictions of employee work-related rights are unacceptable.

### *Principles applicable to Contractors*

Contractors shall ensure a work environment free of insults, violence, threats, destructive and other antisocial behaviour and shall not tolerate harassment or other disrespectful behavior, including sexual harassment, discrimination and bullying.

Personnel  
Management Policy  
[https://www.phosagro.ru/upload/docs/hr\\_policy.pdf](https://www.phosagro.ru/upload/docs/hr_policy.pdf)

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## Freedom of Association

### *Our Principles*

The Company does not prohibit the employees from being politically active, including membership in parties or non-governmental organizations, provided that such activities are carried outside business hours and the Company's assets are not used.

### *Principles applicable to Contractors*

The Company expects that its Contractors will also allow its employees to legally establish and join organizations and engage in peaceful activities.

Code of Ethics  
[https://www.phosagro.ru/upload/docs/ethics\\_code.pdf](https://www.phosagro.ru/upload/docs/ethics_code.pdf)

## Child Labour

### *Our Principles*

The Company declares that neither the Company, nor its S&A accept and allow any forms of child labour. As part of regular risk review, each subsidiary of the Company performs an assessment aimed at identifying the risks associated with the use of child or forced labour in its own activities and the activities of its Contractors.

### *Principles applicable to Contractors*

The Company only works with Contractors who do not tolerate child labor.

Modern Slavery Statement  
[https://www.phosagro.ru/upload/docs/About\\_morern\\_sl.pdf](https://www.phosagro.ru/upload/docs/About_morern_sl.pdf)



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## Human Trafficking and Slavery

### *Our Principles*

The Company guarantees that all its staff is employed on a voluntary basis; forced labour is prohibited at all enterprises of the Company. The Company regularly reviews the risks associated with slavery, forced labour and human trafficking, as well as other violations of fundamental human rights and freedoms in the Company's operations and supply chain.

### *Principles applicable to Contractors*

The Company declares its potential refusal to cooperate with Contractors, business partners, allowing forced labour and discrimination against their employees or employees of their counterparties.

Personnel Management Policy

[https://www.phosagro.ru/upload/docs/hr\\_policy.pdf](https://www.phosagro.ru/upload/docs/hr_policy.pdf)

Modern Slavery Statement

[https://www.phosagro.ru/upload/docs/About\\_modern\\_sl.pdf](https://www.phosagro.ru/upload/docs/About_modern_sl.pdf)

Code of Ethics

[https://www.phosagro.ru/upload/docs/ethics\\_code.pdf](https://www.phosagro.ru/upload/docs/ethics_code.pdf)



## Occupational Health and Safety

### *Our Principles*

The Company treats human life as the key value. Profit shall not prevail over safety and health. Occupational safety and health are among the Company's main priorities. The Company regularly improves its staff knowledge of EHS issues.

### *Principles applicable to Contractors*

Contractor safety management is an integral part of the Company's safety culture. This is conditioned both by general human concepts, and numerous instances where dangerous actions of contractors resulted in significant negative impacts for customers. The Company declares the principle of "one workforce". This principle means that Contractors' employees are involved in efforts to create a safety culture to the same extent as the Company's employees. From 2020, PhosAgro has been estimating reported injury rates with due account of the Company's Contractors. PhosAgro's strategic health and safety goal of zero fatalities covers, along with its own personnel, the personnel of Contractors. PhosAgro includes health and safety issues in the criteria for evaluating its Contractors and expects its partners to be active and responsible in this area.

**Code of Ethics**  
[https://www.phosagro.ru/upload/docs/ethics\\_code.pdf](https://www.phosagro.ru/upload/docs/ethics_code.pdf)

**Occupational Health and Labour Protection Strategy**  
[https://www.phosagro.ru/upload/docs/Labor\\_protection\\_strategy.pdf](https://www.phosagro.ru/upload/docs/Labor_protection_strategy.pdf)

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## Minimizing Environmental Impact

### *Our Principles*

Large-scale industrial companies, undoubtedly, make wastewater discharges and air emissions. The Company accepts its social responsibility and seeks to reduce its environmental footprint, including the supply/consumer chain. The Company develops and implements environmental initiatives to minimize pollution and prevent negative environmental impacts due to potential accidents and emergencies, applies resource-saving technologies and gradually mitigates adverse environmental and health impacts. The Company complies with the Russian and international environmental laws and standards applicable to industrial operations and waste disposal. The Company seeks to mitigate negative impacts on climate, biodiversity and water availability.

### *Principles applicable to Contractors*

Environmental responsibility is an integral part of the Company's criteria for evaluating its Contractors. The Company expects its Contractors to monitor and control their environmental impact, comply with and implement all applicable requirements of Russian and international environmental legislation, seek to minimize greenhouse gas emissions and participate in initiatives to promote environmental responsibility, efficient waste management and sustainable use of natural resources, including water.

Environmental Protection Policy  
[https://www.phosagro.ru/upload/docs/environmental\\_protection.pdf](https://www.phosagro.ru/upload/docs/environmental_protection.pdf)

Code of Ethics  
[https://www.phosagro.ru/upload/docs/ethics\\_code.pdf](https://www.phosagro.ru/upload/docs/ethics_code.pdf)

Procurement Policy  
[https://www.phosagro.ru/upload/docs/procurement\\_policy.pdf](https://www.phosagro.ru/upload/docs/procurement_policy.pdf)





## Confidentiality and Data Protection

### *Our Principles*

The Company maintains confidentiality and integrity of information relating to or owned by the Company, its employees, partners and partners' employees, as well as other persons who interact with the Company. The Company protects personal data and other confidential information in all forms it deems appropriate.

### *Principles applicable to Contractors*

The Company expects its Contractors to ensure mutual confidentiality of information classified as confidential (including personal data of the Company's employees, partners, representatives of the Company's contractors, shareholders and investors, and information classified as commercial secret of the Company or its contractors). Contractors are obliged to process and disclose confidential information and personal data obtained in relations with the Company, only upon consent and instruction of the Company and in accordance with applicable law and regulations. Contractors are responsible for protecting personal data and confidential information from unauthorized and illegal use, disclosure, access, loss, modification, damage and destruction.

**Code of Ethics**  
[https://www.phosagro.ru/upload/docs/ethics\\_code.pdf](https://www.phosagro.ru/upload/docs/ethics_code.pdf)

# Confirming Consent to this Code Provisions

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## Contractors addressed by this Code agree to:

- ✓ comply with the requirements established by this Code;
- ✓ comply with applicable laws and regulations in the country or countries where they operate.