

APPROVED:

By Resolution of BMS Consulting Ltd. Director

no. 19-OD dated 7 July 2015

ANTI-CORRUPTION PROGRAMME

BMS CONSULTING LTD.

Corporate registration number 24932263

Kiev 2015

# ANTI-CORRUPTION PROGRAMME

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# 1. BMS Consulting Ltd. Anti-Corruption Programme Scope and Subjects

This Anti-Corruption Programme (the Programme) is based on the Constitution of Ukraine, Corruption Prevention Law of Ukraine, and other Ukrainian laws and regulations.

The Company Anti-Corruption Programme provisions shall govern all individuals who intend to be, are or were employed by the Company.

For the purpose of this Company Anti-corruption Programme, the terms shall have the following meanings:

The Company: BMS Consulting Ltd.;

The Company Employee: any individual having labour relations with the Company;

The Anti-corruption Officer: the Company officer responsible for corruption prevention and Anti-corruption Programme implementation in the Company;

Direct subordination: relations of direct organizational or legal dependence of a subordinate person on his/her superior including through the adoption of decisions (participation in the adoption of decisions) on matters of hiring, dismissal, application of incentives and disciplinary penalties, giving of instructions and commissions, and supervision over the fulfilment thereof;

Close persons: the persons who live together, are connected by common household and have mutual rights and obligations with the subject stipulated in part one of Article 3 of Corruption Prevention Law of Ukraine (excluding persons whose mutual rights and obligations with the subject do not have family nature), including persons who live together but are not married to each other, as well as, regardless of the above, husband, wife, father, mother, step-father, step-mother, son, daughter, step-son, step-daughter, whole brother, whole sister, grandfather, grandmother, great-grandfather, great-grandmother, grandson, granddaughter, great-grandson, great-granddaughter, son-in-law, daughter-in-law, father-in-law, mother-in-law, adopter, adopted, custodians, caregivers, persons under custody and care of the above subjects;

Corruptive offence: deliberate action exhibiting signs of corruption, committed by a person stipulated by part one of Article 3 of Corruption Prevention Law of Ukraine, for which the law established criminal, administrative, civil, and/or disciplinary liability;

Corruption: use by a person stipulated by part one of Article 3 of Corruption Prevention Law of Ukraine, of entrusted official authority and of opportunities associated with such authority, for the purpose of gaining illegal benefit, or acceptance of a promise / offer of such benefit for him/herself or for other persons, or respectively, a promise / offer or provision of illegal benefit to a person stipulated by part one of Article 3 of Corruption Prevention Law of Ukraine, or upon his/her demand, to other physical persons or legal entities, with the purpose of inducing such person to unlawfully use entrusted to him/her official authority and the opportunities associated with such authority;

Illegal benefit: pecuniary funds or other assets, advantages, perks, services, or intangible assets promised, offered, provided, or received without lawful grounds;

Potential conflict of interest: existence of personal interest of a person in the field of his/her

official or representative duties, which may affect the objectivity or impartiality of adopted decisions, as well as actions or inaction in the course of performing the entrusted duties;

Gift: pecuniary funds or other assets, advantages, perks, services, or intangible assets given/received without payment or at a price below the minimum market price;

Corruption-related offence: any action not exhibiting signs of corruption but violating requirements, prohibitions and restrictions under the current legislation, committed by a person stipulated by part one of Article 3 of Corruption Prevention Law of Ukraine, for which the law established criminal, administrative, civil, and/or disciplinary liability;

Private interest: any property or non-property interest of a person including those caused by personal, family, friendship or other outside-of-duty relationships with individuals or entities, including relationships arising from membership in civil society, political, religious or other organisations;

Actual conflict of interest: contradiction between private interests of a person and his/her official or representative duties, which affects the objectivity or impartiality of adopted decisions, as well as actions or inaction in the course of performing the entrusted official duties;

Special corruption prevention authorities: prosecution agencies, internal affairs agencies of Ukraine, the National Anti-corruption Bureau of Ukraine, the National Corruption Prevention Agency of Ukraine.

## **2. Exhaustive List and Description of Anti-corruption Activities, Standards, Procedures, and Arrangement for their Implementation (Application), in Particular, the Arrangement for Periodic Assessment of the Corruption Risks in the Company Business.**

The Company shall perform the following anti-corruption activities in the course of its business:

- Analyse compliance with the Corruption Prevention Law of Ukraine;
  - Verify the Employees' compliance with the Corruption Prevention Law of Ukraine;
  - Debrief the Employees at the meetings on anti-corruption legislation compliance status in business units;
  - Perform corruption prevention activities;
  - Replenish and timely update anti-corruption materials, communicate to the Company Employees;
- Remedy any corruptive offence detected.

The Company Employees shall adhere in their activities to the respective job descriptions and/or job-related instructions and/or to the current Ukrainian legislation; the Employees may not violate provisions of job descriptions, job-related instructions, Company directives, resolutions and regulations, and anti-corruption and other laws and regulations of Ukraine.

The Company Employees:

- May neither commit nor participate in corruptive offences related to the Company activity;
- Shall refrain from behaviour that may be deemed readiness to commit a corruptive offence related to the Company activity;
- Shall promptly notify the Anti-corruption Officer or Director on any incitement to corruptive offence related to the Company activity;
- Shall promptly notify the Anti-corruption Officer or Director on any corruptive or corruption-related offence committed by any Company Employee or any other person;
- Shall promptly notify the Anti-corruption Officer and/or Director on any actual or potential conflict of interest.

Company employee reaction on illegal benefit or gift offer.

Should any Company Employee be approached with illegal benefit offer he/she shall reject it and within three business hours notify the Anti-corruption Officer thereon.

If any pecuniary funds or other assets, advantages, perks, services are provided to a Company Employee as a gift, i.e. without pay or at a price below the minimum market price and in connection with performing the duties entrusted by the Company, he/she shall reject it and within the next business day notify the Anti-corruption Officer thereon.

The Anti-corruption Officer shall be notified by an office memorandum executed by the said Employee and not to be recorded in the Company outgoing mail log if he/she so wishes.

Should the notification within the timeframe specified be impossible it shall be made promptly on elimination of obstacles or termination of circumstances preventing timely notification.

Conflict of interest external settlement options:

- Elimination of the private interest resulting in the conflict of interest;
- Company Employee removal from decision-making (participation in decision-making) or acting in the conflict of interest situation;
- Company Employee transfer to another position or dismissal;
- Decision-making or acting in the conflict of interest situation under external control.

### **3. Company Code of Ethics. Company Officers' Obligations in the Line of Duty.**

Each Company Employee shall adhere in the line of duty to the respective job descriptions, job-related instructions, Company directives, resolutions and regulations, and anti-corruption and other laws and regulations of Ukraine.

The Company officers:

- May neither commit nor participate in corruptive offences related to the Company activity;

- Shall refrain from behaviour that may be deemed readiness to commit a corruptive offence related to the Company activity;
- Shall promptly notify the Anti-corruption Officer or Director on any incitement to corruptive offence related to the Company activity;
- Shall promptly notify the Anti-corruption Officer and/or Director on any corruptive or corruption-related offence committed by any Company Employee or any other person;
- Shall promptly notify the Anti-corruption Officer and/or Director on any actual or potential conflict of interest.

#### **4. Company Employees and Founders (Shareholders) Rights and Obligations with regards to Preventing and Counteracting Corruption in the Company Activity.**

The Company officers and executives, other persons working and having labour relationships with the Company:

- May neither commit nor participate in corruptive offences related to the Company activity;
- Shall refrain from behaviour that may be deemed readiness to commit a corruptive offence related to the Company activity;
- Shall promptly notify the Anti-corruption Officer or Director on any incitement to corruptive offence related to the Company activity;
- Shall promptly notify the Anti-corruption Officer and/or Director on any corruptive or corruption-related offence committed by any Company employee or any other person;
- Shall promptly notify the Anti-corruption Officer and/or Director on any actual or potential conflict of interest.

Rights of the Company officers and executives, persons working and having labour relationships with the Company, and other persons.

In addition to the rights granted by Constitution of Ukraine, the Corruption Prevention Law of Ukraine, other Ukrainian laws and regulations any Company Employees shall be entitled to the following:

- Right to reject any instruction (resolution, directive, etc.) to commit a corruptive offence or to accept an illegal benefit or gift;
- Transfer (subject to prior consent) to another location, business unit, town (village) to the position not inferior and remuneration not lower than the present;
- Oral or written advice on application of anti-corruption standards and procedures related to the Company activity;
- Non-disclosure of confidential information on corruptive or corruption-related offence provided by him/her.

#### **5. Rights and Obligations of Anti-corruption Officer in charge**

## **of Corruption Prevention and His/Her Subordinates.**

The Anti-corruption Officer is the Company executive appointed under procedure stipulated by duly approved Anti-corruption Programme by the shareholders (founders) general meeting resolution or by the Company director or shareholders (founders) directive under Ukrainian labour laws and regulations.

A person having the adequate business and ethical qualities, skill and health level to perform the respective duties may be appointed the Anti-corruption Officer.

A person may not be appointed Anti-corruption Officer if he/she:

- Has a conviction neither expunged nor removed from records according to current legislation;

- Recognised legally incapable or having limited legal capacity by the court ruling;

- Dismissed from state authorities, Republic of Crimea government bodies, local administrative bodies for oath-breaking or in connection with committed corruptive or corruption-related offence - within three years on dismissal;

- Anti-corruption Officer activity is incompatible with the tenure of offices listed in the Corruption Prevention Law of Ukraine, Article 3, part one, section 1, as well with as any activity creating actual or potential conflict of interest with the Company activity.

Should the incompatibility circumstances arise, the Anti-corruption Officer shall within two days notify the Company Director thereon and apply for resignation.

The Anti-corruption Officer may be dismissed prematurely in the following cases:

- Termination of employment agreement due to Anti-corruption Officer's resignation;

- Termination of employment agreement by the Company management or shareholders (founders);

- Inability to perform his/her duties for health reasons based on the opinion of the medical board established by decision of a specially authorised central executive administration body implementing the state health care policy;

- Court ruling coming into effect recognising him/her legally incapable or having limited legal capacity, missing or deceased;

- Judgment of his/her conviction coming into effect;

- Death.

The Director shall notify the National Agency on Anti-corruption Officer dismissal within two business days and shall promptly move a new candidate for this position.

The Anti-corruption Officer's rights shall comply with current legislation including but not limited to:

- Obtaining the Company employees' representations to verify information on incitement to corruptive offences or on corruptive or corruption-related offences committed by employees or other persons;



- Free access to all Company premises and territories owned by the Company or used for Company business;

- Free copying of all documents necessary to perform the duties entrusted to Anti-corruption Officer.

The Anti-corruption Officer's obligations shall comply with current legislation including but not limited to:

- Supervision, control and monitoring of the Company employees conformance with Anti-corruption Programme;

- Proactive measures in the Company aimed on corruption detection and prevention;

- Training the Company employees from time to time on anti-corruption legislation;

- Measures to prevent any possibility of a conflict of interest among the Company employees;

- Oral and written advice on anti-corruption standards and procedures application;

- Collection, processing and verification of information on incitement of the Company employees to corruptive offences and on corruptive or corruption-related offences committed by employees or other persons;

- Protecting confidentiality of information on corruptive or corruption-related offences;

Other functions and obligations may be entrusted to the Anti-corruption Officer according to the Company Anti-Corruption Programme.

## **6. Anti-corruption Officer Reporting to the Entity Shareholders (Founders)**

Upon the Company shareholders (founders) written request the Anti-corruption Officer shall draft the Anti-corruption Programme implementation report.

## **7. Due Supervision, Control and Monitoring of the Company Conformance with Anti-Corruption Programme, and Assessment of the Measures Thereunder**

The general meeting of the Company shareholders (founders) shall review the Anti-corruption Programme implementation report and assess the outcomes of due supervision, control and monitoring of the Company conformance with Anti-corruption Programme.

The meeting resolutions and/or comments upon reviewing the Anti-corruption Programme implementation report shall be bounding for all Company employees and Anti-corruption Officer.

## **8. Confidentiality Provisions for Informing the Anti-corruption Officer by the Employees on Incitement to Corruptive Offence or on Corruptive or Corruption-Related Offences**

## **Committed by Other Employees or Persons.**

The information on incitement to corruptive offence or on corruptive or corruption-related offences committed by other employees of persons received by Anti-corruption Officer from the Company employees shall be deemed confidential and may be neither disclosed nor transferred to any third persons (Company management, law-enforcers, etc.) except when required by current legislation.

In the event of illegal disclosure of confidential information any person including Anti-corruption Officer may be arraigned on a criminal, administrative or disciplinary charge under current legislation.

## **9. Protection for Employees Informing on Corruptive or Corruption-Related Offence.**

The Company shall establish Anti-corruption Officer's personal responsibility for protecting confidentiality of information on corruptive or corruption-related offences.

To comply with current legislation and to avoid negative consequences related to disclosure of confidential information the Company shall provide for the following:

- The employee who informed on corruptive or corruption-related offence may be transferred subject to his/her consent to another location;
- Other Company employees including the officers bear personal responsibility for disclosure of confidential information on corruptive or corruption-related offence, which became known to them during execution of their job or official duties.

## **10. Anti-corruption Officer Notification by the Employees on an Actual or Potential Conflict of Interest; Detected Conflict of Interest Settlement Procedure.**

Timeframe and Procedure of Actual or Potential Conflict of Interest Notification.

Each Company employee shall notify the Anti-corruption Officer on any actual or potential conflict of interest within two business days but not later than making any decision or taking any action under conflict of interest circumstances.

The notification shall be an office memorandum in writing and not to be recorded in the outgoing mail log of the business unit he/she works in if the said Employee so wishes.

The notification may be delivered to Anti-corruption Officer by hand, sent by fax or e-mailed.

The anti-corruption Officer shall settle the conflict of interest externally upon the Director's approval.

Other Company employees may be involved in external settlement of the conflict of interest, also without informing them on all case details.

Conflict of interest settlement options.

Elimination of the private interest, which resulted in the conflict of interest; Company employee removal from decision-making (participation in decision-making) or acting in the conflict of interest situation;

Company Employee transfer to another position or dismissal;

Decision-making or acting in the conflict of interest situation under external control.

## **11. Anti-corruption Officer Individual Consulting on Application of Anti-corruption Standards and Procedures.**

The Anti-corruption Officer may provide oral or written advice on application of anti-corruption standards and procedures related to the Company activity.

Anti-corruption Officer may not refuse to give an advice on application of anti-corruption standards and procedures if those are related to the Company activity.

Anti-corruption Officer may not be held liable for provided advices on application of anti-corruption standards and procedures related to the Company activity if current legislation does not specify action mechanism or if there is no best practice on the specific legal relations.

Timeframe and Procedure for Obtaining Anti-corruption Officer's Oral Advice.

Oral advice shall be provided at face-to-face meeting between the employee and Anti-corruption Officer.

An oral advice may be provided by phone.

The oral advice shall be provided within three business days but in any case before the event that necessitates the use of the advisory information by the employee.

Should the Anti-corruption Officer need to research some aspects of the laws governing the requested information (advice) or to obtain third-parties responses, the oral advice timeframe may be extended by maximum one month.

The Anti-corruption Officer shall inform the employee on the said extension within the timeframe set for oral advice.

To provide impartial advice the Anti-corruption Officer may seek information from other Company employees, business units and third-parties.

Timeframe and Procedure for Obtaining Anti-corruption Officer's Written Advice.

The request for written advice shall be given to Anti-corruption Officer in the form of an office memorandum.

The office memorandum requesting an advice on anti-corruption standards and procedures application may be delivered to the Anti-corruption Officer by hand or sent by fax or e-mail. The written advice shall be provided within seven business days but in any case before the event that necessitates the use of the advisory information by the employee.

Should the Anti-corruption Officer need to research some aspects of the laws governing the requested information (advice) or to obtain third-parties responses, the written advice timeframe may be extended by maximum one month.

The Anti-corruption Officer shall inform the employee on the said extension within the timeframe set for written advice.

To provide impartial advice the Anti-corruption Officer may seek information from other Company employees, business units and third-parties.

## **12. Employees Periodic Training on Corruption Prevention and Counteraction.**

Periodic employee competence development. Development of employees competence in corruption prevention and counteraction may be arranged by the Anti-corruption Officer whenever necessary in the form of workshops and trainings in the Company.

The Anti-corruption Officer shall draft the competence development workshop/training schedule in advance.

The competence development workshop/training schedule shall be approved by the Director.

Anti-corruption Officer shall notify the Director on competence development workshop/training to be carried out and provides to him the complete set of training materials not later than 14 days in advance.

The periodic employee competence development may be arranged by groups or by stages with consideration of the workflow continuity.

## **13. Application of Disciplinary Actions to Employees Violating the Anti-Corruption Programme Provisions.**

Procedures for bringing employees to disciplinary liability.

The following disciplinary actions may be applied to employees violating the Anti-corruption Programme provisions: written reprimand; dismissal; other disciplinary actions under current legislation.

Any Company employee who committed Anti-corruption Programme violation shall give explanation thereon.

The disciplinary action shall be applied with consideration of violation seriousness and damage related thereto, violation circumstances and previous work experience of the violator.

The disciplinary action shall be announced in a directive (resolution) and communicated to the employee against signed receipt or announced at the Company assembly (meeting).

## **14. Reaction on Detected Corruptive or Corruption-Related Offences, in Particular, Notifying Anti-corruption Governmental Bodies; Carrying out Internal Investigations.**

Upon consideration of information on incitement to corruptive offence or on corruptive or corruption-related offences committed by Company employees the Anti-corruption Officer shall report to the Company Director thereon.

Upon receipt of information on incitement to corruptive offence or on corruptive or

corruption-related offences committed by Company employees the Anti-corruption Officer shall examine the related facts (carry out an internal investigation).

During the said examination (internal investigation) the Anti-corruption Officer shall collect information in the form of explanations, statements, office memoranda and other case-related documents.

The investigation may be carried out individually by Anti-corruption Officer and/or by a committee. The committee shall be convened by the Director or shareholders (founders) general meeting resolution, and shall be chaired by Anti-corruption Officer.

The examination (internal investigation) shall be completed within one month of the day following the day of receipt of the information on incitement to corruptive offence or on corruptive or corruption-related offences committed by Company employees.

The investigation timeframe may be extended up to 45 days.

In connection with the decision to extend the examination (internal investigation) the Anti-corruption Officer shall draft a report to the Company Director in the form of an office memorandum substantiating such extension.

Examination (internal investigation) outcomes shall be reported in the form of an office memorandum.

The report shall comprise the studied circumstances, detected facts and conclusions. The report on examination (internal investigation) shall also comprise recommendations on the Company employees dismissal or bringing to liability, and, if any corruptive actions actually occurred, the respective remedies.

The Company employee shall promptly notify the following persons on any corruptive or corruption-related offence:

The Company employee shall notify the Anti-corruption officer and/or Director on any corruptive or corruption-related offence within the timeframe set in the Anti-corruption Programme.

## **15. Anti-Corruption Programme Amendment Procedure.**

Any amendments to the Company Anti-corruption Programme shall be approved by the Director or shareholders (founders) general meeting resolution.

The amendments may be initiated by:

The shareholders (founders) general meeting; the Company Director; the Anti-corruption Officer;

BMS Consulting Ltd. Director