

# MQS LLC

## Business Ethics Guidelines

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# Business Ethics Guidelines

## I. BUSINESS ETHICS GUIDELINES

### A. Integrity

Integrity and honesty are our core values in all our business processes and interactions. We act in integrity and honesty in all our relations with the employees and stakeholders.

### B. Confidentiality

Private and confidential information includes information that might lead to a competitive disadvantage of MQS, trade secrets, financial and other information that has not been publicly disclosed, employee personal information, and information within the framework of "confidentiality agreements" enacted with third parties.

As MQS team, we give utmost importance to protecting the privacy of our customers, employees and other associated individuals and companies and the confidentiality of their information. We protect confidential information regarding the activities of MQS, use this information only for the purposes of MQS, and share this information only with relevant authorized parties.

We strictly forbid insider trading, or gaining any financial or commercial interest through disclosing confidential information belonging to MQS. When ending employment with the Company, nobody is allowed to take with him/her confidential documents, projects, regulations, etc. that were confined to him/her due to his/her position.

### C. Conflict of Interest

As MQS strictly adheres to the rule of avoidance of situations and relationships that involve conflict of interest. Nobody within MQS team may use his/her present position to obtain any benefits personally or through their families and relatives, from people and companies with whom MQS has business relations. Nobody within MQS team may engage themselves in any business activity aimed to gain personal financial benefit outside MQS which leads or may lead to conflict of interest. MQS employees, contractors and sub-contractors shall refrain from using the name and power of MQS and MQS identity to gain personal benefit.

In cases of potential conflicts of interest, when we believe that interests of the relevant parties may be safely protected by legal and ethical methods, we adopt these methods. When in doubt, relevant supervisor or a partner shall be consulted with.

### D. Our Responsibilities

In addition to our legal responsibilities, we give utmost importance to fulfill the following responsibilities vis-a-vis our customers, employees, stakeholders, suppliers and business partners, competitors, the community, humanity, and to the name of MQS.

#### 1. Our Legal Responsibilities

We execute all our domestic and international activities and procedures within the framework of the laws of the Republic of Azerbaijan and international law, standards and best available practice patterns; and we submit all required information to regulatory authorities and institutions in a correct, complete, clear and timely manner.

In executing all activities and procedures, we do not expect any benefit from, and keep an equal distance to all public institutions and organizations, administrative bodies, non-governmental organizations, and political parties; and we fulfill our liabilities with a sense of responsibility.

## **2. Our Responsibilities Towards Our Customers**

We adopt an approach which is focused on customer satisfaction and proactive in responding to customers' needs and demands in an appropriate and timely manner. We deliver our services on time and under the promised conditions; we approach our customers with respect, honor, fairness, equality, and courtesy.

## **3. Our Responsibilities Towards Our Employees**

We enable our employees to use their personal rights fully and correctly. We approach employees with honesty and fairness; and ensure a non-discriminatory, safe, and healthy working environment. We undertake the necessary efforts to enable personal development of our employees; with a social awareness support them in volunteering for appropriate social and community activities; and respect and assure the balance between their private and professional lives.

## **4. Our Responsibilities Towards Our Suppliers/Business Partners**

We act respectfully and fairly as expected from a good customer, and ensure to fulfill our liabilities on time. We carefully protect the confidential information pertaining to the persons, organizations and our business partners.

## **5. Our Responsibilities Towards Our Competitors**

We compete effectively, only in areas that are legal and ethical, and avoid unfair competition.

We support all efforts to construct a competitive structure targeted within the society.

## **6. Our Responsibilities Towards the Community, Society and Environment**

We act in a responsive and sensitive manner in Azerbaijan and towards the customs and culture of those countries where we undertake international projects. We do not offer and accept bribes, or offer and accept gifts in forms of products or services, etc. beyond commonly accepted reasonable limits.

## **7. Our Responsibilities Concerning the Company Name**

We offer our services within the framework of company policies and guidelines, professional standards, our commitments, and ethical codes; and we ensure to fulfill our liabilities.

We seek to work with customers, business partners, and employees demonstrate integrity and legitimacy. We aim not to collaborate with those impairing social ethics, and damaging the environment or public health.

When faced with complicated situations that may jeopardize MQS, we consult first with the relevant personnel, following the appropriate technical and administrative consulting procedures.

## **II. RULES OF PRACTICE**

### **1. Activities That Might Create Conflict of Interest**

All company employees are required to fully comply with the situations which are defined below as activities that might create conflict of interest, and the below established principles. The company undertakes the necessary efforts to encourage employees to abide by these principles.

#### **i. Engaging in Activities That Might Create Conflict of Interest**

Employees shall in no way enter a business relationship with their family members, friends, or third parties that offers them reciprocal or non-reciprocal benefit. For example, an employee with purchasing authority should avoid doing business with a supplier where a family member is employed. Exceptional circumstances require the knowledge and approval of the company Partners. In the same respect, company employees should also be careful against possible conflict of interest that may arise due to family members working for the competitor.

It is fundamental that Employees of MQS shall not conduct activities, directly or indirectly, that may require them to register as an individual entrepreneur. Employees may work for third parties in return for a payment or a similar benefit during or outside their business hours as provided for by the labor laws with the condition that this activity:

- does not create any conflict of interest with their current role in MQS,
- complies with the business ethic guidelines and with the rules supporting these guidelines,
- does not have a negative impact on their performance at the company; and
- written approval from management is obtained.

The approval shall be granted by Managing Partner/Director.

Employees of MQS may not act as a member of the board or auditor in other organizations and companies without the approval of the management of the Company; and shall not accept positions with a competitor or companies with whom MQS has business relations. They may work at universities and non-governmental organization for social responsibility and charity purposes upon written approval of the management, as long as it does not hinder employee's responsibilities at the company.

Employees may give speeches and write professional articles in topics that are not related to the company or its operations, and that are not in conflict with the company's policies. Approval of the Director is needed to use company name in these activities.

Employees may personally offer financial or non-financial charity to third persons outside the company, and may be active in charity organizations.

## **ii. Professional Misconduct**

Any employee action that results in harm to the company through the use of one's authority with neglect and for one's own and/or relatives' interest shall not be tolerated.

Employees shall not obtain direct or indirect personal benefit from activities of the company and contracts that company is a party to.

Employees may not engage in actions or conduct that is immoral, illegal, or that is in conflict with the company discipline.

## **iii. Utilization of Resources**

In utilizing resources in the name of company, the interests of company shall be considered. Company assets, resources, and personnel shall not be used outside company under whatever name, or for the name or benefit of whoever unless company's interests are ensured. All personnel shall abide by the principle of "economy on all resources".

Correct utilization of resources in the interests of company also requires proper utilization of time. During working hours, company employees utilize their time effectively, and do not spend their time for personal business. Managers shall not assign personal tasks to employees.

In principle, guests and personal appointments are not welcomed during working hours. Employees should conduct meetings and interviews with essential visitors in accordance with the subject of the visit, and within a reasonable time not disrupting the business flow.

## **iv. Relation with Other Individuals and/or Organizations with Whom the Company Has Commercial Relations**

Private business relations cannot be established with, and personal debts and/or goods/services may not be received from company customers, contractors, or suppliers and other persons and/or organizations with whom company has commercial relations. Personal debts in the form of cash and/or goods/services cannot be given to other people and/or organizations with whom company has commercial relations.

The following factors should be considered in relationships with customers; even when the customer's benefit is concerned, no transaction may be conducted without the customer's knowledge and approval; and even when company's benefit is concerned, customer's vulnerabilities shall not be exploited and profit shall not be assumed through providing incomplete or incorrect information to the customer.

Company personnel shall not request or imply for gifts from any person and/or organization with which there is a business relationship, shall not accept any gifts, money, checks, properties, free holidays, special discounts, etc. that may put company under any obligation. Personal aid or donations may not be accepted from any person or organization having business relations with the company.

## **v. Relations with The Media**

Giving statements or interviews to any media organization, participating in seminars, conferences, etc. as a speaker requires approval from company management. No personal gains shall be received from such activities.

## **vi. Representing the Company**

Any fees that are due because of work done in representation of company in any association, in employers' unions and similar NGOs shall be donated to relevant institution or other channels as directed by the institution.

Payments made by third parties to a company employee for making a speech at seminars or similar services on behalf of MQS are also donated to the organization, or to channels as directed by the organization. These persons may receive awards, plaques, etc. with symbolic value given as commemoration of the day.

## **B. Giving and Accepting Gifts Guideline**

Employees of MQS shall refrain from accepting gifts or benefits that might influence their impartiality, decisions, and conduct; and from offering such gifts and benefits to third party persons and organizations. The rules of practice defined below, define the framework around exchanging of gifts between company employees and third-party individuals and organizations with whom a business relationship exist, and establish relevant principles to be followed by employees in such situations.

### **Rules of Practice**

**1.** Company employees are prohibited to receive any kind of benefits or gifts ("Gift"), with or without an economic value, that influence or might influence their impartiality, performance, and decision-making while carrying out their duties except if

(i) the Gift is of symbolic nature; and (ii) the total value of the Gift received in each calendar year from each individual/company does not exceed US\$ 50/or equivalent.

Under any circumstances, the company employee shall disclose acceptance of the Gift to its line manager and consult the Company Ethics compliance officer with respect to situations where the offered Gift does not conform to the above requirements.

**2.** It is forbidden to receive gifts or benefits that are openly or implicitly requiring reciprocation.

**3.** Receiving, giving, or suggesting bribes and/or commissions is not acceptable under any circumstance.

**4.** It is forbidden for company employees to accept unrequited money or to borrow money from sub-employers, suppliers, consultants, competitors or customers; or to request or accept these people and/or organizations to pay their travel expenses, activity expenses, or similar expenditures.

5. Gifts and promotional material supplied by company for customers, dealers, or other third parties in business relationships should be approved by company executives. Distribution of this approved gifts and promotional material does not require an additional approval.

6. With the condition that the terms stated in Article 2 are met, company may accept appropriate products and services as gifts; and products and services viewed appropriate for the culture of the recipient and ethical values may be given as gifts with the knowledge and approval of company executives.

7. In exceptional cases where local culture requires exchange of gifts that are above the values established by company policy, these gifts may only be accepted in the name of the company, and upon the approval of company executives. In all cases, exchange of gifts should be done in accordance with local culture.

### **C. Protecting Confidential Information Policy**

Information is among the most important assets that MQS will use in realizing its vision. Therefore, effective use of information, sharing it appropriately, and preserving its confidentiality, integrity, and accessibility are the joint responsibility of all our companies and employees. The compatibility of the management systems established and processes implemented to manage information and its confidentiality is very important in maximizing the benefit that the company shall receive. Details of practices regarding this issue are defined in Company Information Security Policy and associated documents. The following rules of practice define confidential information for MQS, and establish the principles that the employees must embrace concerning confidential information.

#### **Rules of Practice**

Confidential information includes, but is not limited to; brands, and other intellectual rights belonging to MQS, databases coded, discovered, developed, or deployed by the personnel, including all kinds of innovations, processes, advertisements, product packaging and labels, plans (marketing, product, technical), ultimate shareholding structures, business strategies, strategic partnerships and information on partnerships, financial information, personnel information, customer lists, product designs, know-how, specifications, identity of potential or actual customers, information on suppliers, and all such information either written, graphical, or readable on a machine.

Principles concerning confidential information are stated below:

1. This information may not be disclosed to third parties unless so required by the Official Authorities or Regulations in which case the disclosing party shall first consult with MQS as to the scope of expected disclosure and allow MQS the opportunity to object to the disclosure in accordance with applicable laws.
2. This information may not be copied, or destroyed. Necessary measures are taken to preserve, store, and protect them. Modifications to the information are recorded with dates.
3. Confidential files may not be taken out from the Organization. For those confidential documents and /or information that have to be taken away from office, employees need to act in accordance with the Company Information Security Policy.

4. Passwords, user codes, and similar identifying data used for access to company information are kept confidential and not disclosed to anyone other than authorized users.
5. Confidential information belonging to the company is not discussed in food halls, cafeterias, lifts, transport service vehicles or similar public places.
6. Confidential information are classified in accordance with the degree of confidentiality, and this is clearly mentioned in the content of the information. Company personnel know the degree of confidentiality of the information received in line with their duties, and act accordingly. In case where there is hesitation concerning the degree of confidentiality, higher level of confidentiality is adopted and the relevant manager is consulted as seen necessary.
7. If for the interests of company, sharing of company information with third party individuals and/or organizations is in question, a confidentiality agreement concerning information sharing is signed or a written pledge of confidentiality is received from the other party before the confidential information is disclosed, in order to ensure that these parties are aware of their responsibility in terms of the security and protection of those assets.
8. There shall be no unfounded statements and/or gossip made concerning individuals or organizations.
9. Wages/salaries, side benefits, and similar personnel information reflecting the company policy and that is private to individuals is confidential and may not be disclosed to anyone other than authorized people. Information concerning personnel are delivered in a way as to be private to the individual. It is strictly forbidden for the personnel to disclose these to others, or to apply pressure on other employees to have this information disclosed.

#### **D. Establishing and Preserving a Fair Working Environment Policy**

MQS considers the establishment and preservation of a fair working environment for the employees as an important priority. Through establishing a fair, healthy, and safe work environment in which employees are respected and all relevant laws and regulations are complied with, the intent is to improve and increase employee performance, development, and commitment. The following rules of practice define the basic principles in establishing and preserving a fair working environment at MQS.

##### **Rules of Practice**

1. Company practices are in accordance with all current laws and regulations concerning employment and working conditions. Company employees fulfill all legal requirements within the context of their activities, and act in accordance with legislation.
2. MQS human resources policies and practices ensure that all employment practices including recruitment, promotion-transfer-rotation, compensation, remuneration, social benefits, etc. are fair.
3. Any discrimination among employees within the organization based on language, race, color, gender, political opinion, creed, religion, sect, age, physical challenge and similar causes are not tolerated.
4. A positive and harmonious work environment is established within the Company to promote cooperation, and people with different creeds, beliefs, and opinions are enabled to work in harmony.



5. Private lives and personal spaces of employees are respected.

- Communications between individuals may not be violated by third persons.
- Even if recorded legally, it is forbidden to give/distribute/obtain personal data illegally.
- Personal information concerning personnel which are basis to and continuity of the employment relation may not be used outside their purpose and context or shared with third persons without the individual's consent.
- Private and family lives of all employees are respected.

6. In addition to all privacies of employees, physical, sexual, and emotional privacies are also protected.

- Violation of employees' privacies through physical, sexual, and/or emotional harassment in the workplace or in any other environment gathered for work purposes is against the laws and ethical codes; and Company will in no way tolerate this offense. The goal here is to enable employees to work in an environment where their physical, sexual, and emotional privacies are protected.
- Violating an individual's physical integrity by sexual advancements and/or sexually harassing an individual without physical contact is defined as sexual harassment. Accordingly; it is forbidden to display any behavior that can be defined within this context.
- Furthermore, persons who display a negative attitude or behavior towards those that raise a harassment complaint/notification or towards those who cooperate in such an investigation shall similarly not be tolerated.

7. No employee may demand any privilege based on a different gender, religion, language, or race; no one shall be privileged and be subject to special treatment. Giving or obtaining concessions because of differences in gender, religion, language, race, etc. is not accepted.

8. A healthy and safe physical working environment and conditions shall be established for all employees.

9. Is forbidden to come to work under the effect of alcohol or drugs, or substances with similar effect as well as to hold, consume offer or give for whatever reason any of the above mentioned at work and in the workplace.

10. Is not allowed to use threats, intimidation or other violence at work, or bring weapons – including those carried for sporting purposes – onto company premises.

### **III. REGULATIONS TO BE ENFORCED**

MQS may conduct business in international markets and therefore, company operations might be subject to laws and regulations of different countries. When faced with uncertainty and hesitation concerning ethics of doing business in different countries, initially the established regulations in the country of operation should be complied with. If complying with the regulations in the country and/or countries of operation shall have adverse consequences concerning the ethical values adopted by MQS, then we should seek solutions within our existing code of ethics and procedures.

## **IV. EMPLOYEES' RESPONSIBILITIES**

MQS relevant policies and procedures establish the ethical codes on how we should act and how we should do our jobs in detail. It is the primary responsibility of all employees to abide by these codes. Hence, all employees of MQS have the responsibility to:

- Act in accordance with laws and regulations under all circumstances;
- Read MQS Code of Business Ethics, learn, understand, internalize, and act in accordance with the codes, principles, and values therein;
- Learn the general and business-specific policies and procedures valid for company;
- Consult their manager or Human Resources about potential violations concerning self or others;
- Urgently report potential violations by self or others; notify manager, Ethics Compliance Officer, Human Resources and/or the Ethics Committee verbally or in writing either by disclosing one's identity or keeping it confidential;
- Follow the "Procedures and Methods to be Followed While Making an Ethical Decision" which is defined to guide behaviors and actions as to the codes and problem solving;
- Cooperate with the Ethics Compliance Officer and Ethics Committee during ethical investigations; keep information specific to the investigation confidential.

### **A. Procedures and Methods to be Followed While Making an Ethical Decision**

You should follow the steps defined below and ask yourselves the following questions as a guideline for deciding on an action plan:

#### **1. Determining the Issue, Decision or Problem**

- Have you been asked to do something that you think may be wrong?
- Are you aware of a situation in MQS or concerning your business associates that may potentially be illegal or not in compliance with business ethics?
- Are you trying to make a decision but have doubts as to how you should behave in compliance with the business ethics?

#### **2. Think Before You Decide**

- Try to define and summarize the problem or your question clearly
- Ask yourself why there is a dilemma
- Think about the options and outcomes
- Think who may be affected
- Consult others

#### **3. Decide Upon an Action Plan**

- Define your responsibilities
- Review all relevant facts and information
- Consult relevant company policies, procedures, and professional standards
- Assess the risks, and think about how you can reduce them
- Try to define the best action plan

- Consult others

#### 4. Test Your Decision

- Review questions that should be asked ethically
- Review your decisions within the context of company core values
- Make sure you have considered company policies, laws, and professional standards
- Consult others and consider their opinions within the formulated action plan

#### 5. Proceed with Resolution

- Share your decision and its reasons with relevant people
- Share what you have learned
- Share your success story with others

### B. 4 Basic Questions to be Considered

1. Is this activity/behavior in line with laws, rules and tradition? (Standards)

- Is it in conflict with professional standards?
- Is it legal?

2. Is this activity/behavior balanced and fair? Would we be upset/displeased if a competitor (or someone else) acted as such?

Do you think it is right?

3. Would it be embarrassing for our company and/or stakeholders if this activity/behavior is disclosed in detail in public? (Feelings and ethical values)

- Would you be in a difficult position or embarrassed if others knew of your action? Could it lead to negative outcomes for you or company?
- Who may be affected by it (other employees in company, you, shareholders, etc.)?

4. How much does the "perceived fact" and "objective fact" overlap?

- How would it reflect in the newspapers?
- What would any reasonable person think under similar circumstances?

### V. MANAGERS' RESPONSIBILITIES

MQS managers have additional responsibilities, further to those defined for employees. Accordingly, it is the managers' responsibility to:

- Create and preserve a company culture and working environment that promotes the ethics codes,
- Be a role model in practicing the ethics codes; educate their personnel on the ethics codes,
- Support their employees in expressing their questions and in filing their complaints/notifications concerning the ethics codes,

- Offer guidance regarding what should be done when consulted, diligently consider all ethical concerns raised, and forward them to the Ethics Committee at the shortest possible time when deemed necessary,
- Structure all work processes under his/her responsibility in a way as to minimize ethical risks and implement necessary methods and approaches to ensure compliance with the ethics codes.

## **VI. ETHICS COMPLIANCE OFFICERS' RESPONSIBILITIES**

- Provide direction, consultation and support related to questions and issues raised by company employees regarding the Code of Ethics.
- Provide support to the resolution of any ethical violations that he/she has been notified in his/her company
- Direct any complaint / notification that cannot be resolved within the company to the Ethics Committee.
- Report all complaints and notifications that he/she has been informed of to the Ethics Committee.
- Act as the contact person for any investigation that the Ethics Committee conducts and to provide necessary support during the investigation
- Periodically report the ethics issues in the company to the Board Member responsible from the Code of Ethics.
- Monitor the effectiveness of the Code of Ethics Awareness Trainings in company and to provide support and direction as needed.

## **VII. OTHER RESPONSIBILITIES**

- General Director is responsible for effective enforcement of the MQS Code of Business Ethics and a culture to promote this code.
- The Ethics Codes and all policies concerning the Code of Business Ethics are reviewed, revised and documented by the GTP Group Human Resources upon the recommendations of the Ethics Committee, and the revisions are announced to MQS.
- Company Human Resources has the responsibility to;
  - Inform employees about the Code of Ethics, offer periodical ethics training to enable clarity regarding policies and codes, and establish continuous communication on this subject with the employees;
  - Ensure the newly employed personnel read the Code of Ethics, inform them in this subject, and ensure that they sign the Employee Ethics Declaration Form
  - Ensure employees sign the Ethics Annual Review Form and update their declarations.
- Company management, in cooperation with the Ethics Committee, have the responsibility to;
  - Ensure confidentiality of complaints/notifications made within the framework of the Code of Ethics, and protect individuals after filing such complaints,
  - Provide job security for the employee who raised complaints/notifications.

- Ensure that complaints and notifications are investigated timely and in a fair, consistent and sensitive manner; and resolutely take necessary actions against violations.

## **VIII. NON-COMPLIANCE WITH CODE OF ETHICS**

Those who violate the Code of Business Ethics and/or company policies and procedures shall be subject to disciplinary action up to and including termination of employment. Disciplinary action shall also be applied to those approving or directing inappropriate conduct and actions violating the ethics code, as well as to those who fail to raise a concern or report a possible violation that they are aware of.

### **A. Ethics Committee**

The Ethics Committee has the responsibility to investigate and resolve all complaints and notifications concerning violation of the Code of Ethics and related policies. The Ethics Committee reports directly to the Principal of the Company and is composed of the following position holders:

Chairman: Chairman of the Board of Directors  
Member: Deputy Chairman of the Board of Directors  
Member: HR Manager  
Member: Legal Manager  
Member: Compliance Officer

### **B. Working Principles of the Ethics Committee**

The Ethics Committee conducts its activities within the framework of the principles stated below:

- Keeps the complaints/notifications and the identity of the complainant confidential.
- Conducts the investigation with confidentiality as much as possible.
- Has the authority to request information, documents, and evidence concerning the investigation directly from the related department. May analyze all information and documents only within the subject limits of the investigation.
- The investigation process is recorded in writing. Information, evidence, and documents are added to the record.
- The record is signed by the chairman and members of the Ethics Committee.
- The investigation is handled in urgency, and resolved as rapidly as possible.
- Resolutions of the Ethics Committee are executed immediately.
- Relevant departments and authorities are informed of the outcome.
- While discharging their duties, the chairman and members of the Ethics Committee act independently of, and without being influenced by their department superiors and the organizational hierarchy. They may not be subjected to any pressure or suggestions on the subject.
- If deemed necessary by the Ethics Committee, "expert opinion" may be sought, and experts may be consulted ensuring that the necessary measures taken so as not to violate the confidentiality principles during investigation.