

ARAGVI HOLDING INTERNATIONAL LTD

CODE OF CONDUCT



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Purpose of Code of Conduct



Demonstrate our commitment to the highest standards of ethical behavior



Encourage proper ethical conduct and sanction misconduct within the company



Develop an ethical culture based on such standards and conduct, led by our shareholders, directors and management, and followed by all employees

Purpose of Code of Conduct

By adopting, following and updating this code of ethics on a regular basis, together with the company's corporate governance code and charters, we confirm our desire to demonstrably lead and promote good ethical behavior and corporate governance.

In order to foster the confidence of our shareholders, employees, investors and the general public, this code of ethics goes beyond the legal and regulatory framework prevalent in the Republic of Cyprus, Switzerland, the Republic of Moldova, and Ukraine today, and embraces both national and internationally recognized principles and practices.

The company's governing bodies and employees understand this code of ethics as their obligation and set forth to ensure that its spirit and provisions are respected and acted upon throughout the company and its subsidiaries and dependent companies and its business partners.

This code of ethics is reviewed and updated on an annual basis and published internally in booklet form and via the company's internet site.

Our Core Values

In all internal and external relationships, we demonstrate our commitment to:



Our Ethical Principles

We act ethically in all aspects of our business. Our ethical standards are based on the following principles:



Honesty

We perform our duties and obligations with honesty, integrity and professionalism

Integrity

Integrity means applying the highest standards of professional conduct to all activities affecting our clients, colleagues and communities

Fairness

We support the highest standards of fairness and equal opportunity

Transparency

We follow the principles of the transparency while contacting with each other, shareholders, investors and partners

Our Ethical Principles

Our ethical standards focus on the following areas: employees, customers, relations with its business partners, government, society and the wider community. These ethical standards shall also apply to all business areas for all subsidiaries and dependent companies both within and outside of the Republic of Cyprus, Switzerland, the Republic of Moldova and Ukraine.

Our business plan will include specific, measurable targets for improving ethical behavior.



Our Ethical Principles

Our ethical standards are based on:



- Respecting the rule of law of the Republic of Cyprus, Switzerland, the Republic of Moldova and Ukraine laws and regulations, and showing respect for human rights

- Managing the company's financial and operational performance to maximize the long-term value for our shareholders

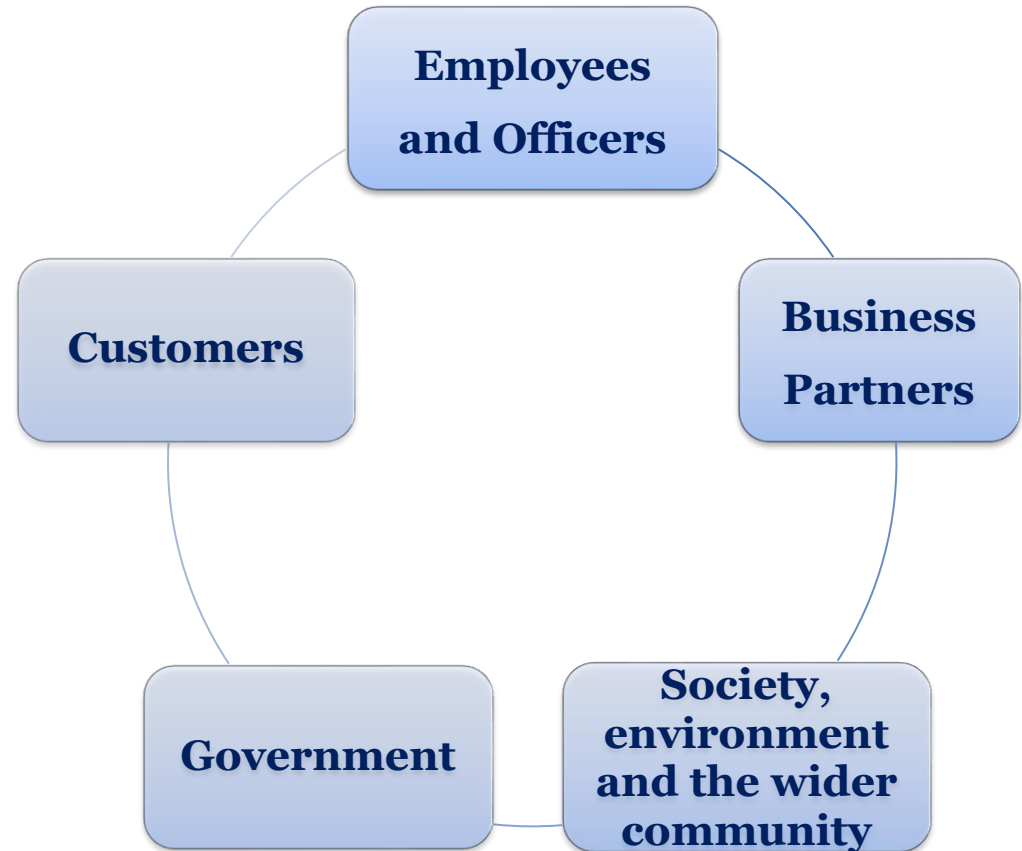
- Conducting business with integrity and fairness, renouncing bribery and corruption or similar unacceptable business practices, and not giving or accepting gifts and entertainment unless they fall under business custom, are immaterial and infrequent

- Creating mutual advantage in all the company's relationships to build and foster trust

- Demonstrating respect for the community the company operates in, as well as for the natural environment

Ethical Standards for Relationship with Our Stakeholders

We believe in the importance of maintaining active engagement and dialogue with all our stakeholders:



Ethical Standards for Relationship with Our Stakeholders

➤ **Employees and officers**

We value our employees as the keystone to success. We are thus committed to treating all employees with dignity, trust and respect, and to building a long-term relationship based on the Republic of Cyprus, Switzerland, the Republic of Moldova and Ukraine labor law and the respect of human rights. We will not employ child labor.

We foster teamwork, believing that diversity in talent, perspectives and opinions stimulate new and creative business opportunities and innovation. Similarly, we renounces all forms of bureaucracy and excessive hierarchical structures that impede operational efficiency. It is our policy to provide for and regularly improve upon a healthy, safe and secure working environment for our employees.

Conflicts of interests can, or appear to, compromise the judgment or objectivity of our employees and officers. An appropriate policy and disclosure thereof will be developed to this extent.

We are an equal opportunity employer. Our recruitment, promotion and compensation policy is based on merit and free of discrimination. Clear and transparent policies to this extent shall be developed and put into practice.

Any kind of discrimination or harassment at the workplace will not be tolerated and contrary behavior properly investigated and dealt with through the company's human relations manager.

Ethical Standards for Relationship with Our Stakeholders

➤ **Employees and officers**

Employees are recognized and rewarded for their performance, based on performance objectives, and constructive and regular feedback through face-to-face meetings. Rewards are given both at the team and individual level. The company shall develop a training program, accessible to all employees, which encourages individuals to formulate personal development plans and provides for coaching, mentoring and formal skill-enhancing trainings.

Under the authority of this Code, it is incumbent upon Employees to ‘speak up’ or report any breaches identified or witnessed per the procedures under this Code.

We sanction the illegal use of confidential and insider information by all officers and employees, and shall develop a detailed procedure to effectively deal with this matter.

A regular consultation process between our employees and managers has been put in place to effectively deal with employment conditions and other issues that affect the employees work environment.

These principles do not limit the right of the company to enforce discipline or to terminate workers in accordance with legislation of the Republic of Cyprus, Switzerland, the Republic of Moldova and Ukraine.

Ethical Standards for Relationship with Our Stakeholders

➤ **Customers**

Customer satisfaction is tantamount to us. Safe and quality products and services, fair pricing and appropriate after-sales service shall define our relations with customers.

We always seek to deliver what it promises.

➤ **Business Partners**

We believe that a long-term relationship with our business partners (suppliers, contractors, participants in joint ventures and others) founded on respect, trust, honesty and fairness is vital to our success.

We will put forth our best effort to only cooperate with those business partners that share our ethical standards. We will respect the sanctity of contracts and business relations. Contractual negotiations shall be conducted on the basis of mutual advantage.

Business relations shall be based on high performance standards, delivering in a timely and qualitative manner and prompt settling of bills.

In case of a commercial dispute, we will strive to negotiate and compromise in good faith in order to reach an amicable solution.

We are committed to complying fully with the law of the Republic of Cyprus, Switzerland, the Republic of Moldova and Ukraine on anti-money laundering and only conducts business with reputable suppliers, business customers and other partners who are involved in legitimate business activities and whose funds are derived from legitimate sources.

Ethical Standards for Relationship with Our Stakeholders

➤ **Government**

We will pay all taxes that are owed and due, fully and in a timely manner.

We abide by all national and local regulations, including voluntary codes and guidelines, in both spirit as well as letter.

We had also legally obtained all licenses required to do business.

We seek to build and manage a sound relationship with governmental authorities on an arm's length basis. No attempts to improperly influence governmental decisions shall be made, and we will not offer, pay, solicit or accept bribes in any form or shape, either directly or indirectly, in its dealings with the government, administration or courts.

Transparent procedures regarding transactions engaged in by us with any government agency or official, or in dealings with any company owned or controlled by a government agency or official, shall be established to this end.

We will never make political contributions whether in cash or in kind.

Ethical Standards for Relationship with Our Stakeholders

➤ **Society, environment and the wider community**

We view ourselves as an integral part of the community in which we operate and are committed to a sound relationship built on respect, trust, honesty and fairness.

We are committed to creating jobs and developing local talent when this is economically sustainable.

The preservation of the environment is of the utmost importance to us. We thus strive to minimize any disruption to the environment arising from our activities by reducing waste, emissions and discharges, and by using energy efficiently. All operations and activities will be carried-out according to the highest standards of care and in-line with internationally recognized principles.

Our employees are encouraged to engage and commit part of their time to help the local community through a variety of charities and foundations, educational organizations and similar institutions.

Non-governmental organizations (NGOs) are a key element to any society and we seek to build constructive relationships with such organizations in building a better society and environment--in an economically sustainable matter.

We promise to engage and consider the specific developmental needs of communities in which we operate, through a process of regular and open dialogue.

Compliance Implementation of Our Code of Conduct

Means to obtain advice

- Many business decisions involve ethical dilemmas and require complex judgments to make the right choice. In cases of uncertainty, all officers and employees are expected to act responsibly and raise the ethical dilemma with their managers. Should this not lead to a satisfactory solution, the ethical issue is to be raised with a designated officer to obtain clarification. All officers and employees have the right to make confidential reports directly to the designated officer who in turn shall decide whether to report the matter to the audit committee to recommend appropriate action against any director or employee who acts in a manner inconsistent with this code of conduct and with the company's Whistle-Blowing Policy

Processes and responsibility

- Each individual is responsible for his or her ethical behavior. The company has implemented a procedure for all officers and employees to regularly state that they understand and apply the provisions of this code of ethics. Adherence to this Code is further made obligatory as it is referenced in all employee contracts and linked to disciplinary procedures. A copy of this code of ethics is given to every employee on his or her first working day. Department heads are accountable to the CEO and/or executives for implementing this code of ethics within their departments, ensuring that all officers and employees understand it, and for providing assurance on compliance. The CEO and/or executives are in turn accountable to the board.

Training program

- The company offers an introductory ethics-training course once per year for all new officers and employees. This course offers practical examples of this code of ethics in action. Periodic and specialized training courses are further offered to the company's officers and employees, as well as to the company's other stakeholders such as suppliers and other business partners, as part of the company's continuous professional education program.

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