

ARENA

Supplier Code of Conduct

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Marketing Communications

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Introduction

Arena Marketing Communications and all of its branches, hereafter referred to as Arena, view the compliance of their commercial activities with high ethical and environmental standards as the fundamental principle of their business. We establish this principle not only for ourselves, but also for the suppliers with whom we choose to do business. For this purpose we have written this Code, designed to set forth our expectations from suppliers.

This Code of Business Conduct for Suppliers, hereafter referred to as the Code, states the requirements specified by Arena for its suppliers, contractors and other organizations with which it does business (collectively referred to as suppliers) in accordance with internationally recognized standards for observance of human rights, environmental protection and the fight against corruption. Acceptance and observance of this Code of Business Conduct is an integral part of the agreement formed between the supplier and Arena.

The Code establishes the minimum standards for the supplying company, but it should not be considered a simplification of any applicable local or international norms or acts.

Arena reserves the right for its employees and with the assistance of third parties to monitor compliance with this Code.

We greatly value our cooperation with those of our suppliers who were already committed to the principles set forth in this Code many years before it was executed. In turn, we at Arena are willing to help our new suppliers adhere to these principles.

We thank you for your cooperation, your efforts and your commitment to Arena's Code of Business Conduct for Suppliers.

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I. Labor and human rights

1. Child labor

Even where such a legislative act is not in place, suppliers are expressly prohibited from using child labor at any stage of production. Based on Recommendation 146 of the International Labor Organization, dated 1973, the minimum employment age is 16. We should add to this ILO Recommendation that suppliers are prohibited from employing any person who has reached this age but has not finished secondary or vocational secondary education to the detriment of work. The right to education is one of the most important rights of children, as established in Article 28 of the UN Convention on the Rights of the Child, dated November 20, 1989.

The minimum employment age for hazardous work or other kinds of work that can harm the health, safety or morals of young people is 18.

If the supplier does employ an underage person subject to all of the above provisions, the supplier undertakes to guarantee the following working conditions:

- 1) Ensure fair payment for labor and its protection on the basis of the equal pay for equal work principle;
- 2) Ensure a strict limit on working hours and working days and prohibit overtime work so that the employee has enough time during the day for rest and entertainment;
- 3) Allow, without exception, uninterrupted resting time at night for no less than 12 hours, and free days for weekly rest;
- 4) Allow yearly paid leave for no less than four weeks and, in any event, no shorter than the leave period granted to adult employees;

2. Forced labor

The supplier cannot under any circumstances use or benefit from forced labor. Any employee of the supplier has freedom of movement. None of the employee's identification documents can be seized by the employer, thus enabling such an employee to express will, terminate the labor agreement and move freely.

3. Employment procedure

The employment procedure must include verification of an employee's legal right to work in that particular country and guarantee the availability of all mandatory documents, such as a work permit.

4. Discrimination

The supplier undertakes not to discriminate against its employees based on sex, language, age, religious, political or other beliefs, race, caste, nationality, social background, sexual orientation, marital status, health status or disability. The supplier must protect its employees against any kind of discrimination, persecution and harassment, including sexual harassment, from management and from other employees.

5. Oppression

The supplier undertakes to create an environment in which employees can freely, without fear of oppression or persecution, raise any question they may have.

6. Wage and benefits

The supplier undertakes to pay wages in time and in full, at an amount no lower than the minimum monthly wage established by local legislation and regulations. Any overtime work must be paid. Wage withholding cannot be used as a disciplinary measure. The supplier cannot use the labor of temporary workers, interns or student assistants as a way to reduce wages and/or reduce the amount of benefits and allowances. The supplier must allow its employees annual paid leave in accordance with local legislation, as well as sick or childcare leave. The supplier cannot fire or threaten to fire women on maternity leave. Women on maternity leave must be allowed to return to their former position with their former wage and benefits.

7. Working hours

The supplier undertakes to observe the industry standards and local laws regarding the number of working hours and days. Any overtime work must be paid.

8. Discipline and use of force

Arena believes that every person has the right to be respected, and therefore suppliers must not inflict or threaten to inflict bodily injuries on any person. In addition, it is recommended that suppliers restrain from any other form of physical or psychological punishment, verbal abuse or rude behavior towards any employee.

9. The right to form trade unions and collective labor agreements

The supplier recognizes the right of its employees to form trade unions and their freedom to join such unions, as well as their right to form collective labor agreements so far as such actions are not contrary to national law.

10. Working conditions

The supplier must create safe and favorable working conditions for its employees. Employees should have free access to toilet rooms and sources of drinking water sufficient to the number of employees. Working places must be adequately equipped and have sufficient lighting. Production areas must be constructed in accordance with the standards established by local legislation and have emergency exits, protective equipment and emergency medical supplies. If the supplier provides housing for its employees, their living conditions must also comply with the above requirements.

II. Compliance with laws and business standards

1. Antimonopoly law and competition

Subject to the laws and decrees in force in many countries, usually referred to as antimonopoly legislation, the supplier must always comply with such legislation. Actions that violate antimonopoly law include agreements or arrangements between competitors regarding price formation or regulation, the boycott of certain suppliers or customers, the sharing or distribution of markets or customers, or the limitation of production or sales of products or groups of products. Such actions contradict not only the policy of the respective government, but also the policy of Arena.

It is also prohibited to use unfair business practices and take fraudulent action against Arena. This includes false or misleading claims with regard to products and services supplied to Arena and their cost.

2. Corruption

The supplier undertakes to comply with all applicable anti-bribery and anti-corruption laws and regulations.

The supplier must counteract all forms of bribery, whether direct or indirect, including:

- acceptance or offer of any form of payout and payment of expenses
- acceptance or offer of any valuables or valuable gifts.

The supplier must refrain from granting any gifts or paying for entertainment services for Arena's employees or their representatives in order to influence any business decision.

3. Confidentiality of inside information

The supplier must protect the confidentiality of inside information by refraining from using or disclosing such information outside of its ordinary business without Arena's permission.

4. International trade regulations

The supplier must comply with all applicable trade and export-import regulations, including those set forth by the government of the Russian Federation and other countries into which its goods or materials will be imported.

5. Quality requirements

Arena places emphasis on the quality of its end product, and it therefore requires that its supplier obtain all the necessary certificates of quality, assists in special testing and audits of its suppliers to verify product quality, and grants maximum assistance to its suppliers in properly and in a timely manner certifying their production and management technology.

The supplier must make available to the company all documents certifying the quality and safety of its products and technology, as well grant access for auditing inspections by Arena's employees or third parties.

6. Environmental protection requirements

Arena's supplier must fully comply with all environmental laws and regulations. We also expect our supplier to improve the environmental friendliness of its production by controlling and monitoring the main parameters of environmental pollution.

7. General policy on anti-money laundering and anti-terrorism financing

As an international company, Arena recognizes the importance of anti-money laundering efforts and supports initiatives and developments of financial measures by the Financial Action Task Force on Money Laundering (FATF), an intergovernmental organization engaged in the formulation of global standards for anti-money laundering and anti-terrorism financing.

III. Audit and termination of the supply agreement

Arena reserves the right for its employees and with the assistance of third parties to monitor compliance with this Code. If Arena is made aware of any action or circumstances that conflict with the provisions of this Code, the company reserves the right to demand corrective action.

Arena reserves the right to terminate its agreement with any supplier that fails to comply with this Code.



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