



Director of the "MONT" LLC

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для документов

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PURPOSE OF THE POLICY, GENERAL PROVISIONS

1.1. **"On Anti-Corruption Policy"** - This regulation (hereinafter referred to as the "Regulation") is designed to protect the rights and freedoms of citizens, ensure legality, law and order, and public safety. It serves as a local document of "MONT" LLC, establishing the fundamental principles and requirements aimed at preventing and combating corruption, in accordance with anti-corruption legislation, management, employees, and other individuals who may act on behalf of "MONT" LLC.

1.2. The Regulation was developed in accordance with the Law "On Combating Corruption" No. HO-96 dated 09.06.2017, the Law "On System Notification" No. HO-97 dated 09.06.2017, the Law "On Public Service" No. HO-172-N dated 26.05.2011, approved by the Government of the Republic of Armenia on 09.01.2012, with the establishment of the Ethics Committee for the Supervision of High-Ranking Officials, and the provision No. 165-H dated 19.02.2015 "On the Establishment of the Anti-Corruption Council and Expert Commission, Approval of the Council's Composition, Procedures for the Council's Activities, Expert Commission on Anti-Corruption Programs of the Government of the Republic of Armenia, and Monitoring Department," through which the Anti-Corruption Council was established.

1.3. The anti-corruption measures of "MONT" LLC are aimed at:

- Preventing corruption, including identifying and eliminating the causes of corruption (corruption prevention)
- Detecting, preventing, uncovering, and investigating corrupt activities (combating corruption)
- Reducing and/or resolving the consequences of corrupt activities

2. BASIC PRINCIPLES, APPLICABLE PROVISIONS

2.1. For the purposes of this provision, the following basic concepts are used:

- **Corruption:** The illegal appropriation of benefits by individuals or legal entities through bribery, using personal or property compensations, intermediaries, or by exploiting the official powers and related opportunities of individuals working at "MONT" LLC, for personal or others' interests.
- **Anti-Corruption Policy:** The activities of "MONT" LLC aimed at creating an effective anti-corruption system.

- **Corrupt Offense:** An action with signs of corruption for which a normative legal act provides for civil, disciplinary, administrative, or criminal liability.
- **Corruption Factor:** A phenomenon or a series of phenomena that contribute to the spread of corruption.
- **Corruption Prevention:** The activities of "MONT" LLC aimed at identifying, studying, limiting, eliminating, or preventing the spread of phenomena that lead to corruption.
- **Conflict of Interest:** A situation where a personal interest (of an individual directly or indirectly employed by the organization) affects or may affect the proper performance of official duties, and where there is or may arise a conflict between the employee's personal interest and the rights and legitimate interests of citizens, organizations, society, or the state, which may cause harm to the rights and legitimate interests of citizens, organizations, society, or the state.
- **Employee's Personal Interest:** The employee receiving income during the performance of their duties, in the form of money, valuables, other property, or rights of a personal nature, for themselves or third parties.
- **Employees of the Organization:** Individuals working in the organization under an employment contract.
- **Notification:** A message from an employee of the organization regarding an approach made to them for the purpose of committing corrupt acts.

3. OBJECTIVES OF THE PROVISIONS

3.1. The Regulation reflects the commitment of "MONT" LLC and its management to high ethical standards, the principles of open provision of information regarding services provided, the creation of tariffs, and the desire to improve the corporate culture of "MONT" LLC, in line with best practices in corporate governance and business conduct.

3.2. "MONT" LLC aims to:

- Minimize the risk of involving management bodies and employees, regardless of their position, in corrupt activities
- Summarize and explain the basic requirements of the anti-corruption legislation of the Russian Federation that may apply to the employees of "MONT" LLC

- Oblige employees to know and adhere to the principles and requirements of this Regulation, the basic norms of applicable anti-corruption legislation, as well as the necessary measures for preventing corruption.

4. PRINCIPLES OF THE POLICY

4.1. All employees of "MONT" LLC must adhere to this regulation and strictly follow its principles and requirements.

4.2. The General Director of "MONT" LLC is responsible for organizing all actions aimed at implementing the principles and requirements of this regulation, including the appointment of persons responsible for developing anti-corruption measures, their implementation, and monitoring.

4.3. The principles and requirements of this regulation apply to "MONT" LLC's contractors, representatives, and other individuals in cases where corresponding obligations are stipulated in their contracts, internal documents, or directly arise from the law.

4.4. The General Director of "MONT" LLC serves as a moral standard for zero tolerance towards any form or manifestation of corruption, setting an example through their behavior and ensuring all employees and partners are familiar with the anti-corruption policy.

4.5. In establishing an anti-corruption system, "MONT" LLC is guided by the following fundamental principles of combating corruption:

4.5.1. **Principle of Compliance with Legislation:** The organization's activities must comply with the Constitution of the Republic of Armenia, Armenian legislation, and other normative legal acts applicable to the enterprise, ensuring alignment with anti-corruption measures.

4.5.2. **Principle of Leadership by Example:** The key role of the organization's leadership in fostering intolerance towards corruption and creating an anti-corruption organizational system.

4.5.3. **Principle of Employee Involvement:** Ensuring employees are informed about anti-corruption legislation and actively participate in the development and implementation of anti-corruption standards and procedures.

4.5.4. **Principle of Proportionality of Anti-Corruption Measures to Corruption Risks:** Developing and implementing a set of measures to reduce the likelihood of corruption, taking into account the corruption risks present in the organization's activities.

4.5.5. Principle of Effectiveness of Anti-Corruption Procedures: Applying anti-corruption measures that are cost-effective, easy to implement, and yield significant results.

4.5.6. Principle of Accountability and Inevitability of Punishment: Ensuring that employees face inevitable punishment for corruption-related offenses, regardless of their position, work experience, or other conditions, and holding the organization's leadership personally accountable for implementing internal anti-corruption policies.

4.5.7. Principle of Continuous Monitoring and Periodic Review: Regularly monitoring the effectiveness of implemented anti-corruption standards and procedures, as well as continuously overseeing their implementation.

5. ANTI-CORRUPTION LEGISLATION

5.1. "MONT" LLC, including all employees, must comply with the anti-corruption norms established by the Criminal Code of the Republic of Armenia and the provisions of Order No. 165 dated 19.02.2015, which established the Anti-Corruption Council.

5.2. "MONT" LLC strictly prohibits all employees, directly or indirectly, personally or through intermediaries, from engaging in corrupt activities, accepting offers, promises, demands, bribes, or making payments in any form, including cash, securities, services, or other benefits, from any individual or organization, including commercial entities, state and local government bodies, civil servants, private companies, and their representatives.

6. BUSINESS GIFTS AND HOSPITALITY. REPRESENTATIONAL EXPENSES

6.1. Business gifts and hospitality must:

- Comply with the anti-corruption legislation of the Republic of Armenia, the organization's local regulations, and this regulation.
- Be given and received only on behalf of the organization.
- Be directly related to legitimate purposes of "MONT" LLC or national holidays (e.g., New Year, March 8, September 21, etc.) and be in line with the organization's financial capabilities.
- Be reasonable, proportionate, and not luxurious. The value of gifts must not exceed 50,000 AMD.
- Be approved by the General Director of "MONT" LLC.

- Not be intended as a hidden reward or attempt to influence the recipient's impartiality regarding specific decisions, services, actions, inactions, or other benefits.

6.2. Business gifts and hospitality must not:

- Create obligations for the recipient related to their official position or duties.
- Serve as a hidden reward for services, omissions, sponsorship, or decisions.
- Include cash, non-cash funds, securities, or precious metals.
- Create reputational risks for "MONT" LLC or provide information about gifts or hospitality to employees or other individuals.
- Be given to or received from public officials, government representatives, politicians, or political parties.

6.3. Employees of the organization may receive business gifts or hospitality invitations only during official events, provided it does not violate the anti-corruption legislation of the Republic of Armenia, this regulation, or the organization's local legal acts.

6.4. After receiving a business gift or hospitality, the employee must take measures to prevent any potential conflict of interest in accordance with this regulation and the organization's other local legal acts.

6.5. In case of a potential conflict of interest arising from receiving business gifts or hospitality, the employee must notify the structural unit or responsible person in charge of anti-corruption efforts in writing.

6.6. Employees of the organization are prohibited from:

- Accepting offers from organizations or third parties to provide business gifts or hospitality, especially during contract negotiations or when such actions could influence decisions.
- Requesting or demanding business gifts or hospitality for themselves or their relatives from third parties.

6.7. If an employee receives a business gift that does not comply with sections 6.1 and 6.2 of this regulation, they must notify and surrender the gift to their supervisor.

7. PARTICIPATION IN CHARITABLE EVENTS AND SPONSORSHIP ACTIVITIES

7.1. "MONT" LLC may decide to participate in charitable events and sponsorship activities in proportion to the organization's financial capabilities. The budget and participation plan must be approved by the General Director of "MONT" LLC.

8. RELATIONS WITH PUBLIC OFFICIALS

8.1. "MONT" LLC, either independently or through its employees, will not incur any expenses (monetary payments, loans, services, entertainment, vacations, transportation, or other payments) for civil servants or their relatives (or their interests) or engage in any activity aimed at maintaining the organization's profitability in commercial activities.

8.2. Employees of the organization are responsible for corrupt practices when independently cooperating with public officials in accordance with the applicable legislation of the Russian Federation.

9. EMPLOYEE PROCEDURES

9.1. "MONT" LLC requires its employees to comply with this regulation, informing them of the basic principles, requirements, and penalties for violations.

9.2. "MONT" LLC provides safe, confidential, and accessible means for reporting corruption (written applications addressed to the supervisor or responsible person for anti-corruption policy, phone or fax, email) regarding bribery by individuals acting on behalf of the organization. The General Director may receive suggestions for improving anti-corruption measures and oversight from employees and third parties.

9.3. To foster an appropriate level of anti-corruption culture among new employees, information about this regulation and related documents is provided, and periodic informational work is conducted for existing employees.

9.4. The obligations of employers at "MONT" LLC regarding corruption prevention and response include:

- Avoiding participation in or commission of corrupt acts in the organization's interests or on its behalf.
- Refraining from behavior that could be interpreted by others as a willingness to engage in or participate in corrupt acts.
- Immediately notifying the direct supervisor or responsible person for anti-corruption policy of any corrupt acts by an employee.
- Promptly informing the direct supervisor or responsible person of any corrupt acts by other employees, organizations, or individuals.

- Notifying the direct supervisor or responsible person of any potential conflict of interest arising from the employee's personal interests.

9.5. If an employee is approached with an offer to engage in corrupt acts, they must immediately notify the employer. Within one working day, the employee must submit a written notification to the employer.

If notification cannot be sent within the specified period (due to illness, business trips, vacation, etc.), the employee must notify the employer within one working day after returning to work.

9.6. The notification must include the following information:

- The notifier's full name, contact phone number, and other relevant details.
- The position held.
- The circumstances of the corrupt act.
- Information about the individual (physical or legal) who made the corrupt offer.
- The nature of the offer (address, location, proposed benefits, expected consequences, etc.).
- Information about individuals involved and witnesses, if any.
- Notification to prosecutorial or other state bodies, if applicable.
- Other relevant information.
- The notifier's signature.
- The date of the notification.

9.7. The employer considers the notification and forwards it to the structural unit or responsible person for anti-corruption efforts to register and record the facts of corruption-related violations.

Anonymous notifications are forwarded to the structural unit or responsible person for informational purposes only and are not considered for discussion.

9.8. The verification of the information in the notification is conducted within fifteen working days after registration.

9.9. To organize the verification, the employer establishes a commission within three working days to investigate the facts of corruption-related violations by the employee.

9.10. The commission's members (chairperson, deputy chairperson, members, and secretary) are appointed by the employer and approved by the organization's legal act.

9.11. The verification must establish:

- The reasons and conditions that led to the employee being approached for corrupt acts.
- The employee's actions (or inactions) that were attempted to be influenced.

9.12. The commission presents the verification results to the employer in the form of a written opinion within three days of completing the verification.

The opinion must include:

- The commission's composition.
- The verification period.
- The notifier and the circumstances that led to the verification.
- Confirmation (or refutation) of the facts that formed the basis of the notification.
- The reasons and circumstances that contributed to the employee being approached for corrupt acts.

9.13. If the facts of the notification are confirmed, the commission provides recommendations to the employer on applying anti-corruption measures. The employer decides whether to forward the information to the prosecutor's office.

9.14. If the facts of the employee being approached for corrupt acts are not confirmed, but violations of official conduct or conflict of interest requirements are identified during the verification, the materials and conclusions are forwarded to the supervisory board (if available) for discussion and appropriate decisions, including disciplinary actions, within two working days after the verification is completed.

10. INTERACTION WITH CONTRACTORS AND OTHER PARTIES: CONTRACT REVIEW

10.1. "MONT" LLC selects contractors for the provision of works and services based on the following principles:

- Balance, fairness, non-discrimination, and the absence of unjustified restrictions on competition.
- Honest and reasonable selection of the most favorable offers.

- Targeted use of funds for the acquisition of goods, works, and services, with measures to reduce organizational costs (considering the lifecycle cost of purchased products, if necessary).
- Prevention of corruption, conflicts of interest, and abuse of power.

10.2. "MONT" LLC strives to establish practical relationships with partners who support anti-corruption legislation and/or reject corruption.

10.3. "MONT" LLC declares that it will not in any way encourage contractors' employees, including through monetary gifts, presents, or other unspecified methods that could create dependency, with the aim of ensuring that such employees act in the organization's interest.

11. INFORMATION AND TRAINING

11.1. "MONT" LLC freely publishes this policy on its official website, openly declares its rejection of corruption, and welcomes and encourages compliance with all principles and requirements of this regulation by all partners, employees, and other individuals.

11.2. "MONT" LLC helps raise the level of anti-corruption culture by informing and systematically training employees to maintain awareness of its anti-corruption policy and to apply anti-corruption practices effectively.

12. ANTI-CORRUPTION ACTIONS

12.1. Anti-corruption measures include:

- Developing and adopting a code of ethics and employee conduct.
- Establishing responsible units or individuals for preventing corruption and other violations.
- Conducting anti-corruption examinations of signed contracts.
- Informing employees about instances of corrupt behavior.
- Notifying the employer of corruption-related violations by other employees, organizations, or individuals.
- Informing the employer of potential conflicts of interest.
- Conducting training on corruption prevention and combating.
- Cooperating with law enforcement agencies.

13. COOPERATION WITH LAW ENFORCEMENT IN CORRUPTION CASES

13.1. Cooperation with law enforcement agencies is a key indicator of "MONT" LLC's commitment to anti-corruption standards. This cooperation can take various forms:

- Informing law enforcement about known cases of corruption within the organization.
- Supporting authorized representatives of law enforcement in conducting inspections related to anti-corruption efforts.
- Assisting law enforcement in preventing or investigating corruption, including operational and investigative activities.

The organization's management and employees must not interfere with the official duties of judicial or law enforcement officials.

14. CONFLICT OF INTEREST MANAGEMENT AND PROTECTION

14.1. The following principles guide conflict of interest management at "MONT" LLC:

- Mandatory disclosure of actual or potential conflicts of interest.
- Individual discussion and assessment of reputational risks for the organization in each conflict case.
- Confidentiality in the disclosure and resolution process.
- Balancing the interests of the organization and the employee in resolving conflicts.
- Protecting employees from retaliation for reporting conflicts of interest.

14.2. Employees have the following obligations regarding conflicts of interest:

- Taking measures to prevent any potential conflicts of interest.
- Prioritizing the organization's interests over personal, family, or friends' interests when making business decisions or performing duties.
- Avoiding situations or circumstances that could lead to conflicts of interest.
- Disclosing actual or potential conflicts of interest.
- Contributing to the resolution of conflicts of interest.

14.3. Types of conflict of interest disclosures at "MONT" LLC include:

- Disclosure during job applications.
- Disclosure during transfers to new positions.

- Disclosure of conflicts of interest and other related information.

14.4. Employees must notify their immediate supervisor in writing of any actual or potential conflicts of interest. The information and resolution process are confidential. The authorized officer carefully reviews the information to assess the severity of risks and determine the most appropriate resolution method.

14.5. "MONT" LLC may conclude that a disclosed situation does not constitute a conflict of interest and therefore does not require special resolution measures.

14.6. If a conflict of interest is confirmed, "MONT" LLC may use various resolution methods, including:

- Limiting access to certain information.
- Excluding the employee from decision-making processes related to the conflict.
- Revising or modifying the employee's functional responsibilities.
- Temporarily suspending the employee if personal interests conflict with duties.
- Transferring the employee to a position unrelated to the conflict.
- Transferring ownership of assets causing the conflict to a trust.
- The employee renouncing personal interests conflicting with the organization's interests.
- Voluntary resignation of the employee.

The list of resolution methods is not exhaustive. In each specific case, "MONT" LLC and the employee may agree on other appropriate measures.

14.7. The structural unit or individual responsible for anti-corruption efforts is responsible for receiving information about conflicts of interest.

14.8. The above individuals and other employees may participate in the examination. The council provides recommendations on conflicts of interest within seven working days.

14.9. If a council member is also the interested party, they do not participate in discussions or voting. If the conflict involves the organization's head, they also abstain from decision-making.

14.10. Information about conflicts of interest is submitted in the form of a conflict of interest declaration (attached to this regulation) in cases such as employment,

appointment to a new position, annual compliance with ethical norms, or when conflicts arise.

14.11. This regulation does not attempt to describe all possible conflicts of interest. It applies to any situation where an individual's personal interests conflict with those of "MONT" LLC.

15. LIABILITY FOR NON-COMPLIANCE

15.1. All managers and employees of "MONT" LLC, regardless of their position, are responsible under the applicable legislation of the Russian Federation, the principles and requirements of this regulation, and for the actions (or inactions) of their subordinates that violate these principles and requirements.

15.2. Individuals guilty of violating this regulation may face disciplinary, administrative, civil, or criminal liability as prescribed by the legislation of the Russian Federation, local regulations, and employment contracts, at the initiative of "MONT" LLC, law enforcement, or other parties.

**Form of registration and accounting of notifications about the facts of
inducement of employees to commit corruption offenses**

Nº n/a	Registration Date	Information about the notifier	Date and place of application. A brief statement of the circumstances of the case	Decision to conduct an inspection (date, number)	Decision based on the results of the inspection	Date and outgoing number of materials sent to the prosecutor's office	Note
1	2	3	4	5	6	7	8
1							