



VESCO

CODE OF ETHICS AND BUSINESS CONDUCT

VESCO GROUP
2025

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DEAR VESCO GROUP EMPLOYEES

We strive to create an environment where every employee can work effectively and harmoniously, adhering to the principles of honesty, respect, and responsibility.

Our Code of Ethics and Business Conduct is not only a set of rules but also the foundation of our corporate culture. It unites our employees and partners with common values and promotes the development and maintenance of high work standards.

The Code requires us to act responsibly in all aspects of our work, comply with the law, respect human rights, protect confidentiality, and care for the environment. Compliance with the Code also helps to strengthen our reputation, an important asset of the VESCO Group.

We urge you to read the Code of Ethics carefully, to be guided by it in your daily activities, and to set an example of business behaviour for others. If you have any questions or situations that require clarification, please contact your supervisor or the Compliance Manager.

Remember that, by working together, we create not only a successful company but also a safe and favourable place to work for each of us.

Sincerely,
VESCO Group Management Board

INTRODUCTION TO THE CODE

This Code is a set of rules of corporate ethics and business conduct for Employees working for the VESCO Group.

An employee is any person who has an employment contract with VESCO Group companies, including full-time or part-time employees, permanent or temporary employees, independent contractors and consultants, and interns. These persons include chief executive officers and all other direct supervisors.

The VESCO Group is a group of companies that is a world leader in the extraction and supply of ceramic raw materials. The products are supplied to more than 20 countries. The total production capacity for extracting ceramic raw materials reaches 3.5 million tonnes annually.

The Code defines the basic values and principles, rules of ethics and business conduct of all the Employees in accordance with the Mission, Vision, and Corporate Values of the VESCO Group.

The knowledge of and compliance with the Code will help each Employee to make the right decisions, avoiding situations that may damage the reputation of the Employee and the VESCO Group as a whole.



Each Employee must know the Code and comply with it in performing their employment duties.



- **Each Employee should remember** that their behaviour directly affects their reputation and the reputation of the VESCO Group, and; therefore, compliance with the Code is also encouraged in the daily life of Employees.
- **If the Employee is unable to resolve a dispute** on their own or does not understand the requirements of the Code, they should seek advice and clarification from their immediate Supervisor, the Trust Line, or the Compliance Manager.
- **Managers should prevent, detect, and promptly respond** to violations of the Code by their subordinates.
- **Managers are members** of the Supervisory Boards, directors of the VESCO Group, heads of production facilities and structural units, as well as all other immediate supervisors of the VESCO Group Employees.
- **The VESCO Group expects** that the Counterparties share the values and principles, rules of ethics and business conduct of the VESCO Group, and reserves the right to refuse to cooperate with those Counterparties that violate this Code.
- **Counterparties are existing** or potential partners of the VESCO Group (including customers and outsourcing providers).
- **The Compliance Manager is an employee** of the VESCO Group Compliance Service.
- **The VESCO Group expects** that the Counterparties share the values and principles, rules of ethics and business conduct established by the VESCO Group, and reserves the right to refuse to cooperate with the Counterparties who violate this Code.

OUR MISSION

Taking care of nature, we develop customised solutions using mineral raw materials to help our partners around the world produce high-quality eco-friendly products for a comfortable life.

OUR VISION

The VESCO Group is a preferred supplier of customised raw material solutions for companies in the ceramic and refractory industries worldwide, with its own large reserves of raw materials, modern production technologies, high-quality standards, environmental management, and a corporate culture that attracts the best professionals.

The VESCO logo is displayed in white, bold, uppercase letters on a green background. The background of the entire slide is a scenic photograph of a forested hillside at sunset or sunrise, with a large green geometric shape on the left side containing the mission and vision text.

OUR VALUES

TEAM

- **We are a team** of like-minded people, as this is the basis for effective work.
- **We appreciate** the contribution of each employee to the common cause and reward achievements.
- **We promote** the sharing of experience between colleagues to achieve common goals.
- **We are responsible** for our decisions, commitments, and the results of our actions.



RESPONSIBILITY

- **We recognise** that the personal responsibility of each individual is the basis for the company's success and well-being.
- **We analyse** our mistakes and failures, taking them as an incentive for professional development and the pursuit of high results.
- **We value** integrity, recognising that personal and corporate reputation is the highest priority.
- **We adopt** the company's rules and regulations and are responsible for their implementation.



OUR VALUES

ENTREPRENEURSHIP

- **We are proactive** and flexible in our training for career growth and company performance.
- **We are open** to new challenges and are constantly looking for more efficient ways to address the existing ones.
- **We are ready** to help a colleague and share our experience for a better team result.
- **We go beyond** our job responsibilities to achieve overall efficiency.



HIGH STANDARDS

- **We are results-driven** and achieve the best results by focusing on a set goal.
- **We are proud** of the company's success and recognise our contribution.
- **We strive** to meet high standards – to work effectively for the overall result and self-development.
- **We support** the company's changes aimed at achieving the overall result.



GENERAL RULES AND PRINCIPLES OF BUSINESS CONDUCT



The VESCO Group builds its activities on the principles of compliance with the laws of the countries where it operates.



The VESCO Group builds relationships with its Employees on the principles of respect for human rights, protection of personal dignity, and creation of equal opportunities for all the Employees.



The Employees must share the Mission, Vision, and Values of the VESCO Group.



Relationships between the Employees, regardless of their position or area of activity, as well as between the Employees and the VESCO Group, are based on the following principles:

- Honesty
- Decency
- Respect
- Integrity

The VESCO Group builds relationships with the Counterparties on the following principles:

- Honesty
- Decency
- Legality
- Economic feasibility

The VESCO Group builds dialogue and relationships with local communities, NGOs, government agencies, and local authorities on the following principles:

- Openness
- Partnership
- Cooperation



In performing their employment duties, Employees must adhere to a business-like style of behaviour.

The VESCO Group adheres to the principles of environmental, social, and corporate governance responsibility (ESG). This includes:

- ✔ Helping to reduce environmental impact
- ✔ Supporting local communities and inclusiveness in the workplace
- ✔ Adhering to the principles of transparent corporate governance

✘ **The VESCO Group declares** that it will not tolerate any cases of harassment, mental and physical violence by or against Employees.

✘ **The VESCO Group does not tolerate** Employees being under the influence of alcohol or drugs while performing their employment duties.

OCCUPATIONAL HEALTH AND SAFETY

All the Employees shall use personal protective equipment and comply with the established safety rules in performing their employment duties and staying on the premises of the VESCO Group facilities.

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- **The VESCO Group takes** all possible measures to ensure occupational health and safety of its Employees.
 - **The VESCO Group strives** to ensure compliance with legal requirements and standards for occupational health and safety and requires the same from its Counterparties.
 - **The VESCO Group reserves** the right to refuse to cooperate with Counterparties that violate the legal requirements and standards of the VESCO Group in the area of occupational health and safety.
 - **The VESCO Group creates and maintains** a modern occupational health and safety management system that meets international standards.
 - **VESCO Group managers set an example** for the rest of the Employees in complying with occupational health and safety requirements.
 - **VESCO Group managers take personal responsibility** for creating and maintaining safe and healthy working conditions, reducing and preventing occupational injuries, and improving the production culture.

EQUALITY IN LABOUR RELATIONS

The VESCO Group complies with the labour laws of the countries where it operates.

The VESCO Group prohibits the use of child labour and forced labour of its employees. The VESCO Group also requires this from its Counterparties.

VESCO Group provides equal opportunities for all the Employees and declares that it will not tolerate discrimination based on:

Gender	Religious beliefs
Nationality	Political convictions
Citizenship	Sexual orientation
Race	Physical disabilities
Age	



CONFLICT OF INTEREST

Employees shall not allow actions and situations that may lead to a Conflict of Interest and contradict the interests of the VESCO Group.

As understood by the VESCO Group, a Conflict of Interest refers to such situations in which the personal interests of an Employee within the scope of their employment duties may affect objectivity in making a business decision

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- ⊗ Combining work for the VESCO Group with work for other companies or organisations that are not part of the VESCO Group.
 - ⊗ Employing relatives, former employees, close friends and other related persons as immediate subordinates, influencing the evaluation and promotion of the Employee. The VESCO Group makes a complete list of related parties that the Employees can obtain by contacting the Compliance Manager by sending an email to: compliance@vesco-group.com.
 - ⊗ Establishing business relations and carrying out activities by the Employee on behalf of the VESCO Group with legal entities in which the Employee or their affiliated person is a member of governing bodies or a shareholder.

The above situations of the Conflict of Interest shall not be considered a violation of the Code if the Employee has informed the Compliance Manager about them.

If the Employee is a majority shareholder of the Counterparty, the VESCO Group reserves the right to refuse to establish and maintain business relations with such Counterparty.

FRAUD

The VESCO Group prohibits fraud that is understood as theft of property or unlawful acquisition of rights to the VESCO Group's property by deception or breach of trust.

Fraud includes, but is not limited to, the following actions:

⊗ Actions aimed at gaining personal benefit in handling claims in collusion with the Counterparty;

⊗ The receipt or provision by the Employees of illegal remuneration that influences business decision-making of an Employee or a Counterparty;

⊗ Fictitious deliveries of inventory, including in case of collusion between the Employee and the Counterparty;

⊗ Delivery or acceptance of products/ equipment with qualitative or quantitative characteristics that are not consistent with those specified in the documents;

⊗ Submission of forged payment documents for payment.

USE AND PROTECTION OF THE VESCO GROUP'S RESOURCES

All the Employees shall handle the VESCO Group's resources with care and use them efficiently in accordance with the established rules.

Resources are the VESCO Group's tangible assets (e.g. movable and immovable property, funds, etc.) and intangible assets (intellectual property, corporate reputation, paid time of employees, etc.).

Violations in the use of the VESCO Group's Resources include, but are not limited to, the following actions of the Employees:

1. Use of equipment, company vehicles, office equipment, and other property of the VESCO Group in violation of internal regulatory documents of the VESCO Group;
2. Inefficient use by the Employees of funds, working time, and other VESCO Group's Resources;
3. Embezzlement, fictitious write-offs, understaffing, and concealment of information about such facts;
4. Negligent handling that may lead to damage or doing intentional damage to machinery, equipment, or personal protective equipment provided to Employees for the performance of their employment duties.

The VESCO Group prohibits the Employees from using its name and reputation for personal gain.



ANTI-CORRUPTION POLICY

Employees shall not promise, offer or provide remuneration in the form of money, property, tangible assets or services to public officials of government agencies and local authorities and affiliated persons in order to obtain or retain advantages for the VESCO Group.

The VESCO Group also prohibits the payment of bribes to public officials of government agencies and local authorities and their affiliated persons in order to accelerate procedures related to obtaining permits, simplifying formalities or obtaining other benefits for the VESCO Group.

BUSINESS HOSPITALITY AND BUSINESS GIFTS

A business gift is something valuable that is given to a Counterparty or other third party and paid for by the VESCO Group, as well as something valuable received by the Employees in performing their employment duties from the Counterparties or other third parties.

Business hospitality means business breakfasts, business lunches, dinners, treats, corporate, sporting or other events offered by the Counterparties, government officials, or other third parties to the Employees or offered to the Counterparties, government officials, or third parties by the Employees to establish and maintain business relations.

Business Hospitality and Business Gifts should not influence or commit Employees to make business decisions.

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- **The VESCO Group takes** into account all received/acquired Business Gifts and Business Hospitality expenses.
 - **Employees are prohibited** from giving or accepting Business Gifts, as well as providing or accepting Business Hospitality that exceeds the limit permitted by the laws of the countries where the Group companies are present.
 - **If an Employee, when giving/accepting** a Business Gift or showing/accepting signs of Business Hospitality, is not sure whether their actions are correct, they should contact the Compliance Manager for clarification by sending an email to compliance@vesco-group.com.

RELATIONS WITH COUNTERPARTIES

The VESCO Group reserves the right not to cooperate with the Counterparties that violate the requirements of the laws of the countries where the VESCO Group operates, including, but not limited to, with regard to securing the rights of Employees, ensuring occupational health and safety, protecting the environment, as well as with the Counterparties that do not share the VESCO Group's values and principles, rules of ethics and business conduct set out in the Code.

The VESCO Group protects confidential information about the Counterparties.

The VESCO Group respects the property rights of the Counterparties, including the right to intellectual property, and does not obtain commercial information about the Counterparties illegally. The VESCO Group supports free and fair competition and provides equal competitive opportunities for cooperation to all the Counterparties.



RELATIONS WITH GOVERNMENT AGENCIES AND LOCAL AUTHORITIES

The VESCO Group builds relationships with government agencies and local authorities on the basis of openness and legality. When interacting with government officials and employees of local authorities, the Employees shall comply with the laws of the country in which they work, as well as with the general norms and policies of the VESCO Group applicable in all countries where the VESCO Group operates.

In countries where emergencies occur, including martial law, climate disasters, etc., the VESCO Group shall take into account current regulatory requirements and specific features of operating in emergency situations.

The VESCO Group contributes to the sustainable development of society and seeks to contribute to the economic and social development of the countries where the VESCO Group operates.

INFORMATION SECURITY

Each Employee shall comply with the requirements of the VESCO Group's internal documents that govern access, use, and disclosure of Confidential Information.

Confidential Information is information that has not been publicly disclosed by the VESCO Group and the dissemination or provision of which may significantly affect the reputation and financial position of the VESCO Group.

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- **In order to avoid a negative impact** on the reputation of the VESCO Group, the Employees shall not communicate with media representatives on behalf of the VESCO Group without prior approval of their immediate supervisor and the Public Relations Department.
 - **The discussion or disclosure** of Confidential Information by the Employees to third parties is prohibited, except in cases provided by the laws of the countries where the VESCO Group operates. In this case, the Employee must first obtain the permission of the Security Directorate to disclose Confidential Information.
 - **The VESCO Group respects** the right of each Employee and Counterparty to confidentiality and ensures compliance with the legal requirements for personal data protection in the countries where it operates.



The Employees shall not collect, process, store or transfer personal data of other Employees, Counterparties or other third parties without obtaining prior permission from such parties.

The VESCO Group recognises the importance of digital security and responsible behaviour in the online environment. Employees shall

- ✓ Adhere to the company's policy on the use of digital resources
- ✓ Use social media responsibly, without compromising the company's reputation
- ✓ Protect confidential information and personal data

RELIABLE ACCOUNTING AND REPORTING

VESCO Group ensures full compliance of its financial accounting and reporting with the laws of the countries where the VESCO Group operates, as well as with the International Financial Reporting Standards.

The VESCO Group strongly condemns any cases and attempts of fraud and manipulation of its financial information.

The management of the VESCO Group shall ensure timely disclosure of information on material financial and operational risks in the best interests of investors, the Employees, and society.



PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING

The Employees shall comply with the laws of the countries where the VESCO Group operates to combat money laundering and terrorist financing.

- **The VESCO Group conducts** a procedure for the verification of Counterparties, aimed at confirming the legitimacy of the Counterparty's business and identifying potential risks for the VESCO Group.

- **All payments are made** in accordance with the laws of the countries where the VESCO Group operates, as well as the VESCO Group's internal procedures.

- **The VESCO Group does not cooperate** with the Counterparties registered in the countries subject to international sanctions or blacklisted by Ukraine and other countries where the VESCO Group operates.

- **Employees are prohibited from entering into** agreements on behalf of the VESCO Group with the Counterparties that have not passed the Counterparty verification procedure.

POLITICAL AND RELIGIOUS ACTIVITIES

The VESCO Group is not involved in political and religious activities.

The Employees are prohibited from engaging in political or religious propaganda while performing their employment duties and staying on the premises of VESCO Group facilities.

The Employees are prohibited from using the name of the VESCO Group, financial, material or any other resources of the VESCO Group for their political or religious activities.



ENVIRONMENT

The VESCO Group strives to prevent or minimise adverse environmental impacts at all stages of the production process.

The VESCO Group makes every effort to improve the environmental situation in the regions where it operates and preserve the environment for future generations.



REPORTING VIOLATIONS OF THE CODE

If an Employee becomes aware of a violation of the Code, they shall immediately report the violation to their immediate Supervisor, the Trust Line or the Compliance Manager.

The VESCO Group also encourages its Counterparties to report violations of the Code.

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- **If an Employee sees a violation** of the Code in the actions of another Employee, they shall speak about such a violation with such an Employee, demand that such actions be stopped, and report the violation to the Trust Line.
 - **In accordance with the established procedures**, the VESCO Group shall conduct internal corporate investigations into reports of violations of the Code.
 - **The Employees shall provide** maximum support and assistance to auditors in the course of internal corporate investigations.
 - **If the Employee has reason to believe** that the immediate Supervisor is involved in a violation of the Code, the Employee must report it to the Trust Line or contact the Compliance Manager directly to obtain assistance in resolving the issue.
 - **If an Employee is not sure** whether a violation of the Code has occurred, they may contact the Compliance Manager for advice.
 - **If the Employee, when reporting information** about a violation to their immediate Supervisor, the Trust Line or the Compliance Manager, has identified themselves for feedback, their confidentiality shall be the responsibility of the immediate Supervisor and the Compliance Manager.



If the name of the Employee who reported the violation is disclosed, the Compliance Manager shall initiate an internal corporate investigation into the violation of confidentiality and take appropriate measures to protect the Employee from further harassment or discrimination.



Reporting deliberately false information about violations made by the Employees is unacceptable.



The VESCO Group prohibits intimidation, humiliation, or harassment of the Employees who have reported violations of the Code.

SANCTIONS FOR VIOLATIONS OF THE CODE

In case of a violation of the Code, the Employee may be subject to disciplinary action up to and including dismissal.

If a violation of law by an Employee or Counterparty is detected, the VESCO Group reserves the right to report information about the violation to law enforcement agencies to hold those responsible administratively or criminally liable.

TRUST LINE

The contact information of the Trust Line (online forms, phone numbers and email addresses) is published on the VESCO Group website in the Resilience Section.



vesco-group.com/ethics

COMPLIANCE SERVICE



compliance@vesco-group.com

VESCO

www.vesco-group.com