

CONDUCT CODE OF C.N. ROMARM S.A.

C.N. ROMARM S.A.

UNCLASSIFIED

**APPROVED
GENERAL MANAGER**

**CONDUCT CODE
OF
C.N. ROMARM S. A.- *SPECIALIZED
BODY***

**UPDATE
- 2020 -**

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CHAPTER I. PREAMBLE

Art. (1) This Conduct Code, hereinafter referred to as the Code, regulates the norms of professional conduct and integrity that the personnel of C.N. ROMARM S.A. – Central Body agree to respect and apply in their activities, in their relations with colleagues, collaborators, business partners, branches, etc.

(2) The Code complies with the Charter of Fundamental Human Rights, the Constitution of Romania, the Labor Code and the legislation regulating the field of activity.

(3) The company's core values must be learned and respected to prevent and resolve ethical conflicts, prevent and eliminate corruption, discourage immoral practices and sanction deviations from the company's values.

Core Values:

The management staff, by their decisions and personal example, supports and promotes ethical values and the professional and personal integrity of other employees.

Personal decisions and example must respect the following values:

- *Valorization of professional competence;*
- *Loyal relations with collaborators/company management bodies/business partners;*
- *Fair treatment and respect for colleagues;*
- *Professional approach to information;*
- *Initiative by example;*
- *Compliance with laws, regulations and internal procedures;*
- *Respect for the confidentiality of information.*

(4) The company ensures the necessary conditions for the company's personnel to be aware of the regulations governing their behavior, the prevention and reporting of fraud and irregularities.

(5) Personnel are required to have an appropriate level of professional and personal integrity and to be aware of the importance of the activity they carry out.

(6) In order to act in accordance with the company's values, personnel need support and open communication, especially when it comes to help resolving problems and uncertainties regarding appropriate conduct.

(7) Personnel are free to communicate concerns regarding ethics and integrity. Management personnel must create an appropriate environment for this type of communication.

(8) Management personnel are obliged to supervise the actual behavior of employees, referring to Standard 1 - Ethics and Integrity of OSGG no. 600/2018 regarding the approval of the Code of Internal Management Control, and to report appropriately any deviation from the Code.

(9) Immoral issues will be resolved by applying the principles provided for in this Code and by correctly and objectively resolving factual situations.

(10) The principles detailed in the Code are not exhaustive, but, associated with a sense of responsibility towards colleagues, collaborators, partners and the company's management bodies

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(2) The principle of freedom of work appears as a complex principle that guarantees not only the freedom to conclude an individual employment contract and to negotiate on the basic salary, but also the employee's right to request its termination.

(3) Particular attention is paid to the internal mobility of employees and its management, both in the short and medium term.

Art. (5) Equal treatment

(1) Any discrimination, direct or indirect, against a person on the grounds of sex, sexual orientation, age, race, colour, ethnicity, religion, political opinion, social origin, handicap, disabilities, family situation or responsibility, trade union membership or activity is prohibited.

(2) Any person shall benefit, without any discrimination, from working conditions appropriate to the activity carried out, from social protection, from occupational safety and health, as well as from respect for his or her dignity and conscience.

Art. (6) Promoting occupational health and safety

(1) Action is taken to implement methods for the active prevention of risks that could affect the health and safety of personnel, regularly monitoring their application and effective measurement.

(2) Directions of action: making all personnel responsible for health protection, for the prevention of occupational accidents, so as to provide the best working conditions.

Art. (7) Moral integrity

Principle according to which, in exercising their function and fulfilling their duties, personnel will act with honesty, fairness and sincerity. Company personnel are prohibited from requesting or accepting, directly or indirectly, for themselves or for others, any advantage or benefit or from abusing in any way the position they hold.

Art. (8) Impartiality, non-discrimination and independence

Principle according to which personnel are required to have an objective attitude, neutral towards any political, economic, religious or other interest, in the exercise of their functions.

In order to be impartial, they must be independent of any factors of influence during the performance of their duties.

Art. (9) Freedom of thought and expression

Principle according to which the company's personnel can express and substantiate their opinions, while respecting good morals.

(1) The company acts to develop a relationship of trust at all levels, encouraging personnel to express themselves freely and justifiedly, in particular to improve their working environment.

(2) The quality of information exchanges and communication between any of the employees and members of the company's management must constitute a central element of social dialogue.

Art. (10) Professionalism

(1) All company personnel are required to perform their duties responsibly, competently, efficiently, fairly and conscientiously.

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- the right to join the union and access to the facilities granted by it.

(3) In exercising the attributions specific to management positions, the staff has the obligation to ensure equal opportunities and treatment with regard to professional development for subordinate staff.

(4) The management staff has the obligation to examine and apply objectively the criteria for evaluating the professional competence of subordinate staff, when proposing or approving promotions, appointments or dismissals from positions or the granting of material or moral incentives, excluding any form of favoritism or discrimination.

(5) The management staff is prohibited from favoring or disfavoring access to or promotion in positions based on discriminatory criteria, kinship, affinity or other criteria inconsistent with the principles set forth in this Code.

Art. (15) Elimination of conflict of interest

(1) A conflict of interest occurs when a person exercising a management position could be influenced in making a decision or in the objective performance of his or her duties by a personal material interest, direct or indirect.

(2) Company personnel are prohibited from carrying out activities to achieve an objective or interest different from that of the Company, in order to obtain personal advantages.

(3) A person who has a personal material interest shall not participate directly or by representatives in the debates on the issue in which he or she has a conflict of interest and shall refrain from participating in or influencing the decision regarding this situation.

(4) Any person who has, or believes that he or she may have, a conflict of interest shall inform the General Manager of the nature and extent of his or her interest or material relationship.

(5) The company's personnel must comply with the conflict of interest policy to eliminate practices such as favoritism and nepotism, the application of double standards in appreciation and evaluation, or acts of persecution or retaliation, which the company, in fact, rejects.

Art. (16) Preventing and combating corruption

(1) Corruption generates unfair treatment, injustice and favouritism, undermines the application of the principle of professionalism and creates suspicion and distrust. Unsanctioned corruption can lead to a corrupt company culture.

(2) Staff must not request or accept gifts, services, favours, invitations or any other advantage, intended for themselves, their family, parents, friends or people with whom they have had business relations, which may influence their impartiality in the exercise of their position, or may constitute a reward in relation to this position.

(3) The request or acceptance of advantages by a person as a result of the position held or their duties according to the job description represents a criminal offence in itself.

(4) The company will sanction and notify the criminal prosecution bodies if the acts committed meet the constitutive elements of crimes, acts of corruption such as: bribery, attempted bribery, practicing hierarchical or collegial interventions etc.

(5) Favoritism is prohibited, regardless of criteria (friendship, kinship, business, affiliation of any type, etc.). Favoritism isn't to be confused with preference based on demonstrated competence.

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Art. (19) Confidentiality of employees' personal data

(1) The company and its personnel undertake to use personal information in accordance with the applicable reference standards.

(2) Data regarding employees' personal lives, performance evaluation, advancement and remuneration must remain confidential.

(3) Access to this information is permitted only to authorized persons.

Art. (20) Professionalism and the valorization of human resources

(1) Professionalism represents the main moral goal of each employee and therefore the Company acts to ensure an adequate degree of professionalism in the performance of the tasks assigned to employees, focusing on the valorization of the skills of its own resources, facilitating their access to effective means of professional training.

(2) Professionalism ensures the growth of the Company's prestige, its employees representing the indispensable factor of success.

(3) Taking this into account, the Company defends and promotes the value of its human resources in order to improve and increase its competitive strength, represented by the skills of each employee.

(4) The performance of quality activities, usefulness and professional excellence are encouraged and appreciated, while imposture, amateurism, superficiality, boasting, disinterest and capping are rejected.

Art. (21) Personal and professional responsibility

(1) It is the conscious commitment and will to an action and implies the employee's involvement in solving, in the best possible conditions, the duties that are incumbent on him and that he assumes. Each person is responsible for his actions.

(2) The principle of personal and professional responsibility requires an employee to avoid causing harm to another person and, at the same time, to adopt respectful behavior in order to maintain an appropriate climate.

When there is a divergence of opinions, a disagreement between two or more people or employees, in order to prevent the situation from degenerating into a conflict, it is advisable for the individuals concerned to show maturity, discuss openly, analyze the problem, determine its causes and find together a way to solve it.

If the employees involved don't find an amicable way to resolve it or want an impartial opinion on the respective problem, they will address their hierarchical superior, the general manager or the Ethics Advisor. It is good that any misunderstanding that arises in work relations between personnel be analyzed and resolved calmly and seriously, in order to prevent tense situations.

The main premise from which it starts is that fundamentally we have the same objectives and that we must find together the ways, resources or forms through which we can achieve them.

In solving problems we must have an open, mature attitude, be able to evaluate ourselves and assume our own errors.

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tolerance in vertical hierarchical relationships can lead to abuse of power, harassment, insults and inequities.

(2) The Company undertakes to ensure that authority is exercised in an appropriate, fair and non-abuse manner and guarantees, in particular, that authority will not be manifested by exercising power to the detriment of a person's dignity and that decisions taken regarding the organization of employment relations will ensure the protection of the value represented by employee.

(3) Goodwill and care must not undermine impartiality and cannot be used as a pretext for bias. Respect for others requires that disputes be resolved through rational arguments and not through the use of types of language (words, labels, style and tone) or actions that represent personal attacks.

(4) The Company adheres to the value of tolerance towards differences between people, between opinions, beliefs and intellectual preferences.

(5) Misogynistic, racist, chauvinistic, xenophobic manifestations and harassment are firmly rejected by the Company and sanctioned by it.

Art. (25) Collegiality, generosity and humanity

(1) Collegiality, generosity and humanity are appreciated and supported both in interpersonal relationships within the Company and outside it, contributing to the creation of a climate of safety, trust and mutual assistance.

(2) Appreciation and gratitude towards the deserving, compassion, support for those in need, kindness, politeness, altruism, understanding, solidarity and promptness towards all Company personnel are thus encouraged.

(3) In the exercise of their functions, personnel must behave in a manner based on respect, good faith, fairness and kindness, both in their relations with colleagues and with the persons with whom they come into contact.

(4) The company's personnel are obliged not to harm the honor, reputation and dignity of their colleagues, as well as of the persons with whom they come into contact in the exercise of their duties, by: using offensive expressions; revealing aspects of their private life; making slanderous complaints or complaints.

(5) The persons who represent the Company at international fairs, conferences, seminars and other activities of an international nature are obliged to promote a favorable image of the Company.

(6) In relations with external partners, the company's personnel are obliged not to express personal opinions on national issues or international disputes.

(7) When traveling abroad, the personnel are obliged to conduct themselves in accordance with the rules of protocol and to respect the laws and customs of the host country.

Art. (26) Temperance, moderation and decency

(1) Appropriate behavior, language and dress code are recommended for all categories of personnel. Appearance should not be provocative or unkempt.

(2) Failure to comply with dress code is considered a violation of work discipline and may result in sanctions.

(3) This avoids any form of excess that could lead to the creation of interpersonal tensions and deterioration of the climate.

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out his/her work. For activities requiring special equipment, the personnel are required to wear the protective equipment provided by the company.

Art. (29) Protection and use of assets

(1) The personnel are obliged to ensure the protection of the Company's assets and to use them efficiently. The use of the Company's assets for illegal, immoral or personal purposes, without approval, is prohibited.

(2) In order to ensure the protection and proper use of the Company's assets, the personnel must:

- take all measures to prevent the theft of the Company's assets, damage and abuse;
- report to the hierarchical leader known cases of theft of Company assets, damages and abuses;
- use the assets of the Company's patrimony only for official purposes.

(3) Information, technologies, machinery, computing equipment and software products may be used only in the interest of the service. It is strictly forbidden to make any changes to the hardware configurations of computers owned by the Company. When the performance of job duties requires making changes to the hardware or software configurations of computers, the services of specialized personnel within the IT Service shall be called upon.

Art. (30) Integrity of operations/transactions

(1) All assets, liabilities, income, expenses and other transactions carried out by the Company must be recorded in its own accounts and records in accordance with applicable principles, rules and laws.

(2) Documents relating to commercial or financial transactions must accurately reflect them.

(3) No payment may be approved or made if it is intended, by expressed or known intention, to be used, in whole or in part, for a purpose other than that contained in the document providing for the respective payment.

(4) There is no reason why any false, unsubstantiated or unsubstantiated entry should be made in the Company's accounting documents.

Art. (31) The recording and management of documents must be carried out in accordance with the legislation and regulations in force. In order to ensure the integrity of the recording system, all employees are required to know and comply with the procedures for storing documents, including the methods of receiving, transmitting and destroying them.

(1) Personnel are prohibited from destroying or making unauthorized changes to documents, if this is prohibited by law or internal regulations.

(2) No person has the right to destroy, modify, request the destruction or introduction of changes to documents for illegal purposes (the category of documents also includes copies, electronic files, records of any kind).

Art. (32) Prevention of money laundering and financing of terrorism

(1) The Company's personnel are responsible for being aware of the legal provisions and internal rules relating to the prevention of money laundering, as well as for the establishment of measures to prevent and combat the financing of terrorism.

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Art. (36) Community Relations

- (1) The company is interested in supporting activities of general interest, within the limits of its possibilities.
- (2) Sponsorships and donations are approved by the General Meeting of Shareholders, within the limits of the amounts provided in the income and expenditure budget.
- (3) Personnel who are part of political parties are prohibited from propaganda at work.

Art. (37) Relations with public institutions

- (1) All relations between the Company and public institutions are based on the principles of fairness, transparency, collaboration and non-interference, respecting the role of each party.
- (2) The Company rejects any attitude that may prejudice the above principles.

CHAPTER IV. ADVICE, MONITORING AND REPORTING ON THE APPLICATION OF PROFESSIONAL CONDUCT NORMS

- (1) Advice, monitoring and reporting on the application of the rules provided for in this Code shall be carried out by an ethics advisor.
- (2) Any issues related to compliance with the rules of conduct set forth in this Code, including initiatives regarding the addition and/or modification of the rules of conduct, shall be submitted to the hierarchical superior, in writing, who shall forward them to the Ethics Counselor for resolution.
- (3) The person presenting such an issue shall be informed of how to resolve it.
- (4) In the event that there is a problem of interpretation and/or application of the Code, the person shall request clarification from the Ethics Counselor.
- (5) Violation of the rules shall be subject to disciplinary sanctions, in compliance with the provisions of the Labor Code and the Internal Regulations.
- (6) No support is provided to individuals who have violated the law.
- (7) All cases in which violations may constitute a criminal case will be reported to the appropriate authorities.
- (8) Failure to report, when the individual is aware of any non-compliance with this Code, constitutes a violation of the rules and will be subject to disciplinary action.
- (9) Any individual who reports in good faith a concern related to a possible violation of the law, regulations or Company policy, or any behavior suspected of being illegal or unethical, will be protected against any attempts at retaliation.

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- k) proposes possible changes or amendments to the Code of Conduct;
- l) participates in training and professional preparation courses in the field of ethics, conduct and professional integrity;
- m) informs the company's personnel of any possible legislative changes in the reference field;
- n) is in charge of training new personnel on compliance with the rules of professional conduct;
- o) organizes and supports information sessions for all employees of C.N. ROMARM S.A. on the principles and standards of conduct.
- p) prepares an annual report on compliance with the rules of conduct by the staff; The report is submitted to the General Manager for approval and to the Company's Board of Directors for information.

The annual reports will be centralized in a database necessary for:

- Identifying the causes that determine the violation of the rules of conduct, including the constraints or threats exerted on an employee to determine him to violate the provisions of this Code or to apply them inappropriately;
- Identifying the ways to prevent the violation of the rules of conduct;
- Adopting measures to reduce and eliminate cases of non-compliance with the provisions of this Code.

- r) proposes any changes or amendments to this Code.

The job description of the employee designated with the duties of ethics advisor will be completed accordingly with the duties established above.

Art. (39) Sanctions

(1) Failure to comply with the rules provided for in this Code shall be sanctioned depending on the seriousness of the violations, the actual circumstances and the manner in which the violation was committed.

(4) The sanctions that may be applied are those provided for by law and/or the Internal Regulations.

(5) If the acts committed meet the constitutive elements of crimes, the criminal prosecution bodies will be notified, under the conditions of the law.

(6) The disciplinary committee appointed by decision of the general director has the power to investigate the violation of the provisions of this Code and to propose sanctions, under the conditions provided for by law and/or the Internal Regulations.

Art. (40) Final provisions

(1) This Code shall enter into force upon its approval.

(2) Management personnel shall be responsible for communicating the spirit and letter of this Code to subordinate personnel and for encouraging them to report behaviors that may conflict with the principles set forth in this Code.

(3) Compliance with the provisions of the Code shall constitute a duty of service and shall be included in the job description of each employee and/or in the mandate contracts, as appropriate.

(4) Management personnel shall have in their job description, in addition to the duty set forth in paragraph 3, the duty of implementing and promoting the values of the Code as well as the permanent monitoring of its application.

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APPENDIX NO. 1

RELEVANT REGULATORY ACTS

- Order 600/2018 on the approval of the Code of Internal Management Control
- Law no. 53/2003 - Labor Code, republished, with further amendments and addenda
- Collective Labor Agreement of C.N. ROMARM S.A., applicable
- Internal Regulation at the level of C.N. ROMARM S.A., approved
- Charter of Fundamental Human Rights
- Law no. 319/2006 on Health and Safety at Work, with further amendments and addenda
- Government Emergency Ordinance No. 195/2005 on environmental protection, with further amendments and addenda
- Law No. 333/2003, republished, on the security of objectives, goods, values and the protection of persons, with further amendments and addenda
- Law No. 129 of 11 July 2019 on the prevention and combating of money laundering and the financing of terrorism, as well as on the amendment and supplementation of certain normative acts
- Law No. 535/2004 on the prevention and combating of terrorism, with further amendments and addenda
- Law No. 78/2000 on the prevention, detection and sanctioning of acts of corruption, with further amendments and addenda
- Law No. 82/1991 on accounting, republished, updated, with further amendments and addenda
- Law no. 182/2002, updated, on the protection of classified information, with further amendments and addenda
- Government Decision no. 585/2002, updated, for the approval of the National Standards for the protection of classified information in Romani, with further amendments and addenda
- Government Decision no. 781/2002 on the protection of official information
- Law no. 251/2004 on certain measures regarding goods received free of charge on the occasion of protocol actions in the exercise of the mandate or function and GD no. 1126/15.07.2004 for the approval of the Regulation for the implementation of Law no. 251/16.06.2004
- Law no. 129/2018 amending and supplementing Law no. 102/2005 on the establishment, organization and functioning of the National Supervisory Authority for the Processing of Personal Data, as well as repealing Law no. 677/2001 on the protection of individuals with regard to the processing of personal data and the free movement of such data
- Government Decision no. 583/2016 on the approval of the National Anti-Corruption Strategy for the period 2016-2020.
- Law no. 571/2004 on the protection of personnel from public authorities, public institutions and other units who report violations of the law
- Law no. 144/2007, republished, on the establishment, organization and operation of the National Integrity Agency, with further amendments and addenda
- Law no. 115/1996 on the declaration and control of the assets of dignitaries, magistrates, persons with management and control positions and civil servants, with further amendments and addenda

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APPENDIX NO. 2

DICTIONARY OF TERMS

personnel	person who is in a contractual relationship with C.N. ROMARM S.A. (employment contract, mandate contract, business contract, etc)
conflict of interest	conflict arising from the situation where personal interest contradicts the general interest, likely to affect correct judgments, actions and assessments.
conduct	manner of conduct; manner; behavior
corruption	refers to a set of immoral, illicit, illegal activities, carried out not only by people with management positions or who exercise a public role but also by various public or private groups and organizations, in order to obtain material or moral advantages or a superior social status, by using forms of coercion, blackmail, deception, bribery, purchase, intimidation.
confidentiality	allowing access to information only to users for whom it is intended; the obligation to maintain professional secrecy
personal data	any information relating to a natural person, established in accordance with legal provisions.
desirable	who is desired; who deserves to be desired
discrimination	unequal treatment of a person, which aims at or leads to the violation or limitation of the rights of that person based on sex, nationality, ethnicity, religion, social category, material status or environment of origin.
justice	moral and legal principle that requires giving everyone what is due them and respecting their rights.
ethics	norms of conduct shared by a particular community, rules based on the distinction between good and evil.
fraud	intentional violation of the law for the purpose of appropriating material or non-material benefits, either for one's own benefit or for the benefit of the company.
financing of acts of terrorism	making movable or immovable property available to a terrorist entity, knowing that these are used to support or commit acts of terrorism, as well as making or collecting funds, directly or indirectly, or carrying out any financial or banking operations, directed towards supporting acts of terrorism.
harassment	represents degrading, intimidating/humiliating behavior, which aims at or leads to serious impairment of a person's ability to normally carry out their professional activity or to exercise their rights. Harassment usually consists of repeated behavior or may also consist of single acts, when

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I, the undersigned, **MORCOV ANA-MARIA**, certified interpreter and translator for the foreign languages English and Italian, pursuant to authorization no. 12220 of 28.02.2013, issued by the Ministry of Justice of Romania, certify the accuracy of the translation from Romanian into English, that the presented text was fully translated, without omissions, and that, by translation, the content and the meaning of the document have not been distorted.

Translator,