



CMS Code of Conduct

CMS-COM-STA-0001

Owner:	V.Novruzov, Compliance Officer
Function:	Internal Audit Department
Document Administrator:	Zahra Khanmammadova, Document Controller
Control Tier:	Level 1
Issue Date:	01 March 2016
Next Review Date:	01 March 2017

Revision Summary

Revision number	Description of Amendment	Revision Date
01	DCR 38-16	01 March 2016

Index

1. A Message from Board of Directors

CMS enjoys a strong reputation for honesty and integrity whenever it has operations. Preserving the trust of our stakeholders is the responsibility of every individual in the Company. Our Business Conduct and Ethics Code is designed to help each of us meet that obligation.

The Code explains CMS's policies for how we conduct business. Each of us – employees, officers, and members of the Board of Directors alike – must commit to understanding this Code and abiding by its principles. We believe that when we apply our ethical principles to our business decisions, the Company is positioned for success.

Our values guide our actions in conducting business in a socially responsible and ethical manner. As a Company and as individuals, we respect the law, support human rights, protect the environment, and achieve operational excellence.

This Code is a guidance for us to help in dealing with difficult situations.

We strongly encourage you to read it, understand it, and follow it. Please speak up if you see anything that violates this Code. The Company will take your concerns seriously and will not tolerate retaliation against you.

Sincerely yours,

Board Chairman

Inside you will find practical advice about laws and regulations, expectations and guidance about relating to others. We also provide directions to further information sources to help you use your good judgment.

2 INTRODUCTION

3 PEOPLE AND SAFETY

1.0 Health, Safety, Security and the Environment and Social Performance

2.0 Sustainable Development

3.0 Equal Opportunity

4.0 Harassment

5.0 Human Rights

4 FIGHTING CORRUPT PRACTICES

1.0 Bribery and Corruption

2.0 Dealing with Government Officials

3.0 Gifts and Hospitality

4.0 Engaging with the Communities and Having Due Respect to Their Rights and Dignity

5.0 Conflicts of Interest

6.0 Insider Dealing

7.0 Money laundering

8.0 Political Activity

5 NATIONAL AND INTERNATIONAL TRADE

1.0 Antitrust (Competition) Law

2.0 Export Controls and Sanctions

3.0 Import Controls and Sanctions

6 SAFEGUARDING INFORMATION AND ASSETS

1.0 Protection of Assets

2.0 Data Privacy and Protection

3.0 Records Management

7 COMMUNICATIONS

1.0 Business Communication

2.0 Public disclosure

8 CMS GENERAL BUSINESS PRINCIPLES

1.0 Living by our Principle

2.0 Our Values

3.0 Sustainable Development

4.0 Responsibilities

5.0 CMS General Business Principles

9 GLOSSARY

2. Introduction

The principles of ethical business behavior are laid down in the Code of Conduct. This Code of Conduct describes the behavior CMS expects of you and what you can expect of CMS. The language is not legalistic and the Code is more than a set of rules. It should be viewed as an essential guide. The values underlying the Code of Conduct are obvious and universal – honesty, integrity and respect for people. Your conduct will be judged by how you live by those values, and how you have met the intention and spirit of the principles in the Code.

In some cases you may need to read more detailed material to understand fully what is required. We INFORM you where you can find that additional material at the bottom of the following pages. You also have a responsibility to accept personal invitations to training on the topics highlighted in this Code.

INFORM CMS

Throughout the Code you will see situations in which you are expected to `INFORM CMS` and report or seek advice about your concerns. You can do so by reporting or talking to:

- your line manager or supervisor
- any other senior CMS person with whom you feel comfortable to have such a conversation, or to whom you could send an email or letter, e.g. a Compliance Officer, Human Resources or Legal Advisor or HSE Officer; or
- The CMS Helpline (phone number of CMS Compliance Officer) or via the e-mail address compliance@caspmarine.com .

The Helpline and email is available 24 hours a day, seven days a week. Individuals appealing the Helpline will talk in confidence to an experienced, independent body in organization. Their reported concerns will be logged and handled in accordance with consistent case management and investigation guidelines.

In the Code we mention specific areas where a breach of the Code is likely to carry severe consequences. But all breaches may involve serious consequences up to and including dismissal, and in some cases fines and imprisonment.

WHAT`S IN THIS CHAPTER

- Health, Safety, security and the Environment (HSSE) and Social Performance (SP)
- Sustainable Development
- Equal Opportunity
- Harassment
- Human Rights

3. PEOPLE AND SAFETY

CMS aims to do no harm to people and to protect the environment. You should treat others fairly and with respect. CMS is an inclusive company. Discrimination and harassment are unacceptable.

1.0 HEALTH, SAFETY AND THE ENVIRONMENT (HSE) AND SOCIAL PERFORMANCE (SP)

To have a HSSE & SP record we can be proud of, we are committed to the goal of doing no harm to people and protecting the environment, while providing services consistent with these aims. We aim to earn the confidence of customers, shareholders and society, to be a good neighbor and to contribute to sustainable development.

These aims and others are included in the CMS Safety Management System (SMS). Every CMS department is required to have a systematic approach to HSSE & SP management designed to ensure compliance with the law and to achieve continuous performance improvement.

Each CMS department should set targets for HSSE & SP improvement and measure, appraise and report performance levels. CMS departments must also ensure contractors and joint ventures under CMS operational control manage HSSE & SP in line with the SMS.

To support the aims in the SMS, the CMS HSSE & SP is a single source for requirements for managing the impacts of our operations and projects on society and environment.

YOUR RESPONSIBILITY

You should understand the commitments and policy on HSE & SP. You should comply with CMS Safety Management System and BP Golden Rules.

2.0 SUSTAINABLE DEVELOPMENT

Sustainable development for CMS means helping to meet the Azerbaijan`s growing Marine and Oil & Gas Industry needs in ways that are economically, environmentally and socially responsible. CMS`s commitment to sustainable development requires us to balance our short and long-term interests; and integrate economic, health, safety, security, environmental and social considerations into business decisions.

Sustainable development is a licence to operate imperative and CMS embraces sustainable development principles within all its activities to deliver sustainable outcomes. This requires us to engage regularly with, and take account of the views of

our alliance partners in order to create new profitable opportunities and reduce our technical, non-technical and financial risks while respecting the needs of our neighbors.

YOUR RESPONSIBILITY

You must comply with CMS`s health, safety, security, environment and social performance requirements. Each business must aim to create lasting social benefits; safeguard the health and safety of employees, contractors and neighbors; minimise disruptions to the community; lower emissions; minimise impact on ecosystems and biodiversity; and use energy, water and other resources more efficiently.

3.0 EQUAL OPPORTUNITY

CMS will ensure that its employment-related decisions are based on relevant qualifications, merit, performance and other job-related factors. CMS will not tolerate unlawful discrimination relating to employment.

YOUR RESPONSIBILITY

Respect everyone you deal with and behave fairly towards them according to CMS`s core values. You should understand the value of diversity and never discriminate.

THE PRINCIPLES

- You should base hiring, evaluation, promotion, training, development, discipline, compensation and termination decisions on qualifications, merit, performance and business considerations only
- Do not discriminate according to race, color, religion, age, gender, sexual orientation, marital status, disability, ethnic origin or nationality.
- Be aware of local legislation and cultural factors that may impact

CHALLENGE YOURSELF

- Are you being fair and respectful?
- Have you considered the other person`s views?
- Are your personal feelings, prejudices or preferences influencing your decisions?
- Do you understand local practices and customs?

4.0 HARASSMENT

CMS will not tolerate harassment. CMS will not tolerate any action, conduct or behavior which is humiliating, intimidating or hostile. You should be particularly sensitive to actions or behaviors that may be acceptable in one culture but not in another.

YOUR RESPONSIBILITY

Treat others with respect and avoid situations that may be perceived as inappropriate. Challenge someone if you find their behavior hostile, intimidating or humiliating. Harassment can result in disciplinary action and may lead to dismissal.

THE PRINCIPLES

- Do not physically or verbally intimidate or humiliate others.
- Never make inappropriate jokes or comments. If you are unsure whether something is inappropriate assume that it is.
- Never distribute or display offensive or derogatory material, including pictures.
- Don't be afraid to speak up and tell a person if you are upset by his or her actions or behavior. Explain why and ask them to stop.

5.0 HUMAN RIGHTS

Conducting our activities in a manner that respect human rights as set out in the UN Universal Declaration of Human Rights and the core conventions of the International Labor Organization supports our licence to operate.

CMS's approach to respecting human rights consists of several core elements, including adherence to corporate policies, compliance with applicable laws and regulations, regular dialogue and engagement with our stakeholders and contributing, directly or indirectly, to the general wellbeing of the communities within which we work.

Our commitments in this area are supported by the SMS, this Code of Conduct and other policies in such diverse areas as:

- Social Performance;
- Human Resources, including Diversity and Inclusiveness; and
- Contracting and Procurement.

We seek business partners and suppliers that observe standards similar to ours.

All employees must understand the human rights issues where they work and follow CMS's commitments, standards and policies on this topic.

YOU RESPONSIBILITY

You should understand the human rights issues where you work and follow CMS's commitments, standards and policies.

WHAT`S IN THIS CHAPTER?

- Bribery and Corruption
- Dealing with Government officials
- Gifts and Hospitality (G&H)
- Conflicts of Interest (COI)
- Insider Dealing
- Money Laundering
- Political Activity and Payments

FIGHTING

CORRUPT

PRACTICES

CMS does not tolerate bribery, insider dealing, market abuse, fraud or money laundering. Facilitation payments are bribes and must not be paid. You must also avoid any real potential conflict of interest (or the appearance of a conflict) and never offer or accept inappropriate gifts or hospitality.

Remember, even unsubstantiated claims of corruption can damage reputations and business.

4. Fighting Corrupt Practices

1.0 BRIBERY AND CORRUPTION

Bribery occurs when you offer, pay, seek or accept a payment, gift or favor to influence a business outcome improperly. Bribery and corruption-whether involving government officials, or commercial entities, including joint ventures-can be direct or indirect through third parties like agents and joint venture partners. It includes facilitation payments even though in some countries facilitation payments are legal. Even turning a blind eye to suspicions of bribery and corruption can result in liability for CMS and for you personally.

YOUR RESPONSIBILITY

You must not offer, pay, make, seek or accept a personal payment, gift or favor in return for favorable treatment or to gain any business advantage. You must follow the anti-bribery and corruption laws that we are subject to, both those of the countries we are operating in, and those which apply outside the country whose laws they are (for example, the UK and Azerbaijan). You are liable to disciplinary action, dismissal, legal proceedings and possibly imprisonment if you are involved in bribery and corruption.

THE PRINCIPLES

- Never offer, pay, make, seek or accept a personal payment, gift or favor in return for favorable treatment, to influence a business outcome or to gain any business advantage
- Ensure people you work with understand bribery and corruption is unacceptable.
- Tell CMS if you suspect or know of corruption in CMS or in any party (company or individual) CMS does business with.

CHALLENGE YOURSELF

- Have you offered, given or received money, a gift or favor to influence a business decision?
- Would you care if the public knew what you had done?
- Are you intending to or have you given a donation which might be regarded as an improper payment?

2.0 DEALING WITH GOVERNMENT OFFICIALS

The offering of gifts and hospitality (G&H) including travel-related expenses for government officials creates special concerns. The principles below are subject to the CMS Anti-corruption policy. Some countries have very strict limitations on the value and nature of gifts and entertainment their officials can accept. G&H that are acceptable between private business partners may be unacceptable between a business and an official. In addition, third-party behavior can result in liability for you and CMS if you fail to conduct appropriate due diligence on third parties who deal with government officials on CMS's behalf, or if you disregard the results of such due diligence.

THE PRINCIPLES

- You must have permission from CMS Director to offer G&H to government officials.
- The value of G&H must not exceed the prescribed limit for the type of payment and the country in question. In Azerbaijan the prescribed limit on G&H value is 55 AZN.
- You must not offer G&H to the spouses, family members or guests of a government official.
- You must not pay for non-business travel and hospitality for any government official.
- You must comply with all applicable laws and with CMS's internal procedures regarding G&H to government officials.

3.0 GIFTS AND HOSPITALITY (G&H)

G&H must never influence your business decisions and must not place you or CMS under any obligation.

YOUR RESPONSIBILITY

You must not allow G&H to influence your business decisions, or cause others to perceive an influence. If you are influenced or seek to influence someone you can or face legal or disciplinary action or dismissal.

THE PRINCIPLES

- CMS discourages its employees from accepting G&H from business partners.
- Decline G&H if you would feel uncomfortable telling your line manager or supervisor, colleagues, family, friends or the public that you had accepted them
- You and your family members must never in connection with CMS business offer, give, seek or accept:
 - illegal or inappropriate G&H;
 - cash or cash equivalents;
 - personal services;
 - loans;
 - events or meals where the business partner is absent; or
 - G&H during periods when important business decisions are being made.
- Never offer, give, seek or accept G&H that exceed prescribed value limits, unless line manager approval has been obtained.
- You must register:
 - all G&H given to government officials, except those of nominal value like a cup of coffee;
 - any G&H that could be perceived as creating a conflict of interest;
 - all G&H given or received from third parties that exceed allowed value limits; and
 - all declined G&H that exceed allowed value limits.
- Make CMS`s policy on G&H known to your business partners.
- Discuss corporate hospitality or sponsorship with your manager.
- Comply with laws and regulations.
- Understand that local customs cannot be followed if they conflict with CMS`s policies.

CHALLENGE YOURSELF

- Did receipt of the G&H make you feel you were under an obligation?
- Is the gift being given as an exceptional reward or incentive for a transaction?
- Is the G&H inappropriate or illegal?
- Is the timing of the G&H sensitive (e.g. during negotiations)?

4.0 ENGAGING WITH THE COMMUNITIES AND HAVING DUE RESPECT TO THEIR RIGHTS AND DIGNITY

We at Caspian Marine Services Ltd want to make a positive difference wherever we do business. We at Caspian Marine Services Ltd hold ourselves to the highest ethical standards and behave in ways which earn the trust of communities in which we operate. We at Caspian Marine Services Ltd work hard to create open and sincere relationships with local communities, as well as with bodies such as nongovernmental organizations (NGOs) who have a legitimate interest in what we do as a company. We respect the rights and dignity of communities, NGOs and other organizations with whom we interact.

THE PRINCIPLES

- Comply with local laws and regulations wherever you work.
- Work in a way that is consistent with local cultures and business customs, as long as they do not conflict with this Code and legal requirements.
- Treat community members with dignity and respect their rights. Be sensitive to the unique situation and vulnerability of indigenous peoples.
- Recruit qualified local personnel where it is practical.
- Notify your line manager and your local Communications and External Affairs team before you engage in dialogue or contact with NGOs.

Caspian Marine Services Ltd encourages local community development initiatives and civic causes which create mutual advantage and the community or country. We support employee participation in them, if appropriate. If you are involved in any way, avoid any real or perceived conflicts of interest. For further information, see the ‘Conflicts Of Interest’ section of this Code.

5.0 CONFLICTS OF INTEREST (COI)

You face a COI when your personal relationships, participation in external activities or interest in another venture influence or could be perceived to influence your decisions.

YOUR RESPONSIBILITY

You must avoid COI. Your CMS decisions must not be influenced by personal and private considerations. A COI can influence your decision-making, or be perceived to do so, and jeopardize your reputation and that of CMS. A failure to follow the requirements of this Code or any laws or regulations can result in disciplinary action, including termination of employment.

THE PRINCIPLES

- Declare to your line manager or supervisor any matter that could influence or be perceived to influence your decisions or actions at CMS.
- Give your line manager all the relevant facts in writing if you believe there is an actual or potential COI
- Withdraw from decision-making that creates, or could be perceived to create, a COI.
- Be impartial, professional and competitive in your dealings with contractors and suppliers.
- Inform CMS if you plan to use your knowledge or position for external material gain
- You can be active in your own time in community, government, educational and other non-profit organizations if you comply with relevant laws, regulations and CMS policies.
- You can acquire interests in other businesses and perform external professional activities in your own time if no actual or potential COI would result. If in doubt, please consult your line manager or supervisor.

CHALLENGE YOURSELF

- Are you hiring, managing, reviewing or appraising a relative or friend?
- Are you using your position for personal gain?
- Have you personally gained from confidential information?
- Are your personal relationships influencing business decision?

6.0 INSIDER DEALING

You are involved in insider dealing when you trade in shares or other securities while in possession of material non-public information or when you share this information with someone else who then trades in those shares or other securities.

YOUR RESPONSIBILITY

You must protect confidential business information and never use it for your own benefit, especially to trade in shares or other securities or recommend anyone else to do so. You must not spread rumours, mislead with false information or manipulate prices. Insider dealing and market abuse are unlawful activities and could lead to fines, dismissal or imprisonment.

THE PRINCIPLES

- Follow laws on insider dealing and market abuse.
- Do not manipulate market prices.
- Do not spread market rumors or false information.
- Inform CMS if you believe a colleague to be involved in insider dealing or market manipulation.

CHALLENGE YOURSELF

- Are you holding inside information?
- Are you or your immediate family planning market dealings involving CMS interests?
- Have you shared confidential information?
- Have you spread market rumours or misled the market

7.0 MONEY LAUNDERING

Money laundering occurs when the criminal origin or nature of money or assets is hidden in legitimate business dealings or when legitimate funds are used to support criminal activities, including the financing of terrorism. Offences covered by anti-money laundering legislation include: prejudicing or obstructing an investigation and failing to report suspicious activity.

YOUR RESPONSIBILITY

CMS could be exploited by criminals to launder money or fund criminal activities. You must conduct appropriate counterparty due diligence to understand the business and background of our prospective business partners and to determine the origin and destination of money and property. You must report suspicious transactions or incidents of money laundering. Failure to do so can lead to fines, dismissal or imprisonment.

THE PRINCIPLES

- Never deal with suspected criminals or the proceeds of crime.
- Report any suspicious transactions or individuals to CMS. (CMS will in turn report appropriate matters to the authorities.)
- Do not acquire, use or hold monetary proceeds or property acquired with the proceeds of crime.
- Do not hide the origin or nature of criminal property.
- Do not facilitate the acquiring, ownership or control of criminal property.
- Do not tip off the subject of an investigation.
- Do not falsify, conceal, destroy or dispose of relevant documents.

CHALLENGE YOURSELF

- Can you verify transaction details?
- Is someone offering commercial terms outside expected market conditions?
- Are the settlement methods unusual or are unconnected parties involved?
- Are all due diligence checks in order?

8.0 POLITICAL ACTIVITY

Wherever we do business, our approach to corporate political activity is clear and uncompromising:

- CMS will not take part directly in party political activity.
- CMS will make no political contributions – either in cash or in kind.

We recognize our employees' right to take part as individuals in the political process, in ways that are appropriate to each country. Employees who do this must make it clear that they do not represent CMS. Although we do not directly take part in party politics, we do engage in policy debate on subjects of legitimate concern to our company, our staff and the communities in which we operate in various ways, including lobbying. Lobbying activity on behalf of CMS's interests is highly regulated and should only be done by authorized people.

THE PRINCIPLES

- Make it clear that your individual political views and actions are personal and not CMS's.
- Inform your line manager if your political activities or a close relative's activities might create a conflict of interest, or the appearance of impropriety.
- Notify your line manager in advance if you plan to seek or accept a public office. Discuss how any official duties might affect your work with clients and suppliers, and work constructively with your manager to minimize any adverse impact on your job.
- Consult your line manager before any non routine contact is made with government officials or employees by you or others representing the interests clients or suppliers. This includes contacts relating to government policy or legal/regulatory changes. This requirement does not apply to contacts required by normal government processes such as standard bid award processes and proceedings that are on the public record.

Never

- Use company time, property or equipment to carry out or support your personal political activities. Ensure that you only engage in the political process in your own time and with your own resources.
- Undertake lobbying activities without authorization.

Are Donations Permitted?

Yes donations are permitted, In-kind contributions to schools or local governments play an important part in our community relations and are allowed by our Code. Because they might be subject to local regulations, they should always be handled by your local Communications and External Affairs team. Donations must always be to a school or government body, rather than to any individual working for it.

WHAT`S IN THIS CHAPTER?

- Antitrust (Competition) Law
- Export Controls and Sanctions
- Import Controls and Sanctions

NATIONAL AND INTERNATIONAL TRADE

CMS is committed to free, fair and ethical enterprise. You must follow all applicable trade laws and ensure CMS's core values are applied in all your dealings. A failure to comply with these laws and regulations can severely damage our business and expose us to criminal charges. You could face dismissal, fine and imprisonment.

5. National and International Trade

1.0 ANTITRUST (COMPETITION) LAW

Antitrust law protects free enterprise and prohibits behavior that limits trade or that restricts fair competition. These laws apply to every level of business. They combat illegal practices like price-fixing, Market-sharing or bid-rigging conspiracies, or behaviors that aim to achieve or maintain monopoly. CMS does not tolerate violation of antitrust laws.

YOUR RESPONSIBILITY

You must not agree with competitors of CMS to fix price or any elements of price (such as discounts, rebates surcharges). You must not agree with others not to compete in particular markets or for particular customers or accounts. You must not rig bids or tenders, and you must not agree with others to boycott any customers or suppliers except in connection with internationally imposed sanctions. Agreements with competitors to reduce or stabilize production, capacity or output are forbidden. You must also not agree with independent dealers or resellers to fix a minimum resale price of a product. Anti-competitive behavior will damage CMS's business and reputation for fairness and honesty. Anti-competitive practices are unacceptable. They are illegal in most countries and can lead to heavy fines and imprisonment.

THE PRINCIPLES

- Do not agree, even informally, with competitors on pricing, production, customers or markets without a lawful reason. Always get legal advice on whether a practice is lawful.
- Decisions on CMS's pricing, production, customers and markets must be made by CMS alone
- Do not discuss with competitors:
 - which suppliers, customers or contractors CMS deals and will deal with; or
 - which markets CMS intends to sell into or on what terms CMS will deal.
- Leave industry meetings if competitively sensitive issues arise and ensure your departure is noticed. Report the matter to CMS Legal Officer.
- Inform CMS if you know of any potentially anti-competitive practices or if you are uncertain whether practices are legal or not.

CHALLENGE YOURSELF

- Was competitively sensitive information discussed at an industry meeting (either directly or indirectly)?

- Have I tried to set the resale price of my dealers or distributors?
- Are our suppliers or customers involved in any anti-competitive behavior?
- Do I know what my line reports are doing?
- Have I obtained the relevant legal advice?

2.0 EXPORT CONTROLS AND SANCTIONS

Export Controls and Sanctions laws give countries legal control over the sale, shipment, electronic transfer or disclosure of information, software, goods and services across national borders. Exports include transfers electronically, through discussions or visual inspections, and not only through traditional shipping methods.

YOUR RESPONSIBILITY

Think carefully about the potential impact of export control laws and sanctions before transferring goods, technology, software or services across national borders. Remember that controls and sanctions (or embargoes) can be imposed against countries, entities, individuals and good. You must know which of these controls or sanctions may result in restrictions or prohibitions on the way you conduct business. CMS could face criminal charges, fines and loss of export privileges if you do not comply with the relevant controls and sanctions. You could face dismissal, fines or imprisonment.

3.0 IMPORT CONTROLS AND SANCTIONS

Import Controls and Sanctions laws give countries legal control over the purchase, shipment, electronic transfer or disclosure of information, software, goods and services into their jurisdiction. Import controls apply to CMS as a company and also to you personally.

YOUR RESPONSIBILITY

You must meet import requirements when bringing goods or services into a country, ensuring duties, levies and taxes are paid. You must not bring restricted goods into a country without declaring them. You must seek legal advice if you have doubts about an import. You must not import prohibited goods. Failure to observe import control laws and sanctions can cause operational delays and damage business. CMS could also face legal consequences, including fines and loss of privileges. You could face dismissal, fines or imprisonment.

THE PRINCIPLES

(FOR EXPORT AND IMPORT CONTROLS AND SANCTIONS)

- Make sure you have proper authorization before exporting or importing goods, technology, software or services across national borders.
- Know your customers and suppliers and how they will use the goods, technology, and software or services that you supply to them.
- Seek legal advice before doing business with a country or individual if sanctions apply.
- Do not import from a country to which sanctions apply, into a country which applied those sanctions.
- Keep up to date with changing rules.
- Get legal advice if you have doubts about export and import controls or sanctions.

CHALLENGE YOURSELF

(FOR EXPORT AND IMPORT CONTROLS AND SANCTIONS)

- Do you understand the applicable export and import controls?
- Do you know which countries, entities, individuals and goods have had sanctions applied?
- Have the relevant duties, levies and taxes been paid?
- Have you obtained all required permits?
- Are you importing or exporting restricted or prohibited goods?

SAFEGUARDING

INFORMATION

AND ASSETS

Intellectual, physical and financial corporate assets are valuable and must be preserved, protected and managed properly. Personal Data and Intellectual Property (IP) must be safeguarded. Information Technology (IT) and communications facilities should be used responsibly. Records must be accurate and appropriately retained. Fraud, theft, abuse or misuse of CMS's assets is unacceptable.

6. Safeguarding Information and Assets

1.0 PROTECTION OF ASSETS

Corporate assets can be financial, physical or intangible and include buildings, equipment, funds, and software, know how, data, patents and other IP.

YOUR RESPONSIBILITY

You must protect CMS assets against waste, loss, damage, misuse, theft, misappropriation or infringement. You must use CMS assets appropriately and responsibly. You must respect the physical and intangible assets of others. A failure to follow the requirements of this Code or any laws or regulations may result in disciplinary action, including termination of employment.

1.1 INTELLECTUAL PROPERTY

IP assets and rights, including patents, trademarks, know how, and trade secrets relating to CMS's operations or technologies are among CMS's most valuable assets. IP is a key strategic tool for achieving business objectives and must be managed with proper care.

YOUR RESPONSIBILITY

You must follow the CMS intellectual property standards.

THE PRINCIPLES

- Each business and substantial sub-unit of a business must have IP strategies.
- Third-party IP rights must not be knowingly infringed.
- Legal Department (Legal advisor) must be consulted in a timely manner about transactions and IP-related agreements, which should be made with proper authority and implemented as agreed.
- IP disputes and related communications must be handled through the legal specialists.

1.2 PERSONAL USE OF IT

IT and communication facilities include personal computers, mobile and desk phones and personal digital assistants. A limited use of CMS IT and communication facilities for personal use is currently generally acceptable but could be reviewed. The use, including your personal use, of CMS's IT and communication facilities is logged and monitored.

YOUR RESPONSIBILITY

You should apply high ethical standards, comply with applicable laws and regulations, and ensure you meet CMS's security requirements when using CMS IT and communication facilities. Your personal use of CMS's IT and communication facilities should not incur more than a nominal cost or negatively affect productivity. Improper use of these facilities could be illegal and could damage CMS. CMS may report illegal use to the proper authorities.

THE PRINCIPLES

- Ensure your personal use of CMS IT and communication facilities is occasional and brief.
- Do not use CMS network or data storage space on the network for entertainment purposes or to store your personal data.
- Remain in control of the IT and communication facilities you are responsible for if others use them.
- Do not upload, download, send or view pornography or other indecent or objectionable material or material that is illegal or which could cause offence, anxiety, inconvenience or annoyance to your colleagues.
- Include the CMS name or brand in your business communications but remove it from personal emails.
- Use CMS security measures.
- Ensure you comply with the Communications requirements as laid out in this Code.
- Get authorization before installing software or connecting hardware.
- Do not use CMS IT or communication facilities for unlawful or immoral activities or purposes (including the violation of IP rights or the commission of cybercrime), or to gamble, or to conduct your own business activities.

CHALLENGE YOURSELF

- Can you explain and justify your personal use?
- Have you uploaded, downloaded or transmitted objectionable material?
- Have you removed the CMS footer from personal emails?
- Did you receive approval to install software?

2.0 DATA PRIVACY AND PROTECTION (DP)

DP laws safeguard information about individuals. This information includes name and contact details, employment and financial information, age and nationality. Information on race or ethnic origin, religion or philosophical beliefs, health or sexual orientation, criminal behavior or trade union membership is sensitive personal data and subject to stricter controls. CMS respects the basic right of individuals-including employees, customers and suppliers-to privacy.

YOUR RESPONSIBILITY

You must respect a person`s right to privacy and follow applicable laws and CMS`s internal privacy rules when gathering or using their data. Personal information about individuals must be protected from misuse. You must follow correct procedures when collecting, using and sharing this data. Failure to keep personal data confidential and secure could lead to dismissal and prosecution. Protect personnel and business files which contain personal data.

THE PRINCIPLES

- Follow CMS`s Code of Conduct and SMS when gathering, handling, storing, using or sharing personal data.

- Use appropriate physical and IT safeguards. Inform CMS if you know of or suspect any security lapses.
- Do not gather, handle, store, use or share personal data unless that information is really needed and you are allowed to by law. Inform individuals why you are collecting their personal information.
- Check the Code of Conduct whether an individual's permission, before using or sharing personal information, is necessary.
- Ask for advice from your legal advisor before transferring personal data to someone in another country.
- Observe legal restrictions on the transfer of personal data.
- Do not keep personal information longer than necessary, and then securely delete, destroy it or make it anonymous.

CHALLENGE YOURSELF

- Do you understand the DP laws and CMS's internal privacy rules?
- Are you allowed to collect, use, and store or share this information?
- Have you told the individual why you are collecting this information?
- Did you obtain the individual's permission to use or share this information?

3.0 RECORDS MANAGEMENT

Records are valuable company assets and must be properly managed. CMS must be able to retrieve Records quickly and reliably. When a Record's retention period is over, appropriate disposal is required.

A Record contains information that is evidence of a business activity or required for legal, tax, regulatory and accounting purposes or is important to CMS business or corporate memory. It is the content which determines a Record not its format. Records include contracts; product specifications; corporate policies, guidelines and procedures; minutes of meetings.

YOUR RESPONSIBILITY

You must understand which information is a Record which must, therefore, be properly managed and which must be disposed of when no longer of value. Failure to manage Records effectively can lead to significant business risks that may have negative financial, competitive, reputation, compliance and regulatory consequences and can breach legal, accounting, tax and regulatory requirements. Individuals must manage their Records in accordance with the SMS and related legislative acts of Azerbaijan Republic.

THE PRINCIPLES

- All individuals must manage their Records in accordance with the company's internal rules and legislative requirements in the field of document control.

CHALLENGE YOURSELF

- Do you know what your Records are and how to identify, classify and store them?
- Are your Records protected from unauthorized access or interference?
- Have you preserved all information relevant to actual or anticipated litigation, regulatory investigation or tax audit?
- Have you transferred custody of the relevant Records when changing role?

WHAT`S IN THIS CHAPTER?

- BUSINESS COMMUNICATIONS
- PUBLIC DISCLOSURE

7. COMMUNICATIONS

Your communications are a reflection on CMS. Ensure your communications are necessary and appropriate. Ensure you adhere to all rules and follow all guidelines. Failure to safeguard information can damage CMS`s reputation and its ability to conduct business effectively

Inappropriate, inaccurate or careless communication can create serious reputation, liability and compliance risks for you and CMS.

1.0 BUSINESS COMMUNICATIONS

The business communications standards of CMS set the principles and the rules for all communication by CMS staff within CMS or with third parties. The standards applies to every kind of correspondence including mail, electronic documents, instant messages, websites, social media tools, posting on the CMS official website, paper documents, facsimile, voice and voice mail recordings. For certain media such as email or social media, additional guidelines apply.

YOUR RESPONSIBILITY

You must observe the business communications standards of CMS. Failure to do so may damage the reputation of CMS. Failure to comply with mandatory rules may result in disciplinary or legal action.

THE PRINCIPLES

- in your business communications:
 - do not mislead;
 - do not write speculative opinions;
 - do not exaggerate;
 - do not engage in 'casual conversation' on sensitive or confidential matters; and
 - do not joke about serious matters

- State which CMS department the communication is coming from
- Follow all relevant standards and guideline. In particular:
 - Follow the terms of Non-disclosure Contract when publicly disclosing information:
 - classify communications according to appropriate level of management (to which the exact subject is concerned) and if required encrypt your correspondence;
 - remember that communications with a competitor can violate antitrust laws;
 - if you are handling personal data ensure you comply with CMS's privacy policy;
 - ensure that export or imports of information to or from other countries are not prohibited and that appropriate licenses have been obtained where required by law; and
 - Make sure you have read the additional media guidelines e. g. on social media and email.

CHALLENGE YOURSELF

- Would you be comfortable if this communication appeared in this public domain?
- Would you be comfortable if this was used as evidence in legal proceedings?
- Is this communication lawful?
- Do you need to make this communication?
- What is the best way to communicate?

2.0 PUBLIC DISCLOSURE

Any written or oral communication made publicly on behalf of CMS is a public disclosure. Listed companies like CMS must provide the public with information about its business. Information disclosed must be true, accurate, consistent and not misleading.

YOUR RESPONSIBILITY

You must not make public disclosures about CMS's business activities if you are not authorized to do so. You must protect confidential information. If you are authorized to disclose information you must ensure it is true, accurate, consistent and not misleading. Ensure that CMS's financial records fairly reflect transactions that you are responsible for and CMS's financial position.

You must follow CMS disclosure policies before making public disclosures. You must not engage with the media without clearance from CMS's marketing department and you must not engage with the investment community without clearance from CMS's business development professionals.

Misleading the public can be a regulatory offence. Inaccurate and delayed information disclosure can damage CMS's reputation and affect its share price. CMS and the individuals involved could face investigation, prosecution, suspension and fines.

8. GENERAL BUSINESS PRINCIPLES OF CMS

THE PRINCIPLES

- Ensure public disclosures are true, accurate, consistent and not misleading.
- Protect confidential information.
- Comply with the standards and only make public disclosures if you are authorized to do so.
- Report the loss or theft of CMS Information to your line manager or supervisor.
- Follow applicable procedures if you believe you hold price-sensitive information about CMS
- Comply with all applicable laws and regulations.
- Do not engage with the media or the investor community unless the required clearances have been obtained.

CHALLENGE YOURSELF

- Is your information true and accurate?
- Have you obtained clearance from marketing or business development professionals of the company?
- Do you possess price-sensitive information?
- Have you told the whole story?

1.0 Living by our Principles

Our shared core values of honesty, integrity and respect for people underpin all the work we do and are the foundation of our Business Principles.

The Business Principles apply to all transactions, large or small, and drive the behavior expected of every employee in every Department in the conducts of its business at all times.

We are judged by how we act. Our reputation will be upheld if we act in accordance with the law and the Business partners to live by them or by equivalent principles.

It is responsibility of management to lead by example, to ensure that all employees are aware of these principles, and behave in accordance with the spirit as well as with the letter of this statement.

The application of these principles is underpinned by a comprehensive set of assurance procedures, which are designed to make sure that our employees understand the principles and confirm that they act in accordance with them.

As part of the assurance system, it is also the responsibility of management to provide employees with safe and confidential channel to raise concerns and report instances of non-

compliance. In turn, it is the responsibility of CMS employees to report suspected breaches of the Business Principles to CMS.

The Business Principles have for many years been fundamental to how we conduct our business and living by them is crucial to our continued success.

2.0 Our Values

CMS employees share a set of core values-honesty, integrity and respect for people. We also firmly believe in the fundamental importance of trust, openness, teamwork and professionalism, and pride in what we do.

3.0 Sustainable Development

As part of the Business Principles, we commit to contribute to sustainable development. This requires balancing short and long-term interests, integrating economic, environmental and social considerations into business decision-making.

4.0 Responsibilities

CMS departments recognize five areas of responsibility. It is the duty of management continuously to assess the priorities and discharge these inseparable responsibilities on the basis of that assessment

a. To shareholders

To protect shareholders' investment, and provide a long-term return competitive with those of other leading companies in the industry.

b. To customers

To win and maintain customers by developing and providing products and services which offer value in terms of price, quality, safety and environmental impact, which are supported by the requisite technological, environmental and commercial expertise.

c. To employees

To respect the human rights of our employees and to provide them with good and safe working conditions, and competitive terms and conditions of employment.

To promote the development and best use of the talents of our employees; to create an inclusive work environment where every employee has an equal opportunity to develop his or her skills and talents. To encourage the involvement of employees in the planning and direction of their work; to provide them with channels to report concerns.

We recognize that commercial success depends on the full commitment of all employees.

d. To those with whom we do business

To seek mutually beneficial relationships with contractors, suppliers and in joint ventures and to promote the application of these CMS General Business Principles or equivalent principles in such relationships. The ability to promote these principles effectively will be an important in the decision to enter into or remain in such relationships.

e. To society

To conduct business as responsible corporate members of society, to comply with applicable laws regulations, to support fundamental; human rights in line with the legitimate role of business, and to give proper regard to health, safety, security and the environment.

5.0 CMS General Business Principles

Principles 1: Economic

Long-term profitability is essential to achieving our business goals and to our continued growth. It is measure both of efficiency and of the value that customers place on CMS's services. It supplies the necessary corporate resources for the continuing investment that is required to develop and produce future energy supplies to meet customer needs. Without profits and a strong financial foundation, it would not be possible to fulfill our responsibilities. Criteria for investment and divestment decisions include sustainable development considerations (economic, social and environmental) and a appraisal of the risks of the investment.

Principle 2: Competition

CMS supports free enterprise. We seek to compete fairly and ethically and within the framework of applicable competition laws; we will not prevent others from competing freely with us.

Principle 3: Business Integrity

CMS insists on honesty, integrity and fairness in all aspects of our business and expect the same in our relationships with all those with we do business. The direct or indirect offer, payment, soliciting or acceptance of bribes in any form is unacceptable. Facilitation payments are also bribes and must not be made. Employees must avoid conflicts of interest between their private activities and their part in the conduct of company business. Employees must also declare to their employing company potential of interest. All business transactions on behalf of CMS must be reflected accurately and fairly in the accounts of the company in accordance with established procedures and are subject to audit and disclosure.

Principle 4: Health, Safety, Security and the Environment

CMS has a systematic approach to health, safety, security and environmental management in order to achieve continuous performance improvement.

To this end, CMS manages these matters as critical business activities, set standards and targets for improvement, and measure, appraise and report performance externally.

We continually look for ways to reduce the environmental impact of our operations, products and services.

Principle 5: Local Communities

CMS aims to be good neighbours by continuously improving the ways in which we contribute directly or indirectly to the general wellbeing of the communities within which we work.

We manage the social impacts of our business activities carefully and work with others to enhance the benefits to local communities, and to mitigate any negative impacts from our activities.

In addition, CMS takes a constructive interest in societal matters, directly or indirectly related to our business.

Principle 6: Communication and Engagement

CMS recognizes that regular dialogue and engagement with our stakeholders is essential. We are committed to reporting of our performance by providing full relevant to legitimately interested parties, subject to any overriding considerations of business confidentiality.

In our interactions with employees, business partners and local communities, we seek to listen and respond to them honestly and responsibly

Principle 7: Compliance

We comply with all applicable laws and regulations of the countries in which we operate.

GLOSSARY**Charitable donations**

Anything of value given to a charitable organization; or sponsorship that is given without charge to a charity; or any community development expenditure.

Code of Conduct

Values, ethics, rules, and principles describing the behavior expected of you and what you can expect of CMS.

Competitor

A company in the same industry offering a similar product or service.

Compliance Officer

Monitors compliance activities incidents and business risk.

Confidential business information

Information and data that must be protected and not shared with any unauthorized party.

Customers

Clients and buyers of CMS products and services.

Facilitation payment

Payment made to speed up an administrative process.

Government official

Employee of any government (local or national); or of a company wholly or partially controlled by government; or an official a political party; or employee of an international organization; or immediate family member of any of these.

Inappropriate gift

Gift offered or received of an unacceptable value, inappropriate nature or in unacceptable circumstances.

Intellectual property

Includes patent rights; utility models; trademarks and service marks; domain names; copyright (including copyright of software); design rights; database extraction rights; rights in know-how or other confidential (sometimes called `trade secret` or `proprietary`) information; and rights under IP- related agreements.

Items of nominal value

Items of insignificant value e.g. conference pen; cup of coffee.

Joint venture

A legal entity formed between CMS and other parties to undertake a business activity together.

Partner

A supplier, customer, agent, or any party involved in any joint venture with CMS.

Restrictions or prohibitions

Limits that govern what can and cannot be done e.g. the kinds of goods that are allowed into a country.

Social Performance

How CMS manages the impact of its business on the communities and societies in which it operates.

CMS core values

Honesty, integrity and respect for people.

CMS General Business Principles

Govern how CMS conduct their affairs.

CMS Global Helpline

Available to all employees for reporting or receiving advice on legal and non-compliance incidents, dilemmas and concerns.

Stakeholder

Person, group, organization or system that has a vested interest in CMS business

Supervisor

The person who has authority to give you instructions and/or orders.

Value limits

Acceptable value of gift, hospitality or entertainment that can be received or offered.