

AFI Development – Anti-corruption and Anti-bribery Policy

AFI Development PLC (together with its subsidiaries – “AFI Development” or the “Company”) is committed to conducting its business professionally, with honesty and integrity at all times. The policy on anti-corruption and anti-bribery (thereafter – the “Policy”) supplements our commitment to the Code of Ethics that ensures appropriate ethical conduct is applied to our business activities and professional relationships with the public. The Policy should be used together with the Whistle Blowing Policy that outlines the appropriate actions to be taken in case of recognition or suspicion of any case of criminal activity including fraud, bribery and corruption. This Policy is designed to ensure that each part of the Company applies appropriate steps to comply with the Company's ethical principles and the applicable law.

Our approach

Our commitment to anti-bribery and anti-corruption is based on strict compliance with the following laws of the countries where we operate, are incorporated and are listed:

- Federal Anti-Corruption Law of Russian Federation;
- Criminal Code of the Russian Federation;
- Cyprus Criminal Code (Cap. 154);
- Cypriot Prevention of Corruption Law (Cap. 161); and
- UK Bribery Act 2010.

Bribery is the offer or receipt of any gift, hospitality, entertainment, loan, payment, reward or other advantage to or from any person as an encouragement to do engage in activity, which is dishonest, illegal, or a breach of trust, in the conduct of the Company's business.

Corruption is the misuse of entrusted power for private gain.

AFI Development has a zero-tolerance policy against bribery and corruption that extends to all its employees, as well as its operations with third-party service providers.

Principles

AFI Development is actively working to achieve and maintain high standards of honesty and integrity, act ethically and in compliance with applicable laws in its business and relationships with the public through application of the following principles:

- Conducting business with a zero tolerance approach to all forms of corruption is central to the Company's values, image and reputation;
- Conducting business with a zero-tolerance policy towards bribery of all kinds;
- All business transactions must be made in accordance with regulations;

- The Company strictly prohibits the offer or acceptance by any employee of any gift or bribe, whether or not such gift or bribe is in money or in any other form of advantage, offered or received;
- The Company strictly prohibits the giving of any donation to any political party or representative of any political party, either at local or national government level;
- The Company supports local charities, however all such donations must be proposed to and approved by the Board of Directors; and
- In case of recognition, suspicion of or involvement in a bribe, employees must take appropriate action, procedures for which are described in detail in the Company's Whistle Blowing Policy.

This Policy applies to all individuals working at all levels of the organization, including senior managers, officers, directors, employees, consultants, contractors, trainees, homeworkers, part-time and fixed-term workers.

The Policy is also relevant for third parties who perform services for or on behalf of the Company. The Company expects those persons to adhere to the Policy or have in place equivalent policies and procedures to combat bribery and corruption.

Delivery and implementation

We aim to ensure that all employees comply with the Policy; adherence is demonstrated by the following procedures in place to prevent unethical activities:

- Build awareness on anti-bribery and anti-corruption principles of employees via communication of the current Policy and its updates;
- Provide focused training to our employees on issues related to bribery and corruption;
- Implement internal controls to detect and prevent risk related to unethical activities in a systematic manner;
- Employees in positions where by the nature of their role, duties and responsibilities are likely to have the opportunity to receive, and/or pay a bribe, shall be assessed before they are employed to ascertain as far as is reasonable that they are the type of person who is likely to comply with the Company's Policy;
- The Company and its employees are to make their best efforts to work only with suppliers and contractors that carry on their affairs honestly and fairly, in accordance with law, who refrain from corruption and are very strict with respect to ethical conduct; and
- Confidentially report all incidents, suspicions, risks and issues, which are contrary to this Policy.

A culture of openness and accountability is essential in order to prevent unethical situations occurring or to address them when they do occur.

Contacts

Inevitably, decisions as to what is acceptable may not always be easy. If any employee is in doubt as to whether a potential act could give rise to corruption concerns, the matter should be referred immediately to the Head of Corporate Security Department of AFI RUS LLC (Andrey Robu).

If an employee is not satisfied with the outcome of such discussion, it may appeal to the Whistle Blowing Manager (AFI RUS LLC General Director – Mark Groysman) and/or Audit Committee Chairman (David Tahan).

This Policy statement and is endorsed by Health and Safety Management, as well as by Managers of construction sites.

General enquiries: ikutnov@afid.ru; ichernikova@afid.ru.

Phone: +7 (495) 796 99 88

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