



SOCAR CODE OF BUSINESS ETHICS AND CONDUCT

2025





Dear Colleagues, dear SOCAR Family,

It is my pleasure to introduce our Code of Business Ethics and Conduct (the Code). The Code reflects the values, principles, and expectations that form the foundation of our company, and ensures that our business is conducted transparently, in line with ethical standards and applicable laws.

Serving as a guide for the proper and effective organisation of our business and wider activities, the Code makes an important contribution to our sustainable development and supports our ambition to become a model energy company.

The Code applies across all of our operations and to all SOCAR Group entities, and it must be taken into account in making business decisions. We also expect, and actively encourage, our third-party service providers, those acting on behalf of SOCAR Group entities, and our business partners to follow the principles set out in the Code.

While the Code provides detailed guidance on appropriate business conduct and the preservation of integrity, we trust that in unforeseen situations you will exercise sound judgment and take the right decisions within the scope of your responsibilities. Should you have any doubts about the appropriate course of action, you are encouraged to reach out through the communication channels identified in the Code. Open dialogue will not only allow for efficient resolution of issues but will also play a key role in the continuous improvement of our activities.

To preserve our ethical culture, and to ensure that responsibilities are properly fulfilled, it is essential that you familiarise yourselves with the provisions of the Code and apply them in your daily work. I am confident that through our joint commitment, we will make SOCAR one of the leading energy companies founded on strong values.

Thank you for your dedication to our ethical standards and your commitment to compliance. I wish each of you every success on this path.

Yours faithfully,

**Rovshan Najaf,
President of SOCAR**



ABOUT THE CODE

Our Code:

1. Is based on our key foundations, which are our Values, our safety culture, our people, our property and other assets, the way we operate and our speak up culture;
2. Is principles-based set out in each section of Our Code;
3. Outlines applicable standards, including international standards;
4. Defines our expectations from Our employees;
5. Defines our expectations towards our Third-party service providers (including their employees) and any other individuals who work on our or on behalf of SOCAR Group Entities, as well as Business partners and governments and communities we work with the policies and other internal normative documents referenced in Our Code (as updated from time to time) are an integral part of Our Code.

AS A SOCAR EMPLOYEE, WE EXPECT YOU TO:

1. Read, understand and follow Our Code including our commitments;
2. Understand the risks in your role and how to manage them;
3. Make sure that any third parties, including Third-party service providers you work with are aware that we are bound by Our Code and that they should act accordingly;
4. Cooperate fully and tell the whole truth when responding to an investigation or audit;
5. Promptly complete trainings assigned to you on the ethics and compliance issues, including those on prevention of discrimination and harassment;
6. Seek advice when something is not clear and speak up, ask questions, and raise concerns if you become aware of possible violations of applicable laws, regulations or Our Code;

Certify annually that you have acted in accordance with Our Code by completing the annual Code of Conduct certification (this certification process will be managed by the Compliance Department).

AS A MANAGER WE EXPECT YOU TO FOLLOW ALL REQUIREMENTS APPLICABLE FOR SOCAR EMPLOYEES AND IN ADDITION:

1. Be a role model by demonstrating a commitment to SOCAR's culture of ethics and compliance;
2. Create a working environment where colleagues can freely and comfortably ask questions and raise concerns;
3. Make decisions on selecting, developing, and advancing personnel based on merit, qualifications and demonstrated skills and achievements;
4. Make sure that the quietest voice in the room is heard;
5. Support your team and help them understand what is expected of them;
6. Promptly report any concerns and be supportive of those who raise concerns in good faith.



THE MOST STRINGENT STANDARDS

1. Our operations span across a number of countries. Wherever we operate including in Azerbaijan, in the event of a conflict between an applicable legal requirement and Our Code, the most stringent standard under applicable legal requirement shall apply.
2. In addition, if requirements of the applicable legislation are not as stringent as those of Our Code, then, in a specific situation, SOCAR employees must follow Our Code, provided, however, that it does not breach mandatory provisions of the applicable legislation.

SEEK ADVICE AND SPEAK UP

While Our Code provides a broad range of guidelines for proper business conduct and for preserving integrity, it cannot address every possible situation that you may encounter.

Therefore, if you suspect a possible violation of Our Code, our policies or applicable laws or any other unethical conduct, it is your duty to report this immediately. This includes any attempt at bribery and other forms of corruption, discrimination and harassment you may become aware of, be subjected to. We appreciate that raising a concern is not always easy and we have several channels for taking concerns forward.

TO REQUEST ADVICE OR REPORT A SITUATION THAT MAY BE A VIOLATION OF OUR CODE, APPLICABLE LAWS OR OUR POLICIES, YOU HAVE SEVERAL OPTIONS AVAILABLE AND CAN CHOOSE THE ONE YOU FEEL AS MOST SUITABLE:

1. Inform your line Manager immediately. If you are not comfortable talking to your line Manager, contact your line Manager's supervisor.
2. If you do not feel comfortable with these options, you can contact the Compliance Department.

If you are uncomfortable using any of these channels, depending on the nature of your concern you can report your concern to:

1. SOCAR's Ethics and Compliance Helpline by sending an email to: ethics@socar.az; or
2. visiting and uploading your concern through the relevant section on the following website: <https://socar.az> or a locally managed ethics hotline (helpline) at SOCAR Group Entities;



ZERO TOLERANCE FOR RETALIATION

SOCAR does not and will not tolerate any form of retaliation directed against anyone (including SOCAR employees' Relatives and close people) who raises a concern about a possible violation of Our Code, applicable laws, our policies, and other internal normative documents. This applies even if your report does not reveal an actual violation. Any threat or act of retaliation against our staff will be treated as a serious violation of Our Code. If you or someone you know has experienced retaliation, contact any of our speak-up channels.

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INTERNAL INVESTIGATIONS

You have an obligation to cooperate fully and completely and provide truthful and accurate information. Any effort to hinder an investigation, such as destroying or altering documents or other evidence, providing untrue information or encouraging others to provide false information, violates Our Code. In the event an investigation reveals that a violation of Our Code, our other internal normative documents or the law has occurred, we will respond appropriately. Depending on the circumstances, this may include disciplinary action, up to and including termination of employment and termination of contractual relationships in the case of third parties. Individuals may also be subject to civil or criminal prosecution if they have violated the applicable law.

HEALTH, SAFETY, SECURITY, ENVIRONMENT AND SOCIAL PERFORMANCE

1. Safety is the cornerstone of our operations and is one of our core Values. We are committed to safety, protecting the environment, and respecting the communities where we operate. Our safety, security, and environmental aspirations are having zero accidents, no harm to people, and no damage to the environment.

Each of us shall be a role model for safety.

2. We have adopted our sustainable development policy, and we are committed to achieving its goals, which includes getting to net zero, help in tackling the climate change and improving social performance.

IN THIS REGARD:

1. Follow HSS&E-related policies and rules and know well our HSS&E requirements outlined in those internal documents;
2. Promote a culture of health, safety, and security and respect for the environment whether as part of your job or externally when working with third parties;
3. Do not engage in dangerous or illegal behaviour (a behaviour which is against applicable laws);
4. Intervene in unsafe or non-compliant work or situation and report immediately. Do not assume that someone else will do that instead of you;
5. Know the emergency procedures and emergency exits applicable in places where you work and which you visit;
6. Encourage third parties to know and apply our HSSE & SP requirements;
7. Play our part in protecting the environment – make it a personal priority;
8. Know well contents of our sustainable development policy and play your part in delivering it.

OUR PEOPLE

As confirmed in our Values, our people are our most important assets, and we are One Team. It is imperative that we respect and care for each other in accordance with our Care Values.

That is when we succeed
individually and as a company.

EQUALITY, DIVERSITY AND INCLUSION

1. Every SOCAR employee is valued at SOCAR. We will accomplish more and better if people from diverse backgrounds and with different talents and ideas work together in an environment where everyone contributes and makes full use of their talents.
2. We respect that employees have the right to choose whether or not to be represented by a trade union for the purpose of collective bargaining. No employee who exercises this right shall be discriminated against. All employees should know the basic terms and conditions of their employment contract.



HARASSMENT, DISCRIMINATION AND EQUAL OPPORTUNITY

We believe everyone should be treated with fairness, respect, and dignity. We are an equal opportunity employer, and we are committed to our approach to ensure decent working conditions and equal remuneration for the work performed within categories based on objective criteria. We do not tolerate any form of harassment and violence, including sexual harassment and bullying.

Harassment can take many forms and may come from colleagues, Managers or non-employees.

IN THIS REGARD:

1. Take personal responsibility to create and maintain a good working environment free from harassment and discrimination;
2. Make business decisions based on merit and do not discriminate based on factors outlined above;
3. Remember that sexual harassment includes unwanted sexual advances, requests for sexual favors or physical contact, or any other sexually offensive behaviour;
4. Set the expectation with our Third-party service providers (including their employees) and any other individuals who work on behalf of SOCAR or SOCAR Group Entities as well as our Business partners that we believe they should act in a way consistent with our prohibition of harassment, discrimination and our sense of equal opportunity.



DRUGS AND ALCOHOL

1. When working, always be alert to health and safety risks, including in office, field or remote work environments. Make sure that your performance is not impaired by alcohol or drugs, including prescription and over-the-counter medication.
2. SOCAR is a drug and alcohol-free workplace. We will not tolerate anyone being under the influence of drugs or alcohol while at work for SOCAR.

ASSETS

We trust you with our assets so that you can do your work effectively. We trust that you will use our assets appropriately and protect them from loss, damage, theft, waste and improper use.

SOCAR's assets include without limitation physical assets, such as land plots possessed by SOCAR due to property and other rights, factories, buildings and structures (including their protection zones), equipment, computers, laptops as well as digital assets, intangible assets, property rights and financial assets.



IN THIS REGARD:

1. Protect SOCAR's assets from loss or harm;
2. Do not use such SOCAR assets (e.g., land plots, buildings, computers etc.) for any personal commercial or other personal use;
3. Remember that taking company property without permission is considered theft, which may be subject to disciplinary action up to and including termination of employment and reporting to state authorities;
4. Use company credit cards (if provided relevant to your position) only for reasonable and approved business expenses and never for personal use;
5. Ensure that documents used to obtain company funds and property are accurate and complete. Remember that inaccurate or unsubstantiated records (order, permit, account records etc.) may be treated as fraud;
6. Not to unlawfully conceal, alter or destroy documents.

INFORMATION SECURITY & IT SYSTEMS

1. We shall always uphold our contractual commitments to ensure confidentiality and protection of confidential and sensitive data belonging to both our company and stakeholders in accordance with our Accountability Value.
2. This includes being knowledgeable about information security, including cyber security threats and acting diligently, which is paramount for protecting SOCAR's assets. SOCAR employees are expected to be vigilant in this area especially given that the employees are our first line of defense to combat cyber security threats.

INSIDE INFORMATION

1. It is prohibited to use any SOCAR information that is not public and that may be considered relevant to third parties when considering investment in SOCAR's bonds or other financial instruments. Such information is considered "Inside information". It is illegal to trade with such information or share it with any third parties which can result in severe penalties.
2. You may also become aware of information about SOCAR or SOCAR Group Entities that is not publicly available and that may be of interest to third parties. It is also strictly prohibited to trade or share such information with third parties.



ANTI-BRIBERY AND ANTI-CORRUPTION

We maintain a policy of zero tolerance for any crimes, including fraud, bribery and corruption, facilitation payments and violations of antitrust laws. Everyone involved in SOCAR's business must comply with the anti-bribery and corruption (ABC) laws of the countries where we operate, as well as those that apply cross borders.

We have adopted rules and controls to prevent and combat the risk of bribery and corruption in the performance of our activities, including SOCAR's Anti-Bribery and Corruption, Anti-Money Laundering and Crime Financing, and Anti-Tax Evasion Policy.

IN THIS REGARD:

1. Follow Anti-Bribery and Corruption, Anti-Money Laundering and Crime Financing, and Anti-Tax Evasion Policy;
2. Never engage in, offer, accept, authorise or tolerate bribery or corruption for any reason;
3. Do not attempt, offer, promise, give, authorize provision of, solicit, request or receive Anything of Value, directly or indirectly, to or from any person (including any Public Official), including in the scenarios outlined in the referenced Policy;
4. Stay away from any facilitation payments;
5. Participate in required anti-bribery and corruption trainings to understand and manage the risks we face in our work;
6. Work to ensure that all Business partners who represent or act on behalf of SOCAR and depending on the risk ratings – Third-party service providers.

ACCURATE BOOKS AND RECORDS AND REPORTING

We record and report company information honestly, accurately and objectively. This includes financial and non-financial information. Accurate records are essential for us to make good business decisions and to be compliant. Falsifying records or misrepresenting facts can never be tolerated.

SOCAR does not tolerate any kind of fraud and falsification.

ANTI-MONEY LAUNDERING AND CRIME FINANCING AND ANTI-TAX EVASION

1. Money laundering is illegal, which includes a process of making large amounts of money generated by criminal activity, such as drug trafficking, appear to have come from a legitimate source. Crime financing covers the use of legitimate funds to support crime including terrorism and proliferation of weapons of mass destruction.
2. SOCAR strives to prevent money laundering and crime financing through procurement policies, vetting, due diligence, and payment processes.

We do not assist any person to do anything that will help that person unlawfully evade tax or otherwise breach tax laws.



GIFTS, ENTERTAINMENT, INCENTIVES, HOSPITALITY AND HOSTING

Exchanging gifts and sharing entertainment in connection with a legitimate business purpose can foster constructive relationships with third parties. However, giving or accepting gifts and hospitality may be regarded as bribery and corruption in certain situations, and we have strict limits for when we allow the giving or acceptance of gifts and entertainment.

As a general rule, we do not provide or accept Gifts or Entertainment in exchange for any preferential treatment or influencing any decision in any business dealing.

IN THIS REGARD:

1. Follow the Gifts, Entertainment, Incentives, Hospitality & Hosting Policy, including rules on hosting Public Officials;
2. We only offer, give or accept Gifts that are Promotional Gifts (normally bearing a company logo), not luxurious and we only offer, give or accept Entertainment/Hospitality that is modest and has a clear business reason behind it;
3. Question yourself how the acceptance or offer of a Gift or Entertainment/Hospitality would be perceived by others and never offer or accept anything that is or could be perceived as an improper advantage;
4. Never offer, give or receive Gifts or Entertainment/Hospitality that could be seen as a bribe or are indecent, sexually oriented or otherwise improper;
5. Never offer, give or receive any Gifts or Entertainment/Hospitality with third parties when you are involved or could influence a tender or any other bidding/procurement process.



CONFLICTS OF INTEREST

We respect the privacy of everyone who works for SOCAR and your right to manage your personal matters. However, conflicts of interest can occur if your personal interests interfere with SOCAR's interests which may influence your objective decision making within SOCAR. Whenever possible, conflicts of interest should be avoided.



IN THIS REGARD:

1. Follow SOCAR's Conflicts of Interest Policy. As a general guidance, a conflict of interest exists if your or your Relative's (or someone you have a Close relationship with) personal interests interfere with SOCAR's interests or your duties owed to SOCAR which may influence your objective decision making within SOCAR. Conflicts of Interest Policy discusses in more detail the types of conflicts of interest and SOCAR's requirements;
2. Be open, disclose and discuss with your Manager any actual, potential, or perceived conflict of interest as further outlined in the Conflicts of Interest Policy.

THIRD PARTY SERVICE PROVIDERS AND BUSINESS PARTNERS

SOCAR appreciates working with Third-party service providers (including their employees) and any other individuals who work on behalf of SOCAR or SOCAR Group Entities and Business partners who demonstrate high standards of ethical business conduct and share our commitment to safety, ethics, and compliance and encourages them to report cases on breaches of requirements of Our Code to SOCAR's Ethics and Compliance Helpline.



ANTI-COMPETITIVE CONDUCT

Everyone at SOCAR must comply with competition laws – known in some countries including in Azerbaijan, as antitrust or similar laws.

These are laws that protect competition by prohibiting anti-competitive behaviour. Some of these laws apply beyond national boundaries, for example, the rules in the European Union and the US. Competition laws are complex and often fact specific. For this reason, if you have any question, please consult the SOCAR Compliance Department.

IN THIS REGARD:

1. Never engage in any form of agreement or understanding with competitors to fix prices, rig bids, allocate customers and/or restrict supply;
2. Never share any competitively sensitive information with competitors;
3. Never abuse a position of market dominance.

INTERNATIONAL TRADE RESTRICTIONS

Like any other transnational company, we must comply with all applicable national and international trade compliance regulations.

Trade compliance includes regulations governing the import, export and domestic trading of goods, technology, software and services as well as international sanctions and restrictive trade practices.



IN THIS REGARD:

1. Follow the SOCAR's Global Sanctions Policy;
2. Consult with SOCAR Compliance Department immediately if you are asked to deal with a sanctioned or restricted country, industry, entity or individual;
3. Screen your Business partners, Third-party service providers, and other relevant parties (including any ownership of the same) against relevant restricted parties' lists, which is part of SOCAR's counterparty due diligence process;
4. Make sure that products and technology for import or export are classified in advance. Use the relevant country control list to determine licensing requirements. Make sure that all required labelling, documentation, licenses and approvals are in place. Contact the Compliance Department for assistance;
5. Ensure all transaction parties are screened against the relevant restricted party lists.

PRIVACY & PERSONAL DATA PROTECTION

SOCAR respects the privacy of its employees as well as of third parties it works with, including its clients.

We will only use personal data when needed for appropriate purposes or comply with the applicable law.

LOCAL COMMUNITIES AND NON-GOVERNMENTAL ORGANIZATIONS

SOCAR wants to make a positive difference wherever the Company does business. SOCAR holds itself to the highest ethical standards and behaves in ways that earn the trust of the communities in which SOCAR operates.

SOCAR works hard to create open and sincere relationships with local communities, as well as with bodies such as non-governmental organizations (NGOs) who have a legitimate interest in what we do as a company.





HUMAN RIGHTS

1. We conduct our business in a way that respects the human rights and dignity of people. Our SOCAR Values support inalienable rights of people to live free from discrimination and abuse. Each of us has a role to help in the elimination of human rights abuses, such as child labour, human trafficking, forced labour and bonded labour.
2. We comply with applicable laws and regulations, including the United Nations Universal Declaration of Human Rights and the International Labor Organization Declaration on Fundamental Principles and Rights at Work, as well as the United Nations Guiding Principles on Business and Human Rights. We also regularly engage with our external stakeholders to contribute to the wellbeing of the communities where we operate.



EXTERNAL COMMUNICATIONS INCLUDING VIA SOCIAL MEDIA

Communications with external stakeholders, including media, investors, analysts are important for us. It is important that our external communications are clear and accurate. Only authorized personnel can talk to the media or members of the investment community.

SOCAR Ethics and
Compliance Helpline:

ethicsline.socar.az