



CORPORATE CODE

SOCIAL RESPONSIBILITY

GROUPS OF SHANA COMPANY

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PREAMBLE

SHANA GROUP - is a socially responsible corporation, which includes companies, each of which adheres to the standards of social responsibility. SHANA recognizes and assesses the real and possible impact of its activities on the economy, population, local communities and the environment. SHANA considers both direct and indirect influence on production potential, welfare of communities or stakeholders, as well as on long-term development prospects.

Understanding the necessity and importance of their contribution to sustainable development, SHANA makes every effort to use new knowledge, innovations and technologies in managing the impact of its products, services and activities on the environment, society and the economy.

SHANA takes on corporate responsibility for social responsibility in the following areas:

- Economic performance
- Products and services
- Organization of work
- Health and Sport
- Interaction with society
- Environmental performance
- Charity

This Code establishes the basic principles and commitments of the above-mentioned aspects, which SHANA consistently adheres to in its daily activities, takes into consideration when making managerial decisions, and evaluates the effectiveness of such compliance in carrying out a general assessment of the results of its activities.

DEFINITIONS AND NORMS

The Corporate Code of Social Responsibility is the voluntary commitment assumed by the SHANA GROUP to comply with the best principles and norms of its activities.

Corporate Social Responsibility is a concept that defines the responsibility of a group of companies to respond to all stakeholders for their activities, not only in the economic, but also in social and environmental spheres, with the goal of implementing the principles of sustainable development.

The corporate code of social responsibility of the SHANA GROUP has been developed in compliance with the principles of social responsibility assigned to a group of companies in accordance with its membership in the UN Global Compact - a voluntary international initiative aimed at disseminating responsible corporate citizenship

The Code is applicable to all, without exception, managers and employees of the SHANA GROUP, and its provisions are mandatory. The leaders of the SHANA Group should ensure that all employees are given access to this Code and contribute to the correct understanding and interpretation of its provisions. The heads of companies and all structural divisions are personally responsible for the observance and enforcement of the provisions of this Code by the employees.

Section 1. ECONOMIC RESULTITY

"SHANA" is aware that the indicators of economic performance reflect the consequences of responsible economic activity and sustainability of the company, and also have an impact on the formation of socio-economic benefits for the whole of society, and therefore:

SHANA makes every effort to obtain the best economic results of its activities, namely: indicators of the established and distributed direct economic value, the amount of taxes paid and other mandatory payments to the state budget, ensuring obligations of the organization for social benefits, promotion increase of direct foreign investments.

SHANA carries out a balanced and responsible policy of presence on regional economic markets, demonstrating its strategic orientation for a positive impact on stable regional economic development:

1. follows the ratio between the standard salary of the entry level at their own enterprises and the average salary of the respective level in each individual region of presence

2.introduces the policy of maximizing the purchase of necessary goods and services to local regional suppliers, as local business support can contribute to local economic development, along with the creation of jobs and the payment of taxes to local budgets

3.the recruitment procedures of top management of regional companies, affiliates and subsidiaries adhere to the rules for local participation in top management of companies, which simultaneously benefits the local community through the improvement of local human capital and helps to better understand local needs.

4.SHANA recognizes and assumes responsibility for indirect economic influences (when the final recipients of economic benefits are individuals external to the company) associated with the economic activities of the group of companies. In accordance with its understanding of its role in socio-economic transformations, the GROUP OF COMPANIES implements a policy of investment in infrastructure and services provided primarily for the public good through commercial, natural or charitable participation. Moreover, "SHANA" carries out regular informal assessment of the needs of communities in public utility infrastructure or services.

Section 2. LIABILITY FOR PRODUCTS AND SERVICES

SHANA pays great attention to the processes of product and service management for consumers and users. We strive to meet the expectations of society about the relevance of our products and services to the best standards, and so :

1. SHANA takes all measures to ensure that there is no unintended risk to the health and safety of consumers of our products and services.
2. SHANA applies internal management systems and procedures aimed at monitoring compliance of products and services with regulatory requirements and voluntary codes regarding health and safety impacts. Companies aim at minimizing the incidence of product and service mismatches to health requirements.
3. SHANA provides full and adequate information on the impact on its sustainable development (positive or negative) of its products and services. This information is provided to consumers and end-users in order to make an informed consumer choice and to reflect these market benefits. Information on the labeling of products and services "SHANA" necessarily includes: information on the origin and components of products or services; composition of products (in particular regarding the content of substances that may affect the environment or society), information on the safety of the use of products or services, rules for the disposal of products with a minimal impact on the environment.
4. SHANA considers consumer satisfaction as the most important indicator that affects the long-term and sustainable development of the organization. Consequently, SHANA companies use best practices to determine consumer satisfaction, adhering to the

- principles of regularity of measurement, standardization of research methods and coverage of all major categories of products / services and significant areas of activity .
5. In addition to complying with national advertising legislation, SHANA undertakes such commitments in the field of marketing communications, advertising, product promotion and sponsorship:

- Do not apply marketing communications that do not comply with generally accepted ethical and cultural standards (eg alcohol, smoking, violence, gambling, arms trade, trafficking, etc.), violate privacy, are based on double standards or attempts to influence vulnerable audiences;
- apply the principles of the International Code of Advertising Practice of the International Chamber of Commerce in their own marketing strategies
- apply adequate internal management systems and procedures to ensure compliance with the principle of responsibility in the field of marketing, periodically assess its own compliance with generally accepted standards in the field of marketing communications

Section 3. ORGANIZATION OF LABOR

1. The responsibility of SHANA for its employees is based on the provisions of the ILO Decent Work Concept and aims at simultaneously ensuring economic growth and social values. SHANA is considering creating and securing stable jobs as an investment in the welfare of workers. The number and diversity of jobs created and constantly operating at SHANA enterprises, along with competitive wages, contributes to a positive impact on regional economic markets. Therefore, "SHANA" on a regular basis.
2. Analyzes the number and structure of employment at their enterprises, paying particular attention to such parameters as: total employment at SHANA enterprises, broken down by category (age, gender, region, type of contract, etc.), staff turnover, payments and employee benefits, etc.
3. Pays attention and constantly supports the dialogue between the employer and the employees. SHANA considers the collective agreement as an important tool for involving stakeholders and contributes to the maximum coverage of employees by collective agreements. SHANA adheres to the practice of ensuring timely notification of employees and discussing significant changes in the activities of organizations and involving employees in consultations on the implementation of such changes.
4. SHANA takes all possible measures to ensure the health and safety of workers in carrying out their work tasks. To this end, SHANA enterprises constantly monitor the safety of workplaces, the level of occupational injuries and occupational diseases (and eliminate their causes), provide assistance to workers in the event of a serious illness of an employee for a member of his family .

5. SHANA considers the key element of the development of the organization of the preservation and improvement of human capital, and therefore introduces systems of continuous training and retraining of employees, promotes the constant expansion of their knowledge base. "SHANA" monitors the uniformity of investments in this field, providing equal opportunities for improvement at the personal and organizational level for all employees.
6. SHANA also contributes to the personal development of employees through the regular assessment of the effectiveness and level of employee satisfaction, recognition and encouragement, using best practices in the development of the professional skills of their employees
7. SHANA seeks to maintain a level of diversity and provides equal opportunities in the organization as an indicator of the quality of human capital. Representatives of different age groups, articles, nationalities and minorities have equal opportunities for work at various levels of the SHANA enterprises, including those in the management. SHANA applies the principle of equal remuneration for work of equal value in accordance with ILO Convention 100 "On Equal Remuneration for Men and Women for Equal Value"
8. Detailed practices for implementing the above-mentioned principles of SHANA's liability towards its employees are enshrined in the Code of Business and Ethics of a SHANA employee.

Section 4. Supporting Sport Teams

Among various industries, sports have a power to give inspirations and dreams to the people. As in the slogan of the Group "Sports That Move The Heart", our mission is to create scenes that move the heart of more people than ever through bringing out the potentials of sports and making socially valuable activities. To achieve this, it is essential to vitalize entire sports industry. There are many ways of enjoying sports. We see sports not only as a player, but also see in a broad sense such as "sports to spectate and support", "fashion", "community", "education" and "maintenance and promotion of health". Taking advantage of the assets of our company and giving dreams and inspirations to children who are responsible for the next generation, we will continue to promote activities with an eye toward creating bright society in collaboration with each sports organization.

Section 5. INTERACTION WITH SOCIETY

"SHANA" is aware of the impact on social institutions of society, local communities and other communities in contact with which the GROUP OF COMPANIES carries out its activities. "SHANA" is trying to manage its influence on society by way of:

1. Evaluate the impact (positive or negative) that may or may result in the organization at different stages of its operation (arrival in the region, activities, exit from the region). Types of influence being analyzed include, but are not limited to:

Impact on community health and safety in connection with infrastructure, harmful substances or emissions

causing resettlement, physical or economic displacement, changing lifestyles, closing or transferring social institutions (schools, kindergartens, health facilities, etc.);

Impact on contemporary community culture and cultural heritage.

2. Compliance by all employees at all levels of the corruption prevention policy, including bribery, conspiracy, conflict of interest, offer and receipt of gifts, fees or other benefits in order to resolve issues related to the activities of the organization

Section 6. ENVIRONMENTAL RESULTS

Environmental performance is one of the most important strategic goals in the concept of social responsibility "SHANA". In pursuance of the principles of reducing the negative impact on the environment, achieving the level of environmental safety of its enterprises, which corresponds to the modern development of science and technology, "SHANA" constantly implements such practices:

1. It is mandatory to integrate environmental efficiency issues into a list of factors that are considered when making managerial decisions. Conducts regular monitoring of the efficiency of the use of raw materials and materials associated with the flow of materials
2. Usually uses materials that are recycled or reused and reduces the proportion of primary materials for the purpose of preserving natural resources. Maximizes the use of non-renewable resources to be restored.
3. As much as possible uses alternative sources of energy for production and construction, steadily reduces the energy consumption per unit of products / services.
4. Uses the most up-to-date energy saving technologies in its own production process, and also buys exclusively energy-efficient products and services from external suppliers.
5. Carefully relates to the use of land that is owned, leased, managed by the organization. Prevents, mitigates and compensates damages caused by the organization of the organization of the biosystems of these land plots.
6. Particular attention is paid to the issues of environmental efficiency of transportation carried out both for the company's own needs and as one of the main types of services provided by SHANA companies. Conducts an assessment of the significant impact of transportation on the environment through the use of fuels, polluting emissions, noise, etc. directs efforts to apply energy management of transport in order to reduce such negative impact
7. Applying the Green Office program in conducting ordinary business as an element of corporate culture focused on environmental care and future generations.

Section 7. CHARITY

"SHANA" is trying to be a leader not only in business, but also in solving social issues relevant to modern Iranian society. This approach is fully in line with the latest world-class practices of leading corporations and Iranian enterprises

1. The charity mission of SHANA and the Charity Foundations is to provide long-term resources for the systematic solution of the actual social problems of Iranian society, in particular childhood issues, as well as to promote the effectiveness of charity in Iran. Their WBF seeks to take a worthy place among the cohort of leaders of Iranian corporate philanthropy and, therefore, applies the following basic principles in its charitable work:

- focus on eliminating causes, rather than dealing with the consequence
- use of modern philanthropic methods (social investments, venture philanthropy)
- Focus on achieving a social effect: achieving a change in the quality of life of recipients of charitable fund assistance
- social partnership: long-term cooperation with social state agencies and non-governmental organizations, as well as joint efforts with other private benefactors
- targeted funding and strict compliance with defined criteria
- priority financing of innovative decisions aimed at developing civil society
- the coherence of key players' goals, programs and tools with respect to the problem solved by the fund
- Transparency of activities and full accountability to founders, donors and the public

The main tools used by the Charity Foundation to provide charitable assistance are grants, social investments, direct charitable help, project decisions.

Their WB comprehensively contributes to the development of best practices in charitable activities in Iran, and therefore supports all initiatives in this area and is an active participant of the "Goodwill Iran" Global Development Alliance: "Corporate Charity: Supporting Good Practices and Transparency", Charitable Committee The Iranian Chamber of Commerce and the Corporate Social Responsibility Committee of the Iranian Business Association, the All-Iranian Corporate Citizenship Network.