



## **AIS LLC CODE OF CONDUCT**

## Contents

<b>Introduction .....</b>	<b>2</b>
<b>Values and culture.....</b>	<b>3</b>
<b>Code of conduct and policies .....</b>	<b>3</b>

## Introduction

This Code of Conduct is a guide for all employees and serves as a roadmap for navigating our business activities with integrity, ensuring that we consistently meet the expectations outlined by the company.

AIS LLC strives to make a positive impact on various fronts, including human rights, labor standards, environmental conservation, and the fight against corruption. These principles are not just lofty ideals but fundamental pillars upon which our company's mission and values are built.

### ***Human Rights:***

We are committed to supporting and respecting the protection of internationally proclaimed human rights. We strive to ensure that our business activities do not infringe upon the rights and dignity of individuals, both within our organization and in the communities where we operate.

### ***Labor:***

AIS LLC upholds the freedom of association and recognizes the right to collective bargaining. We are dedicated to eliminating all forms of forced and compulsory labor within our supply chain and promoting diversity and non-discrimination in our workplace.

### ***Environment:***

AIS LLC adopts a precautionary approach to environmental challenges and commits to minimizing our environmental footprint. We actively seek opportunities to promote environmental sustainability, support eco-friendly technologies, and contribute to the well-being of the planet.

### ***Anti-Corruption:***

AIS LLC is steadfast in its commitment to working against corruption in all its forms. AIS LLC implements robust anti-corruption measures, including clear policies, training programs, and reporting mechanisms, to ensure ethical conduct at all levels of the organization.

### ***Reporting and Accountability:***

At AIS LLC, we recognize the paramount significance of transparency and accountability within our business endeavors. Employees are encouraged to report any incident of misconduct or unethical behavior through designated channels such as ESG manager and/or CLO, or to a supervisor.

Anonymous reporting option is available through the Grievance box, to ensure the protection of the reporter's identity. It is the responsibility of all employees to promptly report any violations of the code of conduct that they witness or become aware of.

Managers and supervisors must take reports of misconduct seriously and ensure that appropriate actions are taken to address the issue.

All reports of misconduct should be thoroughly investigated by the ESG manager and the relevant parties, ensuring transparency and fairness in the process. The results are presented to the Board of directors. Investigators maintain confidentiality to the extent possible while conducting a comprehensive inquiry. The Company permanent mechanism for receiving and handling grievances and concerns is implemented. The grievance mechanism is open to all stakeholders, notably the project affected communities and the employees. Grievances are shared to the ESG manager/CLO verbally, in writing, via email or telephone or via anonymous grievance box.

Questions and requests that have not been answered to the satisfaction of a stakeholder twice will be escalated to the Fund level. If the Fund cannot answer satisfactorily the complainant twice, the complainant is informed about its right to the court.

Both signed and anonymous inquiries might be received by the Company. However, if an inquirer would like to receive a reply, he/she has to provide contact details. Depending on the form of the inquiry, the Company ESG manager will reply within minimum 10 days and maximum 30 day to the complainant, ensuring that the inquiry will not be closed until the party is satisfied with the answer or chose to follow further complaint procedures.

## Values and culture

The following lays out AIS's Values and Culture.

It is important that all employees embrace and display AIS's Values and Culture in all aspects of their work:

1. We are pioneers; we embrace challenges and pursue innovation.
2. We work for meaning and impact, not just money.
3. We exhibit attention-to-detail in everything we do.
4. We take every opportunity to build value-enhancing relationships.
5. We welcome frank discussions; we reject office politics.
6. We approach our job with a positive attitude, seeing it as an opportunity not a burden.
7. We earn, rather than demand, the respect of our subordinates.
8. Every time we voice a problem, we also voice an idea for a solution.
9. We never let emotions drive our words or actions; we communicate with respect for others.
10. We use our words to create a positive atmosphere in the office; we avoid sarcasm in cross- cultural settings.
11. We are addressing breaches to uphold our values and fostering an accountable, innovative, and impactful workplace culture.

## Code of conduct and policies

The following sections explain the Code of Conduct ("Code") of AIS as well as other policies of the firm, which AIS expects its employees to strictly adhere to. AIS undertakes to foster an environment in which all AIS employees can work together in teams – with openness and trust. AIS employees will participate in this endeavor by empowering others, respecting differences, and encouraging risk-taking and accountability.

### Diversity

One competitive advantage AIS boasts are the diversity of its local staff throughout the world. Staff members from many countries bring a wide range of cultural, professional, and personal experience to bear on complex problems related to investment and development. AIS constantly seeks to grow the diversity of its team in various markets, while maintaining the highest standards of efficiency and technical competence. AIS endeavors to provide its employees with a positive, productive, and motivating workplace where a wide range of experiences are valued, and all AIS employees feel they can contribute to their full potential.

### Disciplinary and Grievance Procedures

Acts of discrimination on the grounds of race, color, ethnic or national origins, disability, age, gender (including pregnancy), marital status or sexual orientation by any employee will result in disciplinary action, including termination.

Employees can express their concerns according to the Company grievance mechanism as a result of alleged discrimination on the grounds described above and are able to act in accordance with Whistleblowing.

## Equal Opportunities

AIS LLC is committed to providing equal opportunities for employees and candidates during employment. Meaning that all job applicants and employees of the company will receive equal treatment regardless of race, color, ethnic, or national origins, disability, age, gender (including pregnancy), marital status or sexual orientation.

## Work-Family Life Balance

AIS recognizes that the competing demands of work and family life are a challenge and celebrates its employees' commitment to and passion for meeting all AIS objectives. Unlike many private equity peers, AIS is proud to encourage staff to establish and maintain an appropriate balance between work and family life. To assist in achieving this balance, AIS endeavors to provide an enabling environment that supports staff to manage and attend to the personal and family aspects of their lives more effectively.

## Compliance

### **Regulations:**

Every employee of AIS, in his/her business conduct, shall comply with all applicable laws and regulations, both in letter and in spirit, in all territories in which he or he operates. If the ethical and professional standards set out in the applicable laws and regulations fall short of the Code, then the standards of the Code shall prevail.

### **Health, Safety and Environment:**

AIS and its employees shall strive to provide a safe and healthy working environment for its people. AIS and its employees shall comply with all health, safety, and environmental regulations in each jurisdiction in which it operates.

AIS is committed to best practices in minimizing its impact on the environment and preventing the wasteful use of natural resources.

### **Financial Records:**

Internal accounting and audit procedures shall reflect, fairly and accurately, all of AIS's business transactions and disposition of assets, and the firm shall have in place internal controls to provide assurance to the Board of Directors ("Board") that the transactions are accurate and legitimate. There shall be no willful omissions of any AIS transactions from the books and records and no hidden bank accounts and funds.

Any willful, material misrepresentation of, and/or misinformation on, the firm's financial accounts and reports shall be regarded as a violation of the Code and may invite appropriate civil or criminal action under relevant laws.

### **Whistleblowing:**

AIS is dedicated to carrying out business in a just, truthful, and transparent manner, adhering to all legal and regulatory responsibilities. To uphold this commitment and ensure the company operates with integrity and fairness, it is crucial to establish a strong system for reporting any misconduct or wrongdoing confidentially. This includes implementing a comprehensive whistleblowing policy and providing a reporting channel where colleagues can comfortably disclose any violations. The aim of the whistleblowing policy is as follows:

- Foster an environment of transparency and openness
- Offer the employees clear instructions on how to address their concerns
- Ensure AIS adheres to applicable laws and regulations
- Promote and empower colleagues to voice their suspicions of misconduct promptly, assuring them that their concerns will be treated seriously and investigated appropriately

AIS encourages all employees to report any behavior or incidents in which they have concerns, such as:

- Criminal Activity or offenses, including fraud, theft, and embezzlement
- Acts of corruption, bribery, or blackmail
- Financial malpractice, impropriety, or mismanagement
- Assisting, or enabling tax evasion
- A miscarriage of justice or it is likely to occur
- Jeopardize of individual's health and safety

Employees who wish to raise concerns or discuss issues should contact ESG manager Nino Tevdorashvili at [ntevdorasvili@ais-georgia.ge](mailto:ntevdorasvili@ais-georgia.ge) or over the phone and personally. The ESG Manager will encourage complaints to use the Grievance form, but grievances can be received in any form – verbally or written. Employees should ensure that they formulate their concerns under this policy.

Alternatively, employees are able to delineate the case in written form and put it into a grievance box anonymously, which is placed at the office.

Where appropriate, the matters raise any:

- The management team will thoroughly investigate such concerns. If necessary, they will be promptly reported to the appropriate law enforcement authorities.
- In certain cases, external investigative bodies may also be engaged to ensure a comprehensive examination of the matter.

Disclosures made in bad faith, with the intention to disrupt the company or for personal gain, will be considered a disciplinary offense. If the information disclosed lacks substantial belief in its truthfulness or if the disclosure is motivated by personal gain, it may be deemed as gross misconduct, resulting in summary dismissal as a disciplinary action.

#### **Anti-bribery and Anti-corruption:**

AIS is dedicated to conducting its business with utmost honesty, integrity, and adherence to anti-bribery and anti-corruption laws. This commitment extends to complying with relevant laws, including those specific to Georgia. If local laws impose stricter requirements than those outlined in this policy, the more stringent local regulations will take precedence. The act of bribery and corruption is absolutely prohibited. Within this context, a "bribe" encompasses any form of value, loan, award, or benefit that is offered, promised, given, or received directly or indirectly by any individual. Such offerings are reasonably made as an incentive for specific actions or omissions related to the individual's duties, to influence a decision or obtain an improper or unfair advantage, either for the benefit of the corporation or any other party. "Corruption" refers to the misuse of power or position for personal gain.

#### **Employment-Related Issues**

Please refer to [AIS Human Resources Policy](#).

#### **Privacy and Information Security**

AIS is committed to respecting the privacy of its employees. Confidential information – including personnel files, medical records, information concerning complaints/investigations, and disciplinary actions – shall be kept from inappropriate use and disclosure and will only be accessed for authorized and legitimate business needs.

AIS respects employee privacy off the job and will not seek to regulate private conduct unless such conduct impairs an employee's ability to perform work satisfactorily and is otherwise incompatible with AIS Values and the Code. AIS attaches great importance to the observance of local laws by employees, as well as the avoidance of actions that could be perceived as an abuse of any privileges given to AIS employees. Any unauthorized disclosures of confidential information are strictly prohibited.

Meetings or phone calls with clients or targets should be held in private rooms behind closed doors. Where

this is not possible, then employees should otherwise take all practical steps to ensure that their conversations are not overheard by third parties.

AIS observes a clean desk policy. This means that all sensitive files or documents must be locked up at the end of the workday or whenever the employee leaves his/her desk for a prolonged period of time.

As far as practicable, project code names for deals, rather than the real name of the deal counterparty, shall be used in all communications and files.

## Other Employment and Conflicts

### **Concurrent Employment:**

An employee of AIS shall not, without the prior approval of AIS's Manager, accept employment (including as a consultant or a director) with any other company.

### **Conflict of Interest:**

An employee of AIS shall not engage in any business, relationship, or activity which might detrimentally conflict with the interests of AIS. A conflict of interest, actual or potential, may arise where, directly or indirectly, (i) an employee of AIS engages in a business, relationship, or activity with anyone who is party to a transaction with AIS (ii) an employee is in a position to derive a personal benefit or a benefit to any of his/her relatives by making or influencing decisions relating to any transaction, and (iii) an independent judgment of AIS's best interests cannot be exercised.

The main areas of such actual or potential conflicts of interest would include the following:

- Financial interest of an employee of AIS or his/her relatives including the holding of an investment in the share capital of any company or a share in any firm which is an actual or potential competitor, client, joint venture, or other alliance partner of AIS. (The ownership of up to 1 percent of the subscribed share capital of a publicly held company shall not ordinarily constitute a financial interest for this purpose.) <sup>[L]</sup><sub>[SEP]</sub>
- An employee of conducting business on behalf of AIS or being in a position to influence a decision with regard to AIS's business with a third party of which his/her relative is a principal officer or representative resulting in a benefit to his/her relative. <sup>[L]</sup><sub>[SEP]</sub>
- Award of benefits such as increase in salary or other remuneration, posting, promotion or recruitment of a relative of an employee of AIS where such an individual is in a position to influence the decision with regard to such benefits. <sup>[L]</sup><sub>[SEP]</sub>
- Acceptance of gifts, donations, hospitality and/or entertainment beyond the customary level from third parties which have business dealings with AIS. <sup>[L]</sup><sub>[SEP]</sub> Notwithstanding that such or other instances of conflict of interest exist due to any historical reasons, adequate and full disclosure by the interested employees should be made to AIS's management. It is also incumbent upon every employee to make a full disclosure of any interest which the employee or the employee's immediate family, which would include parents, spouse, and children, may have in a company or firm that has business dealings with AIS. <sup>[L]</sup><sub>[SEP]</sub> Every employee who is required to make a disclosure as mentioned above shall do so to his/her immediate supervisor who shall forward the information along with his/her comments to the person designated for this purpose by the manager. <sup>[L]</sup><sub>[SEP]</sub> If an employee fails to make a disclosure as required herein and the management of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed by the employee, the management will take a serious view of the matter and consider suitable disciplinary action against the employee, up to and including termination. <sup>[L]</sup><sub>[SEP]</sub> Sexual relationships involving a manager/supervisor and his/her subordinate are considered a de

facto conflict of interest. The manager/supervisor shall be responsible for seeking a resolution of the conflict of interest, if need be, in consultation with management, who will take measures to resolve the conflict of interest. Failure to promptly resolve the conflict of interest may result in a finding of misconduct and the imposition of disciplinary measures, up to and including termination. [SEP]

## Reporting Violations and Breaches

In the event that any member of our team identifies or witnesses a violation or breach of our anti-bribery and anti-corruption policy, immediate reporting through the designated channels is not just encouraged but deemed imperative. The confidentiality of these reports is of paramount importance, ensuring the protection of those who come forward. To establish a reliable reporting system for violations and breaches, the company initiates engaging training sessions. This program educates employees on the importance of reporting incidents and empower them to recognize unethical behavior, fostering a workplace culture of compliance and integrity.

ESG manager or CLO serves as the primary point of contact for handling reports and ensures accountability.

Supervisors play a pivotal role in addressing issues within their departments promptly and escalating concerns when necessary.

The Executive Director ensures alignment with the organization's strategic goals and values.

The Board of Directors oversights to ensure the reporting process operates effectively and transparently and receives regular updates on reported incidents.

Implemented anonymous reporting options, such as a grievance box, encourages employees to report without fear of repercussions. This approach safeguards employee anonymity and promotes a culture of trust and transparency.

Timely response and follow-up are crucial elements of the reporting system, with clearly defined timelines for investigating incidents and implementing necessary preventive measures. Upon receiving reports, the Company promptly initiates thorough investigations. As part of the commitment to transparency, every violation is treated as an opportunity for learning and improvement. A swift corrective action is taken, reinforced by preventive measures to strengthen our defenses in the event of future challenges. Addressing violations goes beyond compliance; it's essential for safeguarding our organization's integrity. By cultivating a culture where reporting is encouraged and actions are prompt and effective, the Company upholds anti-bribery and anti-corruption commitments while fostering accountability and trust within AIS LLC.

## Other Miscellaneous

### **Ethical Conduct:**

Every employee, shareholder, and director of AIS shall deal on behalf of the company with professionalism, honesty, integrity as well as high moral and ethical standards. Such conduct shall be fair and transparent. Every employee shall be responsible for the implementation of and compliance with the Code in his/her professional environment. Failure to adhere to the Code could result in severe consequences, including termination of employment.



**Protecting Company Assets:**

The assets of AIS should not be misused but employed primarily for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as electronics, systems, facilities, materials, resources as well as intangible assets such as information technology and systems, proprietary information, intellectual property rights, relationships with third parties, etc.

**Civic Participation:**

An employee of AIS shall in his/her private life be free to pursue an active role in civic or political affairs as long as it does not adversely affect the business or interests of AIS.

**Publishing and dissemination of information:**

An AIS employee may not publish or disseminate any article, statement or information that may affect the business or interests of AIS except with the explicit permission of the manager.

**Integrity of Data Furnished:**

Every employee of AIS shall ensure at all times the integrity of data or information furnished by him/her to AIS. Misrepresenting information (whether in content or form), committing plagiarism, or knowingly omitting crucial information may result in serious disciplinary proceedings, including civil liability.

**Office Attire:**

All employees are expected to maintain a well-kept and professional outward appearance. The dress code may vary from office to office, but all employees are expected to dress neatly and professionally in order to positively represent the firm. Outfits of an overtly sexual nature, visibly dirty clothes, and un-kept hair will not be tolerated.

Additionally, all employees at the hydropower plant (HPP) must wear personal protective equipment (PPE) as mandated by safety protocols, including helmets, goggles, gloves, and protective clothing. Non-compliance poses risks to individuals and the workforce, leading to disciplinary action. Prioritizing safety is paramount; all employees must consistently wear and maintain their PPE while on duty at the HPP.

**Exercise of Authority:**

Working for AIS often confers substantial authority. AIS employees must commit to wield this authority with the utmost discretion and respect in all management-staff, client, governmental, investor, and contractor relations.

AIS employees must take caution against exceeding their authority, as doing so is sometimes difficult to recognize and often unintentional. Indiscreet or disrespectful exercise of authority can result in highly negative consequences for clients, contractors, partners, and colleagues, and since employees are often perceived as the voice of an organization, to AIS as well. employees must be sensitive to the potential damage that an indiscreet or disrespectful exercise of authority can inflict on others.

**Leaves and Absences****Sick and Hospitalization Leave:**

Each employee's employment contract will include provisions for Sick and Hospital Leave in compliance with the relevant local laws and regulations.

**Maternity Leave:**

AIS is committed to providing its employees with a paid maternity leave, unless prohibited by law. During this period, employees will continue to receive their regular salary. The maternity leave will commence on the day of birth unless an alternative arrangement is agreed upon. If an AIS employee is unable to work, either partially or entirely due to pregnancy, the same guidelines as those for sick leave will be applied.

**Paternity Leave:**

AIS is dedicated to providing its employees with a two-week paid paternity leave, unless prohibited by law. During this period, employees will continue to receive their regular salary. The paternity leave will begin on the day of the child's birth, unless there is an alternative arrangement agreed upon.