

APPROVED
by the Board of Directors
of the Saint Petersburg International
Mercantile Exchange
on 20 February 2024 (minutes No. 210)

**Code
of Professional Conduct of Trading Participants
of the Saint Petersburg
International Mercantile Exchange
and their customers**

1. General Provisions

1.1. This Code of Professional Conduct of Trading Participants of the Saint Petersburg International Mercantile Exchange and their customers (hereinafter, the Code) establishes the ethical principles and standards, by which trading participants, their customers are expected to abide when making contracts in organized trading on SPIMEX and fulfilling obligations under such contracts.

1.2. The Code was developed in order to ensure formation of a fair, open and liquid market, increase transparency of organized trading conducted in the commodity sections and the Derivatives Section of the Saint Petersburg International Mercantile Exchange (hereinafter, SPIMEX or the Exchange). Proceeding from the requirement to ensure equal rights and responsibilities for participants of organized trading, the Code constitutes a document binding on all trading participants of SPIMEX and their customers.

1.3. This Code is based on the fundamental principles of recognizing equality of participants in civil law relations, inviolability of ownership, freedom of contract, impermissibility of arbitrary interference of anyone in private affairs, the necessity for unhindered exercise of civil rights, ensuring restoration of violated rights, and judicial protection thereof.

1.4. Trading participants and their customers undertake to abide by this Code in their activities.

1.5. Terms not specifically defined herein are used in the meanings established in other internal regulations of SPIMEX, as well as in regulatory acts of the Bank of Russia, laws and other regulations of the Russian Federation.

2. Basic Notions and Definitions

Trading Participant's Customer (hereinafter referred to as the Customer) — a legal entity or an individual that has an engagement/agency/commission/trust management agreement with the Trading Participant and is registered with SPIMEX in accordance with the Rules of Organized Trading of SPIMEX. The Trading Participant's Customer may also be a party to exchange contracts if it is a clearing participant in accordance with the SPIMEX internal documents regulating the implementation of clearing activities (hereinafter referred to as the Clearing Rules).

Rules of Organized Trading of a SPIMEX Section — Rules of Admission to participation in organized trading of SPIMEX, Rules for conducting organized trading in each of the SPIMEX Sections adopted in accordance with the requirements of the legislation of the Russian Federation, the Articles of Association of the Exchange, approved by the authorized bodies of the Exchange and registered in the prescribed manner by the Bank of Russia.

Trading Participant — a legal entity or an individual entrepreneur registered in accordance with the legislation of the Russian Federation, or a foreign legal entity, which is entitled to participate in organized trading on the Exchange in one of the categories established by the Rules of Organized Trading of a SPIMEX Section on the basis of the agreement on provision of services for conduct of organized trading entered into with SPIMEX in accordance with the requirements of the legislation of the Russian Federation.

Unfair Trade Practices — a model of trading behavior expressed in the performance by Trading Participants, as well as their customers, of actions that are not directly prohibited by the legislation of the Russian Federation and the SPIMEX internal documents, but which are contradicting the established practices of market conduct aimed, including, but not limited to, at obtaining a preferential position when concluding exchange contracts for the purpose of purchasing goods, and the performance of which may, or has entailed unfavorable consequences for Trading Participants, the Exchange and/or the market as a whole.

3. Basic Ethical Principles of Participation in Exchange Trading

3.1. Participation in organized trading conducted in the SPIMEX commodity sections and the SPIMEX Derivatives Section (hereinafter, exchange trading) is based on the following ethical principles:

3.1.1. compliance with legal provisions

Trading Participants and their representatives, when participating in organized trading, carry out their activities in accordance with federal laws, regulatory acts of the Bank of Russia and other regulations of the Russian Federation, the Rules of Organized Trading of a SPIMEX Section and other internal documents that establish requirements relating to conduct of exchange trading, as well as this Code, and a Customer of such a Trading Participant, who is a party to exchange contracts, carries out its activities in accordance with the Clearing Rules and this Code.

3.1.2. priority of the rights and legitimate interests of customers

Trading Participants and their representatives, when making contracts on the customers' behalf, proceed from the fact that they provide the customers with all the necessary information and may not take any actions that mislead their customers. When executing the customer's orders, the Trading Participant shall respect the priority of the customers' interests over its own interests, and may not prioritize the interests of one customer or a group of customers over the interests of another customer (other customers). The Trading Participant may not abuse its rights and/or infringe on the interests of the customers.

3.1.3. good faith

Trading Participants and their representatives, as well as Trading Participant Customers shall act in good faith (that is, ensure the behavior expected of any participant of the commodity/financial market that respects the rights and legitimate interests of the other party), ensure integrity of pricing mechanisms refraining from actions that mislead other participants of the commodity/financial market and undermine the fair conduct of exchange trading, as well as adhere to well-established practices of market conduct and fair competition, and to refrain from engaging in unfair conduct, including the use of Unfair Trade Practices.

3.1.4. confidentiality

Trading Participants do not disclose confidential, insider information in their possession, except as otherwise provided for by the legislation of the Russian Federation.

3.2. Trading Participants undertake to build their relationships with the customers and other Trading Participants on the principles of mutual respect, integrity and openness (including full and timely disclosure of information).

3.3. Trading Participants share common interest in maintaining the highest level of professionalism and operational excellence when participating in exchange trading. Operational excellence shall be based on:

3.3.1. the necessary knowledge of requirements of the legislation of the Russian Federation on organized trading, as well as the Rules of Organized Trading of a SPIMEX Section;

3.3.2. the necessary experience, technical expertise and qualification;

3.3.3. performance of actions required for participation in organized trading with the adequate level of competence and skills.

3.4. Trading Participants shall identify actual and potential conflicts of interest that may compromise or be perceived as compromising the Trading Participant's ability to make ethical or professional judgment. In the event of conflicts of interests Trading Participants shall eliminate such conflicts or, where impossible, effectively settle them ensuring fair treatment of their customers and other Trading Participants, up to and including refusal to take respective actions due to a possible conflict of interests.

3.5. Trading Participants shall have adequate policies and procedures in place for effective prevention, identification, and responding to potentially abusive practices and behaviors, including Unfair Trade Practices when participating in exchange trading.

Trading Participants must ensure that their representatives — Traders —

properly comply with the requirements for fair conduct, including refraining from using Unfair Trade Practices when concluding contracts in organized trading.

3.6. Trading Participants do not accept any forms of unfair conduct and market manipulation in order to change the market price, disrupt the market equilibrium or contribute to the formation of a market condition in which prices will not accurately reflect the market value by forming false price indicators on the market or imitating activity or using other unfair methods of changing the market price, by a method different from those accepted, including standards of market behavior, as well as other forms of restricting competition (concluding agreements with other trading participants in oral or written form, etc.).

3.7. Trading Participants take measures aimed at preventing any actions that worsen the reputation of the financial and commodity market in general and of individual Trading Participants and their customers, the Exchange, as well as at preventing other financial institutions from taking such actions (timely notification of the regulatory authority of such actions).

3.8. In the event of any disputes and disagreements Trading Participants undertake to make every effort to settle the disputes and disagreements out of court.

3.9. Trading Participants undertake to carry out their activities related to participation in organized trading on the commodity/financial markets subject to ensuring the secrecy of confidential information that becomes known to them in connection with performance of their activities.

Trading Participants, as well as their Customers, in their activities exclude:

- 3.9.1. abuse of rights;
- 3.9.2. infringement of anyone's rights, legitimate interests and dignity;
- 3.9.3. dissemination or threat of dissemination of information that is false and discredits business reputation of the Exchange, other Trading Participants and/or Trading Participants' Customers;
- 3.9.4. use or threat of use of illegal and/or other methods of resolving conflicts that go against public order or morals;
- 3.9.5. provision to customers or counterparties of unjustified benefits and privileges not provided for by the legislation of the Russian Federation.
- 3.9.6. carrying out trading activities using Unfair Trade Practices.

3.10. Trading Participants, as well as their clients purchasing goods in organized trading on SPIMEX, must not commit actions that could cause harm to the Russian Federation, Trading Participants and other stakeholders, commit actions in circumvention of the law for an unlawful purpose, or allow other obviously unfair exercise of civil rights (abuse of rights).

In addition, Trading Participants, as well as their customers being parties

to a concluded contract, undertake not to supply in any way goods purchased in organized trading on SPIMEX to countries, territories or regions, or to legal entities or individuals, in respect of which international sanctions are in effect, recognized by the Russian Federation, and in respect of which supplies of such goods are prohibited or restricted.

Trading Participants who purchase goods in organized trading on SPIMEX undertake the obligation, in the event of a subsequent sale of such goods, to include a similar prohibition in contracts with buyers and to monitor compliance with it by obtaining information from the buyer about the final recipients and the final destination of the goods purchased in organized trading, and also to provide such information upon request of SPIMEX.

4. Rules for Making Contracts in Organized Trading of SPIMEX

4.1. Trading Participants undertake to strictly comply with the requirements of the legislation of the Russian Federation, other regulations to the fullest extent, standards and recommendations that must be followed when performing transactions on the financial market, as well as the Rules of Organized Trading of SPIMEX.

Trading Participant's Customers undertake to comply with the requirements of the legislation of the Russian Federation, other legal acts, as well as the Clearing Rules.

4.2. When making decisions the Trading Participant, as well as its customer, shall take into consideration not only the economic expediency, but also the interests of other Trading Participants, and refrain from unfair methods of competition and using Unfair Trade Practices.

4.3. Trading Participants are prohibited from, as well as their customers (if the actions specified in the subparagraphs of this paragraph are applicable to customers) are prohibited from:

4.3.1. exerting direct or indirect pressure on other Trading Participants in order to change their market behavior;

4.3.2. providing Trading Participants with information that may have a significant impact on formation of market conditions;

4.3.3. making contracts (submitting/withdrawing orders or giving instructions) with a view to deliberately drive up (or down) the price indicators of trading;

4.3.4. making agreements (entering into negotiations) regarding setting (maintaining) prices, tariffs, discounts, markups and other issues affecting the pricing of the traded commodities;

4.3.5. disseminating knowingly false information in order to exert pressure on the market situation that is developing in the organized trading of SPIMEX;

4.3.6. applying Unfair Trade Practices when carrying out trading

activities, including the acquisition of goods, including those related to the use of algorithms with specified criteria and a behavioral mechanism that contribute to obtaining a preferential position when concluding contracts in organized trading on SPIMEX. Identification of facts of trading activity using Unfair Trade Practices is carried out in accordance with criteria established by the internal documents of the Exchange that are developed taking into account the instructions, decisions, and recommendations of the Bank of Russia, the Federal Antimonopoly Service of Russia and other federal executive bodies, the Council of the relevant commodity Section, as well as taking into account proposals received following the results of meetings with representatives of Trading Participants.

- 4.3.7. performing any actions that damage the business reputation of SPIMEX, as well as Trading Participants, including publicly disseminating unfounded information discrediting the business reputation of other subjects of the organized market, publishing or otherwise distributing advertising (marketing) information, if the Trading Participant is aware, that such information contains incorrect factual data, or if such information does not contain specific data or estimates, the absence of which may lead to erroneous interpretation of advertising (marketing) information;
- 4.3.8. taking any actions that will result in (or cause) a violation by another Trading Participant of the legislation of the Russian Federation, internal documents of SPIMEX, or forcing anyone to take such actions;
- 4.3.9. allowing the third parties to interfere in the activities of the Trading Participant, which may result in losses being caused to the customers of this Trading Participant or to the third party;
- 4.3.10. declining (refusing) to make (execute) a contract with financial instruments, commodities at a price established by such contract, including declining (refusing) to make payment and/or carry out the delivery under contracts without any grounds provided for by the Rules of Organized Trading of a SPIMEX Section;
- 4.3.11. omitting the procedure for resolution of conflicts (disputes) established by regulatory acts and the Rules of Organized Trading of a SPIMEX Section, discontinuing or omitting measures for timely identification of violations and settlement of disputes or disagreements, or unreasonably delaying presentation of claims;
- 4.3.12. entering into contracts that have no commercial purpose or create a false impression of upsurge of liquidity of financial instruments/commodities;
- 4.3.13. making contracts with the aim of obtaining unjustified benefits by making a provisional arrangement by the parties to the contract regarding the price of the exchange-traded commodity;
- 4.3.14. performing other actions that contradict the provisions of this Code.

5. Responsibility for Violation of Provisions of the Code

5.1. In case of establishing the fact of violation of the rules and principles set forth in this Code by one of the Trading Participants or its Customer, including as a result of the actions of an authorized representative of a trading participant — Trader, such person may be subject to disciplinary measures prescribed by the Rules of Organized Trading of a SPIMEX Section or the Clearing Rules, respectively.

5.2. Disciplinary measures are applied to the Trading Participants, as well as to its customers, for violation of the provisions of this Code in the manner prescribed by the Rules of Organized Trading of a SPIMEX Section, or the Clearing Rules, respectively, subject to preliminary consideration of issues regarding the non-compliance with the provisions of this Code by the respective Section Board and with account taken of the recommendations issued by it. When adopting a recommendation, the Section Board may take into account such circumstances as the current market conditions under which the transaction took place, the size (volume) and number of orders, the speed and duration of their submission, the prices of orders, the behavior of the Trading Participant, as well as other factors that entail or could entail unfavorable consequences for the Exchange, Trading Participants and/or the market as a whole.
