CODE OF ETHICS

We are CloudLinux

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1. INTRODUCTION

1.1. Message from Igor Seletskiy, CEO

Integrity is one of the core values in which we, CloudLinux, operate. The Code of Ethics is companywide and describes how we put CloudLinux values in the way we work every day. It also explains our commitments and, more importantly, expectations towards everyone. Commitments I make to personnel and, likewise, commitments personnel make to me and everyone we deal with both internally and externally.

We run our business ethically and responsibly. We are committed to complying with the highest standards of integrity, transparency and honesty. We commit to prevent corruption, fraud and anti-competitive ways of working. We are respectful and follow the laws of the land where we operate.

A document can never cover one hundred percent of every situation we may face on a day-to-day basis. The Code of Ethics is our map. It illustrates the values and provides the tools that will help us, that will guide us in making the right decisions consistently and ethically. Also, it is important to raise a hand, speak out if someone become aware or suspect a violation of the Code. We introduced CloudLinux 'Speak Up'[1] to help everyone with this notification so everyone may do it with one hundred percent confidentiality and privacy.

Our Code of Ethics is important, critical and imperative. We are all responsible for the reputation of CloudLinux and it is an important commitment for us to make and to honor.

1.2. Purpose of this Code

As a multi-national company with an identifiable brand the actions of one CloudLinux employee[2] has the potential to impact upon the entire company. Furthermore, with the diverse range of jurisdictions in which CloudLinux operates there is a wide range of laws, rules, regulations, customs and approaches to conducting business. The continued success of CloudLinux depends on the actions of every CloudLinux employee being transparent, lawful and ethical. As such, the primary function of this Code is to provide a unified set of principles and behaviors which are designed to act as a guide to help us make the right decisions for ourselves and for

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[1] https://sites.google.com/a/cloudlinux.com/wiki/communication/protonmail-instruction.

[2] Please, refer to Definition section (in the end of this document)

CloudLinux. At the same time, the Code of Ethics cannot describe every law, policy or process that may apply to us or every situation that we may face within our everyday role. As a general rule, we are responsible for understanding and complying with the laws, regulations and policies that relate to our business activities. Detailed guidance on how to deal with important ethical and compliance issues will be described in CloudLinux's corporate policies and other relevant documents. However, being aware, understanding and following the principles described in this Code will help to protect the reputation of CloudLinux and CloudLinux employees.

1.3. Scope

This Code applies to and is mandatory to be followed by all CloudLinux employees. Each of us, wherever we work, must behave in accordance with these standards when dealing with fellow CloudLinux employees, clients, suppliers, stakeholders, governmental authorities and competitors. We also should require our suppliers or vendors to adhere to this Code or adopt similar ethical standards.

1.4. Responsibilities

CloudLinux employees

The primary responsibility for maintaining an environment of ethical behavior rests with CloudLinux employees through a demonstrated commitment to compliance with the Code of Ethics and with legal and regulatory requirements relevant to CloudLinux's business. To carry out this responsibility, CloudLinux employees will:

- Read, understand, and abide by the Code of Ethics.
- Exercise appropriate behavior and maintain the highest standards of ethical conduct when representing CloudLinux. This includes when travelling on the company business and attending functions hosted by CloudLinux or third parties (e.g., conferences, trade shows, events). Seek advice from a supervisor if uncertain about the meaning or application of the Code of Ethics or when in doubt about the best course of action in a particular situation.
- Learn and contribute to a workplace environment that is conducive to and encourages compliance with the Code of Ethics and with laws and regulations.
- Maintain sensitivity to alleged, actual, or suspected illegal, unethical, or improper conduct by a supplier, client, consultant, or other person or organization with whom CloudLinux has a relationship, and to report such conduct to the Compliance Officer.

<u>Leadership Team</u>

In addition to their professional responsibilities in CloudLinux, Senior Management (Leadership team) must maintain a workplace environment that stresses commitment to compliance with the Code of Ethics and with laws and regulations. CloudLinux's Leadership Team will:

- Exhibit the highest standards of ethical conduct at all times and avoid the perception of unethical behavior.
- Ensure that CloudLinux employees understand their duty to report actual or suspected Code of Ethics violations and that there are procedures and mechanisms available to facilitate reporting.
- Ensure that CloudLinux employees receive appropriate training in the meaning and application of CloudLinux's compliance documents
- Ensure that all policies and references are in place and in the laws and regulations related to CloudLinux.
- Maintain a workplace environment that prevents reprisals against a CloudLinux employees who in good faith reports actual or suspected Code of Ethics violations.
- Approve and/or make modifications to the Code of Ethics as needed.
- Review current and proposed corporate policies, processes, and procedures for consistency with the Code of Ethics.
- Establish and maintain the means, methods, and procedures for investigating violations of the Code of Ethics.
- Monitor disciplinary measures taken for violations of the Code of Ethics.
- Provide training and educational programs to enhance CloudLinux employee's awareness of and compliance with the Code of Ethics.

1.5. How to raise an issue or concern?

If you become aware or suspect a violation of this Code, we expect you to anonymously report promptly to our Compliance Officer by using the CloudLinux 'Speak Up' tool.

Never hesitate to ask questions, raise concerns, or seek the guidance you need. CloudLinux will not tolerate any discrimination against anyone who has reported a concern in good faith.

1.6. Breach of this Code

CloudLinux will investigate any report of a violation with the principles of the Code of Ethics. Where laws have been violated, we will cooperate fully with the appropriate authorities.

2. COMPLIANCE WITH LAWS AND REGULATIONS

CloudLinux is a global group of companies, and our business is subject to the laws of many different countries. Each day we interact with a variety of individuals and groups including our clients, competitors, co-workers, suppliers, and sometimes government officials. We are committed to interacting with all in a respectful, ethical manner and in compliance with legal requirements. We would rather miss out on a business opportunity than compromise our integrity.

2.1. Anti-Bribery & Corruption

Bribery is the offering, giving, receiving or soliciting of any item of value in order to wrongfully influence someone's actions, or to secure an improper advantage[3].

Guidance

CloudLinux has a zero-tolerance policy toward bribery and corrupt conduct in any form. Improper inducements involving government officials, clients, suppliers, business partners, and all other counterparties are strictly prohibited. We must all act with the utmost honesty, integrity and transparency in all dealings with clients, suppliers, business partners and government officials. CloudLinux does not allow CloudLinux employees or others to make facilitation payments on its behalf.

We are committed to complying with all anti-corruption/anti-bribery laws, everywhere in the world such as the US Foreign Corrupt Practices Act, the UK Bribery Act and EU Directives. Bribery can have very serious consequences, for the individuals involved and for CloudLinux. Any third-party, agent or intermediary acting on CloudLinux's behalf is also prohibited from offering, giving or accepting bribes and improper inducements, including acts of favoritism to influence a business decision.

2.2. Gifts and Hospitality

Guidance

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[3] Please, refer to Definition section (in the end of this document)

CloudLinux policy and practice requires moderation and the use of good judgement when giving or accepting gifts or entertainment in the course of business. Extending or receiving common courtesies such as business meals in connection with legitimate business activities generally is acceptable. However, in any such dealings, CloudLinux employees should not request, accept, offer to give or give anything of value that would give the appearance of impropriety or suggest that the gift or entertainment was intended in any way to influence a business decision or to obtain an improper advantage.

A gift can be an item, but it also can include event tickets or the provision of services when the gift provider is not otherwise involved in the event or service (e.g. the giver provided the tickets but does not accompany the recipient to the event). Entertainment is distinguished from a gift as it typically involves meals, events or other forms of entertainment (e.g. sporting events, concerts, shows) where the provider participates in the meal, event or other form of entertainment.

Permissible gifts and entertainment include those that:

- Are given openly and directly;
- Come with no strings attached;
- Are NOT solicited;
- Are NOT in the form of cash or a cash equivalent, such as a cash or gift card;
- Are NOT significant in value;
- Are NOT accepted as part of or during a business negotiation;
- Comply with all applicable laws and with all policies of both the giver and recipient; and
- Would NOT reflect poorly on CloudLinux.

Gift limits and Prohibitions

Permissible gifts, entertainment and hospitality

- It is acceptable to extend or receive occasional gifts of a moderate value over the course of any one calendar year to or from the same person as a gesture of goodwill.
- Extending or receiving certain business entertainment (e.g. attending a local cultural or sporting event or a celebratory meal with a business partner) can be appropriate. Provided that the entertainment is reasonable and customary and in the furtherance of a business relationship; the cost of the entertainment is not excessive; and it won't inappropriately bias future decision-making about working or create an appearance of impropriety.

- Gifts in the form of tickets to sporting events and other forms of entertainment that exceed a moderate value may be acceptable under certain circumstances but require the pre-approval of your manager with the notification of Compliance Officer and Chief Executive Officer if needed.

Non-permissible

- Gifts in the form of cash payments are not allowed. It is prohibited to provide or receive cash as well as any cash equivalents (e.g. gift cards or loans) in any circumstances, regardless of amount.
- You should not actively solicit gifts or entertainment from a current or potential client or business partner to gain an unfair advantage.
- It is prohibited to offer or give anything of value to a government official in order to get or keep business or gain an improper advantage.

For details, please refer to the Compliance Officer.

2.3. Money Laundering and Sanctions

Money Laundering

People who are involved in criminal activity such as bribery, fraud or trafficking narcotics may attempt to launder money through apparently legitimate businesses in order to use the funds from their criminal activity and reduce suspicion[4].

CloudLinux will not accept or process money gained through criminal activity; we will only deal with reputable clients who are involved in legitimate business activities and whose funds are derived from legitimate sources.

Sanctions

Sanctions are a foreign policy tool used by Governments to restrict the ability of designated countries, individuals or entities access to particular products, services and markets[5].

CloudLinux has a zero tolerance approach to engaging with entities or individuals that are subject to sanctions restrictions implemented by the UN, EU, USA or other Governments.

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[4] Please, refer to Definition section (in the end of this document)
[5] Please, refer to Definition section (in the end of this document)

2.4. Fair Competition and Anti-trust

Guidance

Generally, antitrust and competition laws prohibit any activity that may improperly reduce or inhibit competition[6]. Most countries where CloudLinux does business also have laws restricting attempts to monopolize markets or otherwise restrict or control competition.

It is CloudLinux's obligation to comply with these laws where they are applicable. Because of the complexity of antitrust and competition laws, it is imperative that CloudLinux employees seek advice from the Compliance Officer on any question regarding these issues. The penalties for violating antitrust laws and trade regulations can be extremely severe for both CloudLinux and the individuals involved.

2.5. Personal Information

CloudLinux takes its obligations under applicable data protection and privacy laws very seriously[7]. We all have a responsibility to safeguard the privacy, confidentiality and security of personally identifiable information and other private information of CloudLinux employees, clients, partners and other third parties in CloudLinux's possession. We have in place effective systems to only allow access to our personal information to those who have a valid business reason for accessing it, reducing the risk of our personal data being compromised. While creating documents in cloud environment we need to provide access only to those people, who are authorized to see it.

2.6. Business Records

We must help to ensure that CloudLinux's books and records, which include virtually all forms of business documentation, electronic or otherwise, accurately and fairly reflect, in reasonable detail, all transactions and dispositions of assets. It is of critical importance that CloudLinux's financial reporting, including its reports to investors and lenders, be accurate and timely. Depending on type of services they provide, CloudLinux employees may be called upon to give information necessary to assure that CloudLinux's financial reports are complete, fair and understandable.

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[6] Please, refer to Definition section (in the end of this document)
[7] Please, refer to Definition section (in the end of this document)

3. MANAGING AND PROTECTING CLOUDLINUX'S ASSETS AND REPUTATION

3.1. Confidential and Proprietary Information

Confidential information includes all non-public information that might be useful to competitors or that could be harmful to CloudLinux if disclosed[8].

CloudLinux has a duty to its clients, suppliers and personnel to respect all information it holds about them and to protect and handle such information responsibly.

CloudLinux's legal obligations and its competitive position require that confidential information remain confidential and that we are diligent in our efforts to protect our intellectual assets. Information that is proprietary to our clients, suppliers and others should be treated as confidential and used for the purpose for which it was obtained and disclosed only as permitted between CloudLinux and the other party. Confidential information should be properly and securely stored, transmitted and disposed of, and CloudLinux employees must be mindful of the risk of discussing confidential information in public places. This means that CloudLinux employees should not disclose or share information regarding internal CloudLinux matters with anyone outside CloudLinux, except as required in the performance of their employment duties.

It is never acceptable to discuss confidential information in a public place even if there are no classified documents in use. The security and confidentiality of the information could be compromised if someone overhears the conversation.

4. PROVIDING A DYNAMIC & DIVERSE WORK ENVIRONMENT

4.1. Open, Honest & Respectful

In our relationships with each other, we strive to be open, honest, and respectful in sharing our ideas and thoughts, and in receiving input. We value the free flow of thoughts, ideas, questions and concerns. We encourage CloudLinux employees to raise work related issues or concerns through our established processes as soon as issues or concerns arise.

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[8] Please, refer to Definition section (in the end of this document)

4.2. Equal Opportunity and Anti-Discrimination

CloudLinux promotes a cooperative and productive work environment by supporting the cultural and ethnic diversity of its workforce. Our collective challenge is to enhance the company's performance through valuing and understanding differences. CloudLinux is committed to a policy of providing equal employment opportunity to all qualified individuals and applicants. This commitment is reflected in all aspects of our daily operations.

We do not discriminate on the basis of race, color, descent, sex, sexual orientation, gender reassignment, political views, confession or religious beliefs, nationality, ethnicity, marital or civil partnership status, family / career responsibilities, pregnancy and maternity / paternity status, age, disability or impairment, profession or occupation, veteran status, physical peculiarity or genetic information in any personnel practice, including recruitment, hiring, employment, compensation and benefits / remuneration, facilities and services, promotion, training and professional development, termination and references, discipline and grievance.

5. DEFINITIONS

Who are CloudLinux employees?

CloudLinux employees is used in this Code as the collective reference for employees (permanent or temporary, full or part time) of any CloudLinux legal entity, or any of its affiliates or subsidiaries, as well as for others performing work for, or on behalf of, CloudLinux.

What is bribery?

Broadly, bribery is defined as giving or receiving a financial or other advantage in connection with the "improper performance" of a position of trust, or a function that is expected to be performed impartially or in good faith.

Bribery does not have to involve cash or an actual payment exchanging hands and can take many forms such as a gift, lavish treatment during a business trip or tickets to an event. The types of bribery that take place in the commercial sector are numerous. Some simple examples are:

- bribery in order to secure or keep a contract;
- bribery to secure an order;

- bribery to gain any advantage over a competitor;
- bribery of a local, national or foreign official to secure a contract;
- bribery to turn a blind eye to a health safety issue or poor performance or substitution of materials or false labor charges; and
- bribery to falsify an inspection report or obtain a certificate.

CloudLinux's definition of bribery also includes making "facilitation payments". A "facilitation payment" is a payment or gift given (usually to a government official) to speed up a procedure or to encourage one to be performed. It does not include fees required to be made by law such as the payment of a filing fee for a legal document. The acceptance of a facilitation payment by a government official is an example of corrupt activity.

CloudLinux defines "corrupt conduct" or "corruption" as the abuse of entrusted power for private gain.

What is money laundering and sanctions?

Money laundering

'Money laundering' is the process of hiding illegal sources of money. For example, under the UK Proceeds of Crime Act 2002 (POCA) money laundering offences are committed when a person:

- conceals criminal property
- enters into an arrangement regarding criminal property
- acquires, uses or possesses criminal property.

This process is of critical importance, as it enables the criminal to enjoy these profits without jeopardizing their source. Illegal arms sales, smuggling, and the activities of organized crime can generate huge amounts of proceeds. Embezzlement, insider trading, bribery and computer fraud schemes can also produce large profits and create the incentive to "legitimize" the ill-gotten gains through money laundering. When a criminal activity generates substantial profits, the individual or group involved must find a way to control the funds without attracting attention to the underlying activity or the persons involved. Criminals do this by disguising the sources, changing the form, or moving the funds to a place where they are less likely to attract attention.

Sanctions

Sanctions are a foreign policy tool used by Governments to restrict the ability of designated countries, individuals or entities access to particular products, services and markets. The jurisdictions, individuals and entities who are the target of sanctions are those who particular governments view as engaging activity which is either considered abhorrent (e.g. suppression

of civil rights) or would threaten international peace and security (e.g. development of a nuclear weapon). These restrictive measures are most commonly enforced by the UN, EU and USA.

What is fair competition and anti-trust?

Generally, antitrust and competition laws prohibit any activity that may improperly reduce or inhibit competition. Most competition laws and trade regulations apply to the sale and marketing of services as well as products. It is expected that each of us compete vigorously and fairly in the conduct of business matters but always in compliance with the local and other countries' laws.

What is personal information?

Personal information is any information that can be used, alone or in combination with other information, to identify a specific individual. It includes such information as a person's name, address, email address, date of birth, driving license number, financial account numbers, passport, Social Security/Tax ID number or other government identification number and other identifiers.

What is confidential and proprietary information?

Confidential information includes all non-public information that might be useful to competitors or that could be harmful to CloudLinux if disclosed. Proprietary information, i.e. intellectual property, includes data such as trade secrets, patents, trademarks and copyrights, and business information, research and new product plans, objectives and strategies, records, databases, salary and benefits data, employee personal and medical information, client, employee and supplier lists and any unpublished financial or pricing information.