



Қазақстан Агенствосы
Қолданбалы Экология



**KAZAKHSTAN AGENCY OF APPLIED ECOLOGY LLC
ANTI-CORRUPTION POLICY**



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1. GENERAL PROVISIONS

- 1.1. This policy is a corporate regulatory document of the Kazakhstan Agency of Applied Ecology LLC, which defines the main principles and requirements aimed at preventing corruption activities.
- 1.2. This policy is aimed at observing the statutory regulations of the current legislation of the Republic of Kazakhstan in the field of preventing corruption by the participants and members of the Directorate of the Partnership, employees and other persons who may act on behalf of the Partnership.
- 1.3. The policy is developed in accordance with the current legislation of the Republic of Kazakhstan, the Charter of the Partnership and other corporate regulatory document of the Partnership. It takes into account the international experience in preventing corruption.
- 1.4. The policy reflects the commitment of all the Partnership employees to high ethical standards and the principles of open and honest conduct of business, as well as the Partnership's desire to improve the corporate culture, adhere to the best practices of corporate governance and maintain the business reputation of the Partnership at the proper level.
- 1.5. All employees of the Partnership shall be guided by this policy and strictly observe its principles and requirements.
- 1.6. The principles and requirements of this policy apply to counterparties and representatives of the Partnership, members of the Directorate of the Partnership and the employees of the Partnership, as well as to other persons, in the cases where the relevant obligations are fixed in contracts with them, in their internal documents, or directly derive from the current legislation of the Republic Kazakhstan.

2. BASIC CONCEPTS

- 2.1. The basic concepts used in this anti-corruption policy of the Kazakhstan Agency of Applied Ecology LLC (hereinafter - the policy) are as follows:
 - **Anti-corruption provisions (reservations)** is the provisions of the agreement (concluded between KAPE LLC and counterparties), defining measures to counteract corruption of the parties in the performance of their obligations under the contract;
 - **Affiliated persons** is the persons defined in accordance with the legislative acts of the Republic of Kazakhstan;
 - **Partnership and/or KAPE LLC** is the Limited Liability Partnership the Kazakhstan Agency of Applied Ecology;
 - **Charity and sponsorship** is the property provided on a non-repayable basis for the purposes and on terms defined by the legislation of the Republic of Kazakhstan;
 - **Corruption / corruption activity / corruption activities is a corruption crime, expressed by giving a bribe to a person authorized to perform public functions or a person equal to him, as well as to a person holding a responsible public office, employee of the Partnership, either personally or through an intermediary, in order to obtain an advantage or property benefit; a corrupt crime expressed in mediation in bribery in order to obtain advantage or property benefit; commercial bribery;**
 - **Employee** is an individual who is in labor relations with KAPE LLC and who directly performs work under an employment contract;
 - **Authorized body (AB)** is a general meeting of participants / Directorate of KAPE LLC.

3. OBJECTIVES AND PRINCIPLES

3.1. KAPE LLC sets the following goals:

- minimize the risk of involvement of the Partnership, employees of the Partnership, irrespective of the position held, in the Corrupt activities;
- To develop a uniform understanding of the Partnership's policy on non-acceptance of corruption in any forms and manifestations at the participants, the authorized body, counteragents, employees and other persons;
- summarize and explain the main requirements of the current legislation of the Republic of Kazakhstan, which can be applied to the Partnership and the employees of the Partnership, as well as the specifics of international experience in corruption preventing;
- establish the duty of the Partnership's employees to know and comply with the principles and requirements of this policy, the basic provisions of applicable legislation of the Republic of Kazakhstan in the field of corruption, and adequate procedures for corruption preventing.

3.2. KAPE LLC adheres to the principle of "zero tolerance", which means rejection of corruption in any forms and manifestations during the employees day-to-day activities including interaction with participants, investors, counteragents, representatives of government bodies, self-government, political parties, persons authorized to perform public functions or equivalent ones.

3.3. The managing employees of the Partnership must provide an ethical standard of irreconcilable attitude to any forms and manifestations of corruption at all levels, setting an example by their conduct and acquainting with this policy of all employees of the Partnership and counterparties.

4. CORRUPTION RISKS

4.1. KAPE LLC regularly identifies, examines and assesses the corruption risks specific to its activities in general and for certain areas in particular.

4.2. KAPE LLC develops and implements relevant corporate regulatory documents that meet the identified risks and monitors their compliance.

4.3. KAPE LLC makes reasonable efforts to minimize the risk of business relations with counterparties that may be involved in corruption activities, for which the counterparty's tolerance for corruption is checked, including whether they have their own anti-corruption procedures or policies, their willingness to comply with the requirements of this policy and include anti-corruption clauses (reservations) in contracts (in accordance with paragraph 36 of this policy), and to provide mutual assistance for ethical business conduct and prevention of corruption.

4.4. KAPE LLC places this policy document freely available on the official website of the Partnership, openly declares its rejection of corruption, welcomes and encourages compliance with the principles and requirements of this policy by all counterparties, its employees and other persons.

4.5. KAPE LLC helps to increase the level of anti-corruption culture by informing the employees in order to maintain their awareness of the anti-corruption policy of the Partnership and mastering them in ways and methods of applying anti-corruption policies in practice.

4.6. Due to possible change of corruption risks and other factors affecting business activities, KAPE LLC monitors the implementation of adequate procedures for the prevention of corruption, monitors their compliance and, if necessary, reviews and improves them.

5. APPLICABLE LAW IN THE ANTI-CORRUPTION SPHERE

- 5.1. KAPE LLC and all its employees must comply with the current legislation of the Republic of Kazakhstan, including the Law of the Republic of Kazakhstan "On Combating Corruption" No. 410-V ZRK of November 18, 2015, the Criminal Code of the Republic of Kazakhstan, the Code of the Republic of Kazakhstan "On Administrative Offenses", and other legal acts of the Republic of Kazakhstan, the main requirements of which are prohibition of bribery, commercial bribery, mediation in bribery and provision of illegal material rewards, gifts, benefits or services.
- 5.2. In view of the above, the employees of the Partnership are strictly prohibited:
 - 5.1.1. To directly or indirectly, personally or through the intermediation of third parties, participate in the Corrupt Practices; to encourage the bribe-taker and bribe-giver to achieve or implement an agreement between them on taking and giving bribes.
 - 5.1.2. To transfer money, securities or other property to a person performing administrative functions in a commercial or other organization, as well as unlawful rendering of services of a property nature for the use of his official position, as well as for general patronage or connivance in the interests of the person carrying out bribery; to receive money, securities, other property, as well as the use of services of a property character for the use of one's official position, as well as general patronage or connivance in the interests of the person carrying out the bribery, by a person performing administrative functions in a commercial or other organization.
 - 5.1.3. To make payments to simplify administrative, bureaucratic and other formalities in any form including in the form of money, valuables, services or other benefits, to any person and on behalf of any persons authorized to perform public functions, or equivalent to them, personally or through an intermediary, private companies and their representatives.
- 5.2. Employees of the Partnership must comply with the generally recognized principles and standards of international law, the current legislation of the Republic of Kazakhstan, as well as the principles and requirements of this policy, regardless of the territorial location.

6. GIFTS AND REPRESENTATIONAL EXPENSES

- 6.1. Gifts that employees on behalf of the Partnership can provide to other persons and organizations or the ones, which employees can receive from other persons and organizations in connection with their work in KAPE, as well as official hospitality, including expenses for business hospitality and promotion of the Partnership, which employees on behalf of the Partnership can bear, must meet all 6 (six) following specified criteria:
 - should not be a corruption crime, commercial bribery, the provision of illegal material compensation to persons authorized to perform public functions, or persons equated to them;
 - should be directly related to the legitimate objectives of the Partnership, for example, with the presentation or completion of business projects, the successful implementation of contracts or with national holidays, anniversaries;
 - should be reasonably sound, proportionate and not to be luxury goods;
 - should not represent a hidden reward for a service, action, inaction, connivance, patronage, granting rights, making a specific decision on an economic transaction, agreement, license, authorization, etc. or an attempt to influence the recipient with another illegal or unethical purpose;
 - should not create reputational risk for the Partnership, employees and other persons in case of disclosure of information on gifts or official hospitality;

- should not contradict the principles and requirements of this policy, the corporate regulatory documents of the Partnership, which regulate the procedure for the implementation and accounting of hospitality expenses and the provisions of the current legislation of the Republic of Kazakhstan.

- 6.2. Gifts on behalf of the Partnership, its employees and representatives to third parties in the form of money, both cash and non-cash, are not allowed, regardless of currency.
- 6.3. Representation expenses exceeding the limit established by KAPE LLC must be agreed with the Directorate and the Legal Department.

7. CHARITY AND SPONSORSHIP

- 7.1. KAPE LLC carries out a uniform charitable policy aimed at creating the image of the Partnership as a socially responsible business.
- 7.2. KAPE LLC does not finance charitable and sponsorship projects in order to obtain commercial advantages in specific projects of the Partnership.
- 7.3. Charitable and sponsorship support can be carried out only in cases of full transparency and openly, in accordance with the current legislation of the Republic of Kazakhstan and corporate regulatory documents of the Partnership. All expenses related to charity and sponsorship must be accurately and fully documented and stored for 5 years.

8. PARTICIPATION IN POLITICAL ACTIVITIES

KAPE LLC does not finance political parties, organizations and movements.

9. INTERACTION WITH CIVIL SERVANTS

- 9.1. KAPE LLC refrains from paying any costs for civil servants and their relatives (or their interests) in order to obtain commercial benefits including expenses for transport, accommodation, food, entertainment, PR campaigns, etc., or from providing them any benefit at the expense of the Partnership.
- 9.2. It is not permitted to offer, promise or give gifts, treats or any other benefits, directly or indirectly, services or hospitality to government employees, whether foreign or local.

10. INTERACTION WITH EMPLOYEES

- 10.1. KAPE LLC requires its employees to comply with this policy informing about the main principles, requirements and sanctions for violations and including them in the official duties of the employees of the Partnership.
- 10.2. KAPE LLC organizes safe, confidential and accessible ways of informing the management of the Partnership, responsible employees of the Legal Department (there is an opportunity to anonymously notify the Legal Department by sending a message through the internal portal of the Partnership, as well as to directly inform about facts of corruption) about facts of corruption from the persons rendering services in the interests of the Partnership or on its behalf. These channels of communication with the management of the Partnership, the Legal Department, may also be used to send proposals for improving anti-corruption procedures and control, requests from the employees and third parties.
- 10.3. For the formation of an appropriate level of anti-corruption culture, new employees of the Partnership take an introductory training in provisions of this policy, and currently working employees participate in periodic information seminars in a distance form.

11. INTERACTION WITH INTERMEDIARIES AND OTHER PERSONS

- 11.1. The Partnership and its employees are prohibited from attracting or using intermediaries, partners, agents or other persons to perform any actions that contradict the principles and requirements of this policy or the current legislation of the Republic of Kazakhstan.

- 11.2. KAPE LLC ensures the availability of procedures for checking intermediaries, partners, agents, and other persons to prevent and/or identify the violations described above with a view to minimizing and suppressing the risks of involving the Partnership in corruption.
- 11.3. In order to fulfill the principles and requirements of this policy, KAPE LLC shall include anti-corruption provisions (reservations) in contracts with counterparties and other persons.
- 11.4. Anti-corruption provisions (reservations) must contain information about this policy and the system of anti-corruption procedures in force in KAPE LLC, if necessary, provide this policy as an annex to the contracts, determine the liability of counterparties or other persons for non-compliance with the principles and requirements of this policy.
- 11.5. The text of anti-corruption provisions (reservations) in contracts with counterparties and other persons must contain the following items:
- in the performance of its obligations under this Agreement, the Parties and their Affiliates do not pay, offer to pay and do not allow the payment of money or valuables, directly or indirectly, to any persons to influence the actions or decisions of these persons in order to obtain any unlawful advantages or other unlawful purposes;
 - in the performance of its obligations under this Agreement, the Parties, their Affiliated Persons do not carry out actions that are qualified by the legislation of the Republic of Kazakhstan as applicable for the purposes of this Treaty, such as giving / taking bribes, commercial bribery, corruption activity/corruption;
 - each of the Parties to this Agreement refuses to stimulate in any way the employees of the other Party, by providing money, gifts, donating works (services) to them without compensation, and by other methods not included in this paragraph, placing the employee in a certain dependence and aimed at ensuring the implementation of this employee of any action in favor of the Party stimulating him.
 - the following is understood under the actions of the employee, carrying out in favor of the Party stimulating him:
 - a) provision of unjustified advantages in comparison with other counterparties;
 - b) provision of any guarantees;
 - c) acceleration of existing procedures;
 - d) other actions performed by the Employee in the framework of his official duties, but which run counter to the principles of transparency and openness of the relationship between the Parties.

12. NOTIFICATION ABOUT SUSPICION OF CORRUPTION

- 12.1. Any Employee or other person, in case of doubts about the legitimacy or compliance with the purposes, principles and requirements of this policy of his actions, as well as actions, inaction or suggestions of other employees , counterparties or other persons that interact with KAPE LLC, may inform about this the Legal Department of the Partnership, or its immediate supervisor, who, if necessary, will provide recommendations and clarifications on the situation.
- 12.2. If the Employee who reported the corruption actions was subjected to/is subjected to pressure and/or pressure by the employees caught in corruption, there can be considered a possibility of transferring him to another position and/or to another subdivision in accordance with the labor legislation of the Republic of Kazakhstan. The employee also has the right to independent consultation because of any harm caused by transmission of such an information.

- 12.3. KAPE LLC assumes the responsibility to maintain confidentiality with respect to the Employee who reported on corruption actions, except for cases stipulated by the current legislation of the Republic of Kazakhstan.

13. DISCLAIMER OF COUNTERMEASURES AND SANCTIONS

- 13.1. KAPE LLC declares that no Employee will be subjected to sanctions (including dismissed, demoted, deprived of the premium, fined or subjected to prejudice against his personality) if he reported the alleged fact of corruption, or if he refused to give a bribe, to commit commercial bribery, to provide intermediation in bribery, to provide illegal material compensation including, if as a result of such a refusal, the Partnership had lost profits or not received commercial and competitive advantage.

14. AUDIT AND CONTROL

- 14.1. KAPE LLC regularly conducts internal and external audit of financial and economic activities, control over the completeness and correctness of data reflection in accounting and compliance with the requirements of the current legislation of the Republic of Kazakhstan and corporate regulations of the Partnership, including the principles and requirements established by this policy.
- 14.2. Within the framework of internal control procedures, KAPE LLC conducts inspections of key areas of commercial activity, including selective checks of the legality of payments, their economic feasibility, the appropriateness of expenses including confirmation by primary accounting documents and their compliance with the requirements of this policy.

15. RESPONSIBILITY FOR NON-COMPLIANCE, UNDUE IMPLEMENTATION OF THIS POLICY

- 15.1. Members of the UO and the employees of the Partnership, irrespective of the position held, are liable under the current legislation of the Republic of Kazakhstan for not complying with the principles and requirements of this policy, as well as for the actions (inaction) of subordinate persons violating these principles and requirements.
- 15.2. Persons guilty of violating the requirements of this policy may be brought to disciplinary, civil law, administrative or criminal liability on the initiative of the Partnership, law enforcement agencies or other persons in the manner and on the grounds provided for by the current legislation of the Republic of Kazakhstan, the Charter of the Partnership and employment contracts.

16. FINAL PROVISIONS

- 16.1. This policy may be revised in accordance with the decisions of the Partnership or the requirements of the current legislation of the Republic of Kazakhstan.
- 16.2. All changes to this policy shall be made by the Legal Department.
- 16.3. Issues that are not directly covered by this policy are regulated by relevant corporate regulations of the Partnership and the current legislation of the Republic of Kazakhstan.
- 16.4. This policy shall enter into force on the next calendar day after it is entered into the electronic database of the Partnership's corporate regulatory documents.