

Appendix to
the Order
of KPI Inc LLP
No. 28-OD
dated 26/02/2021

**Proactive Reporting Policy of
Kazakhstan Petrochemical Industries Inc. LLP**

Atyrau
2021

1. General provisions

1.1. Kazakhstan Petrochemical Industries Inc. LLP (the Company or We) strives for the best standards of corporate governance, transparency and accountability. We always conduct our activities based on our values, principles and standards of conduct adopted in the Company's Code of Corporate Ethics and we adhere to zero tolerance against bribery and corruption.

1.2. We have implemented and adopted this Proactive reporting policy (the Policy) to manage risks regarding violations of the principles and standards of conduct, as well as to comply with the requirements of the legislation of the Republic of Kazakhstan and the OECD Guidelines on Combating Corruption and Bribery (hereinafter referred to as the Anti-Corruption and Bribery Requirement).

1.3. Any violation, in particular non-compliance with the Code of Corporate Ethics, can cause significant damage to the Company's activities and reputation. In this regard, we require our employees and encourage our other associates to express their concerns about non-compliance with the Code of Conduct, requirements for combating corruption, fraud and bribery and other violations.

1.4. As a rule, the persons who first become aware of the alleged violations are employees of the Company. However, many employees may consider that expressing concern about violations to the head of the department or the Company's management is unacceptable for various reasons: employees may consider that the issue causing their concern is not sufficiently significant, or that an employee's expression of concern will be considered as a disloyal attitude of such an employee to the Company, or that it will be easier to ignore this issue. In this regard, the Company provides employees or other associates who disclose information about violations with protection from harassment, including the preservation of the workplace.

2. Definitions and abbreviations

2.1. The following definitions and abbreviations apply in this Policy:

- 1) **Associates** – members of the Supervisory Board, members of the Management Board, employees, agents, joint venture partners, subsidiaries and other persons providing services for the Company or acting on its behalf.
- 2) **Authorized persons** – Company officials.
- 3) **Hotline** is a feedback tool for any associates and employees of the Company, serviced by an independent company that guarantees confidentiality.

4) **Compliance Service** is a responsible structural unit or employee of the Company responsible for compliance issues.

3. Scope of application

3.1. The Policy provides guidance for the Company's employees and other associates on how they can express concerns about violations committed or being committed in the Company to the relevant persons.

3.2. Below are examples of violations:

Bribery and corruption

Illegal remuneration; Fraud;
Collusion;
Coercion;
Abuse of authority.

Unequal conditions of employment and work

Discrimination; Labor conflicts; Harassment;
Unethical behavior.

Accounting violations

Accounting errors; Accounting distortions; Financial omissions;
Falsification of records and documents.

Threats to health, safety and the environment

Environmental damage;
Damage to property;
Unsafe working conditions;
Theft;
Harm to health.

Information leak

Unauthorized disclosure of confidential and insider information.

4. Responsibility

4.1. The Head of the Compliance Service of the Company is responsible for the organization of functioning and compliance with the requirements established by this Policy.

4.2 All employees of the Company must be familiar with and are responsible for the proper implementation of the norms and provisions of this internal regulatory document.

5. Expression of concern

5.1. Any employee or other associate who has a credible concern about the issues covered in the above areas of application of the Policy should report such concern in a reasonable manner and

in short terms. At the same time, it is important to ensure that such concerns are expressed in good faith, reliably and without malicious intent. At the same time, an employee or other associate is not expected to investigate the issue.

5.2. The Company recognizes that it is important to increase confidence in the proactive reporting line so that employees and other associates can be sure that their messages will be properly considered and appropriate response measures will be taken. In this regard, the Company engages an external operator to enable employees and other associated persons to express their concerns to an independent third party, including on a confidential or, moreover, on an anonymous basis. Such messages can be sent 24 hours a day, 7 days a week in one or more of the following ways:

FREE LINE	TELEPHONE	The data of the external operator is reported regularly by: <ul style="list-style-type: none"> ✓ Corporate website of KPI ✓ Training compliance ✓ Office posters ✓ Access cards ✓ Other
Email		
Internet		
These means of communication are secure and protected by special coding devices		

5.3. In addition to the proactive reporting line administered by an external operator, the Company provides several internal channels for expressing concerns:

5.3.1. Heads of departments

In this case, the message can be made in person or in writing. If the issue is raised in writing, it is preferable to state the background and chronology of the issue under consideration and clearly indicate the reasons for concern.

If the head of the department is unable to consider this issue, it must be reported orally or in writing to the management and/or Compliance Service.

Reports of facts that may entail criminal liability are not considered by the Company. The person who has expressed a credible concern should be informed of the need to contact the authorized state bodies. If it is not possible to inform a person about the need to contact the authorized state bodies, the Authorized persons transmit the information to the Company's Security Service for further consideration and transfer to the authorized state bodies.

5.3.2. Guide

If the issue under consideration is related to the head of the department, or if it is preferable not to discuss this issue with the head of the business unit,

the employee or other associated person may report their concerns to the management of the Company. At the same time, it is also preferable that the issue and the reasons for the concern be clearly stated in writing.

5.3.3. Head of Compliance Service

In addition to sending messages to the heads of departments or management, or if it is preferable not to hold discussions with them, including on issues of any labor conflict or relationships between colleagues, initiative messages can be sent to the head of the Compliance Service.

6. Guarantees against harassment

6.1. Employees and other associates who report violations in accordance with this Policy will not be subjected to any negative treatment or punishment in any way. Employees are provided with full protection of their rights and interests, including the preservation of their workplace. At the same time, disciplinary measures may be applied to employees who act in bad faith or make accusations for personal gain and/or with malicious intent.

4.2. In cases where employees and other associates choose an external operator to express their concerns and wish to remain anonymous, the involvement of an independent external operator by the Company ensures that it is impossible to identify the person expressing concern.

7. Response measures

7.1. External operator

- ✓ Receives and processes all incoming messages by phone, website or email;
- ✓ Communicates with persons expressing concern where possible and contributes to the provision of the most relevant information;
- ✓ Classifies all messages and sends them to persons who investigate violations;
- ✓ Prepares reports according to received appeals for providing subsequently to the Management Board \ Audit Committee of the Board of Directors.

7.2. Department heads and management

- ✓ receive reports of possible violations;
- ✓ Ensure that their employees are aware of this Policy and the established procedure;
- ✓ Encourage an open working environment for staff who can easily raise concerns;

- ✓ Consider each issue submitted in accordance with this Policy properly;
- ✓ Consider the possibility of providing recommendations to the person who expressed concern or deal with this issue personally;
- ✓ Consider the need for an investigation;
- ✓ Resolve concerns if possible;
- ✓ If it is impossible to resolve this issue, send it to the head of the Compliance Service.

5.4. Head of Compliance Service

- ✓ Receives messages about possible violations;
- ✓ Considers each issue submitted in accordance with this Policy properly;
- ✓ Consider the possibility of providing recommendations to the person who expressed concern or deal with this issue personally;
- ✓ Resolves concerns if possible;
- ✓ Determines how the investigation should be conducted, if necessary;
- ✓ Informs on a regular basis the person who has expressed concern about the progress of the investigation;
- ✓ Interacts with the heads of departments and management in order to form specially created investigation committees, if necessary;
- ✓ Provides semi-annual reports to the Management Board indicating the number of violations received in accordance with this Policy, with a brief description and result on each issue.