Regulation
on the Compliance Function
«Kazakhstan Petrochemical Industries Inc.» LLP

Atyrau, 2024

Approved by the decision of the Supervisory Board of «KPI Inc.» LLP dated April 18, 2024, Minutes No. 03/24

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1. DEFINITIONS AND ABBREVIATIONS

1.1. For the purposes of this Regulation on the Compliance Function, the following basic terms are used:

compliance function – a person responsible for implementing the Partnership's compliance function, whose main task is to build an effective compliance system within the Partnership, monitor the management of compliance risks and perform other functions provided for by the Partnership's internal documents;

internal analysis of corruption risks – the identification and study of the causes and conditions that contribute to the commission of corruption offenses;

conflict of interest – any situations or circumstances in which the personal benefit or activity of an Employee or Official of the Partnership conflicts with the interests of the Partnership or may potentially come into conflict with them, and thereby may result in improper performance of their official duties and affect the objectivity of decisions on matters relating to the Partnership;

corruption offense – a wrongful, culpable act (action or inaction) bearing signs of corruption, for which administrative or criminal liability is established by law;

corruption risk – the possibility of the emergence of causes and conditions that contribute to the commission of corruption offenses;

corruption prevention – activities of employees and officials of the Partnership aimed at studying, identifying, limiting and eliminating the causes and conditions that contribute to the commission of corruption offenses, through the development and implementation of a system of preventive measures;

authorized anti-corruption body – a state body that forms and implements the anti-corruption policy of the Republic of Kazakhstan and coordinates anti-corruption efforts, as well as the prevention, identification, suppression, disclosure and investigation of corruption offenses, and its territorial subdivisions;

2. SCOPE OF APPLICATION

2.1. This Regulation on the Compliance Function of 'Kazakhstan Petrochemical Industries Inc.' LLP (hereinafter – the Regulation) has been developed in accordance with Article 16 of the Law of the Republic of Kazakhstan 'On Combating Corruption' (hereinafter – the Law), the Corporate Standard on the Compliance Function of the Samruk-Kazyna JSC group, approved by decision of the Management Board of Samruk-Kazyna JSC dated 21 December 2023, Minutes No. 60/23, the Partnership's Corporate Code of Ethics, as well as OECD best international anti-corruption practice.

2.2. This Regulation defines the goals, objectives, principles, functions and powers of the compliance function of 'Kazakhstan Petrochemical Industries Inc.' LLP.

2.3. The Regulation on the Compliance Function is published on the official website of 'Kazakhstan Petrochemical Industries Inc.' LLP and communicated to all employees.

3. GENERAL PROVISIONS

3.1. 'Kazakhstan Petrochemical Industries Inc.' LLP (hereinafter – the Partnership) designates a person performing compliance functions – the Compliance Officer, whose main task is to ensure that the Partnership and its employees comply with the anti-corruption legislation of the Republic of Kazakhstan, and to support management in building an effective compliance system that provides reasonable assurance that the Partnership's material compliance and corruption risks are properly managed.

In doing so, the person responsible for performing compliance functions is designated with due regard to potential conflicts of interest.

3.2. The Compliance Officer reports to the Supervisory Board of the Partnership.

3.3. The Compliance Officer is appointed to and removed from office by decision of the Supervisory Board of the Partnership. Oversight of the Compliance Officer's activities is exercised by the Supervisory Board of the Partnership.

3.4. The Compliance Officer exercises their powers independently of the executive body and officials of the Partnership, reports to the Supervisory Board, and is independent in ensuring compliance with the requirements of the anti-corruption legislation of the Republic of Kazakhstan.

3.5. Methodological support to the Compliance Officer is provided by the authorized anti-corruption body and its territorial subdivisions.

3.6. Combining the function of the Compliance Officer with the functions of other structural units of the Partnership is not permitted. Employees are not permitted to combine other functions with the compliance function, nor to hold part-time positions within the holding company group, except for performing the compliance function at companies within the holding.

3.7. The main areas of activity, duties and rights of the Compliance Officer are defined by the relevant job descriptions, which are developed on the basis of this Regulation.

3.8. The Compliance Officer carries out their activities in accordance with the applicable legislation of the Republic of Kazakhstan, the Partnership's Charter, decisions of the Partnership's Supervisory Board, the Partnership's internal regulatory documents, and this Regulation.

4. GOALS, OBJECTIVES AND FUNCTIONS

4.1. The main goal of the Compliance Officer's activity is to develop and implement a compliance program, to ensure that the Partnership and its employees comply with the anti-corruption legislation of the Republic of Kazakhstan, and to monitor the implementation of anti-corruption measures, including the assessment of corruption and other risks within the

Partnership.

4.2. Objectives of the Compliance Officer:

1) ensuring the implementation of tools for the prevention of corruption offenses by the Partnership and its employees;
2) the effective implementation of a system of anti-corruption measures within the Partnership;
3) ensuring that an internal analysis of corruption risks is conducted within the Partnership;
4) ensuring compliance with external regulatory requirements and international best practice on anti-corruption matters;
5) ensuring compliance with the basic principles of combating corruption in accordance with the Law of the Republic of Kazakhstan ‘On Combating Corruption’;
6) handling inquiries received via the Hotline (with subsequent submission of a review report to Samruk-Kazyna JSC / the Supervisory Board of ‘KPI Inc.’ LLP);
7) organizing investigations based on complaints/inquiries received, including through the whistleblowing channel on anti-corruption matters. Coordinating the investigation process through to its full completion and the adoption of corrective measures / development of recommendations for eliminating violations or amending business processes;
8) interaction with the Partnership’s structural units, KazMunayGas JSC (NC) and third-party organizations in respect of preparing and providing information;
9) organizing regular anti-corruption training for the Partnership’s employees and management, as well as advising and providing methodological support to the Partnership’s structural units and officials in performing their assigned compliance functions and managing compliance risks;
10) preparing official letters in response to inquiries from government authorities relating to the Compliance Officer’s core activities;

4.3. In implementing and performing compliance functions, the Partnership is guided by the following principles:

1) sufficiency of the powers and resources allocated for performing compliance functions;
2) management’s interest in the effectiveness of compliance;
3) transparency of the Compliance Officer’s activities;
4) independence of the Compliance Officer;
5) continuity of the Compliance Officer’s activities;
6) continuous improvement of compliance;
7) ongoing development of the competencies of employees performing compliance

functions.

4.4. Functions of the Compliance Officer:

1) ensures the development and updating of internal documents, including:
   - the Partnership's Anti-Corruption Policy;
   - the Policy on Managing Conflicts of Interest of the Partnership's Employees and Officials;
   - the Partnership's Whistleblowing Policy; the Partnership's Corporate Code of Ethics;
   - the Partnership's Compliance Program;
   - the Action Plan for Ensuring Compliance with the Law of the Republic of Kazakhstan 'On Combating Corruption';
2) collects, processes, summarizes, analyzes and evaluates information relating to the effectiveness of anti-corruption policy within the Partnership;
3) coordinates the internal analysis of corruption risks in the Partnership's activities in accordance with the Standard Rules for Conducting an Internal Analysis of Corruption Risks, approved by Order No. 12 of the Chairman of the Agency of the Republic of Kazakhstan for Civil Service Affairs and Anti-Corruption dated 19 October 2016 'On Approval of the Standard Rules for Conducting an Internal Analysis of Corruption Risks' (registered in the Register of State Registration of Regulatory Legal Acts under No. 14441);
4) participates in the external analysis of corruption risks in the Partnership's activities, conducted by joint decision of the heads of the authorized anti-corruption body and the Partnership;
5) monitors identified corruption risks within the Partnership and the measures taken to mitigate and eliminate them;
6) conducts awareness-raising activities on anti-corruption matters and on fostering an anti-corruption culture within the Partnership;
7) organizes anti-corruption training seminars for the Partnership's employees;
8) ensures oversight of employees' compliance with the Partnership's Anti-Corruption Policy and matters of corporate ethics of conduct;
9) contributes to fostering a culture of relationships consistent with generally accepted moral and ethical standards within the Partnership's workforce;
10) ensures compliance, by persons equated to persons authorized to perform state functions, with the financial control measures and anti-corruption restrictions established by the Law, within the Compliance Officer's competence;
11) develops and monitors the implementation, by the Partnership's structural units, of the internal action plan on anti-corruption matters;
12) takes measures to identify, monitor and resolve conflicts of interest, including in matters of employment, procurement and the Partnership's business processes;
13) takes measures to resolve matters relating to the giving and receiving of gifts within

the Partnership;
14) conducts comprehensive due diligence checks on counterparties;
15) conducts internal investigations based on complaints (claims) regarding facts of corruption within the Partnership and/or participates in them in accordance with the documents defining the procedure for conducting investigations;
16) monitors and analyzes changes in anti-corruption legislation and judicial practice in corruption-related cases;
17) assesses the effectiveness of the implementation of anti-corruption measures by the Partnership's structural units and employees;
18) hears information from the Partnership's structural units and employees on anti-corruption matters;
19) submits recommendations to the Partnership's first head for eliminating identified corruption risks and improving the efficiency of the Partnership's internal organizational processes;
20) performs functions relating to compliance, corporate ethics and sustainable development matters, provided that such functions do not affect independence or create a conflict of interest;
21) interacts with the authorized anti-corruption body and state authorities, quasi-public sector entities, public associations, and other individuals and legal entities;
22) carries out other activities for the purpose of corruption prevention;
23) organizes the operation of the whistleblowing system and ensures that incoming reports are checked;
23) conducts checks and investigations of any information on anti-corruption matters, including information received through the whistleblowing system and from other sources;
24) monitors the effectiveness of the compliance systems established;
25) carries out communications on compliance matters within the Partnership;
26) organizes and conducts training for the Partnership's employees on compliance and anti-corruption matters;
27) ensures the operation of an effective corruption risk management system;
28) ensures the implementation of centralized compliance processes and systems within the Partnership;
29) performs the functions of process owner in accordance with the decision of the governing body;
30) monitors and provides the governing body with information on the functioning of compliance systems, as well as recommendations for their improvement;
31) timely and complete provision of information requested by the Compliance Service of KazMunayGas JSC (NC), including reporting in electronic and paper form, including through the use of automated systems, in accordance with the procedure and frequency determined by the Compliance Service of KazMunayGas JSC (NC).
32) the Compliance Officer periodically reports to the Supervisory Board;

33) in the event of possible corruption offenses on the part of the head of a quasi-public sector entity, the anti-corruption compliance service shall apply to the authorized state bodies in accordance with paragraph 1 of Article 24 of the Law of the Republic of Kazakhstan ‘On Combating Corruption’.

4.5. The appointment of the Compliance Officer, the term of their powers, the amount of remuneration and the terms of payment are determined by decision of the Supervisory Board.

4.6. The Compliance Officer ensures the fulfillment of the tasks assigned to them.

5. DUTIES, RIGHTS AND LIABILITY

5.1. The functional duties, rights and liability of the Compliance Officer are defined by job descriptions developed on the basis of the Regulation on the Compliance Function and approved by the Supervisory Board of the Partnership.

5.2. The Compliance Officer submits to the Supervisory Board a proposal on the structure and staffing table of the Compliance Service (if applicable).

5.3. Documents and requests sent on behalf of the Compliance Officer to other structural units of the Partnership, agencies and subordinate organizations on matters within the Compliance Officer’s competence are signed by the anti-corruption compliance officer.

5.4. The Compliance Officer must continuously improve their professional qualifications by participating in training activities conducted by authorized bodies and professional organizations in the field of compliance.

5.5. In carrying out their activities, the Compliance Officer is entitled to:

1) request and receive from the Partnership’s structural units information and materials, including those constituting commercial and official secrets, within the framework of approved procedures established by internal documents;
2) initiate the referral of matters within their competence to the Supervisory Board for consideration;
3) initiate internal investigations in response to incoming reports of possible corruption offenses or violations of the anti-corruption legislation of the Republic of Kazakhstan;
4) require managers and other employees of the Partnership to provide written explanations within the framework of internal investigations;
5) develop proposals for improving the anti-corruption legislation of the Republic of Kazakhstan and submit them to the authorized anti-corruption body;
6) participate in developing drafts of internal documents within their competence;
7) create channels for employees of the Partnership to report facts of actual or potential violation of anti-corruption legislation within the Partnership, or to submit proposals for improving the effectiveness of anti-corruption measures within the Partnership;
8) have direct access to the governing body to discuss issues regarding the functioning

of compliance systems and any emerging restrictions;

9) other powers provided for by the legislation of the Republic of Kazakhstan.

5.6. In carrying out their activities, the Compliance Officer must:

1) maintain the confidentiality of information about the Partnership and its affiliates, and of insider information that becomes known during the performance of compliance functions, unless it contains data on a corruption offense being prepared and/or committed;
2) ensure the confidentiality of persons who have reported alleged or actual facts of corruption, violations of the corporate code of ethics and other internal documents on anti-corruption matters within the Partnership;
3) promptly inform the Supervisory Board of any situations relating to the existence or potential possibility of a violation of anti-corruption legislation;
4) notify the authorized anti-corruption body of any known cases of corruption offenses being prepared, committed or already committed;
5) not interfere with the Partnership's established work schedule;
6) observe official and professional ethics.

5.7. The Compliance Officer must not:

1) participate in reviews of processes in which they were involved during the preceding three years;
2) participate in activities that could harm, or be perceived as harming, the impartiality of a review;
3) use confidential information for personal purposes;
4) violate business ethics standards;
5) accept gifts or use services that could harm, or be perceived as harming, the independence, objectivity and impartiality of the Compliance Officer;
6) take part in reviews, internal investigations or other activities that could give rise to a conflict of interest.

5.8. The Partnership's management must:

1) facilitate the creation of an effective environment for the Compliance Officer's activities, and provide support in achieving their goals, objectives, functions and duties, and in exercising their rights;
2) provide administrative (organizational and technical) support for the Compliance Officer's activities, including providing the capabilities, assets and resources necessary for their activities, including information systems and applications (access to the required databases) and other goods, works and services;
3) provide the Compliance Officer with opportunities for training and certification in compliance activities, and in social and communication skills and competencies.

5.9. Interaction between the Compliance Officer and the Partnership's structural units is based on mutual courtesy and correctness in their work.

5.10. Employees of the Partnership's structural units assist the Compliance Officer by:

1) providing documents and information necessary for performing compliance tasks and functions, taking into account the specifics established by subparagraph 1) of paragraph 4.3 of this Regulation;
2) objectively discussing identified risks and violations;
3) jointly resolving emerging issues and problems.

6. ORGANIZATIONAL STRUCTURE

6.1. The structure and staffing of the Compliance Officer correspond to the staffing table approved by the Supervisory Board of the Partnership.

7. PROCEDURE FOR INTRODUCING AMENDMENTS AND ADDITIONS TO THE REGULATION

7.1. Amendments and additions to this Regulation are made in accordance with the established procedure.

7.2. The Compliance Officer must periodically review the need to amend this internal document in accordance with the Partnership's current structure and operating environment.

Acknowledgment Sheet for the Job Description

No.	Employee's Surname, Initials	Signature (acknowledged)	Date of Acknowledgment
1.			

Registration Sheet for Amendments to the Job Description

Item/ Section No.	New Version	Rationale for Amendments and Additions