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KPI Inc. LLP dated March 18, 2021
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Code of Conduct of
Kazakhstan Petrochemical Industries Inc. LLP

Atyrau, 2021

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Dear colleagues,

Current successful business of Kazakhstan Petrochemical Industries Inc. LLP (KPI) and the prospects of its dynamic development into the world gas chemical company in the future depend on our integrity as a team of like-minded people united by common goals, traditions, business culture and behavior.

The Code of conduct is a set of standards and rules of individual and collective behavior of all KPI employees, regardless of their profession, position and work place.

The Code is intended to create an inspiring working atmosphere where every employee is sensible of responsibility for the results of KPI's activities and reputation and at the same time can reckon on the Company's attention to his or her needs in the course of duty.

The Code of conduct is one of the most important tools for creating a Company where every employee is a professional of their craft and part of a shared corporate culture.

Corporate culture is a key element that unites employees into a single social organism. A clear understanding of the moral guides of business activities is indispensable for the well-coordinated work of all departments. Adherence to high ethical standards will help to maintain and strengthen trust in the team, and in relations with external partners, society and the state.

Compliance with the Code of conduct is one of the steps in strengthening the reputation of KPI today and ensuring sustainable development and achieving its strategic goals in the future.

Each employee shapes the image and prestige of KPI by his or her work and behavior. That is why impeccable adherence to the Code of conduct should be the highest priority for KPI employees.

Chairman of the Management Board

Daniyar Tiyessov

Terms, definitions and abbreviations

Term, abbreviation	Definition
Officials	1) individuals who, by virtue of a law, other legal act or document of the Company, are authorized to act on behalf of the Company; 2) Members of the Company's Board.
Stakeholders	Individuals and legal entities able to influence the Company's activities, including the Company's decision-making process, or whose interests are affected within the Company's activities
Competitor	An individual, an individual entrepreneur or a legal entity engaged in rendering services (work delivery or distribution of goods) similar to the services (works, goods) rendered (performed or sold) by the Company
Contractor	An individual or legal entity with whom the Company has concluded or plans to conclude a contract (for example, services/delivery contract, agency agreement, contract for sale of products or Company assets, etc.)
Conflict of interest	Any situations or circumstances upon occurrence of which the Personal benefit or activity of the Employee or Official clashes with the Company's interests or may potentially conflict with them and thereby may lead to improper performance of their official duties and violation of decision objectivity in relation to Company's issues.
Company	Kazakhstan Petrochemical Industries Inc. Limited Liability Partnership
Personal benefit	The possibility of obtaining income in the form of money, valuables, property or monetized services, other property and non-property rights by the Official/Employee in the course of their duties for personal use or for third parties

Luxury article	<p>Luxury articles for the purposes of this Code include the following:</p> <ul style="list-style-type: none"> • jewels (jewelry, unprocessed and processed valuable minerals, precious and semi-precious stones); • securities, including deposit and savings certificates, shares, interests; • means of transport, including yachts, cars, planes and other vehicles; • real estate; • items classified as antiques, or having cultural or artistic value; • other items considered as luxury articles by general public.
Politically exposed person (PEP)	<ol style="list-style-type: none"> 1. A civil servant and a citizen of the Republic of Kazakhstan who, in accordance with the procedure established by the laws of the Republic of Kazakhstan, holds a public position in the state body and gets paid from the republican or local budgets or from the funds of the National Bank of the Republic of Kazakhstan and exercises official powers, implementing the public duties and functions; 2. Official is an individual permanently, temporarily or by special authority performing the functions of public authority or performing organizational and management or administrative functions in state bodies; 3. Foreign official is an official of a foreign state, including members of a foreign public assembly, officials of international organizations, members of an international parliamentary assembly, judges of a foreign state and officials of the international court of justice, as well as officials of the armed forces and other foreign military units.
Employee	An individual being in an employment relationship with the Company and directly performing work under employment contract, as well as other individuals hired under contract through the employment agency and under civil law contract
Compliance Service	Responsible individual/structural unit of the Company in charge of compliance issues
Media	Mass media

WHY DO WE NEED A CODE OF CONDUCT?

Without maintaining and earning confidence of all stakeholders, including shareholders, employees and business partners, we will not be able to achieve our strategic goals.

This Code of conduct establishes values, basic principles and norms of behavior, guided by which we will be able to protect the interests of all stakeholders.

The Code of conduct is aimed at developing our corporate culture and strengthening the reputation of our Company as an open and honest market player.

The Code does not cover the full range of risks that we may face. Therefore, the Code of conduct does not relieve from the necessity to stay reasonable and responsible.

General provisions

What is the coverage of the Code of conduct and how do we observe it?

The Code captures the corporate values of the Company and is a set of corporate ethics requirements applied to all Employees and Officials.

This Code covers:

- Kazakhstan Petrochemical Industries Inc. LLP

Code Observation

Each Employee and Official agrees to read and understand the provisions of the Code. All Employees and Officials shall sign a form, confirming their understanding of the Code.

Employees and Officials who have committed or tolerated actions (omission) that violate the Code requirements, if there is enough evidence, are subject to disciplinary action under the established procedure.

Contractors and stakeholders of the Company are recommended to adhere to the provisions of the Code.

The Code was developed in accordance with the laws of the Republic of Kazakhstan, the Company's internal regulatory documents, including international anti-corruption laws.

If the legislation of the countries of residence of the Company's Employees and Officials establishes more strict requirements than the Code provisions, then the requirements of such legislation shall prevail. If certain Code provisions conflict with traditions, customs or someone's personal ideas, the Code provisions shall prevail.

QUESTION

"Who can give me recommendations or tips regarding the Code provisions?"

ANSWER

"For recommendations and tips regarding the Code provisions, you can contact your line manager or the Compliance Service."

QUESTION

"To whom can I report violations of ethical norms, other procedures, internal documents and facts of corruption?"

ANSWER

"In case of violations of ethics, other procedures, internal documents and facts of corruption, you shall immediately report them via the Company's hotline or to the Compliance Service, using the communication channels set forth herein. Such communications can be made confidentially and anonymously with the guarantee of victimization protection."

Key values and principles of corporate ethics

What are the key values and principles of the Company?

Fairness

- We play fair
- We keep our word and do not accept double standards
- We are fair and provide everyone with equal opportunities

Loyalty

- We agree that the company interests are more important than our own
- We are not indifferent to the company and take care of everything we have
- We are one team
-

Development

- We invest in people and technology
- We are changing for the better and constantly growing, striving to become a global company
- We manage changes

Safety

- We care about the safety of our employees, partners and society
- We care about the environment
- We care about our reputation
-

Responsibility

- We make informed decisions
- We learn from our mistakes
- We are persistent and disciplined

Relations with Employees and Officials

Basic principles of behavior of all the Company's Employees and Officials

All Employees and Officials shall adhere to the following basic principles and rules of internal corporate conduct:

- review, understand and faithfully observe the Code provisions;
- professionally perform their duties and observe internal code of labor conduct;
- use and manage property and the financial assets of the Company exclusively for business purposes;
- avoid conflicts of interest and regard corruption and fraud with disfavor;
- keep the sensitive information confidential;
- promptly report violations hereof.

Equal employment opportunities and work conditions

The Company complies with the labor legislation of the Republic of Kazakhstan, as well as the applicable local laws of the countries of operation.

The company ensures the uniformity of rules for hiring, performance appraisal and promotion of Employees and Officials, based on clear and transparent criteria.

The Company recognizes the right of Employees to unite and conclude collective employment agreements to protect or preserve their rights.

Non-discrimination and harassment

The Company does not tolerate intimidation even as a joke and any discrimination against anyone on the grounds of race, religion, nationality, gender, political or other affiliation, social background, property and job title, working language and other circumstances, as well as granting any privileges to individual Employees based on these features.

QUESTION

"Recently, during negotiations, my manager behaved inappropriately in my opinion, calling me a bad specialist in front of the Contractor. I felt uncomfortable. Is this acceptable?"

ANSWER

"No. The company makes efforts to build its professional reputation in the eyes of our Contractors, and does not tolerate any injury to the dignity of its Employees".

Relations with Employees and Officials

The basic principles of the behavior of the Company's executives

The Company's executives shall demonstrate ethical conduct through their example and set the "tone at the top"

Responsibilities of the Company's Executives:

- ensure review, compliance with the Code provisions by the Employees and encourage the Employees willing to discuss ethical issues;
- take immediate measures to eliminate violations of the Code provisions;
- take into account the Employees' compliance with the Code requirements when assessing their performance;
- create an environment of open and respectful communication for the team members;
- avoid giving instructions to the Employees that violate the requirements of applicable laws, the Code or other local regulations;
- avoid emphasizing and using your position to the detriment of the subordinates' interests.

Employees and Officials shall refrain from:

- making public statements, representing negative images of the Company, its Employees or Officials, Stakeholders;
- acting on behalf of the Company without official authority to do so;
- using drugs and unauthorized psychotropic substances, being intoxicated at the workplace, smoking outside dedicated places.

QUESTION

"My subordinate asks, as it seems to me, too many questions and distracts me from my work. How can I politely explain to them that it's not always convenient for me to waste time like this?"

ANSWER

"You are expected to encourage subordinates to ask questions, put forward suggestions, and report the violations of the Code and other adopted norms."

QUESTION

"While being home I sometimes browse online blogs. A few days ago, I noticed a comment from a former employee who described their experience in the Company quite negatively. I would like to reply to their comments. Can I do it?"

ANSWER

"You have no right to answer on behalf of the Company. However, it is permissible (but not recommended) to express your personal point of view about working for the Company by making sure that you do not disclose any Company's confidential information."

Relations with Stakeholders

Relations with Shareholders, government authorities and politically exposed persons (PEPs)

The observance and protection of the rights of the Company's shareholders are among the main priorities

Relations with shareholders, including the procedure for communications between the Company and shareholders are based on the requirements of the laws of the Republic of Kazakhstan, other applicable legislation of the countries of operation, the Charter and internal documents of the Company.

Liaison of the Company with PEPs, government authorities

Special care shall be taken when communicating with PEPs, government authorities, or government-owned or controlled companies.

Employees, Officials and agents representing the interests of the Company shall refrain from:

- providing any PEP with money, gifts, hospitality or any valuables,
- making illegal payments to PEPs to accelerate formal procedures,
- making illegal payments to government authorities and government-owned or controlled companies.

- Carrying out commercial activities with PEPs may result in the risk of corruption. Employees and Officials are prohibited from entering into such business transactions without prior examination in accordance with internal procedures.

- PEPs are allowed to visit events to congratulate the Company's employees, to visit the grand opening of production facilities, state and national holiday events, as well as other business meetings to discuss the liaison of the Company with PEPs. However, while visiting such events/meetings, the Company will not give any preferences or special treatment to PEP in comparison to other attendees.

Relations with Stakeholders

Relations with Contractors and Competitors

The Company's relations with Contractors shall correspond to the following principles:

- interaction shall be based on legality, transparency, compliance with the contract terms, integrity and intolerance to any acts of corruption. Selection of Contractors shall include assessment of combination of the best price, quality and conditions, goodwill of the Contractor;
- guarantee of the tender commission independency and non-interference in its activities;

The Company expects Contractors to comply with the requirements of applicable law, fair treatment of employees, non-use of child labor, ensuring safe working conditions, environmental protection and adherence to other principles of ethical conduct.

In relation to the Competitors, Employees may not:

- share confidential information with Competitors;
- enter formal or informal agreement with Competitors concerning the prices or market sharing, entailing liability for the Company and reputation damage; use illegal methods to obtain confidential information on the Competitors;
- make false statements about Competitors, their products/services.

The Company complies with applicable antitrust laws, including applicable local competition laws.

We use only fair and reliable advertising and do not tolerate violation of the law or the rights of third parties when conducting advertising and marketing activities.

The Company's relations with society shall correspond to the following principles:

- striving to support programs aimed at the development of socially important economy areas, if this does not contradict the Company's Charter, the expectations and requirements of the Company's shareholders and other internal regulatory documents.
- implementation of principles of corporate social responsibility.

QUESTION

"The contractor has proposed to pay "speed money" to the civil servant to obtain permissions. You will only need to increase the fee by certain amount. Is it acceptable?"

ANSWER

"No. The Contractor's constitutes a serious violation and is subject to immediate reporting."

Risk management

Anti-bribery and corruption process, preventing and resolving conflict of interest

As part of the fight against corruption, the Company adheres to the following principles:

- The Company is guided by applicable local and international anti-corruption legislation, the Code provisions and other internal documents and is committed to international anti-corruption standards.
- The Company is intolerant to all the forms of corruption ("zero tolerance").
- The Company identifies, regularly updates corruption risk indicators, develops and implements appropriate procedures to minimize corruption risks and monitors their observance.

The Company tries to avoid conflict between the Employees and Officials' personal interests and their professional duties. Employees and Officials shall avoid the following situations:

- Employees and Officials shall act and make business decisions strictly to the benefit of the Company;

- Employees and Officials shall report any potential conflict of interest in advance;
- In all cases, the situation that has led or may lead to the Conflict of Interest shall be resolved.

QUESTION

"I am the Company's employee and was previously a co-founder of a company-supplier of the Company. Last month I sold my share to a business partner. Can I report the absence of the Conflict of Interest?"

ANSWER

"It is required to report the sale of your share, but if you continue to exercise informal control over this company, then the conflict of interests remains."

Risk management

Confidential treatment and property protection

Confidential information is information classified as such in accordance with the laws of the Republic of Kazakhstan and the Company's internal documents, or in accordance with other applicable local legislation of the countries of operation.

When working with confidential information, Employees and Officials shall observe the following rules:

- take all necessary measures to protect confidential information
- avoid disclosing confidential information in accordance with applicable local laws
- make sure to prevent unauthorized access and disclosure of confidential information to other Employees unentitled to access to confidential information, or to other third parties, as well as to prevent the data loss or destruction.

Employees and Officials may not use insider information for personal advantage to carry out transactions with financial instruments, transfer insider information to third parties or make recommendations/coerce third parties to purchase or sell the Company's financial instruments.

As part of the property protection, Employees and Officials shall observe the following rules:

- care with respect to the Company's property and assets, preventing theft, damage, embezzlement, negligent attitude
- prohibition on the use of the Company's property for Personal benefit
- protection of the Company's intellectual property
- any violations or fraud shall be reported in accordance with the procedure established by internal documents.

The Company's property and assets include: tangible assets, cash, intellectual property rights, know-how, business process data, network resources, human resources, as well as written correspondence, information and data transmitted and received by e-mail and other communication systems or stored therein.

Risk management

Exchanging gifts

The Company develops partnerships with Contractors and allows the acceptance and provision of gifts corresponding to business custom

Employees and officials operating within the Republic of Kazakhstan **may** give gifts to Contractors with a value not exceeding 20,000 KZT, including the costs of gift packaging and delivery. It is allowed only to give gifts and souvenirs marked with the Company's symbols.

Employees operating within the Republic of Kazakhstan **may** accept gifts from Contractors with a value not exceeding 2 monthly calculation indices (MCI) established by the laws of the Republic of Kazakhstan for a certain calendar year.
Officials may not receive gifts from the Contractors or on its behalf.

It is not allowed to:

- give and accept any gifts related to PEPs;
- give more than two gifts to one representative of the Contractor within one calendar year;

- give and accept gifts classified as one of the following:
 - Luxury articles;
 - Cash and cash equivalents, including bankcards, traveler's checks and gift certificates;
 - Other items, provision of which may affect the Contractor's decision-making.

Under no circumstances should the exchange of gifts be a hidden reward able to tarnish the Employee reputation and image of the Official and/or the Company as a whole.

All gifts given and accepted by the Employees or Officials to Contractors or other individuals shall be disclosed and recorded by the Employees in the Register of Gifts and Hospitality.

Risk management

Entertainment costs, charity and sponsorship

Entertainment costs, including business hospitality expenses, shall meet all the criteria listed below:

- entertainment costs do not contradict the principles and requirements of the Anti-Corruption Policy, this Code and applicable laws,
- they are not classified as luxury articles,
- they do not constitute a hidden reward or an attempt to influence the recipient for illegal or unethical purpose.

Employees operating within the Republic of Kazakhstan **may** accept an invitation to a business lunch/dinner at the expense of the Contractor, if it is not a hidden bribe.

Officials may not accept invitations to a business lunch/dinner at the expense of the Contractor.

Entertainment costs of the Company shall not exceed the entertainment cost limits determined by NWF Samruk-Kazyna JSC in the manner prescribed by law of the Republic of Kazakhstan.

Charity and sponsorship

- The Company may provide charity support and sponsorship only by transferring funds to the Social Projects Development Fund "Samruk-Kazyna Trust".
- The Company may write-off the obsolete assets for charitable purposes, assistance to low-income families at the request of akimats only with the prior approval of the Compliance Service.
- The Company may provide charity support and sponsorship as instructed by NWF Samruk-Kazyna JSC only upon written request for certain purposes and followed by a detailed intended expenditure report.
- The Company may donate for charity only in case of emergency and (or) a state of emergency, or to eliminate their consequences.

Communication channels related to compliance with the Code provisions

Compliance Service and Hotline

The responsibilities of the Company's Compliance Service include the following:

- provide explanations and consultations on the Code provisions, corruption and bribery, fraud, business gifts and hospitality, relations with government authorities and internal investigations related to these issues;
- follow up and monitor compliance with the Code provisions and on the issues mentioned above;
- initiate and conduct independent and objective internal investigations against the Employees and Officials in case of violations detected.

Whom should Company's Employees contact?

The Company established the Compliance Service and Hotline to comply with the Code provisions and other internal regulations of the Company.

Compliance Service:

Phone: +7 (7122) 30 66 00,

E-mail: compliance@kpi.kz

Hotline

Phone: 8 800 080 30 30

Phone: 8 702 075 30 30

Email: nysana@csc.kz
nysana.csc.kz

QUESTION

"I would like to report a violation of the Code provisions, but I have no evidence. Should I report it anyway?"

ANSWER

"Of course. All received reports are subject to consideration. If the audit has confirmed these violations, it will give rise to the investigation. The Company appreciates the initiative of the Employees when it comes to ethics and compliance."