**Approved**

by the decision of the Board of Directors

KazTransGas JSC

Minutes No. \_\_\_\_\_\_\_

dated \_\_" \_\_\_\_\_\_\_\_\_\_ 2021.

**CODE OF BUSINESS ETHICS**

**KazTransGas JSC**

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| **INTRODUCED BY:** Director of the Human Resources Management and Remuneration Department KazTransGas JSC  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Sh. Rashitova "\_\_\_\_ " \_\_\_\_\_\_\_\_\_\_\_ 2021 year  | **DEVELOPED BY :**Leading Specialist of the Human Resources Management and Remuneration Department at KazTransGas JSC  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_S. Domatova  "\_\_\_\_ " \_\_\_\_\_\_\_\_\_\_\_\_\_2021 year |

**Nur-Sultan - 2021 y.**

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**Introduction**

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| **Introduced:** To replace the Code of Business Ethics approved by KazTransGas JSC Board of Directors Resolution No.19 dated December 23, 2014 **Revision date:** 2024 year. |

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1. **Purpose and area of application**
	1. This Code of Business Ethics KazTransGas JSC (hereinafter - the Code) has been developed in accordance with the legislation of the Republic of Kazakhstan, the Articles of Association of KazTransGas JSC (hereinafter - KTG) and other internal documents KTG, as well as recognized international standards and practices of business conduct and corporate governance.
	2. The Code establishes the corporate values KTG, defines the most important principles and standards of conduct in its relations with Stakeholders and counterparties KTG, guided by which KTG can ensure the protection of its interests. The Code is aimed at developing the corporate culture and strengthening the reputation of KTG as an open and honest market participant. The Code is a code of conduct and a set of corporate ethical requirements to which all Employees of KTG are subject.
	3. The Code does not cover the full range of risks that Employees KTG may encounter. Therefore, the Code does not obviate the need for sound judgement and accountability.
	4. If individual provisions of the Code conflict with the legislation of the Republic of Kazakhstan, the provisions of the legislation of the Republic of Kazakhstan shall apply. In the event that certain provisions of the Code conflict with traditions, customs or someone's personal perceptions of the relevant rules of conduct, the provisions of the Code shall apply.
	5. The Code accepts, promotes compliance with and does not contradict the provisions of the Code of Conduct Samruk-Kazyna JSC. KTG accepts the provisions of the Code of Conduct Samruk-Kazyna JSC in proportion to its risks and scope of activities KTG.
	6. The provisions of the Code apply directly to all Employees to the same extent, regardless of their position. Each Employee undertakes to read, accept and acknowledge in writing a commitment to comply with the provisions and requirements of the Code (Appendix 3 of the Code). The reference to "you", "we", "us" or "all" in this Code means all officers and Employees.
	7. KTG and its Employees accept and continuously and rigorously follow the provisions of the Code, in decision-making at all job levels, in relations with all KTG's Stakeholders and the public at large, both in strategic decision-making and in day-to-day work.
	8. The Code, to the extent not inconsistent with the substance of existing obligations, is advisory in nature for Stakeholders KTG, counterparties, external partners and legal entities, individuals working under civil law outsourcing, outstaffing contracts, consulting contracts concluded with KTG and KTG group entities, as well as for suppliers, contractors and consultants who are agents, executing assignments, or representing KTG to third parties, if their actions are performed on behalf of KTG. Business partners, suppliers and other third parties who work with KTG or represent KTG are advised to adhere to the provisions of the Code.
	9. Application of the Code in the organizations of the KTG group of companies may be carried out in due course by developing and approving a similar code or bringing internal documents S/A in compliance with this Code. At the same time, the requirements stipulated in this Code in similar codes and internal documents S/A shall not be reduced or simplified.
2. **Normative references**

2.1 The following regulations, national standards and internal regulations are referenced in this Code:

* Law of the Republic of Kazakhstan of 13 May 2003 No. 415-II "On Joint Stock Companies ";
* Law of the Republic of Kazakhstan of 18 November 2015 No. 410-V "On Counteracting Corruption ";
* Code of Conduct Samruk-Kazyna JSC, approved by the decision of the Management Board of Sovereign Wealth Fund Samruk-Kazyna " dated 31 March 2017 (Minutes No. 138);
* Articles of Association KazTransGas JSC;
* Corporate Governance Code KazTransGas JSC, approved by the decision of the Sole Shareholder KazTransGas JSC dated 23 September 2015 (Minutes No.13/2015);
* Anti-corruption policy at KazTransGas JSC, approved by a decision of the Management Board of KazTransGas JSC dated 15 July 2021 (Minutes No.21).
1. **Terms and definitions**
	1. In this Code, the terms and corresponding definitions in accordance with Table 1 shall apply.

Table 1: Terms and definitions

|  |  |
| --- | --- |
| **Affiliation** | whether natural or legal persons (other than public authorities exercising control and supervisory functions within the scope of their powers) have the ability to directly and/or indirectly determine decisions and/or influence decisions made by each other or one of the persons, including by virtue of a concluded transaction; |
| **Close relatives** | parents (parent), children, adoptive parents, adopted children, full and half siblings, grandparents and grandchildren; |
| **Business ethics**  | a set of ethical principles and standards of business communication that guide the work of KTG's officers and employees  |
| **Business partners** | natural or legal persons who are involved in carrying out joint business activities with KTG; |
| **Officials**  | members of the Board of Directors, Management Board KTG and other persons at KTG who are equivalent to persons authorized to perform public functions under the Law of the Republic of Kazakhstan "On Combating Corruption " and the Anti-Corruption Policy of KazTransGas JSC; |
| **Stakeholders** | natural or legal persons who may affect the conduct of the activities of KTG, including the decision-making process of KTG, or whose interests are affected by the activities of KTG; |
| **Image**  | an image formed in the minds of the officials and employees of KTG, as well as those outside the employees of KTG, highlighting the value characteristics and influencing its perception; |
| **Counterparty** | the natural or legal person with whom KTG has entered or plans to enter into a contract/agreement;  |
| **Conflict of interest** | a conflict between the personal interests of officials, persons equivalent to persons authorized to perform public functions, persons performing managerial functions, Employees and their official duties, whereby the personal interests of the said persons may result in the non-performance and/or improper performance of their official duties; |
| **Corporate spirit**  | a set of spiritual attributes and functions that accompany KTG's activities, ideas, values, motives, aspirations, expectations, and self-perception that govern the behavior of its Employees and condition its work in a single team. The corporate ethos reflects the unwavering desire of KTG's Employees to achieve a common goal, to strive for shared success; |
| **Corporate style**  | A sustainable set of unique methods and techniques used by KTG to influence consumers and suppliers of goods (works, services) in order to form a high positive image of KTG, which ensures its uniqueness and recognisability; |
| **Corporate culture**  |  KTG-specific values, principles, norms of behavior and attitudes; |
| **Corporate social responsibility**  | fulfillment of voluntary commitments that are in the mutual interests of KTG, the state, business and customers; |
| **Corruption** | Unlawful use by officials of their official powers and related opportunities in order to obtain or obtain, personally or through intermediaries, property (non-property) benefits and advantages for themselves or third parties, as well as bribery of these persons through the provision of benefits and advantages; |
| **Persons equivalent to persons authorized to perform public functions** | a person performing managerial functions in KTG, a person authorized to make decisions on the organization and conduct of procurement, including public procurement, or responsible for the selection and implementation of projects financed from the state budget and the National Fund of the Republic of Kazakhstan, holding a position not lower than the head of an independent structural unit;  |
| **A person who performs management functions** | A person who has permanent, temporary or special authority to perform managerial or administrative functions at KTG; |
| **Ombudsman** | A person appointed by the Board of Directors of KTG (possibly from among the Employees) who promotes and adheres to the principles of business ethics at KTG; |
| **Responsible unit** | Human Resources/Personnel Management and Workers' Compensation Unit KTG |
| **A politically exposed person**  | 1) official - a person permanently, temporarily or by special authority performing the functions of a representative of power or performing organizational-administrative or administrative functions in state bodies, local self-government bodies, as well as in the Armed Forces, other troops and military formations of the Republic of Kazakhstan; (2) foreign public official - a person appointed or elected to hold any office in the legislative, executive, administrative, judicial or military branches of a foreign state;any person who performs a public function for a foreign state;a person holding a senior position in organizations established by countries on the basis of agreements that have the status of international treaties; |
| **Employee** | a person in an employment relationship with KTG and/or its S/A;  |
| **Compliance Service** | The Compliance Department at KTG is responsible for compliance matters. |

1. **Abbreviations and designations**

4.1 In this Code KTG uses the abbreviations and designations in accordance with Table 2.

Table 2. Abbreviations and designations

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| **No.** | **Designations and abbreviations** | **Full name of the symbols and abbreviations given** |
| 1 | S/A  | subsidiaries and associates, including entities under trust management agreements, jointly-controlled entities and joint ventures KTG;  |
| 2 | HRRD | Human Resources and Remuneration Department KazTransGas JSC |
| 3 | KTG  | KazTransGas JSC; |
| 4 | MEDIA | the media; |
| 5 | EDMS | Electronic document management system in KazTransGas JSC. |

1. **Responsibility and authority**

The Director of HRRD is responsible for developing and administering this Code.

Employees of KTG shall be responsible for complying with the requirements of this Code.

It is the responsibility of the lead officer of the HRRD to distribute this Code.

1. **Measures to ensure compliance with the Code**
	1. The standards and basic principles of conduct set out in this Code shall be placed by every Employee of KTG at the centre of his or her daily activities at KTG.

Every Employee KTG shall

* read and comprehend the provisions of the Code;
* adhere strictly to the provisions of the Code in their words and actions;
* raise concerns and inform the Compliance Service of corruption and other risks that arise or come to his/her attention.
	+ 1. Each of the Workers KTG should assess their own conduct, based on the following practical guidance:
* Does the employee's action comply with the Code?
* is it ethical?
* Is it legal?
* If the Employee's behavior is made known to the public, will such behavior be acceptable?
	+ 1. If you have any questions about the Code, you may contact your line manager/supervisor/compliance officer/the Ombudsman.
		2. In the event that an Employee KTG becomes aware of violations of any provisions of the Code and/or other breaches of internal control systems, he/she shall immediately report them to the Compliance Service and the Ombudsman, including through the hotline and by other means communicated to Employees by these services. Such reports may be made on a confidential and anonymous basis with a guarantee of protection against retaliation.
		3. Adherence to and compliance with the laws of the Republic of Kazakhstan, including but not limited to anti-corruption and business, ethical requirements is the responsibility of everyone who works for or represents KTG.
		4. Violation of this Code damages the reputation and work of KTG and may result in disciplinary penalties and/or dismissal. However, in cases expressly provided for in anti-corruption legislation, failure to comply with certain provisions of the Code may constitute a violation of anti-corruption legislation and result in personal administrative or criminal liability.
		5. To ensure compliance with the Code, KTG develops a compliance program. The main elements of the compliance program are
* Compliance risk assessment;
* implementation of compliance procedures and internal controls commensurate with compliance risks;
* effective communication, including compliance training;
* expressing concerns and reporting violations through the hotline;
* investigating compliance violations and taking corrective action.
1. **Main part**
	1. **Core values KTG:**
2. 1. 1.
		2. **Partnership**
* We work in partnership and trust in the team;
* We put the interests of the team before personal interests;
* We build long-term and trusting relationships with our Stakeholders.
	+ 1. **Respect**
* We cherish everything around us;
* We act on the principles of trust and respect;
* We abide by the laws and honor traditions.
	+ 1. **Integrity**
* We live up to our commitments;
* We do what we say we do;
* We are always fair and honest.
	+ 1. **Meritocracy**
* We choose worthy professionals;
* We give everyone, regardless of their role, a chance to have their say;
* We reward for achieving results;
	+ 1. **Perfection and quality**
* We work sustainably and to the upper end of the quality bar, using best practice and technology;
* We accept responsibility by acting to add value;
* We always try to achieve the best possible results;
* We always deliver on our promises in a quality and timely manner;
* We work for the benefit of our internal and external customers;
* We simplify, standardize and streamline our work;
* We are constantly looking for new ways to do things better. We want to be the first and the best.
	+ 1. **Security**
* The life and health of our Employees is an absolute priority for KTG;
* We are uncompromising when it comes to health and safety;
* We respect the environment and property KTG;
* We follow ethics and rules and try to do the right thing;
* We keep the information confidential.
	+ 1. **Unity**
* A commitment to shared success KTG unites us as one team;
* People and interaction are more important to us than processes and tools;
* We believe that everyone can and wants to contribute as much as they can;
* We deliver quality teamwork regardless of the positions and functions held. The overall result is greater than the individual;
* We build on each other's strengths and complement each other.
	+ 1. **Weighing**
* We treat each other with honesty and understanding;
* We respect our colleagues, contractors and partners and treat them as we would want others to treat us;
* We are prepared to face challenges and overcome obstacles;
* When making decisions, we consider issues comprehensively, consider all the pros and cons, and hear and consider all points of view;
* We respect the results and achievements of the past and ensure continuity.
	1. **The activities of KTG are based on the following principles**
		1. **Responsibility**
			1. KTG recognizes its responsibility to the Sole Shareholder, the public and investors for its economic, environmental and social impact for the growth of long-term value and sustainability in the long term.
			2. Workers at KTG must make decisions and actions at every level thoughtfully and intelligently.
		2. **Openness**
			1. KTG is committed to maximum openness and reliability of information about KTG, its achievements and performance, taking into account the protection of information constituting commercial and other information protected by the legislation of the Republic of Kazakhstan.
			2. Employees shall strive to be open to meetings, discussions and dialogue; strive to build long-term cooperation with colleagues and other Stakeholders based on mutual interests, rights and a balance between the interests of KTG and its Stakeholders.
		3. **Transparency**
			1. Decisions and actions KTG shall be clear and transparent to Stakeholders in due course. KTG shall inform the Sole Shareholder and Stakeholders in a fair, timely manner about the state of affairs in the prescribed manner.
			2. KTG is committed to improving the transparency and accessibility of information by improving the quality of reporting and recording in accordance with the laws of the Republic of Kazakhstan. Disclosure of information provided for by the legislation of the Republic of Kazakhstan and internal documents by Employees shall be subject to the rules on the protection of confidential information.
		4. **Ethical behavior**
			1. KTG strives to be trustworthy with the Sole Shareholder, Stakeholders and the wider public. Trust arises from a consistent commitment to high ethical standards.
			2. High moral values such as respect, honesty, openness, team spirit and trust, integrity and fairness shall underpin the decisions and actions of Employees of KTG. Employees of KTG shall conduct their activities on the basis of respect, tolerance, goodwill and decency. Employees of KTG shall take all possible measures to maintain the image, corporate spirit and corporate identity of KTG.
			3. Employees set an exceptional example of showing respect for the national and other languages, traditions and customs of the regions where they are present, adhere to high moral and ethical standards of behavior and do not tolerate anti-social and unethical behavior that could damage the reputation of KTG now and in the future.
		5. **Respect**
1. KTG respects the rights and interests of all Stakeholders that follow from legislation, contracts entered into, or indirectly through the business relationship.
2. KTG respects human rights, recognizes their importance and universality and fully supports the fundamental principles set out in the Universal Declaration of Human Rights, the Convention for the Protection of Human Rights and Fundamental Freedoms, the declarations and conventions of the International Labor Organization and other recognized international human rights instruments as well as those derived from the Constitution and legislation of Kazakhstan.
3. Employees have the right to fair and just treatment regardless of sex, race, nationality, language, origin, property, official position, place of residence, attitude towards religion and political opinion.
4. KTG is committed to respecting the ten principles of the UN Global Compact (Appendix 1 of the Code).
	* 1. **Legality**
5. The decisions, actions and conduct of KTG and its Employees shall strictly, fully and strictly comply with the laws of the Republic of Kazakhstan, other applicable international laws, the Articles of Association of KTG and the decisions of the Sole Shareholder.
	* 1. **Professionalism**
			1. Employees are KTG's greatest asset and primary resource . The level of professionalism of Employees directly determines performance and the value created for the Sole Shareholder and Stakeholders.
			2. KTG is committed to improving the skills of Employees by providing the necessary working conditions, providing opportunities for professional and individual development.
			3. Employees must meet all necessary qualifications, their job descriptions must strive to improve their competence, have the ability to make balanced and responsible decisions, and be committed to the growth and development of their professional, personal qualities and level of ethical culture.
		2. **Justice**
			1. KTG upholds the principles of meritocracy, fairness and objectivity; creates optimal conditions for each Employee to make new achievements and fairly evaluates everyone's contribution to KTG; fosters a culture of understanding, interest and support among Employees at all levels.
			2. At KTG, no privileges or benefits may be granted to individual Employees other than on the basis of legislation of the Republic of Kazakhstan and/or internal documents, while ensuring equal opportunities for all.
		3. **Intolerance towards corruption**
			1. KTG does not tolerate corruption in any form. In interaction with all Stakeholders KTG aims to develop a constructive dialogue to raise their awareness of the actions KTG takes in the fight against corruption.
			2. In order to maintain a high reputation KTG Employees shall, in their daily work, make reasonable efforts to reduce the risk of business relationships with counterparties who have been or may be involved in corrupt practices. Employees involved in corrupt practices shall be held liable in accordance with the procedure prescribed by applicable law.
			3. Internal control systems KTG should include measures to prevent, deter and detect corruption offences.
		4. **Inadmissibility of conflicts of interest**
			1. In its relations with Stakeholders KTG expects to establish and maintain a fiduciary relationship in which the parties are obliged to act towards each other in the most honest, conscientious, fair and loyal manner to take measures to prevent, detect and eliminate conflicts of interest.
			2. KTG shall strive to exclude any possibility of conflicts of interest between KTG and Employees. Employees' personal interests shall not affect the impartial performance of their job, functional duties.
			3. Employees have a duty to refrain from acting in dealings with legal entities and natural persons that pose a risk of a conflict of interest.
			4. Employees shall avoid financial or other business relationships and participation in joint work with organizations whose activities could give rise to a conflict of interest and interfere with the effective operation of KTG.
			5. Employees should immediately notify their line manager if a conflict of interest, a threat to the financial or other interests of KTG arises, or if a third party's personal business interests are compromised as a result of which a conflict of interest arises.
			6. In the event of corporate conflicts, participants shall seek ways to resolve them through negotiation to ensure that the interests of KTG and Stakeholders are effectively protected.
		5. **Environmental responsibility**
			1. In its activities, KTG strives to comply with the requirements of legislation of the Republic of Kazakhstan in the field of environmental protection, natural resources and human health, and to minimize the negative impact of its activities on the environment and society through careful use of resources.
			2. KTG is aware of its responsibility to society and future generations for the rational use of natural resources and the preservation of a healthy environment, ensuring energy conservation, reducing the negative impact on the natural environment, introducing innovative technologies aimed at the careful and responsible use of resources and time, and increasing labor productivity.
			3. Each Employee shall be responsible for the sustainable use of natural resources and the protection of the environment in their workplace, planning, decision-making and resource management processes.
		6. **Security**
			1. KTG considers human life to be of the highest value and is committed to focusing on supporting healthy lifestyles and protecting the health of Employees. KTG is committed to ensuring workplace safety and preserving the lives and health of its Employees in accordance with global standards.
			2. Every Employee is responsible for his/her own safety and for the safety of those around him/her and must demonstrate by personal example an exceptional commitment to safety, health and safety, industrial and fire safety.
	1. **Serving society**
		1. **Commitment to the mission KTG.**

KTG is the national gas and ­gas supply operator ­engaged in the production, transportation, distribution ­and sale of gas in the domestic market of Kazakhstan. In addition to ­supplying the ­domestic market, KTG sells gas for export.

**The mission of KTG is** to ensure the country's energy security, creating a new quality of life for the people and strengthening partnerships in a global world.

To achieve its mission, KTG carries out its tasks based on the principles of fair treatment of the Sole Shareholder to ensure the growth of long-term value and sustainable development of KTG; transparency, efficiency and flexibility of operations KTG; consistency, timely decision-making in the best interests of KTG; responsibility, accountability and legality.

 Employees at KTG shall:

- be aware of the special obligation to serve our society and state when acting on behalf of KTG and to exercise due diligence by being properly aware of the mission of KTG;

* realize that their responsibilities can have a direct impact on the quality and standard of living of society and the state;
* carry out their duties in accordance with the mission of KTG and not take actions that go beyond the objectives of KTG;
* not use his or her official position for personal matters.

- pay attention to signs of any indecent or inappropriate behavior that may attract negative public attention and/or harm the reputation of KTG.

* + 1. **Sustainable development**

7.3.2.1. KTG is aware of the importance of its impact on the economy, environment and society, and in pursuit of long-term value growth, ensures its sustainable development in the long term while balancing the interests of its Stakeholders. KTG cares about our future generation and pays special attention to the sustainable development of our country. KTG is for protecting ecosystems, improving air quality and preserving the sustainability of our resources.

7.3.2.2. KTG supports the principles of the United Nations Global Compact in the areas of human rights, labor, environment and anti-corruption as set out in Appendix 1 to the Code.

7.3.2.3. KTG strives to minimize the negative impact of its operations on the population and the environment, to prevent production accidents that damage the environment, and to support rational use and reproduction of natural resources. KTG is an advocate of improving energy efficiency, conserving resources and using alternative energy sources, and taking other measures necessary to minimize negative impacts on health, safety and the environment.

7.3.2.4. KTG adheres to the principle of causing no harm to people and protecting the environment in carrying out and achieving our objectives. KTG assesses the impact of any new activity on the environment, whether it is developing a new product, selling to a new market, building a new factory or buying a new company.

KTG develops and follows safe work practices to ensure safety in the workplace and prevent injury.

7.3.2.5. Each Employee shall be aware of his or her impact and proportionate responsibility for the sustainable development of KTG and society in the long term, and shall make efforts to continuously improve his or her knowledge of sustainable development.

7.3.2.6. Every Employee shall bring to the attention of signs of any apparent or potential violations of environmental laws and regulations.

* + 1. **Ethical standards**
1. **Compliance with the law**

KTG strictly complies with the laws of Kazakhstan, the laws of foreign countries, where applicable, and requirements in international capital markets, where operations outside Kazakhstan are conducted.

1. **Informed decision-making**

The criteria for production, investment and other decisions taken at KTG are not solely economic in nature, they also take into account social, environmental and sustainability criteria.

1. **Confidentiality of information**
2. Confidential information KTG shall mean information classified as such in accordance with the laws of the Republic of Kazakhstan and the internal documents of KTG.
3. KTG respects and protects the confidentiality of the personal data of Employees KTG and maintains an information security policy. KTG is committed to protecting information that constitutes a state secret.
4. Employees show a special degree of responsibility when dealing with data constituting confidential information, including personal data in accordance with the legislation of the Republic of Kazakhstan, internal documents of KTG and take all necessary measures to protect such information.
5. Employees are obliged to keep any confidential information confidential and not to disclose its contents, both throughout their employment with KTG and after termination of employment. Unless expressly provided otherwise by the laws of the Republic of Kazakhstan.
6. Employees shall take care to prevent unauthorized access and disclosure of confidential information to other Employees who do not have access to confidential information and to any third parties outside KTG, and to prevent loss or destruction of data.
7. Employees shall comply with the rules and procedures set out in the internal documents of KTG relating to security and confidential information.
8. If the Employee becomes aware of a breach of confidentiality of information or a breach of security of systems or devices, the Employee shall immediately report the fact in the manner prescribed by an internal document KTG.
9. Employees who have access to confidential and/or insider information KTG, personal data of Employees or interested parties KTG shall use such information in connection with the performance of their duties.
10. **Corruption and prohibited payments**
	* 1. KTG prohibits any action by public officials in order to obtain or obtain, personally or through intermediaries, property (non-property) benefits and advantages for themselves or third parties, as well as the bribery of such persons through the provision of benefits and advantages.
		2. The direct responsibility for combating corruption rests with each employee at KTG.
		3. Employees are obliged to report cases of corruption offences of which they become aware to the Compliance Service KTG in accordance with the procedure established by the internal documents KTG. At the same time, no employee of KTG may have their employment contract terminated and no employee may be demoted, lose their bonus or other forms of incentive if they report an alleged illegal act or if they refuse to give or receive a bribe, commercial bribery or mediation in bribery.
11. **Preventing and managing conflicts of interest**
	* 1. A conflict of interest is a situation in which the personal interest of an Employee affects or may affect the objective and impartial performance of their job duties and in which a conflict arises or may arise between the personal interest of the Employee and the legitimate interests of KTG that may harm the legitimate interests of KTG.
		2. The existence of a conflict of interest, or the potential existence of such a conflict, constitutes a threat to the reputation of KTG.
		3. In its activities, KTG strives to avoid conflicts between the personal interests of officials and Employees and their professional duties. All Employees are responsible for making transparent, timely and adequate decisions free of conflicts of interest. Employees must avoid situations in which they have or may have a conflict of interest.
		4. No activity by Employees shall breach any obligation to KTG or harm the reputation of KTG. Misuse of KTG's resources, including its intangible resources, is prohibited. Even if there is no ill intent, the appearance of conflict can have negative consequences. Employees must consider the nature of their actions and avoid situations that could be perceived as a conflict of interest.
		5. KTG ensures that identified corporate conflicts and conflicts of interest are resolved as quickly as possible and that the responsible structural subdivisions of KTG clearly coordinate their activities, namely, ensure that conflicts are identified at an early stage of development, and as soon as possible determine its position on the substance of the conflict, take the appropriate decision, and communicate it to the parties to the conflict. In order to comply with corporate governance principles and procedures for handling and settling corporate conflicts and personal conflicts of interest, the competencies of the structural subdivisions of KTG should be clearly delineated.
12. **Compliance with competition requirements**
	* 1. KTG does not enter into agreements or arrangements which interfere with competition and complies with the laws of the Republic of Kazakhstan.
		2. Employees shall refrain from offers to enter into agreements, whether explicit or implicit, formal or informal, written or verbal, which are aimed at restricting competition.
		3. Employees must comply with the competition requirements of the laws of the Republic of Kazakhstan and those of the countries whose jurisdictions the foreign operations of KTG are subject to, as well as the instructions of the anti-monopoly authorities.
13. **Protection of property and internal controls**
	* 1. All Employees shall safeguard the property entrusted to them KTG and ensure its efficient use. Any property of KTG shall only be used for lawful purposes related to the performance of the activities of KTG.
		2. Employees must treat the property and assets of KTG with care and ensure their efficient use for legitimate business purposes by preventing theft, damage, waste and negligence. The property and assets of KTG include: tangible assets, cash, intellectual property rights, "know-how ", business process data, network resources as well as written correspondence and information and information transmitted and received by or stored in e-mail and other communication systems.
		3. Employees are not permitted to use or transfer to third parties business opportunities that may arise through the use of corporate property, information or position in KTG.
		4. Employees may not use corporate property, information or position for personal gain.

Intellectual property is one of the most valuable assets of KTG. All Employees must protect patents, trademarks, copyrights, trade secrets and other proprietary information KTG.

* + 1. At the same time, the legitimate intellectual property rights of others must be respected. Illegal use of someone else's intellectual property can expose KTG and even its individual Employees to legal action and compensation obligations, including significant fines and criminal penalties.
		2. Employees must strictly adhere to established internal control procedures and report any breaches of internal control procedures or cases of fraud in the manner prescribed by internal documents.
		3. Employees are required to submit timely and objective reports on financial transactions and operations, comply with document management rules and keep all necessary records in accordance with established procedures.
1. **Gift exchange and hospitality expenses**
	* 1. KTG develops partnerships with customers and counterparties and permits the exchange of corporate gifts consistent with business practices. Every Employee must be aware that the exchange of business gifts and invitations to hospitality is a socially recognized component of business relationships, but it must be remembered that such occasions must not under any circumstances damage the business reputation of KTG, and must not constitute "payment " for acts or omissions for certain direct or indirect economic purposes. Gifts must have a direct connection with the legitimate purpose of the gift and must not give the impression of improper conduct.
		2. KTG defines the main objectives of the regulation, rules and restrictions on the receipt/giving of gifts and favors in the course of business communication in connection with the performance of official duties by Employees KTG as well as the reasons for their acceptance/giving. Any unauthorized gifts must be declined/returned to the giver at the time of giving them.
		3. A gift is any value in tangible or intangible form for which there is no obligation to pay the usual price, including money, securities and other property, benefits and services of a material nature (work, services, payment for entertainment, recreation, transport expenses, discounts, provision of property, including housing, charitable contributions etc.) received in connection with employment with KTG.
		4. Giving and accepting gifts whose value exceeds two monthly calculation indices (2 MCIs) is not allowed. The MPL is set by authorized state bodies in accordance with the legislation of the Republic of Kazakhstan, for the current year.
		5. However, collective gift-giving to an Employee is allowed as long as the amount of the gift or monetary contribution from one person (i.e. the Employee) does not exceed the above-mentioned amount.
		6. Under no circumstances shall the giving/receiving of gifts constitute a disguised reward that could have a negative impact on the reputation of the Employee and/or KTG as a whole.
		7. No gifts may be given to family members, relatives or other close persons of an Employee KTG in connection with any acts (omissions) performed by such Employee in connection with his/her functional and job duties at KTG, promotion, or appointment to a position.
		8. Each Employee shall be liable for offences creating conditions for corruption, as well as corruption offences involving unlawful receipt of benefits and advantages, in accordance with the legislation of the Republic of Kazakhstan.
		9. Representation expenses, including business hospitality, which Employees on behalf of KTG may provide to other persons and organizations, or which Employees, in connection with their employment with KTG, may receive from other persons of organizations, must meet the totality of all the criteria set out below:
* be directly related to the legitimate business purposes of KTG;
* be reasonably justified, proportionate and not a luxury item;
* not constitute a covert reward for a favor, action, omission, connivance, patronage, granting of rights, making a certain decision on a transaction, agreement, license, permit, etc. or an attempt to influence the recipient for another illegal or unethical purpose;
* not pose a reputational risk to KTG, its Employees and other Stakeholders in the event of disclosure of gifts or hospitality expenses;
* not contradict the principles and requirements of the Code, other internal documents KTG and applicable law.
1. **External communication**
	* + - 1. An employee of KTG undertakes to behave ethically in public places.
				2. Any unauthorized external communication on behalf of KTG affects the company's image. Social media activity must only be used by Employees for personal purposes and must not be associated with KTG.
				3. Any information disclosed on behalf of KTG must be accurate in all material respects, complete, correct and in accordance with applicable laws and the internal documents of KTG.
				4. Employees of KTG undertake to
2. not to speak on behalf of KTG unless authorized to do so;
3. not use his or her official position for personal gain;
4. not express your personal opinion about the work of KTG in the media.
	* + - 1. Appendix 3 to this Code provides guidance to all Employees on posting information on social media, corporate and personal blogs and commenting on media publications.
	1. **Attitudes towards their Workers**

**7.4.1 Equal terms of employment and working conditions**

* + - 1. Employees KTG's most valuable asset. KTG has a policy of providing all its Employees with the best possible prospects for work. KTG provides equal opportunities to all those who work for KTG to develop their professional abilities and improve their skills.
			2. KTG complies with the labor laws of the Republic of Kazakhstan and creates a comfortable working environment for its Employees. Employees must comply with the labor laws of the Republic of Kazakhstan and the Labor Code KTG.
			3. KTG creates a fair recruitment and promotion procedure and ensures that there are uniform rules for the recruitment, evaluation of achievements and promotion of Employees and officers based on clear and transparent criteria. Employees involved in hiring decisions, evaluation of achievements and promotion of Employees shall adhere to these rules.
			4. At KTG, no discrimination on the basis of gender, race, nationality or religion, or the granting of any privileges or benefits to individual Employees is permitted.

7.4.1.5. KTG recognizes the right of Employees to associate and bargain collectively in order to protect or preserve the rights of Employees and to provide them with additional social benefits.

* + - 1. Employees at KTG are obliged to
* to perform their duties professionally on the basis of corporate values and principles and to adhere to the highest ethical standards;
* make every hiring, remuneration and promotion decision on the basis of merit, qualifications, performance and operational necessity;
* exclude any possibility of discrimination, subjectivity or bias.

- alert to signs of any indecent or inappropriate behavior in the workplace, as well as any apparent violations or potential violations of employment law.

**7.4.2 Prohibition of discrimination and harassment**

* + - 1. KTG is committed to creating a work environment where all Employees treat each other with respect. Therefore, KTG does not tolerate any form of discrimination, including discrimination on religious, racial, ethnic, gender, age or other grounds. KTG prohibits any form of behavior that is offensive, aggressive or hostile.
			2. Employees are obliged to:
* treat their colleagues respectfully and fairly;
* not to bully or insult your colleagues;
* not make inappropriate comments about their colleagues.
	+ - 1. Employees should look out for signs of any indecent or inappropriate behavior in the workplace and for signs of any breaches or potential breaches of employment law.
	1. **Engagement with the business community and the public**
		1. **Business relationships**

7.5.1.1 Stakeholder engagement is an integral part of KTG. Building constructive relationships with both external and internal Stakeholders has a significant impact on the business reputation and effectiveness of KTG, and contributes to the prevention of compliance risks.

7.5.1.2 Partnerships that provide for long-term, fruitful, trusting and mutually beneficial relationships with the Sole Shareholder and investors, authorities, the public, Business Partners are one of the most important resources for further development to ensure that the strategic goals of KTG are achieved.

7.5.1.3 The Sole Shareholder and investors, authorities, the public and civil society organizations, Business Partners, customers and competitors are Stakeholders external to KTG.

* + 1. **Relationship with Sole shareholder**
	1. Observing and protecting the rights of the Sole Shareholder KTG is one of the main priorities. The system of relations with the Sole Shareholder is based on the principles of transparency, accountability and responsibility in accordance with the requirements of the legislation of the Republic of Kazakhstan, the Articles of Association of KTG and internal documents, as well as the provisions of the Corporate Governance Code KTG.
	2. The exchange of information between KTG and the Sole Shareholder is governed by the laws of the Republic of Kazakhstan, the Articles of Association of KTG and internal regulations.
		1. **Relationship with public authorities**
	3. Interaction KTG with state authorities shall be carried out in accordance with the requirements of the legislation of the Republic of Kazakhstan, the Articles of Association of KTG and internal documents KTG, as well as the provisions of the Corporate Governance Code KTG, based on the independence of the parties, with the principle of preventing corruption and other illegal actions, conflict of interests, both on the part of state authorities and Employees KTG.
	4. KTG interacts with the state authorities of the Republic of Kazakhstan on the principles of benevolent cooperation and mutual respect.
	5. KTG and its Employees comply strictly with the laws of the Republic of Kazakhstan and the laws of those countries whose jurisdiction is the external operations of KTG.

7.5.3.4. KTG does not tolerate any admission of unfair competition, non-compliance with anti-corruption and anti-monopoly laws of the Republic of Kazakhstan, as well as other illegal actions.

* + 1. **Relationships with Business Partners**
	1. KTG is interested in building stable, long-term, transparent and mutually beneficial relationships with investors, Business Partners and suppliers.

7.5.4.2. KTG shall deal with investors, Business Partners and suppliers on the basis of legality, efficiency, fairness, mutual benefit, transparency, accountability for commitments made and strict compliance with the terms of contracts.

7.5.4.3 Selection of partners and suppliers of goods, works and services is carried out by KTG on a transparent basis in accordance with the requirements of the legislation of the Republic of Kazakhstan and the rules adopted by KTG, and is based on the preference for the best price, quality and terms, as well as the business reputation of the counterparty.

7.5.4.4 Relationships KTG with organizations, including potential and existing suppliers, shall be based on the principles of legality, fairness, impartiality, integrity and zero tolerance of any form of corruption in the evaluation and selection of potential suppliers, efficiency and fair competition.

7.5.4.5. KTG gives suppliers an equal competitive opportunity. Employees shall refrain from any action that could result in any supplier gaining an undue advantage.

7.5.4.6. KTG shall ensure that the Tender Commission operates independently and does not interfere with its activities. Employees who are members of the Tender Commission shall inform the Tender Commission on a mandatory basis if a conflict of interest is identified in the supplier selection procedures.

7.5.4.7. KTG expects suppliers to comply with legal requirements, treat Employees fairly, not use child labor, ensure safe working conditions and protect the environment.

7.5.4.8. KTG shall not allow unreasonable benefits or privileges to be granted to Business Partners in its activities.

7.5.4.9. KTG may give preference to Kazakh suppliers in accordance with the rules adopted at KTG and if the quality of services and goods of domestic suppliers meets its needs.

7.5.4.10. Relationships KTG with affiliated organizations, suppliers, Business Partners and other Stakeholders shall be based on respect for legality, honesty, efficiency and fair competition.

7.5.4.11. KTG expects affiliated organizations of other Stakeholders to strictly comply with the legislation of the Republic of Kazakhstan, procurement rules adopted and applied in KTG, treat its Employees fairly, ensure safe working conditions, protect the environment, and comply with this Code.

* + 1. **The public**

7.5.5.1. KTG is aware of its social responsibility to the public and adheres to the principles of implementing sustainable development and corporate social responsibility. Participation in sponsorship and charitable activities is determined in accordance with the decisions of the Sole Shareholder and other authorized bodies KTG.

7.5.5.2. KTG strives to support programs aimed at the development of socially important areas of the economy, if this does not contradict the Articles of Association of KTG, expectations and requirements of the Sole Shareholder KTG and other internal regulatory documents KTG.

7.5.5.3. KTG contributes directly or indirectly to the growth of living standards by promoting business and investment activities, and also implements the principles of socially responsible business.

7.5.5.4. KTG supports the development of social infrastructure in the regions where it operates by cooperating with local executive bodies, directly or indirectly implementing various social projects aimed at improving the quality of life and health of the local population.

7.5.5.5. KTG seeks to establish constructive relationships with organizations (public, non-governmental, non-profit and others) to improve public relations, improve the environment and ensure the safety of life, public health and the integrity of the assets of KTG and its Stakeholders.

* + 1. **Relations with the media**

7.5.6.1. KTG provides an opportunity to get free access to public information about KTG. The corporate Internet resource KTG (https://www.kaztransgas.kz) contains publicly available information about KTG, activities and main significant events KTG, corporate governance, activities S/As, as well as personnel policy, contact details and other.

7.5.6.2. The management of KTG and authorized structural units shall submit information concerning the activities of KTG to the media in accordance with the established procedure.

7.5.6.3 Responsible persons of KTG who provide information to the media in accordance with the established procedure shall be personally responsible for its accuracy and absence of information constituting official and commercial secrets, as well as confidential information.

7.5.6.4. Each Employee shall understand and always remember that any viewpoint expressed or information disseminated by them as an Employee of KTG directly relates to KTG itself, its image and affects its reputation in the business community.

7.5.6.5 Guidelines for all Employees on posting information on social media, corporate and personal blogs, comments on media publications are disclosed in Appendix 2 to the Code.

* 1. **Factors affecting Corporate Culture**

Corporate culture is the system of ideas, beliefs, values, norms and rules of behavior accepted and shared by team members that exists at KTG.

* + 1. **The corporate culture** determines the social and psychological climate of KTG and affects the level of Employees' motivation and the degree of their loyalty to KTG.

An employee who shares corporate beliefs and values sees himself or herself as a member of a cohesive team whose success is extraordinarily important to him or her.

By making an internal commitment to the community, KTG employees become more creative, more proactive and better at what they do.

Sustainable corporate culture standards are an integral part of KTG. Corporate culture standards create a positive image of KTG among Employees and Business Partners.

**7.6.2 Developing and maintaining a positive image**

Building a positive image of KTG is a long-term task.

The main factors for the positive image of KTG are

* disseminating positive information about the activities of KTG;
* organizing external and internal communications that form a constant flow of information on the activities of KTG;
* adherence to the principles of information transparency when working with stakeholder groups;
* shaping and developing the corporate culture and maintaining corporate cultural values within KTG;
* social policy KTG and ensuring the motivation of Employees KTG.
	+ 1. **Building and strengthening the corporate spirit**
			1. Understanding the high importance of the gas industry for Kazakhstan and society lies at the heart of building a corporate ethos. Everyone involved in the industry must understand the exceptional importance of their work and uphold their historically established traditions and conscientious attitude to work.
			2. Corporate ethos is one of the main tools of corporate governance and an important element in the system of corporate values that unites all Employees KTG to effectively implement the mission of KTG and achieve its goals.
			3. To support and strengthen corporate spirit KTG implements the following key activities:
1. informing all Employees KTG about the mission of the gas industry and KTG and its corporate values;
2. ensuring that each employee of KTG understands the need for their work in the overall performance of KTG, their role and importance in realizing the mission of KTG;
3. the formation and development of corporate identity;
4. maintaining and enhancing the image and reputation of KTG;
5. raising the prestige of the professions Employees KTG;
6. developing and establishing a system of motivation and social protection for Employees KTG;
7. developing and using visual images, advertising slogans and mottos (slogans) related to KTG and the professions of its Employees;
8. hosting corporate parties;
9. Promoting physical education and sport among the Company's employees, holding spartakiades.
	* 1. **Shaping and developing corporate identity**
			1. The corporate identity of KTG is based on the mission, strategic goals and objectives of KTG in accordance with the basic principles, rules and norms of business ethics.
			2. The external element of corporate identity is the corporate symbols KTG (flag, emblem, trademarks, uniforms, logo, color combinations and other elements) used for the visual perception of the Officers and other Employees of KTG as well as the property of KTG by others.
			3. Corporate identity is an important factor in shaping the image of KTG and its communication strategy in carrying out its activities.
			4. Appearance requirements for Employees

Employees, irrespective of gender, status and position, should be neat, well-groomed, dressed in a businesslike manner and appropriate to the season.

Good taste and a sense of proportion are encouraged in clothing. Watches, accessories and jewellery should be in keeping with business attire.

* + - 1. During the working week (Monday to Thursday) in the office KTG Employees may not dress freely (so called casual). The exceptions are Fridays, work Saturdays, pre-holiday days and company holidays.
			2. Recommendations for the appearance of men:

Men, Employees KTG recommends a business suit (jacket, trousers) in dark or grey tones. During the hot season, the business suit may be light-colored. Shirt, tie, shoes and socks should match the style and color scheme of the suit.

During the hot season, or when doing operational work in the office, a jacket and tie may be omitted, but a jacket and tie is mandatory during negotiations with Business Partners and executive meetings KTG

Suits or jackets in bright colors (red, yellow, turquoise, etc.) are not recommended.

Men should be shaved or have a neatly trimmed moustache/beard.

* + - 1. Recommendations for the appearance of women:

For women, business suits with a skirt or trousers, a blouse with a skirt or trousers, a strict dress for the office, and business not sports jerseys are recommended. Wearing stockings is mandatory regardless of the time of year.

Overly revealing outfits (summer dresses, sundresses) are not recommended, regardless of the time of year.

Shoes, accessories and jewellery should match the style and color scheme of the outfit, and make-up and hair should match the look of the office worker.

* 1. **Employee** **behavior**
		1. **Employees of KTG undertake to**
1. Carefully study, understand, and faithfully abide by the principles and provisions of the Code and the rules of conduct set out in the Code, as evidenced by completing the relevant Appendix to the Code.
2. Employees shall be guided by the ethical values, principles and standards set out in the Code when making decisions in the course of their strategic and operational activities.
3. Report violations of the principles and provisions of the Code and contact the Ombudsman and/or the Compliance Service for appropriate action. In doing so, KTG ensures that Employees' rights will not be infringed and their anonymity will not be compromised in the event of such a report.
4. Ethical issues and/or violations of ethical principles may also be discussed by Employees with their line manager. If the discussion does not result in an answer/acceptable solution, the relevant issue should be referred to the Ombudsman KTG and/or Compliance for guidance and/or appropriate action.
5. Any doubts about compliance with the rules of conduct set out in this Code shall be dealt with in accordance with the internal regulations.
6. Employees, regardless of their position, are personally liable for failure to comply with the principles and requirements of the Code and for the actions (inaction) of those subordinate to them who violate these principles and requirements with their knowledge or connivance.
7. Employees who have committed or allowed acts (or omissions) in breach of the Code shall, where warranted, be held duly liable;
	* 1. **Behavioral duties of Employees and managers**

**The following requirements apply to all Employees regardless of their position:**

7.7.2.1 Employees shall promote a friendly and respectful team environment through their attitudes and behavior. Each Employee shall contribute to fostering a culture of behavior in the workplace and in their interactions with Stakeholders by maintaining a commitment to the principles of corporate business ethics.

7.7.2.2 Incidents of violations of the Code by members of the executive body should be reported by the head of the executive body to the Board of Directors KTG.

7.7.2.3. A member of the executive body who has committed a violation of the Code may not be a member of the executive body of another organization, more than fifty percent of the voting shares (participatory interest in the authorized capital) of which belongs to KTG.

* + 1. **Duties of Employees:**

7.7.3.1. respect the honor and dignity of any person or citizen regardless of origin, social, official or property status, gender, race, nationality, language, attitude towards religion, beliefs, place of residence, place of work, employment or any other circumstances;

7.7.3.2. respect the state symbols of the Republic of Kazakhstan: State Emblem, State Flag, State Anthem;

respect the corporate symbols of KTG as well as those of the Stakeholders KTG;

7.7.3.3. comply with generally accepted moral and ethical standards, respect the state and other languages, traditions and customs of all nations and representatives of religious denominations;

7.7.3.4. be polite and courteous;

7.7.3.5. be intolerant of indifference and rudeness;

7.7.3.6. always thank for assistance, even if it is not given in full;

7.7.3.7. be considerate of others' opinions;

7.7.3.8. try to ensure unity of word and deed, and keep promises;

7.7.3.9. be able to admit to being wrong and/or wrong;

7.7.3.10. adhere to a neat, businesslike and corporate style in dress and appearance; avoiding openness, immodesty and excessive flashiness.

* + 1. **Employees are prohibited from doing so:**

7.7.4.1. public statements that present the work of KTG, its Employees, its Stakeholders KTG, or personal work at KTG in an incorrect, negative or distorted light;

7.7.4.2. the use of drugs and unauthorized psychotropic substances;

7.7.4.3. consumption of alcohol in the workplace, on KTG's premises or in the workplace on behalf of KTG, except for special events subject to the rules of business etiquette, being in the workplace under the influence of alcohol;

7.7.4.4. smoking outside designated areas;

7.7.4.5. aggressive, humiliating or degrading, hostile, intimidating acts, behavior and conduct, complicity in such conduct of others, or condoning such conduct of others;

7.7.4.6. distribution of offensive material, including drawings;

7.7.4.7. if the Employee engages in political, religious, cultural or other activities that are not related to his or her official duties, the Employee may only act as a private individual within the scope of such activities and not as a representative of KTG (except for activities of an educational nature organized by S/A);

7.7.4.8. to speak on behalf of KTG unless he/she is competent and authorized to do so;

7.7.4.9. actions that directly or indirectly may adversely affect the image and reputation of KTG. Any statements on behalf of KTG shall be made by Employees in a strictly regulated manner and/or by persons specified in this procedure;

7.7.4.10. to represent KTG in business relations with organizations in the activities of which the Employee has a significant personal interest other than the interests of KTG, including (but not limited to) cases of predominant participation in the share capital or management bodies of such organizations by the Employee himself or his close relatives or family members.

* + 1. **Responsibility of supervisory staff:**

7.7.5.1. foster a culture of behavior in which Employees understand their rights and responsibilities and freely express concerns about possible non-compliance without fear of retaliation;

7.7.5.2Personal example encourages ethical behavior and compliance with the laws of the Republic of Kazakhstan;

7.7.5.3. Take into account Employees' commitment to the rules of conduct when assessing and rewarding their performance; make every effort to ensure that Employees understand that Employee ethical behavior is as important as performance KTG

7.7.5.4 Ensure that Employees are aware of the provisions of the Code and understand and comply with the principles of the Code.

* + 1. **The direct responsibilities of the supervisory staff:**
1. to determine precisely the tasks and scope of functional responsibilities of subordinates, in accordance with their positions and objective labor rationing considerations, and to distribute them evenly among subordinate Employees;
2. not contribute to bureaucracy in the discharge of their obligations, and to contribute in any way they can to the efficiency of the work, personally undertaking measures to facilitate the work process to the best of their abilities;
3. to set an example by their behavior of fairness, responsibility, professionalism and honesty;
4. not to induce subordinate Employees to commit violations of laws and requirements, unlawful misconduct or acts incompatible with generally accepted moral and ethical standards of behavior;
5. to ensure impartial and fair treatment of all Employees KTG without exception, to prevent any form of discrimination against Employees and the granting of unlawful benefits and privileges to certain categories of people;
6. ensure active interaction of subordinates and Employees with the structural units of KTG on ethical issues, provide support to Employees who initiate discussions of ethical issues in good faith;
7. take immediate action to remedy breaches of the requirements of the Code and take the necessary enforcement action;
8. consider Employees' compliance with the requirements of the Code and Employees' contribution to the culture of conduct at KTG when conducting their appraisal.
	1. **The Ombudsman Institution**

7.8.1 The Ombudsman Institute KTG is established as part of the initiatives, measures and actions taken by the Sole Shareholder, the Board of Directors and the Management Board of KTG to

* ensuring that the structural units and all Employees at KTG comply with the provisions of the Code;
* strengthening measures to prevent and resolve corporate conflicts and conflicts of interest.

7.8.2 The appointment and early termination of the Ombudsman shall be made by the Board of Directors of KTG.

7.8.3 A candidate for the position of Ombudsman must have an impeccable business reputation, high standing and the ability to make impartial decisions.

7.8. 4. The main functions of the Ombudsman are to advise Officers and Employees on the provisions of the Code, initiate and participate in the resolution of disputes about breaches of the Code.

7.8.5 The key responsibilities of the Ombudsman include providing clarification and advice on the provisions of the Code, overseeing the timely handling of complaints, coordinating the investigation of breaches as appropriate, analyzing the source of social grievances and developing measures to reduce them.

7.8.6 The Ombudsman shall be neutral, impartial and independent, shall advocate fair and equitable conduct of proceedings in cases and shall not take the side of any Employee. Unless otherwise provided by law, the Ombudsman shall not participate in any formal investigations initiated and conducted by authorized public authorities or legal proceedings.

7.8.7. The Ombudsman shall, in his activities

* seeks to prevent conflict situations from escalating (escalating, spreading) to the level of formal investigations, thereby helping to preserve the proper reputation and image of KTG and reduce the costs of possible legal action;
* ensures complete confidentiality of information that has come to his/her attention and the anonymity of Employees, officials who have complained about violations of their rights and the provisions of the Code;
* promotes the principle of equal treatment and the prevention of any kind of discrimination;
* within the limits of its competence, advises and assists the Employees, parties to labor disputes and conflicts who apply to develop a mutually beneficial, constructive and implementable solution, taking into account compliance with the legislation of the Republic of Kazakhstan and the principles of the Code, assists in resolving problematic social and labor issues of the Employees;
* helps parties to a conflict to resolve it peacefully, in an advisory capacity, while always adhering to the principles of objectivity, confidentiality, independence and impartiality;
* submits to the relevant authorities and officials KTG the problematic issues it has identified, which are of a systemic nature and require appropriate solutions (comprehensive measures), making constructive suggestions for their solution.

**7.8.8 The rights of the Ombudsman:**

* initiate, within its competence, procedures to identify breaches of the Code, either on the basis of complaints received or on its own initiative;
* contact all Employees at KTG personally about non-compliance with the Code;
* provide clarification and interpretation of the provisions of this Code to Employees KTG.

**7.8.9 Duties of the Ombudsman:**

* participate in matters relating to non-compliance with the Code;
* keep a record of appeals from Employees, officers and Business Partners and interested parties regarding non-compliance with the Code;
* provide explanations of the provisions of the Code to Employees KTG when requested;
* maintain independence and impartiality when participating in disputes over non-compliance with the Code;
* ensure the anonymity of an employee KTG who has complained about a breach of the Code.

**7.8.10. The procedure for dealing with appeals to the Ombudsman:**

7.8.10.1. If Employees of KTG find violations of the approved standards of business ethics, legislation and internal documents of KTG, the Ombudsman shall generate materials for further submission for review and decision to the authorized bodies KTG, as well as to the structural units KTG whose competence includes resolution of the said appeals.

7.8.10.2 The time limit for review and decision-making by the authorized bodies KTG shall not exceed one month from the date of receipt of the application.

7.8.10.3 Officials and heads of competent structural units and the Ombudsman shall guarantee confidentiality, impartiality and impartiality of consideration of information on violation of provisions of the Code, legislation of the Republic of Kazakhstan and internal documents. The rights of the complainant must not be prejudiced either during the consideration of the appeal or after a decision has been made.

* 1. **Channels of communication regarding compliance with the Code**

7.9.1 In order to comply with the provisions of the Code, a safe, confidential and accessible channel for informing the Board of Directors of KTG about violations of the legislation of the Republic of Kazakhstan, internal procedures, the Code by an Employee, an Official has been organized at KTG.

7.9.2. KTG shall maintain statistics and records of Employees' complaints (internal complaints), enquiries and complaints from third parties (external complaints - clients, partners, and other interested parties) regarding violations of business ethics and legal provisions.

7.9.3 Officials and Employees of KTG, as well as business partners and interested parties shall have the right to address questions regarding the Code and/or ethical issues arising in the course of their work, as well as violations of the Code, corruption and other unlawful acts:

* to the line manager, or to the next highest level of line manager;
* to the Ombudsman;
* to Compliance Services KTG.

- via the relevant electronic helpline and information system published on the website KTG.

The applicant's rights must not be infringed in any way by the applicant's treatment.

 7.9.4. In the event of any violations of the approved standards of business ethics by officials and employees of KTG, materials for decision-making shall be sent for review by a commission established on the basis of the appeal, with the mandatory participation of the Ombudsman. The results of the review and the decisions taken shall be communicated to the applicant within three (3) working days from the date of the decision of the commission established on the basis of the appeal.

The said Commission shall guarantee the confidentiality of the examination of allegations of breaches of the Code.

7.9.5 If there is evidence of corruption, an internal investigation shall be conducted with the involvement of the Compliance Department. The results of the review and the decisions taken shall be communicated to the complainant within three (3) working days from the date of the decision.

1. **Records**

8.1. There are no records in this documented procedure to be managed in accordance with the requirements of documented procedure DP-02 "Records Management ".

1. **Revision, amendment, storage and distribution**
2. The revision, amendment, storage and distribution of this Code shall be carried out in accordance with the requirements of documented procedure DP-02-2020 "Document Management ".
3. "Original " in paper form of the Code shall be processed and kept at the HRRC.
4. A scanned version of this Code shall be posted on the Internal Regulations database KTG.

**Appendix 1**

**KazTransGas JSC commits to respect the ten principles of the UN Global Compact**

**Human rights**:

1. Businesses should support and respect the protection of internationally recognized human rights;

2. Businesses should make sure they are not complicit in human rights abuses.

**Labor**:

3. Businesses should ensure freedom of association and effective recognition of the right to collective bargaining;

4. Businesses should ensure that all forms of forced or compulsory labor are eradicated;

5. Businesses should ensure that child labor is banned;

6. Businesses should ensure that discrimination in employment and occupation is eradicated.

**Environment**:

7. Businesses should support a precautionary approach when dealing with environmental issues;

8. The business community should take initiatives to promote greater environmental responsibility;

9. Businesses should encourage the development and diffusion of environmentally sound technologies.

**The fight against corruption**:

10. The business community should oppose all forms of corruption, including extortion and bribery.

**Appendix 2**

Guidelines for all Employees KazTransGas JSC (hereinafter - KTG) to post information on social media, corporate and personal blogs, comments to media publications:

1. If you publish information on your own behalf in the internet space (in social networks, forums, personal blog, etc.), please use a disclaimer that reads something like this: "This post expresses my personal opinion only and does not necessarily reflect the position of KazTransGas JSC. ". If possible, limit postings regarding the activities of KTG to your personal pages.
2. If any of your statements or allegations are deemed to be reputationally damaging to KTG, KTG reserves the right to request that you make corrections, remove relevant posts and comments, even if they have been posted on your personal pages.
3. It is forbidden to disclose information intended for internal use, confidential information or information that is proprietary to KTG on the internet. For example, if members of the media ask a top manager questions on his or her personal Facebook page, they should be referred to the competent business unit at KTG to prepare an official response.
4. Personal publications must not contain KTG logos or trademarks (unless authorized to do so).

**Appendix 3**

**Obligation form**

Use this form to confirm that you have carefully read, understood and undertake to follow in good faith the principles of business ethics and the rules of conduct set out in the Code of Business Ethics KazTransGas JSC.

The completed and signed confirmation form shall be kept in each Employee's personnel file at KTG from the date of commencement of employment and/or job duties during the term of employment with KTG.

**Commitment**

(Please complete this form, sign it and send it to the HR department).

1. I confirm that I have fully read the Code of Conduct KazTransGas JSC and understand its contents.
2. I undertake to follow in good faith the principles of business ethics and the rules of conduct set out in the Code of Business Ethics KazTransGas JSC.
3. I confirm that I am prepared to take responsibility for my breach of the requirements of the Code of Conduct KazTransGas JSC.

FULL NAME \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date "\_\_\_ " \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_20\_\_\_\_\_

**Appendix 4**

**MEMO**

**on how should KazTransGas Employees act when in doubt regarding business ethics??**

 **Compliance with the standards and basic principles of conduct** set out in **the Code of Conduct KazTransGas JSC** (the "Code") in carrying out its day-to-day activities is **an important priority for every Employee** of KazTransGas JSC (the " KTG").

**Every Employee KTG** shall

- read and understand the provisions of the Code;

- strictly adhere to the provisions of the Code in their words and actions;

- raise concerns and inform the Compliance Service of corruption and/or other risks that arise or come to his/her attention.

 **Each of the Workers KTG should assess their own conduct, based on the following practical guidance**:

-Is the employee's action in accordance with the Code?

-Is it ethical?

-Is it legal?

-If the Employee's behavior is made known to the public, would such behavior be acceptable?

Ethical issues and/or violations of ethical principles may be discussed by Employees with their line manager or the next highest level of line manager. If no answer/acceptable solution is found as a result of the discussion, the relevant issue should be referred to the Ombudsman at KTG and/or Compliance for guidance and/or appropriate action via the relevant electronic helpline and/or information system published on the KTG website. The rights of the complainant must not be prejudiced by any method of contact.

**Adherence to and compliance with the laws of the Republic of Kazakhstan, including but not limited to anti-corruption and business, ethical requirements is the responsibility of everyone who works for or represents KTG.**

 Violation of this Code damages the reputation and work of KTG and may result in disciplinary penalties and/or dismissal. However, in cases expressly provided for in anti-corruption legislation, failure to comply with certain provisions of the Code may constitute a violation of anti-corruption legislation and result in personal administrative or criminal liability.

The Code does not cover the full range of risks that Employees KTG may encounter. Therefore, the Code does not obviate the need for sound judgement and accountability.

 In the event that an Employee KTG becomes aware of violations of any provisions of the Code and/or other breaches of internal control systems, he/she shall immediately report them to the Compliance Service and the Ombudsman, including through the hotline and by other means communicated to Employees by these services. Such reports may be made on a confidential and anonymous basis with a guarantee of protection against retaliation.

 If you have any questions about the Code, you **may contact your line manager/supervisor/compliance officer/the Ombudsman**.

**Change registration sheet**

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| **Change number** | **Page numbers** | **Total sheets in the document** | **Section numbers of the sections to which the changes relate** | **Description of changes** | **Note on the amendment** |
| **FULL NAME** | **Signed** | **Date** |
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**Review worksheet**

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**Approval sheet**

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| **Position** | **Signature (visa)** | **Full name** |
| Vice-President for Economy and Finance | *Signed* | **T.Zh. Zhanuzak** |
| Chief of Staff | *Signed* | **A.B. Maitiyev** |
| Director of Legal Department | *Signed* | **R.S. Abdullin** |
| Director of Corporate Development & Integrated Coordinating & IMS Department | *Signed* | **A.A. Bekmukhambetova** |
| Director of Corporate Security Department | *Signed* | **S.S. Kassenov** |
| Production and Technical Department | *Signed* | **R.O. Suyundikov** |
| Internal Control and Risk Management Department | *Signed* | **M.M. Budnik** |
| Head of Compliance | *Signed* | **A.Ye. Shoranova** |
| Press service | *Signed* | **B.T. Kurmankul** |
| Ombudsman | *Signed* | **Z. Ye. Makhanova** |
| Director of Human Resources and Remuneration | *Signed* | **Sh. S. Rashitova** |