Approved

by the Resolution of the Executive Board of   
UMP JSC Minutes No. 16/1263   
dated April 29, 2021

**Code of Ethics**

**of UMP JSC Supplier**

**Introduction**

Sustainable business development is a basis of Ulba Metallurgical Plant Joint Stock Company’s (hereinafter referred to as the Company) strategy aimed at resolutely responding to social needs and expectations of the Company’s concerned parties. In turn, the Company expects its concerned parties to observe high ethical norms and to refrain from any activity that may be considered as violating these norms.

Acceptance and compliance with the Code of Ethics of UMP JSC Supplier shall make an integral part of contracts, treaties, agreements (hereinafter referred to as the Contract), concluded by the Company with suppliers and contractors.

1. **BASIC PROVISIONS**
   1. Suppliers, contractors, providers cooperating with the Company shall comply with the requirements of the legislation of the Republic of Kazakhstan, other applicable legislation and internal documents of the Company (hereinafter referred to as the Applicable Law).
   2. The Company’s Supplier is a legal and/or physical person who shall undertake to transfer the goods produced or purchased by it/him to the Company within a specified period or periods for use in business activities or for other purposes other than personal, family, domestic and other similar use, or who shall undertake to perform certain work based on the Company’s task, to provide services and deliver its/their result to the Company within the contractual term.
2. **general principles**

The Company’s Suppliers shall comply with the following:

* avoid corruption offenses in their work;
* prohibit their employees, representatives and joint contractors/subcontractors (hereinafter referred to as their employees) from engaging in commercial bribery and other corruption-related actions under contracts with the Company;
* avoid any forms of illegal forced labor;
* avoid child labor;
* avoid any kind of discrimination, including in relation to employment and employment activities;
* comply with the Applicable Law, including the minimum wage, working hours and rest of employees, and other issues of labor relations.

1. **LABOR Standards** 
   1. The Company’s Suppliers shall ensure all their employees with proper working conditions and guarantee the respect of the employees’ labor rights.
   2. Any discrimination is prohibited whatever the reason, including with regard to employment and work activity, gender or gender identity, nationality, citizenship, race, skin color or ethnic belonging, religion, age, language, family, social and parental status, property and official status, membership in public associations and political motives, pregnancy, disability, as well as other circumstances not related to professional competences of an employee and the results of his/her work.
   3. It is prohibited to employ persons below the minimum age for employment as specified by the Applicable Law. The Company’s Suppliers must not use child labor or labor of minors, except in cases where it is allowed to sign an employment contract in accordance with the Applicable Law.
   4. All employees of the Company’s Supplier have a signed employment contract or other contract in accordance with the legislation of the Supplier’s country in a language that they understand.
   5. The employment contract shall include all basic conditions, including the duration of working hours, remuneration and compensation, period of notification, as well as other conditions provided for by the Applicable Law. The Company’s Suppliers comply with the Applicable Law regarding the working hours and rest of employees and other employer obligations.
   6. The Company’s Suppliers shall comply with the Applicable Law on the minimum wage. Overtime work, work on weekends and holidays or at night time shall be paid and/or compensated in accordance with the terms and conditions of labor or collective agreements and (or) act of employer.
   7. The Company’s Suppliers shall provide an opportunity for their employees to know and fully understand the rights and obligations of employees set forth in their native language or in a language they understand.
   8. The Company’s Suppliers shall have up-to-date job and work instructions and bring it to the attention of all their employees and consultants.
   9. All forms of illegal forced labor shall be excluded. It is forbidden to oblige the employees to leave cash or originals of identity documents or its equivalents as a pledge.

The employees should have a right to move freely and, in exceptional cases, for a valid reason, in agreement with the manager, to leave the workplace during working hours established by the labor contract.

No one shall be subjected to physical punishment, illegal detention, physical, sexual and/or psychological harassment.

* 1. Procedure for deduction from wages shall be established in accordance with the Applicable Law.
  2. The Company’s Suppliers shall respect the freedom of association for their employees in accordance with the Applicable Law.

1. **ETHICAL PRINCIPLES** 
   1. The Company’s Suppliers shall strictly comply with all requirements of the Applicable Law on their activities, including:
2. competition: compliance with the Applicable Law on competition on equal terms;
3. anti-corruption: compliance with the Applicable Law on Anti-Corruption. The Company’s Suppliers shall not offer, on their own behalf or on behalf of the Company, directly or indirectly, any material or other incentives to the Company’s employees and third parties to obtain or maintain a business, or to acquire assets or benefits;
4. money laundering: compliance with the Applicable Law on money laundering. The Company’s Suppliers shall not be involved in or support the practice of money laundering;
5. conflict of interest: prevention, determination and identification of situations in which there is a real or potential conflict of interest in relation to employees of the Company or their relatives, which may adversely affect their business activities or decisions;
6. gifts and tokens of appreciation: refusal to offer material incentives, gifts or services (hereinafter referred to as – gifts), other tokens of appreciation to the Company’s employees. The Company shall reject all the gifts and tokens of appreciation that exceed reasonable symbolic value, as well as occasional and explicit gifts and tokens of appreciation, and cannot be redeemed in kind.

**5. ANTI-CORRUPTION REQUIREMENTS**

**5.1**. All forms of corruption, including extortion, bribery, facilitation fees, fraud, money laundering and nepotism in the Company’s Supplier activities are strictly prohibited.

**5.2.** The Company’s Suppliers prohibit their employees from offering, requesting, providing or accepting, directly or indirectly, material remuneration, gifts or services for actions (inaction) in favor of the persons who provided them or privileges in exchange for favorable treatment in order to influence the transaction or to obtain personal or business benefits. This requirement applies both to the staff of the Company’s Suppliers and their subcontractors, as well as to family members.

**5.3.** The Company’s Suppliers shall comply with the principles of fair competition and free market.

**5.4.** The Company’s Suppliers implement their own anti-corruption programs based on recognized international standards: they include practical and informational training of their employees, are transparent and effective.

**5.5.** The Company’s Suppliers shall make every effort to identify and prevent situations in which there is a real or potential conflict of interests between employees of the Company’s Suppliers and employees of the Company or their relatives, which may adversely affect their business reputation or decisions.

**6. OCCUPATIONAL HEALTH AND SAFETY**

**6.1.** The Company’s Suppliers guarantee that their activities are safe for the health of their employees, contractors, consumers of their products and other persons, as well as safe for the Company’s employees, on the territory and in the premises of which the contractual relations are carried out.

**6.2.** The Company’s Suppliers shall ensure working conditions, employees shall be familiar with the information and receive appropriate training to the extent necessary to perform their assigned duties, including in matters of occupational health and safety, fire safety, radiation safety, proper handling of chemicals and equipment, emergency preparedness and first aid.

**6.3.** Potential risks that may lead to accidents/injuries or the occurrence of occupational diseases in employees of the Company’s Suppliers shall be assessed and controlled by the Company’s Supplier by taking appropriate preventive actions (for example, design, engineering, administrative control, preventive maintenance, occupational safety procedures, ongoing safety training, as well as equipping with personal protective equipment).

**6.4.** The Company’s Suppliers are obliged to take adequate measures to prevent or eliminate the consequences, damage from accidents and injuries, as well as social and psychological diseases, in order to minimize the factors inherent in dangerous types of work. The Company’s Suppliers shall provide their employees with appropriate personal protective equipment at no additional cost. Any accident or accident resulting in physical injuries, as well as social and psychological illnesses, shall be documented and brought to the attention of the top management of the Company’s Supplier.

**6.5.** The Company is actively working to continuously improve security in the Company and obliges its business partners to do so. When performing work on production sites, the Company’s Suppliers comply with high standards of occupational health and safety, and are responsible for immediately notifying them of the occurrence of an emergency in accordance with the Applicable Law.

**6.6.** The Company’s Suppliers include criteria for occupational safety and health, radiation safety, in the development of their products, works and services in order to reduce risks in matters of occupational safety and health, radiation safety, during the overall service life of the products, while maintaining and/or improving the quality of use of their products.

1. **ENVIRONMENT**

**7.1.** The Company’s Suppliers shall implement and/or carry out activities that contribute to preservation of environment and reduce their negative impact on natural resources to the maximum possible extent.

**7.2.** The Company’s Suppliers shall limit the amount of harmful substances produced during the performance of the contract, and ensure such waste management as envisaged in Applicable Law.

**7.3.** The Company’s Suppliers shall take measures to prevent use of toxic substances. In the absence of an alternative, the Company’s Suppliers shall minimize the use of toxic substances and ensure their safe handling and destruction. With respect to other harmful substances, elements or waste of limited use, the Company’s Suppliers shall strictly comply with Applicable Law.

**7.4.** The Company’s Suppliers shall tend to develop both energy-saving technologies (for example, control of pollutants, release of carbon dioxide), as well as the technologies for energy conservation and waste treatment, as well as introduction of logistics strategies that reduce their negative impact on the environment (especially with regard to storage, transshipment and transportation).

**7.5.** The Company’s Suppliers shall include environmental protection criteria in development of their products, works and services in order to eliminate or reduce negative impact on the environment during the total service life of products maintaining and/or improving quality of use of their products.

**7.6.** The Company’s Suppliers shall confirm that their goods and works comply with the standards and norms applicable to such goods and works.

1. **CONFIDENTIALITY AND INFORMATION SECURITY**

**8.1**. The Company’s Suppliers shall respect confidentiality of any information about the Company, its partners, business events, contracts, projects, structure, financial situation or activity classified as commercially sensitive information of the Company and/or its partners, unless they have received special written permission to disclose it.

**8.2.** The Company’s Suppliers shall use systems that guarantee safety and security of client data and prevent the leak of confidential data.

1. **REPORTING OF VIOLATION**

**9.1.** In cases when the Company’s Suppliers have expressed the desire to report a violation and/or a possible violation of the Applicable Law, they may do it anonymously or confidentially. The Company’s Suppliers can report anonymously about business conduct and corporate ethics by contacting Company’s hotline service. Operator’s phone numbers may change and current Operator’s phone numbers are posted on the Company’s website. Hotline operator is a third party. The operator cannot identify the subscriber and does not have other means of tracking the number.

At the same time, it is difficult to respond properly with an anonymous message, since it may be necessary to obtain additional information or disclose the information provided. Availability of data from the Company’s Supplier and the ability to communicate with it allows to consider the application more carefully and effectively. However, all types of appeals are handled professionally and respectfully by all persons involved. The highest possible level of confidentiality is ensured and the access to information is provided on a need-to-know basis.

1. **ADHERENCE TO THE CODE**

**10.1.** The Company’s Suppliers shall adhere to UMP JSC Code of Ethics in the following way. In the contract concluded by the Company with the Company’s Supplier, it is specified that:

- The Company’s Supplier including its employees and their family members, as well as subcontractors, shall undertake to comply with the Code of Ethics of UMP JSC Supplier during the entire term of the contract;

- The Code of Ethics of UMP JSC Supplier shall make an integral part of the contract concluded by the Company with the Company’s Supplier.

**10.2.** The Company’s Suppliers hereby shall undertake to ensure that their employees are aware of the Code of Ethics of UMP JSC Supplier.

**10.3.** The Code of Ethics of UMP JSC Supplier shall be applied to the relevant legal relations arising from the contract concluded by the Company with the Company’s Supplier.