

Ulba Metallurgical Plant Joint Stock Company

APPROVED BY

Resolution No.20 dated 27.12.2024
of the Board of Directors of UMP JSC

APPROVED BY

Resolution No. 52/1470 dated 09.12.2024
of the Executive Board of UMP JSC

UMP JSC Anti-Corruption and Fraud Management Policy

1. Purpose

1.1 This UMP JSC Policy on Anti-Corruption and Fraud Management (hereinafter - the “Policy”) defines the basic business lines of UMP JSC (hereinafter - the “Company”) and the general rules of conduct of the Employees of the Company for anti-corruption and fraud management, serves as a basis for setting, reviewing and achieving anti-corruption objectives.

1.2 This Policy is binding for the Company, including affiliates and associated organizations of the Company.

2. Scope

The principles and requirements of this Policy shall apply to all structural subdivisions of the Company.

3. Terms and Definitions

The following terms and definitions are used herein:

3.1.1 **Anti-corruption Standard** means a system of recommendations established for the Company’s activities aimed at preventing corruption. The Company’s anti-corruption standard is set forth in Appendix 1 to this Policy.

3.1.2 **Close Relatives** mean parents (parent), children, adoptive parents, adoptive children, full and half brothers and sisters, grandmothers and grandfathers and grandchildren.

3.1.3 **An office holder** means a person who permanently, temporarily or by special authority performs organizational-administrative or administrative-economic functions in quasi-public and private sector entities¹.

3.1.4 **Control Environment** means a set of internal control procedures operating within the framework of risk management and internal control systems. The Control Environment is the basis of an effective internal control system and it affects other components.

3.1.5 **Conflict of Interests** in the context of this Policy means a situation when, in the course of his/her official duties, an employee of the Company makes a decision, participates in decision-making or performs other actions related to his/her position, which affect or may affect personal or material interests of the employee himself/herself, his/her close relative, spouse, relative, and affect or may affect the interests of the Company.

3.1.6 **Corporate Fraud/Fraud** in the context of this Policy means actions or inactions of natural persons and/or legal entities (in cases provided for by the applicable law) with

¹ Organizational-administrative functions mean the right to issue orders and instructions binding on subordinates in accordance with the procedure established by the law of the Republic of Kazakhstan, as well as to impose rewards and disciplinary sanctions on subordinates. Administrative and economic functions mean the right to manage and dispose of the property on the balance sheet of the organization, granted in accordance with the procedure established by the law of the Republic of Kazakhstan.

the aim of obtaining personal gain and/or benefit of another person to the detriment of the interests of the Company and/or inflicting material and/or non-material damage to the Company by fraud, breach of trust, misrepresentation or otherwise. Corporate fraud manifests itself in the form of misrepresentation of financial statements, corrupt practices, as well as embezzlement, wilful damage, abuse and other irregularities in relation to the Company's assets. Examples of Corporate Fraud are given in Appendix 2 hereto.

3.1.7 **Corruption Offense** means an illegal culpable act (action or inaction) with corruption characteristics, for which the law establishes administrative or criminal liability. Examples of Corporate Fraud are given in Appendix 2 hereto.

3.1.8 **Corruption** means illegal use of the official powers and associated possibilities by persons holding a responsible public position, by persons authorized to carry out state functions, by equivalent persons authorized to perform state functions, and officials in order to obtain property (non-property) benefits and advantages, either personally or through intermediates, for themselves or Third Parties, as well as bribery of these persons by granting of priorities and advantages.

3.1.9 **A person equivalent to persons authorized to perform state functions (in relation to this Policy)** means a person performing managerial functions in a quasi-state sector entity, as well as 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 subdivision. The list of persons equated to persons authorized to perform state functions shall be approved by an Act of the Company.

3.1.10 **A person performing managerial functions in the Company (for the purpose of this Policy)** means a person who permanently, temporarily or by special authority performs organizational, managerial or administrative functions in the Company.

3.1.11 **Material damage** means a real reduction of the Company's property or deterioration of the condition of such property, which occurred as a result of culpable actions (inaction) of the Company's employee, as well as additional costs or other payments for the acquisition, restoration of property or compensation for damage caused by the employee to third parties.

3.1.12 **Ombudsman** means a person appointed by the Board of Directors of the Company, whose role is to advise the Company's employees who apply to him/her, assist in resolving labour disputes, conflicts, problematic issues of social and labour nature, compliance with the principles of business ethics by the Company's employees.

3.1.13 **Applicable Law** means the laws of the Republic of Kazakhstan, as well as other jurisdictions with their own anti-corruption rules, where corruption offences have been committed, including jurisdictions where securities of the Company and/or its shareholder(s) are admitted to trading on the organized market.

3.1.14 **Employee** means a physical person who has an employment relationship with the employer (the Company) and who directly carries out the work under the labor agreement.

3.1.15 **Managers** mean, in the context of this Policy, the Chairman of the Management Board, First Deputy Chairman of the Management Board - Chief Engineer, Deputy Chairmen of the Management Board, heads of services and structural divisions of the Company.

3.1.16 **Compliance Office** means the Risk and Compliance Officer Office of UMP JSC. The Risk and Compliance Officer reports directly to UMP JSC Board of Directors; the authority to counter corruption and fraud is determined in accordance with the Regulation on the Risk and Compliance Officer Office of UMP JSC.

3.1.17 **Relatives** mean full and half brothers and sisters, parents and children of the spouse.

3.1.18 **Losses** mean expenses incurred or to be incurred by the Company in case of violation of its rights, loss or damage to its property (real damage) as well as lost revenues that the Company would have received under normal conditions of turnover if its right had not been violated (lost profit).

3.2 Other terms and definitions used in this Policy have the meanings established by the legislation of the Republic of Kazakhstan, other applicable laws and internal regulatory documents of the Company.

4. General Provisions

4.1 This Policy has been developed in accordance with the current anti-corruption Applicable Laws, including the UK Bribery Act, the Code of Corporate Ethics and Compliance of UMP JSC, the Corporate Governance Code of UMP JSC and other internal documents of the Company and complies with the Company's objectives.

4.2 This Policy has been developed for the purposes of:

- 1) implementation of effective measures to prevent corruption and fraud in the Company;
- 2) creation a uniform understanding of the Company's position on non-acceptance of corruption and fraud in any of its forms and manifestations among the Company's employees, the Board of Directors, counterparties, third parties, and the investment community;
- 3) reduction of risks of corruption and fraud in the Company.

4.3 Achievement of anti-corruption and fraud objectives shall be ensured by:

- 1) summarizing, explaining and informing the Company's officials and employees about the principles and requirements of anti-corruption legislation;
- 2) taking measures to minimize the risk of the Company's involvement in corruption and fraudulent activities, as well as applying preventive measures to prevent corruption and fraud;
- 3) providing information channels for reporting cases of corruption and fraud;
- 4) establishing the obligation of the Company's employees, the Company's Board of Directors to know and comply with the provisions of this Policy, anti-corruption legislation of the Republic of Kazakhstan and other Applicable Laws.

4.4 The Company's anti-corruption system takes into account external and internal factors that are essential for its business purpose and that affect its ability to achieve its goals, including:

- 1) the size, structure and delegated authority for decision-making in the Company;
- 2) the location and industries in which the Company operates or expects to operate;
- 3) the nature, scale and complexity of the Company's business;
- 4) the Company's business model;
- 5) subsidiaries and affiliates of the Company, organizations having the right of control in relation to the Company;
- 6) business partners of the Company;
- 7) nature and scope of interrelations with public officials;
- 8) applicable legislative, regulatory, contractual and professional obligations and duties.

4.5 Issues not regulated by this Policy shall be regulated in accordance with the laws of the Republic of Kazakhstan, the UK (in case of applicability of the UK Bribery Act to the offence) and internal documents of the Company.

5. Corruption Offenses Subjects and Types

5.1 Potential subjects of Corruption Offenses in connection with the business of the Company include as follows:

- 1) Persons who permanently, temporarily or by special authority perform organizational, managerial or administrative functions in the Company;
- 2) Individuals and legal entities acting on behalf of the Company, illegally using their official (official) powers and related opportunities in order to obtain or extract, personally or through intermediaries, property (non-property) benefits and advantages for themselves or third parties, as well as bribery of persons holding responsible public office, persons authorized to perform public functions, persons equivalent to persons authorized to perform public functions by providing benefits and advantages;
- 3) Other persons whose liability for Corruption Offenses is provided by the Criminal Code of the Republic of Kazakhstan, Administrative Offenses Code of the Republic of Kazakhstan, other laws of the Republic of Kazakhstan and other Applicable Laws.

5.2 Corruption Offenses provided for by the Administrative Offenses Code of the Republic of Kazakhstan include as follows:

- 1) Providing by natural persons or legal entities persons of illegal consideration, gifts, benefits or services, if these actions do not contain evidence of a criminal offense to persons authorized to perform state functions or Persons equated with persons authorized to perform state functions;
- 2) Acquiring by a person authorized to perform state functions or a Person equated with persons authorized to perform state functions through an intermediary or personally of illegal consideration, gifts, benefits or services for the actions (inaction) in favor of providing persons, if such actions (inaction) are included into the official powers of a person authorized to perform state functions, or a Person equated with persons

authorized to perform state functions, if these actions do not contain evidence of a criminal offense;

3) Granting by legal entities to persons authorized to perform state functions or persons equated to them of unlawful material remuneration, gifts, benefits or services, if these actions do not contain signs of a criminally punishable act;

4) Performing by the state authorities or local authorities for the entrepreneurial activity of functions which are not entrusted by the legislation, or accepting of material benefits and advantages in addition to established sources of financing;

5) Failure to take measures by managers, responsible secretaries or other officials defined by the President of the Republic of Kazakhstan, state authorities of the Republic of Kazakhstan, Military Forces of the Republic of Kazakhstan, other troops and military formations of the Republic of Kazakhstan within their authorities to address the violations of the Anti-corruption Legislation of the Republic of Kazakhstan, or in relation to subordinate persons who are guilty of Corruption Offenses, or adoption of these measures in violation of the Anti-corruption Legislation of the Republic of Kazakhstan, or failure to provide relevant information to the state revenue authorities at the place of guilty persons residence;

6) Employment of persons who have previously committed a corruption offence by the head of state bodies, institutions and enterprises or by the head of national companies, national management holding companies, national holding companies, national development institutions, as well as their subsidiaries.

5.3 Corruption offences stipulated by the Criminal Code of the Republic of Kazakhstan shall be deemed to be:

1) Misappropriation or embezzlement of entrusted property by a person using his official position;

2) Fraud committed by a person authorized to perform state functions, or a person equal to him, or an official, or a person holding a responsible public position, if it is associated with the use of his official position;

3) Legalization (laundering) of money and (or) other property obtained by criminal means, by a person using his/her official position, concealment of assets from being converted into state revenue, as well as their legalization;

4) Economic smuggling committed by a person authorized to perform state functions, or a person equal to him, or by an official, or by a person holding a responsible public position, if they are associated with the use of his official position;

5) Raiding committed by a person authorized to perform state functions, or a person equal to him, or an official, or a person occupying a responsible public position, if they are associated with the use of his official position;

6) Abuse of official powers;

7) Abuse of power or official authority;

8) Misappropriation of the powers of an official;

9) Illegal participation in entrepreneurial activity;

10) Obstruction of lawful entrepreneurial activity;

11) Receiving a bribe;

12) Giving a bribe;

- 13) Mediation in bribery;
- 14) Official forgery;
- 15) Inactivity in office;
- 16) Abuse of power;
- 17) Abuse of power for the purpose of deriving benefits and advantages for oneself or other persons or organizations or causing harm to other persons or organizations;
- 18) Omission of authority.

5.4 The following actions are considered by the Company as unacceptable and incompatible with the business of the Company:

- 1) A direct or indirect promise, offer or authorization to purchase contrary to the Company's interests in obtaining any value, position, assistance in procurement of goods, works or services, other material/non-material benefit or advantage;
- 2) Offering by any/any individuals and legal entities or acceptance by the persons specified in clause 5.1 of the Policy of any property benefits not provided for by law and/or internal documents of the Company (including the so-called kickback, loan, fee, remuneration, reward, discount or other benefit);
- 3) Payments to fictitious organizations or organizations whose ownership structure is not transparent;
- 4) Illegal payments to legal entities owned or controlled by persons authorized to perform public functions and persons equivalent to them, their close relatives, spouses and in-laws;
- 5) Transfer and/or receipt of illegal remuneration in the form of cash, bonds and other securities;
- 6) Receipt of unreasonable discounts;
- 7) Giving and/or receiving gifts, including cash;
- 8) Employment of people who were previously accused in the Corruption Offences;
- 9) Misappropriation of tangible and intangible assets by fraud or breach of trust;
- 10) Illegal actions with the use of illegal checks, debt commitments, bills of exchange or fictitious exchange transactions;
- 11) Fraud actions with the use of information technologies;
- 12) Use of official and other information which is not subject to official distribution in order to obtain or extract property and non-property benefits and advantages.

6. Fundamentals of Anti-Corruption and Fraud

6.1 The Company follows the following principles of anti-corruption and fraud management:

6.2 Tone at the Top: the heads of the Company, subsidiaries and affiliated organizations of the Company should demonstrate an irreconcilable attitude to any forms and manifestations of corruption and fraud at all levels.

6.3 Inevitability of punishment: the Company shall demonstrate an irreconcilable attitude to any type of corporate fraud, respond to reports of corporate fraud in a timely

manner, and bring to justice those guilty of corruption and fraud or violation of control procedures.

6.4 Segregation of incompatible duties: The Company shall ensure that job responsibilities are segregated in an appropriate manner (i.e. the functions of development, approval, application, monitoring and evaluation may not be assigned to one employee at the same time) in order to minimize the risks of corporate fraud occurrence and/or concealment.

6.5 Avoidance of conflicts of interest: The Company believes that the Company's employees should not directly or indirectly influence decision-making in the Company in case of a conflict of interest with the Company's interests. If there is a conflict of interest or a potential conflict of interest, the Company's employees shall disclose this information to their immediate supervisor, to the Company's Compliance Department or (including by reporting it to the Company's Ethics and Compliance Hotline) as soon as they become aware of it.

6.6 Due Diligence: The Company shall exercise due diligence when establishing/continuing business relations with counterparties, job candidates and other third parties by timely verifying their reliability and absence of conflicts of interest.

6.7 Involvement of employees and interested third parties: The Company encourages employees and interested third parties to promptly report any signs of possible violations of the requirements of this Policy and facts indicating corruption and/or commission of corporate fraud. The Company guarantees confidentiality to all employees and other persons who report signs of corporate fraud and corruption.

6.8 Waiver of retaliation and sanctions: The Company declares that an employee who in good faith reports indications of corporate fraud and corruption, alleged violations of control procedures and other abuses will not be subject to unreasonable sanctions in connection with the said reporting of indications of corporate fraud and/or corruption, including termination of employment, withholding of bonuses or refusal of promotion.

7. Basic Principles for the Formation of Anti-corruption and Fraud Management System

7.1 Legality: The Company, affiliates and associated organizations of the Company strictly comply with the Applicable Law and any of their action or inaction does not conflict with the applicable legislation of the Republic of Kazakhstan.

7.2 Timeliness: The Company seeks to create an effective system of anti-corruption and fraud management by introduction of control procedures aimed at early detection of threats to the Company's safety, including signs of possible Corporate Fraud and prompt response to identified signs.

7.3 Integrity: The Company seeks to ensure the integrated safety of tangible and intangible assets.

7.4 Centralized Management: The Company ensures the distribution of responsibility and powers in the process of anti-corruption and fraud management.

7.5. Principle of Systematic and Continuous Activity of the Company in Anti-corruption and Fraud Management: The Company strives to ensure that the procedures for anti-

corruption and fraud management are as transparent as possible, enforceable and reasonably consistent with the identified risks.

7.6 Interaction and Coordination: The Company, affiliates and associated organizations of the Company ensure coordination of actions of any concerned structural units as well as effective interaction with state and law enforcement agencies in the process of Corruption and Corporate Fraud management.

8. Major Violations and Liability According to UK Bribery Act

8.1 The UK Bribery Act applies to any organizations with a business presence in the UK. This law treats Corruption Offenses as a corporate inability to prevent bribery. This law divides responsibility for offenses into “active” and “passive”:

- 1) “Active” violations include bribery of state/foreign public officials;
- 2) “Passive” violations include taking a bribe and the inability of a commercial organization to prevent corruption, i.e. lack of adequate procedures to prevent Corruption in the organization.

For the purposes of better understanding by the Company’s employees and third parties (in case of their interaction with the Company or the Company’s entities), the Company has compiled a public list of examples of corporate fraud and corruption as set out in Appendix 2 hereto.

8.2 According to the UK Bribery Act the below factors are not taken into account for consideration of the fraud cases:

- 1) Did the organization know about the bribe?
- 2) Who paid the bribe: an Employee or agent as a person carrying out activities in the interests of the organization or on behalf of the organization;
- 3) In what country the offense was committed?

8.3 Responsibility for Corruption violations committed by individuals related to giving (including a foreign public official) or receiving a bribe: up to 10 years in prison and/or a fine in an unlimited amount.

8.4 Responsibility for Corruption Offenses committed by legal entities related to the organization’s inability to prevent Corruption Offenses: a fine which amount is not limited by the UK law.

9. Stages of Anti-Corruption and Fraud Management Process

8.1 Control Environment Improvement:

The Company regularly develops measures to improve the Control Environment in accordance with the Applicable Law and internal documents of the Company, including:

- 1) fulfilment of the requirements of the anti-bribery management system and continuous improvement of the anti-bribery management system;
- 2) creating a zero-tolerance attitude towards any forms and manifestations of corporate fraud, including corrupt practices, by informing about the norms and principles adopted by the Company and by other means;

- 3) creation of a system of reporting, including anonymous reporting, of any violations and conflicts of interest in the Company, guaranteeing confidentiality to persons who have reported violations;
- 4) practical implementation of the principle of due diligence and risk-oriented approach when selecting a counterparty and selecting candidates for employment;
- 5) implementation of the principle of separation of incompatible duties and control over its observance;
- 6) identification of positions in the Company that are most exposed to corruption risks to ensure the effectiveness of corruption risk management measures. The methodology for assessing the level of corruption risks of a position at UMP JSC is approved by the Company's Management Board;
- 1) implementation of a set of educational measures, including continuous improvement of the employee training system, as well as retraining on anti-corruption and corporate fraud issues for employees occupying positions most exposed to corruption risks;
- 2) conducting internal audits/inspections and investigations.

9.2 Detection of signs of corporate fraud and corruption.

1) An employee of the Company, the Company's subsidiaries and affiliates or any third party, in case they become aware of non-compliance with anti-corruption laws, regulatory requirements and/or internal procedures, shall report it through one of the channels provided for by the Policy of Reporting in relation to violations committed or in progress at UMP S.A. (hereinafter referred to as the 'Reporting Policy').

A report in accordance with the Reporting Policy may be left anonymously, but, if desired, an individual may provide his/her name, initials and/or contact details so that he/she can be contacted to clarify the details and inform about the results of the review of the report. The Company guarantees confidentiality to all persons who in good faith report signs of corruption and fraud, including by entering into a non-disclosure agreement in the manner prescribed by law.

2) In case an employee of the Company has information about a corruption offence being prepared, committed or committed, he/she shall inform the Chairman of the Management Board of the Company (or a person performing duties and (or) authorized state bodies that within their competence identify, suppress, disclose, investigate and prevent corruption offences and bring persons guilty of committing such offences to justice) in accordance with the procedure established by the legislation of the Republic of Kazakhstan.

When contacting the Company via the above-mentioned communication channels, the Company's employee shall provide the following information (if any):

- information about the person inducing to commit a corruption offence, as well as witnesses or other persons involved in committing corruption or fraudulent offences;
- the subject of the alleged corruption offence the Company's employee is inclined to commit, the method of inducement (bribery, blackmail, threat, extortion, offer of a bribe, etc.);
- date and other circumstances of inducement to commit a corruption offence.

The Company shall guarantee confidentiality to all persons who in good faith reported signs of corruption and fraud, including by entering into a non-disclosure agreement in the manner prescribed by law.

If a corruption offence is reported to a state body authorized to take anti-corruption measures, the obligation to maintain confidentiality of the applicant shall be borne by the relevant state body, including by entering into a non-disclosure agreement in the manner stipulated by law. Further response to a report referred to in this paragraph shall be taken by the relevant public authority.

9.3 Actions after reporting signs of corruption and fraud.

Line manager, superior manager or Ombudsman who receives a report of indications of possible corporate fraud, corruption or other wrongdoing shall prepare a memo to the Head of the Office of the Director of Security and Regime and Compliance describing the possible corporate fraud or other wrongdoing, including the alleged period of the wrongdoing, the manner in which the wrongdoing was discovered, the persons involved in the wrongdoing, the extent of the damage (if any), and the steps taken to address the report.

9.4 Preliminary verification of information on signs of corruption or corporate fraud.

The Office of the Director for Security and Regime and the Compliance Office shall conduct a preliminary check of information received on indications of corporate fraud, corruption or other violation of control procedures, including information received through the Company's communication channels, in order to determine whether it is appropriate to initiate an internal investigation with the involvement of a working group.

A preliminary review may also be initiated if information on fraud, corruption, embezzlement, shortages, damage to tangible assets, loss of confidential and insider information and other facts of violation of control procedures is received from the following sources:

- Memos from employees of the Company and/or its subsidiaries and affiliated organizations;
- Statements and letters from citizens addressed to the Company and/or its subsidiaries and affiliated organizations;
- Communications and letters from state authorities;
- Media reports;
- Reports on the results of audits of financial and economic activities, inventories, audits, etc.;
- Reports on inspections by the Internal Audit Service of the Company;
- Other materials or documents.

In the course of preliminary verification of reports, the main circumstances of the violation shall be established, including the presence or absence of signs of violation, its main elements and the existence of damage. If it is determined that it is appropriate to conduct an internal investigation, the head of the Company's structural subdivision, Security and Regime Director Service, Compliance Service shall inform the Chairman of the Company's Management Board of the need to conduct an internal investigation.

9.5 Official investigation of corporate fraud and corruption.

Official investigations of corporate fraud and corruption shall be conducted by a commission formed/approved by the order of the Chairman of the Management Board of the Company or by a person authorized to issue such an administrative document in accordance with the procedure established by the internal documents of the Company.

The results of the official investigation shall be provided to the Chairman of the Management Board. If there are indications of a corruption offence, the Company submits the relevant materials to the law enforcement authorities of the Republic of Kazakhstan.

Also, the results of the internal investigation shall be submitted by the Chairman of the Management Board or the Compliance Service for consideration by the Board of Directors in cases where the identified corruption offence (including corporate fraud) was committed directly or with the participation of members of the executive body.

9.6 Indemnification and prosecution.

Compensation of material damage caused to the Company and/or the Company and bringing the guilty person to liability shall be carried out in accordance with the procedure stipulated by the Applicable Law.

9.7 Development of recommendations on prevention of corporate fraud and/or corruption.

Based on the results of the internal investigation, the commission (or the person who carried out the internal investigation) develops recommendations to improve the internal control system. If necessary, amendments to internal documents are initiated based on the prepared recommendations in order to eliminate the possibility of future recurrence of corporate fraud and/or corruption.

9.8 Control and Audit.

The Company's Board of Directors assesses the extent to which the Company's anti-corruption objectives are achieved.

The Company shall conduct regular assessments of the efficiency of the internal control system, in particular, the accounting and management accounting system, as well as the compliance system in accordance with the division of responsibilities stipulated by the Company's internal documents.

10. Responsibilities and Authorities

10.1 All Company Employees are imposed with the direct personal duty to fight corruption and fraud, as well as for compliance with the requirements of the anti-bribery management system and continuous improvement of the anti-bribery management system.

Each employee, as well as members of the Board of Directors of the Company, must familiarize themselves with the text of this Policy and sign an obligation to comply with it in accordance with Appendix 3 hereto.

10.2 A Head of a structural subdivision of the Company is also imposed with responsibility for implementation of anti-corruption policy in structural subdivision

processes, the duty of taking necessary action to ensure that the employees of his/her subdivision observe the applicable laws and the provisions of this Policy.

10.3 Officials and employees of the Company, other persons acting on behalf of the Company or in its interests, directly or indirectly, personally or through any mediation, are prohibited from participating in corrupt and fraudulent activities regardless of the practice of doing business in that or another country.

10.4 Managers of the Company provide support to countermeasures to corporate fraud and corruption, such as:

- Implementation of necessary measures related to ensuring safety of assets and improving internal control system;
- Conducting timely investigation of corporate fraud and/or corruption evidencies;
- Ensuring necessary actions to hold employees of the Company and/or its subsidiaries and affiliates liable if violations in their activities have resulted in commission of corporate fraud or corruption offenses.

10.5 Managers and employees of the Company regularly identify and evaluate the risks of corruption and/or fraud, develop and implement measures to mitigate the risks of fraud and/or corruption in their area of responsibility (business processes).

For these purposes, they are obliged to:

- Ensure effective functioning of internal control system;
- Identify processes and procedures that are vulnerable to corporate fraud and/or corruption;
- Take measures to form anti-corruption culture;
- Provide assistance to employees/commission conducting preliminary check and/or internal investigation by timely provision of the requested materials, or access to premises/facilities;
- Timely inform Safety & Security Director's Office, Compliance Office of the Company of all evidencies of corporate fraud and/or corruption or attempts to commit them in his/her area of responsibility.

10.6 In case of doubt regarding legitimacy of their actions and their compliance with provisions of this Policy, an employee of the Company should consult on this matter with a line manager or Compliance Office.

10.7 Persons guilty of violating the provisions of this Policy could be brought to disciplinary, administrative, civil or criminal liability in the manner and on the grounds set forth by Applicable Legislation.

10.8 Persons equalled to persons authorized to perform state functions accept the anti-corruption restrictions provided for by the legislation of the Republic of Kazakhstan by signing Obligation (Appendix 4).

10.9 HR Director of the Company ensures that obligation of persons equalled to persons authorized to perform state functions to accept the relevant anti-corruption restrictions is recorded in writing, both upon employment and during the period of employment.

11. Procedure for Entry into Force and Revision

11.1 This Policy shall enter into force on the date of its approval by the Resolution of the Board of Directors of UMP JSC.

11.2 This Policy shall be introduced to replace UMP JSC's Anti-Corruption and Fraud Management Policy approved by the Resolution No. 7 of the Board of Directors of the Company, dated May 26, 2020, Amendments and Supplements No. 1 to UMP JSC's Anti-Corruption and Fraud Management Policy approved by the Resolution No. 6 of the Board of Directors of the Company dated May 24, 2021.

11.3 The Policy shall be updated and revised according to the work plan of the compliance function and/or in connection with changes in Applicable Law.

12. Appendices

12.1 Appendix 1 "Anti-Corruption Standard of UMP JSC".

12.2 Appendix 2 "Examples of Corporate Fraud and Corruption".

12.3 Appendix 3 "Obligation to Comply with UMP JSC's Anti-Corruption and Fraud Management Policy".

12.4 Appendix 4 "Consent".

Anti-corruption Standard of UMP JSC

1. Anti-corruption standard of UMP JSC (hereinafter – the Company) was developed according to Article 10.2 of Anti-Corruption Law of the Republic of Kazakhstan.
2. Anti-corruption standard is aimed at encouraging environment of intolerance towards any corruption manifestations in the Company by creating a system of valuable and moral anti-corruption guidelines for the Company employees while performing their duties.
3. Name of public relations area: activity on production, processing and sale of high-tech types of uranium, beryllium, tantalum, niobium products and hydrofluoric acid, nuclear fuel cycle product line on the world market.
4. The principles of anti-corruption standards are as follows:
 - 1) legality;
 - 2) transparency;
 - 3) ethics;
 - 4) compliance with the rights and legitimate interests of individuals and legal entities and their protection from corruption;
 - 5) prevention of conflict of interest.
5. Anti-corruption standard specifies the following code of conduct for the Company employees:
 - 1) Be governed by the principle of legality, the requirements of the Constitution, laws and other regulatory legal acts of the Republic of Kazakhstan and legislation of other countries as applicable to the Company activities, as well as strictly comply with anti-corruption legislation.
Ensure compliance and protection of the rights, freedoms, legitimate interests of individuals and legal entities;
 - 2) Prohibit corruption and bribery in any manner and for any purposes, including in “favor” of the Company.
 - 3) Prevent actions that could discredit the Company.
 - 4) Comply with anti-bribery management system requirements;
 - 5) Constantly improve anti-bribery management system.
 - 6) Report to the direct supervisor or Compliance Office about conflict of interest, personal interest in performing official duties, their inducement by third parties or other Company’s employees to corrupt behavior and receiving material remuneration, gifts or services;
 - 7) Do not be guided by personal and/or vested interests when carrying out official duties;
 - 8) Refrain from making unlawful requests to colleagues and managers that violate the established procedure of mutual relationship, which may affect an impartial official judgement;
 - 9) Do not induce other employees to commit corruption offenses and do not

encourage such actions.

10) Do not accept material remuneration, gifts or services that may lead to conflict of interests when carrying out official duties;

11) Do not use official or other information not subject to distribution in order to obtain or gain property and non-property benefits and advantages.

12) Refuse from appointment to a position if it is related to directly subordinate or controllability by persons in close or family relations (parents, children, adoptive parents (adopters), adopted children, half-brothers and siblings, grandfather, grandmother, grandchildren) and/or husband (wife), as well as relatives in-law (brothers, sisters, parents and children of husband (wife));

13) Take an active part in anti-corruption and uncovering corruption offenses;

14) Immediately report to the manager or Security Director's Office, Compliance Office or, in order prescribed by the legislation of the Republic of Kazakhstan, to the state body authorized to carry out work on anti-corruption, about known facts of corruption, including inducement to receive any benefit for expedited consideration of materials or facts of official red tape;

15) Immediately notify in writing the direct manager or Compliance Office of doubts about legality of the order received for execution;

16) Contact a superior manager, Compliance Office or use existing communication channels and means communication of the Company stipulated by the Information Policy, or, in order prescribed by the legislation of the Republic of Kazakhstan, to the state body authorized to carry out anti-corruption work, if direct manager is involved in a conflict of interest;

17) Support and require colleagues to adhere to a high legal anti-corruption culture;

18) Permanently take measures to eliminate the causes and conditions of a possible conflict of interest, corruption offenses and their consequences.

19) Refrain from assisting anyone in carrying out entrepreneurial and (or) other activities related to deriving revenue.

20) Refrain from representing or lobbying the interests of third parties, as well as taking actions on their behalf.

21) Do not use the means of material, technical, financial and information support, as well as other property and proprietary information of the Company for non-official purposes.

6. Managers of all levels in relations with the subordinates are required:

- 1) Prevent cases of selection and placement of personnel on the grounds of kinship, fraternity and personal loyalty, ensure compliance with the principles of meritocracy;
- 2) Accurately determine tasks and scope of authority of subordinate employees;
- 3) Prevent uneven distribution of workload between subordinate employees.
- 4) Demonstrate impartiality and objectivity in evaluating of the subordinates' performance as well as use of incentives and penalties;
- 5) Not give to subordinates obviously impracticable or exceeding the scope of their official duties as well as orders contrary to the law;
- 6) Do not use official position to influence the activities of subordinates in resolving

issues of unofficial nature;

- 7) Do not force subordinate employees to commit corruption offenses;
 - 8) Prevent and suppress violations of anti-corruption laws by subordinates and other employees;
 - 9) Timely take comprehensive measures to prevent and resolve a conflict of interest that a subordinate employee while performing official duties;
 - 10) Take comprehensive measures to prevent corruption;
 - 11) Eliminate causes and conditions conducive to the commission of corruption offenses by subordinates;
 - 12) Prevent subordinates from engaging in unofficial or personal tasks;
 - 13) Set an example to subordinate employees with own impeccable behavior.
7. Leaders of all levels shall ensure compliance with this Anti-corruption Standard and arrange anti-corruption work among subordinate employees.

Examples of Corporate Fraud and Corruption

The following examples of corporate fraud are based on international and Kazakhstan practices. It is understood that employees of UMP JSC are responsible for such cases of corporate fraud as a result of their actions. In cases where employees of UMP JSC made mistakes, misprints, errors based on knowingly (willfully) misrepresented or incorrect data provided by subsidiaries and affiliates of the Company, third parties, they are liable for such actions bearing signs of corporate fraud, accordingly, employees of such subsidiaries and affiliates and third parties.

Investment activities:

- financing of investments (projects) that are not related to the activities of the Company, which do not bring a beneficial effect of the Company's activities without appropriate justification and approval or with false justification and approval (with the exception of projects approved for implementation by an authorized collegial body based on the needs of the Company);
- misuse of funds allocated for investment activities, without appropriate justification and approval or with false justification and approval;
- distortion of data on the achieved economic effect of investments, etc.

Deliberate misrepresentation of financial statements:

- reflection of fictitious assets, expenses, revenue, liabilities or its concealment;
- capitalization of losses without justification;
- manipulations with asset valuations and valuation indicators, reserves (fixed assets, capital investments, financial investments, stocks, etc.);
- reflection of the facts of reporting period in another period;
- financial reporting fraud, to obtain profits by selling shares, receiving premium based on work results, to conceal other fraud and other risks of corporate fraud;
- improper disclosure of information on financial results, property status, cash flow, other facts of economic life in the notes to the financial statements, etc.

Purchases:

- goods, works or services are ordered for personal purposes or from a specific supplier in exchange for any benefit;
- goods, works or services are ordered from a counterparty belonging to a close relative, spouse(s) or to a proprietor, bypassing the proper procurement procedure;
- goods, works or services are ordered at prices significantly higher than average market prices (by 30% or more) when making purchases from a single source (if there is a tool to determine average market prices);

- a third-party consultant performs the work different from that specified in the contract;
- an external organization at the time of purchase is a false enterprise, which is proved by a court decision, including organizations registered in offshore jurisdictions, etc.;
- capitalization of a smaller quantity of the goods in comparison with that indicated in the invoice, but with payment of the full amount;
- creating or presenting fake accounts for which no order has been placed;
- violations in the purchase procedures;
- orders for work/service not foreseen by the contract;
- “consulting services” contracts, which include only a general and vague description of the services.

Payment applications for services, works:

- for services which work has not been provided;
- for a greater volume of services, work than was actually provided;
- re-purchase from third parties of services, works that have already been paid or rendered by the Company independently;
- excessive commissions (20% or more) to external agents or consultants;
- third-party organization asks for payment to bank accounts in a different jurisdiction than the one where services, work, etc. are provided.

Property and assets:

- misuse and (or) theft of the Company’s assets and/or the Company (fixed assets, securities (derivative financial instruments), property rights, etc.);
- theft of cash or other assets and concealment of theft by changing account records;
- use of the Company’s assets and/or subsidiaries and affiliates of the Company for personal gain (abuse), etc.

Cash desk and cash receipts:

- accepting money without appropriate documentation;
- correction of the documents to conceal the theft of cash, etc.

Salary:

- receipt of money for fictitious employees included in the supporting documents when paying money;
- overstatement of the worked hours without any reason for receiving additional payment for processing;
- part-time work not provided for in the labor contract in another organization during working hours paid by the Company and/or its subsidiaries, affiliates;
- falsification of data to achieve KPI goals in order to receive a bonus or retain a

position

- receipt of payment from another organization during the work paid by the Company and/or its subsidiary, affiliate, not provided for in the labor contract, etc.

Business trips advance reports:

- request for reimbursement of expenses on unrealized business trips;
- compensation for travel expenses not provided for by the assignment, etc.

Other advance reports:

- understated, overpriced or fictitious requests for reimbursement of representation expenses;
- submission of an application for compensation of expenses already paid by the third party;
- economically unjustified compensation for expenses not provided for by the internal documents of the Company or subsidiary, affiliated entity of the Company, as well as in the absence of instructions from the Board Chairman of the Company or enterprise of the Company, etc.

Conflict of interests:

- work of an employee, close relative, relative in law, husband (wife) in an organization that is a competitor or counterparty, supplier or customer of the Company or its subsidiary, affiliated organization;
- work of an employee, close relative, relative in law, husband (wife), including combined duties in a position similar to a position in the Company or its subsidiary, affiliated organization, which may harm the interests of the Company;
- conclusion of a contract with a counterparty under direct or indirect control or in the property (direct or indirect) of a close relative, relative in law, husband (wife);
- third-party organization associated with employee of the Company or subsidiary, affiliate of the Company;
- third-party organization became a participant in a transaction only at the direction or employee of the Company or subsidiary, affiliate of the Company;
- ownership by an employee, his relative, relative in law, husband (wife), directly or indirectly (including vicariously) of a certain amount of a share, contribution, investment, stake in the authorized capital, securities and other rights (including options on securities (derivative financial instruments), property, rights) in a counterparty, in relation to a counterparty of the Company and (or) the property of the said person or in a competitor organization, in relation to a competitor organization of the Company, its subsidiary or affiliated Company and (or) their property;
- concealment of information about abuses committed by the employee, representative of the counterparty, as a result of the Company's employee business relations with him, or the Company that has identified a violation;

- hiring the Company, subsidiary or affiliate of the Company or establishing benefits and (or) privileges for close relatives, spouse or the owners of person performing managerial functions in the Company, subsidiary or affiliate of the Company in the absence of the required competencies or to the detriment of more qualified candidates.
- election of an employee of the Company to the governing body of the organization where husband (wife), close relative and/or relative in law works.

Charity, sponsorship:

- transfer of funds under the guise of charity without subsequent reports on the use of funds;
- payments for illegal decisions of public servants in the form of sponsorship and charity;
- activities of the beneficiary are not related to the priority goals of the benefactor;
- sponsorship without a reasonable economic or social effect for person to whom the sponsor support is provided, etc.

OBLIGATION

to comply with UMP JSC’s Anti-Corruption and Fraud Management Policy

I _____,
(Full name)

confirm that I am aware of the provisions of UMP JSC’s Anti-Corruption and Fraud Management Policy (hereinafter referred to as the Policy) and principles of anti-corruption and fraud in UMP JSC and undertake to follow them.

I also undertake to comply with UMP JSC’s Anti-Corruption Standard and demonstrate absolute commitment to it through my behavior.

If I have any additional questions, I can contact UMP JSC’S Compliance Office.

CONSENT

I _____,
(Full name)

in the performance of managerial functions in Ulba Metallurgical Plant Joint-Stock Company (UMP JSC) in accordance with the requirements of Article 12 of the Law of the Republic of Kazakhstan “On anti-corruption management” dated 18.11.2015 No. 410-V, UMP JSC anti-corruption and fraud policy, accept anti-corruption restrictions for:

- 1) implementation of activities incompatible with the performance of state functions;
- 2) inadmissibility of joint service (work) of close relatives, spouses and relatives;
- 3) use of an official and other information not subject to official distribution in order to obtain or extract property and non-property benefits and advantages;
- 4) acceptance of material remuneration, gifts or services for actions (inactions) in favor of persons who provided them if such actions are part of official powers or, by virtue of official position, may contribute to such actions (inactions);
- 5) participation in gambling and (or) betting in gambling establishments that fall under the definition provided for by the Law of the Republic of Kazakhstan "On Gambling Business", as well as participation in gambling and (or) betting in places not designated for this purpose or in gambling and (or) betting conducted through the use of telecommunications networks, including the Internet.

(signature) (surname, initials)
“ ____ “ _____ 20 ____

Recorded by:

(job title, full name, signature of employee of the HR Director’s Office of UMP JSC)
“ ____ “ _____ 20 ____