**Code of Suppliers and Contractors**

**JV «South Mining Chemical Company» LLP**

**INTRODUCTION**

Sustainable business development is a key pillar of the strategy of JV «South Mining Chemical Company» LLP (hereinafter referred to as the Partnership), which is aimed at responding resolutely to the social needs and expectations of the Partnership's stakeholders.

1. **GENERAL PROVISIONS**
   1. Suppliers and Contractors of the Partnership must comply with the requirements of the legislation of the Republic of Kazakhstan, other applicable laws and internal documents of the Partnership.
   2. Supplier is a legal and/or an individual person who undertakes to transfer, within a specified period or terms, the goods produced or purchased by him to the Partnership for use in business activities or for other purposes not related to personal, family, household and other similar use.
   3. The Contractor is a legal and/or individual person who undertakes to perform certain work on the instructions of the Partnership, provide services and hand over its/their results to the Partnership within the time period established by the agreement.
2. **GENERAL PRINCIPLES.**

Suppliers and Contractors of the Partnership comply with the following:

* do not allow corruption offenses in their work;
* prohibit their employees, representatives and co-executors/subcontractors under contracts with the Partnership to commit commercial bribery and other actions of a corrupt nature;
* exclude all forms of illegal forced labor;
* eliminate child labor;
* exclude any kind of discrimination, including in relation to employment and labor activity;
* comply with regulatory legal acts relating to working hours and rest of employees;
* comply with regulatory legal acts regarding the minimum earnings;
* comply with the labor legislation of the Republic of Kazakhstan and/or other country where their activities are carried out.

1. **LABOUR STANDARDS**
   1. The Supplier and the Contractor shall provide all employees with proper working conditions and ensure the fulfillment of all labor rights of employees.
   2. Any discrimination is prohibited regardless of the grounds, including in relation to employment and labor activity, sex or gender identity, nationality, citizenship, race, color or ethnicity, 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 the business qualities of the employee and the results of his/her work.
   3. It is prohibited to employ persons who have not reached the minimum age for employment established by applicable law. Suppliers and Contractors of the Partnership shall not use the labor of children or minors, except in cases where the conclusion of an employment contract is permitted under applicable law.
   4. All employees of the Supplier or Contractor of the Partnership must have a signed employment contract or contract for the provision of services in a language understandable to them.

The employment contract must set out all major terms, including hours of work, overtime compensation, notice period, salaries and frequency of payments, and other terms and conditions as required by applicable law.

* 1. Suppliers or Contractors of the Partnership shall comply with the laws and regulations regarding working hours and rest of employees and other obligations of the employer.
  2. Suppliers or Contractors of the Partnership comply with the regulatory legal acts of the Republic of Kazakhs. Overtime work, work on weekends and holidays or at night is paid at an increased rate in accordance with the conditions, labor or collective agreements and (or) the act of the employer.
  3. Suppliers or Contractor of the Partnership ensure that employees know and understand the rights and obligations of employees, as set out in their native or understandable language.
  4. Job descriptions should be developed, updated and communicated to all employees and consultants.
  5. All forms of illegal forced labor are excluded. Employees may not be required to pledge cash or original identification documents or their equivalent.

Employees should have the right to move freely, in exceptional cases and for valid reason, and to leave the workplace established by the employment contract, in agreement with the supervisor during working hours.

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

* 1. The procedure for pay deduction is established in accordance with the labor legislation of the Republic of Kazakhstan.
  2. Suppliers and Contractors of the Partnership shall respect the freedom of association for their employees in accordance with applicable law.

1. **ETHICAL PRINCIPLES**
   1. Suppliers and Contractors of the Partnership comply with all requirements of the legislation of the Republic of Kazakhstan relating to their activities strictly, including:
2. **competition:** compliance with all applicable regulations regarding the implementation of competition on equal terms;
3. **anti-corruption:** compliance with all applicable regulatory legal acts related to anti-corruption. Suppliers and Contractors of the Partnership do not offer on their own behalf or on behalf of the Partnership, directly or indirectly, any material or other incentives to employees of the Partnership and third parties in order to obtain or maintain business, or to acquire funds or benefits;
4. **legalization of illegally obtained income:** compliance with the legislation of the Republic of Kazakhstan regarding the legalization of illegally obtained income. Suppliers and Contractors of the Partnership must 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 regarding the employees of the Partnership or their relatives, which could adversely affect their business activities or decisions;
6. **gifts and tokens of appreciation:** refusal to offer gifts and tokens of appreciation to the employees of the Partnership. The Partnership will reject all gifts and hospitality if they exceed reasonable token value, as well as incidental and explicit gifts and hospitality, and cannot be reciprocated in.
7. **ANTI-CORRUPTION REQUIREMENTS**
   1. All forms of corruption, including extortion, bribery, facilitation fees, fraud, money laundering and nepotism in the activities of the Supplier and Contractor of the Partnership are strictly prohibited.
   2. Suppliers and Contractors of the Partnership prohibit their employees from offering, requesting, giving or accepting, directly or indirectly, payments, gifts or favors in exchange for favorable treatment in order to influence a transaction or to obtain personal or business advantages. This requirement applies both to family members of employees and to the personnel of Suppliers and Contractors of the Partnership and their subcontractors.
   3. Suppliers and Contractors of the Partnership must comply with the principles of fair competition and the free market. Business decisions should not be made based on or influenced by personal relationships and interests

Suppliers and Contractors of the Partnership shall implement an anti-corruption program based on recognized international standards. The program, which includes relevant practical and informational training, should be transparent and effective.

* 1. Suppliers and Contractors of the Partnership make every effort to identify and prevent situations in which there is an actual or potential conflict of interest regarding employees of Suppliers and Contractors of the Partnership and employees of the Partnership or their relatives, which may adversely affect their business reputation or decisions.

*Gift means an object of any value, benefit or advantage received by an employee from any third person or transferred to a third person by an employee of the Partnership, and on behalf of the Partnership free of charge in the course of the performance of labor duties of employees of the Partnership, or in connection with business relations existing between the Partnership, and third person.*

1. **HEALTH PROTECTION AND LABOUR SAFETY**
   1. Suppliers and Contractors of the Partnership guarantee that their activities are safe for the health of their employees, contractors, consumers of their products and other persons, as well as the safety of the employees of the Partnership, on the territory and premises of which contractual relations are carried out.
   2. Suppliers and Contractors of the Partnership must provide working conditions, employees must be familiar with information on occupational health and safety, and receive appropriate training, including fire safety, radiation safety, proper handling of chemicals and equipment and emergency preparedness and first aid.
   3. Potential risks that could lead to accidents/injuries or occupational diseases to the employees of Suppliers and Contractors of the Partnership shall be assessed and controlled by taking appropriate preventive actions (for example, design, engineering, administrative controls, preventive maintenance, work safety procedures, ongoing safety training, as well as equipping with personal protective equipment).
   4. Suppliers and Contractors of the Partnership are obliged to take adequate measures to prevent or eliminate the consequences, damage from accidents and injuries, as well as socio-psychological diseases in order to minimize the factors inherent in hazardous types of work. Suppliers and Contractors of the Partnership must provide their employees with appropriate personal protective equipment at no additional charge. Any incident or accident resulting in physical injury, as well as psychosocial illness must be documented and brought to the attention of the top management of the Supplier / Contractor of the Partnership.
   5. Suppliers and Contractors of the Partnership is actively working to continuously improve safety in the Partnership to ensure the safety of its employees and obliges its business partners to do so. When performing work at production sites, Suppliers and Contractors of the Partnership comply with high standards of labor protection and safety, and are responsible for immediately notifying of an emergency.
2. **ENVIRONMENT**
   1. Suppliers and Contractors of the Partnership shall introduce and/or implement measures that contribute to the preservation of the environment and reduce their negative impact on natural resources as much as possible.
   2. Suppliers and Contractors of the Partnership limit the emissions of hazardous substances generated under the contract, as well as the removal of such waste, without causing much harm to the environment.
   3. Suppliers and Contractors of the Partnership shall take measures to prevent the use of toxic substances. In the absence of an alternative way, Suppliers and Contractors of the Partnership shall minimize the use of toxic substances and ensure their safe handling and destruction. With regard to other hazardous substances, elements or restricted waste, Suppliers and Contractors of the Partnership must strictly comply with all applicable laws.
   4. Suppliers and Contractors of the Partnership are developing both environmentally friendly technologies (for example, control of pollutants, carbon dioxide emissions) and technologies for energy saving and waste recycling, as well as implementing logistics strategies that reduce their negative impact on the environment (in particular that regarding storage, handling and transportation).
   5. Suppliers and Contractors of the Partnership include environmental protection, radiation safety, health and safety criteria in the development of their products and services in order to eliminate or reduce the negative impact on the environment, labor protection and safety during the overall life of the goods, while maintaining and /or improve the quality of use of their products.
   6. The Supplier must confirm that his goods comply with the standards and regulations applicable to such goods.
3. **PRIVACY AND DATA SECURITY**
   1. Suppliers and Contractors of the Partnership shall maintain the confidentiality of any information about the Partnership, its partners, business events, contracts, projects, structure, financial situation or activities, unless they have received special written permission to disclose it.
   2. Suppliers and Contractors of the Partnership must use systems that guarantee the safety and security of customer data, and prevent leakage of confidential data.

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**The requirements of this Code are an integral part of the contracts concluded by the Partnership with Suppliers and Contractors.**

**Suppliers and Contractors of the Partnership hereby undertake to familiarize their employees with this Code.**

**I certify that, as an authorized representative of the Contractor/Supplier listed below, I have checked carefully and understood the contents of this document, and I certify that this company operates in full compliance with this Code.**

**Full name of the representative of the Supplier/Contractor:**

**Name of the Supplier/Contractor:**

**Date:**

**Signature:**