

APPROVED BY
decision of the Management Board of
"Mortgage organization
"Kazakhstan Mortgage Company" JSC
dated May 2, 2018 No. 29

**Policy of
Kazakhstan Housing Company JSC
on combating corruption and fraud
(as amended on 30.12.2022)**

In the name and throughout the text, the words "Mortgage Organization "Kazakhstan Mortgage Company" Joint Stock Company shall be replaced by words "Kazakhstan Housing Company" Joint Stock Company in accordance with the decision of the Board of Kazakhstan Housing Company JSC dated 19.08.21 No. 72 (see old ed.)

Throughout the text, the words "official" shall be replaced by the words "Equated person" in the appropriate cases in accordance with the decision of the Board of Kazakhstan Housing Company JSC dated December 30, 2012 No. 136 (see old ed.)

1. General provisions

1. The policy of Kazakhstan Housing Company JSC on combating corruption and fraud (the Policy) has been developed in accordance with the legislation of the Republic of Kazakhstan and other internal documents of Kazakhstan Housing Company Joint Stock Company (the Company).

2. The Policy establishes:

- 1) the main provisions of anti-corruption in the Company;
- 2) managerial and organizational bases for the prevention of corruption offenses;
- 3) measures to combat corruption, as well as to minimize and (or) eliminate their consequences;
- 4) Sharing of conduct of strict compliance with the requirements of the legislation of the Republic of Kazakhstan and internal documents of the Company among the employees of the Company.

3. The purpose of the Policy is to strengthen control over the prevention and detection of corruption, as well as formation of an atmosphere of firm rejection in the Company.

4. The objective of the Policy is to form a legal culture of the Company's employees that ensures compliance with the principles of honesty and transparency in the performance of work duties.

Paragraph 5 was amended in accordance with the decision of the Management Board of JSC "Mortgage Organization "Kazakhstan Mortgage Company" dated 11.03.20, No. 19; decision of the Management Board of JSC "Kazakhstan Housing Company" dated 19.08.21, No. 72 (see old ed.); decision of the Management Board of JSC "Kazakhstan Housing Company" dated 30.12.22, No. 136 (see star. ed.)

5. The following terms and definitions are used in the Policy:

1) conflict of interests - contradiction between the personal interests of persons equated to persons authorized to perform state functions or an employee and their official powers, in which the personal interests of these persons may lead to non-performance and (or) improper performance of their official duties;

2) corruption offense is an unlawful guilty act (action or omission) that has signs of corruption, for which administrative or criminal liability is established by law;

3) corruption - illegal use by equated person, an employee of the Company of their official powers and related opportunities in order to benefit personally or through intermediaries from property (non-property) advantages for themselves or third parties, as well as bribery of these persons by providing benefits and advantages;

3-1) **anti-corruption policy** - legal, administrative and organizational measures aimed at reducing corruption risks, increasing public confidence in the Company's activities, and other measures in accordance with the [Law](#) of the Republic of Kazakhstan "On Combating Corruption";

4) anti-corruption - the activities of equated persons, employees of the Company within their powers to prevent corruption, including the formation of anti-corruption culture in Company, the identification and elimination of causes and conditions conducive to the commission of corruption offenses, as well as identification, suppression, disclosure and investigation of corruption offenses and elimination of their consequences;

4-1) **corruption risk** - the possibility of causes and conditions that contribute to the commission of corruption offenses;

4-2) **prevention of corruption** - the Company's activities to study, identify, limit and eliminate the causes and conditions that contribute to the commission of corruption offenses by developing and implementing a system of preventive measures;

5) counterparty - natural or legal person with whom the Company has entered or plans to enter into relations regulated by civil legislation.

5-1) **person equated to persons authorized to perform state functions (Equated person)** - a person performing managerial functions in the Company, as well as a person authorized to make decisions on the organization and conduct of procurement, or responsible for selection and implementation of projects financed from the state budget and the National Fund of the Republic of Kazakhstan, holding a position equal to the head of an independent structural unit in the Company;

6) person performing managerial functions in the Company - person who permanently, temporarily or by special authority performs organizational and administrative or administrative-economic functions in the Company;

6-1) **organizational and administrative functions** - the right granted in accordance with the procedure established by the law of the Republic of Kazakhstan to issue orders binding on subordinates in the service, as well as to apply incentive measures and disciplinary penalties against subordinates;

6-2) **administrative and economic functions** - the right to manage and dispose of property on the balance sheet of the Company granted in accordance with the procedure established by the law of the Republic of Kazakhstan;

7) employee - an individual who is in an employment relationship with the Company and directly performs work under an employment contract or under an outsourcing/outstaffing agreement;

8) authorized anti-corruption body - the central executive body in the field of public service and anti-corruption and its department, their territorial divisions, performing within their powers the functions of implementing the anti-corruption policy of the Republic of Kazakhstan and coordination in the field of anti-corruption;

9) deleted in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated 19.08.21 No. 72 ([see old ed.](#))

10) Compliance Control Service (CCS)-structural unit accountable to the Board of Directors of the Company, responsible for implementing preventive measures to combat

corruption, conducting internal investigations and other actions to combat corruption and fraud, exercising its powers independently of persons performing managerial functions in the Company.

2. Types of corruption offenses

Paragraph 6 was amended in accordance with the [decision of the Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136 \(see old ed.\)](#)

6. The Policy provides for corruption offenses for which the law provides for administrative or criminal liability, including:

- 1) giving or receiving a bribe, mediation in bribery;
- 2) obtaining other property benefits and advantages in accordance with anti-corruption legislation;
- 3) intentional misstatement of financial statements;
- 4) misuse and (or) misappropriation and (or) theft of Company assets: embezzlement of funds, misuse of funds, theft of fixed assets, inventory;
- 5) actions of corrupt nature, abuse of official powers: the use of their official powers and related opportunities to obtain property benefits, violations in the procurement of goods, works, services, expressed in forgery and (or) falsification of documents, special overstatement or understatement of prices for goods, works, services for receiving monetary rewards, expensive gifts or other benefits, intentional destruction of information relevant to the Company's activities, destruction of databases or modification of information in them, the introduction of programs to provide access to third parties or for personal purposes;
- 6) actions performed by counterparties for the purpose of obtaining additional profit, other actions, as a result of which damage may be caused to the Company and (or) the state;
- 7) provision by counterparties of knowingly false, altered or distorted information in order to deceive or mislead and make a profit at the expense of the Company;
- 8) actions aimed at unauthorized penetrating into the Company's information systems or taking possession of confidential information in order to make a profit and (or) damage the Company's activities and (or) negatively affect the Company's reputation;
- 9) illegal participation in business activities;
- 10) official forgery;
- 11) omission in the service;
- 12) legalization (laundering) of money and (or) other property obtained by criminal means.

3. Anti-corruption measures

Paragraph 7 was amended in accordance with the [decision of the Management Board of Kazakhstan Housing Company JSC dated December 30, 2012 No. 136 \(see old ed.\)](#)

7. Anti-corruption measures include the following:

- 1) anti-corruption monitoring;
- 2) internal analysis of corruption risks;
- 3) approval of anti-corruption standards;
- 3-1) financial control;
- 4) adoption of anti-corruption restrictions by equated persons of the Company;
- 5) prevention and resolution of conflicts of interest;
- 5-1) formation of anti-corruption culture;
- 6) reporting to the authorized anti-corruption body on the work done to combat corruption in the Company.

4. Anti-corruption monitoring

Paragraph 8 was amended in accordance with [decision](#) of the Management Board of Kazakhstan Housing Company JSC dated December 30, 2012 No. 136 ([see old ed.](#))

8. Anti-corruption monitoring is the Company's activity in collecting, processing, summarizing, analyzing and evaluating information related to the effectiveness of anti-corruption policy, the state of law enforcement practice in the field of combating corruption, as well as perception and assessment of level of corruption by society.

9. The subject of anti-corruption monitoring is the Company's activities. Anti-corruption monitoring is carried out by studying publications in the media, reports of the Company's Internal Audit Service and appeals of individuals and legal entities on anti-corruption issues.

Paragraph 10 was amended in accordance with the decision of the Management Board of JSC "Mortgage Organization "Kazakhstan Mortgage Company" dated 11.03.20, No. 19; the [decision](#) of the Management Board of Kazakhstan Housing Company JSC dated 30.12.22, No. 136 ([see old ed.](#))

10. The CCS conducts anti-corruption monitoring on a quarterly basis, the results of anti-corruption monitoring may be the basis for conducting an internal analysis of corruption risks, as well as improving measures aimed at forming an anti-corruption culture.

The Policy was supplemented by paragraph 10-1 in accordance with the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136

10-1. The task of anti-corruption monitoring is to study problematic issues that contribute to manifestations of corruption in a certain area of the Company's activities.

The Policy was supplemented by paragraph 10-2 in accordance with the [decision](#) of the Management Board of Kazakhstan Housing Company JSC dated December 30, 2012 No. 136

10-2. The CCS conducts anti-corruption monitoring as follows:

1) collection and generalization of information from open sources provided for in paragraph 9 of this Policy;

2) study and analysis of the collected information;

3) identification of problematic issues that contribute to the manifestations of corruption in a certain area of the Company's activities;

4) formation of result of anti-corruption monitoring;

The Policy was supplemented by paragraph 10-3 in accordance with the [decision](#) of the Management Board of Kazakhstan Housing Company JSC dated December 30, 2012 No. 136

10-3. The results of anti-corruption monitoring are formalized in accordance with [Appendix No. 4](#) to this Policy and sent to the authorized anti-corruption body for generalization.

5. Internal analysis of corruption risks

Paragraph 11 was amended in accordance with the [decision](#) of the Management Board of Kazakhstan Housing Company JSC dated December 30, 2012 No. 136 ([see old ed.](#))

11. Internal analysis of corruption risks (Analysis) means the activity of identifying and studying the causes and conditions that contribute to the commission of corruption offenses.

12. The decision to conduct the Analysis is made on the basis of the results of anti-corruption monitoring.

13. The object of the Analysis is the activity of the structural division of the Company (Division).

Paragraph 14 is amended in accordance with the decision of the Management Board of JSC "Mortgage Organization "Kazakhstan Mortgage Company" dated 11.03.20, No. 19; the [decision](#)

of the Management Board of JSC "Kazakhstan Housing Company" dated 30.12.22, No. 136 ([see old ed.](#))

14. The analysis is carried out by the CCS according to the order of the Chairman of the Management Board of the Company (the Order) on the basis of a memo from the head of the CCS justifying the need for an Analysis of the Company's division. If necessary, the CCS, in agreement with the Chairperson of the Management Board of the Company, may involve employees of other disinterested structural divisions of the Company.

Paragraph 15 was amended in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136 ([see old ed.](#))

15. The order must include the following information:

- 1) the name of the Division subject to Analysis;
- 2) direction of the Analysis in accordance with [paragraph 16](#) of this Policy;
- 3) Full name of the employee of the Company responsible for the Analysis;
- 4) duration of the Analysis;
- 5) Full name of the head of CCS, who is entrusted with the management, coordination and responsibility for Analysis and the result of the work.

16. The analysis is carried out in the following areas:

- 1) identification of corruption risks in the Company's internal regulatory documents affecting the activities of the Division;
- 2) identification of corruption risks in the organizational and managerial activities of the Division.

17. Organizational and managerial activities of the Division include the following issues:

- 1) personnel management, including staff turnover;
- 2) settlement of conflict of interest;
- 3) compliance of the Division's activities with the Company's internal regulatory documents and the legislation of the Republic of Kazakhstan.

18. The sources of information for the Analysis are:

- 1) internal regulatory and other documents of the Company and regulatory legal acts of the Republic of Kazakhstan affecting the activities of the Division;
- 2) the results of inspections previously carried out by state bodies or the internal audit service of the Company in relation to the Division;
- 3) results of compliance risk assessment;
- 4) publications in the mass media;
- 5) appeals of individuals and legal entities received by the Division;
- 6) acts of prosecutorial supervision;
- 7) judicial acts;
- 8) other information, the provision of which is permitted by the legislation of the Republic of Kazakhstan.

19. Responsibility for timely and complete presentation of the information specified in [paragraph 18](#) of this Policy is assigned to the head of the Division.

Paragraph 20 is amended in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136 ([see old ed.](#))

20. Based on the results of Analysis, an analytical report is prepared containing:

- 1) information on identified corruption risks;
- 2) recommendations for their elimination;
- 3) deadline for implementation of the recommendation to eliminate the identified corruption risks, information about the responsible structural units of the Company for implementation of the recommendation and the form of completion.

Paragraph 21 is amended in accordance with the decision of the Management Board of "Mortgage Organization "Kazakhstan Mortgage Company" JSC dated 11.03.20 No. 19; the [decision of the Board of JSC "Kazakhstan Housing Company" dated 30.12.22 No. 136 \(see old ed.\)](#)

21. The Analytical report shall be approved by the persons who conducted the Analysis, the head of the division subject to the Analysis, and signed by the person specified in subparagraph 5) of [paragraph 15](#) of this Policy.

Paragraph 22 was amended in accordance with the [decision of the Management Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136 \(see old ed.\)](#)

22. An analytical report with recommendations on elimination of identified corruption risks is submitted to the Chairman of the Company's Management Board for consideration and giving instructions for taking measures to eliminate them.

Paragraph 23 is amended in accordance with the [decision of the Management Board of "Kazakhstan Housing Company" JSC dated December 30, 2012 No. 136 \(see old ed.\)](#)

23. The results of the internal analysis of corruption risks and information on the measures taken to eliminate corruption risks are posted on the Company's Internet resource in the anti-corruption section no later than 5 working days from the date of the relevant resolution by the Chairman of the Company's Management Board.

6. Anti-corruption standards

24. Anti-corruption standards - system of recommendations established for the Company's activities aimed at preventing corruption. The Company's anti-corruption standards are presented in [Appendix No. 1](#) to this Policy.

The Policy was supplemented by Chapter 6-1 in accordance with the [decision of the Management Board of Kazakhstan Housing Company JSC dated December 30, 2012 No. 136](#)

6-1. Financial control measures

24-1. In order to implement financial control measures, the persons defined in this section submit the following declarations of individuals:

- 1) declaration of assets and liabilities;
- 2) declaration of income and property.

24-2. The declaration of assets and liabilities is submitted by persons who are candidates for a position related to the performance of functions equated to state functions, as well as their spouses before the issuance of an act and (or) a decision of an official (body) entitled to be appointed to the position (as of the first day of the month of submission of the declaration).

24-3. The declaration of income and property is submitted by equated persons and their spouses.

24-4. In case of acquisition of property determined by the tax legislation of the Republic of Kazakhstan during the reporting calendar year, the persons specified in [paragraph 24-3](#) of this Policy in the income and property declaration reflect information about the sources of covering the costs of acquiring the specified property.

24-5. Declarations on assets and liabilities, income and property are drawn up in accordance with the tax legislation of the Republic of Kazakhstan and submitted in the form, in the manner and within the time limits determined by the tax legislation of the Republic of Kazakhstan.

24-6. Information on submission by individuals specified in [paragraphs 24-2 and 24-3](#) of this Policy of declaration of assets and liabilities or declaration of income and property is posted on the official Internet resource of the state body responsible for ensuring tax receipts and other mandatory payments to the budget, in accordance with the procedure established by the tax legislation of the Republic of Kazakhstan.

24-7. Failure to submit a declaration of assets and liabilities and (or) a declaration of income and property, or submission of incomplete, unreliable information in such declarations (if the act does not contain signs of a criminal offense) by:

persons specified in [paragraph 24-2](#) of this Policy - is the basis for refusing to grant the person the appropriate powers;

persons specified in [paragraph 24-3](#) of this Policy - entails liability provided for by the Code of the Republic of Kazakhstan on Administrative Offenses.

24-8. The Human Resources Management Department of the Company, no later than December 31 of the year following the reporting calendar year, places on the Company's Internet resource the information reflected in the declarations of persons performing managerial functions in the Company and their spouses.

The list of information to be published is determined by the authorized anti-corruption body.

7. Anti-corruption restrictions

Paragraph 25 was amended in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated 19.08.21 No. 72 ([see old ed.](#)); was amended in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated 30.12.22 No. 136 ([see old ed.](#))

25. In order to prevent equated persons from committing actions that may lead to the use of their powers in personal, group and other non-official interests, these persons assume anti-corruption restrictions on:

1) carrying out activities incompatible with the performance of functional duties in the Company;

2) inadmissibility of joint service (work) of close relatives, spouses and relatives, according to [paragraph 30](#) of this Policy;

3) use of official and other information that is not subject to official dissemination in order to benefit from property and non-property advantages;

4) the inadmissibility of accepting material remuneration, gifts or services for actions (inaction) in favor of the persons who provided them, if such actions fall within the official powers of the persons specified in the first paragraph of this clause, or these persons, by virtue of their official position, may contribute to such actions (inaction).

The consent of equated persons to the adoption of anti-corruption restrictions is recorded by the Department of Human Resources Management no later than 5 working days from the date of taking office.

Failure to accept anti-corruption restrictions by persons authorized to perform state functions entails refusal to accept a position or dismissal from office (dismissal from office), their non-compliance in cases of absence of signs of a criminally punishable act and an administrative offense is the basis for termination of powers.

26. Equated persons of the Company shall not:

1) independently participate in the management of an economic entity, if the management or participation in the management of an economic entity is not included in their official duties in accordance with the laws of the Republic of Kazakhstan, promote the satisfaction of the material

interests of organizations or individuals through the misuse of their official powers in order to obtain property or other benefits;

2) engage in entrepreneurial activity, except for the acquisition and (or) sale of shares of open and interval mutual investment funds, bonds on the organized securities market, shares of commercial organizations (common shares in the amount not exceeding five percent of the total number of voting shares of organizations) on the organized securities market;

3) engage in other paid activities, except for pedagogical, scientific and other creative activities.

The Policy was supplemented by paragraph 26-1 in accordance with the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136

26-1. Family members of equated persons are not entitled to receive material remuneration, gifts or services provided for actions (inaction) of this person in favor of the persons who provided material remuneration, gifts or services, if such actions (inaction) are included in the official powers of this person or he/she, by virtue of his/her official position, can contribute to such actions (inaction).

The Policy was supplemented by paragraph 26-2 in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136

26-2. The money received into the account of an Equated Person and (or) his/her family members without their knowledge, as well as the funds received by them in violation of [subparagraph 4\) of paragraph 25](#) and [paragraph 26-1](#) of the Policy, no more than two weeks after their discovery are subject to transfer to the republican budget with the submission of an explanation to the CCS and the relevant state revenue authority about the circumstances of receipt of such funds.

Gifts received without the knowledge of the equated person and (or) their family members, as well as received by them in violation of subparagraph 4) of paragraph 25 and paragraph 26-1 of the Policy, are subject to gratuitous transfer to the authorized state property management body within seven calendar days from the date of receipt of the gift or from the day when the equated person became aware of the receipt the services rendered to the specified persons under the same circumstances must be paid by transferring money to the republican budget within seven calendar days from the date of rendering the service or from the day when the equated person became aware of the provision of the service.

27. The equated persons of the Company have the right to lease a dwelling belonging to them by right of ownership and receive income from such rental.

28. The equated persons of the Company, within 30 (thirty) calendar days from the date of taking office, are obliged to transfer to trust management for the duration of these functions in accordance with the procedure established by the laws of the Republic of Kazakhstan, the property belonging to them, the use of which entails income, except for money, bonds, shares of open and interval mutual investment funds, legally owned by these persons, as well as property transferred to the property lease.

The Policy was supplemented by paragraph 28-1 in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136

28-1. The contract for trust management of property is subject to notarization.

29. In case of acquisition of shares, the equated persons of the Company are obliged to transfer them to trust management within thirty calendar days from the date of acquisition in accordance with the procedure established by the laws of the Republic of Kazakhstan.

Paragraph 30 is set out in accordance with the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136 ([see old ed.](#))

30. Equated persons may not hold positions that are directly subordinate to positions held by their close relatives, spouse and (or) relatives, as well as have close relatives, spouse and (or) relatives in direct subordination.

Persons who are candidates for a position related to the performance of functions equated to state functions are obliged to notify the Chairman of the Management Board of the Company and the CCS in writing about close relatives, spouse and (or) relatives working in this organization.

Persons violating the requirements of this paragraph, if they do not eliminate it voluntarily within three months from the moment of detection of the specified violation, are subject to transfer to positions excluding such subordination, and if such transfer is impossible, one of these employees is subject to dismissal from office or other exemption from these functions.

Close relatives mean parents (parent), children, adoptive parents (adoptive parents), adopted (adopted), full- and half-siblings, grandfather, grandmother, grandchildren, relatives - full- and half-siblings, parents and children of the spouse.

The Policy was supplemented by paragraph 30-1 in accordance with the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated 08/19.21 No. 72; set out in accordance with the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated 30.12.22 No. 136 ([see old ed.](#))

30-1. The list of equated persons of the Company to which the provisions of the [Law](#) of the Republic of Kazakhstan "On Combating Corruption" apply is formed by the CCS and approved by the order of the Chairman of the Management Board of the Company.

8. Prevention and resolution of conflicts of interest

Paragraph 31 is set out in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136 ([see old ed.](#))

31. Equated persons are prohibited from exercising official duties if there is a conflict of interests.

Equated persons should take measures to prevent and resolve conflicts of interest.

The equated persons are obliged to notify in writing the direct head or the Chairman of the Management Board of the Company about the conflict of interests that has arisen or about the possibility of its occurrence as soon as they become aware of it.

The Policy was supplemented by paragraph 31-1 in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated 19.08.21 No. 72; set out in accordance with the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated 12/30/12 No. 136 ([see old ed.](#))

31-1. The equated person supervising a structural unit responsible for risk management should not supervise the Accounting and Reporting Department, the Financial Planning and Treasury Department.

The Policy was supplemented by paragraph 31-2 in accordance with the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136

31-2. The Direct Head or Chairman of the Management Board of the Company, upon the requests of the persons specified in [paragraph 31](#) of this Policy, or upon receipt of information from other sources, must promptly take the following measures to prevent and resolve conflicts of interest:

1) remove the persons referred to in paragraph 31 of this Policy from the performance of official duties and entrust another person with the performance of official duties on an issue in connection with which a conflict of interests has arisen or may arise;

2) change job responsibilities;

3) take other measures to eliminate the conflict of interests.

9. Formation of an anti-corruption culture

32. The formation of an anti-corruption culture is the duty of every manager and employee of the Company, through a set of educational measures, and a set of informational and organizational measures.

Note.

1. Anti-corruption education means a continuous process of training of Company's employees.

2. Information and organizational activity means conducting explanatory work in the mass media, organizing socially significant events and other measures provided for by the legislation of the Republic of Kazakhstan.

10. Reporting to the authorized anti-corruption body

33. The Company submits a Report on ongoing anti-corruption work to the authorized anti-corruption body.

34. The Report should contain:

- 1) information on status and ongoing work in the field of anti-corruption;
- 2) results of internal analysis of corruption risks;
- 3) information on execution or non-execution (indicating the reasons for non-execution) of the Company's plans on anti-corruption.

Paragraph 35 is set out in accordance with the decision of the Management Board of "Mortgage Organization "Kazakhstan Mortgage Company" JSC dated 11.03.20 No. 19

35. The report shall be formed by the CCS and signed by the Chairman of the Company's Management Board or person replacing the Chairman, who ensures the accuracy and completeness of the information and the timeliness of its submission.

Paragraph 36 is set out in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136 ([see old ed.](#))

36. The Company submits information before the 25th day of the month following the reporting year.

11. Measures to prevent corruption

Paragraph 37 was amended in accordance with the decision of the Management Board of 11.03.20 No. 19; the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated 19.08.21 No. 72 ([see old ed.](#))

37. Prevention of corruption in the Company is carried out on the basis of internal regulatory documents of the Company by applying the following basic measures on an ongoing basis:

- 1) carrying out verification of counterparties to establish business reputation and identify conflicts of interest;
- 2) accounting of affiliated persons of the Company;
- 3) examination of drafts internal regulatory documents of the Company in order to exclude norms that create conditions for corruption in the Company;
- 4) ensuring information security in the Company;
- 5) ensuring the functioning of feedback mechanisms in which equated persons, employees and contractors of the Company, as well as individuals and legal entities can report their suspicions to the CCS or provide information received from other persons to the CCS about

possible corruption offenses committed by any equated person, an employee of the Company, an equated person, an employee, a representative company's counterparty;

6) conducting internal audits of the CCS, in case of possible cases of corruption;

7) informing, advising and training employees on anti-corruption issues;

8) informing the Internal Audit Service about the facts of corruption and fraud and, if necessary, engaging for internal investigation, solely on behalf of the Committees of the Board of Directors and the Board of Directors of the Company.

The Policy was supplemented by paragraph 37-1 in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated 19.08.21 No. 72

37-1. The CCS has the right to implement automated systems to detect corruption and resolve conflicts of interest.

12. Final provisions

38. For committing corruption offenses, equated persons and employees of the Company bear criminal, administrative, civil and disciplinary responsibility in accordance with the laws of the Republic of Kazakhstan.

39. Equated persons and employees of the Company, to whom criminal, administrative or disciplinary measures have been applied for committing corruption offenses, are not exempt from liability for compensation of material damage to the Company.

40. Employees and structural divisions of the Company are responsible for compliance with the requirements of the Policy within their competence.

The Policy was supplemented by paragraph 40-1 in accordance with the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136

40-1. The Chairman of the Management Board of the Company is subject to disciplinary responsibility in accordance with the laws of the Republic of Kazakhstan for non-performance or improper performance of official duties to prevent the commission of corruption offenses by subordinate employees.

41. Equated persons and employees of the Company from the date of adoption of the Policy, and newly accepted from the moment of the beginning of performance of official and (or) work duties in the Company are required to confirm in the form provided for in [Appendix No. 2](#) to the Policy that they have studied, understood and undertake to follow the Policy in good faith.

42. Other matters not provided for in this Policy are regulated by the legislation of the Republic of Kazakhstan. If there are contradictions of this Policy to the provisions of legislation of the Republic of Kazakhstan, the provisions of the legislation of the Republic of Kazakhstan shall apply.

Appendix No. 1 to
[Policy](#) of
"Kazakhstan Housing Company" JSC
on combating corruption and fraud

Anti-corruption standards of Joint Stock Company "Kazakhstan Housing Company"

1. Anti-corruption standards of employees of Kazakhstan Housing Company JSC (the Company) have been developed in accordance with [paragraph 2 of Article 10](#) of the Law of the

Republic of Kazakhstan "On Combating Corruption" and [paragraph 24](#) of the Company's Anti-Corruption Policy.

2. Anti-corruption standards are aimed at achieving an atmosphere of intolerance to any manifestations of corruption in the Company by creating for Company's employees (hereinafter referred to as Employees) a system of value and moral anti-corruption guidelines for behavior in the exercise of their official functions.

3. The name of the sphere of public relations: finance.

4. Anti-corruption standards define the following standards of conduct for the Company's employees:

1) be guided by the principle of legality, the requirements of the Constitution, laws and other regulatory legal acts of the Republic of Kazakhstan, strictly comply with anti-corruption legislation;

2) ensure the observance and protection of the rights, freedoms and legitimate interests of individuals and legal entities;

3) prevent the commission of actions capable of discrediting the Company;

4) report to direct supervisor on the occurrence of conflict of interest, personal interest in the performance of official duties, on inducement to corrupt behavior and receiving gifts;

5) not to be guided by personal and (or) vested interests in the performance of official duties;

6) refrain from contacting colleagues and managers with unlawful requests that violate the established order of relations, which may influence their adoption of impartial official decision;

7) not to incite other Employees to commit corruption offenses and not to encourage such actions;

8) not to accept gifts in connection with the performance of official duties;

9) not to use official and other information that is not subject to dissemination in order to obtain or extract property and non-property benefits and advantages;

10) refuse to be appointed to a position if it is connected with direct subordination or control to persons who are in close kinship and family relations (parents, spouses, brothers, sisters, children, relatives (brothers, sisters, parents and children of the spouse)

11) be active in combating corruption, in uncovering corruption offenses;

12) immediately report to the direct management about known facts of corruption, including the inducement to receive any benefit for expedited consideration of materials or facts of red tape;

13) immediately inform the direct or immediate supervisor in writing about doubts about the legality of the order received for execution;

14) contact the higher management if the direct manager itself is involved in a conflict of interests;

15) support and demand from colleagues the observance of high legal anti-corruption culture;

16) take measures on an ongoing basis to eliminate the causes and conditions of possible conflict of interest, corruption offenses and their consequences;

17) refrain from assisting anyone in carrying out entrepreneurial and (or) other activities related to the extraction of income;

18) refrain from representing or lobbying the interests of third parties, as well as performing actions on their behalf;

19) not to use for non-official purposes the means of material, technical, financial and information support, as well as other state property and official information.

5. Managers at all levels in relations with subordinates need:

1) prevent cases of recruitment and placement of personnel on the grounds of kinship, fraternity and personal devotion, to ensure compliance with the principles of meritocracy;

- 2) accurately determine the tasks and scope of the official powers of subordinate employees;
 - 3) prevent an uneven distribution of the workload between employees who are subordinate;
 - 4) show fairness and objectivity in assessing the performance of subordinates, as well as the application of incentives and penalties;
 - 5) not to give subordinates orders that are clearly impossible or beyond the scope of their official duties, as well as orders that contradict the law;
 - 6) not to use the official position to influence the activities of subordinates in solving issues of an off-duty nature;
 - 7) not to force subordinate employees to commit corruption offenses;
 - 8) prevent violations of anti-corruption legislation by subordinates and other employees;
 - 9) promptly take comprehensive measures to resolve the conflict of interests that arose in the subordinate employee during the performance of his official duties;
 - 10) take comprehensive measures to prevent corruption;
 - 11) eliminate the causes and conditions that contribute to the commission of corruption offenses by subordinates;
 - 12) prevent the involvement of subordinates to perform off-duty or personal tasks;
 - 13) set an example to subordinate employees by their impeccable behavior.
6. Managers at all levels ensure compliance with these Anti-Corruption Standards and organize anti-corruption work among their subordinate employees.

Appendix 2 was amended in accordance with the [decision](#) of the Management Board of JSC "Kazakhstan Housing Company" dated 19.08.21 No. 72 ([see old ed.](#))

Appendix No. 2
to the [Policy](#) of
"Kazakhstan Housing Company" JSC
on combating corruption and fraud

Acknowledgement

Use this form to confirm that you have carefully studied, understood and undertake to faithfully follow the Anti-Corruption and Fraud Policy of Kazakhstan Housing Company Joint Stock Company (the Policy).

The equated persons and employees of Kazakhstan Housing Company JSC (the Company) are obliged to provide the Compliance Control Service with this completed and signed form from the date of adoption of the Policy, and the newly accepted ones from the beginning of the performance of labor and (or) official duties in the Company.

<p><i>Please fill out this form, sign it and send it in hard copy to the Compliance Control Service.</i></p>	<p>From the moment you start performing your labor and/or job duties in the Company, you are obliged to carefully study, understand and faithfully follow the Policy.</p> <p>Your confirmation</p> <p><i>(Please check the appropriate boxes)</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; height: 30px;"></td> <td style="width: 50%;">I confirm that I have studied and understood the Policy</td> </tr> <tr> <td style="height: 30px;"></td> <td>I undertake to follow the Policy in good</td> </tr> </table>		I confirm that I have studied and understood the Policy		I undertake to follow the Policy in good
	I confirm that I have studied and understood the Policy				
	I undertake to follow the Policy in good				

	faith
<i>Please sign here</i>	
<i>Full name</i>	
<i>Signature</i>	<i>Date</i>

The Policy was supplemented by Appendix 3 in accordance with the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated 19.08.21 No. 72

Appendix No. 3
to the [Policy](#) of
"Kazakhstan Housing Company" JSC
on combating corruption and
fraud

Self-assessment of effectiveness of controls on the system of anti-corruption measures

Assessment of effectiveness of controls on the system of anti-corruption measures is carried out by Chief Compliance Controller of Company based on the results of the reporting year.

Based on the results of the assessment, an action plan is being developed to eliminate deficiencies.

The report on results of self-assessment and the plan of measures to eliminate deficiencies are sent as part of the annual report on compliance risks for approval by the Company's Board of Directors.

To determine the final score of the effectiveness of controls on the system of anti-corruption measures, the Chief Compliance Controller performs the following actions:

qualifies the criterion as:

"complies", if all criteria are met;

"rather complies", if most of the listed criteria are met;

"partially comply", if half of the listed criteria are fulfilled;

"rather does not comply", if a smaller part of the criteria listed above is fulfilled;

"failure to comply", if none of the above criteria is met;

1) assigns the following points for each answer according to the criteria:

"complies" - 1 point;

"rather complies" - 0.75 points;

"partially complies" - 0.5 points;

"rather does not comply" - 0.25 points;

"failure to comply" - 0 points.

2) for each criterion, summarizes the points received and divides this amount by the maximum possible number of points according to the criteria, thereby determining the efficiency score according to the criterion in percentage terms.

3) depending on the received value of the final score of the effectiveness of controls on the system of anti-corruption measures, determines the level of maturity (*Table No. 1*)

Table No. 1

Levels of effectiveness/maturity of controls on the	Elementary	Appropriate	Mature	Effective
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system of anti-corruption measures				
Characteristic	The main elements of controls by system of anti-corruption measures are not ineffective.	The main elements of controls by system of anti-corruption measures partially comply with the "best practice"/legal norms, but are not effective enough.	The main elements of controls by system of anti-corruption measures correspond to the "best practice"/norms of legislation and are quite effective.	The main elements of controls by system of anti-corruption measures comply with the "best practice"/legal norms and are highly effective.
The overall score for evaluating the effectiveness of controls by system of anti-corruption measures	/ = 50%	/ = 75%	90%	> = 90%

№	Criteria	Evaluation of CCS	CCS Notes
1	The Company implements in practice all the requirements of the legislation regarding anti-corruption, as well as the requirements of the company in this area		
2	The Company's Management Board and Board of Directors participate in anti-corruption processes and corruption risk assessment procedures		
3	Employees and equated persons of the Company sign a commitment to follow anti-corruption policies and procedures		
4	The CCS conducts a standard risk assessment on a regular basis		
5	The CCS conducts anti-corruption monitoring and internal analysis of corruption risks in accordance with the Policy of Kazakhstan Housing Company" JSC on combating corruption and fraud		
6	The CCS documents the results of the internal analysis of corruption risks		
7	The Company publishes the results of internal analysis of		

Document: Policy of Kazakhstan Housing Company JSC on combating corruption and fraud (approved by the decision of the Board of the Mortgage Organization "Kazakhstan Mortgage Company" dated May 2, 2018 No. 29) (as amended on 30.12.2022)

Document status: valid. Date: 02.05.2018

	corruption risks on the corporate website of the Company		
8	Information sharing and training are carried out in accordance with the Work Plan of the CCS		
9	Special cases or major events (e.g. organizational changes, new internal guidelines, facts) are used to emphasize the goals and importance of the anti-corruption program		
10	The Company provides a secure and accessible hotline for reporting violations		
11	The Company's anti-corruption and fraud policy clearly states that employees and equated persons are expected to report violations		
12	Confidentiality is respected with respect to persons reporting information, as well as persons against whom charges are being brought or in connection with which issues of concern arise, and such persons have access to legal assistance.		
13	Top management receives periodic reports on detected violations or illegal activities		
14	The Company publicly reports on the implementation of its policies and procedures regarding the request for guidance, the identification of violations and submission of information about them		
15	A clear and understandable disciplinary responsibility has been adopted against persons for committing corruption offenses		
16	The procedure for tracking requests from customers, suppliers, government agencies and other external parties is being carried out. The Company conducts timely review, investigation and resolution of identified violations and deficiencies		
17	The Company carries out timely disclosure and publication of financial and non-financial statements in publicly available sources.		
Results of the criteria:			
Total point:			

The Policy was supplemented by Appendix 4 in accordance with the [decision](#) of the Board of JSC "Kazakhstan Housing Company" dated December 30, 2012 No. 136

Appendix No. 4
to the [Policy](#) of
"Kazakhstan Housing Company" JSC
on combating corruption and
and fraud

Results of thematic anti-corruption monitoring

I. Introduction

1. Name of sphere(s) of activity in which anti-corruption monitoring is carried out/name of the quasi-public sector entity subject to thematic anti-corruption monitoring:

_____.

2. Thematic anti-corruption monitoring was carried out by: individual/legal entity, email address, phone number

_____.

3. The period of thematic anti-corruption monitoring: started _____ completed _____.

II. Information and analytical part

Quantitative and qualitative indicators characterizing the state and causes of corruption in the Company's activities.

III. Final provisions

Conclusions. Evaluation of the processed information.