

Approved by
the decision of the Board of Directors
of Air Astana JSC dated
07 March 2019 (Minutes #193)



**SPEAK-UP POLICY
OF "AIR ASTANA" JSC**

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TERMS AND DEFINITIONS

Audit Committee – Audit Committee of the Board of Directors of “Air Astana” JSC

Bribe¹ – a benefit (including gifts, money, assets, rewards or services) accepted by a civil servant or a public official for an action (or, on the contrary, inaction) undertaken in the interests of a bribe giver.

Commercial bribery – an illegal act of giving money, securities or other assets, as well as monetizable services, to a person performing managerial functions in a commercial or other organization with the aim of influencing this person in the discharge of his/her official duties, as well as for obtaining his/her patronage or connivance in the interests of a bribe-giver.

Corporate fraud – action or inaction of individuals and/or legal entities in order to obtain private benefits and advantages to the detriment of the interests of the Company, and/or to cause the Company material, and/or non-material damage by deception, dishonest scheme, false representation or otherwise.

Corruption – abuse of power or authority; giving and/or receiving a bribe, commercial bribery or other forms of illegal use of powers contrary to the legitimate interests of the Company and the state in order to obtain private gains, such as cash, valuables, other assets or monetizable services, proprietary rights (for third parties, as well), or the illegal provision of any such benefit to an entity by individuals, and any such actions on behalf of or in the interests of the Company or other legal entity.

Corruption offense – an action (or inaction) with elements of corruption for which administrative or criminal liability is established by law.

Employee – an individual employed by the Company under employment contract and/or other individuals engaged under an agency or other contract.

Officials – Company President and the Board of Directors of “Air Astana” JSC.

Personal / private interest – a possibility of receiving by Official/Employee of an income in a type of money, values, other assets or monetizable services, other property and non-property rights for or the third parties.

Report – information submitted by the Reporting person via phone, mail, e-mail, internet or other channel on possible or known cases and/or concerns in respect of fraud, corruption, violations of ethical standards and/or any other illegal or unfair actions.

Reporting Person – the Employee, the counterparty and/or other third party who has a business relationship with the Company, who submitted the report.

Respondent - the Employee of the Company, the Counterparty or another third party who cooperates with the Company, about whom the Report is made.

¹ The term "bribe" is used to identify the bribery of a civil servant while the term "commercial bribery" is used to identify the bribery of a commercial structure employee.

1. GENERAL PROVISIONS

- 1.1 Air Astana Joint Stock Company (hereinafter – the "Company") values its reputation and adheres to the principles of fairness, transparency and honesty, as stated in the Company's Code of Ethics. The Company has zero tolerance for any actions which violate these principles and the applicable legislation of the Republic of Kazakhstan.
- 1.2 The Company pays special attention to the development of corporate culture and business ethics and encourages timely reporting by Employees and counterparties of their concerns in relation to possible violations of law and the Company's Code of Ethics, policies and regulations. Examples of such violations include, without being limited to, the following:
- a. Bribery, commercial bribery and other corruption offenses;
 - b. Corporate fraud, including financial reporting fraud (deliberate mistakes in preparation and assessment of the Company's accounting books and records as well as its financial statements, drawing up and storage of financial documentation);
 - c. Violation of the Company's internal policies and procedures and statutory requirements;
 - d. Disclosure of the Company's confidential and sensitive information to third parties;
 - e. Unethical business practice and behavior, including abuse of office;
 - f. Discrimination, prosecution, threats to health, work safety and the environment.
- 1.3 Other third parties, including state bodies, financial institutions and other interested parties may also submit a Report according to this Policy.

2. PURPOSE AND THE SCOPE OF THE POLICY

- 2.1 This Policy is aimed to:
- a. Promote the transparency and reporting culture with respect to potential cases of fraud, corruption and other violations under this Policy;
 - b. Establish a mechanism of reporting (personally or anonymously) on possible violations or concerns about misconduct;
 - c. Demonstrate the process of registration, consideration, record keeping of the Reports, as well as the provision of guarantees and feedback to the Reporting person;
- 2.2 Employees and Partners should not use this Policy and its mechanisms to express their personal dissatisfaction or to seek revenge or retaliatory action against another person.
- 2.3 This Policy should not be used to place pressure on Employees and Partners and/or to force them to take/ abstain from certain actions.
- 2.4 This Policy is applicable to all full time and part-time Company Employees and the Officials, temporary and agency personnel, contractor employees and counterparties.

3. RESPONSIBILITY AND GUARANTEES OF THE REPORTING PERSON

- 3.1 The Reporting person is responsible for the information provided in the Report.
- 3.2 The information in the Report must be objective and unbiased. The Report must include all material information (including supporting documents, if any) with an indication of the grounds for concern.
- 3.3 Deliberate false reports are treated as a serious violation of the Criminal Code of the Republic of Kazakhstan. In such cases, this information² will be passed to the relevant government authorities in accordance with the legislation of the Republic of Kazakhstan.
- 3.4 The Company guarantees to the Reporting person:
 - a. Objective and competent consideration of all Reports;
 - b. Protection against unlawful actions in respect of labour issues, including disciplinary measures, temporary suspension, harassment and / or other forms of discrimination;
 - c. Confidentiality and anonymity (if the Reporting person wishes not to disclose a personal data), to the extent confidentiality and anonymity is subject to the requirements of the law of the Republic of Kazakhstan;
 - d. Avoidance of attempts to conceal and suppress evidence supporting the information in the Report;
 - e. Taking disciplinary measures against individuals who destroyed or concealed evidence supporting information in the Report.
 - f. Giving feedback on the results of the investigation, subject to law provisions on confidentiality.
- 3.5 The Reporting person, acting in good faith, should have no fear of termination of employment, demotion, rejection of business relationships, harassment or other forms of discrimination. The Reporting person shall not abuse the right for protection. The protection granted to the Reporting person under this Policy shall not be treated as a defense measure against disciplinary or other liability for deliberately reporting false information.

² False information (knowingly or intentionally false) is statements about facts or events that did not occur in reality

4. SUBMISSION, REGISTRATION AND PROCESSING OF THE REPORT

4.1 The Company welcomes openness of reporting by both Employees and third parties. However, the Reporting person may choose to not indicate his / her personal data in the Report (remain anonymous).

Submission of the Report

4.2 The Reporting person can report violations as follows:

		Reporting person*	
		Employee	Counterparty or other third party
Receiver of Report	Direct manager (for Employees)/Head of Department	Informs direct manager/Head of department in first instance	Not provided
	Compliance Department [<i>Other division responsible for compliance</i>]	With the notification of direct manager, an Employee informs the Compliance Department	Should notify Compliance Department [<i>Other division responsible for compliance</i>] in first instance
	President & CEO	If it is not possible to inform their direct manager, Employee may notify the President & CEO	Has the right to address the President & CEO of the Company
	External operator	The Company provides for independent third-party facility ("External Operator"), via telephone, e-mail and web-site for Employees, counterparties and other third parties. The External Operator guarantees confidentiality (if Reporting persons chooses to remain anonymous).	

* In all cases, the Reporting person has the right to report the alleged violation both verbally and in writing.

Registration of Reports

4.3 The External Operator receives and processes the submitted Report, and includes it into a consolidated report, which is sent it to the Compliance Department [*Other division responsible for compliance*] for further consideration.

4.4 The Compliance Department [*Other division responsible for compliance*] records the information about the possible violations (received either directly or through the External Operator) in the "Register of Reports" (see Appendix 1 to this Policy):

- a. For Reports received during working hours: immediately after receiving an Report;
- b. For Reports received during off-hours: the next working day.

4.5 The Register of Reports is maintained in electronic form by each calendar year.

Processing and monitoring of Reports

4.6 The Compliance Department [*Other division responsible for compliance*] shall, within no greater than two working days, conduct a preliminary review of the Report, and determine the main facts of the violation, including evidence to substantiate the violation and the existence of potential loss or damage.

- 4.7 If preliminary review by the Compliance Department [*Other division responsible for compliance*] indicates that the Report does not meet the requirements for processing in accordance with this Policy (there are no criteria for corruption offense, unethical or unfair behavior), the Report can be rejected at this stage. The Compliance Department [*Other division responsible for compliance*] may request the Respondent to provide a written explanation, including documents (evidence) supporting the explanation and / or disproving the information in the Report.
- 4.8 If preliminary review indicates that further consideration of the Report is necessary, the Compliance Department [*Other division responsible for compliance*] initiates an internal investigation.
- 4.9 In the course of preliminary review of the Report and further internal investigation, the Compliance Department [*Other division responsible for compliance*] has the right to request to provide, on a confidential basis, any information or documents (materials) relevant to the Report.
- 4.10 In addition, the Compliance Department [*Other division responsible for compliance*] shall have the right to access any information available to the Company with respect to the Respondent, subject to the laws of the Republic of Kazakhstan.
- 4.11 On a quarterly basis, the Compliance Department [Other unit responsible for compliance] shall prepare a report for the Audit Committee on the status of the received Reports for the reporting period, as well as detailed information describing the details and action plan for each current (active) investigation.
- 4.12 In addition, if necessary (for example, the materiality of the violation, the need for a quick response, etc.), the Compliance Department [Other division responsible for compliance] should immediately inform the Audit Committee and the President of the Company.
- 4.13 On a quarterly basis, a report on the status of received Reports for the reporting period shall be submitted to the President and Internal Audit Service for information purposes.

5. FEEDBACK AND DATA RETENTION (RECORDKEEPING)

- 5.1 In respect of each received Report (accepted or rejected), the Compliance Department [*Other division responsible for compliance*] shall provide a response to the Reporting person about acceptance (or rejection) of the Report. If rejected, the reasons of such decision shall be indicated.
- 5.2 Within 15 [fifteen] working days after initiation of the investigation, the Compliance Department [*Other division responsible for compliance*] must notify the Reporting person of the results or current status of the investigation subject to the law provisions and internal confidentiality policy.
- 5.3 The Compliance Department [*Other division responsible for compliance*] shall maintain a central record of all information related to the Reports, including rejected Reports, the results of investigations and follow-up measures, which shall be treated as confidential. Access to the central database is granted to the Audit Committee and the Officials only. The Internal Audit Service may request information from the central database, if necessary.
- 5.4 Investigation results, reports to the Audit Committee are not subject to disclosure, except for the cases provided for by applicable legislation or the Company's internal regulations.

6. RESPONSIBILITY

- 6.1 Every Employee shall assist the Company in conduction of investigations pursuant to this Policy.
- 6.2 The Compliance Department [*Other division responsible for compliance*] shall be responsible for implementation of this Policy, as well as for providing advice on the provisions of this Policy to the Company's Employees and counterparties, and communication of the information on the External Operator, as well as monitoring the External Operator.
- 6.3 The Board of Directors approves this Policy, and takes measures to improve it. If necessary, changes and amendments can be made to this Policy.

APPENDIX 1

SAMPLE

JOURNAL OF REGISTRATION OF REPORTS FOR VIOLATIONS

20__ y.

№ Report	Date and time	Method of receiving the Report	Information about the person who provided information about the violation (if not an anonymous message) (name, department, position, Company name)	Report Details (by whom and when committed, as it became known about the violation, other)	Official investigation initiated (Yes / No)? <i>If "Yes", specify the date and number of the order If "No", indicate the reason</i>	Start and end date of official investigation	Results (disciplinary measures taken in relation to the subject, control procedures adopted based on the results of the investigation)
5-T	13.09.2019 17-30 ACT	Received by the External Operator (via phone)	Ivan K., junior archivist, witnessed the conversation of Gennady P. on a mobile phone in the dining room on September 13, 2019 from 16-00 to 17-00	Senior Sales Specialist Gennady P. received from the Client XXX illegal compensation in the amount of XXX tenge. Date of violation is not established	Yes Order No. 0073 of September 14, 2019.	14.09.2019 – 18.09.2019	Based on the results of the investigation, the decision was made to dismiss Gennady P. (The order on dismissal No. XX from XX.XX.2019)

**LIST OF ACKNOWLEDGMENT
WITH THE SPEAK-UP POLICY OF AIR ASTANA JSC**

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Compliance Officer (“Reviewed”):

(Surname, name; signature)