CODE OF ETHICS
KazMunaiGas Exploration Production JSC

Astana 2012

1. GENERAL PROVISIONS

1.1 This Code sets out the key values, principles and standards of business conduct that should be adhered to for the Company to attain its strategic goals. The Code is a key document in implementing the Company's policy toward developing corporate culture within the Company.

1.2 In its 2020 Strategy KazMunaiGas Exploration Production JSC (hereinafter referred to as "Company") acknowledges that the basis of the achievement by the Company of its strategic are the following basic values of the Company:

- business community's trust in the Company;
- Company's reputation as an open and honest market player;
- protection of rights and interests of shareholders, Employees and business partners of the Company.

1.3 The Company's strategic goals may only be achieved through these Company values and only if each Employee and Officer abides by the key principles of business conduct in their day-today operations and follows the principles and standards of business conduct set out in this Code of Corporate Ethics (hereinafter referred to as "Code").

Any relations associated with Company's business conduct shall be governed by the Principles of KazMunaiGas Exploration Production JSC approved by Company's Board of Directors.

1.4 When fulfilling their job functions each Employee and Officer shall be guided by the provisions of this Code, and only in doing so can they contribute to the development of the corporate culture and achievement of the Company's strategic goals.

1.5 The adoption of this Code means that all Employees and Officers agree subject to clause 9.2 hereof with the rules and standards of conduct, directed to achieve corporate goals and establishing corporate culture of the Company.

1.6 It is also important that the Code identifies rules and behavior standards, breach of which can result in disciplinary, administrative and/or criminal liability of Employees and Officers of the Company.

1.7 Non-compliance with the rules and standards of conduct, established by the Code may also cause harm to the Company, including losing of the Company's reputation and imposing on the Company of significant fines.

1.8 In order for the Code to be an efficient tool of the Company's policy to establish the corporate culture, the Code also sets forth the systems and controls over non-compliance with its provisions.

2. PROTECTING EMPLOYEES' RIGHTS

2.1 All Employees of the Company have the right to:

- work in a safe and healthful environment;
- have their contribution to the Company recognized and valued;

- be assisted in developing their professional skills;
- discuss the quality and effectiveness of their work openly and constructively;
- other rights in accordance with labour laws, collective agreement and employment contracts.

2.2 The Company undertakes all measures to ensure health and safety protection for all Employees. Employees and Officers in their turn should meet the Company's requirements in terms of health, safety and environment, social responsibility, and individual responsibility for health and safety regulations while fulfilling their job duties.

2.3 The Company will not tolerate discrimination based upon ethnicity, race, religion, age, gender, political or other types of discrimination. Therefore, any decision on employment, evaluation, promotion, training, further development, compensation and dismissal should be based on qualification, merits, performance and business considerations only. The Company makes compensations depending on qualification level, complexity and quality of work done, results of assessment of an Employee's performance efficiency.

2.4 The Company is interested in providing equal opportunities for those Employees who seek self-education and personal development to increase their professional qualification. For this purpose the Company develops individual training and professional development programs of Employees.

2.5 This Code, the employment contracts and the collective agreement, internal labor regulations, job descriptions, and any other internal documents of the Company shall extend to all Employees and officers of the Company.

3. FIGHTING CORRUPT PRACTICES

3.1 For the purposes of the Code corruption shall mean not stipulated by laws a direct or indirect offer, payment, soliciting or receiving, agreeing to receive benefits and advantages and opportunities connected with such benefits and advantages in person or through or through intermediaries with the purpose of influencing on decisions made with respect to the Company's activities.

3.2 Corruption poses a threat to sustainable development of the Company and its corporate security as well as to society in general. Corruption undermines the principle of healthy competition and may cause significant damage to the Company's reputation. Therefore, the Company does not tolerate all forms of corruption practices committed on the part of Employees and Officers as well as Interested Persons, and strives to undertake all necessary measures to prevent corruption.

3.3 Committing corruption by Employees and Officers result in liability of such persons in the territory of the Republic of Kazakhstan as well as in foreign jurisdictions in the form of fines and/or imprisonment and/or other sanctions.

3.4 Direct responsibility to prevent corruption is assigned to Employee and his/her direct manager. If any Employee is nailed in any corruption practices then both such Employee and his/her direct manager shall be held responsible for such corrupt practices, provided that the direct manager was not or could not be aware of the fact of committing corruption by the Employee.

3.5 By way of preventing corruption Employees of the Company shall report to their management and/or the Compliance Officer on any corruption practices they have become aware of. In these cases such Employees are granted with guarantees as to confidentiality and protecting their rights and interests from unlawful restrictions of their rights and interests, including retaining their job position.

3.6 The Company requires that all Interested Persons adhere to norms of the Code in the order established by laws.

4. AVOIDING CONFLICTS OF INTEREST

4.1 A conflict of interest may arise when actions or decisions made by an Employee or an Officer are influenced by their personal relationship or an outside activity or interest related with other company.

4.2 Avoiding of the conflicts of interest is important to protect interests of the Company, its Employees and Officers. All Employees and Officers of the Company shall be responsible for making transparent, timely and adequate decisions, free from any conflicts of interest.

4.3 In order to avoid conflicts of interest Employees and Officers of the Company shall:

- avoid any actions and relations which potentially may cause conflicts of interest or make it look like there is a conflict of interest;
- refrain from providing advantages to other organizations which are managed, controlled or owned by members of the family or other Connected Persons;
- immediately report to a supervisor or a manager or the Compliance Officer of any commercial and any other interest (whether direct or indirect) in any deals, contracts, projects associated with the Company, or about any work and/or a job title held in any other organization, change of permanent/primary work location (or any other place of employment or an entrepreneurship, etc.);
- immediately report and prior to giving consent to any employment or a job title in a board of directors/supervisory board of an outside company that is not within the Group of the Company to obtain approval from the Company’s Board of Directors/management Board in accordance with the competence;
- not participate in a discussion and/or voting on any matter to which such an Employee or an Officer is a related party.

5. EXTERNAL RELATIONS AND INTERNAL COMMUNICATION

5.1 The Company shall interact with its business partners on the principles of legality, good faith, effectiveness and equality of all members, as well as mutual benefits, freedom of contracts, and inadmissibility of interference in private business while ensuring that any rights which have been infringed are restored and that those business partners have judicial protection and bear full liability in accordance with the liabilities they have assumed subject to the contractual terms.

5.2 The Company seeks to select suppliers of goods, works and services in a transparent manner in accordance with the applicable laws of the Republic of Kazakhstan and internal documents of the Company, and with consideration of the Company’s best interests ensuring optimal and cost effective procurement of high quality goods, works and services with fair competition among potential suppliers, and ensuring that minimum number of agents are involved in procurement.

5.3 The Company monitors the adherence to high ethical standards in its relations with the public and mass media. The Company does not allow dissemination of inadequate information, suppressing and/or distorting the facts in public speeches, press-releases or other public relations events.

5.4 The Company shall disclose information of a precise nature directly or indirectly related to the Company causing significant effect to market value of the Company's securities in accordance with the Information Disclosure Policy.

5.5 Company's Employees and Officers shall use business and polite manner of communication and information exchange in their daily work. Detailed rules of the internal communication are stipulated in the Procedures and Instructions on Documentation Flow of the Company.

6. DEALINGS IN THE SECURITIES OF THE COMPANY BY EMPLOYEES AND OFFICERS

6.1 Employees and Officers who have or may have access to information directly or indirectly related to the Company and if disclosed may cause significant effect to market value of the Company's securities, may deal in the securities of the Company subject to restrictions set out in the Company's Policy on Dealing in Securities.

7. SAFEGUARDING THE COMPANY'S ASSETS AND INFORMATION

7.1 Company's assets are any financial, physical, intangible or any other assets which may include funds, securities, property rights or other property including buildings, equipment, funds, and software, know-how, data, patents and other intellectual property rights.

7.2 Employees and Officers of the Company shall protect Company's assets and use their best reasonable efforts to protect the rights and legitimate interests of the Company from criminal offense, and from depreciation, reduction, damage, destruction as a result of wrongful acts and misuse of confidence and abuse of power, theft, misappropriation or embezzlement or any other wrongful act.

7.3 Employees and Officers of the Company shall be responsible for ensuring confidentiality of any information constituting official and commercial secret in accordance with the Guidelines on Protection of Corporate and Commercial Secret.

7.4 If an Employee becomes aware of any breach in the rules on confidentiality of information or information security systems, such Employee shall report of such circumstances to their direct manager and/or the Compliance Officer.

8. COMPANY FINANCES

8.1 The Company shall conduct its financial affairs based on the principles of good faith and trust in accordance with laws and highest professional standards.

9. CONTROLLING MEASURES

9.1 The Company's Board of Directors shall exercise control over compliance with this Code of Ethics.

9.2 The Company shall seek to encourage its Employees and Officers to read and understand the provisions of this Code. Employees and Officers shall express their agreement with the provisions of the Code by signing the respective acknowledgement of receipt and understanding of this Code. An Employee or an Officer may indicate in the acknowledgement of receipt and understanding of the Code their non-acceptance of certain provisions of the Code.

9.3 If an Employee has any question or doubts concerning compliance with the provisions of the Code, they may consult with their managers or the Compliance Officer.

9.4 Any Employee or an Officer may freely express their concern about any breach of any provisions of the Code.

9.5 Employees of the Company shall report to their managers and/or the Compliance Officer of any breach of the Code which they have become aware of. Interested Persons and business partners of the Company may also report to the Compliance Officer on any breach of the Code.

9.6 The Compliance Officer shall ensure that Employees or Officers who reported on any breach of the provisions of the Code remain anonymous (if they wish so).

9.7 If an Employee or an Officer breaches a provision of the Code, then the materials on such matters may be submitted to the Audit Committee of the Board of Directors for consideration.

10. IMROVEMENT OF THE CODE

10.1 The Company encourages Employees who are ready for open discussion of the Code and shall consider any constructive recommendations as to its improvement.

10.2 The Board of Directors shall review and update the Code once in two years shall review the Code to analyze its practical implementation, and shall, if necessary, introduce amendments to the Code based on recommendations of the Audit Committee of the Board of Directors.

11. TERMS USED IN THIS CODE

Officer – a member of Company’s Board of Directors and Management Board;

Interested Person – a person whose rights under the laws and the Charter are exercised in connection with Company’s activities;

Code – Code of Ethics of KazMunaiGas Exploration Production Joint Stock Company;

Company – KazMunaiGas Exploration Production Joint Stock Company.

Compliance Officer – an Employee exclusively responsible for overseeing and managing compliance issues within the Company subject to his or her job description approved by the Company’s Board of Directors.

Conflict of interests – any situation in which an Employee or an officer is in a position where competing interests influence or may influence to fulfillment of his or her duties impartially.

Employee – an individual who is employed by the Company and fulfills his or her duties under their employment contract;

Connected Person – shall mean the following persons:

- The spouse, civil partner, child or step-child under age of 18 years of a PDMR;
- A body corporate with which the PDMR is "associated" (that is, a body corporate:

(i) in which the PDMR, or any his or her Connected Person, is a director or other senior executive who has the power to make management decisions affecting the future development and business prospects of that body corporate; or

(ii) where the PDMR and his or her Connected Persons together control, or can exercise, more than 20% of the voting rights in a general meeting (with the exception of votes attached to treasury shares) or are interested in at least 20% (in nominal value) of the shares (with the exception of treasury shares) comprised in the equity share capital);

- The trustee of a trust (excluding an employee's share distribution programme (option plan) or a pension programme) of which the beneficiaries or potential beneficiaries include the PDMR, his or her Connected Persons;
- Any business partner of the PDMR, or a partner of any Connected Person of PDMR;
- A person related to PDMR who at the date of the transaction in question has shared the same household for at least 12 months;

Person Discharging Managerial Responsibility ("PDMR") – a person discharging managerial, organizational (general management, placing and recruitment of employees, work management and control, maintaining discipline through incentives or penalties) or administrative (full financial responsibility, acting in accordance with powers conferred to manage property including cash balance or cash on company bank account) functions either temporarily or by a special authority**,** including Directors, members of Management Board, and other employees of the Company who have regular access to Material Information and/or Inside Information, and any other person included in the list specified in Section 6.1.1 of the Policy on Dealing in Securities.