



**MINISTRY OF SCIENCE AND HIGHER EDUCATION
OF THE REPUBLIC OF KAZAKHSTAN
NJSC MAKHAMBET UTEMISOV WEST KAZAKHSTAN UNIVERSITY**


QUALITY MANAGEMENT SYSTEM

PROVISION

**Approved
By the decision of the Board of
Directors
NJSC " M.Utemisov West
Kazakhstan University".
protocol № 6
dated December 26, 2023**

**PROVISION
ANTI-CORRUPTION COMPLIANCE OFFICER OF THE NON-PROFIT
JOINT STOCK COMPANY "M. UTEMISOV WEST KAZAKHSTAN
UNIVERSITY"**

URALSK 2023

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1. GENERAL PROVISIONS

1.1 These Regulations in accordance with the legislative acts of the Republic of Kazakhstan determine the status, powers and organisation of work of the anti-corruption compliance officer (hereinafter referred to as Compliance) at the University.

1.2 These Regulations are developed in accordance with the Law of the Republic of Kazakhstan "On Combating Corruption" dated 18 November 2015 № 410-V ZRC, Methodological Recommendation on the organisation of the institute of anti-corruption compliance in the subjects of quasi-public sector, approved by the Chairman of the Agency of the Republic of Kazakhstan on Combating Corruption dated 30 December 2020, Order of the Minister of Education and Science of the Republic of Kazakhstan № 178 dated 3 May 2022 "On anti-corruption compliance".

1.3 The university defines structural units that carry out anti-corruption compliance in accordance with the Law of the Republic of Kazakhstan "On Combating Corruption" (hereinafter - the Law) and internal documents of the university.

1.4 Compliance is established by the decision of the Board of Directors of the Company to ensure compliance by the university and its employees with the anti-corruption legislation of the Republic of Kazakhstan, as well as to monitor the implementation of anti-corruption measures.

1.5 Compliance Officer is directly subordinate to the Board of Directors of the Company and reports to it on its work, has free and independent access to the management and heads of structural divisions of the Company.

1.6 The structure and headcount (number of employees) of Compliance shall be approved by the Board of Directors.

1.7 Functional duties, rights and responsibilities of the Compliance Officer are determined by the respective job descriptions, which are developed on the basis of the Regulations of the Anti-Corruption Compliance Officer approved by the Board of Directors.

1.8 The relevant act of the Anti-Corruption Compliance Officer is posted on the official Internet resource of the University and communicated to all employees of the organisation.

1.9 In these Regulations, the terms are used in the following meaning:

1) anti-corruption compliance - a function to ensure compliance of the relevant organisation and its employees with the legislation of the Republic of Kazakhstan in the field of combating corruption, assigned to one of the subdivisions of a quasi-public sector entity;


2) quasi-state sector entities - state enterprises, limited liability partnerships, joint stock companies, including national management holdings, national holdings, national companies whose founder, participant or shareholder is the state, as well as subsidiaries, affiliates and other legal entities affiliated with them in accordance with the legislative acts of the Republic of Kazakhstan;

3) conflict of interest - a contradiction between personal interests of persons equated to persons authorised to perform state functions and their official powers, where personal interests of the said persons may lead to non-performance and (or) improper performance of their official duties;

4) corruption offence - an unlawful guilty act (action or inaction) with corruption characteristics, for which administrative or criminal liability is established by law;

5) corruption risk - the possibility of the occurrence of causes and conditions conducive to the commission of corruption offences;

6) prevention of corruption - activities of anti-corruption actors to study, identify, limit and eliminate causes and conditions conducive to the commission of corruption offences by developing and implementing a system of preventive measures.

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2. STATUS OF COMPLIANCE

2.1 Compliance is an employee of the university, independent from other structural units, subordinate and accountable to the Board of Directors.

2.2 Compliance is independent in taking and implementing anti-corruption measures at the University.

2.3 The Compliance Officer is subject to the provisions of the Company's internal documents.

2.4 The appointment and dismissal of the Compliance Officer of the University is carried out by the Board of Directors with the relevant notification of the Ministry of Science and Higher Education of the Republic of Kazakhstan.

Information on the reasons for dismissal of the Compliance Officer and his/her reporting information shall be sent to the Ministry of Science and Higher Education of the Republic of Kazakhstan.

The Ministry of Science and Higher Education of the Republic of Kazakhstan conducts mandatory interviewing of dismissed compliance officers in order to improve the quality of feedback and control over anti-corruption activities of subordinate organisations.

2.5 Compliance performance is assessed by a structural unit of the Ministry of Science and Higher Education of the Republic of Kazakhstan on the basis of submitted reports and information on anti-corruption measures taken.

3. GOALS, OBJECTIVES, PRINCIPLES, FUNCTIONS, RIGHTS AND OBLIGATIONS OF COMPLIANCE

3.1 The main purpose of Compliance is to ensure compliance of the University and its employees with the legislation of the Republic of Kazakhstan on combating corruption, as well as monitoring the implementation of anti-corruption measures.

3.2 Tasks of Compliance:


- 1) Ensuring compliance with external regulatory requirements and international best practices on anti-corruption issues;
- 2) Ensuring compliance with the basic principles of anti-corruption in accordance with the Law;
- 3) Identification, assessment and reassessment of corruption risks;
- 4) Effective implementation of the system of anti-corruption measures in accordance with the Law.

3.3 Compliance shall be guided by the following principles:

- 1) Management's interest in the effectiveness of anti-corruption compliance;
- 2) Sufficiency of powers and resources necessary to fulfil the tasks of Compliance;
- 3) Independence of Compliance;
- 4) Information transparency of Compliance activities;
- 5) Continuity of anti-corruption compliance;
- 6) Improvement of anti-corruption compliance.

3.4 Functions of Compliance:


- 1) Develops the university's internal anti-corruption policy;
- 2) Develops anti-corruption instructions for university employees taking into account the specifics of the organisation's activities;
- 3) Conducts explanatory activities on anti-corruption issues and formation of anti-corruption culture at the university;
- 4) Promote corporate ethical values;
- 5) Ensures control over compliance of university employees with anti-corruption legislation and the corporate code of ethics;

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- 6) Organises training of university employees on anti-corruption issues;
- 7) Develops and monitors the implementation by structural units of the internal anti-corruption programme in the activities of the university and its employees;
- 8) Coordinates the work on internal analysis of corruption risks in the activities of the university in accordance with the order of the Chairman of the Agency of the Republic of Kazakhstan for Civil Service and Anti-Corruption of 19 October 2016 № 12 "On Approval of the Model Rules for Internal Analysis of Corruption Risks" with the involvement of representatives of civil and business community institutions;
- 9) Manages corruption risks at the university;
- 10) Take measures to identify, monitor and resolve conflicts of interest, including employment issues;
- 11) Takes measures to regulate the issues of gifts and hospitality at the university;
- 12) Carries out verification of counterparties in financial transactions;
- 13) Carries out internal audits on the basis of appeals (complaints) about the facts of corruption at the university and/or participates in them;
- 14) Monitor the compliance of university employees, who belong to the category of persons equivalent to persons authorised to perform state functions, with anti-corruption restrictions in accordance with the Law;
- 15) Monitor and analyse changes in anti-corruption legislation and judicial practice in cases related to corruption at the university;
- 16) Evaluate the effectiveness of implementation of anti-corruption measures by structural units and employees of the University;
- 17) Hear relevant information from structural units and employees of the university on anti-corruption issues;
- 18) Makes recommendations to the Head of the University on eliminating identified corruption risks and improving the efficiency of internal processes;
- 19) Send reports and information on anti-corruption measures taken to the authorised anti-corruption body;
- 20) Report annually to the Board of Directors and the Head of the Ministry of Science and Higher Education of the Republic of Kazakhstan.

3.5 Rights of Compliance:

- 1) To request and receive information and materials, including those constituting commercial and official secrets, from the structural units of the university within the framework of approved procedures regulated by the internal documents of the organisation;
- 2) Initiate the submission of issues within their competence for consideration by the Board of Directors of the Company;
- 3) Initiate official inspections on incoming reports on possible corruption offences or violations of the anti-corruption legislation of the Republic of Kazakhstan;
- 4) Require supervisors and other University employees to provide written explanations as part of official investigations;
- 5) Develop proposals to improve the anti-corruption legislation of the Republic of Kazakhstan and submit them for consideration of the authorised anti-corruption body;
- 6) Participate in the development of draft internal regulatory documents within its competence;
- 7) Provide consulting assistance in anti-corruption activities at the university;
- 8) Establish information channels that can be used to report the existence or potential violation of anti-corruption legislation at the university, or make proposals to improve the effectiveness of anti-corruption measures.

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3.6 Responsibilities of Compliance:

1) Maintains the confidentiality of information about the university and its affiliates, insider information that became known during the performance of Compliance functions, unless it contains information about an impending corruption offence;

2) Ensure confidentiality of persons who have contacted the Company regarding alleged or actual facts of corruption, violations of the corporate code of ethics and other internal policies and procedures on anti-corruption compliance;

3) Timely inform the Board of Directors of any situations involving the existence or potential violation of anti-corruption laws;

4) In cases where signs of criminal or administrative corruption offences are detected in the actions of university employees, submits materials with relevant evidence to the authorised anti-corruption body;

5) Does not interfere with the established work regime of the university;

6) Observes the requirements of official and professional ethics;

7) Compliance ensures and bears responsibility for timely and qualitative fulfilment of the functions and tasks assigned to it.

4. MISSION AND OBJECTIVES OF COMPLIANCE

4.1 The mission of Compliance is to provide necessary assistance to the Board of Directors and the Management Board of the Company in fulfilment of their duties to achieve the strategic goals of the Company.

4.2 The main objective of Compliance's activities is to provide the Company's Board of Directors with independent and objective information designed to ensure the effective management of the Company by applying a systematic approach to improving the risk management, internal control and corporate governance systems.

5. COMPLIANCE STRUCTURE

5.1 Compliance Officer shall be appointed by the Board of Directors of the Company after prior agreement with the Ministry of Science and Higher Education of the Republic of Kazakhstan.

5.2 The labour contract with Compliance shall be concluded by the Chairman of the Management Board of the Company on the basis of the resolution of the Board of Directors.

5.3 Compliance, in accordance with the labour legislation of the Republic of Kazakhstan, has the right to terminate employment contracts concluded with them on its own initiative.

5.4 Qualification Requirements:

5.4.1 Compliance shall have higher professional education (preferably legal), work experience in organisations of higher education or in the profile of at least 5 years, including in managerial positions for at least 1 year, professional knowledge, other skills necessary for the performance of job duties.

6. POWERS OF COMPLIANCE


6.1 Compliance shall, in accordance with the established procedure:

1) Organises the work, creates the necessary conditions for the successful performance of the duties assigned to him/her;

2) Submits for consideration of the Board of Directors of the Company proposals on the directions of development and improvement of the efficiency of Compliance, the Company;

3) Represent Compliance in the Company's subdivisions on issues within the competence of Compliance and have the right to initiate negotiations with them;

4) Review and sign drafts of the Company's internal documents, orders and other documents on matters within Compliance's competence;

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- 5) Review and sign correspondence on matters within the competence of Compliance sent to the Company's subdivisions, other legal entities and individuals;
- 6) Ensure preparation of the annual Compliance Plan and control its fulfilment;
- 7) Submit proposals on amendments to the annual Compliance Plan for consideration of the Company's Board of Directors;
- 8) Ensure the development of the Company's internal documents and methodological recommendations on anti-corruption and other documents related to Compliance activities;
- 9) Ensures application of unified basic standards and procedures approved by the Sole Shareholder in Compliance activity;
- 10) Ensure submission of reports on Compliance activity to the Company Board of Directors within the terms set by the Board of Directors;
- 11) Take measures to improve the level of professional training of Compliance and exchange of work experience;
- 12) Ensure compliance with the proper document handling regime in Compliance's activities;
- 13) Ensures periodic assessment of the relevance of Compliance's tasks and functions to the achievement of its objectives;
- 14) Make decisions on all matters within the competence of Compliance.

7. COMPLIANCE REPORTING

7.1 Compliance shall send quarterly reports and information on anti-corruption measures taken to the Ministry of Science and Higher Education of the Republic of Kazakhstan not later than the 1st day of the month following the reporting period.

7.2 Compliance annually submits an annual report to the Ministry of Science and Higher Education of the Republic of Kazakhstan by 5 December and reports on the work done to the Board of Directors.


7.3 The University is recommended to inform its counterparties, business partners, and civil society institutions on an ongoing basis about corruption prevention activities.

8. ACTIONS IN CASE OF EARLY TERMINATION OF POWERS COMPLAINTS

8.1 The termination of employment relations with Compliance shall be carried out in accordance with the labour legislation of the Republic of Kazakhstan. In case of termination of the employment contract on the initiative of Compliance, Compliance shall notify the employer thereof in writing at least one month in advance, except for cases stipulated by the labour legislation of the Republic of Kazakhstan. Within this period, the issue of termination of Compliance's powers shall be submitted to the Board of Directors of the Company for consideration in accordance with the established procedure.

8.2 When the issue of termination of the Compliance Officer's powers is submitted to the Board of Directors, the Compliance Officer shall prepare and submit a report on the work performed by the Compliance Officer in accordance with the annual plan for the current year to the meeting of the Board of Directors. Based on the results of the review of the report on the work performed by Compliance, the Board of Directors shall evaluate and, if necessary, adjust the work of Compliance by making amendments and additions to the annual plan for the current year.

8.3 If the Board of Directors of the Company decides to terminate the powers of Compliance, the manager shall draw up an act of acceptance and transfer of the documents under consideration and documents to be kept by the Company. These documents shall be handed over to the new Compliance Officer (if appointed) or other employee of the Company against signature for further

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handing over to the new Compliance Officer after his appointment. If there are no other employees of the Company, the documents shall be handed over to the Corporate Secretary against signature.

9. LABOUR REMUNERATION

9.1 Labour remuneration of Compliance Officers shall be made in accordance with the labour contracts concluded with them, taking into account the basic requirements stipulated by these Regulations.

9.2 The procedure for appointment, amount and terms of remuneration and bonus payment to Compliance Officers shall be approved by the Board of Directors of the Company and shall not be lower than the average remuneration of the heads of subdivisions and qualified employees of the central office of the Company.

9.3 For the purpose of material interest of Compliance in improvement of production efficiency and quality of work, remuneration based on the results of work for the year may be paid.

9.4 The amount of remuneration based on the results of work for the year shall be determined by the Board of Directors of the Company on the basis of an individual approach to the assessment of Compliance's performance and shall depend on qualitative and quantitative indicators of fulfilment of the annual plan. The maximum amount of annual remuneration is 6 official salaries.

9.5 In honour of celebration of state and professional holidays in the Republic of Kazakhstan it is allowed to award bonuses to Compliance. The amount of the bonus shall be determined by the decision of the Management Board.

9.6 Bonuses to Compliance provided by this Regulation shall not be paid during the probationary period and if the employee has an unremoved disciplinary sanction.

9.7 Annual paid labour leave shall be granted to Compliance in accordance with the order of the Chairman of the Management Board-Director of the Company.

9.8 Payments to Compliance, including other types of remuneration, additional payments, allowances, bonuses and other forms of material incentives shall be provided for by the Company's internal documents.

10. RESPONSIBILITY OF COMPLIANCE

10.1 Compliance Officer shall be responsible for timely and qualitative performance of the functions and tasks assigned to him/her in accordance with these Regulations, legislation of the Republic of Kazakhstan, labour agreement, job descriptions and other internal documents of the Company.

10.2 Compliance Officer shall be personally responsible for disclosure of corporate and other information of the Company to uninterested third parties in accordance with the established procedure.


11. IMPOSITION OF PENALTIES

11.1 For violation of labour discipline, non-performance or improper performance of official duties, upon recommendation of the Management Board of the Company, disciplinary penalties may be imposed on Compliance in accordance with the established procedure by decision of the Board of Directors of the Company.

11.2 Non-performance and/or improper performance by Compliance of his/her duties shall be taken into account by the Board of Directors when making a decision on payment of remuneration based on the results of work for the year.

11.3 Material responsibility of Compliance and the procedure for compensation of damage caused by him/her (if any), as well as procedures for imposing disciplinary penalties shall be carried out in accordance with the labour legislation of the Republic of Kazakhstan and internal documents of the Company.

11.4 For disclosure of official and corporate secret information to third parties the Company may apply penalties provided for in labour contracts to Compliance.

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12. PROFESSIONAL DEVELOPMENT

12.1 Compliance shall develop professional knowledge and skills on a mandatory basis by annually participating in programmes aimed at training, retraining, professional development of the Company's employees and internal auditor certification programmes.

12.2 The Management Board of the Company shall encourage Compliance to improve its knowledge and skills by ensuring that the Company's budget, in accordance with the established procedure, includes the costs of education and training on relevant topics and programmes developed by Compliance for the purpose of continuous professional development.

12.3 The Compliance training plan shall, as a matter of priority, include training and professional development on anti-corruption procedures and techniques, quality management, internal control systems, risk management, corporate governance principles and the conduct of the Company's core business processes.

12.4 The procedure for preparation of applications for training and advanced training and further procedures related to this process shall be carried out in accordance with the Company's internal documents.

13. INTERACTION OF COMPLIANCE WITH THE EXECUTIVE BODY - THE COMPANY'S MANAGEMENT BOARD

13.1 Relations between Compliance and the Executive Body of the Company shall be based on the principle of independence.

13.2 Compliance, having information on all key aspects of the Company's activities and tools for generalisation and analysis of data, shall provide the executive body - the Company's Management Board with information on the quality of implementation of the management decisions made by the Company's management.

13.3 Within the framework of interaction with the executive body - the Management Board of the Company, Compliance shall:

1) Present the annual plan approved by the Board of Directors of the Company to the executive body - Management Board of the Company, for the purpose of familiarisation;

2) For the purpose of familiarisation shall submit to the executive body - the Management Board of the Company a report on the results of the Company's activities.

13.4 The executive body - the Management Board of the Company shall:

1) Contribute to the creation of an effective control environment in the Company;

2) Carry out administrative (organisational and technical) support of Compliance.

13.5 The executive body of the Company shall not interfere in the activities of Compliance.