



# Kumtor Gold Company CJSC



## Supplier Code of Conduct

Kumtor Gold Company CJSC (hereinafter referred to as KGC) is committed to adhering to international standards of interaction with suppliers providing goods and services at competitive prices with low risks for our business.

This Supplier Code of Conduct (hereinafter referred to as the “Code of Conduct”) sets forth general principles and expectations from our suppliers for establishing and maintaining business relations with KGC.

### GENERAL PRINCIPLES

We firmly believe that stable work, respect for human rights and compliance with high standards of ethical business conduct can improve long-term business performance. We strive to work with our suppliers, including contractors, partners, counter-party, agents (hereinafter referred to as “Suppliers”) to achieve continuous improvement in performance. We recognize that compliance of all supply chains with the proper level is a permanent and long-term goal. The provisions set forth in the Code of Conduct represent the minimum standards of conformity our company sets for Suppliers. KGC can monitor the work of the Supplier for its compliance with the Code of Conduct, which includes remote verification, internal audit by the Suppliers themselves and targeted visits (for high-risk Suppliers). We also inspect new and from time to time existing Suppliers for bribery and corruption. Compliance with the principles of integrity and ethical business at all levels of the supply chain is only possible in cooperation with Suppliers. We hope that this Code of Conduct will be applied along with the existing policies adopted by our Suppliers and their key suppliers.

Suppliers are encouraged to discuss and ensure that their affiliated companies and agents have the appropriate standards. Suppliers are also encouraged to distribute the principles of this document to their key suppliers.

### Compliance with local laws and regulations

Suppliers should comply with all applicable laws, regulations and standards in all countries where they operate. If the provisions of the applicable local law and the Code of Conduct govern the same issues and are not in conflict with each other, it is necessary to adhere the one that sets higher standards of behavior. If any of the requirements of the Code is contrary to applicable local law in such a way that compliance with the Code will constitute a violation of local laws, it is necessary to follow the highest standards that comply with local laws.

### Human rights

Suppliers should respect the human rights contained in the UN Declaration of Human Rights and should avoid involvement in human rights violations of any kind. Suppliers should respect personal dignity, privacy.

**Forced labor**

Suppliers should not resort to the use of forced labor in any form, debt dependence, slavery, human trafficking or forced labor of prisoners. Employees and contractors should have the right to voluntarily resign or cease their work by notifying in advance. Suppliers do not have the right to require workers to pay deposit amounts, do not have the right to withhold payments or impose debt obligations on workers, to demand monetary remuneration from workers as a condition of acceptance for work. Suppliers should ensure that the employment relationship between employees and Suppliers is voluntary and free from mutual threats.

**Child labor**

Suppliers are prohibited from using child labor. Child labor means any work performed by a child or young person if it is not considered acceptable under the International Labor Organization from 1973 Convention on the Minimum Age for Admission to Work. Workers under the age of 18, unless a different age is specified by local law, should not perform work that involves a higher than average risk to their health and safety.

**Employee rights**

Suppliers should respect all the rights of their employees, comply with labor law and independently, without the intervention of the KGC, deal with employees within the framework of labor legislation.

**Non-discrimination and respect**

KGC expects suppliers to create and maintain an environment where all employees are guaranteed dignity and respect. Suppliers may not resort to harassment or illegal discrimination against employees. Suppliers must ensure equality of opportunity and equality in employment and occupation without discrimination of any kind on the basis of race, color, sex, religion, political opinion, national or social origin.

**Labor Relations with Employees**

The conditions of hiring employees by the Supplier should be stipulated in an employment contract signed by both parties. Suppliers should pay workers at least in accordance with state standards. Employees should receive salaries on time. Working hours, including overtime, should not exceed the upper limits set by applicable laws and regulations. Workers should be given rest days in an amount not less than that established by local law. Suppliers should grant their employees the right for leave entitlement in accordance with local law. Workers should be treated with respect and dignity. Physical, psychological or verbal abuse, other harassment and any threats or other forms of intimidation are prohibited.

**Health and safety**

In accordance with international standards and local laws, the Supplier should ensure a healthy and safe working environment for employees and contractors and should reduce the risks for health and safety of third parties that may arise from the activities of the Supplier. Obligations on providing and maintain security should be communicated to all employees of the Supplier. Suppliers are encouraged to implement a systems approach to health and safety management, which includes the existence of relevant provisions, providing employees and contractors with appropriate training in health, safety, emergency response, in the event of health problems and in emergencies.

In relations with KGC, the Supplier guarantees that he and his employees/contractors comply with all established procedures and policies of KGC for occupational safety, health and safety and environmental protection. The Supplier undertakes to ensure that each of his workers who are sent to work at the Kumtor mine should have a medical certificate with them that allows them to work at a height of 4,000 m above sea level. The copies of such medical certificates should be submitted to KGC before they arrive at the Kumtor mine.

### **Environment**

Suppliers should operate in accordance with local and internationally recognized standards for environmental safety. Suppliers should strive to minimize the negative impact of their activities (including production, transportation, use and disposal or recycling) on the environment. Suppliers are encouraged to implement a systematic approach to environmental management.

### **Bribery and corruption**

Suppliers should conduct their business in accordance with standards of ethical conduct and integrity. Corruption, extortion and theft are strictly prohibited. Suppliers should not make, promise, offer (directly or indirectly) any cash payments or expensive gifts, nor request or receive from government officials (including government officials/department officials, politicians, family members of government employees, any persons performing judicial functions, any officials of employees of international organizations or any other person acting as a representative of a state official) in order to influence the Corollary or the decision, as well as to obtain any improper advantage or benefit. Suppliers shall not, either directly or indirectly, offer gifts to employees or KGC representatives or persons who are in any relationship with KGC representatives. Suppliers should maintain their books and records, including transaction records, in accordance with the requirements of the law at the place of registration. Suppliers should monitor their staff's compliance with all relevant and applicable anti-bribery laws. The supplier is responsible for any violations of anti-corruption provisions by its staff.

### **Data Privacy and Security**

Suppliers should maintain the confidentiality of any information that has become known as a result of cooperation with KGC, about business events, contracts, projects, structure, financial situation or activity, if they have not received special written permission to disclose it. Suppliers should use systems that guarantee the safety and security of data and avoid leakage of confidential data.

### **Intellectual property**

Suppliers should respect intellectual property rights.

### **Reporting violations**

Suppliers should report dishonest behavior, corruption, fraud, violations of labor and human rights, environmental damage, or any other unethical behavior. Suppliers should report any actual or potential conflict of interest where the KGC employee is involved using the Hotline at [www.clearviewconnects.com](http://www.clearviewconnects.com).