

RESPONSIBLE BUSINESS CONDUCT 2022



CODE OF CONDUCT FOR MULTINATIONAL ENTERPRISES: OECD DUE DILIGENCE GUIDELINES



National Contact
Point of Kazakhstan



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The Code of Conduct for Multinational Enterprises (hereinafter referred to as the Code) has been prepared by the National Contact Point of Kazakhstan for the OECD (hereinafter referred to as the NCP) in order to disseminate and promote, as well as summarize the key elements of the OECD Due Diligence Manual and its OECD industry guidelines.

The Code is formed in accordance with the approaches and practical actions contained in the OECD industry guidelines. The Code is not an official publication of the OECD.

The practical actions outlined in the Code do not constitute an exhaustive «checklist» for due diligence. Not all practical actions will be appropriate in every situation. Similarly, in some situations, enterprises may find additional actions or measures not described in the OECD Due Diligence Guidelines useful.

WHY SHOULD A BUSINESS APPLY DUE DILIGENCE?

Some business processes, goods or services may contradict the policy of the responsible business conduct (hereinafter referred to as the RBC), that is, they cause risks of adverse impact, for example, problems with the rule of law, non-compliance with standards, deterioration of business relations.

Due diligence or due diligence is designed to help businesses anticipate, prevent or mitigate negative or negative impacts. In some cases, due diligence helps to decide whether to continue/terminate further operations or business relationships because the risk of adverse effects is too high or efforts to mitigate negative consequences have not been successful.

Due diligence helps businesses:

- Identify opportunities to reduce costs;
- Improve understanding of markets and strategic sources of supply;
- Strengthen the management of business and operational risks specific to enterprises;
- Reduce the likelihood of incidents related to issues covered by the OECD Guidelines for Multinational Enterprises;
- Reduce exposure to systemic risks.

An enterprise may also apply due diligence to comply with legal requirements related to specific issues of the RBC, such as labor laws, environmental laws, corporate governance, criminal law or anti-bribery legislation, etc.

WHAT IS THE PURPOSE OF DUE DILIGENCE?

The purpose of due diligence is to prevent causing or contributing to adverse effects on people, the environment and society, as well as the desire to prevent adverse effects directly related to transactions, goods or services within the framework of business relationships.

When it is impossible to avoid involvement in an adverse impact, due diligence can mitigate, prevent its recurrence and, where appropriate, eliminate it.

UNDERSTANDING RISK IN ACCORDANCE WITH THE OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES.

For many enterprises, the term “risk” means risks for the enterprise – financial risk, market, operational, reputational, etc. Enterprises are concerned about their position in the market in relation to their competitors, their image and long-term activities. This is called an internal approach to risk.

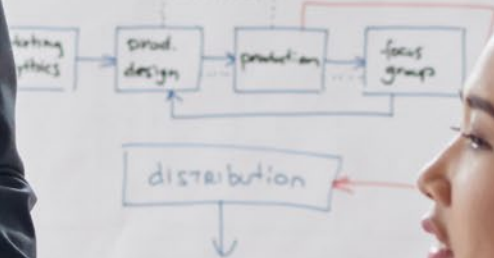
At the same time, the OECD Guidelines for Multinational Enterprises consider the likelihood of an adverse impact on people, the environment and society as a result of the activities of a multinational enterprise (impact on the external environment). In other words, it is an external approach to risk.

Enterprises can identify the risks associated with the problems of RBC, finding discrepancies between the recommendations of the OECD Guidelines for Multinational Enterprises, on the one hand, and the circumstances related to their operations, supply chains or business relationships, on the other.



Running new product team

- team manager ✓
- administrator ✓
- marketer (?)
- prod. designer-1 ✓
- prod. designer-2 (?)
- prod. manager-1 (?)
- prod. manager-2 (?)





I. OECD DUE DILIGENCE GUIDELINES

1. THE INCLUSION OF THE RBC POLICY IN THE POLICY AND MANAGEMENT SYSTEMS OF THE ENTERPRISE.

- a.** Revision and updating of the existing policy on RBC issues to bring it into line with the principles and standards of the OECD Guidelines for Multinational Enterprises.
- b.** Development of a specific policy regarding the most significant risks of the enterprise based on the results of risk assessment, to provide recommendations on a specific approach of the enterprise to eliminate these risks.
- c.** Providing access to the company's policy by posting information on the website and distributing it within the company.
- d.** Informing, explaining and promoting the company's policy on the issues of RBC among employees.
- e.** Supervision and imposition of responsibility for non-compliance with due diligence on the top management of the enterprise.
- f.** Establishment or use of existing communication channels between the company's management and executive departments for the exchange and documentation of information about risks and decision-making.
- g.** Development, use or adaptation of existing procedures for handling complaints related to problems of RBC (for example, labor practices, corruption, corporate governance) for employees.
- h.** Development of response processes or provision of remedies in situations where the policy of the RBC is not followed (for example, through additional fact-finding, capacity-building or disciplinary measures/sanctions).
- i.** Informing suppliers and other business partners about key aspects of the RBC policy.
- j.** Inclusion of conditions and expectations on the issues of RBC in contracts or other forms of written agreements with suppliers and business partners.
- k.** Development and implementation of pre-qualification processes for the comprehensive assessment of suppliers and other business partners.
- l.** Providing the necessary resources and training to suppliers and other business partners to apply the RBC policy, as well as to conduct due diligence.

2. IDENTIFICATION AND ASSESSMENT OF ACTUAL AND POTENTIALLY ADVERSE IMPACTS ASSOCIATED WITH THE ACTIVITIES, GOODS OR SERVICES OF THE ENTERPRISE.

- a.** Identification of the most significant areas of risk of RBC and prioritization as a starting point for a deeper assessment of potential and actual impacts.
- b.** An assessment of the nature and extent of the actual and potential impacts associated with priority operations, suppliers or other business relationships (i.e. what issues related to the RBC and how they are affected, what is the extent of the impact, etc.).
- c.** Consideration of the risks of RBC in the framework of commercial activities, for example, acquisition, restructuring, entry into a new market, development of a new product or service, predicting the adverse impact of the proposed activity and related business relationships.
- d.** Regular impact assessment as necessary: prior to making important decisions or changes in activities (e.g., market entry, product launch, policy change or broader business changes); in response to or in anticipation of changes in the operating environment (e.g., increased social tensions); and periodically throughout the activity or relationships.

- e. When assessing human rights-related impacts, paying special attention to potential adverse impacts, individuals or groups of the population who may have an increased risk of vulnerability or marginalization, as well as the difference in risks that women and men may face.
- f. Identification of potential or actual consequences that can be eliminated immediately, or at least to a certain extent (i.e. updating contractual terms with suppliers, amending audit protocols in order to focus on risks that may have been previously overlooked during the audit).
- g. Prioritization of actions for any operations that cause or contribute to an adverse impact, based on the assessment of the enterprise.
- i. Conducting an assessment of the probability of damage from identified impacts or risks to determine the priority of identified problems in case it is impossible to eliminate all real and potential adverse impacts directly related to the operations, goods or services of the enterprise within the framework of business relations.

3. TERMINATION, PREVENTION AND MITIGATION OF ADVERSE EFFECTS.

- a. Creation of a roadmap (risk management map) for the prevention of actions that cause or contribute to adverse effects, with the involvement of an internal legal adviser (risk manager) and affected or potentially affected stakeholders and copyright holders.
- b. Updating the company's policy in order to provide recommendations for the prevention and elimination of adverse consequences in the future, as well as ensuring its implementation.
- c. Using the results of risk assessment to update and strengthen management systems in order to more effectively monitor information and identify risks before adverse consequences occur.
- d. Consultations and interaction with interested and potentially affected parties, copyright holders and their representatives to develop appropriate actions and implement the plan.
- e. If collective or cumulative impacts are identified (i.e. when the enterprise is only one of several entities contributing to the occurrence of adverse impacts), ensuring interaction with other involved entities to stop the impact and prevent their recurrence.
- f. Considering severing relationships with a supplier or other business partners as a last resort after unsuccessful attempts to prevent or mitigate serious negative impacts. In case of maintaining relations with the supplier or other business partners, it is necessary to provide a report on efforts to reduce risks.

4. TRACKING THE IMPLEMENTATION AND RESULTS OF DUE DILIGENCE.

- a. Monitoring and tracking the fulfillment and effectiveness of the company's own internal obligations, activities and objectives of due diligence (for example, by conducting periodic internal or third-party reviews or audits of the results achieved and informing about the results at appropriate levels within the enterprise).
- b. Conducting a periodic assessment of business relationships to verify the application of risk mitigation measures.

5. INFORMING ABOUT THE ELIMINATION OF CONSEQUENCES.

- a.** Ensuring that due diligence processes are publicly disclosed, taking into account commercial confidentiality and other competitive or security considerations (for example, annual enterprise reports, sustainability or corporate responsibility reports, or other relevant disclosure forms).
- b.** Dissemination of information in an easily accessible and appropriate way (for example, on the company's website, and in official languages).

6. PROVISION OR COOPERATION IN THE ELIMINATION OF VIOLATIONS (IF NECESSARY).

- a.** Compliance with laws and international principles for the restoration of the situation, if available.
- b.** Assessment of the level of satisfaction of the complainants with the process and its results.
- c.** Bona fide cooperation with judicial or non-judicial authorities.
- d.** Establishment of complaint mechanisms at the operational level (for example, complaint mechanisms for staff members or third-party complaint systems).
- e.** Interaction with representatives of employees and trade unions in order to establish processes by which they can file complaints against the enterprise, for example, through complaint mechanisms provided for in any collective agreements or international framework agreements.





II. OECD INTEGRATED ASSESSMENT GUIDELINES FOR EFFECTIVE ENGAGEMENT WITH STAKEHOLDERS IN THE EXTRACTIVE SECTOR

I. RECOMMENDATIONS FOR CORPORATE PLANNING OR FOR MANAGEMENT.

1. Development of corporate policy or obligations for interaction with stakeholders.
2. Integration of interaction with stakeholders into the main management systems.
3. Consideration of issues of interaction with stakeholders when investing or forming business relationships.
4. Creating a feedback loop to integrate the opinions of stakeholders into the decision-making process of the project at the management level.

II. RECOMMENDATIONS FOR TECHNICAL SUPERVISION SERVICE PERSONNEL.

- 1. Ensuring the understanding of the local and operational context by personnel engaged in interaction with stakeholders.**
 - a. Conducting consultations with technical staff.
 - b. Participation in the conduct and development of impact assessments or consultations with technical personnel about the expected physical impacts of the project (if necessary).
 - c. Conducting a preliminary field study to understand the local context and other relevant factors.
- 2. Identification and prioritization of stakeholders who are most affected.**
 - a. Identification of the potential impacts of the extractive industry on human rights.
 - b. Constant updating of the map (list) of stakeholders as knowledge accumulates and the circumstances of projects change in the process of interaction.
- 3. Establishing the necessary support system for effective interaction with stakeholders.**
- 4. Development of appropriate and effective measures and processes for interaction with stakeholders.**
- 5. Ensuring the verification of execution.**
 - a. Development of a process for tracking the verification of the fulfillment of agreements, obligations and remedies.
 - b. Responding to complaints and agreements while eliminating adverse consequences.
 - c. Regular reporting to interested parties on the verification of the implementation of agreements, obligations and remedies.
- 6. Monitoring and evaluation of stakeholder engagement activities and response to identified deficiencies.**
 - a. Establishment of indicators and criteria for evaluating the effectiveness of stakeholder participation.



III. OECD GUIDELINES ON DUE DILIGENCE OF RESPONSIBLE MINERAL SUPPLY CHAINS FROM HIGH-RISK AREAS

1. CREATION OF STRONG ENTERPRISE MANAGEMENT SYSTEMS.

- a.** Adopting and clearly informing suppliers and the public about the policies of enterprises regarding the supply chain of minerals from conflict-affected and high-risk areas.
- b.** Strengthening the interaction of enterprises with suppliers.
- c.** Development of a complaint mechanism at the enterprise or industry level as an early warning system for risks.

2. IDENTIFICATION AND ASSESSMENT OF RISKS IN THE SUPPLY CHAIN.

- a.** Identification of risks in the supply chain of the enterprise.
- b.** Assessment of the risks of adverse effects in the light of supply chain standards and policies.

3. DEVELOPMENT AND IMPLEMENTATION OF A STRATEGY TO RESPOND TO IDENTIFIED RISKS.

- a.** Formation of a report on the results of the risk assessment of the supply chain to the management of the enterprise.
- b.** Development of a risk management strategy based on the following scenarios:
 - Continued trading throughout the duration of measurable risk mitigation efforts;
 - Temporary suspension of trade while implementing ongoing measures to reduce measurable risks;
 - termination of interaction with the supplier in cases where risk mitigation measures seem impossible or unacceptable.
- c.** Implementing a risk management plan, monitoring and tracking risk reduction activities, reporting to management and considering suspending or terminating interaction with the supplier after unsuccessful attempts to reduce risks.





4. CONDUCTING AN INDEPENDENT THIRD-PARTY DUE DILIGENCE AUDIT OF THE METALLURGICAL/REFINING PLANT IN RELATION TO RESPONSIBLE SUPPLY CHAINS OF MINERALS FROM CONFLICT-AFFECTED AND HIGH-RISK AREAS.

5. PREPARATION OF THE ANNUAL REPORT ON THE INTEGRATED ASSESSMENT OF THE SUPPLY CHAIN.

- a.** Ensuring public awareness of due diligence policies and practices in value chains.
- 6.** Conducting annual reporting containing additional information on due diligence within the mineral supply chains.



MONTHLY BUDGET

By analyzing budget variances, with the same categories as the family budget plan, you can track your progress with accuracy and confidence. (Continued)

ACTUAL SUMMARY



BUDGET VS. ACTUAL



- Auto
- Entertainment
- Food
- Housing
- Medical
- Personal Services
- Travel
- Utilities
- Other

SUMMARY BY CATEGORY

Category	Budget	Actual	Difference
Auto	\$480.00	\$480.00	\$0.00
Entertainment	\$240.00	\$240.00	\$0.00
Food	\$1,120.00	\$1,120.00	\$0.00
Housing	\$1,120.00	\$1,120.75	-\$0.75
Medical	\$240.00	\$240.00	\$0.00
Personal Services	\$240.00	\$240.00	\$0.00
Travel	\$480.00	\$480.00	\$0.00
Utilities	\$480.00	\$480.00	\$0.00
Other	\$240.00	\$240.00	\$0.00
Total	\$4,800.00	\$4,800.75	-\$0.75



IV. THE OECD-FAO GUIDE TO RESPONSIBLE VALUE CHAINS IN AGRICULTURE

1. IMPLEMENTATION OF RELIABLE ENTERPRISE MANAGEMENT SYSTEMS TO CREATE RESPONSIBLE VALUE CHAINS.

- a.** Implementation or integration into existing processes of the policy on RBC throughout the supply chain.
- b.** Creation of a system of control and transparency in the supply chain.
- c.** Creation of internal control procedures for regular independent and transparent inspections.
- d.** Conducting periodic inspections of the results of environmental, social and human rights impact assessments.

2. IDENTIFICATION, ASSESSMENT AND PRIORITIZATION OF RISKS IN THE SUPPLY CHAIN.

- a.** Mapping the supply chain (for example, the following information can be requested from farms: name of the manufacturer; address and location; contact details of the manager; category, quantity, dates and methods of production; number of employees by gender; list of risk management practices; transport routes; as well as risk assessments carried out).
- b.** Assessment of the risks of adverse environmental and social impacts, including on human rights, caused by the activities, goods and services of the enterprise and its business partners throughout their life cycle.

3. DEVELOPMENT AND IMPLEMENTATION OF A STRATEGY TO RESPOND TO THE RISKS IDENTIFIED IN THE SUPPLY CHAIN.

- a.** Informing the company's management about the results of the risk assessment.
- b.** Adoption and subsequent execution of the risk management plan. Monitoring the effectiveness of measures to minimize risks and informing the management of the enterprise.
- c.** In case of identification of adverse impacts or risks caused by the activities of the enterprise, taking appropriate measures to stop the direct adverse impact.
- d.** Creating and using leverage to mitigate as much as possible any lingering consequences.
- e.** Conducting consultations with stakeholders, including employees and their representatives, as well as business partners, in order to clarify their concerns, as well as to agree on a risk minimization strategy.

4. DUE DILIGENCE AUDIT OF THE SUPPLY CHAIN.

- a.** Conducting permanent comprehensive examinations commensurate with the risks averted. (for example, due to the lack of an effective risk minimization strategy or lack of time, resources or the will to minimize risks).
- b.** If it is impossible to minimize or prevent the risk, during the audit, the reasons are determined

5. REPORT ON THE RESULTS OF A COMPREHENSIVE EXAMINATION OF THE SUPPLY CHAIN.

- a.** Informing the company's employees about the policy and practice of conducting a comprehensive examination of the supply chain, taking into account confidentiality issues and other competition-related issues.
- b.** Provision of reports on enterprise management systems and conclusions on the verification of due diligence results.
- c.** The use of other forms of communication (for example, face-to-face meetings, online discussions and consultations with stakeholders). The form of communication should correspond to the impact and audience in terms of the form, frequency, accessibility and adequacy of the provision of information.





V. OECD DUE DILIGENCE GUIDELINES FOR SUPPLY CHAINS IN THE CLOTHING AND FOOTWEAR SECTOR

1. THE INTRODUCTION OF RBC INTO THE POLICY AND MANAGEMENT SYSTEMS OF THE ENTERPRISE.

- a.** The adoption of an RBC policy that formulates the obligations of the enterprise in relation to RBC in its own activities and supply chain.
- b.** Strengthening the management system to ensure due diligence regarding the risks of damage within the company's own activities and in the supply chain.
- c.** Support due diligence in relation to risks related to human rights, labor, the environment.
- d.** Development of a system for managing accurate and up-to-date information necessary for due diligence. The storage period of this information is 5 years.

2. IDENTIFICATION OF ACTUAL AND POTENTIAL HARM IN THE COMPANY'S OWN ACTIVITIES AND IN ITS SUPPLY CHAIN.

- a.** Conducting a review to identify the most significant risks of damage in its own operations and supply chain. The review should be based on known industry risks, taking into account relevant risk factors.
- b.** Conducting an internal assessment to determine the extent of the risk and the actual impact on the ground.

3. TERMINATION, PREVENTION OR MITIGATION OF DAMAGE IN THE COMPANY'S OWN OPERATIONS AND IN ITS SUPPLY CHAIN.

- a.** Development and implementation of a corrective action plan (CAP) in the clothing and footwear sector to prevent or mitigate future damage in the company's operations.
- b.** Interaction with stakeholders and expert consultations. Participation of employees, as well as trade unions, in the development of a corrective action plan, including the development of policies and programs.
- c.** Identification of risks in the supply chain of the enterprise. In the case of determining the damage caused by the enterprise, it is necessary to ensure that the consequences of the damage are eliminated.
- d.** Providing support to the supplier in preventing or mitigating damage.
- e.** Termination of cooperation with the supplier in case of unsuccessful attempts to prevent or mitigate impacts (for example, if suppliers have not taken corrective measures within the agreed time frame; if the company believes that prevention or mitigation of consequences is not possible; if the company has identified serious damage).

4. TRACKING.

- a.** Verification and monitoring of the results of a comprehensive assessment and its effectiveness within the framework of the company's activities. The time of inspection and monitoring should correspond to the severity and nature of the damage.
- b.** Conducting an internal audit of the implementation of measures by the company within the framework of its obligations (for example, in accordance with the plan of corrective measures) in an agreed period of time.
- c.** Monitoring of qualitative and (or) quantitative indicators to track progress in accordance with the goals. Participation of employees or their representatives in continuous monitoring.

5. PROVIDING INFORMATION.

- a.** A public appeal on the issue of a comprehensive assessment of the enterprise, including the measure of consideration by the enterprise of potential and actual adverse effects. Providing information at least once a year in several forms using an appropriate, accurate, up-to-date, clear and convenient method that also provides the target audience with access to information.
- b.** Exchange of information with interested parties regarding the labor rights of employees of the enterprise to support communication with these parties.

6. MEASURES OR JOINT ACTIONS TO ELIMINATE VIOLATIONS IN APPROPRIATE CASES.

- a.** Establishment of processes in order to ensure that violations can be eliminated within the framework of the company's activities.
- b.** The obligation to consider and respond to complaints arising as a result of legitimate processes.
- c.** Determination of the appropriate form of elimination of violations. The way to eliminate violations may be an apology, provisions ensuring the impossibility of repeated harm, compensation (financial or other) for the damage caused, penalties, termination of certain activities or relationships, or any other form of elimination of violations agreed by the parties.





VI. PRACTICAL MEASURES TO IDENTIFY AND COUNTERACT THE WORST FORMS OF CHILD LABOR EXPLOITATION IN THE MINERAL SUPPLY CHAINS

1. CREATION OF RELIABLE ENTERPRISE MANAGEMENT SYSTEMS.

- a.** A public statement of the company's commitment to intolerance of child labor, including the worst forms of exploitation of child labor in its activities and the activities of its suppliers.
- b.** The harmonization of child labor policy with national and international laws on the worst forms of child labor exploitation and the presentation of a description of the types of work considered dangerous.
- c.** Establishing a system and procedure for identifying, assessing and countering serious violations, in particular regarding the worst forms of child labor exploitation in their supply chain.
- d.** Implementation of a control and transparency system to identify risk assessments in the mineral supply chain.

2. IDENTIFICATION AND ASSESSMENT OF RISKS, INCLUDING THE WORST FORMS OF CHILD LABOR EXPLOITATION IN THE SUPPLY CHAIN.

- a.** Applying an evidence-based approach to assess the risks of the worst forms of child labor exploitation in their supply chains.
- b.** Visiting and monitoring of mining facilities without prior warning.
- c.** Ensuring internal control of its direct suppliers and coordinating efforts through industry initiatives to ensure influence on sub-suppliers.
- d.** Evaluation of the supplier's child labor exploitation policy and methods of ensuring its compliance within the supply chain.
- e.** Conducting an assessment of the supplier's management system and preventive mechanisms to confirm that there are no cases of underage children being hired directly or within the supply chain.
- f.** Regular analysis and control of risks, including the risks of child labor exploitation.

3. DEVELOPMENT AND IMPLEMENTATION OF A STRATEGY TO RESPOND TO IDENTIFIED RISKS.

- a.** Taking measures to eliminate adverse consequences for human rights.
- b.** Suspension or termination of cooperation with suppliers when a reasonable risk of receiving resources from a party committing serious violations is identified.
- c.** Consideration of the possibility of developing a working manual, with a detailed indication of the expected actions in identifying the exploitation of child labor.
- d.** Increasing the ability of suppliers to identify and reduce the risks of child labor exploitation, including the worst forms, in their supply chain.

- e. Identification and elimination of the causes associated with the exploitation of child labor (for example, the provision of equipment for pumping water, crushing ore or transporting minerals to limit the types of work that children can perform).
- g. Consideration of ensuring the availability of workplace operations for vulnerable segments of the population (for example, services) as an alternative opportunity to obtain a secure income.

4. IMPLEMENTATION OF AN INDEPENDENT EXTERNAL AUDIT OF THE DUE DILIGENCE PRACTICES OF SMELTING AND PROCESSING ENTERPRISES IN RELATION TO THE WORST FORMS OF CHILD LABOR EXPLOITATION.

- a. Conducting due diligence audits of smelters and refineries with respect to risks with the help of independent third parties.
- b. Taking measures to verify the compliance of smelting and processing enterprises with respect to due diligence (current policy and procedure, control of processing/smelting enterprises over their supply chain, information disclosed to downstream market organizations, communication with suppliers, etc.).
- c. Conducting verification of cases of child labor exploitation along supply chains.
- d. Participation in audits of independent third parties conducted in relation to the due diligence practices of processing/smelting enterprises.

5. ANNUAL REPORTING ON SUPPLY CHAIN DUE DILIGENCE REGARDING THE WORST FORMS OF CHILD LABOR EXPLOITATION.

- a. Provision of a publicly available annual report on due diligence measures taken by enterprises to inform consumers and the public.
- b. Publication of the risk assessment, with the necessary consideration of business confidentiality and other considerations regarding competition or security.
- c. Dissemination of reports on investigations and audits of smelters and processing plants in their supply chains, as well as on any other audits conducted in those segments of their supply chain that are considered to be most at risk of child labor.





VII. OECD DUE DILIGENCE GUIDELINES FOR RESPONSIBLE CORPORATE LENDING AND SECURITIES UNDERWRITING

1. THE INTRODUCTION OF THE RBC INTO THE POLICIES AND MANAGEMENT SYSTEMS OF FINANCIAL INSTITUTIONS.

- a.** Adoption of a policy of relevant principles and standards on the issues of RBC.
- b.** Ensuring the functioning of management systems that allow banks to determine the risks of RBC in business strategies and day-to-day operations (for example, tools for risk identification and assessment, knowledge management systems, processes for internal reporting, integration of RBC tasks into performance assessments of transaction support teams, etc.).

2. IDENTIFICATION AND ASSESSMENT OF ACTUAL AND POTENTIAL ADVERSE IMPACTS.

- a.** Identification and assessment of the most significant areas of risk of RBC in client portfolios based on information provided by clients and independent research.
- b.** Participate in enhanced identification by accessing additional sources and interacting with clients to assess actual and potential impacts.
- c.** Development of a process for assessing the involvement of a bank with an adverse impact.

3. TERMINATION, PREVENTION AND MITIGATION OF ADVERSE EFFECTS.

- a.** Termination of activities that cause or contribute to an adverse impact on the RBC problems, based on the assessment by the enterprise of its involvement in adverse impacts.
- b.** Development and implementation of plans corresponding to the set goal to prevent and mitigate potential (future) adverse impacts.
- c.** The inclusion of the expectations of the RBC in contractual documents or other written statements/commitments with potential clients.
- d.** Providing incentives to potential clients to achieve certain goals related to the RBC (for example, linking the interest rate on the loan with the sustainability indicators of enterprises).
- e.** Encouraging clients to create a roadmap on how the client can stop activities that cause and contribute to adverse impacts, with the participation of affected or potentially affected copyright holders and other interested parties, depending on the circumstances.
- f.** Providing the necessary resources to clients to eliminate adverse impacts.
- g.** Termination or suspension of the provision of financial services in accordance with the provisions of the contract in case of identification of actual or potential adverse effects.



4. TRACKING PROGRESS AND RESULTS.

- a. Monitoring the performance and effectiveness of the company's due diligence activities, i.e. its measures to identify, prevent, mitigate and, if necessary, support the elimination of consequences, including in business relations.
- b. Taking measures to improve due diligence processes (for example, taking into account underestimated real or potential consequences of identification activities, changing interaction strategies based on results, etc.).

5. INFORMING ABOUT THE ELIMINATION OF CONSEQUENCES.

- a. Public disclosure of information about the measures taken to implement the RBC in the policy and management systems.

6. PROVISION AND COOPERATION IN THE ELIMINATION OF CONSEQUENCES.

- a. The use of leverage to encourage clients to provide or cooperate in cases where adverse impacts are identified.
- b. Ensuring access to legal remedies by establishing complaint mechanisms at the bank level and/or participating in a complaint mechanism filed by customers, industry associations or other parties.

VIII. RESPONSIBLE BUSINESS CONDUCT FOR INSTITUTIONAL INVESTORS

1. INCLUSION OF THE RBC IN THE POLICY AND MANAGEMENT SYSTEMS OF INVESTORS.

- a.** Creation of a system of internal reporting on RBC for fund managers.
- b.** Implementation of the risk management system of the RBC for investment institutions.
- c.** Development of internal control mechanisms within investment institutions.
- d.** Creation of feedback between corporate and investment management departments for continuous improvement of activities (for example, through social dialogue with employees, mechanisms for resolving internal disputes, mechanisms for filing and handling complaints at the operational level).

2. COMPREHENSIVE ASSESSMENT: IDENTIFICATION OF ACTUAL AND POTENTIAL ADVERSE IMPACTS.

- a.** Identification of the risks of RBC in relation to investments in existing processes (for example, qualitative and quantitative risk assessment before investing, and taking into account information when making investment decisions and actively using ownership rights).
- b.** Carrying out an audit of investment portfolios to identify areas of potential risk of RBC (for example, geography, sectors, products, stages in the supply chain before and after investment by asset categories in accordance with the strategy).

3. TERMINATION, PREVENTION AND MITIGATION OF ADVERSE EFFECTS.

- a.** Conducting an analysis of potential investments to identify enterprises with a high risk of RBC.
- b.** The use of long-term investment strategies that take into account the long-term financial consequences of environmental and social issues for institutional investors.
- c.** Active interaction with invested enterprises to improve their management in the field of RBC.
- d.** Interaction with the invested enterprises in activities to mitigate the risks of RBC (for example, the use of leverage to mitigate adverse impacts).

4. TRACKING THE IMPLEMENTATION AND RESULTS OF DUE DILIGENCE.

- a.** Tracking of the investor's own activities in relation to the RBC policy or other obligations.
- b.** Monitoring the efforts of invested enterprises to prevent and mitigate the identified adverse impacts.
- c.** Informing the public and stakeholders. Public reporting may include information on the following aspects: interaction activities carried out by the investor; the results of interaction with specific enterprises; decisions regarding the withdrawal of investments; the results of the investor's voting at shareholder meetings of the invested enterprise and the principles of voting in the invested enterprises; the future plans and goals of the investor's RBC.

5. PROCESSES TO SUPPORT RECOVERY MEASURES.

- a.** The establishment of procedures that contribute to the correction of the situation (for example, cooperation with legislative and state non-judicial structures, the establishment of operational mechanisms for filing and reviewing complaints).

FOREX ▾

Instant Execution

-0.01 -0.1 0.27 +0.01 +0.1

Stop Loss - not set +

Take Profit not set +

Deviation not set +

1.27

1.2765⁷

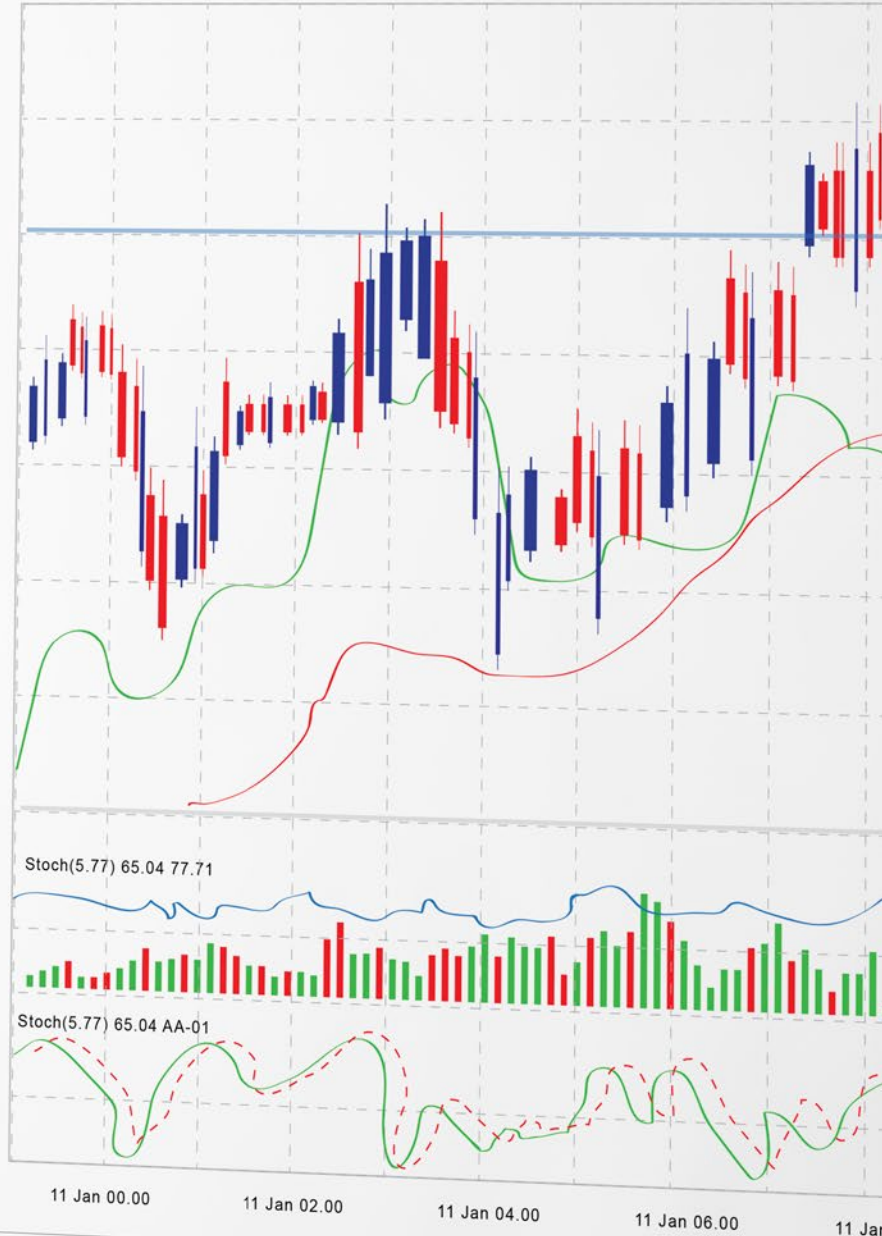
Buy

700.14

700.13

700.12

700.11



About

Size

Symbol

Price

S/L

T/P

Pr

IX. PREVENTION OF CORRUPTION AND PROMOTION OF RBC IN THE ORGANIZATION OF SPORTS EVENTS

1. IDENTIFICATION AND ASSESSMENT OF THE RISKS OF ADVERSE IMPACTS IN PUBLIC PROCUREMENT.

- a.** Implementation of public procurement strategies that minimize the risk of fraud, corruption and mismanagement of public funds without prejudice.
- b.** Conclusion of contracts and optimized strategies to reduce opportunities for corruption and promote accountability of stakeholders from the public and private sectors.
- c.** Respect for human rights, high environmental and social standards throughout the entire period of sporting events, from the construction of venues for events and infrastructure development to the supply of goods.
- d.** Conducting assessments and plans of interaction with stakeholders regarding the impact on the environment.

2. TERMINATION, PREVENTION AND MITIGATION OF ADVERSE EFFECTS.

- a.** Promoting ethical standards, managing conflicts of interest, strengthening controls and regulatory mechanisms, and increasing transparency.
- b.** Ensuring internal control mechanisms, ethics and compliance with standards.
- c.** Development of mechanisms for assessing, containing and detecting specific corruption risks in various types of activities (from granting rights to host major events to television rights and sponsorship, charitable donations, ticket sales and distribution, giving and receiving gifts, hiring and moving players).
- d.** Establishment of a handbook on the prevention of corruption in major sporting events.
- e.** Application of the provisions of the OECD Convention on Combating Bribery in cases of detection of corruption in the framework of major sporting events.



3. INFORMING ABOUT THE ELIMINATION OF CONSEQUENCES.

a. Disclosure of information on human rights, labor and industrial relations, environmental protection, bribery and corruption, consumer interests, science and technology, competition and taxation.

b. Assistance to the NCP complaints mechanism provided for in the OECD Guidelines for Multinational Enterprises.

4. MEASURES OR JOINT ACTIONS TO ELIMINATE VIOLATIONS IN APPROPRIATE CASES.

a. Entering into partnerships with governments, sports organizations and other stakeholders in order to eliminate the risks of corruption in the organization of major sporting events and to facilitate cooperation between sports organizations and law enforcement agencies.



Telegram bot
ERIQ_bot



+7 7172 99 99 12



E-mail
ncpkaz@economy.kz

Information about the NCP, the procedure for considering applications
and other useful materials can be found at

<http://ncp.economy.kz>
<http://economy.kz>