

**ANTI-CORRUPTION POLICY OF  
“UZBEKISTAN AIRWAYS” JSC**

## 1. INTRODUCTION

1.1. “Uzbekistan Airways” JSC (hereinafter referred to as the Airline) declares its adherence to the law and high ethical standards in doing business, rejection of any forms of manifestation of corruption offenses in business relations with partners and among employees of Uzbekistan Airways JSC, compliance with applicable national and foreign anti-corruption laws with the aim of strengthening the business reputation of the Airline and protection from corruption infringement.

1.2. This Anti-Corruption Policy of “Uzbekistan Airways” JSC (hereinafter referred to as the Policy) is a departmental regulatory act of the Airline that defines a set of interrelated principles, procedures and specific measures aimed at identifying, suppressing and preventing corruption offenses in the Airline's activities.

1.3. All Employees of the Airline, regardless of their position, are obliged to be guided by the requirements and principles of this Policy in the performance of their official duties.

1.4. The integral elements of the Policy are:

- Procedure for prevention and settlement of conflict of interests in “Uzbekistan Airways” JSC;

- Amendment to the employment contract defining the duties and responsibilities of employees to combat corruption;

- Internal labor regulations of “Uzbekistan Airways” JSC;

- Rules of Ethical Conduct for employees of “Uzbekistan Airways” JSC.

1.5. Legal basis of the Policy

- The Constitution of the Republic of Uzbekistan;

- Law of the Republic of Uzbekistan dated January 3, 2017 №419 "On Combating Corruption";

- Law of the Republic of Uzbekistan dated July 7, 2008 №158 "On the accession of the Republic of Uzbekistan to the United Nations Convention against Corruption (New York, October 31, 2003)";

- Resolution of the Oliy Majlis of the Republic of Uzbekistan dated August 30, 2003 №536-II "On the ratification of the United Nations Convention against Transnational Organized Crime (New York, November 15, 2000)";

- The Law of the Republic of Uzbekistan dated May 5, 2014 №369 "On the openness of the activities of public authorities and management";

- Law of the Republic of Uzbekistan dated September 25, 2014 №376 "On social partnership";

- Law of the Republic of Uzbekistan dated April 9, 2018 №472 "On public procurement";

- Law of the Republic of Uzbekistan dated April 26, 1996 №223-I "On joint stock companies and protection of shareholders' rights";

- The Criminal Code of the Republic of Uzbekistan;

- Code of the Republic of Uzbekistan on administrative responsibility;

- Labor Code of the Republic of Uzbekistan;

- Civil Code of the Republic of Uzbekistan;
- Decree of the President of the Republic of Uzbekistan dated May 27, 2019 №5729 “On measures to further improve the anti-corruption system in the Republic of Uzbekistan”;
- Regulations on the identification and settlement of conflict of interests of employees of “Uzbekistan Airways” JSC;
- Regulations on the verification of counterparties when registering economic relations of “Uzbekistan Airways” JSC.

## TERMS AND DEFINITIONS

**Airline** - "Uzbekistan Airways" Joint Stock Company;

**Acceptance of a bribe** - illegal acceptance by an official personally or through an intermediary of material values or obtaining property benefits for the performance or non-performance in the interests of the bribe-giver of a certain action that the official should or could have performed using his official position (Article 210 of the Criminal Code of the Republic of Uzbekistan).

**Anti-Corruption Compliance** - a system of measures, procedures and controls operating in “Uzbekistan Airways” for purposes of compliance with Applicable Anti-Corruption Laws.

**Commercial bribery** - deliberately illegal provision to an official of a non-governmental commercial or other non-governmental organization of material values, or property benefits for the performance or non-performance in the interests of the bribery person of a certain action that the said official should have or could have performed using his powers (Article 192(9) of the Criminal Code of the Republic of Uzbekistan).

**Conflict of interests** — a situation, in which personal interest (direct or indirect) affects or can affect the proper performance by a person of official obligations or duties and in which arises or may arise a contradiction between personal interest and the rights and legitimate interests of citizens, organizations, society or the state.

**Confidential information** - information, access to which is limited in accordance with the legislation of the Republic of Uzbekistan and (or) local regulations of the Airline.

**Corruption** — illegal use by a person of official or duty position with the aim of obtaining tangible or intangible benefits in personal interests or in the interests of other persons, and an unlawful provision of such benefit.

**Corruption offense** — an act possessing signs of corruption, for fulfillment of which the legislation provides for liability.

**Corruption risk** – probability (possibility) of corruption offences and the adverse consequences caused by them.

**Counterparty** - any legal entity or individual (of the Republic of Uzbekistan or foreign) with whom the Airline is or intends to enter into contractual relations, with the exception of labor relations.

**Employee** - an individual who has entered into labor relations with the employer - Uzbekistan Airways JSC, who holds any position in the Airline, as well as other individuals performing their functional duties on the basis of labor contracts concluded with them.

**Giving a bribe** - illegal provision of material values or property benefits to an official personally or through an intermediary for the performance or non-performance in the interests of the bribe-giver of a certain action, which the official should or could have performed using his official position (Article 211 of the Criminal Code of the Republic of Uzbekistan).

**Mediation in bribery** - activities aimed at reaching an agreement on receiving or giving a bribe, as well as direct transfer of a bribe on behalf of interested parties.

**Misuse of power** - the deliberate use by an official of his official powers, which has caused major damage or significant harm to the rights or interests of citizens protected by law, or to state or public interests (Article 205 of the Criminal Code of the Republic of Uzbekistan).

**Personal interest of an employee of the Airline** - the possibility of obtaining additional (except for those established by local regulations of the Airline) income in the form of monetary funds, other income, including property rights, property services, results of work performed or any benefits (advantages) by the employee and (or) his close relatives, citizens or organizations with which the employee and (or) his close relatives have property, corporate or other close relationships.

**Reputation risk** - the risk of losses incurred by the Airline due to the formation of a negative view of the Airline and its activities in general among employees, counterparties and other interested parties.

**Risk** - the impact of adverse events on the goals of the Airline.

**Standards of conduct** - rules and / or regulations that determine how an employee should act both in the performance of work duties and in difficult ethical situations.

**“Uzbekistan Airways” JSC** - a legal entity whose capital consists of shares with a specified par value.

## 2. GENERAL PROVISIONS

### 2.1. Purpose of the Policy

The purpose of the Policy is to introduce a unified set of measures to combat corruption and ensure the protection of the Airline's interests from corruption risks in the Airline's activities.

### 2.2. Objectives of the Policy

The objectives of the Policy are:

- Implementation of the requirements of the legislation of the Republic of Uzbekistan on combating corruption and applicable international norms in the activities of the Airline;
- Formation among employees, counterparties and other interested parties of an unambiguous understanding of the Airline's position on the rejection of corruption in any form and manifestation;
- Prevention and suppression of corruption offenses in the activities of the Airline;
- Minimizing the risks of involving the Airline and its employees in corruption activities.

### 2.3. Principles of the Policy

#### 2.3.1. The principles on which the Policy is based are:

- The principle of compliance with the applicable legislation of the Republic of Uzbekistan and generally accepted norms;
- The principle of rejection of corruption in any form and manifestation. The Airline declares its non-acceptance of corruption in any of its forms and manifestations and prohibits employees and other persons acting on behalf of the Airline or in its interests, directly or indirectly, personally or through intermediaries, to participate in corrupt practices, including, but not limited to: offering, promising, giving, asking for and receiving bribes (subject of commercial bribery), make payments to simplify administrative, bureaucratic and other formalities in any form, including in the form of money, valuables, services or other benefits of a property and non-property nature, in any way either to persons and from any persons or organizations, including commercial and non-commercial organizations, authorities and local self-government bodies, government officials, including foreign ones, in order to obtain benefits for themselves, for the Airline or for third parties;
- The Airline management as a role model. The Airline's management takes a key position in the formation of a culture of irreconcilable attitude towards any forms and manifestations of corruption at all levels, setting an example by their behavior and introducing the anti-corruption policy to all employees and counterparties;
- The principle of employee involvement in combating corruption. The Airline aims to form a personal position of employees' non-acceptance of corruption in any of its forms and manifestations by communicating the content of this Policy to employees, teaching its basic requirements and providing information channels for reporting corruption facts;
- The principle of open business. The Airline openly informs employees, counterparties and other interested parties about the measures taken to combat corruption. A helpline was organized by the Airline in order to ensure the possibility of employees, counterparties and other interested parties to declare the facts of corruption and / or information related to anti-corruption;
- The principle of inevitability of responsibility. The inevitability of punishment for employees of the Airline, equally and regardless of the position held, length of service and other

conditions in the event that they commit corruption offenses in connection with the performance of official duties, as well as the personal responsibility of the Airline's managers for the implementation of the Policy. It is not allowed to accept sanctions against an employee if the report on possible facts of corruption was not confirmed during the inspection. At the same time, in case of sending a deliberately false message for the purpose of defamation or obtaining any preferences, the author of such a message may be held liable in accordance with the legislation of the Republic of Uzbekistan;

- The principle of non-retaliatory measures and sanctions. No employee will be subject to formal or informal sanctions (including being fired, demoted, deprived of bonuses) if they report an alleged corruption, or if they refuse to give or receive a bribe, commercial bribery, or mediation in bribery, including if, as a result of such a refusal, the Airline has lost profits or commercial and competitive advantages have not been obtained;

- The principle of the adequacy and effectiveness of anti-corruption procedures. The Airline develops and implements such corruption risk management measures that ensure the achievement of a specific result at the lowest implementation costs;

- The principle of due diligence. The Airline makes sufficient efforts to minimize the risk of business relationships with counterparties that may be involved in corruption, welcomes and encourages compliance with the principles and requirements of this Policy by all counterparties and employees of Uzbekistan Airways for ethical business conduct and prevention of corruption;

- The principle of regular control. The Airline regularly monitors the implemented anti-corruption procedures, controls their observance, and, if necessary, revises and improves them.

#### 2.4. Scope of the Policy

2.4.1. This Policy applies to all employees of the Airline, regardless of their position, persons acting on behalf of and / or on behalf of the Airline.

2.4.2. Certain provisions of the Policy apply to the Airline's counterparties in cases where the corresponding obligations are enshrined in contracts with them or are directly provided for by law.

### 3. RESPONSIBLE EMPLOYEES AND DEPARTMENTS

#### 3.1. The Chairman of the Board of the Airlines

3.1.1. Approves local regulations of the Airline aimed at implementing the principles and requirements of this Policy and improving it;

3.1.2. Determines the departments responsible for the development of anti-corruption measures, their implementation and control.

#### 3.2. Finance department

3.2.1. Provides consulting support to the Airline's departments in terms of planning and correct reflection of expenses in compliance with the provisions of local regulations of the Airline and the current legislation of the Republic of Uzbekistan;

3.2.2. Provides control over the execution of financial documents and maintaining reliable reporting in accordance with the requirements of local regulations of the Airline and the current legislation of the Republic of Uzbekistan;

3.2.3. Organizes the development of rules and requirements for the verification process of counterparties, determines the required set of documents and mandatory control procedures to reduce the tax risks of the Airline.

#### 3.3. HR department

3.3.1. Organizes familiarization of newly hired employees with the Airline's local anti-corruption regulations.

#### 3.4. Legal department

3.4.1. Monitors current anti-corruption legislation and actual changes in legislation;

3.4.2. Provides legal assistance to the Security and Anti-Corruption Department of the Airline within the framework of anti-corruption measures;

3.4.3. Provides assistance, within the competence, to authorized representatives of competent authorities in the implementation of anti-corruption measures.

#### 3.5. Security and Anti-Corruption Department

3.5.1. Organizes and conducts events aimed at preventing corruption offenses in the activities of the Airline, including:

- measures to identify and suppress conflict of interests;
- verification of counterparties, contracts concluded on behalf of the Airline, as well as for the procurement of goods (works, services) in accordance with the principles of this Policy;
- reception and analysis of the messages on corruption offenses received by the helpline and directly from the employees of the Airline.

3.5.2. Organizes and conducts official inspections (investigations) in relation to employees on reasonable suspicion or established fact of violations of the principles and requirements of this Policy within the frameworks permitted by the legislation of the Republic of Uzbekistan;

3.5.3. Provides assistance to the Airline's departments in the framework of anti-corruption activities;

3.5.4. Provides assistance to authorized representatives of competent authorities in the implementation of anti-corruption measures;

3.5.5. Collects and analyzes the suggestions of the responsible departments for improving this Policy;

3.5.6. Develops drafts of local anti-corruption regulations of the Airline;

3.6. Internal Audit Service

3.6.1. Identifies signs of corruption offenses, as well as signs and facts of violations of the principles and requirements of this Policy;

3.6.2. If necessary, takes part in official inspections together with the Security and Anti-Corruption Department;

3.6.3. Provides assistance to the Security and Anti-Corruption Department and the competent authorities in the implementation of anti-corruption measures.

## 4. ANTI-CORRUPTION MEASURES

### 4.1. Implementation of standards of employee behavior

4.1.1. In order to introduce anti-corruption standards of employee behavior, the Airline has developed and approved the “Rules of Ethical Conduct for Employees of “Uzbekistan Airways” JSC”, affecting the ethics of business relations and aimed at fostering ethical, conscientious behavior of employees.

### 4.2. Avoiding conflict of interests

4.2.1. The airline implements measures to prevent the emergence of a conflict of interest.

4.2.2. Methods for identifying and resolving conflict of interests are regulated by the requirements of the Procedure for preventing and resolving conflict of interests in “Uzbekistan Airways” JSC.

4.2.3. The Airline ensures equal rights and opportunities for its employees without any discrimination, including monitoring the absence of advantages or disadvantages caused by the employment of relatives in positions that provide for the subordination of one relative to another or the possibility of influencing the setting of tasks and assessing the effectiveness of their implementation.

### 4.3. Identification and analysis of corruption risks

4.3.1. The Airline considers the risks associated with corruption and fraud to be unacceptable and recognizes the need to manage these risks, regardless of the likelihood of occurrence and the degree of their impact. To minimize the risks of corruption, the Airline develops and implements appropriate procedures and monitors their observance.

4.3.2. Anti-corruption procedures are a set of activities related to the formation of the control environment and monitoring of its state; introduction of internal anti-corruption controls, as well as an effective system of communication and information exchange between various control units and management.

4.3.3. Measures for the implementation of anti-corruption procedures are carried out in several stages:

At the first stage, business processes with a high corruption risk are identified.

Then, in the identified business processes, “critical points” are determined in the implementation of which the occurrence of corruption offenses is most likely, and indicators that “signal” the possibility of corruption are determined.

Possible forms of corruption payments are analyzed. Based on the analysis carried out, a “map of corruption risks” - a summary description of “critical points” and possible corruption offenses - is drawn up.

A list of positions associated with a high corruption risk is determined. Special anti-corruption procedures and additional requirements may be established for employees holding and filling positions with a high corruption risk.

At the final stage, for each “critical point” described in the “map of corruption risk”, appropriate procedures are developed and implemented into the Airline's processes to reduce the risk of corruption.

4.3.4. At least once a year, an assessment of the implemented measures to prevent corruption is carried out, based on the results of the assessment, reports and proposals for amending

the lists of business processes and positions with signs of increased corruption risk are drawn up. If necessary, additional measures are developed and implemented to minimize corruption risks.

#### 4.4. Proper communication with counterparties

4.4.1. When interacting with counterparties, the Airline on an ongoing basis exercises the principle of due diligence and checks counterparties, including checking whether they have their own anti-corruption procedures or policies, their readiness to comply with the requirements of this Policy and include clauses on anti-corruption clauses in contracts (see Appendix A), and provide mutual assistance for ethical business conduct and anti-corruption.

#### 4.5. Maintaining reliable reporting

4.5.1. All financial and business operations and transactions of the Airline are timely, accurately, correctly and with a sufficient level of detail drawn up by primary accounting documents, reflected in accounting, management and other accounting and are available for verification.

4.5.2. Intentional distortion and / or falsification of accounting, tax and management accounting and reporting data by employees is strictly prohibited and is subject to investigation in accordance with the established procedure.

#### 4.6. Control and audit

4.6.1. The Airline's internal control system contributes to the prevention and detection of corruption offenses in the activities of “Uzbekistan Airways” JSC. In order to assess the effectiveness of the internal control system, including in the field of combating corruption offenses, the Airline has a the Security and Anti-Corruption Department.

4.6.2. The internal control system ensures the reliability of the Airline's financial statements and ensures that the Airline's activities comply with the requirements of regulatory legal acts of the Republic of Uzbekistan and local regulatory acts of the Airline. To this end, the internal control system ensures the implementation of procedures to ensure compliance with the requirements of the anti-corruption policy, including:

- Implementation of activities to prevent corruption;
- Control of documenting operations of economic activities of the organization;
- Revision of the economic feasibility of operations carried out in the areas of corruption risk.

4.6.3. The Security and Anti-Corruption Department conducts periodic inspections that include anti-corruption protection issues.

#### 4.7. "Helpline"

4.7.1. The Airline accepts complaints from employees, counterparties and other persons about the facts of corruption using the real-time communication channel (phone: (78) 140-46-61, email: anticorruption@uzairways.com, personal reception, etc.).

4.7.2. Information about the availability of a communication channel is communicated to employee at the time of employment, when the employee familiarizes himself with the local regulations of the Airline and / or in another suitable form, and is also published on the official website of the Airline.

4.7.3. Information about the persons who provided information about alleged or accomplished facts of corruption is confidential information.

#### 4.8. Restrictions on giving / receiving gifts and entertainment expenses

Gifts and entertainment expenses, including for business hospitality, which employees may provide to third parties or may receive from third parties, must comply with the combination of the following restrictions:

- be directly related to the legitimate goals of the Airline's activities (for example, presentation, successful transactions), generally accepted holidays such as New Year, International Women's Day, memorable dates and anniversaries;
- be reasonable, proportionate, not luxury goods and not create a reputational risk for the Airline and its employees;
- not represent a hidden reward for a service, action, inaction, connivance, patronage, granting rights, making a certain decision on a deal, agreement, etc. or an attempt to influence the recipient for another illegal and unethical purpose;
- not contradict the principles and requirements of this Policy, other local regulations of the Airline, and applicable law.

#### 4.9. Interaction with competent authorities carrying out anti-corruption activities

4.9.1. The airline and its employees provide support in detecting and investigating corruption cases by law enforcement agencies, cooperating with law enforcement agencies by assisting authorized law enforcement officials in carrying out measures to suppress or investigate corruption offenses, including operational search activities.

4.9.2. The Airline shall immediately inform the relevant law enforcement agency about the facts of extortion of bribes by government officials.

#### 4.10. Refusal to participate in political activities

4.10.1. The airline does not participate directly or indirectly in political activities, does not finance political parties, organizations and foundations in order to obtain competitive advantages in commercial activities.

4.10.2. Employees have the right, as individuals, in their free time from work, to participate at their discretion in political activities, if such participation does not harm the interests of the Airline and does not create a conflict of interest.

## **5. OBLIGATION TO COMPLY WITH POLICY**

5.1. Employees of the Airline, regardless of their position, are obliged to comply with the principles and requirements of this Policy, and are responsible for the actions (inactions) of employees subordinate to them that violate these principles and requirements. The duties and responsibilities of employees against corruption are also set out in addition to the employment contract signed between the employee and the employer.

5.2. Persons guilty of violating the requirements of this Policy may be held liable in the manner and on the grounds provided for by the legislation of the Republic of Uzbekistan and local regulations of the Airline.

5.3. The airline has the right to conduct official checks (investigations) on each reasonable suspicion or established fact of corruption within the framework permitted by the legislation of the Republic of Uzbekistan.

**Appendix A**  
to the Anti-Corruption Policy  
of Uzbekistan Airways JSC

"Anti-corruption clause" for contracts with counterparties concluded on behalf of the Airline.

1. \* The Parties acknowledge and confirm that each of them pursues a policy of zero tolerance for bribery and corruption, which implies a complete prohibition of corrupt practices and payments for assistance / payments, the purpose of which is to simplify formalities in connection with economic activities, to ensure a faster solution to those or other questions. The parties are guided in their activities by applicable law and policies / procedures developed on its basis aimed at combating bribery and commercial bribery.

2. \* The Parties warrant that neither they nor their employees will offer, provide or consent to the provision of any corrupt payments (cash or valuable gifts) to any person (including, but not limited to, individuals, commercial organizations and government officials), and will not seek to receive, accept or agree to accept from any person, directly or indirectly, any corrupt payments (money or valuable gifts).

3. \* In the event that one of the Parties suspects that a violation of any provisions of clauses 1 \* and 2 \* has occurred or may occur, the relevant Party undertakes to notify the other Party in writing via official communication channels or by sending a message to the hotline indicated on official website. In a written notification, the Party is obliged to refer to facts or provide materials confirming or giving reason to believe that a violation of any provisions of clauses 1 and 2 of this Agreement by the other Party, its affiliates, employees or intermediaries has occurred or may occur.

(\*) - numbering of clauses of the Anti-Corruption Clause for each contract is indicated in accordance with the numbering of clauses of this contract.