

**METHODOLOGY**  
**for monitoring and controlling the**  
**efficiency of implemented anti-**  
**corruption procedures at**  
**JSC “Almalyk MMC”**

## I chapter. General

1. This Methodology is considered an internal regulatory document of the Joint Stock Company Almalyk MMC, which defines the procedures and standards for monitoring and controlling the implementation of procedures and adopted internal regulatory documents to combat corruption in the plant and its structural divisions.

2. In this Methodology, monitoring means an assessment of the effectiveness of the anti-corruption system, verification in order to reduce corruption risks in the activities of the Combine and its structural divisions, and control means an analysis of the state of the anti-corruption system, which is possible in the form of a critical study.

3. This Methodology has been developed in accordance with the requirements of the legislative acts of the Republic of Uzbekistan in the field of combating corruption, internal regulatory documents of the Combine, as well as taking into account the best international practices in combating corruption.

4. Monitoring and control over the effectiveness of anti-corruption procedures in the Combine and its structural subdivisions is carried out by the internal control structure for combating corruption (hereinafter referred to as the Compliance Control Service).

5. The main objectives of monitoring and control are the following:

- checking the compliance of the activities of the executive office and structural divisions of the Combine with the accepted requirements for combating corruption;

- prevention of corruption offenses, the sufficiency of the measures taken in this regard and the assessment of the procedures introduced and increasing their effectiveness;

- improvement of the system of anti-corruption compliance control in the Combine and its structural subdivisions by identifying and eliminating deficiencies;

- analysis of the state of compliance with internal regulations and procedures to combat corruption in the executive office and structural divisions of the Combine;

- identification of indicators of corruption risks in the activities of the executive office and structural divisions of the Combine;

- analysis of the implementation of measures aimed at the timely identification and regulation of conflicts of interest;

- determination of non-fulfillment of other procedures aimed at reducing risks in the executive office and structural divisions of the Combine;

- control over the status of the results of previous monitoring, internal audits, internal audits, other control measures and compliance with the recommendations presented within them, as well as the implementation of other activities approved by the plan in the executive office and structural divisions of the Combine.

6. When applying this Methodology, the following basic concepts are used:

**counterparty (contractual partner)** – any legal entity or individual entrepreneur entering into contractual relations (excluding labor relations) with the plant and its structural divisions;

**corrupt actions** – the material interest of the Combine employee in actions or inaction in the interests of the bribe giver, directly or indirectly, personally or through third parties, including in receiving, demanding, exacting, offering or giving, bribery and / or receiving bribes, including illegal use their official and official powers in order to receive funds,

securities, other forms of ownership and property rights, property-related services to simplify formalities;

**corruption** – illegal use by a person of his own career or official position in order to obtain material or non-material benefits in the interests of his personal interests or other persons, as well as the illegal provision of such benefits;

**anti-corruption system** – a set of comprehensive measures to prevent corruption, violations of the legislation of the Republic of Uzbekistan in the field of combating corruption and internal regulatory documents on combating corruption of the Combine, ensuring a professional and high level of implementation of its activities by employees;

**relevant message** – a message consisting of information about corrupt behavior and conflict of interest in the plant and its structural divisions.

## **II chapter. Directions and types of activities for monitoring and control**

7. Anti-corruption monitoring is carried out in the Plant and its structural subdivisions in the following main areas:

monitoring the relevance of the anti-corruption system implemented in the Combine and its structural divisions, as well as the compliance of the existing system with the requirements of the current legislation, including international standards;

regular monitoring of the availability of information about the commission of acts of corruption by the media, including social networks, counterparties that have entered into contractual relations with the plant, directly with the executive office and structural divisions of the Combine, as well as promptly informing the Compliance Control Service by the Information (press) service;

monitoring the level of awareness of all employees of the Combine with the Anti-Corruption Compliance Control System, as well as its main procedures, rules and requirements.

8. Control over the anti-corruption system implemented in the executive office and structural divisions of JSC “Almalyk MMC” is carried out in the following areas:

control over the execution of documents related to the anti-corruption system, approved programs, road maps, events and others

Monitoring compliance with anti-corruption requirements, rules and procedures in the executive office of the Combine and its structural divisions.

## **III chapter. The procedure for monitoring the anti-corruption system implemented in the executive office and structural divisions of the Combine**

9. The merger is carried out by monitoring the relevance of the executive office and the anti-corruption system implemented in the structural divisions, and its compliance with the requirements of legislative requirements, including international standards, constant monitoring by the Compliance Control Service (decisions of the National Council, certificate of the Agency, recommendations of international and foreign organizations).

If necessary, the Service submits to the Chairman of the Board for approval a project of measures to improve the anti-corruption system to combat corruption based on the results of monitoring, amendments, additions to internal regulatory documents, or new documents.

10. Monitoring the presence in the media, social networks of information about the corrupt actions of employees of the executive office and structural divisions of the Combine

is carried out by the Information (press) service of the Combine through regular monitoring of the media and social networks.

As a result of monitoring, upon detection of relevant messages concerning the employees of the Combine, actions are taken in the manner prescribed by the relevant internal regulatory document of the Combine for conducting internal checks for corrupt behavior of these employees.

11. Checking the awareness of the employees of the Combine about the content and essence of anti-corruption principles and requirements is carried out every six months together with the Compliance Control Service and the Human Resources Service.

the indicator of employee awareness is carried out in accordance with the system for checking the level of awareness of the principles and requirements of combating corruption, presented in Appendix 1 to this Methodology, covering the following:

determining the participation of employees of the executive office and structural divisions of the Combine in the audit on a competitive basis (the minimum number of employees involved in the audit from different departments of the executive office of the Combine should be at least fifty (50) employees of different positions);

compiling a list of questions in accordance with the principles of combating corruption and the requirements of the Combine (with situational tasks - solving cases) the minimum number is 10, tests, open-ended questions can be compiled in a different form);

sending security questions to selected employees on a voluntary basis for providing answers/solutions;

analysis of the results and discussion with employees of difficulties in understanding and complying with the requirements and procedures for combating corruption.

12. Information about monitoring and its results must be included and registered in a separately kept Journal in accordance with the form given in Appendix 2 to this Methodology.

#### **IV chapter. Control over the anti-corruption system implemented in the Plant and its structural divisions**

13. Control over the implementation of the approved anti-corruption Programs and Roadmaps in the plant and its structural divisions is carried out during the preparation and submission of a report on the state of the anti-corruption system in accordance with the internal regulatory document for the formation of the report.

14. Control over compliance with anti-corruption procedures is carried out in relation to the implementation of measures developed in relation to the function that makes up this system, procedures, attitudes, corruption risks that are most exposed to corruption risks.

15. Based on the characteristics of the Combine's activities, the following most dangerous and corruption-prone processes can be included in the subject of control over compliance with anti-corruption procedures:

Activities in all forms and types of procurement;

expenses related to gifts, business trips;

Warehouse activities, including the paramilitary security of the Combine;

interaction with organizations whose activities are controlled;

consumption of fuels and lubricants, consumption of spare parts and components for technological transport and road transport;  
targeted and efficient use of financial resources;  
in the direction of work with employees (recruitment, hiring, appointment, promotion), the procedure and procedures for remuneration and other types of incentives).

16. According to the list, which lists the processes of activities for monitoring compliance with anti-corruption procedures, the results of the annual assessment of corruption risks are reviewed by the Compliance Control Service together with the Legal Department and, if necessary, in terms of processes that are dangerous or of little importance, an adjustment is made by making changes and additions in agreement with the Chairman of the Board and relevant specialists.

17. Control in relation to one or more hazardous processes is carried out at periodic intervals, but at least 1 (one) time per quarter in accordance with the monitoring and control plan.

18. By January 30 of each year, the compliance control service forms a plan for monitoring compliance with anti-corruption procedures for two calendar years.

At the same time, the audited period and terms are taken into account by means of the methods specified in the internal regulatory documents for determining and assessing the sequence of risks to be audited in the relevant quarter, also at the direction of the Chairman of the Board, depending on the level of residual risks based on the results of risk assessment.

19. The developed plan for monitoring compliance with anti-corruption procedures is approved by the Chairman of the Board before February 5 (fifth) of each year.

20. Measures for unscheduled audit of compliance with anti-corruption procedures may be carried out in the following cases:

In the presence of the relevant order of the chairman of the administration of the Combine that has entered into force;

Corruption risks, behavior during other inspections (official inspections, internal audit inspections, etc.) conducted in the executive office or structural divisions of the Combine or when facts of an offense are established;

In case of receiving a relevant message through special communication channels of the Combine.

21. Control measures are carried out in the form of inspections, within which the following procedures can also be carried out with a direction to identify indicators of corruption:

Acceptance and transfer of contractual documents concluded by the plant and structural divisions with contractors, goods in reality or comparison with the service provided and the work performed;

comparison of the completeness of the conclusion based on the results of the verification of the counterparty (with business partners) or the candidate for work and the completeness of the information contained in the documents, which record the compliance of the data of the person specified in the contract and passed the verification, as well as the content of the source of information;

comparison of the availability of authority of the persons who signed the relevant documents (contracts, administrative and other documents) on the part of the Combine and counterparties (coordinating persons) or the visual correspondence of the submitted documents with the signatures of authorized persons;

comparison of the details of the counterparty and the amount under the relevant agreement with accounting / reporting and other information;

verification of the absence of adjustments, strikethrough, falsification in the submitted documents;

checking the presence of messages and publications about the plant and its activities in the media, also in social networks in accordance with the law and internal regulations of the Combine (information on the publication of competition, procurement procedures, etc.);

conducting interviews with employees, managers of the Combine and its structural divisions for additional information and notes on issues that arise in the process of conducting control activities.

22. At the end of the control activities, a certificate is drawn up, which includes an introductory, descriptive and final part, and as a rule, the following is indicated:

**In the preamble:**

Control start and end dates for each task and procedures;

a list of tasks and procedures for which control was carried out;

a list of departments and officials responsible for the implementation of tasks and procedures in respect of which control was exercised;

Full name, official position, personnel number, telephone numbers of the employee responsible for compiling the report.

**In the descriptive part:**

the method of selection and the scope of selection in the context of each task and procedures in respect of which control was carried out;

cases and shortcomings of violations identified in the anti-corruption system of the executive office and structural divisions of the Combine, as well as factors and conjuncture that contribute to the appearance of shortcomings or their development.

**In the final part:**

conclusion on the presence or absence of corruption risks in each task and procedures in respect of which control was carried out;

main offenses specified in the legislation of the Republic of Uzbekistan and internal regulatory documents of the Combine;

when committing the fact of an offense, a specific norm of the legislation of the Republic of Uzbekistan in which the requirements are violated, or the name, date and content of the violated provision of the internal regulatory documents of the Combine;

proposals and recommendations for the elimination of violations or shortcomings identified during the control.

23. For all cases included in the certificate, copies of supporting documents and extracts must be attached.

24. The certificate is submitted to the chairman of the board, and information about the control event is entered and recorded in the Journal in accordance with the form in Appendix 2 to this Methodology.

## **V chapter. Final provisions**

25. Proposals and recommendations developed based on the results of monitoring and control are included in the Anti-Corruption Program of the Combine.

26. Personal responsibility for ensuring the implementation of the developed recommendations based on the results of monitoring and control, as well as providing detailed information on the results of the work carried out to the Compliance Control Service, rests with the heads of departments of the executive office and all structural divisions of the Combine.

Appendix 1  
to the Methodology for Monitoring and Controlling the Effectiveness of  
Implemented Anti-Corruption Procedures at JSC “Almalyk Mining and  
Metallurgical Company”

**SYSTEM**  
**of checking the degree of awareness of the principles and requirements for combating corruption**  
**of the Employees of the Executive Office and structural divisions of JSC “Almalyk MMC”**

No.	Direction of check	Checking activities
1.	Monitoring of trainings (online, offline) on compliance with the rules of corporate ethics and conduct, principles and requirements for combating corruption for employees of the Executive Office, as well as structural divisions of JSC “Almalyk MMC”	Control over the regularity of trainings, their content and compliance with the requirements of internal regulatory documents of a part of the participating persons.
2.	Examination of the level of knowledge of the employees of the executive office and structural subdivisions of JSC "Almalik MMC" of the principles and requirements procedures of combating corruption	analysis of the results of passing tests or other control measures carried out by employees of the executive office and structural divisions of JSC “Almalyk MMC” as part of anti-corruption trainings; verification of forced familiarization of employees of the executive office and structural divisions of JSC “Almalyk MMC” with the anti-corruption policy against signature; verification on a competitive basis of knowledge of employees of the executive office of JSC “Almalyk MMC” and structural divisions on anti-corruption policies and procedures: a) selection on a competitive basis of employees of the executive office and structural divisions of JSC “Almalyk MMC” to participate in the inspection (the minimum number of employees participating in the survey is the number of employees holding various positions in the plant and its structural divisions - 50 people); b) compiling a list of questions on the requirements and standards for combating corruption (with the solution of the problem - cases in a specific situation) specified in the internal regulatory documents of JSC “Almalyk MMC” (the minimum number of questions is 10, they can be compiled in a test format, in the form of open questions or otherwise); c) sending control questions to selected employees for answers/solutions; g) discussing with employees the difficulties that arise when analyzing the results and understanding the requirements and procedures for combating corruption.



Appendix 2  
to the Methodology for Monitoring and Controlling the  
Effectiveness of Implemented Anti-Corruption Procedures at  
JSC Almalyk Mining and Metallurgical Company

**LOGBOOK**  
for monitoring and controlling the effectiveness of anti-corruption procedures  
in the Executive Office and structural divisions of JSC “Almalyk MMC”

No.	Type of monitoring / activity	Frequency of monitoring of activities (quarterly/every six months/ongoing)	Date of monitoring/ control	Details of observation	Measures to improve the structure for countering corruption	Responsible executing person	Deadline for the implementation of corrective measures	Status of fulfillment
Assessment of the adequacy of the anti-corruption system in the Executive Office and structural divisions of JSC “Almalyk MMC”								
1.	Monitoring the relevance of the anti-corruption system implemented in JSC Almalyk MMC and its compliance with legal requirements, as well as international standards	Constantly						
Evaluation of the effectiveness of combating corruption in the Executive Office and structural divisions of JSC “Almalyk MMC”								
2.	Monitoring of mass media and social networks	Constantly						
3.	Monitoring the level of awareness of employees of JSC "Almalyk MMC" about the basic principles and requirements for combating corruption	Every half year						

4.	Control over the measures approved by JSC “Almalyk MMC”, roadmaps for combating corruption	Quarterly						
		Quarterly						

