



Anti-corruption Policy of BAKAI BANK OJSC

Bishkek, 2025

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1. General Provisions

1. The Anti-corruption Policy of BAKAI BANK OJSC (hereinafter referred to as the Policy) is an internal regulatory document of BAKAI BANK OJSC (hereinafter referred to as the Bank), defining the key principles and requirements aimed at preventing corruption in the Bank and at compliance of the Bank with the anti-corruption legislation of the Kyrgyz Republic.

2. The Policy is developed in accordance with the current legislation of the Kyrgyz Republic, the Charter and internal regulatory documents of the Bank, and also takes into account the generally recognized international anti-corruption experience.

3. The Policy is part of the compliance risk management system and establishes the management and organizational foundations for preventing corruption activities, as well as minimizing and/or eliminating the consequences of corruption offenses.

4. The objectives of the Policy are:

- a) assistance in implementing the requirements of anti-corruption legislation of the Kyrgyz Republic, including the Law of the Kyrgyz Republic "On Combating Corruption", within the powers of the Bank;
- b) improvement of the corporate control system to prevent any manifestations of corruption, both on behalf of and in relation to the Bank and / or Bank employees;
- c) commitment to high standards of business ethics and the formation of a corporate culture of the Bank based on zero tolerance for corruption;
- d) formation of anti-corruption corporate consciousness in the Bank;
- e) specification of measures of responsibility for corruption offenses.

5. The main objectives of combating corruption in the Bank are:

- creation of effective mechanisms, procedures, control and other measures aimed at preventing and combating corruption and commercial bribery;
- minimization of the risk of the Bank and its employees being involved in corrupt activities;
- timely informing of management bodies of the Bank about corruption offenses and measures taken to combat corruption.

6. The following terms are used in this Policy:

Anti-corruption legislation of the Kyrgyz Republic	the Law of the Kyrgyz Republic "On Combating Corruption" and other regulatory legal acts in combating corruption, applicable to the Bank as a legal entity, employees of the Bank in the context of performing their official duties, as well as the counterparties of the Bank.
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Client	an individual or legal entity (organization), sole proprietor, foreign trust or legal entity accepted for servicing or being serviced by the Bank, or with whom the Bank establishes or has established business relations.
Commercial bribery	illegal transfer of money, securities or other property to a person empowered to make decisions in the Bank or other organization, as well as illegal provision of property services to him/her for performing actions (inaction) in the interests of the giver in connection with the official position occupied by this person.
Conflict of interest	situation in which a contradiction arises between the personal interests of officials and (or) employees of the Bank and the proper performance of their official duties or property and other interests of the Bank and (or) its employees and (or) clients, which may entail an emergence of risks of adverse consequences for the Bank and (or) its clients.
Corruption	intentional illegal use by employees of their official powers and opportunities associated with them for the purpose of illegally obtaining or extracting, personally or through intermediaries, property (non-property) benefits and advantages for themselves or for third parties, as well as bribery of these persons by providing benefits and advantages.
Corruption risk	possibility of emergence of causes and conditions that contribute to commission of corruption offenses.
Counterparties	any legal entities and individuals, individual entrepreneurs interacting with the Bank on the basis of contracts or other legally binding agreements, including within the framework of pre-contractual relations.
Employee of the Bank	employees of the Head Office, as well as branches, departments, and representative offices of the Bank, who work based on an employment contract concluded with the Bank.
Stakeholders	legal entities and individuals who may be interested in the results of activities of the Bank and creation of value and/or may have a significant impact on activities, products and services of the Bank, or whose decisions or actions may affect ability of the Bank to create value, successfully implement its strategies and achieve its goals, as well as individuals and legal entities affected by activities of the Bank.
Third party	any individual or legal person, individual entrepreneur, with whom the Bank interacts in the course of its activities, including, but not limited to, clients, counterparties and other persons, including government agencies and their officials.
Zero tolerance for corruption	complete rejection by the Bank of corruption in any form or manifestation in the course of its activities, a strict ban on employees of the Bank and other persons acting on behalf of the Bank or in its interests, directly or indirectly,

	personally or through any intermediary, from participating in corruption activities.
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2. Scope of Application of the Policy

7. The Policy applies to all employees of the Bank, regardless of a position they hold and a length of their employment with the Bank in the context of performing their official duties or representing the interests of the Bank.

8. The Bank welcomes the aspiration of counterparties of the Bank to follow the principles and requirements set out in the Policy.

9. The principles and requirements of the Policy apply to counterparties of the Bank, including suppliers, agents, consultants, representatives and other persons, in cases where the relevant obligations are set out in contracts with them or directly follow from the applicable anti-corruption legislation.

10. The Bank makes reasonable efforts to inform stakeholders about the approaches, principles and requirements established by the Policy, including ensuring that employees of the Bank are familiar with the Policy when concluding an employment contract, and ensuring that they sign an obligation to comply with the Policy.

3. Anti-corruption Principles

11. Anti-corruption measures in the Bank are based on the following principles:

- zero tolerance of the Bank for corruption;
- compliance of the activities of the Bank with the current legislation and generally accepted standards;
- personal example of the executives of the Bank in ethical and anti-corruption behaviour;
- active involvement of employees of the Bank in anti-corruption measures;
- responsibility and inevitability of punishment for corruption violations;
- openness of the Bank and informing stakeholders of the Bank, including employees, clients, counterparties, and the public, about the actions taken by the Bank in relation to anti-corruption measures;
- anti-corruption cooperation with government agencies, as well as the clients and counterparties of the Bank;
- inadmissibility of any discrimination, infringement of rights and freedoms based on origin, gender, race, nationality, language, religion, political and religious beliefs or any other conditions and circumstances of a personal or public nature.

12. Combating corruption consists of the activities of governance bodies and employees of the Bank within the limits of their powers to:

- prevent corruption – prohibition of corruption, including identifying and subsequently eliminating the causes of corruption;
- combat corruption – identifying, preventing, suppressing, disclosing and investigating corruption offenses;
- minimize and/or eliminate the consequences of corruption offenses;
- provide assistance in identifying, preventing, suppressing, disclosing and investigating corruption offenses.

4. Corruption Activities

13. The following activities are recognized as corruption activities in accordance with the Policy:

- 1) provision or promise to provide any financial, property and/or other benefit/advantage, including an offer, promise or performance of a bribe, with a purpose of inducing a decision in favour of persons providing such benefit/advantage or persons associated with them;

- 2) receipt, agreement to receive, demand or request to provide a financial, property and/or other benefit/advantage with a purpose of inducing a decision in favor of persons providing such benefit/advantage or persons associated with them;
 - 3) fraud, illegal use of official position contrary to legitimate interests of the Bank to obtain a financial, property or other benefit/advantage;
 - 4) use in personal or group interests of confidential information that is not subject to distribution and obtained in performance of official duties;
 - 5) any other actions that violate the anti-corruption legislation of the Kyrgyz Republic.
14. In accordance with the Policy, the activities specified in paragraph 13 will be qualified as corrupt activities when committed:
- 1) directly or indirectly;
 - 2) personally or through third parties;
 - 3) in any form, including a receipt/provision of funds, valuables, other property and/or services, other property and/or non-property rights.
15. The Bank and employees of the Bank are prohibited from:
- 1) directly or through third parties offering, promising, approving or transferring funds, securities, other property (including, but not limited to, gifts, reimbursement of expenses, discounts, entertainment, any financial or other benefit or advantage), or illegal provision of property services, granting property rights to any state/municipal employee or representative of any organization with a purpose of influencing his/her actions (ensuring inaction) and/or obtaining an improper advantage;
 - 2) directly or through third parties demand, give consent to receive or receive any payments in the form of money, securities, other property, provision of property services, provision of other property rights or any other valuables, as well as any financial or other benefit or advantage, if condition for receiving such payments, benefits or advantages is performance of actions, fulfilment of official duties in the interests of a giver, and also if these payments, benefits or advantages are remuneration, direct or indirect, for fulfilment of such duties;
 - 3) to act as an intermediary in bribery or commercial bribery, i.e. to directly transfer bribes on behalf of a bribe-giver or bribe-taker, or otherwise facilitate achievement or implementation of an agreement between them on receiving and giving a bribe or commercial bribery;
 - 4) other illegal use of official position contrary to the legitimate interests of the Bank for a purpose of obtaining financial or other benefits/advantages.
16. The Bank shall not engage agents, consultants or other third parties to make any payments or take any actions that are contrary to the anti-corruption legislation of the Kyrgyz Republic or that create a risk to the business reputation of the Bank, as well as to the business reputation of employees of the Bank when performing their official duties.
17. When performing their official duties, employees of the Bank are obliged to:
- 1) avoid situations that lead to a conflict of interest, and when making decisions within the framework of their official duties, be guided exclusively by the interests of the Bank;
 - 2) not use their official position, as well as information to which they have access, for personal interests or in the interests of related persons;
 - 3) promptly disclose information about personal circumstances that may lead to a real or potential conflict of interest, including when hiring, when assigning to a new position.
18. Employees of the Bank are obliged to inform the head of their structural unit about the existence or occurrence of a conflict of interest in performance of their official duties in accordance with the Regulation on Conflicts of Interest in BAKAI BANK OJSC.

5. Business Gifts and Business Hospitality

18. Employees of the Bank shall not accept or give gifts in connection with their work at the Bank. However, the acceptance and giving of gifts may be part of established business relations or comply with the customs of business etiquette in accordance with paragraph 21 of the Policy,

the Regulation on Conflicts of Interest in BAKAI BANK OJSC and other internal regulatory documents of the Bank.

19. Employees of the Bank and their close relatives are prohibited from accepting from clients and counterparties of the Bank any material reward, gifts or services provided for actions (inactions) of employees of the Bank in favour of persons who provided a material reward, gifts or services, if such actions (inactions) are within the official powers of these employees or, by virtue of their official position, they may facilitate such actions (inactions).

20. Gifts that employees of the Bank may present on behalf of the Bank to other persons or receive in connection with their work at the Bank from other persons must meet the following criteria:

- 1) be directly related to the objectives of activities of the Bank;
- 2) not be a hidden reward for an action (inaction), provision of rights, rendering of services, making a certain decision on a transaction, agreement, permission or an attempt to influence a recipient for another illegal or unethical purpose;
- 3) be reasonably justified, proportionate and not be luxury items.

21. Gifts on behalf of the Bank and/or an employee of the Bank (on behalf of the Bank in the course of performing his/her official duties at the Bank) to third parties in the form of cash or non-cash funds (regardless of currency), securities, precious metals, precious stones, as well as benefits and services, including payment for entertainment, transportation expenses, loans, discounts, provision of property for use, and other benefits are not allowed.

22. The Bank establishes a ban on offering and transferring any gifts to persons performing inspection or control and supervisory functions in relation to the Bank, regardless of their value.

23. The Bank establishes a ban on any gift to a government/municipal employee, an acceptance of which may put a government/municipal employee in a situation of conflict of interest.

24. Giving souvenir gifts to clients and counterparties of the Bank is allowed.

25. Actions of the Bank in business hospitality, which are understood to mean various entertainment events, consist in the fact that they should not lead to an emergence of any reciprocal obligations on the part of an invited participant of an event and/or influence the objectivity of his/her business judgments and decisions.

26. Acting as both the organizing and the invited party, employees of the Bank are prohibited from taking part in entertainment events if the latter are illegal, may be perceived as a bribe or commercial bribery and/or may offend public morality and ethics.

6. Compliance with Anti-corruption Legislation and the Policy

27. The Bank forms a reliable internal control system, implements a set of measures to prevent corruption based on assessment of the risks of the Bank as a whole and individual processes, meeting international standards, limiting a possibility of corruption activities and allowing for their prompt identification.

28. Members of the Board of Directors and employees of the Bank, regardless of the position they hold and the length of their service in the Bank, are obliged to strictly comply with the requirements of the anti-corruption legislation of the Kyrgyz Republic and the Policy, and the principles of professional ethics.

29. Employees of the Bank bear personal responsibility for compliance with the anti-corruption legislation of the Kyrgyz Republic and the Policy, as well as for actions (inactions) that violate the principles and requirements of the anti-corruption legislation of the Kyrgyz Republic and the Policy.

30. Violation of the anti-corruption legislation of the Kyrgyz Republic and the Policy is considered by the Bank as a serious offense that may result in the application of disciplinary measures to employees of the Bank, as well as measures of responsibility for violation of the anti-corruption legislation of the Kyrgyz Republic (criminal, administrative and other liability) at the initiative of the Bank, law enforcement agencies or other persons in the manner and on the grounds

stipulated by the anti-corruption legislation of the Kyrgyz Republic and the internal regulatory documents of the Bank.

31. Employees of the Bank are obliged to refuse any kind of illegal incentive offered by other employees of the Bank or third parties, in a clear and distinct form that leaves no room for doubt, misunderstanding or ambiguous interpretation of such refusal. Any offer or attempt to offer such an illegal incentive must be immediately brought by employees of the Bank to the attention of the Compliance Control Department or their immediate supervisor.

32. Each employee of the Bank is obliged to familiarize themselves with the Policy and confirm in writing the obligation to observe it in good faith in accordance with the form established by Appendix 1 to the Policy. The obligation signed by employees of the Bank shall be kept in their personal file.

33. The Bank guarantees that those employees of the Bank who refused to participate in corruption activities will not be held liable, even if as a result of such refusal the Bank missed commercial or competitive advantages, or suffered losses, an avoidance of which was possible only by violating the anti-corruption legislation of the Kyrgyz Republic or the Policy.

34. Employees of the Bank who doubt the compliance of their actions with the anti-corruption legislation of the Kyrgyz Republic or the Policy have the right to seek advice from the Compliance Control Department, which is responsible for monitoring compliance with anti-corruption legislation in the Bank, or from the head of their structural unit.

35. The Bank makes reasonable efforts to prevent the appointment to management positions in the Bank of persons who are known to have previously been involved in corruption activities.

36. To minimize corruption risks, the Bank analyses the business reputation and reliability of potential employees, clients, counterparties and other persons, their shareholders (participants) and beneficial owners in accordance with the procedure established in the Bank, including for a presence of negative information in publicly available sources.

37. When concluding contracts with counterparties, the Bank includes a mandatory anti-corruption clause in the text of the contract, welcomes a presence of anti-corruption regulations with counterparties and their adherence to generally recognized international anti-corruption standards.

38. The Bank regularly conducts internal and external audits of business and financial activities, control over the completeness and correctness of data reflection in accounting, compliance with legislation and internal regulatory documents of the Bank.

39. To form an appropriate anti-corruption culture, the Bank organizes training for its employees on issues of preventing and combating corruption.

7. Reporting Corruption Offences

40. If there is a reasonable suspicion that a corruption offence or a conflict of interest occurred in the Bank, or that the services provided by the Bank to its clients are used or are intended to be used for corrupt purposes, employees of the Bank should report the case of a corruption offence or suspicion thereof, with information describing the relevant violations attached, to the Compliance Control Department or to their immediate supervisor, except in cases where the relevant suspicions arise in relation to that supervisor.

In the event of a possible conflict of interest, or in the event of an existing conflict of interest of an employee of the Bank, which is potentially the cause of a corruption offence, employees of the Bank are obliged to report it to the Compliance Control Department via the corporate e-mail compliance@bakai.kg or to their immediate supervisor no later than the next working day.

41. The Bank welcomes the aspiration of clients, counterparties and other stakeholders that are not employees of the Bank to inform the Bank of a reasonable suspicion of a corruption offence or a conflict of interest. In this case, detailed information may be sent to the e-mail of the Bank: compliance@bakai.kg.

42. The Bank ensures confidential consideration of all received messages that are subject to registration on the day of receipt by the Bank, and also guarantees protection from pressure,

persecution or any other negative consequences associated with such an appeal to the Bank to persons who have provided information or reasonable suspicions of violations in good faith.

43. Heads of the structural units of the Bank shall be responsible for preventing employees of the Bank from transmitting information on reasonable suspicions of corrupt practices in the Bank, as well as for applying disciplinary and other measures to employees of the Bank in connection with the requests and information they provide.

44. For each reasonable suspicion of corrupt practices, the Bank shall initiate an internal investigation in accordance with the legislation of the Kyrgyz Republic and the internal regulatory documents of the Bank.

45. If, because of an internal investigation, a fact of corruption is established, the completion of the investigation shall be considered an adoption of corrective measures, based on the principle of zero tolerance for any manifestations of corruption, up to and including termination of employment and a transfer of data to the relevant authorized state bodies.

46. Failure to take timely measures on reasonable suspicions or established facts of corruption may entail disciplinary action against responsible employees of the Bank.

47. The Bank undertakes to report to law enforcement agencies any corruption offences that become known to the Bank, and to assist authorized representatives of law enforcement agencies in carrying out measures to prevent or investigate corruption offences.

48. Employees of the Bank are obliged to assist in official investigations related to violations of the anti-corruption legislation of the Kyrgyz Republic and the Policy, including providing documents necessary to verify the circumstances that served as the basis for violations.

8. Control over Implementation of the Policy

41. The Board of Directors of the Bank controls the overall results of implementation and application of the Policy.

42. ***The Management Board of the Bank:***

- exercises general control over compliance of employees of the Bank with the requirements of the Policy;
- informs the Board of Directors of the Bank of the measures being implemented to ensure that activities of the Bank comply with the principles and requirements of the Policy and the legislation of the Kyrgyz Republic in combating corruption.

43. ***Compliance Control Department:***

- monitors the compliance of the Policy with the requirements of the current legislation and regulatory legal acts of the Kyrgyz Republic aimed at combating corruption;
- makes proposals on the organization and adoption of adequate measures aimed at minimizing corruption risks;
- reviews information provided by employees and other interested parties of the Bank to the e-mail compliance@bakai.kg on violations of the Policy, on suspicions of committing corruption offenses;
- based on the information received, initiates official investigations in the area of combating corruption (if necessary);
- initiates amendments to the Policy in the event of changes in the requirements of the anti-corruption legislation of the Kyrgyz Republic and for other justified reasons;
- participates in formation of a training program for employees of the Bank on issues of combating corruption;
- carries out other actions within the framework of its powers.

44. ***Corporate Security Department:***

- carries out activities aimed at identifying and preventing corruption activities of employees of the Bank;

- exercises control over compliance of employees of the Bank with restrictions, prohibitions and performance of duties established by internal regulatory documents of the Bank to prevent and combat corruption;
 - participates in official investigations in the area of combating corruption in accordance with the powers granted (if necessary);
 - sends quarterly information to the Compliance Control Department on the work performed in terms of identifying and preventing corrupt actions, as well as on the results of official investigations in the area of combating corruption.
45. ***HR Department:***
- upon hiring, familiarizes employees of the Bank and receives their written commitment to comply with the requirements of the Policy (Appendix 1). The commitment signed by employees of the Bank is stored in their personal files;
 - takes measures to identify conflicts of interest and fulfils the requirements stipulated by the Regulation on Conflicts of Interest of BAKAI BANK OJSC;
 - the HR Department Training Centre conducts training for employees of the Bank on anti-corruption issues, as well as familiarizes newly hired employees with corruption issues as part of organizing an adaptation Welcome training for newly hired employees of the Bank and sends information to the Compliance Control Department on the conduct of that training. Together with the HR Department, the Training Centre develops a training program on anti-corruption issues.
49. The Internal Audit Department conducts periodic audits of internal control system of the Bank for compliance with the requirements of the Policy and periodic analysis of the effectiveness of the current anti-corruption system.
50. Heads of structural units of the Bank monitor compliance with provisions of the Policy by employees of the Bank who are directly subordinate to them.
51. Structural units of the Bank identify corruption risks that are potentially associated with the core activities of structural units and provide information on corruption risks to the Compliance Control Department.
52. When an organizational structure of the Bank changes, functions of the structural units involved in the Policy are performed by the structural units to which these functions are transferred in accordance with a new organizational structure of the Bank.

10. Final Provisions

53. The Policy is published on the official website of the Bank and is intended for mandatory familiarization and application by all governance bodies of the Bank, including the Board of Directors, all structural units and employees of the Bank.
54. The Policy comes into force on the date of approval by the Board of Directors of the Bank, unless a different period for its implementation is established by a decision of the Board of Directors of the Bank.
55. The Policy is regularly reviewed for its relevance and compliance with the anti-corruption legislation of the Kyrgyz Republic and international practices in combating corruption that do not contradict the legislation of the Kyrgyz Republic.
56. On all issues not reflected in the Policy, the Bank is guided by the legislation of the Kyrgyz Republic and internal regulatory documents of the Bank.
57. If, as a result of changes in the legislation of the Kyrgyz Republic, certain provisions of the Policy come into conflict with it, the current legislation of the Kyrgyz Republic should be followed until changes are made to the Policy.

**Employee's obligation to comply with
the Anti-corruption Policy of BAKAI BANK OJSC**

I confirm that I am familiar with the Anti-Corruption Policy of BAKAI BANK OJSC.

I undertake to faithfully comply with the requirements established by the anti-corruption legislation of the Kyrgyz Republic, the Anti-Corruption Policy of BAKAI BANK OJSC.

I have been warned that all employees of BAKAI BANK OJSC, including me, are prohibited from directly or indirectly, personally or through third parties, participating in corruption and fraudulent activities, including offering, giving, promising, asking for or receiving bribes, acting as an intermediary in implementation of corruption activities, abusing official position and official powers.

I am aware of the obligation to report any reasonable suspicions of involvement in corruption of other employees of BAKAI BANK OJSC, counterparties or other third parties who interact with BAKAI BANK OJSC.

I am aware that BAKAI BANK OJSC cooperates with law enforcement agencies in the area of combating corruption and transfers to them all information on identified cases of corruption.

I am informed of the possibility of being brought to disciplinary, criminal and/or other liability for violating the anti-corruption legislation of the Kyrgyz Republic and the Anti-Corruption Policy of BAKAI BANK OJSC.

(full name)

(job title)

(signature, date of signing)