

THE STFC KAMAZ, LLC COMPLIANCE POLICY

1 Basic Concepts and Definitions

Compliance is an adherence of activities of the STFC KAMAZ LLC (hereinafter referred to as the "Company"), as well as the Company's employees to the requirements of international, Russian, and when activities are outside the Russian Federation, of applicable foreign legislation, as well as internal regulatory and administrative documents, and decisions of the Company's management bodies.

The Company's compliance system is an entirety of components of the corporate culture, organizational structure, rules and procedures regulated by internal regulatory documents of the Company to ensure adherence to the principles of compliance by employees of the Company, regardless of their position.

The priority areas for developing the Company's compliance system are the areas to fight the corruption and legalizing ("laundering") criminal proceeds.

Corruption is an abuse of official position, giving a bribe, accepting a bribe, mediating bribery, abuse of power or authority, commercial bribery, illegal transfer, offering or promising remuneration on behalf of or in the interests of the Company, or any other illegal use of the official position by the Employee to obtain benefits in the form of money, valuables, services, payment for entertainment, recreation, transportation costs, other property or monetizable services, other proprietary interest for themselves or for third parties, or illegal provision of such benefits to the specified person by other individuals, as well as committing these acts on behalf of or for the benefit of the Company.

Government Related Person is: a) the government; (b) public authority; (c) public official; (d) a close relative of the public official, or a person specified in sections (e) and (f) of this paragraph; (e) the ultimate beneficiary (who owns 20% or more), the head, as well as the employee* of a commercial organization that is directly or indirectly controlled by the governmental or public authority; (f) an employee*, the head of a non-profit organization that is created or a member of which is a government, a public body and/or a public official; (g) a commercial organization whose ultimate beneficiary or director (including members of the

* A person, who permanently, temporarily or by special authority performs organizational/executive and/or administrative/business managerial functions.

Organizational/executive functions include, for example, team management, placement and selection of personnel, organization of subordinates' work or services, maintaining discipline, applying incentives and imposing disciplinary actions.

Administrative/business managerial functions may include, in particular, the authority to manage and dispose of property and cash on the balance sheet and bank accounts of organizations and institutions, military units and subdivisions, as well as other actions: making decisions about payroll, bonuses, the control of the movement of material values, the definition of their storage procedures, etc.

board of directors or other similar governing body) of which is the person referred to in paragraphs (a), (b), (c), (d), (e) and (f), who owns 20% or more.

Control means, with respect to a legal entity, the right of a person to ensure that strategic, financial and operational decisions are taken in accordance with the instructions of such a controlling person:

(a) By virtue of ownership of shares (equity) in the authorized capital of this or any other legal entity or exercising the voting rights in relation to this or any other legal entity; or

(b) By virtue of any powers granted by the constituent, internal or regulatory documents governing the activities of this or any other legal entity, or any other documents.

Public official is a person elected to a public authority of any level, a judge, as well as candidates for the position of public official.

Public authorities are (a) governmental authorities of the Russian Federation, governmental authorities of the constituent entities of the Russian Federation and other governmental authorities formed in accordance with the legislation of the Russian Federation and the legislation of the subjects of the Russian Federation, including legislative, judicial and executive (including law enforcement agencies, Armed Forces of the Russian Federation, other troops, military formations and agencies); (b) authorities directly elected by the population or formed by the representative or executive body of the municipal formation within their own powers to resolve issues of local importance; (c) governmental authorities of a foreign state, formed and recognized as such in accordance with the laws of a foreign state, including, but not limited to, legislative, executive, judicial and other authorities, as well as political parties and public organizations; (d) international public organizations; (e) political parties and public organizations; (f) non-profit organizations with the participation of a person associated with the government.

International public organization is an association created to perform the joint activities for protecting the common interests and achieving the statutory objectives in civil, political, cultural, social and economic spheres, whose members are entities from different countries.

Close relatives are persons connected by bloodline (parents, children, grandchildren, full and half-brothers and sisters, grandfathers, grandmothers) and side-relationship (cousins, aunts, uncles, nephews, spouses of siblings) or in law (spouses, close relatives of spouses, adoptive parents, adopted children, spouses of children).

2 Principles of the Compliance System:

2.1 Intolerance to Corruption of Any Kind

The Company considers inadmissible any manifestations of corruption in the course of its activities.

Intolerance to corruption means strict prohibition for any person acting on behalf of the Company or in its interests, directly or indirectly, personally or through any mediation to engage in corrupt activities regardless of the practice of doing business in a particular country.

2.2 Unconditional Compliance

Requirements of applicable laws and internal regulatory and administrative documents should be unconditionally and strictly observed by all employees of the Company, regardless of their position, duration of work, status and other relationships with the Company.

2.3 Inevitability of Punishment

The Company makes all possible reasonable and legal efforts to promptly and irreversibly bring to responsibility for corrupt actions and other violations of the requirements of international, Russian, and when activities are outside the Russian Federation, of applicable foreign legislation, as well as internal regulatory and administrative documents in the area of compliance regardless on the scope and form of such violations.

The Company reserves the right to publicize in the prescribed manner the information about persons prosecuted for corruption.

3 Fundamental Components of the Compliance System

3.1 Employee Relations

The Company expects that all its employees will share the principles of the Company set forth in this Policy and the Code of Corporate Ethics in the OJSC KAMAZ and unconditionally comply with all the requirements of the current legislation and internal regulatory and administrative documents of the Company.

The Company guarantees that no penalties will be applied to employees who refuse to take an action that, in accordance with the law, could be regarded as a corrupt act, even if the Company did not receive additional tangible or intangible benefits as a result of this refusal and/or sustained losses otherwise being avoidable only by violating the requirements of the law or this Policy.

The Company considers inadmissible and seeks to promptly detect and prevent unlawful retaliatory measures within the Company to the employees who have in good faith informed of the alleged fact of corruption committed by another employee or against the employee of the Company.

3.2 Relationship with Counterparties

The Company prefers cooperation with business partners that adhere to the same values as the Company.

To embody this statement, the Company takes due diligence in attracting contractors, and also informs you about the requirements of this policy.

3.3 Relations with Public Officials and Government-Related Persons

The Company considers unacceptable to pay or reimburse any expenses of public officials and/or persons associated with the governmental or public authorities, providing them or in their interests with any property or other benefits, with the direct or indirect purpose of obtaining any unlawful advantages while maintaining activities.

3.4 Representation/Hospitality Expenses and Gifts

The Company considers unacceptable the implementation of representation-/hospitality expenses, donation and receipt of gifts, if such expenses or gifts have a direct or indirect impact on making decisions by public officials and/or persons associated with the governmental or public authorities, that are aimed to the provision of illegal benefits to the Company.

Representation expenses and donation of business gifts are allowed only if they do not contradict the norms of international, Russian, and when activities are outside the Russian Federation, of applicable foreign legislation, as well as internal regulatory documents of the Company, in particular, the Compliance Policy and the Code of Corporate Ethics of the Company.

3.5 Participation in Charity and Sponsorship Activities

The Company does not participate in charity and sponsorship projects, political activities with a direct or indirect objective to influence on the decisions of public officials and persons related to the governmental and public authorities that are aimed to grant illegal benefits to the Company.

Information on all expenses of the Company for the provision of charity and sponsorship, as well as on the expenses for the political activities is open.

3.6 Bookkeeping and Management Accounting

All financial and business transactions and transactions are accurately, correctly and with a sufficient level of detail shall be reflected in the accounting records, documented and available for inspection in a legally established manner.

The Company does not allow the implementation of business transactions without reflecting them in accounting, the distortion or falsification of data accounting, management and other types of accounting or supporting documents.

3.7 Assessing the Risks associated with the Compliance System

The Company conducts a regular assessment of risks associated the compliance system in order to track business processes that are potentially at risk of corruption.

The Company recognizes the need to manage the risk of engaging in corrupt activities regardless of the scope of potential violations.

The Company provides an opportunity for employees and other third parties to confidentially and, if they so wish, anonymously report possible violations in accordance with the KAMAZ Order No. 60.10-2017 "Operating the PJSC KAMAZ Hotline for Reporting the Alleged Compliance Violations".

Director General

R.D. Shamsutdov