

APPROVED

by the decision of the
Management Board
of “Samruk-Kazyna” JSC
dated October 28, 2014 (Minutes #
48/14)

CORPORATE STANDARD

**ON PREVENTION OF CONFLICT OF INTEREST IN ATTRACTING
CONSULTING SERVICES BY THE COMPANIES OF THE GROUP OF
“SAMRUK-KAZYNA” JSC**

ASTANA, 2014

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1. GENERAL PROVISIONS

1.1. This Corporate Standard on the prevention of conflict of interest in attracting advisory services by the companies of the group of “Samruk-Kazyna” JSC (hereinafter - the “Standard”) shall outline measures to identify and manage conflicts of interest with the consultants of “Samruk-Kazyna” JSC (hereinafter - the Fund, “Samruk-Kazyna” JSC) and companies included in the Fund’s group (hereinafter – the Companies).

1.2. The Standard shall be a corporate standard in relation to the Companies and in compliance with sub-item 7) of item 2 of Article 10 of the Law of the Republic of Kazakhstan “On Sovereign Wealth Fund” shall be binding.

1.3. The Standard is developed on the basis of the Policy on the prevention of conflict of interest in attracting advisory services approved by the decision of the Board of Directors of the Fund #114 dated October 16, 2014 (hereinafter – the Policy).

1.4. The Standard is intended to establish the procedure for prevention, identification and management of conflicts of interest, defining the common approaches in identification and management of conflicts of interest with consultants of the Fund’s group that may arise when hiring consultants and providing consulting services by them.

1.5. The Standard was developed in compliance with the Law of the Republic of Kazakhstan “On Sovereign Wealth Fund” and other legislative acts of the Republic of Kazakhstan as well as the Charter and internal documents of the Fund.

1.6. For all other matters relating to conflicts of interest with consultants, not covered by the Standard it is required to be guided by the Policy/

2. TERMS AND DEFINITIONS

The following terms and their definitions shall be used for the objectives of the Standard:

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|-----------------------------|--|
| Conflict of interest | - A situation in which the interests of the Consultant does not correspond and (or) dominate the Customer’s interests, and in some cases, of the Fund, the Government of the Republic of Kazakhstan, the Republic of Kazakhstan; |
| Customer | - The Fund or a company of the Fund’s group, intending to attract or has attracted the services of the Consultant; |
| Consultant | - A person (together with a group of persons, represented throughout the world), providing or intending to provide advisory services to the Customer; |

- Consulting Services** - Services, including, but not limited to: legal (including the representation and protection of the rights and legitimate interests in the courts or arbitration courts), auditing, financial, tax, marketing, media, information technology; on human resources, management and business;
- Agreement** - An agreement for services procurement concluded or entered into between the Customer and the Consultant;
- Project** - Events and / or actions due to the participation or any potential involvement of the Customer in which it acquires or has acquired the services of the Consultant;
- Initiating Department** - A structural unit of the Customer initiating the conclusion of the Agreement and performing control over its execution based on the functional responsibilities assigned on him and (or) specific nature of activities;
- Third party in the Project** - a person who has (or) had an interest in the Project, and (or) associated with the common interests of the Consultant;
- Unified base** - electronic systematically updated information database about the Consultants on conflict of interest on the corporate portal of the Fund's group;
- Fiduciary (trust) relationship** - Relationship, in which one party (the fiduciary) is obliged to act with respect to the other party (the Grantor) as much as honestly, in good faith, fairly and loyally;
- Entity being associated with an employee of the Customer / Consultant** - An entity affiliated in accordance with the laws of the Republic of Kazakhstan with an employee of the Customer / Consultant, members of the Board of Directors / Supervisory Board of the Customer or having a common property or other interest with an employee of the Customer / Consultant, members of the Board of Directors / Supervisory Board of the Customer;
- An employee of the Customer** - a person who is in labor relations with the Customer, including, but not limited to, officers, outsourcing sector employees and seconded employees.

Other terms and definitions used in the Standard without special mention, shall have the meaning, established by the legislation of the Republic of Kazakhstan, Policy or standard international practice.

3. GOALS, OBJECTIVES AND EXPECTATIONS

3.1 Goals of the Standard:

1) protection of the interests of the Customer by avoiding and excepting the situation of conflict of interest with the Consultants;

2) establishment of a system for managing conflicts of interest with the Consultants;

3) prevention, reduction, elimination of the negative effects of conflicts of interest with the Consultants, including the prevention of fraud, breach of confidential information, the neutralization of the negative impact of such conflicts on business reputation, financial condition, the legitimate rights and interests of the Customer and its employees.

3.2 Objectives of the Standard:

1) creation of conditions for the timely prevention, detection and elimination of situations of conflict of interest with the Consultants;

2) development of effective measures for the identification, accounting and monitoring of conflict of interest with the Consultants;

3) determination of the procedure for disclosure of conflicts of interest and appropriate measures to resolve the conflict of interest.

3.3 The Customer expects all consultants, both attracted and engaged to providing the services under the Agreement to comply with the requirements of the Policy in their business relationship with the Customer, also in the presentation of the Customer's interests in relations with third parties.

3.4 The Customer fully relies on fiduciary (trust) relationship with the Consultant, in which the Consultant, as a fiduciary with respect to the Customer (Grantor), will act as much as honestly, faithfully, loyally and exclusively in the interests of the Customer.

4. MANAGEMENT PRINCIPLES OF CONFLICT OF INTEREST

4.1 Each employee of the Fund's organization must adhere to the following key principles of conflict of interest:

- **The principle of the priority of the interests of the Customer.** Employees, officers and Consultants shall place the interests of the Customer above their own personal interests and other interests and the interests of third parties and third parties in the Project;

- **The principle of loyalty and integrity.** The Consultant shall act in good faith and in the interests of the Customer, being the beneficiary under the Agreement, shall not allow conflicts of interest and shall not act in their own interests or in the interests of any third party in the issues related to the Project and Agreement or arising from their subject;

- **The principle of disclosure.** Any conflict of interest with the Consultants, taking place at the moment or probable in future, shall be known to the Customer. Employees of the Customer and the Consultant shall promptly and fully disclose all cases of conflict of interest with the Consultants, including the conditions of their occurrence;

- **The principle of impartiality.** Each employee of the Consultant and the Customer shall refrain from implementing actions aimed at the realization of personal and other interests that may represent a risk due to possible conflict of interest and (or) the impartial performance of its contractual obligations to the Customer;

- **The principle of diligence and honesty.** Each employee of the Customer shall be extremely cautious in situations involving potential conflicts of interest and shall be clearly aware of his responsibilities and the depth of liability to the Customer. The employee or the relevant authorities of the Customer shall take promptly the necessary steps to identify and manage conflicts of interest, including the prompt reporting of conflicts of interest;

- **The principle of intolerance and internal culture.** The Customer shall create culture and a high degree of intolerance to the appearance of conflicts of interest in their work environment. The Customer shall welcome the disclosure of possible conflicts of interest by its employees and develop internal culture of open communication, aimed at understanding the provisions of the Standard by the employees of the Customer.

- **The principle of personal responsibility and personal example.** Each employee of the Customer shall be liable for failure to identify and disclose, as well as for improper settlement of the conflict of interests in favor of the interests of the Customer. The employees of the Customer through their actions shall serve as a personal example of integrity and ethical behavior, demonstrate a commitment to professionalism and strictly comply with the requirements of the Standard, other internal documents of the Customer and the legislation of the Republic of Kazakhstan. Each employee of the Customer shall be involved in identifying risks and weaknesses of the internal control of the Customer and promotes respect for the principles of professional ethics;

- **The principle of individual consideration and objectivity.** In identifying each and any conflict of interest, it should be considered on the individual basis with

the assessment of potential risks to the Customer and its further settlement must be performed. The employees of the Customer shall seek to minimize any subjectivity, distorting the real situation of conflict of interest, including any effect of personal and other interests and the various factors on the process and results of study of the conflict of interest;

- **The principle of confidentiality.** The confidentiality of the process of disclosure of conflicts of interest and the process of solving the conflict of interest to the stage of debriefing and taking a final decision on the case under consideration shall be strictly observed.

5. CONDITIONS AND FACTORS OF CONFLICT OF INTEREST

5.1 In order to identify the conflict of interest, the Customer shall consider different situations which potentially entail the conflict of interest.

5.2 The conflict of interest can occur between the interests of, including, but not limited to:

- Consultant and the Customer's interests;
- Employees of the Customer and interests of the employees of the Consultant;
- Employees of one Consultant and interests of employees of another Consultant;
- entities, having relationship with the employees of the Customer and interest of the Customer;
- the Fund, Republic of Kazakhstan, Government of the Republic of Kazakhstan and interest of the Consultant.

These examples of potential conditions for occurrence of conflicts of interest do not exhaust all possible situations of their arising in the implementation of its activities by the Customer.

5.3 The potential reasons for the conflict of interest with the Consultant may be but not limited to the following situations:

- availability of simultaneously operating contractual relationship between the Consultant and the third party in the Project, as well as between the Customer and the same Consultant under one Project;
- availability of existing contractual relationship between the Consultant and the third party in the Project in the presence of contractual relationships between the same Consultant and Customer for other projects in the past or present;
- availability of existing contractual relationship between the Consultant and the Customer in the presence of contractual relationship between the same Consultant and the third party in the Project in the past;

- availability of existing contractual relations in the framework of the Project with the participation of the Republic of Kazakhstan and (or) the Government of the Republic of Kazakhstan between the Consultant of the Customer, the Customer and the Republic of Kazakhstan and (or) the Government in the presence of contractual relationship between the same Consultant and the third party in the Project, related to the subject of the Project, in which the interests of the Republic of Kazakhstan and (or) the Government of the Republic of Kazakhstan did not coincide or do not coincide with the interests of the third party in the Project or Consultant in the past or the present;

- Consultant's financial interests with a third party in the Project, with which the Consultant is interested in maintaining a business relationship or in providing business opportunities by such entity to the Consultant against the interest of the Customer;

- work of the Head, partner and any other employee of the Consultant on a part-time basis in the third party in the Project as the Head, partner, employee or by participating in its bodies;

- representation of the Consultant, which causes or may cause a parallel conflict of interest. Parallel conflict can arise if the representation of the current Customer of the Consultant will not correspond to the interests of the Customer; or if there is a risk that the representation of one or more current Customers of the Consultant would violate the obligations of the Consultant to the Customer.

5.4 In order to avoid the appearance of conflict of interest, the employees of the Customer should immediately and adequately respond to the various factors influencing the occurrence of conflict of interest with the Consultants.

6. IDENTIFICATION OF CONFLICT OF INTERESTS

6.1 Initiating department should immediately determine and fully disclose any conflict of interests.

6.2 Conflict of interests, as a rule, is determined by:

1) **Written disclosure** of the information about lack of the conflict of interests **by Consultant**, including personal and other interests related to or arising from the subject of the Project, on the form in compliance with Annex hereto (hereinafter – “Information about conflict”), as well as about agreement of the Consultant with terms of the draft Agreement specified in item 7.4 of the Policy.

When selecting of Consultant, the Initiating Department ensures the following:

- **In procurement by the method of (open, closed), two-stage (open, closed) tender, as well as the procurement by the method of the request of quotations**, the tender announcement and in the draft Agreement the Customer should provide for

the requirement for submission of Information about conflict of interests. When submitting an application for the tender, the Consultant should provide a written confirmation on Information about conflict of interests;

- **In procurement by method from single source** prior to conclusion of the Agreement and if the procurement by the method from single source requires for taking relevant decision by authorized person or body of the Customer, then before taking such a decision, the Consultant should present a written confirmation of the Information about conflict of interests, except for cases, if the potential Consultant has previously presented such Information about conflict of interests at the stage of the tendering.

When procuring by any of methods (tender, methods of request of quotations, method from single source), the body and (or) official of the Customer should take into account an Information about conflict of interests, consolidated and presented by Initiating Department.

Further disclosure by Consultant of the Information about conflict of interests is performed by Consultant immediately in written to the address of the Initiating Department in determining or if there is a reason to suspect a presence of the conflict of interests on the Project.

2) **Written disclosure by employees of the Customer**, immediately if there is a reason to suspect a presence of the conflict of interests on the Project, informing of the Initiating Department and person, who signed (is signing) the Agreement, about arising or suspicion of the conflict of interests;

3) **Written appeal of the public authorities of the Republic of Kazakhstan** to the Customer about possible conflict of interests;

4) **Written appeal of other persons** to the Customer, Initiating Department about possible conflict of interests (for example, internal and external auditors, structural units, responsible for risk management, specialized committee of the Fund and other persons);

5) **Written appeal of the Customer**, including, but not limited, to the public authorities of the Republic of Kazakhstan and foreign countries, international and regional organizations, rating agencies, professional unions, to which the Consultant is a member, expert societies to obtain information about Consultant, necessary, including, for further evaluation of possible conflict of interests by Customer;

6) **monitoring and analysis** of the information and materials of publications from open sources (monitoring and analysis of media, professional reference books and etc.) by the Customer;

7) **other methods**, not contradicting with the legislation of the Republic of Kazakhstan.

6.3 The Customer is forbidden to attract the Consultant without disclosure by Consultant of the Information about conflict of interests and proper settlement of the issues about conflict of interests (if any) in compliance with requirements of the Policy and other documents of the Fund.

6.4 Initiating Department should evaluate potential conflict of interests based on the principles and norms of the Policy independently and/or in collaboration with structural units and officials of the Customer, in the cases stipulated by Policy.

6.5 Improper and untimely disclosure of the Information about conflict of interests may be considered as a fraud and abuse of confidence of the Customer, presentation of untrue information entailing responsibility of the Consultant and (or) other guilty persons in compliance with Agreement and legislation of the Republic of Kazakhstan.

6.6 The Consultant is required to confirm the accuracy and completeness of provided information on absence of conflict of interest in the Consultant's guarantees section contained in the Agreement

6.7 Additionally the Consultant certifies that the information contained in the guarantees is reliable, and the discrepancy of guaranties specified in this section in reality is recognized as the deception of the Customer by the Consultant.

6.8 The Consultant shall be solely responsible for breach of any of its guarantees. Breach of a guaranty is the basis for the prosecution of the Consultant in the manner prescribed by the Standard, Agreement and legislation of the Republic of Kazakhstan.

6.9 Discrepancy with the reality of any information provided in the representations and guaranties of the Consultant means the fact of misleading the Customer by the fault of the Consultant which may (or) could have negative consequences for the Customer.

6.10 The Consultant represents and guarantees to the Customer that any information provided by it is and will be true and accurate, not misleading (as well as with the information indicated in the Information on conflict of interest) on the date of conclusion of the Agreement.

6.11 The Consultant is liable for incompliance of the Information about conflict of interests with validity in form of penalties and (or) long-term termination of the Agreement by Customer and (or) bringing of the Consultant to another responsibility, stipulated by Agreement and (or) legislation of the Republic of Kazakhstan.

7. SETTLEMENT OF THE CONFLICT OF INTERESTS

7.1 To improve the efficiency of work on preventing and clearing of the conflict of interests the Customer seeks to create mechanisms for timely and full

response, as well as for clear coordination of the actions of the Fund and Organizations to clear them.

7.2 When providing any consulting services the Consultant is obliged to build up relations with the Customer basing on the principles of bona fide, honesty, completeness of necessary information disclosure, implementation of the instructions of the Customer based on strict observation of the priority of interests of the Customer and other requirements of the Standard.

7.3 The Customer should properly pay attention to the issues of determining and proper clearing of the conflict of interests.

7.4 To prevent or eliminate the risks termed by presence of the conflict of interests, the following is stipulated in the Agreements (including, but not limited to):

- The responsibility of the Consultant for intended or unintended presentation of false information about lack of the conflict of interests;
- The liability of the Consultant to inform immediately the management of the Customer and person who signed the Agreement about the conflict of interests, reasons of its occurrence and measures taken;
- The liability of the Consultant to inform management of the Customer about any events and (or) facts, relating to the issues of the conflict of interests;
- The prohibition to present by Consultant of the interests of the third parties against the Customer on the issues related to or arising from the subject of the Project, for a period no less than 5 (five) years, except for cases, when a longer period of confidentiality mode maintaining is established in the Agreement (based on the specificity of the Project and/or cases established by legislation of the Republic of Kazakhstan);
- The prohibition to shrink responsibility by Consultant in case of the conflict of interests based on any reasons, including, regardless the scope of the activities of the Consultant or its business reputation;
- The provisions on unconditional confirmation by Consultant of the fact of lack of the conflict of interests with the Customer, Organizations, Republic of Kazakhstan, Government of the Republic of Kazakhstan;
- A full material responsibility of the Consultant to the Customer for damage (as real loss as lost profit), caused as a result of the conflict of interests;
- The liability of the Consultant to observe strictly a mode of confidentiality of all information obtained from the Customer, ensure return and (or) destruction of the information / data in case of termination or dissolution of the Agreement (the same liability may be stipulated in individual confidentiality contract / agreement);
- The need to obtain by Consultant of obligatory written consent of the Customer to disclose confidential information on the Project;

- The prohibition to present interests of the Customer, if the presentation of the Consultant causes or may cause parallel conflict of interests. Parallel conflict may arise, if presentation by Consultant of his current Customer will not comply with interests of the Customer; if there is a risk of the fact that presentation by Consultant of one or some his current Customers will violate the liabilities of the Consultant to the Customer;

- The responsibility of the Consultant in form of fee (taking into account an Agreement price) for presentation of untrue information in relation to Information about conflict of interests, for violation of the guarantees and warranties of the Consultant about lack of the conflict of interests;

- right of the Customer to early termination of the Agreement in case of determination of the conflict of interests taking into account provisions stipulated by Standard, without use of penalties to the Customer and releasing and (or) protecting of the Customer from any responsibility or loss arising from early termination of the Agreement;

- right of the Customer to waive unilaterally to implement the Agreement and require reimbursement in case of presentation by Consultant of untrue information in relation to the Information about conflict of interests;

- consent of the Consultant to be included in the Unified base disclosing all data provided by Unified base, in case of determination of the conflict of interests in the process of rendering of consulting services by Consultant;

- right of the Customer to track and collect information about Consultants from any sources unprohibited by legislation of the Republic of Kazakhstan, including media and etc.;

- consent of the Consultant on written appeal of the Customer to the public authorities, professional unions, in which the Consultant is a member, in compliance with Standard to obtain proper information about Consultant and (or) notification of the professional union about violation by Consultant of his liabilities, generally recognized norms and rules of conduct and business conduct ethics, provisions and requirements of the Standard. In case of waiver of the Consultant, his waiver should be legally motivated. If the waiver is not motivated, the Customer, in case of any suspicions in presence of the conflict of interests, has right to consider the waiver as confirmation of the Consultant about presence of the conflict of interests;

- consent of the Consultant or his legal representative to collect, process and use personal data of the Consultant and his employees attracted to render consulting services.

7.5 Upon harmonization between the Customer and Consultant Agreement may stipulate measures to eliminate and (or) exclude potential conflict of interests by

setting information barriers (for example, Chinese boxes). At that the Consultant guarantees the efficiency of taken measures to exclude a conflict of interests.

7.6 The Head of the Initiating Department, structural unit responsible for risk management and (or) internal control (in case of need to harmonize it), and person signing the Agreement assume personal responsibility for inclusion of the provisions indicated in item 7.4 of the Standard into the Agreement.

7.7 If information about presence of the conflict of interests of already attracted Consultant, with which the Agreement is already signed, was obtained by any of methods stipulated in item 6.2. of the Standard, the Head of the Initiating Department is obliged to:

- Apply for explanations of the Consultant in written within 2 (two) working days;
- Inform the person, who signed the Agreement, about conflict of interests, its reasons and measures that were taken;
- Initiate consideration of the issue by Executive body of the Customer, indicating measures that were taken.

7.8 The Executive body of the Customer considers the issue about a conflict of interests concerning false Information about conflict of interests and violation of the guarantees and warranties of the Consultant, stipulated by item 7.4 of the Standard.

7.9 If necessary, the Executive body establishes the Committee on clearing of the conflict of interests and determination of the responsibility of the Consultant (hereinafter – the Commission) in the composition of the representatives of the Initiating Department and interested structural units.

7.10 The Commission during 10 (ten) working days from the date of determining of the violation should take a motivated decision about measures to clear the conflict of interests and bring the Consultant to responsibility for violation of the guarantee and warranties within framework of the provisions of the Standard, Agreement and legislation of the Republic of Kazakhstan.

7.11 If necessary, the measures to clear the conflict of interests shall be approved by authorized bodies of the Customer.

7.12 The Customer assumes a responsibility for implementation of the risks (action and (or) omission in suspicion or determination of the conflict of interests) and (or) occurrence of other negative consequences caused by conflict of interests.

8 FORMING OF THE UNIFIED BASE ON THE CONFLICT OF INTERESTS AND THEIR MONITORING

8.1 The Unified base is formed to systematize true and actual information about conflict of interests with the Consultants of the Fund and Organizations,

operating exchange of information between Fund and Organizations, on the issues of the conflict of interests of the Consultants, ensuring of effective interaction and control.

8.2 The Unified database is a part of unified information system of the Fund's group (corporate portal) that contains information about Consultants that have and (or) had a conflict of interests. The Unified database consolidates information about Consultants on the Project, including, but not limiting to:

- Full name of the Consultant;
- Full names of the partners of the Consultant and employees of the Consultant, involved in the rendering of services under the Agreement;
- The information on legal and actual location of the Consultant;
- The address of the website of the Consultant;
- The subject that constituted a ground of the conflict of interests with the Consultant;
- The parties of the conflict of interests;
- The assessment of the conflict of interests in material and non-materials form (if applicable);
- The information about clients of the Consultant, being the parties of the conflict of interests.

8.3 The Unified Base shall be formed for operating exchange of information between the Fund and Organizations for informative interaction and full exchange of information on the issues of the conflict of interests of the Consultants within the Fund's group.

8.4 The aim of the Unified Base creation is an effective settlement and required level of the control by the Organizations over the Consultants that have a conflict of interests with the Customer.

8.5 To update the Unified base on regular basis, the Organizations should provide full and actual information about Consultants that have a conflict of interests to the Fund on semi-year basis, and no later than 3 (three) working days in case of determination of the conflict.

8.6 The Fund assumes responsibility for updating of the list of the Consultants that have a conflict of interests.

8.7 For the purpose of application of the unified approach to the formation and updating of the Unified Base the Customer should determine a responsible structural unit (e.g. Security Service, Risk Management Department, Procurement Department or etc.).

8.8 The information contained in the Unified base is taken into account by Customer when attracting consulting services and carries an advisory nature in selecting of the Consultant. A final decision shall be taken by the Customer.

8.9 Taking into account the opportunity to eliminate reasons of the conflict of interests, the Customers should ensure an updated status of the Unified base by:

1) periodical sending of written requests to the address of the Consultants, registered in the Unified base, as well as relevant Customers about continuance / termination of the circumstances caused the conflict of interests;

2) monitoring of open information sources concerning continuance / termination of the circumstances caused the conflict of interests;

3) other methods contributing to obtaining of true information about continuance / termination of the circumstances caused the conflict of interests.

8.10 The periodicity of the monitoring may be established by Customer individually.

8.11 The Fund is entitled to check out updating of the Unified Base selectively on the annual basis.

9. BUSINESS CONDUCT AND PROFESSIONAL ETHICS

9.1. Hereby the Fund and Organizations express their commitment to high standards of professional, business and ethical conduct in their activities, and, accordingly, expects of the same commitment to the standards of business conduct and correct doing business from partners (third parties).

9.2. The Customer endeavors to attract the Consultants that share his commitment to the observation of high standards of professional, business and ethical conduct in their entrepreneur activities.

9.3. The Consultants should deal with ethical side of the work on the Project in good faith regardless the terms or financial side of the Agreement.

9.4. The Consultant in relations with the Customer should be governed by high standards of ethical behavior and strictly observe requirements of the Standard, by familiarization with it against signature, expressing in the Agreement of the consent to observe standards of the Standard, internal documents of the professional organizations and legislations of the Republic of Kazakhstan.

9.5. When rendering of services by Consultant, the employees of the Customer and Consultant should:

- Notify their management about possible conflict of interests in advance (for example, in relation to the interests of the employee, official of the Customer: if any interest of the Customer or his employee of his official implementing procurement from potential Consultant, preventing implementation of the services by Consultant on the terms more favorable for the Customer);

- Consider interests of the Customer more prioritized in case of the conflict of interests between Customer and Consultant concerning terms not regulated in the Agreement;
- Implement their liabilities in professional manner, with diligence and in good faith and ensure implementation of the instructions of the Customer in the best way;
- Communicate information to the Customer within framework established by legislation of the Republic of Kazakhstan, Agreement and Standard.

10. APPLICATION OF THE STANDARD

10.1 The observation of the provisions and requirements of the Standard is obligatory for the bodies of the Customer, his officials and all other employees.

10.2 The Standard should be communicated to all current and newly adopted employees of the Customer against signature.

10.3 The Customer should take all measures that depend on him to settle the conflict of interests with the Consultant.

10.4 Measures and methods of preventing, determination and clearing of conflict of interests, stipulated in the Standard, are not exhaustive. Other forms of clearing of conflict may be used in each certain case depending on specificity of the conflict of interests, degree of adequacy of taken measures against targets of clearing of conflict of interests.

10.5 To ensure proper clearing of conflict of interests, the Initiating Department presents necessary information to the structural unit of the Customer, responsible for risk management, in the order and terms established by internal documents of the Customer on risk management. At that, the structural unit of the Customer, responsible for risk management obligatorily includes available conflict of interests into the risk map of the Customer (to the high risk zone).

10.6 Employees of the Customer use all available legal methods to clear arising conflict of interests under a pre-action protocol observing legal interests of the Customer.

10.7 Non-implementation of the requirements of the Standard may become a foundation to bring the employee of the Customer to disciplinary responsibility within limits established by legislation of the Republic of Kazakhstan, and in certain cases may entail measures of civil and criminal proceedings.

11. FINAL AND TRANSITIONAL PROVISIONS

11.1 If necessary, relevant amendments shall be implemented in the internal documents of the Customer, without prejudice of the provisions of the Standard.

11.2 The provisions of the Standard in part contradicting documents of the Fund and Organization requiring implementation of the amendments in such documents shall come into force from the moment of implementation of relevant amendments.

11.3 If as a result of the amendment of the legislation of the Republic of Kazakhstan some items of the Standard shall contradict with such amendments, thus only those items shall be deemed to have lost force before implementation of the relevant amendments in the Standard, the rest one shall remain in force.

11.4 The Customers should analyze all existing Agreements with Consultants during one calendar year from the moment of approval of the Standard and upon harmonization with them take all necessary and possible actions to exclude all provisions aimed at avoidance of the responsibility by Consultants in case of the conflict of interests, and include the standards stipulated by item 7.4 of the Standard to the Agreements.

11.5 The Customers are recommended to send their well-reasoned proposals on improvement of the Standard to the address of the Fund in written on annual basis.

Annex to
the Corporate Standard on
prevention of the conflict of interests
in attracting consulting services
by organizations included in the Group
of “Samruk-Kazyna” JSC,
approved by the Decision of the Management Board
of “Samruk-Kazyna” JSC
dated October 28, 2014
(Minutes #48/14)

Information about Conflict of Interests

Hereby the Consultant confirms by the signature below:

1) about lack of the situations entailing conflict of interests between interests of the Consultant and interests of the Customer, employees of the Customer and employees of the Consultant, employees of one Consultant and employees of another Consultant, persons being in a relationship with employees of the Customer and the Customer, between interests of the Republic of Kazakhstan, Government or public authorities of the Republic of Kazakhstan and interests of the Consultant;

2) in relation of potential conflicts of interest certifies the absence of:

1. The presence of concurrent contractual legal relations between Consultant and third party in the Project within framework of one Project, as well as between Customer and the same Consultant;
2. The presence of valid contractual legal relations between Consultant and third party in the Project in case of past or present contractual relations between the same Consultant and Customer on another projects;
3. The presence of valid contractual legal relations within framework of the Project with participation of the Republic of Kazakhstan and (or) Government of the Republic of Kazakhstan between Consultant of the Customer, Customer and Republic of Kazakhstan and (or) Government in case of past or present contractual relations between the same Consultant and third party in the Project, related to the subject of the Project, under which the interests of the Republic of Kazakhstan and (or) Government of the Republic of Kazakhstan did not overlap with each other or do not overlap with interests of the third party in the Project or Consultant;
4. The presence of the Consultant’s financial interests with third party in the Project, with which the Consultant is interested in maintaining of business

- relations or providing of business opportunities by such person to the Consultant, to the detriment of the Customer's interests;
5. The work of the Head, partner and any other employee of the Consultant as a second job in the third party in the Project as a Head, partner, employee or through participation in its bodies;
 6. Representation of the Consultant, which causes or may cause a parallel conflict of interests (a parallel conflict may arise, if the representation of the current Customer of the Consultant does not comply with interests of the Customer; or if there is a risk that the representation of one and more current Customers of the Consultant will violate liabilities of the Consultant to the Customer);
 7. The presence of any interest, personal or persons related to the employee of the Customer / Consultant, in the decision, which should be taken by employee of the Customer personal or in taking of which the employee of the Customer should participate, or in action, which the employee of the Customer should make when implementing his job duties within framework of the Project;
 8. Labor and other relations of the Customer with Consultant, as well as obtained or intend to obtain property profit, benefit or advantages from the Consultant on the Project;
 9. Relationship of persons with the Consultant related with the employee of the Customer, as well as obtained or intend to obtain property profit, benefit or advantages from the Consultant;
 10. Other conflict situations known to the Consultant.

Note: disclosure of additional information about lack of the situations entailing of conflict (if and when necessary)*

3) that the signer of the form is entitled to sign the form on behalf of the Consultant, expressing hereby assumption of the liabilities and consent with the terms containing in the draft contract for procurement of consulting services (hereinafter – the Contract), including, but not limiting to, in part of:

- The responsibility of the Consultant for intended or unintended presentation of false information about lack of the conflict of interest;
- The liabilities of the Consultant to inform immediately management of the Customer about any events and (or) facts relating to the issues of the conflict of interest;
- The prohibition to present interests of the third parties by the Consultant against the Customer on the issues related to or arising from the subject of the Project, during at most 5 (five) years, except for cases when a longer period of confidentiality mode observation is established in the Contract (based on the

specificity of the Project and/or cases established by legislation of the Republic of Kazakhstan);

- The prohibition to shrink by Consultant from responsibility if there is a conflict of interest on any foundations, including, regardless the scale of the activities of the Consultant or his business reputation;
- Unconditional confirmation by Consultant of the fact of lack of the conflict of interest with Customer, organizations included in the Fund's group, Republic of Kazakhstan, Government of the Republic of Kazakhstan;
- Full material responsibility of the Consultant to the Customer for damage (as real loss as lost income), caused as a result of the conflict of interest;
- The liabilities of the Consultant to keep confidentiality of all information obtained from the Customer, ensure return and (or) destruction of information / data in case of termination or annulation of the Contract (the same liability may be stipulated in individual confidentiality contract / agreement);
- The prohibition to present interests of the Customer, if the presentation of the Consultant causes or may cause a parallel conflict of interests;
- The responsibility of the Consultant in form of fee (taking into account a Contract price) for presentation of untrue information in relation to Information about conflict of interests, for violation of the guarantees and warranties of the Consultant about lack of the conflict of interests;
- The right of the Customer to early termination of the Contract in case of determination of the conflict of interests taking into account provisions stipulated by Corporate Standard on prevention of the conflict of interests in attracting consulting services of "Samruk-Kazyna" JSC (*hereinafter – the Standard*), without use of penalties to the Customer and releasing and (or) protecting of the Customer from any responsibility or loss arising from early termination of the Contract;
- The right of the Customer to decline unilaterally to implement the Contract and require reimbursement in case of presentation by Consultant of untrue information in relation to the Information about conflict of interests, contained in the form;
- The consent of the Consultant to be included in the Unified base of "Samruk-Kazyna" JSC containing information about Consultants on the issue of the conflict of interests (*hereinafter – Unified Base*) disclosing all data provided by Unified base, in case of determination of the conflict of interests in the process of rendering of consulting services by Consultant;

- The right of the Customer to track and collect information about Consultants from any sources unprohibited by legislation of the Republic of Kazakhstan, including media and etc.;
- The consent of the Consultant on written appeal of the Customer to the public authorities, professional unions, in which the Consultant is a member, in compliance with Standard to obtain proper information about Consultant and (or) notification of the professional union about violation by Consultant of his liabilities, generally recognized norms and rules of conduct and business conduct ethics, provisions and requirements of the Standard. In case of waiver of the Consultant, his waiver should be legally motivated. If the waiver is not motivated, the Customer, if there are any suspicions on the conflict of interests, has right to consider the waiver as confirmation of the Consultant about presence of the conflict of interests;
- The consent of the Consultant or his legal representative to collect, process and use personal data of the Consultant and his employees attracted to render consulting services;
- The consent of the Consultant to be included in the Unified database on the conflict of interests of the Customer disclosing all data stipulated by requirement of the Unified base, in case of determination of the conflict of interests (including, but not limiting to due to abovementioned reasons contained in items 1-10 of the form:

Signature, full name of the signer of the form “Information about conflict of interests” on behalf of the Consultant and documents certifying powers of the signer representative of the Consultant