

**Results**  
**of an internal analysis of corruption risks in the activities of**  
**Kazyna Capital Management JSC**  
**for procurement in 2021**

**Name of the object of internal analysis of corruption risks:**

Department of Operational Activities of Kazyna Capital Management JSC (hereinafter – the Company).

**The basis for conducting an internal analysis of corruption risks:**

Order of the Chairman of the Management Board of the Company "On conducting an internal analysis of corruption risks" dated September 13, 2022 No. 76-P.

**Analyzed period:** from January 1, 2021 to December 31, 2021.

Internal analysis of corruption risks was carried out in the following areas:

- 1) identification of corruption risks in internal regulatory documents affecting the Company's activities;
- 2) identification of corruption risks in the organizational and managerial activities of the Company.

The Company's procurement activities in 2021 were regulated by the following regulatory legal acts and internal regulatory documents:

1) The Law of the Republic of Kazakhstan "On procurement of certain subjects of the quasi-public sector";

2) Rules for the procurement of goods, works, services by national management holdings, national holdings, national companies and organizations, fifty or more percent of voting shares (participation shares in the authorized capital) of which directly or indirectly belong to the national management holding, national holding, national company approved by Order of the Minister of Finance of the Republic of Kazakhstan dated October 31, 2019 No. 1201 (valid until 01.01.2022)<sup>1</sup> (hereinafter referred to as the Rules);

3) Instructions for organizing and conducting purchases of goods, works and services in the Company (approved by the decision of the Company's Management Board dated April 29, 2020, Minutes No. 13/20) (valid until 04.05.2022) (hereinafter – the Instruction)<sup>2</sup>;

4) Regulations on the Department of Operations, approved by the decision of the Company's Management Board dated July 15, 2021 (Minutes No. 34/21).

Based on the results of an internal analysis of corruption risks in the Company's procurement activities for 2021:

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<sup>1</sup> The document became invalid from 01.01.2022 in accordance with the Order of the Minister of Finance of the Republic of Kazakhstan dated November 11, 2021 No. 1166

<sup>2</sup> The document became invalid in accordance with the minutes of the Board meeting of Kazyna Capital Management JSC dated May 4, 2022 No. 21/22

1. The Working Group did not detect corruption risks in the framework of the analyzed business processes. It should be taken into account that purchases of goods, works and services are carried out through the web portal of the unified procurement operator of the quasi-public sector in the Republic of Kazakhstan <https://mitwork.kz>;

2. During the analyzed period, there were no lawsuits from suppliers against the Company, as well as decisions of law enforcement agencies that served as the basis for monitoring compliance with the procurement rules for 2021, and there are no penalties. In addition, there were no comments from the Centralized Procurement Control Service of NMH "Baiterek" JSC in relation to the Company, no appeals (complaints) on facts related to the procurement procedure carried out by the Company were also recorded within the hotline of the Anti-Corruption Compliance Service of the Company.

3. In 2021-2022, the requirements governing the procedure for procurement of goods, works and services in quasi-governmental organizations of the Republic of Kazakhstan were revised (the new version of the Rules came into force on 01.01.2022), as well as internal regulatory documents of the Company regulating the procurement procedure (the Instruction was approved in a new version in accordance with the decision of the Board of the Company dated May 4, 2022 (Minutes No. 21/22)). As part of the above-mentioned changes, control procedures and anti-corruption requirements have been strengthened.