

Approved
by the decision of the Board of Directors of
“QAZAQ AIR” JSC
dated "24" August 2018 #33

Annex # 4 to the Minutes of
in-person meeting of the Board of Directors
of “QAZAQ AIR” JSC
dated "24" August 2018 #33

Initiative Informing Policy of “QAZAQ AIR” JSC

Almaty, 2018

1. Terms, definition and abbreviations

Fund	Sovereign Wealth Fund “Samruk-Kazyna” JSC
Company	“QAZAQ AIR” Joint-stock Company
Audit and Risks Committee	Audit and Risks Committee of “QAZAQ AIR” JSC
Organization for Economic Cooperation and Development (OECD)	International interstate organization of economically developed countries that recognise the principles of representative democracy and free market economy
Policy	Initiative informing policy of “QAZAQ AIR” JSC
Management	Executive body of “QAZAQ AIR” JSC
Employee	A person who has an employment relationship with the Company
Board of directors	Board of directors of “QAZAQ AIR” JSC

2. Introduction

2.1. “QAZAQ AIR” JSC (hereinafter – the Company) strives for the best standards of corporate governance, transparency and accountability. The Company always conducts its business based on the values, principles and standards of conduct adopted in the Company's Code of Conduct (hereinafter - the Code of Conduct) and adheres to zero tolerance for bribery and corruption.

2.2. The Company introduced and adopted this Initiative Informing Policy of “QAZAQ AIR” JSC (hereinafter – the Policy) for managing risks related to violations of principles and standards of conduct, as well as for compliance with the requirements of the legislation of the Republic of Kazakhstan and the OECD Guidelines for Combating Corruption and Bribery.

2.3. Any violation, in particular non-compliance with the Code of Conduct, can significantly damage the activities and reputation of our Company and “Sovereign Wealth Fund “Samruk-Kazyna” JSC (hereinafter - the Fund) as a whole. In this connection, the Company requires employees and encourages other associates to express their concerns about non-compliance with the Code of Conduct, requirements for combating corruption, fraud and bribery and other violations. Associates include members of the Board of directors, members of the Management board, employees, agents, joint project partners, subsidiaries and other persons providing services to or acting on behalf of the Company.

2.4. Generally, employees who are the first to become aware of alleged violations are employees of the Company. However, many employees may find that expressing concern about violations to the head of the division or the Management of the Company is unacceptable for various reasons, employees may find that the issue causing their concern is not significant enough or that the employee's expression of concern will be seen as a disloyal attitude of such an employee to Companies, or that it will be easier to ignore this issue. In this regard, the Company provides employees or other associates disclosing information about violations with protection against harassment, including the preservation of the workplace.

3. Scope

3.1. The Policy provides guidance for employees of the Company and other associates of how they can express concern about committed or committed violations in the Company to the relevant persons.

3.2. Below are examples of violations:

Bribery and corruption

Illegal remuneration;
Fraud;
Collusion;
Compulsion;
Abuse of authority.

Unequal conditions of hiring and labor

Discrimination;
Labor conflicts;
Harassment;
Unethical behavior.

Violations of accounting

Errors in accounting;
Distortion in accounting;
Financial omissions;
Falsification of records and documents.

Threat to health, safety and the environment

Damage to the environment;
Damage to property;
Unsafe working conditions;
Theft of the Company's property;
Damage to health.

Information leak

Unauthorised disclosure of confidential and insider information.

4. Expressing concern

4.1 Any employee or other associated person with reliable concerns about issues covered in the above areas of the Policy should inform of such concerns within a reasonably short time. It is important to ensure that such concerns are expressed in good faith, reliably and without malicious intent. However, an employee or other associated person is not expected to conduct an independent investigation of the matter.

4.2 The Company recognises that it is important to increase the credibility of the initiative communication line so that employees and other associates can be sure that their messages will be properly considered, and appropriate response measures will be taken. In this regard, the Fund attracts an external operator to enable employees and other associates to express their concerns to an independent third party, including on a confidential or, moreover, anonymously. Such messages can be sent 24 hours a day, 7 days a week, in one or more of the following ways:

<ul style="list-style-type: none"> - Free telephone line; - E-mail; - Internet. <p>These means of communication are safe and protected by special coding devices.</p>	<p>External operator data is reported regularly through:</p> <ul style="list-style-type: none"> - Corporate website of the Company; - Compliance trainings; - Office posters; - Screen savers; - Pass cards; - Other.
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4.3 In addition to the initiative informing line administered by an external operator, the Fund and the Company provide several internal channels for expressing concern:

- Heads of the Company's structural divisions

In this case, the message can be made in person or in writing. If the issue is raised in writing, it is preferable to state the background and chronology of the issue under consideration and clearly indicate the reasons for concern.

If the head of the division cannot consider this issue, it must be reported verbally or in writing to Management.

- Management

If the issue in question is related to the head of the division, or if it is preferable not to discuss this issue with the head of the division, the employee or other associated person may report his concern to the Company's Management. However, it is also preferable that the issue and reasons for concern are clearly stated in writing.

- Head of the Compliance Service of the Fund and / or the Company (*if any*)

In addition to sending messages to division heads or Management, or if it is preferable not to discuss with them, initiative messages can be sent to the head of the compliance service. If there is no compliance service in the Company, these messages can be sent to the head of the internal audit service of the Company.

- Head of internal audit service

If the issue under discussion concerns possible inconsistencies in the financial statements, employees and other associates must report this either orally or in writing to the head of the internal audit service of the Company.



Handwritten signature or mark in blue ink.

- The Ombudsman of the Fund and / or the Company (*if any*)

If the issue under discussion concerns any labor conflict or the relationship between colleagues, employees should report this either orally or in writing to the Fund's Ombudsman or the head of the Internal Audit Service of the Company.

4.4 The reports of facts that could lead to criminal liability are not considered by the Company. A person expressing genuine concern should be informed of the need to contact authorised state bodies. In the absence of the possibility of communication to a person about the need to contact authorised state bodies, authorised persons transfer information to the Centralised security service of the Fund for further consideration and transfer to authorised state bodies.

5. Guarantees against harassment

5.1 Employees and other associates reporting violations in accordance with this Policy will not be subjected to any negative treatment or punishment in any way. Employees are given full protection of their rights and interests, including the preservation of the workplace. At the same time, measures of disciplinary punishment can be applied to employees who act unfairly or make accusations for personal gain and / or malicious intent.

5.2 For cases where employees and other associates choose an external operator to express his / her concerns and wish to remain anonymous, the involvement of an independent external operator by the Fund ensures that the identity of the person expressing concern cannot be established.

6. Response measures

6.1 External operator

- Receives and processes all incoming messages by phone, website or e-mail;
- Communicates with persons of concern, where possible and contribute to the provision of the most relevant information;
- Classifies all messages and sends them to persons who investigate violations;
- Prepares reports on the messages received for submission to the Company's Management Board/ Audit and Risk Committee of the Company's Board of Directors.

6.2 Heads of structural divisions and Company's Management

- Receive reports of possible violations;
- Ensure that their employees are aware of this Policy and of the established procedure;
- Encourage an open working environment for staff who can easily express concerns;
- Consider each question submitted in accordance with this Policy, as appropriate;
- Consider giving advice to a person who expresses concern or deals with the matter in person;
- Consider the need for an investigation;

- Resolve concerns, if possible;
- If this question cannot be resolved, send it to the head of the compliance service (if any) or to the head of the internal audit service.

6.3 Head of internal audit service, ombudsman

- Receives reports of possible violations;
- Examines each issue submitted in accordance with this Policy as appropriate;
- Examines the possibility of providing recommendations to a person who expresses concern or is dealing with the matter in person;
- Resolve concerns, if possible;
- If this question cannot be resolved, he sends it to the head of the compliance service of the Company (if any) or the Fund.

In the absence of compliance service in the Company, the head of internal audit service:

- Receives reports of possible violations;
- Determines how the investigation should be conducted, if necessary;
- Informs on a regular basis the person expressing concern about the progress of the investigation;
- Interacts with the heads of divisions and the Management with the aim of forming specially created committees of investigation, if necessary;
- Informs the Audit and Risks Committee of the Board of Directors on the received applications;
- Ensures that all employees of the Company are informed about a new hotline.

6.4 Compliance Officer (*if any*)

- Receives reports of possible violations;
- Determines how the investigation should be conducted, if necessary;
- Informs, on a regular basis, the person expressing concern about the progress of the investigation;
- Interacts with the heads of divisions and the Management with the aim of forming specially created committees of investigation, if necessary;
- Able to inform the Audit and Risks Committee of the Board of Directors on the received applications;
- Provides semi-annual reports to the Company's Board of Directors / Audit and Risk Committee of the Board of Directors, indicating the number of violations received in accordance with this Policy, with a brief description and result for each issue.

6.5 The Audit and Risk Committee of the Board of Directors of the Company

- Receives reports of possible violations;
- Supervises the most significant investigations, if necessary;




- Recommends corrective measures to the Board of Directors of the Company, if necessary.
- Review reports on investigation management on a semi-annual basis.

7. Posting coordinates

7.1 The number of the hotline and the e-mail address for receiving the applications are posted on the Company's Internet resource.

Hotline phone number – **8 800 080 19 94**

E-mail address – sk.hotline@deloitte.kz

Internet website of the independent company – external operator (Deloitte LLC) –
www.sk.deloitte-hotline.kz

