

“APPROVED”

**By the decision of the Board of Directors
of National Company
Kazakhstan Temir Zholy
Joint-Stock Company
dated May 3rd, 2018
minutes No. 2**

**With amendments and additions
approved by the decision of the Board of
Directors of the Joint-Stock Company
National Company Kazakhstan Temir
Zholy dated March 16, 2022
Protocol No. 5**

**REGULATIONS
on the Internal Audit Service of National Company
Kazakhstan Temir Zholy Joint-Stock Company**

1. General Provisions

1. This Regulations on the Internal Audit Service of National Company Kazakhstan Temir Zholy joint-stock company (hereinafter referred to as the “Regulations”) was developed in accordance with the Law of the Republic of Kazakhstan “On Joint-Stock Companies”, the Charter of NC KTZ JSC, the Model Regulations on the Internal Audit Service of joint-stock companies more than fifty percent of voting shares of which are directly or indirectly owned by Samruk-Kazyna, approved by the decision of the Management Board of Samruk-Kazyna JSC dated December 13, 2013 No.67/13, and is focused on the application of the International Professional Practice Framework of Internal Audit (IPPF), developed by the International Institute of Internal Auditors (The IIA).

2. The Regulations determine the status of the Internal Audit Service (hereinafter - the Service), the tasks, functions, rights and responsibilities of the Service, the basic requirements for the qualifications of its employees, the procedure for appointing the head and employees of the Service, making decisions on imposing disciplinary sanctions, as well as the power of the head of the Service and the order of interaction of the Service with the Board of Directors, the Executive Body of National Company Kazakhstan Temir Zholy joint-stock company (hereinafter referred to as the Executive Body, the Company, respectively), subsidiaries/dependent organizations of the Company and other organizations.

3. Determination of the number, structure and term of office of the Service, appointment of the head and employees of the Service, as well as early termination of their powers, procedure for the work of the Service, size and terms of remuneration of labor and bonus payments to employees of the Service are carried out by the Board of Directors after preliminary approval by the Audit Committee of the Board of Directors of the Company (hereinafter referred to as the Audit Committee).

4. The employment contract with the head and employees of the Service is concluded and terminated by the head of the Executive Body on the basis of a decision of the Board of Directors in accordance with the labor legislation of the Republic of Kazakhstan.

5. Social support, guarantees and compensation payments for the employees of the Service are carried out in accordance with the internal documents of the Company approved by the Board of Directors of the Company.

6. The official duties, rights and responsibilities of the head and employees of the Service are determined by the relevant job descriptions, which are developed on the basis of this Regulations, labor contracts, internal documents of the Company and approved by the Chairman of the Audit Committee.

7. In the conduct of its activities the Service is guided by the legislation of the Republic of Kazakhstan, the Charter, decisions of the Company's bodies, this Regulations and other internal documents of the Company, including documents regulating the activities of the Service.

The Service carries out its activities in compliance with the International Professional Practice Framework of Internal Audit (IPPF), which are mandatory for application.

8. The procedure for planning, implementing, registering, presenting the results of the audit task and monitoring the implementation of the Service's recommendations, as well as the basic requirements for the procedure and assessment of the Service's operation are regulated by internal documents approved by the Board of Directors and/or accepted by the Audit Committee.

9. The following terms and definitions are used in this Regulations¹:

International Professional Practice Framework

The conceptual basis of internal audit, systematized generally accepted regulatory and methodological documents developed by the International Institute of Internal Auditors (IIA) and grouped into two categories: (1) mandatory for use (Definition of internal audit, Mission; Code of Ethics; Standards; Principles) and (2) recommended for use (Guidelines on Application, Supplementary Guidelines).

¹ The terms and definitions are interpreted in accordance with the International Professional Standards on Internal Audit, issued by The Institute of Internal Auditors Inc.

Definition of internal audit	Internal audit is an activity to provide independent and objective guarantees and consultations aimed at improving the work of the Company. Internal audit helps the Company achieve its goals using a systematic and consistent approach to assessing and improving the effectiveness of risk management, control and corporate governance processes.
International Professional Standards of Internal Audit (Standards)	International Professional Practice Framework of Internal Audit are one of the components of the International Professional Practice Framework (IPPF). Standards are set out as principles and provide the basis for internal audit. The structure of standards consists of standards of quality characteristics, performance standards and standards of practical application.
Basic principles of professional practice of internal audit	The main principles of the professional practice of internal audit are the foundation for the International Professional Practice Framework and are aimed at improving the effectiveness of internal audit.
Code of Ethics	The Code of Ethics of the International Institute of Internal Auditors (IIA) includes the Principles (Integrity, Objectivity, Confidentiality, Professional Competence) relating to the profession and practice of internal audit, and the Rules of Conduct, describing the behavior expected from internal auditors. The purpose of the Code of Ethics is to spread high ethical standards in the global community of professional internal auditors.
Independence	Freedom from conditions that threaten the ability of the Internal Audit Service to discharge its duties impartially.
Objectivity	It is a mental attitude that allows internal auditors to carry out assignments impartially in such a way that they themselves have confidence in the results of their work and do not allow compromises on its quality. Objectivity requires the internal auditor

not to subordinate his opinion on audit issues to the opinion of others.

Provision of guarantees

Objective analysis of available audit evidence in order to provide an independent assessment of the processes of corporate governance, risk management and control processes in the Company.

Consulting services

The activities aimed at providing advice, recommendations, etc. to the Board of Directors, the Executive Body, structural units and subsidiaries/dependent organizations of the Company, with the coordination of their nature and content, aimed at helping and improving corporate governance, risk management and control processes, excluding the adoption of responsibility for management decisions by internal auditors.

To benefit

Internal audit benefits the Company (and interested parties) when it provides objective and competent guarantees and contributes to the effectiveness of risk management, control and corporate governance processes.

Conflict of interest

Any relationship that is, in fact, or may be perceived as not meeting the interests of the Company. Conflict of interest can damage a person's ability to fulfill his duties objectively.

**Group of companies
NC KTZ JSC**

NC KTZ JSC and legal entities, fifty or more percent of the voting shares (participatory interests) of which are directly or indirectly owned by NC KTZ JSC on the right of ownership or trust management. Indirect ownership is the belonging of fifty or more percent of voting shares (participation interests) of another legal entity to each subsequent legal entity on the basis of ownership or trust management

**Head of
Internal Audit Service**

Position of the head of the Company responsible for the effective internal audit management in accordance with the Regulations on the Internal

Audit Service and mandatory elements of the International Professional Practice Framework of Internal Audit, having relevant professional certification and qualifications.

2. Status of the Service

10. The Service is the body of the Company that monitors the financial and economic activities of the Group of companies of NC KTZ JSC, assesses the field of internal control, risk management, executes documents in the field of corporate governance and consults in order to improve the activities of the Group of companies of NC KTZ JSC.

11. The Service is directly subordinate to the Board of Directors and reports to it on its work. The activity of the Service is curated by the Audit Committee in accordance with the internal documents regulating the activities of the Audit Committee.

12. The Service is administratively subordinate to the Executive Body of the Company. Administrative submission assumes: provision by the Executive Body of the relevant working conditions of the head and employees of the Service, timely payment of labor, publication of relevant orders on the activities of the Service on the basis of decisions taken by the Board of Directors; receiving Service's reports²; preparation of orders for business trips, holidays, as well as other actions that do not contradict the status of the Service in accordance with this Regulations and other internal documents of the Company. The Executive Body shall not use administrative subordination to influence the independence and objectivity of the Service.

13. The Service shall be independent of the influence of any persons, in the performance of tasks and functions assigned to it, for the purpose of their proper implementation and ensuring objective and independent judgments.

14. Independence and objectivity of the Service are ensured by compliance with the requirements of the Standards with respect to criteria of organizational independence and objectivity.

15. The Service shall be impartial and unbiased in its work and prevent the emergence of a conflict of interest.

16. The head of the Service ensures timely informing the Audit Committee of any situations related to the existence or potential possibility of violating the independence and/or objectivity of the internal auditor, expressed, inter alia, in the form of a conflict of interest or restriction of the rights and powers of the Service.

17. The head and employees of the Service are subject to the provisions of internal documents of the Company, with the exception of documents that cannot be

² Audit reports on the results of auditing assignments

applied in accordance with the status of the Service, the Charter of the Company and these Regulations.

18. Employees of the Service cannot be elected to the Board of Directors and the Executive Body.

3. Mission and Objectives

19. The mission of the Service is to preserve and increase the value of the Company by conducting objective internal audits based on a risk-oriented approach, providing recommendations and sharing knowledge.

20. The main objective of the Service is to assist the Board of Directors and the Executive Body of the Company in improving the management of the Company, improving its financial and economic activities, including through a systematic and consistent approach to the analysis and evaluation of risk management systems, internal control and corporate governance as tools to provide reasonable confidence in achieving the goals set for the Company.

4. Tasks and Functions

21. The main tasks of the Service are:

- 1) assessment and assistance in improving the internal control system;
- 2) assessment and assistance in improving the risk management system;
- 3) assessment and assistance in improving the corporate governance system;
- 4) assessment of credibility, completeness, objectivity of the accounting system and reliability of the financial reporting;
- 5) assessment of compliance of the activities of the Company's Group of companies with the requirements of the legislation of the Republic of Kazakhstan, as well as assessment of implementation of decisions of the Company's bodies (compliance control);
- 6) assessment of the rationality and efficiency of the use of resources of the Company's Group of companies and the methods used to ensure the preservation of assets;
- 7) assessment of the risk of fraud and the effectiveness of fraud risk management in the Company's Group of companies;
- 8) consulting to improve the activities of the Group of companies of NC KTZ JSC.

22. The Service, in accordance with the tasks assigned to it, in the prescribed procedure, performs the following functions:

- 1) assessment of the adequacy and effectiveness of the internal control system in the Company's Group of companies;

2) assessment of the risk management system in the Company's Group of Companies;

3) assessment (diagnosis) of the corporate governance system in the Company, including assessment of implementation and compliance with the adopted corporate governance principles, relevant ethical standards and values in the Company, the procedure for setting the Company's goals and monitoring/control over their achievement;

4) audit of information systems and information security in the Company's Group of companies, including an assessment of the compliance of the information technology management system with the strategy and objectives of the Company;

5) verification of compliance with the requirements of the legislation of the Republic of Kazakhstan, international agreements, internal documents in the Company's Group of companies, as well as the implementation of instructions of authorized and supervisory bodies, decisions of the bodies of the Company and its subsidiaries and assessment of the systems created to meet these requirements;

6) assessment of the risk of fraud and the effectiveness of fraud risk management in the Group of companies³;

7) assessment of the adequacy of the applied measures in the Company's Group of companies to ensure the achievement of the goals set for them, within the framework of the Company's strategic objectives;

8) development of internal documents regulating the activities of the Service in accordance with the requirements of the Standards and decisions/recommendations of Samruk-Kazyna JSC (hereinafter referred to as the Fund);

9) provision of consultations to the Board of Directors, the Executive Body, structural units of the Company/Company's Group of companies on the organization and improvement of internal control, risk management, corporate governance and internal audit (including the development of internal documents and projects in these areas), as well as on other issues, which are within the competence of the Service (while maintaining the independence and objectivity of internal audit). The procedure for providing consulting services is carried out in accordance with internal documents regulating the activities of the Service;

10) conducting extraordinary audit tasks in the Company's Group of companies initiated by the Chairman or members of the Board of Directors on the basis of a relevant decision of the Board of Directors/Audit Committee;

11) informing the Board of Directors (Audit Committee), the Executive Body of the Company/Company's Group of companies of the results of the audit/inspections, providing recommendations on the elimination of detections and deficiencies identified during the audit/inspections, and proposals for improving the efficiency and effectiveness of internal control, risk management and corporate

³ In this case, the identification and investigation of fraud is not a primary function of the Service. Employees of the Service may be involved in the investigation of fraud as consultants/observers and are not responsible for making managerial decisions based on the results of investigations.

governance systems, to improve the activities of the Company's Group of companies;

12) monitoring the implementation of the recommendations of the external auditor by the Company/Company's Group of companies;

13) monitoring and follow-up control over the implementation of the recommendations of the Service to improve the activities of the Company's Group of companies;

14) exchange of information and coordination of activities with other internal and external parties of the Company/Company's Group of companies of the second line of protection and other parties providing services for providing guarantees and consultations, including on planning and conducting of audits and inspections, including supervision ⁴and methodological support of internal audit services, audit commissions of the Company's subsidiaries (if available);

15) interaction with the external auditor of the Company/Company's Group of companies, including assisting the external auditor in providing information on the state of the internal control system in the Company's Group of companies, within the framework of auditing the Company's financial statements and holding meetings with the external auditor of the Company;

16) participation in the activities of committees under the Board of Directors and the Management Board, commissions and working groups of the Company;

17) implementation of other functions, aimed at achieving the goals and solving the tasks defined by this Regulations, within its competence.

23. The tasks and functions entrusted to the Service are mandatory for all units/groups of the Service and are performed by them in their direction.

24. In the process of performing its tasks and functions, the Service interacts in the established procedure with all structural units of the Company/Company's Group of companies, as well as with other organizations in accordance with the legislation of the Republic of Kazakhstan.

5. Restrictions on the Activities of the Service

25. In order to comply with the principles of independence and objectivity in the process of performing its functions, the head and employees of the Service shall not:

1) be involved in any activities that may subsequently be subject to internal audit and engage in the audit of the activities or functions performed by them during the period that is audited;

2) perform functional duties in the Company that are not related to the activities of the Service in accordance with this Regulations;

3) participate in any activity that might impair the impartiality of the assessment of the head and employees of the Service or be perceived as causing such damage;

⁴ in terms of planning audits, setting qualification requirements for staff, recruiting staff, assessing the activities of IAS of the SDEs (by decision of the Board of Directors of the Company).

4) be included in the composition of committees or other working groups/commissions, established by the Company, as their members with the right to vote (the head and employees of the Service shall be engaged in the work of these working groups only as consultants without the right to vote);

5) supervise actions of employees of structural units of the Company/Company's Group of companies, except for cases when these employees are appointed in the established procedure to the composition of audit groups;

6) use confidential information in personal interests or in any other manner that is contrary to the laws of the Republic of Kazakhstan or is capable of causing damage to the Company.

6. Qualification Requirements

26. The head of the Service must have:

1) higher professional education in the fields of accounting and audit, and/or finance, and/or economics, and/or jurisprudence, and additional specialized training;

2) experience in the field of audit, and/or accounting, and/or finance, and/or jurisprudence - at least seven years;

3) experience in management positions and/or experience in the internal audit service of the Fund group organizations - at least five years;

4) knowledge of international financial reporting standards, the Code of Ethics and Standards;

5) knowledge of regulatory legal acts of the Republic of Kazakhstan, including on issues of auditing, accounting, taxation.

27. The head of the Service of the Company has the following minimum requirements in terms of additional special training: mandatory availability of the qualification certificate of “auditor”, obtained in accordance with the Law of the Republic of Kazakhstan “On Auditing”, and/or the certificate in the field of internal audit of the CIA (Certified Internal Auditor), and/or the certificate of the ACCA (Association of Certified Chartered Accountants), and/or the DipIFR diploma (Diploma in International Financial Reporting), and/or CIMA diploma “Business Performance Management”, and/or the diploma of a certified professional internal auditor (DipCPIA), issued by the Institute of Certified Financial Managers (United Kingdom).

Knowledge of state and foreign language (s) is also preferred.

28. The employee of the Service must have:

1) higher professional education in the fields of economics and finance, and/or accounting and auditing, and/or information technology, and/or the technical and/or legal field;

2) experience in the field of auditing, and/or accounting, and/or finance, and/or information technology and/or technology, relevant to the industry specificity of the Company, and/or the legal field - at least 3 (three) years;

3) knowledge of international financial reporting standards, the Code of Ethics and Standards;

4) knowledge of regulatory legal acts of the Republic of Kazakhstan, including on issues of auditing, accounting, taxation.

It is also preferable to have a certificate and/or qualification in the field of audit, and/or accounting and financial management, and/or information technology, knowledge of state and foreign languages.

29. The qualification requirements for each particular position are indicated in the job description for the respective position.

7. Rights and Powers of the Service

30. The Service has the following rights and powers to implement the main tasks and exercise its functions:

1) unimpeded access to staff, production and other facilities, to all documentation and any information requested in connection with the internal audit, including information that constitute commercial and official secrets of the Company/Company's Group of companies;

2) unimpeded access to the information database of accounting data (computer programs of accounting, etc.) on an ongoing basis in a passive mode, i.e. without the right to enter and correct;

3) to request and receive materials, including draft documents submitted for approval by the Fund, the Board of Directors, the Executive Body of the Company/Company's Group of companies and receive all orders/minutes of the specified bodies of the Company/Company's Group of companies;

4) to initiate an additional audit task (unplanned) with the consent of the Chairman of the Audit Committee, if the need for it is identified in the course of the current audit task, and its implementation affects the outcome of the current assignment;

5) to exchange information and coordinate activities with other internal and external parties that provide safeguards and advice services to ensure adequate coverage and minimize duplicate work;

6) to engage employees of the Company's structural units/Company's Group of companies as independent experts, as well as specialists of other legal entities (with the exception of persons, who during the previous audit period of the calendar year performed activities or functions in the audit entity), in order to develop planned activities of the Service and perform certain tasks on behalf of the Board of Directors/Chairman of the Board of Directors, in order to obtain consultations on highly specialized issues;

7) to apply with written requests to the Fund, to the Company's subsidiary organization, other organizations and structural units of the Company on issues within the competence of the Service;

8) to engage independent consultants according to the established procedure, or use co-sourcing for the performance of audit assignments, in the event that the staff of the Service does not have sufficient knowledge and skills to perform the audit task or part of the assignment, unless the audit task requires an assessment of the risk of fraud and assessment of fraud risk management;

9) in consultation with interested parties, to engage information technologies of relevant specialists of other companies of the Fund's group for the audit;

10) to form and submit for consideration by the Audit Committee and/or the Board of Directors an independent budget of the Service⁵;

11) to exercise other rights and powers that do not contradict the legislation of the Republic of Kazakhstan, the Charter of the Company, this Regulations, internal documents of the Company and Standards.

31. The head of the Service has the following powers:

1) to participate in meetings and events held by the Executive Body on improving internal control, risk management and corporate governance and on other issues within the competence of the Service without the right to agree on decisions of the Executive Body;

2) to address directly to the Chairman and members of the Board of Directors and the Audit Committee, members of the Management Board, as well as to the leaders of the Company's Group of companies on the activities of the Service and initiate closed meetings between the head of the Service and the Board of Directors/Audit Committee;

3) to make proposals to the Board of Directors to determine the number of members, the term of office of the Service, the appointment of employees of the Service, as well as the early termination of their powers, the procedure for the work of the Service, the amount and terms of remuneration and bonuses for employees, organizational and technical support for the Service;

4) to initiate the convocation of a meeting of the Board of Directors and/or the Audit Committee on matters within the competence of the Service;

5) to apply with inquiries to state bodies and other legal entities regarding the activities of the Service;

6) to rotate the duties of the employees of the Service in order to prevent the emergence of a conflict of interest, as well as to ensure the exchange of work experience (periodically or as appropriate);

7) to exercise other powers and take decisions on all matters within the competence of the Service.

8. Responsibility of the Service and its Head

32. The Service is responsible for timely and qualitative performance of the tasks and functions assigned to it and compliance with the Standards and the Code of Ethics in its activities.

33. The head and employees of the Service, in accordance with the established procedure, bear personal responsibility for the quality and timeliness of the performance of the functions assigned to them, in accordance with job

⁵ The independent budget of the Service is formed within the budget of the Company and includes the declared expenses of the Service for the planning period for articles stipulated by the internal document regulating the issues of the formation and approval of the budget of the Service. At the same time, the independence of the budget of the Service is understood as the absence of restrictions on the part of the Executive Body of the Company with the aim of influencing the activities of the Service, except when the applicable restriction is associated with the limits and regulations established by the Board of Directors, the Fund and supervisory bodies.

descriptions, employment contracts and the legislation of the Republic of Kazakhstan, as well as compliance with the requirements of the Standards, the Code of Ethics and internal documents governing activities of the Service.

34. The head and employees of the Service, in accordance with the established procedure, bear personal responsibility for the safety of the property entrusted to them and for the disclosure of trade secrets and other confidential information, the list of which is determined by the Company's internal documents.

35. The employees of the Service shall ensure timely informing the head of the Service of any situations related to the existence or potential possibility of violating the independence and/or objectivity of the internal auditor, expressed, inter alia, in the form of a conflict of interest or restriction of the rights and powers of the internal audit.

9. Imposition of Sanctions

36. Disciplinary sanctions are imposed on the head and employees of the Service in accordance with the established procedure for violations of labor discipline, failure to perform or improper performance of the duties assigned by the Board of Directors.

37. The material liability of the head and employees of the Service and the procedure for reimbursement of the damage caused by them (if any), as well as procedures for imposing disciplinary sanctions, are carried out in accordance with the legislation of the Republic of Kazakhstan and internal documents of the Company, taking into account the limitations provided for in this Regulations.

10. Provision of information to the Board of Directors, the Audit Committee

38. The head of the Service provides the Board of Directors and the Audit Committee with reports on the activities of the Service in the following terms:

1) quarterly - no later than the 25th day of the month following the reporting quarter;

2) annually - no later than the 15th day of the second month following the reporting year;

39. Reports on the work of the Service are preliminarily considered by the Audit Committee with the development of recommendations for the Board of Directors.

40. Reports of the Service based on the results of the audit tasks and pointing to the case of misconduct (negligence) of the Company's employees and/or the Executive Body shall be submitted to the Audit Committee and the Board of Directors as soon as they are compiled.

41. The head of the Service shall ensure the analysis of information submitted to the Board of Directors and the Audit Committee for its completeness and accuracy.

42. The Audit Committee and the Board of Directors review reports on the activities of the Service and take decisions in accordance with the established rules of procedure and the powers of the Audit Committee and the Board of Directors.

42-1) Reports on the activities of the Service are submitted for consideration by the Audit Committee and the Board of Directors of the Company, and in relation to requests from third parties - in agreement with the Chairman of the Audit Committee;

43. The head of the Service shall provide regularly the Board of Directors with information on the implementation of coordination and supervision of other control and management functions (risk management, internal control, security, business continuity, external audit, etc.) by the Executive Body.

11. Interaction of the Service with the Executive Body

44. Within the framework of interaction with the Executive Body, the Service:

1) forms the annual audit plan taking into account the proposals of the Executive Body for conducting the audit and providing consultations;

2) submit an annual audit plan approved by the Board of Directors to the Executive Body for information purposes;

3) submit to the Executive Body an audit report/opinion, drawn up based on the results of an audit assignment or advisory activity;

4) discuss and submit proposals to the Executive Body on improving internal control, risk management and corporate governance.

45. The Executive Body shall:

1) ensure the creation of an effective internal control environment in the Company, which contributes to the full and unimpeded fulfillment of its tasks and functions by the Service;

2) assist the Service in engaging employees of the structural units of the Company or its subsidiaries as experts to obtain advice on highly specialized issues;

3) ensure timely consideration of the Service's reports, development and approval of an action plan for implementation of the adopted recommendations of the Service and reporting on their implementation;

4) in accordance with the established procedure, ensure the inclusion in the budget of the Company of the budget of the Service approved by the Audit Committee/Board of Directors;

5) by decision of the Board of Directors, in accordance with the established procedure, ensure the use of the co-sourcing of any activity in the field of internal audit;

6) carry out administrative (organizational and technical) maintenance of the Service.

12. Final Provisions

46. Changes and amendments to this Regulations may be made by decision of the Board of Directors of the Company.

47. The head of the Service regularly, at least once a year, considers the need to introduce changes/amendments to this Regulations.

Annex

to the Regulations on the Internal Audit Service of National Company
Kazakhstan Temir Zholy Joint-Stock Company
approved by the decision of the Board of Directors of NC KTZ JSC
dated _____, ____ 2018 minutes No. ____

Code of Ethics for the IAS's Employees⁶

PRINCIPLES

Internal auditors shall adhere to the following principles.

1. Integrity

The integrity of internal auditor, is the foundation which is the base for the credibility of the auditor's opinion is based.

2. Objectivity

Internal auditors demonstrate the highest level of professional objectivity in the process of collecting, assessing and communicating information about the audit entity. Internal auditors make a balanced assessment of all relevant circumstances and in their judgments are not affected by their own interests or the interests of others.

3. Confidentiality

Internal auditors respect the ownership of the information they receive in the course of their activities and do not disclose information without proper authority unless disclosure of such information is dictated by legal or professional responsibilities.

⁶ Source - Official translation of the Code of Ethics of the Institute of Internal Auditors, implemented by NCP IVA, Moscow, www.iaa-ru.ru

4. Professional competence

Internal auditors apply the knowledge, skills and experience necessary to provide services in the field of internal audit.

RULES OF CONDUCT

1. Integrity

Internal auditors:

- 1.1) shall be faithful, diligent and responsible in the performance of their duties;
- 1.2) shall operate within the framework of the law and, disclose relevant information, if required by law or professional standards;
- 1.3) shall not knowingly participate in actions that discredit the profession of the internal auditor or their organization;
- 1.4) shall respect the legally and ethically justified objectives of their organization and contribute to their achievement.

2. Objectivity

Internal auditors:

- 2.1) shall not participate in any activity that could damage their impartiality or be perceived as causing such damage. This also applies to activities and relationships that may conflict with the interests of the organization;
- 2.2) shall not take anything as a gift that could damage their professional judgment or be perceived as causing such damage;
- 2.3) shall disclose all material facts known to them which, while not being disclosed, may distort reports on the audit entity.

3. Confidentiality

Internal auditors:

- 3.1) shall be reasonable and prudent in the use and preservation of information obtained during the performance of their duties;
- 3.2) shall not use the information in personal interests or in any other manner that is contrary to the law or which may be detrimental to the achievement of the legally and ethically justified objectives of the organization.

4. Professional Competence

Internal auditors:

- 4.1) shall participate only in those tasks for which they have sufficient professional knowledge, skills and experience;
- 4.2) shall provide internal audit services in accordance with the International Professional Standards on Internal Audit;
- 4.3) shall improve continuously their professionalism, as well as the efficiency and quality of the provided services.