



## **PWC KAZAKHSTAN HAS CONFIRMED COMPLIANCE OF HALYK BANK INTERNAL AUDIT ACTIVITY WITH INTERNATIONAL STANDARDS FOR THE PROFESSIONAL PRACTICE OF INTERNAL AUDITING AND CODE OF ETHICS**

**20 September 2017, Almaty, Press Release** JSC Halyk Bank (the Bank) became the first bank in Kazakhstan to successfully confirm the compliance of internal audit activities with International Standards for the Professional Practice of Internal Auditing (the International Standards) and the Code of Ethics.

Based on the results of the external evaluation conducted in July 2017, the consultants of PricewaterhouseCoopers concluded that the Bank's internal audit activities **fully comply** with International Standards and the Code of Ethics. The results of the external evaluation testify to the high efficiency of the Bank's internal audit system that contributes to the achievement of the strategic goals of the financial institution, using systematic and consistent approach to assessment and improvement of risk management, internal control and corporate governance systems efficiency.

According to **Alexander Pavlov, Chairman of the Board of Directors of JSC Halyk Bank**, *"when developing the Halyk Group Development Strategy, the Board of Directors of the Bank set a key goal - to achieve International Standards in the work of internal audit, and today we highly appreciate the work done. The leadership of Halyk Group attaches much importance to properly organized corporate governance, which directly affects transparency and decision making system in the financial institution, and a strong internal audit system is an important vote of confidence in this work. We are confident in the built-in internal audit system in Halyk Bank, as a reliable tool that provides effective measures to manage risks, strengthen internal control and improve the level of corporate governance. Approaches and methods of internal audit apply to the entire Halyk Group, and will be the same in subsidiary Kazkommertsbank, taking into account the last major acquisition of the Group."*

There are two approaches in the professional practice of internal auditing: complete external evaluation or simplified approach through self-assessment with independent external confirmation. The Bank selected to conduct full independent evaluation, based on its commitment to maximum improvement of its activities. In order to achieve the strategic goals in the field of internal audit, the bank has done a consistent work for nine years through Big 4 companies that conducted three external assessments of compliance with the International Standards and the Code of Ethics. Also, in order to monitor the implementation of the quality improvement program, internal audit staff conducts internal quality assessments that include: annual self-assessment of compliance with international standards and code of ethics, continuous monitoring of audit engagements, achievement of key performance indicators of internal audit, adequacy of internal regulatory documentation and other actions.

Full compliance once again confirms the reputation of JSC Halyk Bank as a bank that ensures high level of reliability.

For information:

**The Institute of Internal Auditors, IIA** – founded in 1941, is an international professional association dedicated to develop the profession of internal auditor and support internal auditors around the world - more than 190,000 members in more than 160 countries. The IIA International Standards for the Professional Practice of Internal Auditing and the Code of Ethics contain principles and requirements for professional activities in the field of internal audit, the purpose of which is to promote and maintain high professional and ethical standards among internal auditors. Also, IIA is the certification authority of CIA (The Certified Internal Auditor) for more than 40 years. CIA - qualification of internal auditors, recognized all over the world.

### **About Halyk Group**

Halyk Group, which includes Halyk Bank, Qazkom and Altyn Bank, is the 3rd private financial group in the CIS by the size of assets. Halyk Group is the leading financial group in Kazakhstan, operating in various segments, including retail, SMEs and corporate banking services, insurance, leasing, brokerage and asset management. Halyk Group is also represented in Georgia, Kyrgyzstan and Russia.

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