

Validated  
by resolution of the Board of Directors  
of KazMunayGas NC JSC  
of 4 October 2018, Minutes No. 14/2018,  
Annex to Item No. 19 of the meeting  
agenda

as amended and supplemented  
by the resolutions of the Board of Directors  
of KazMunayGas NC JSC of 7 March 2019  
(Minutes No. 3/2019, Item No. 28) and  
10 September 2025  
(Minutes No. 15/2025, Item No. 25)

**Regulation**  
**on the assessment of performance of the Board of Directors, Committees**  
**of the Board of Directors, the Chairman, members of the Board of Directors**  
**and the Corporate Secretary of KazMunayGas NC JSC**

**Astana, 2018**

## 1. General Provisions

1.1. The purpose of this regulation on the assessment of performance of the Board of Directors, Committees of the Board of Directors, the Chairman, members of the Board of Directors and the Corporate Secretary of KazMunayGas NC JSC (“Regulation”) is to describe the manner in which KazMunayGas NC JSC (“KMG”) Board of Directors (“BoD”) should plan and make assessment of the performance (“Assessment”) of the BoD, the BoD Committees (“Committees”), the Chairman, the BoD members (“Directors”) and the Corporate Secretary of KMG, and use the outcome of such assessment.

1.2. The Regulation has been developed with due account for the requirements of:

1) the Kazakhstan Joint-Stock Companies Law;  
2) the Charter of the National Company KazMunayGas Joint Stock Company, approved by the resolution of the Annual General Meeting of Shareholders of KazMunayGas NC JSC of 30 May 2023 (Minutes No. 2/2023, item No. 5), as amended by the resolution of the annual General Meeting of Shareholders of KazMunayGas NC JSC of 28 May 2024 (Minutes No. 1/2024, item No. 8);

*The footnote. Sub-clause 2) was amended in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025 (Minutes No. 15/2025, item No. 25).*

3) The Corporate Governance Code of the Entities within the Samruk-Kazyna Sovereign Wealth Fund JSC Group, validated by the resolution of the Management Board of the Samruk-Kazyna Sovereign Wealth Fund JSC of 3 July 2025 (Minutes No. 33/25);

*The footnote. Sub-clause 3) was amended in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025 (Minutes No. 15/2025, item No. 25).*

4) Methodology for Corporate Governance Diagnostics in Legal Entities Where More than 50% of the Voting Shares are Directly or Indirectly Owned by Samruk- Kazyna JSC (“the Methodology”) validated by the resolution of the Management Board of Samruk-Kazyna JSC of 26 September 2016, Minutes No. 35/16;

5) Methodological recommendations for assessing the performance of the Board of Directors and its committees, the Chairman, members of the Board of Directors and the Corporate Secretary of the Entities within Samruk-Kazyna JSC (hereinafter – the Methodological Recommendations), validated by the resolution of the Management Board of Samruk-Kazyna JSC of 14 December 2017, Minutes No. 44/17.

*The footnote. Sub-clause 5) was amended in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025 (Minutes No. 15/2025, item No. 25).*

1.3. The Regulation takes into account the best international corporate governance practices and standards.

1.4. The Regulation is a standing internal regulatory document of KMG. The Regulation shall be validated, amended and revoked by the BoD as proposed by the Appointment and Remuneration Committee of KMG BoD.

## **2. Purpose, Objectives and Principles of Assessment**

2.1. The purpose of the Assessment is to improve the quality and efficiency of performance of KMG BoD, its Committees, the Chairman, the Directors and the Corporate Secretary, and, as a result to increase the BoD's contribution to the growth of the long-term value and sustainable development of the organization.

The objectives of the assessment are as follows:

- 1) analysis of the BoD's performance based on common principles and criteria;
- 2) determining performance of the BoD's as a whole, its Committees, the Chairman, each Director and the Corporate Secretary;
- 3) identifying the BoD's strengths and weaknesses compared to the international best practices and standards, as well as identifying hidden reserves and unused capacity of the BoD;
- 4) identifying areas and measures to further improve the BoD's operation;
- 5) establishment of the BoD's optimal structure based on the necessary balance of experience, knowledge, skills and personal qualities of its members.

2.2. The principles (criteria) of the assessment are as follows:

- 1) regularity - assessment is mandatory on an annual basis, independent assessment shall be made at least once every three years;
- 2) integrated approach – the effectiveness of the BoD's operation is associated with the effectiveness of the BoD functioning as a collegial body. In this regard, it is necessary to conduct a comprehensive assessment, which includes assessment of the operation of the BoD and its Committees, the Chairman, the Corporate Secretary and each individual Director;
- 3) continuous improvement - in order to improve the BoD's efficiency, it is necessary to continuously develop and optimize its operation. Assessment results shall be compared to those of the previous years in order to determine the dynamics. In addition, all Directors should adhere to the time frame set in the assessment plan and provide feedback in a timely manner;
- 4) reality – the assessment shall be based on the involvement, openness and integrity of all Directors. Responses should reflect the real situation as perceived by the respondent;
- 5) confidentiality – confidentiality should be maintained in respect of all participants, the results shall be provided only in a generalized form, without any references to the opinions of the respondents.

2.3. The assessment includes, but is not limited to the following issues:

- 1) BoD's optimal structure (balance of skills, experience, diversity, objectivity) in the context of the challenges the organization is faced with;
- 2) clarity of understanding the vision, strategy, key objectives, challenges and values of the organization;
- 3) succession and development plans;
- 4) BoD's functioning as a single body, the role of the BoD and the head of the Executive Body;
- 5) effectiveness of interaction within the BoD, and that between the BoD and the bodies and officials of the organization;

- 6) effectiveness of each BoD member;
- 7) effectiveness of the BoD's committees and their interaction with the BoD, and the members of the Executive Body;
- 8) quality of information and documents provided to the BoD;
- 9) quality of discussions held by the BoD, and the Committees;
- 10) performance of the Corporate Secretary;
- 11) clarity of understanding the processes and competences;
- 12) risk identification and assessment process;
- 13) interaction with shareholders and other stakeholders.
- 14) the effectiveness and results of the Induction Program for newly elected members of the Board of Directors.

*The footnote. Paragraph 2.2 was supplemented by sub-clause 14) in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 07.03.2019 (Minutes No. 3/2019, item No. 28).*

### **3. Main aspects and stages of the Assessment**

3.1. In accordance with the Code and based on the range of issues within the BoD's competence, the Assessment shall be divided into several stages, the end result of which is to improve the efficiency of the BoD, the Directors and KMG as a whole.

3.2. The Assessment shall be mandatory to conduct by the BoD on an annual basis. The Assessment methods are self-assessment (assessment made by the BoD without involving an independent consultant) or engagement of an independent consultant to improve the quality of the Assessment. An independent external consultant shall be engaged at least once every three years. The BoD Chairman shall initiate the issue on BoD assessment at BoD meeting, where the resolution is taken on external assessment or self-assessment.

3.2.1. The assessment is mandatory for both independent directors and shareholders' representatives.

*The footnote. Chapter 3 was supplemented by paragraph 3.2-1 in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025 (Minutes No. 15/2025, item No. 25).*

3.3. The results and conclusions of the Assessment should be meaningful, realistic and practical.

3.4. The following persons/groups shall be assessed/self-assessed annually:

- 1) BoD as a whole;
- 2) BoD Committees;
- 3) Chairman;
- 4) Corporate Secretary;
- 5) Each Director individually.

3.5. The Chairman shall be responsible for the whole process of Assessment, choose the approach and monitor implementation of the Action Plan to improve the performance and development of the BoD members (hereinafter – the Plan), formulated on the basis of the Assessment.

3.6. The key roles in the Assessment process are as follows:

- 1) the Chairman shall direct the Assessment process, provide feedback to the

entire Board of Directors and each of the directors, inform major shareholders about the Assessment results and discuss improvement measures, as well as monitor the implementation of the Plan;

*The footnote. Sub-clause 1) was amended in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025 (Minutes No. 15/2025, item No. 25).*

2) The Chairman of the Nomination and Remuneration Committee of the BoD shall ensure the assessment process of the Chairman and be the link between the Directors and the Chairman;

3) Chairmen of the Committees shall ensure assessment of the performance of their Committees;

4) an independent consultant (in case of independent assessment) shall act as a moderator and methodologist, organize and coordinate the Assessment process. Expertise, professional knowledge and practical experience in this sphere provide a high level of analysis and quality of work;

5) the Directors shall ensure active participation, openness, integrity and involvement, which are the most important factors for successful assessment;

6) the Corporate Secretary shall be responsible for the preparation of questionnaires prior to the self-assessment, as well as for the preparation of statistical data on (not limited to):

- the statistics of attendance of the BoD and committees' meetings by the BoD members;

- execution of the annual work plan of BoD;

- number of meetings of the BoD and the committees;

- number of in-praesentia/absentee-voting meetings of the BoD and the committees;

- average duration of the BoD and committees' meetings;

- average number of items on the agenda;

- average duration of discussions on the agenda items during the BoD and committees' meetings;

- participation of Directors in committees;

- implementation of measures to improve the BoD performance and/or development of the BoD members based on the results of previous assessments, etc.

7) the Corporate Secretary shall be responsible for providing the summary of the Assessment results to the person responsible for the Assessment, calculation of the ratings by components, objectives and the final Assessment rating, as well as for consolidating results of the mutual performance Assessment (360 survey, which involves mutual assessment of a Director's performance by other BoD members and Committees (hereinafter - 360 Assessment)) and providing the prepared calculations to the Chairman to prepare an Assessment Report (hereinafter – the Report). In order to maintain confidentiality, 360 Assessment shall be conducted in the form of an anonymous electronic survey according to a template agreed by the Appointment and Remuneration Committee of the BoD.

3.7. In order to ensure unity of approaches, principles and criteria, the Assessment/self-assessment shall be made based on Section 1 of the “Performance of the Board of Directors and the Executive body” Methodology taking into account clause 2.3 of the Guidelines.

3.8. Provisions of the Guidelines shall be applied in an independent Assessment, while a third-party assessment, among other things, involves the following steps to be made by an independent consultant:

1) **Interviews with stakeholders.** Interviews shall be conducted with all Directors, the Corporate Secretary, management representatives and key stakeholders (if necessary).

2) **Analysis of internal regulations and materials.** List of information and documents that may be requested and reviewed by the consultant during an independent assessment shall be agreed by the Chairman upon submission by the Corporate Secretary.

3) **Observation of the BoD meetings.** By the decision of the Chairman, during an independent Assessment, consultant may participate in a meeting of the BoD as an observer. Based on the results of the observations, the consultant shall form an opinion on the atmosphere of the meeting, relationship between the Directors, the style and productivity of discussions, involvement of the Directors in the decision-making process, possible areas of optimizing the performance of the BoD and the Directors in accordance with the established criteria of the Guidelines.

4) **Assessment of the Corporate Secretary's performance.** Assessment of the Corporate Secretary shall be based on the analysis of materials, and interviews with the BoD members. Summarized data shall be discussed at the meeting of the consultant with the Chairman and the Corporate Secretary.

3.9. Independent assessment should be based on the results of the analysis, supporting documents and materials collected by the consultant and the information obtained during the interviews, and should reflect the following:

1) extent to which the BoD and its operation meet the requirements, standards and established procedures, based on analysis of quantitative indices (e.g., the share of independent Directors, frequency of in-praesentia meetings, etc.); and

2) extent to which the BoD and its operation contribute to the performance and shareholder value of KMG and meet the interests of the organization, its shareholders and other stakeholders.

3.10. In case of an independent assessment, the BoD should take into account the potential risk of a conflict of interests, if the assessment is made by a consultant which provides other professional services to the organization. The degree of independence of such a consultant should be the subject of separate consideration by the BoD.

3.11. The Chairman and members of the Board of Directors shall be trained in conducting the assessment.

*The footnote. Chapter 3 was supplemented by paragraph 3.11 in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025 (Minutes No. 15/2025, item No. 25).*

#### **4. Assessment results**

4.1. Based on the Assessment results, a report shall be prepared for consideration at a meeting of the BoD, to contain the following data (not limited to):

1) a message of the BoD Chairman on the assessment results;

2) information on the scope of work carried out (in case of an independent

assessment), persons who participated in the assessment;

3) statistics of attendance of the BoD and Committees' meetings by the Directors, execution of the BoD's annual work plan, the number of the BoD and Committees' meetings, number of in-praesentia/absentee-voting meetings of the BoD and Committees, the average duration of meetings of the BoD and Committees, average number of items on the agenda, the average duration of discussions on the agenda items during the meetings of the BoD and Committees, participation of the Directors in committees, implementation of activities for BoD's development based on the results of previous assessments, etc.;

4) rating: the final one, in the context of the purposes and components;

5) extracts from the assessment results of the previous period, if any;

6) strengths and weaknesses identified as a result of the Assessment in the context of the following components:

- definition of the strategy, the risk management, performance management and the BoD impact on all key business decisions;

- Chairman;

- senior Independent Director;

- Corporate Secretary;

- Committees: structure, composition, operational dynamics;

- balanced BoD structure: size, composition, availability and term of office;

- BoD activities: schedule and agenda of meetings, materials for the BoD meetings, BoD operational dynamics, remuneration;

- Executive Body: selection and appointment, remuneration, responsibilities and performance;

- assessment of BoD structure: procedures for nomination, selection and election, the induction program and training of the BoD members;

- the BoD succession planning;

7) key findings of the assessment and issues for discussion by the BoD in the the above areas;

8) the Plan.

4.2. The Report shall not contain estimates for the Directors or the entire BoD. The Report shall include the factual and objective findings on the data obtained from the analysis of questionnaires, as well as documents and individual interviews in case of an independent Assessment.

4.3. The draft Report shall be discussed by the BoD Chairman and the Chairman of the BoD Appointment and Remuneration Committee. In addition to the Assessment Report, the following documents shall be prepared:

1) individual information for each BoD member on the areas of professional development and increase of involvement and contribution to the BoD's operation, developed based on the results of 360 Assessment;

2) information to be included in the annual report.

4.4. The execution of the Plan shall be monitored by the Chairman and the Corporate Secretary. The plan shall be formed for the year following the one under assessment, indicating specific deadlines for the implementation of activities, a clear form of completion and responsible persons. Information on the status of the

implementation of the action plan shall included in the item on the results of the BoD assessment for such a year, and shall also be included in the Annual Report of KMG for such a year.

*The footnote. Paragraph 4.4 was amended in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025 (Minutes No. 15/2025, item No. 25).*

4.5. The Assessment results shall be discussed during a closed meeting of the BoD, which shall be attended only by the BoD members and the Corporate Secretary, and the Consultant, in case of an independent assessment. At this meeting, the BoD members shall discuss their work conceptually, identifying the factors that have reduced their performance and suggesting ways to improve the performance.

4.6. The Assessment results may serve as a basis for the re-election of the entire BoD or an individual director, a review of the BoD composition and the amount of remuneration to the BoD members. If there are serious shortcomings in the performance of individual BoD members, the Chairman should consult with a major shareholder.

*The footnote. Paragraph 4.6 was amended in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025 (Minutes No. 15/2025, item No. 25)*

4.7. A major shareholder may conduct its own BoD Assessment independently or with the involvement of an independent consultant. The results of the Assessment conducted independently by the BoD, the operating results of KMG, the fulfillment of the shareholder's expectations, and other factors shall be taken into account.

*The footnote. Paragraph 4.7 was amended in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025 (Minutes No. 15/2025, item No. 25).*

## **5. Frequency and timing of the Assessment**

5.1. The BoD assessment shall be made once a year using the BoD's own resources and at least once every three years with the engagement of independent consultants. If necessary, the Assessment of all or some of its types may be made two or more times a year, subject to an appropriate resolution of the BoD.

5.2. In case there was a diagnostics of corporate governance made in the organization in the reporting period, in order to prevent duplication of processes a separate Assessment for the same reporting period shall not be made.

5.3. The Assessment process shall not take more than 3 months. The Assessment process shall start at the beginning of the year following the reporting year, and at the beginning of the second quarter of the year following the reporting one, the final report shall be prepared for consideration at a meeting of the BoD.

## **6. Procedure for disclosing information on the Assessment**

6.1. In the annual report on the operating results of KMG, the BoD shall indicate, among other things, the assessment of KMG's position and prospects for its development, as well as the process of Assessment of the performance of the BoD, the Committees, individual Directors and the Corporate Secretary.

22. Information on the Assessment to be disclosed shall include the

following statements:

- 1) on the Assessment;
- 2) on the types of Assessment, the procedure;
- 3) on the methods used;
- 4) on the fact of discussing the Assessment results at a meeting of the BoD;
- 5) on the outcome of the discussion and measures taken.

6.2. The information on specific results for each type of the Assessment shall be classified as confidential and not subject to disclosure. The Consultant's report on the Assessment results and the questionnaires completed by each Director shall be classified as confidential information and stored in a manner appropriate for the storage of such documents.

6.3. The results of the Assessment shall be submitted to a major shareholder upon its request in accordance with the procedure stipulated by the Charter and the internal regulations of KMG.

*The footnote. Paragraph 6.3 was amended in accordance with the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025 (Minutes No. 15/2025, item No. 25).*

6.4. The Chairman of the Board of Directors shall also determine the format of the information notice on the Assessment, intended for public disclosure (in the annual report of KMG, on the website of KMG, etc.).

6.5. 6.5. If an independent consultant is involved, it shall be indicated whether they have provided other consulting services to a major shareholder over the past three years. This report shall be provided to the shareholders at the annual General Meeting of Shareholders.

*The footnote. Paragraph 6.5 was amended by the resolution of the Board of Directors of KazMunayGas NC JSC of 09/10/2025, Minutes No. 15/2025, item No. 25).*

## **7. Conclusion**

The Board of Directors of a subsidiary of KMG is recommended to develop a similar document on the Assessment based on the Regulation.