

**Resolution
of the Extraordinary General Shareholders' Meeting of
NC "KazMunayGas" JSC**

**On amendments and supplements to the Charter of the “National Company
“KazMunayGas” Joint Stock Company**

In accordance with Article 36 (1) (1) of the Law No.415-II of the Republic of Kazakhstan “On Joint-Stock Companies” dated 13 May 2003, Article 12 (98) (1) of the Charter of NC “KazMunayGas” JSC, validated by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 30 May 2023 (Minutes No. 2/2023, item No. 5), as amended and supplemented by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 28 May 2024 (Minutes No.1/2024, item No.8), Chapter 7 (32) (22) of the of the Regulation on the General Meeting of Shareholders of the National Company KazMunayGas Joint-Stock Company, validated by the resolution of the person owning all voting shares of KMG, dated December 2, 2022 (minutes of the meeting of the Samruk-Kazyna JSC's Management Board No.66/22, issue No.5),

having reviewed the materials submitted, the General Shareholders' Meeting of NC “KazMunayGas” JSC

RESOLVED as follows:

1. To amend and supplements the Charter of NC “KazMunayGas” JSC, validated by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 30 May 2023 (Minutes No. 2/2023, item No. 5), as amended and supplemented by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 28 May 2024 (Minutes No.1/2024, item No.8), in accordance with the Annex to this resolution.

2. Assign A. Khasenov, Chair of the Management Board of NC KazMunayGas JSC, to duly take the necessary measures arising out of this resolution.

Secretary

D. Sharipov

Annex
to the draft resolution
extraordinary General Shareholders' Meeting
of NC KazMunayGas JSC
dated October __, 2025 No. _____

**Amendment and supplements
to the Charter of National Company KazMunayGas Joint-Stock Company,
validated the resolution of the Annual General Meeting of Shareholders of NC
KazMunayGas JSC dated 30 May 2023 (Minutes No. 2/2023, item No. 5), as
amended and supplemented by the resolution of the Annual General Meeting of
Shareholders of NC KazMunayGas JSC dated 28 May 2024 (Minutes No.1/2024,
item No.8)**

In the Charter of National Company KazMunayGas Joint-Stock Company, validated the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 30 May 2023 (Minutes No. 2/2023, item No. 5), as amended and supplemented by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 28 May 2024 (Minutes No.1/2024, item No.8), make the following amendments and supplements:

1) Article 13 (106) (47) (z) shall be set out as follows:

“in agreement with the KMG Management Board, appointing and terminating the powers of the heads of the executive bodies of legal entities, all voting shares (participation interests) of which are owned by KMG (within the Fund group), with subsequent early termination of employment relationships with them in accordance with the established procedure;”;

2) Article 13 (106) (47) shall be supplemented with paragraph z-1) with the following content:

"z-1) in agreement with the KMG Management Board, determining the position at the general meeting of shareholders (participants) on the appointment (election) and early termination of the powers of the top executives of legal entities, ten or more percent of the voting shares (participation interests) of which belong to KMG (except for legal entities whose shares are placed on an organized securities market), with subsequent early termination of employment relations with them in accordance with the established procedure;”;

3) Article 13 (106) shall be supplemented with sub-paragraphs 56-1), 56-2), 56-3) of the following content:

“56-1) approval of appointments (elections) and early termination of powers of top managers and persons appointed by the KMG group in companies being established and/or already established, including joint ventures, including those involved in major investment and oil and gas projects, according to lists determined by the Board of Directors;

56-2) determination of the list of major investment and oil and gas projects;

56-3) approval of qualification requirements for persons specified in paragraph 106 (56-1) of this Charter;».

**Explanatory note to the item "On amendments and supplements to the Charter
of the "National Company "KazMunayGas" Joint Stock Company"**

Astana

" ____ " _____ 2025

1. Purpose and objective

Amendments and supplements to the Charter of the National Company KazMunayGas Joint Stock Company (hereinafter referred to as **the Company, KMG**), validated by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 30 May 2023 (Minutes No. 2/2023, item No. 5), as amended and supplemented by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 28 May 2024 (Minutes No.1/2024, item No.8).

2. Economic effect

No economic effect is anticipated.

3. Background

The Charter of the National Company KazMunayGas Joint Stock Company validated by the resolution of the Annual General Meeting of Shareholders of the Company dated May 30, 2023 (Minutes No.2\2023, issue No.5) (hereinafter referred to as **the Charter**).

By the resolution of the annual General Meeting of KMG Shareholders dated May 28, 2024 (Minutes No.1/2024, issue No.8), the Charter has been amended and supplemented.

By the resolution of the Board of Samruk-Kazyna JSC (hereinafter referred to as **the Fund**) dated July 24, 2025 (minutes No. 36/25, issue No.1):

1) Amendments and supplements to the Corporate Standard on Human Resources Management of Samruk-Kazyna JSC Group, approved by the resolution of the Management Board of Samruk-Kazyna JSC dated December 29, 2022 (Minutes No. 70/22) (hereinafter referred to as the **Corporate Standard**) concerning the appointment of persons to subsidiaries and dependent organizations of the Fund's portfolio companies, including top managers;

2) instructed to take the necessary measures to implement the requirements of the Corporate Standard, including submitting for consideration by the Sole Shareholder (Participant) / General Meeting of Shareholders (Participants) on amendments/supplements to the Charters of legal entities, more than fifty percent of the voting shares (participation interests) of which are owned by Samruk-Kazyna JSC, by the end of 2025.

According to the amendments and supplements to the Corporate Standard:

1) The Board of Directors of KMG (hereinafter referred to as **the BoD**) shall determine the list of legal entities in respect of which the resolution on the appointment and early termination of powers of the heads (CEO) of the executive bodies of legal entities, 100% (one hundred) percent of the voting shares (participatory interests) of

which belong to KMG, shall be taken by the BoD in agreement with the KMG Management Board, as well as the position at the general meeting of shareholders (participants) on the appointment and early termination of powers of the heads (CEO) of the executive bodies of legal entities, more than fifty percent of the voting shares (participatory interests) of which belong to KMG (with the exception of legal entities whose shares are listed on the organized securities market), shall be determined by the BoD in agreement with the KMG Management Board;

2) in order to ensure control and mitigation of risks of Samruk-Kazyna JSC in major investment projects, including within the framework of the implementation of intergovernmental agreements, the Board of Directors determines the list of legal entities, ten or more percent of shares (interests in the authorized capital) of which belong to KMG on the basis of ownership and (or) trust management, in relation to which it approves the qualification requirements for persons appointed by KMG, and determines the position on issues of activity related to the competence of the general meeting of shareholders (participants) of a legal entity, on the appointment (election) and early termination of powers of persons appointed by KMG.

Based on the above, the corresponding amendments and supplements to the Charter have been made and are presented in the appendix to this explanatory note.

In accordance with Article 36 (1) (1) of the Law of the Republic of Kazakhstan "On Joint-Stock Companies" dated May 13, 2003 No.415-II (hereinafter referred to as **the JSC Law**), Article 12 (98) (1) of the Charter, Chapter 7 (32) (1) of the Regulation on the General Meeting of Shareholders of the National Company KazMunayGas Joint-Stock Company, validated by the resolution of the person owning all voting shares of KMG, dated December 2, 2022 (minutes of the meeting of the Fund's Management Board No.66/22, issue No.5), (hereinafter referred to as **the Regulation on the GM**), amendments and supplements to the Charter or approval of a new wording thereof fall within the exclusive competence of the General Shareholders' Meeting of KMG.

The Board of Directors of the Company (Minutes dated September 10, 2025 No.15/2025, issue No.6) decided to convene an Extraordinary General Shareholders' Meeting of the Company (hereinafter referred to as **the EGM**) on October 13, 2025 (hereinafter referred to as **the Resolution of the BoD**), one of the items on the agenda is the amendment and supplementation of the Charter.

Based on the above, in accordance with the Resolution of the BoD, which had previously considered this issue and initiated its submission to the EGM, it is proposed:

to amend and supplement the Charter, in accordance with the annex to the draft resolution on this issue.

In accordance with Article 36 (2) and Article 50 (1) of the JSC Law, Article 11 (91) and Article 12 (99) of the Charter, Chapter 16 (79) of the Regulation on the GM, voting on this issue requires a simple majority of votes from the total number of KMG voting shares participating in the voting, and voting on this issue is based on the principle of "one share – one vote".

4. Conformity to applicable law of the Republic of Kazakhstan

The adoption of a resolution on the submitted issue does not contradict the legislation of the Republic of Kazakhstan.

5. Main problems, risks, possible consequences in case of adopting or failure to adopt the resolution

The adoption of a resolution on this issue will not entail any risks.

Failure of the General Meeting of Shareholders of KMG to adopt a resolution on this issue will entail the risk of non-compliance with the requirements of the Corporate Standard, the provisions of which are mandatory for implementation when carrying out activities in the field of human resources management in the Fund's group of companies.

Secretary

D. Sharipov

Comparison table

of amendment and supplements to the Charter of National Company KazMunayGas Joint-Stock Company, validated the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 30 May 2023 (Minutes No. 2/2023, item No. 5), as amended and supplemented by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 28 May 2024 (Minutes No.1/2024, item No.8) (hereinafter referred to as the Charter)

N o.	structural element	current version	proposed revision	justification
1	2	3	4	5
1.	Article 13 (106) (47) (z)	<p>106. Unless otherwise provided by law, the following matters shall fall within the exclusive competence of the Board of Directors:</p> <p>47) making resolutions on the following matters relating to the activities of a legal entity in which KMG owns ten or more percent of the shares (stakes in the authorized capital) and which fall within the competence of the general meeting of shareholders (participants) of that legal entity:</p> <p>z) appointment and early termination in agreement with the Board of the Fund in accordance with the list approved by the Board of the Fund, powers of the heads of executive bodies of legal entities, all voting shares (participatory interests) of which are directly or indirectly belong to KMG (within the framework of the Fund group), with subsequent early termination of employment relations with them in accordance with the established procedure;</p>	<p>106. Unless otherwise provided by law, the following matters shall fall within the exclusive competence of the Board of Directors:</p> <p>47) making resolutions on the following matters relating to the activities of a legal entity in which KMG owns ten or more percent of the shares (stakes in the authorized capital) and which fall within the competence of the general meeting of shareholders (participants) of that legal entity:</p> <p>z) in agreement with the KMG Management Board, appointing and terminating the powers of the heads of the executive bodies of legal entities, all voting shares (participation interests) of which are owned by KMG (within the Fund group), with subsequent early termination of employment relationships with them in accordance with the established procedure;</p>	<p>Corporate Standard for Human Resources Management of Samruk-Kazyna JSC Group</p> <p>33-2. In agreement with the Company's Management Board, the Company's Board of Directors/Supervisory Board:</p> <p>1) shall adopt a resolution on the appointment and early termination of the powers of the heads (CEOs) of the executive bodies of legal entities, 100% (one hundred) percent of the voting shares (equity interests) of which belong to the Company, with the subsequent early termination of employment relations with them in accordance with the established procedure;</p>
2.	Article 13 (106) (47) (z-1)	<p>106. Unless otherwise provided by law, the following matters shall fall within the exclusive competence of the Board of Directors:</p> <p>47) making resolutions on the following matters relating to the activities of a legal entity in which KMG owns ten or more percent of the shares (stakes in the authorized capital) and which fall within the competence of the general meeting of shareholders (participants) of that legal entity:</p> <p>this subparagraph is not included</p>	<p>106. Unless otherwise provided by law, the following matters shall fall within the exclusive competence of the Board of Directors:</p> <p>47) making resolutions on the following matters relating to the activities of a legal entity in which KMG owns ten or more percent of the shares (stakes in the authorized capital) and which fall within the competence of the general meeting of shareholders (participants) of that legal entity:</p> <p>z-1) in agreement with the KMG Management Board, determining the position at the general meeting of shareholders (participants) on the appointment (election) and early termination of the powers of the top executives of legal entities, ten or more percent of the voting shares (participation interests) of which belong to KMG (except for legal entities whose shares are placed on an organized securities market), with subsequent early</p>	<p>Corporate Standard for Human Resources Management of Samruk-Kazyna JSC Group</p> <p>33-2. In agreement with the Company's Management Board, the Company's Board of Directors/Supervisory Board:</p> <p>2) determines the position for the general meeting of shareholders (participants) on the appointment and early termination of the powers of managers (CEOs) of the executive bodies of legal entities, more than fifty percent of the voting shares (participation shares) of which belong to the Company (with the exception of legal entities whose shares are placed on an organized securities market), with subsequent early termination of employment relations with them in accordance with the established procedure.</p> <p>The list of legal entities specified in this paragraph 33-2 (1 and 2) is determined by the</p>

No.	structural element	current version	proposed revision	justification
1	2	3	4	5
			termination of employment relations with them in accordance with the established procedure;	Company's Board of Directors/Supervisory Board.
3.	Article 13 (106) (56-1)	106. Unless otherwise provided by law, the following matters shall fall within the exclusive competence of the Board of Directors: this subparagraph is not included	106. Unless otherwise provided by law, the following matters shall fall within the exclusive competence of the Board of Directors: 56-1) approval of appointments (elections) and early termination of powers of top managers and persons appointed by the KMG group in companies being established and/or already established, including joint ventures, including those involved in major investment and oil and gas projects, according to lists determined by the Board of Directors;	Corporate Standard for Human Resources Management of Samruk-Kazyna JSC Group 33-3. In order to ensure control and mitigate risks for Samruk-Kazyna JSC in relation to major investment projects, including those implemented under intergovernmental agreements, the Company's Board of Directors/Supervisory Board: 2) determines its position on issues relating to the activities that fall within the competence of the general meeting of shareholders (participants) of a legal entity, of which ten or more percent of shares (stakes in the authorized capital) are owned by the Company on the basis of ownership and/or trust management, on the appointment (election) and early termination of the powers of persons appointed by the Company in joint companies being created and/or already created. The list of major investment projects is determined by the Company's Board of Directors/Supervisory Board.
4.	Article 13 (106) (56-2)	106. Unless otherwise provided by law, the following matters shall fall within the exclusive competence of the Board of Directors: this subparagraph is not included	106. Unless otherwise provided by law, the following matters shall fall within the exclusive competence of the Board of Directors: 56-2) determination of the list of major investment and oil and gas projects;	Corporate Standard for Human Resources Management of Samruk-Kazyna JSC Group 33-3. In order to ensure control and mitigate risks for Samruk-Kazyna JSC in relation to major investment projects, including those implemented under intergovernmental agreements, the Company's Board of Directors/Supervisory Board: 2) determines its position on issues relating to the activities that fall within the competence of the general meeting of shareholders (participants) of a legal entity, of which ten or more percent of shares (stakes in the authorized capital) are owned by the Company on the basis of ownership and/or trust management, on the appointment (election) and early termination of the powers of persons appointed by the

N o.	structural element	current version	proposed revision	justification
1	2	3	4	5
				Company in joint companies being created and/or already created. The list of major investment projects is determined by the Company's Board of Directors/Supervisory Board.
5.	Article 13 (106) (56-3)	106. Unless otherwise provided by law, the following matters shall fall within the exclusive competence of the Board of Directors: <i>this subparagraph is not included</i>	106. Unless otherwise provided by law, the following matters shall fall within the exclusive competence of the Board of Directors: 56-3) approval of qualification requirements for persons specified in paragraph 106 (56-1) of this Charter;	Corporate Standard for Human Resources Management of Samruk-Kazyna JSC Group 33-3. In order to ensure control and mitigate risks for Samruk-Kazyna JSC in relation to major investment projects, including those implemented under intergovernmental agreements, the Company's Board of Directors/Supervisory Board: 1) validate the qualification requirements for persons appointed by the Company to joint ventures being established and/or already established;

Reductions:**KMG** – JSC NC “KazMunayGas”;**Fund** – Samruk-Kazyna JSC;**BoD** – Board of Directors of JSC NC KazMunayGas;

Corporate standard for human resources management of Samruk-Kazyna JSC Group – Corporate standard for human resources management of Samruk-Kazyna JSC Group, approved by the resolution of the Management Board of Samruk-Kazyna JSC dated December 29, 2022 (Minutes No. 70/22), with amendments and additions made by the resolution of the Management Board of Samruk-Kazyna JSC dated December 28, 2023 (Minutes No. 61/23), dated December 26, 2024 (Minutes No. 67/24), dated July 24, 2025 (Minutes No. 36/25).

**Resolution
of the Extraordinary General Meeting of Shareholders of
NC “KazMunayGas” JSC**

**On approval of the Corporate Governance Code of
“National Company “KazMunayGas” Joint Stock Company in a new wording**

In accordance with Article 36 (1) (1-1) of Law No.415-II of the Republic of Kazakhstan “On Joint-Stock Companies” dated May 13, 2003, Chapter 1 (4) of the Corporate Governance Code of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna”, approved by Decree No.1403 of the Government of the Republic of Kazakhstan “On approval of the Corporate Governance Code of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” dated November 5, 2012, as set out in the new wording, according to the annex to Decree No.590 of the Government of the Republic of Kazakhstan “On Amendments to Decree No.1403 of the Government of the Republic of Kazakhstan dated November 5, 2012 “On Approval of the Corporate Governance Code of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” dated July 14, 2023, as amended by Decree No.659 of the Government of the Republic of Kazakhstan “On Amendments and Additions to Decree No.1403 of the Government of the Republic of Kazakhstan dated November 5, 2012 “On Approval of the Corporate Governance Code of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” dated August 15, 2024, Article 12 (98) (2) of the Charter of Joint Stock Company “National Company “KazMunayGas”, approved by the resolution of the Annual General Meeting of Shareholders of NC “KazMunayGas” JSC dated May 30, 2023 (Minutes No. 2\2023, item No.5), as amended by the resolution of the Annual General Meeting of Shareholders of NC “KazMunayGas” JSC dated May 28, 2024 (Minutes No.1/2024, item No.8), paragraph 32 (2) of Chapter 7 of the Regulations on the General Meeting of Shareholders of Joint Stock Company “National Company “KazMunayGas”, approved by the resolution of the entity holding all voting shares of NC “KazMunayGas” JSC dated December 2, 2022 (Minutes No.66/22 of the meeting of the Management Board of JSC “Samruk-Kazyna”, item No.5),

upon consideration of the submitted materials, the General Meeting of Shareholders of NC “KazMunayGas” JSC **RESOLVED** as follows:

1. To approve the Corporate Governance Code of Joint Stock Company “National Company “KazMunayGas” in a new wording in line with the Annex hereto.
2. To declare void the Corporate Governance Code of Joint Stock Company “National Company “KazMunayGas”, approved by the resolution of the Annual General Meeting of Shareholders of NC “KazMunayGas” JSC dated May 28, 2024 (Minutes No.1/2024, item No.4).
3. To A.G. Khassenov, the Chairman of the Management Board of NC “KazMunayGas” JSC, to duly take all necessary measures arising out of this resolution.

Secretary

D. Sharipov

Annex
to the draft resolution
of the Extraordinary General Meeting
of Shareholders of NC KazMunayGas JSC
dated October __, 2025 No. _____

Approved
by the minutes of the Extraordinary
General Meeting of Shareholders
of NC KazMunayGas JSC
dated __, 2025 No. ____

Corporate Governance Code of Joint Stock Company “National Company “KazMunayGas”

Content

- Chapter 1. General Provisions
- Chapter 2. The Government as the Shareholder of the Fund
- Chapter 3. Interaction of the Fund and Organisations. The Role of the Fund as the National Managing Holding Company
- Chapter 4. Shareholders’ (participants’) rights and fair treatment of shareholders (participants)
- Chapter 5. Effectiveness of the Board of Directors and the Executive Body
- Chapter 6. Risk management, internal control, audit, compliance and Ombudsman
- Chapter 7. Transparency of the Fund activities

Chapter 1. General Provisions

1. This Corporate Governance Code of Joint Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” (hereinafter referred to as the Code) has been developed in accordance with the legislation of the Republic of Kazakhstan, internal documents of Joint Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” (hereinafter referred to as the Fund). The Code takes account of developments in corporate governance both in Kazakhstan and globally. The provisions of this Code apply with consideration of special provisions contained in legislation of the Republic of Kazakhstan.

2. The goals of the Code are to improve the corporate governance of the Fund and the Organisations, provide for governance transparency, and confirm the Fund and the Organisations’ commitment to adhere to standards of good corporate governance.

3. The following definitions are used in the Code:

- 1) Shareholder (Participant) - a party owning shares;
- 2) General Meeting of Shareholders (Participants) – the Organisation’s supreme body;

3) Companies - national development institutions, national companies and other legal entities, more than fifty percent of the voting shares (interests) of which is owned by the Fund on the right of property or trust management;

4) Corporate Conflicts – disagreements or disputes between: the Shareholders and the bodies of the Fund or the bodies of the Organisations; the bodies of the Fund or the bodies of the Organisations; the members of the Boards of Directors and the Executive Body, the Head of the Internal Audit Service, the Corporate Secretary, the Head of the Compliance Service, the Ombudsman;

5) Corporate Events – events that significantly influence operations of an issuer, affect the interests of the Shareholders and investors of the issuer defined in Article 102 of the Republic of Kazakhstan Law “On Securities Market” (hereinafter - Law on SM);

6) Fund - a national managing holding;

7) Key Performance Indicators (hereinafter - KPIs) characterising the level of performance of the Fund or the Organisations. KPIs are used to assess the general effectiveness of these entities and the effectiveness of their senior managers. A KPI is assigned a quantitative value derived from the approved Development Plan of the Fund or the Organisations and reflects the results of their operations for the projected and reporting periods;

8) Official of the Fund, Organisation – a member of the Board of Directors or the Executive Body, or a person performing solely the functions of the Executive Body;

9) Stakeholders – natural persons, legal entities, groups of natural persons or legal entities that affect, or are affected by, the activities of the Fund and / or the Organisations, its products or services, and related actions by virtue of legislation norms, signed agreements (contracts) or indirectly (circuitously); this definition does not apply to all those who are merely familiar with the Fund and the Organisations or express an opinion about them; the main representatives of the Stakeholders are Shareholders, employees, customers, suppliers, government bodies, subsidiary organisations, bond holders, creditors, investors, public organisations, and residents of the regions in which the Fund and the Organisations operate;

10) Ombudsman – an individual appointed by the Fund’s Board of Directors, whose role is to advise the employees of the Fund and the Organisations who seek the advice, provide them with assistance to resolve labour disputes, conflicts, issues of a social and labour nature, and compliance with the principles of business ethics by employees of the Fund and the Organisations;

11) Sustainable development – development in the course of which the Fund and the Organisations manage the influence of their operations on the environment, the economy, society and make decisions, taking into account the Stakeholders’ interests.

12) Independent Director - a member of the Board of Directors who is not an affiliated person of this joint stock company and has not been an affiliated person for three years prior to his/her election to the Board of Directors (except for the case of his/her tenure as an independent director of this joint stock company), is not an affiliated person in relation to the affiliated persons of this joint stock company; is not subordinated to the officials of this joint stock company or affiliated organisations of this joint stock company and has not been subordinated to these persons during the three years preceding his/her election to the Board of Directors; is not a civil servant; is not a shareholder’s representative at meetings of the bodies of this joint stock company and has not been one

for three years prior to his/her election to the Board of Directors; does not participate in the audit of this joint stock company as an auditor working as part of an audit organisation, and has not participated in such an audit during the three years preceding his/her election to the Board of Directors as well as complies with other requirements established by the laws of the Republic of Kazakhstan;

13) Organisations – legal entities in which more than 50% of the voting shares (interests) directly or indirectly belong to the Fund on the basis of property or trust management;

14) Holding Company – a company that directly or indirectly owns shares (interests) in other organisations and may directly or indirectly influence the decisions made by these organisations;

15) Action Plan - a document that has been approved by the Board of Directors and determines the core activities and the KPIs of the Fund and the Organisations for the following five years.

4. The scope of this Code applies to the fund and member organisations of the fund group. For the Organisations having other Shareholders (Participants), it is recommended that they approve the Code at their General Meeting of Shareholders (Participants). Holding Companies ensure implementation of the Code within their groups.

5. Organisations should comply with the provisions of this Code in the part that does not contradict the Laws of the Republic of Kazakhstan “On Limited and Additional Liability Partnerships” (hereinafter referred to as the Law on Partnerships), “On Joint Stock Companies” (hereinafter referred to as the Law on JSC), “On Sovereign Wealth Fund” (hereinafter referred to as the Law on SWF) and other laws of the Republic of Kazakhstan.

6. The Fund and the Organisations comply with the principles of this Code. Any instance of non-compliance is to be disclosed in the Organisations’ Annual Reports together with explanations for the non-compliance. If an instance of non-compliance with the provisions of the Code should last for more than six months, the Organisation notifies the Fund and provide an explanation of the reasons for non-compliance. The Boards of Directors of the Fund and the Organisations, respectively, should each be responsible for implementing the Code. Corporate Secretaries should monitor and advise the Board of Directors and the Executive Body of the Fund and the Organisations on proper compliance with the Code. Every year, Corporate Secretaries should prepare a report on compliance/non-compliance with the principles and provisions of the Code on an annual basis. These reports shall be subsequently submitted for the consideration of the appropriate Committees of the Board of Directors, subsequently for approval by the Board of Directors. The approved reports shall be included in the Annual Reports of the Fund and the Organisation.

7. Documents and processes of the Fund and the Organisations should be updated in accordance with the provisions of this code.

8. Cases of non-compliance with the provisions of this Code are thoroughly considered at meetings of the respective Committees of the Boards of Directors and the Boards of Directors, and appropriate decisions should be made to improve corporate governance of the Fund and the Organisations.

9. The norms of this Code should be subject to revision given amendments to the legislation of the Republic of Kazakhstan, Kazakhstani and international practice, corporate governance standards.

Chapter 2. The Government as the Shareholder of the Fund

10. The Government of the Republic of Kazakhstan - the Sole Shareholder of the Fund (hereinafter referred to as - the Government) segregates its powers of the Sole Shareholder of the Fund from its powers related to state regulatory functions.

The Government governs the Fund and the Organisations solely through exercising its powers of the Sole Shareholder of the Fund, as provided by the Law on the Fund and the Fund's Charter, and through its representation on the Fund's Board of Directors. The main principles and issues of interaction between the Government and the Fund are regulated by the Agreement on Cooperation. The principles contained in Chapter 3 "Shareholders' (Participants') Rights and Fair Treatment of Shareholders (Participants)" of this Code apply to the Government as the Shareholder to the extent that they do not contravene the Law on the Fund.

11. Cooperation (interaction) of the Government with the Fund and the Organisations shall be conducted solely through the Fund's Board of Directors, in accordance with the principles of good corporate governance.

12. The Fund's Management Board, the Chief Executive Officer, and bodies of the the Organisations are fully autonomous and independent in their decisions and any actions within their competence.

Organisations immediately report to the Fund any interference by state bodies with their operations that is not provided for in the laws of the Republic of Kazakhstan.

The Fund should regularly report instances of interference to the Board of Directors, which should submit proposals to prevent the interference for the consideration of the Government, as the Sole Shareholder.

13. If drafts of state programme documents, action plans and normative legal acts establishes target indicators, actions and / or other provisions affecting the activities of the Fund and the Organisations, the state body responsible for the respective drafts should forward them to the Fund to obtain the Fund's written opinion within the timeframe set out in the Regulations of the Government of the Republic of Kazakhstan. These opinions should be attached to the draft when it is submitted for the consideration of the Government.

14. If the Government (the Prime Minister) or state bodies establishes the advisory bodies or working groups to address matters related to the activities of the Fund and / or the Organisations, representatives of the Fund and / or the Organisations should be included in the advisory body or working group after consultation with the Fund.

15. The Fund shall disclose all necessary information about its activities to the Government, as the Shareholder, and the Fund's Board of Directors, in accordance with the legal acts of the Republic of Kazakhstan, the Fund's Charter, and the Agreement on Cooperation, and ensures transparency of the activities of the Fund and the Organisations.

Depending on the issue, the Government calls hearing to examine Organisations' activities only by inviting the Organisations' representatives to the meetings of the Fund's Board of Directors.

At least once a quarter, the Fund's Management Board reports to the Fund's Board of Directors submitting the consolidated results of the Fund including the Organisations in which the Fund has more than 50 (fifty) percent of the voting shares (interest) on the right of property or trust management. The list of the information to be provided to the Fund's Board of Directors is defined in the Agreement on Cooperation, the Regulations on the Board of Directors of the Fund, the Fund's internal documents, and decisions by the Fund's Board of Directors.

The Fund submits reports to state bodies in cases directly required by the laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan, acts of the Government and / or the Rules on Posting Reports Required by the State Bodies on the Internet site of the Fund, as well as the list, forms and frequency of posting reports approved by the central authorized body for state planning.

16. The investment activities of the Fund and the Organisations shall be carried out based on market principles and in accordance with the Development Plan of the Fund or the Organisation. The investment activities should lead to increased value and optimal structure of assets.

17. Distribution of net income to the Government, as the Sole Shareholder, shall be made in the form of dividends payable on the basis of a formalised and transparent dividend policy.

18. The Fund and the Organisations should disclose cases of implementation of low-profit or socially significant projects in their Annual Reports. The disclosures should contain information about the sources of funding for the projects.

19. According to the decision of the Sole Shareholder and in line with the procedure determined by him, the Fund annually allocates funds in the amount of at least seven percent of the net income of the Fund to the non-profit Organisation represented by Kazakhstan Khalkyna public fund.

Chapter 3. Interaction of the Fund and Organisations. The Role of the Fund as the National Managing Holding Company

20. The Fund, as the National Managing Holding Company, plays a strategic role in respect to its Companies. Effectiveness, efficiency and transparency are at the core of corporate governance.

21. The Fund and the Companies should have an optimal structure of assets. The Fund and the Companies should seek the greatest simplicity of their asset structure and their organisational and legal forms of the assets.

The Organisations should operate within their key (core) activities. New activities may take place only if there is insufficient competition in a given market or if the involvement of the Fund and the Organisations will aid the development of small and medium-sized businesses.

22. The corporate governance system of the Fund and the Organisations is a set of processes providing for governance and control over their activities. It is a system of relationships between the Executive Body, the Board of Directors, Shareholders and Stakeholders and is aimed at long-term value growth and sustainable development. The Board of Directors regularly considers matters of improving the effectiveness of this

system of relationships. The competence of the bodies and the procedure on decision-making are clearly defined and enshrined in the Charter.

The corporate governance system stipulates the relationships between:

- 1) Shareholders (Participants);
- 2) The Board of Directors (Supervisory Board);
- 3) The Executive Body;
- 4) Stakeholders;
- 5) Other bodies specified in the Charter.

The corporate governance system should also ensure:

- 1) There is a hierarchy for considering matters and decision-making;
- 2) Clear segregation of powers and responsibilities between the bodies, Officials and employees;
- 3) Timely, good-quality decision-making by bodies of the Fund and the Organisations;
- 4) The efficiency of the Fund's and the Organisations business processes;
- 5) Compliance with the legislation, the Code and internal documents of the Fund and the Organisations.

23. The bodies and departments within the Fund and the Organisations approve the Regulations and job descriptions for respective positions. Compliance with the provisions of these documents ensures consistency of governance processes.

24. The Fund is involved in governing the Companies through exercising its powers as the Shareholder (Participant) and through the Board of Directors, in accordance with the Charters of the Companies and the Code.

The Boards of Directors of the Companies have full autonomy in decision-making within their competence, as provided in the respective Charters.

The Fund's opinions on certain matters are expressed through its representatives on the Boards of Directors of the Companies.

25. The Fund develops a common policy for the Companies, issues methodological recommendations and establishes corporate standards for the Organisations in accordance with the Law on the Fund. Such areas include matters of human resources, information technology, investment, innovation, risk management, corporate governance, planning, economics and finance, and others. The Holding Companies may adopt the unified policy for their group in areas not covered by the corporate standards of the Fund, or adding/detailing the policies and corporate standards of the Fund.

When making a decision on the application of the corporate standards on internal audit and internal control system approved by the Fund, the Organisation's Board of Directors should ensure these standards account for the features of the Organisation's business.

26. The Executive bodies of the Fund and the companies cooperate in a spirit of cooperation to ensure that the development plans of the companies submitted for approval to the boards of directors of the companies are ambitious and realistic, as well as their compliance with the development plan and the action plan of the Fund.

The Executive body of the Fund maintains a constant dialogue with the company's executive body on strategy and sustainable development. At the same time, the Fund does not allow interference in the operational (current) activities of the company, including personnel decisions, procurement and production processes, for which the executive body

of the company is responsible, except in cases defined by the legislation of the Republic of Kazakhstan, as well as cases where there are circumstances entailing non-fulfillment of the KPI established in the development plan.

27. The Fund's Organisations are recommended to achieve an optimal assets structure. The parent company of the Holding Company may be established as a joint stock company. It is preferably recommended that other Organisations within the same group be established in the organization legal form of a limited liability partnership. It is recommended to consider converting Organisations already established as joint stock companies to limited liability companies. The economic, legal and other aspects of their activities and the Fund's interests should be taken into account.

An Organisation may be established as a joint stock company in an exceptional case, such as the planned sale of its shares on a stock market.

When establishing an Organisation as a limited liability partnership, the Participants, taking into account the scope and specifics of the new Organisation, themselves decide on setting up a Supervisory Boards and expediency of its election to the composition of Independent Members.

Asset portfolio management, including defining the interest in the acquisition of new assets and/or the sale of shares of the Organisations, is carried out in accordance with the strategic tasks set out in the development plan of the Fund and its investment policy approved by the Board of Directors of the Fund.

28. Companies in which the Fund owns more than fifty percent of shares (interests) on the right of property or trust management distribute their profit and pay dividends in compliance with the Fund's Dividend Policy.

In order to effectively distribute its profits, the Organisation has a clear and transparent mechanism for dividend determination and payment.

29. The Organisation's bodies should govern (manage) in accordance with their competence and procedures stipulated in the Charter of the Organisation. This principle also applies to the Organisations with more than one Shareholder (Participant).

30. The Fund's organisations determine the management of the asset portfolio and the block of shares (interests) within the framework of the Development Plan of the Fund.

The Board of Directors considers the matters related to the development and implementation of the development plan only during an in-presence meeting, at least once a year. The Board of Directors implements a system for early detection and prompt response to changes in internal and external markets and force majeure situations.

The bodies, officials and employees of the Fund and the Organisations act and take decisions in accordance with the Development Plan and the Charter. The Development Plan is a long-term document that defines the vision, mission, goals, objectives, strategic directions and key performance indicators for a ten-year period.

31. The Holding Company's Development Plan should include the goals, tasks and development directions of the Organisations comprising its group. Organisations of the Holding group whose shares are traded on a stock exchange and the Organisations of the Holding group established in the form of a joint venture have their individual Development Plans. When drafting their development plans, those Organisations should take into account the provisions of their Charters and consult with their Shareholders (Participants).

The Board of Directors determines long-term goals that should be consistent with the Development Plan and meet the following criteria: specific, measurable, achievable, relevant, and with clear deadlines for their achievement. Assessment of the achievement of strategic goals should be performed through long-term KPIs. It is recommended that individual areas of activities (e.g. investments, innovations, IT and HR) be incorporated in the Development Plan.

32. When drafting a development plan and later monitoring its implementation, the Board of Directors and the Executive Body should hold strategy sessions to discuss the core areas of business activities, tasks and challenges, risks and measures for improvement.

When drafting the development plan, consultations should be held with key Stakeholders, particularly major Shareholders, key business Partners and state bodies.

The development plan includes goals, tasks and performance indicators, including those concerning Sustainable Development.

33. The Fund, the Organisations and their officials shall be responsible for the growth of long-term value and Sustainable Development of the Fund and the Organisations, decisions made and actions or failure to act, in accordance with legislation of the Republic of Kazakhstan and internal documents.

The key element in assessing the performance of the Fund, the Organisations and their Executive Bodies is the KPI system. The Fund, through its representatives on the Boards of Directors, submits its expectations in terms of KPIs to the Companies. The Company's list of KPIs and their target values shall be approved by its Board of Directors.

In order to achieve the KPIs, the Companies should prepare relevant Development Plans.

34. The achievements of KPIs by the Fund and the Organisations is assessed annually by comparing with the approved Development Plan. The assessment should influence the remuneration of the Head and members of the Executive Bodies and should be taken into account when re-selecting. The assessment also forms the basis for early termination of the Chairman and members of the Executive Body.

In order to assess the achievement of goals and tasks set out in the Development Strategy, KPIs are established for the Companies as follows:

1) The Fund informs its representatives on each Company's Boards of Directors of its expectations for the Company's target KPIs for the planned period. The Company's Board of Directors takes these expectations into consideration;

2) Following consideration and discussion, the Company's Board of Directors approves the list of KPIs and their target values. These are communicated to the Company's Executive Body to help it when drafting relevant Development Plans;

3) In order to achieve the approved KPIs, the Company prepares a Development Plan for a five-year period in the manner specified by the Fund's relevant documents;

4) The Company's draft Development Plan is approved by the Executive Body and is entered into the Fund's information system for planning, monitoring and evaluation purposes. The Company's draft Development Plan is also submitted for the consideration of, and approval by, the Company's Board of Directors;

5) The Development Plan approved by the Company's Board of Directors is also entered in the Fund's information system for planning, monitoring and evaluation purposes.

Adjustment of the Company's Development Plan after its initial approval may be done in the manner defined by the Fund's relevant documents. The Company's draft Development Plan and draft adjustments to an approved Development Plan are not subject to approval by the Fund.

35. The Company's Executive Body monitors the implementation of the Development Plan and the achievement of the KPIs. The results of this monitoring and reports on implementation of the Development Plan should be entered into the Fund's information system for planning, monitoring and evaluation purposes in the order specified by the Fund's relevant documents.

36. The Board of Directors of a Holding Company ensures the effectiveness of governance, the growth of long-term value and Sustainable Development of all legal entities within its group. The Holding Company's effective governance practices result in improvements in their operational efficiency, quality of reporting and standards of corporate culture and ethics, greater transparency and disclosure, reduction of risks, and proper internal control systems.

Holding Companies implement, maintain and continually improve governance and management systems throughout their entire groups.

The Board of Directors of a Holding Company is responsible to the Shareholders for the effective governance and functioning of the entire group and makes decisions related to governance of the entire group.

37. The corporate governance system of a Holding Company should ensure:

- 1) There are clear systems of control in the group, segregated powers and decision-making process, and that functions and processes are not duplicated;
- 2) Uniform standards, policies and processes, including those establishing uniform approaches to planning, monitoring and controlling, evaluating performance and implementing improvements;
- 3) Access to good quality information about the activities of the entire group;
- 4) Adequate risk management across the group;
- 5) Compliance with the laws of the Republic of Kazakhstan and documents of the Fund and the Holding Company;
- 6) Coordination of interaction with the Stakeholders.

38. Other possible mechanisms to govern the Holding Company's group include centralising some functions (planning, treasury, accounting, information technology, legal support, internal audit and others).

The Holding Company should ensure a balance between its control over the group entities and the entities' autonomy in operational decision-making.

Chapter 4. Shareholders' (participants') rights and fair treatment of shareholders (participants)

39. Respect for the rights of Shareholders (Participants) is a key condition for attracting investment to the Fund and the Organisations. An Organisation should ensure that its Shareholders (Participants) are able to exercise their rights.

40. The rights, responsibilities and competence of the Shareholders (Participants) are determined and are set forth in current legislation, incorporation documents. The rights of the Shareholders (Participants) include, but are not limited, to receiving

sufficient and timely information for decision-making in accordance with the procedures stipulated in legislation of the Republic of Kazakhstan, the Organisation's Charter and internal documents on information disclosure; participating in General Meetings of Shareholders (Participants) and voting on matters within their competence; determining the composition and terms of office of the Board of Directors (the Supervisory Board and the Executive Body), appointing its members, terminating the appointments, and determining the amount and conditions of their remuneration; receiving dividends in the amounts and on dates determined by the General Meeting of Shareholders (Participants), based on a clear and transparent dividend policy.

41. The Shareholder (Participant) has access to information about the Organisation that is necessary for decision-making. Legal requirement on confidentiality and information disclosure should be taken into consideration.

Disclosure of information about the Organisation's activities should facilitate the adoption of an informed decision on participation in the authorized capital of the Organisation by investors or withdrawal from the shareholders (participants) of the Organisation.

42. The Organisation informs its Shareholders (Participants) about its activities that may affect their interests, in the manner specified by legislation of the Republic of Kazakhstan, the Charter and other internal documents of the Organisation. The procedure and channels for information disclosure to the Shareholders are specified in the Information Policy or another document regulating the Organisation's information disclosure. Organisations whose shares are traded on a stock exchange should disclose information in accordance with the relevant listing rules.

The Organisation must disclose to Shareholders (Participants) and investors information about any forms and conditions of cooperation, agreements, partnership with the Government and state bodies.

43. Shareholders (Participants) exercise their rights to govern the Organisation through their participation in the General Meeting of Shareholders (participants). The General Meetings of Shareholders (participants) may be either Annual or Extraordinary.

Organisations with a Sole Shareholder (participant) do not hold General Meetings of Shareholders (participant). The Sole Shareholder solely passes resolutions on matters within the competence of the General Meeting of Shareholders in accordance with legislation of the Republic of Kazakhstan and the Organisation's Charter. The resolutions must be in writing.

44. The Shareholder (Participant) holds meetings with the Board of Directors and the Executive Body (the Supervisory Board and/or the Executive Body) (hereinafter - Hearings of the Board of Directors) to discuss the Organisation's year-end results and make decisions on matters within its authority. The Shareholder (Participant) also holds regular meetings with the Chairman of the Board of Directors (the Supervisory Board and/or the Executive Body) to discuss, within its competence, the Organisation's activities.

The date and time of the General Meeting of Shareholders (participants) is set to ensure the attendance of the greatest number of the persons entitled to participate, or to ensure the attendance of all persons in relation to matters where a unanimous resolution is required.

45. Information and materials provided to the Shareholders (participants) before the General Meeting of Shareholders (participants) / Hearing of the Board of Directors, and the manner of their provision, ensure a full understanding of each agenda item and contain a comprehensive list of clearly formulated resolutions to be passed, the risks associated with passing (or rejecting) of each resolution, answers to all enquiries, and the opportunity to make informed decision on each agenda item.

Agenda items are clear and unambiguous. The agenda should not contain the words “miscellaneous”, “other”, “et cetera” and so on. At a General Meeting of Shareholders (Participants), the Organisation should offer a separate resolution for each agenda item. When it can be clearly justified, the Shareholders (Participants) have the opportunity to easily execute the right to amend the agenda and the right to call for an Extraordinary General Meeting of the Shareholders (Participants).

46. When preparing for a General Meeting of Shareholders / Hearing of the Board of Directors, the Shareholders (Participants) should be provided with the organisational and technical conditions enabling them to ask questions about agenda items and supporting materials. The Organisation’s executives, Corporate Secretary or a person performing his/her functions and employees have formalised powers to interact with the Shareholders (Participants) and investors. The Organisation should establish a procedure to answer requests and enquiries by the Shareholders (Participants).

47. The Corporate Secretary or a person performing his/her function monitors the Shareholders’ (Participants’) enquiries regarding the General Meeting procedures, responds to them and clarifies the provisions of legislation of the Republic of Kazakhstan and the Organisation’s documents regarding participating and voting at the General Meeting. The Corporate Secretary also responds to other enquiries if it is clearly set forth in the Organisation’s internal documents.

48. Organisations whose shares are traded on a stock exchange are recommended to establish Investor Relations Departments to communicate with investors and ensure prompt and good quality responses to Shareholders’ enquiries.

49. In order to simultaneously provide information to all Shareholders (Participants) on the Organisation’s activity to ensure all Shareholders (Participants) are treated equitably, the Shareholders (Participants) publish information on the corporate website of the financial statements depository.

The information disclosure requirements should not impose an undue administrative burden or unnecessary expense on the Organisation.

50. Materials related to the agenda of the General Meeting of the Shareholders (Participants) with consideration of protection of confidential information should be posted on the Organisation’s corporate website and should include contact details (telephone number, email) of the people responsible for relations with the Shareholders (Participants) and investors.

The process for voting at the General Meeting of Shareholders (Participants) is as simple and comfortable as possible for the Shareholders (Participants) and should include all possible means of voting as specified in the Organisation’s Charter.

51. The procedure for holding the General Meeting of Shareholders (Participants) should ensure that all Shareholders (Participants) have an equal opportunity to exercise their rights to take part in the General Meeting of the Shareholders (Participants). A Shareholder (Participant) may vote at the General Meeting of the Shareholders

(Participants) either in person or in absentia (via a power of attorney issued by the Shareholder (Participant) to their representative. Participation in the General Meeting of the Shareholders (Participants) and voting on agenda items do not require a power of attorney if the person is empowered by legislation of the Republic of Kazakhstan or contract to act without power of attorney on behalf of a Shareholder or represent his/her interests.

52. The Organisation develops Regulations for General Meetings of Shareholders (Participants) that defines the procedure for holding a General Meeting of Shareholders (Participants), specifying a proper discussion of agenda items, decision-making and presentations by executives.

The importance of the General Meetings of Shareholders means that it is essential that any executive involved in governance and management systems attends the Meetings if invited.

The registration period should be sufficient for all Shareholders (or their representatives) to register for the General Meeting. Shareholders who have not registered may not be part of the quorum and may not vote.

The procedure for collecting and counting votes is simple and transparent. The Shareholders should be assured there is no opportunity to distort the voting results. The Organisation should ensure that votes are submitted and registered properly.

53. The Chairman of the General Meeting should do their best to ensure that Shareholders (Participants) receive answers to their questions during the General Meeting. If questions are difficult to answer immediately, the person (persons) to whom they have been addressed should provide answers as quickly as possible after the General Meeting of the Shareholders (Participants).

54. If shares (interests) in the Organisation are owned by institutional investors, and if these institutional investors act as a proxy, they should disclose, for the purpose of the Organisation's stability, their corporate governance policies and regulations concerning investment activities, including their decision-making procedures.

Institutional investors acting as a proxy should disclose how they resolve significant conflicts of interest that may affect the property rights in relation to their investments.

An institutional investor is a legal entity seeking to attract funds to be invested in accordance with legislation of the Republic of Kazakhstan. Institutional investors may be large financial organisations accumulating surplus funds of the population, companies or enterprises for further investment in various financial instruments (insurance funds, pension funds and investment companies).

55. Organisations have transparent regulations for electing and remunerating its Board of Directors (Supervisory Board and/or Executive Body). The procedures should be approved by the General Meeting of Shareholders (Sole Shareholder)/participant (Sole Participant).

56. The Shareholders (Participants) have access to information about the terms and conditions of dividend payments and are provided with reliable information about the financial condition of the Organisation making the dividend payments. For this purpose, the General Meeting of Shareholders (the Sole Shareholder) / Participants (the Sole Participant) approve the Dividend Policy providing access for all Shareholders (Participants). A Holding Company has a consistent dividend policy developed for all

entities in its group. The policy should account for specific factors, such as the Organisations with more than one Shareholder/Participant within their group. Organisations with more than one Shareholder (Participant) have a different Dividend Policy approved by the General Meeting of Shareholders (Participants).

57. The Organisation with more than one Shareholder (Participant), including minority Shareholders (Participants), should ensure that its corporate governance system provides for fair treatment of all Shareholders (Participants) and the opportunities for them to exercise their rights. This provision should be included in the Organisation's Charter.

Ensuring equal and fair treatment of all Shareholders (Participants) benefits the Organisation's reputation and increases its value and investment attractiveness.

The procedures of the General Meeting of Shareholders (Participants) should ensure equal treatment of all Shareholders (Participants). The corporate procedures should not unreasonably complicate or raise the cost of voting.

If the Organisation has a Shareholder (Participant) owning at least 50 percent of the voting shares (interests) or having the right to determine resolutions by virtue of agreements with the Organisation and / or other Shareholders (Participants), distribution of funds in favour of the Shareholder (Participant) should be made through dividend payments. If there are other mechanisms for distributing funds in favour of the Shareholder (Participant), the mechanisms are specified in the Organisation's internal documents and disclosed to all Shareholders.

Chapter 5. Effectiveness of the Board of Directors and the Executive Body

58. The Board of Directors is the governance body accountable to the General Meeting of Shareholders. It provides strategic direction for the Organisation and oversees the Executive Body as well as the implementation of all provisions of this Code.

The Executive Body is accountable to the Board of Directors. It manages the daily operations of the Organisation and ensures that the Organisation complies with its development plan, action plan and resolutions of the General Meeting of Shareholders and the Board of Directors.

The Board of Directors and the Executive Body interacts in the spirit of collaboration, act in the interests of the Organisation and take decisions based on the principles of sustainable development and fair treatment of all Shareholders.

The Board of Directors and the Executive Body ensures long-term value growth and sustainable development of the Fund or the Organisation.

59. The Board of Directors has sufficient powers to govern the Organisation and oversee the Executive Body's activities. The Board of Directors carries out its functions under the Charter and pays special attention to the following:

- 1) Defining the development plan and integrating ESG goals (directions and results);
- 2) Setting and monitoring the key performance indicators of the action plan;
- 3) Organising and controlling the effectiveness of risk management and internal control systems;
- 4) Approving and monitoring the effective execution of major investments and other key strategic projects within the competence of the Board of Directors;

- 5) Electing the Head and members of the Executive Body, approving their remuneration, overseeing their activities and planning their succession;
- 6) Overseeing corporate governance and ethics;
- 7) Ensuring compliance in the Organisation with the provisions of this Code and the corporate standards of the Fund.

60. Members of the Organisation's Board of Directors properly carry out their duties and ensure the long-term value growth and Sustainable Development of the Organisation. The Board of Directors of the Organisation is accountable to the shareholders. This accountability is implemented through the mechanism of the general meeting of shareholders.

When performing their duties, members of the Board of Directors comply with the following principles:

1) Act within their competence: Members of the Board of Directors make decisions and act within their powers specified in the Charter

2) Commit sufficient time for taking part in meetings of the Board of Directors, its Committees and preparing for the meetings: A member of the Board of Directors may not hold simultaneous membership of more than four legal entities or simultaneous Chairmanship in more than two Boards of Directors (employment of a member of the Board of Directors in other legal entities is to be approved by the Board of Directors);

3) Promote the Organisation's growth in long-term value and Sustainable Development - members of the Board of Directors act in the interests of the Organisation, treat all Shareholders fairly and follow the principles of Sustainable Development. The influence of decisions and actions of the Board of Directors members may be assessed through the following questions: what are the long-term consequences of the decision/action? What are the social and environmental impacts of the Organisation's activities? Will all Shareholders be treated fairly? What is the impact on the Organisation's reputation and high ethical standards? What is the impact on Stakeholders' interests? (While essential, this list of questions is not exhaustive);

4) Maintain high standards of business ethics - in their actions, decisions and behaviour, members of the Board of Directors comply with high standards of business ethics and act as role models for employees of the Fund and the Organisation;

5) Avoid conflicts of interest - a member of the Board of Directors prevents situations in which their personal interest affects the proper performance of their duties as members of the Board of Directors. If a conflict of interest affects or may potentially affect impartial decision-making, the members of the Board of Directors give advance notice to the Chairman of the Board of Directors and should not take part in the respective decision-making. This requirement also applies to the Board of Directors member's other actions that affect directly or indirectly the proper performance of their duties (for example, involvement of a member of the Board of Directors in activities of other legal entities, acquisition of shares / interest in and other property from Partners or competitors, access to information and opportunities);

6) Act reasonably, skilfully and with due diligence: Members of the Board of Directors are recommended to develop their knowledge in terms of the Board of directors competence regularly and performing their duties in the Board of Directors and Committees. This may include such areas as law, corporate governance, risk management, finance and audit, Sustainable Development, industry knowledge and

features of the Organisation's business. To understand issues related to the Organisation's business, members of the Board of Directors regularly visit key sites and meet employees of the Organisation.

61. Each member of the Board of Directors is personally responsible for the performance of their duties, including fiduciary responsibilities to the Shareholder (Shareholders), for the decisions taken, the effectiveness of their actions and for their failure to act. If opinions differ, the Chairman of the Board of Directors considers all acceptable options and proposals individually expressed by the members of the Board of Directors in order to reach decisions in the best interest of the Organisation.

62. The Board of Directors is accountable to the Shareholders for the Organisation's performance. At the Annual General Meeting of Shareholders (Hearing), the Chairman of the Board of Directors provides the Shareholders (Participants) with the Board of Directors' report reflecting the results of the activities of the Board of Directors and its Committees throughout the reporting period. The report reflects the measures taken by the Board of Directors to increase the Organisation's long-term value and ensure its Sustainable Development. The report also covers the main risk factors, significant events, matters considered, the number and form of meetings held, the statistics of the attendance and other important information. The Board of Directors' report is included in the Organisation's Annual Report.

The Board of Directors reports annually to the Shareholders on the Organisation's compliance with the provisions of the Code.

In addition, major Shareholders (the Sole Shareholder) meet the Chairman and the members of the Board of Directors to discuss the Development Strategy, the appointment of the Head of the Executive Body and other matters that can influence the Organisation's long-term value growth and Sustainable Development. These meetings should be scheduled in advance and held in compliance with approved procedures.

63. The composition of the Board of Directors and its Committees is balanced in terms of skills, experience and knowledge. This balance is necessary for independent, objective and effective decisions to be made in the interests of the Organisation. Fair treatment of all Shareholders and Sustainable Development principles should be taken into account in these decisions.

64. The composition of the Board of Directors should be diverse sufficiently in terms of personal qualities, age and gender to increase the long-term value in line with the ESG principles.

The recommended share of women Directors on the Organisation's Board of Directors is up to thirty percent of the total number of the Board of Directors members.

65. The Board of Directors consists of independent directors in sufficient numbers to ensure the independence of decisions and fair treatment of all shareholders. The recommended number of independent directors on the company's Board of Directors is up to sixty percent of the total number of Board members.

65-1. The process of searching and selecting independent directors of the Fund, companies and organizations is carried out on a competitive basis. The procedure for selecting independent directors of the Fund is approved by the Board of Directors of the Fund. The procedure for selecting independent directors of companies and organizations is approved by the Management Board of the Fund.

66. It is recommended that the Board of Directors elect a Senior Independent Director from among Independent Directors.

The key functions of the Senior Independent Director include:

- 1) Acting as an advisor to the Chairman of the Board of Directors and helping them communicate their goals;
- 2) Assessing the performance of the Chairman of the Board of Directors;
- 3) Planning the succession of the Chairman of the Board of Directors;
- 4) Mediating arguments and disagreements that may arise between the Shareholders, the Executive Body, the Chairman and the other members of the Board of Directors.

67. The General Meeting of Shareholders should elect members of the Board of Directors based on clear and transparent procedures and taking into account the candidates' competencies, skills, achievements, business reputation and professional experience. When re-electing some or all members of the Board of Directors or its full composition for a new term, the General Meeting of Shareholders should take into account their contribution to the effectiveness of the Organisation's Board of Directors work.

68. For the Companies all of whose voting shares are owned by the Fund, the process of electing members of the Board of Directors has the following features:

- 1) The Chairman of the Board of Directors is appointed by a decision of the Sole Shareholder;
- 2) The process of searching and selecting independent directors of companies is carried out on a competitive basis. The procedure for selecting independent directors of companies is approved by the Management Board of the Fund.

69. The tenure of members of the Board of Directors coincides with the tenure of the entire Board of Directors and expires upon a General Meeting of Shareholders' decision on the new composition of the Board of Directors.

Members of the Board of Directors are elected for up to three years and, subject to their satisfactory performance, may be re-elected for a second term of up to three years.

Any membership of the Board of Directors for more than six successive years (for example, two three-year terms) is subject to special consideration in view of the need to improve the quality of the Board of Directors.

An Independent Director may not be a member of the Board of Directors for more than nine successive years. In exceptional cases, election for more than nine year is permitted. Election of the Independent Director to the Board of Directors shall be held annually and be supported with a detailed justification of the necessity in electing this member of the Board of Directors and the influence of this factor on the decision-making independence.

No one should participate in any decision-making concerning his/her own nomination, election or re-election.

70. The Board of Directors should include people with the knowledge, skills and experience necessary to perform their duties and ensure the Organisation's long-term value growth and Sustainable Development. A member of the Board of Directors should have an impeccable business and personal reputation.

70-1. A person is not elected to the position of a member of the Board of Directors:

1) who has an outstanding criminal record or has not been removed in accordance with the procedure established by law;

2) who was previously the chairman of the Board of Directors, the head of the executive body, the deputy head, the chief accountant of another legal entity for a period not more than one year before the decision on compulsory liquidation or compulsory repurchase of shares, or the conservation of another legal entity declared bankrupt in accordance with the established procedure (this requirement applies for five years after the date making a decision on the compulsory liquidation or compulsory repurchase of shares, or the conservation of another legal entity declared bankrupt in accordance with the established procedure);

3) who committed a corruption crime.

71. When selecting candidates to the Board of Directors, consideration is given to:

1) work experience in senior positions;

2) work experience as a member of the Board of Directors;

3) work experience;

4) education, specialty, including the availability of international certificates;

5) availability of competencies in areas and industries (industries may vary depending on the asset portfolio);

6) business reputation;

7) the presence of a direct or potential conflict of interest in the event of election to the Board of Directors of the organization.

The requirements for candidates to the Board of Directors of the Fund are determined by an internal document approved by the Board of Directors of the Fund. The requirements for candidates to the Board of Directors of companies and organizations are determined by an internal document approved by the Management Board of the Fund.

72. The size of each Company's Board of Directors is set individually and depends on the Company's scope of activities, business needs, current tasks, Development Strategy and financial capacity. The size of the Board of Directors members should allow for establishing a sufficient number of Committees. The Company's Board of Directors should comprise from 7 to 11 members.

73. The composition of the Board of Directors is balanced, which means a combination of members of the Board of Directors (representatives of shareholders, independent directors, the head of the executive body), ensuring decision-making in the interests of the organization and taking into account fair treatment of shareholders.

A transparent selection process is provided for the members of the Board of Directors with the involvement of the Board of Directors of the Fund (in relation to the boards of directors of companies) and the organization. The search for candidates and election are conducted according to objective criteria and taking into account the need for diversity in the composition of the Board of Directors.

The search and selection process is carried out before the expiration of the full term of office of the entire Board of Directors and the powers of individual members.

The process of searching and selecting independent directors of the Fund, companies and organizations is carried out on a competitive basis. The procedure for selecting independent directors of the Fund is approved by the Board of Directors of the Fund. The procedure for selecting independent directors of companies and organizations is approved by the Management Board of the Fund.

74. Electing the entire Board of Directors or its individual members may be initiated by the major Shareholder (participant) or the Nomination and Remuneration Committee via the Organisation's Board of Directors, in accordance with existing regulations.

Example of the Board of Directors members' knowledge of business areas and industries.

Criterion	Necessary knowledge	Director X	Director Y
Competence	Strategy		
	Risks and audit		
	Jurisprudence		
	Corporate governance		
	Investment		
	Economy and Finance		
	HR		
	Innovations		
Industry	Telecommunications		
	Oil & gas		
	Energy		
	Transport		
	Mining		
	Mechanical engineering		
	Real estate		

75. For Companies whose shares are fully owned by the Fund, searching for and selecting the members of the Board of Directors is as follows.

The Fund together with the Chairman of the Board of Directors of the company, the Chairman of the Nomination and Remuneration Committee of the Board of Directors of the Company:

- 1) conducts preparation and planning: analysis and determination of the set of necessary competencies and skills in the Board of Directors, taking into account the objectives of the company;
- 2) determines the candidate search channel — independently or with the involvement of a recruiting organization;
- 3) searches for candidates;
- 4) carries out the selection of candidates: evaluation, interviews and preparation of proposals for candidates (candidates for members of the Board of Directors of companies are discussed with at least one member of the Nomination and Remuneration Committee of the Board of Directors of the Fund);
- 5) makes a decision by the sole shareholder;
- 6) publishes information on the company's Internet resource, a press release.

At that, the process of searching and selecting independent directors of companies is carried out on a competitive basis. The procedure for selecting independent directors of companies is approved by the Management Board of the Fund.

Holding companies use a similar process in their group.

In organizations with several shareholders, the process of electing members of the Board of Directors and the Chairman of the Board of Directors is carried out in accordance with the procedure established by the Law on Joint Stock Companies and the Charter of the organization.

In organizations, it is recommended to establish a Nomination and Remuneration Committee of the Board of Directors of the organization to determine the composition, necessary skills and competencies for the Board of Directors and candidates for the Board of Directors.

76. Independent Directors shall be elected to the Board of Directors. An Independent Director is a person that has sufficient expertise and autonomy to make independent and objective decisions, and be free from the influence of any Shareholder, the Executive Body and other Stakeholders.

77. It is recommended to take into account the following circumstances that may prejudice the independence of an Independent Director:

- 1) whether he/she is or has been an employee of the company or group for the past three years;
- 2) whether he/she has or has had for the last three years a material business relationship with the company directly or as a partner, shareholder, director or general manager of the body and maintain such a relationship with the company;
- 3) whether he/she has received or is receiving additional remuneration from the company in addition to the director's remuneration, participates in an option on the company's shares or in a performance-based payment scheme, or is a participant in the company's pension scheme;
- 4) whether he/she has membership in the Board of Directors or has connections with other directors through participation in other companies or bodies;
- 5) whether he/she represents a major shareholder;
- 6) whether he/she has served on the Board of Directors for more than nine years since their first appointment.

If these or other relevant circumstances apply, and, if the Board of Directors considers that an Independent Director is independent, then a clear explanation is provided.

78. Independent Directors should actively participate in discussion of matters with potential conflicts of interest (preparation of financial and non-financial statements, related party transactions, nomination of candidates to the Executive Body and remuneration of the Executive Body members). Independent Directors are elected Chairmen of the key Committees of the Board of Directors, including the Audit Committee and the Nomination and Remuneration Committee.

The Independent Director monitors its independence and notifies the Chairman of the Board of Directors as soon as they detect a potential loss of independence. If there are circumstances threatening the independence of the Independent Director, the Chairman of the Board of Directors should immediately inform the Shareholders for taking a relevant decision.

The Fund and the Organisations should ensure succession planning for the Board of Directors members. The purpose of succession planning is to maintain business continuity while also progressively renewing the Board of Directors.

79. The Board of Directors approves an induction programme for its newly elected members and a professional development programme for each of its members. The Corporate Secretary ensures this programme is implemented.

During the programme, members should be briefed about their rights and responsibilities, key business aspects and documents of the Fund and the Organisation, including those associated with the greatest risks.

80. The Chairman of the Board of Directors is responsible for managing the Board of Directors, ensuring full and effective performance of its functions, and establishing a constructive dialogue among the members of the Board of Directors, major shareholders and the Executive Body.

The Chairman of the Board of Directors seeks to create a unified team of professionals who work to increase the Organisation's long-term value and ensure its Sustainable Development. They should be able to respond promptly and with due professional care to internal and external challenges.

In order to perform their role, the Chairman of the Board of Directors should possess, in addition to professional qualifications and experience, special skills, including leadership, the ability to motivate, the capacity to appreciate different views and approaches, and to resolve conflicts.

81. The roles and functions of the Chairman of the Board of Directors and the Head of the Executive Body of the Organisation are clearly segregated and set forth in the Charter. The Head of the Executive Body is not elected the Chairman of the Board of Directors.

The key functions of the Chairman of the Board of Directors include:

- 1) Planning the meetings of the Board of Directors and forming the agendas;
- 2) Ensuring that members of the Board of Directors promptly receive complete and accurate information for their decision-making;
- 3) Ensuring that the Board of Directors concentrates on strategic matters and spends minimal time on current (operational) matters included in its competence;
- 4) Maximising the effectiveness of the Board of Directors' meetings by allocating sufficient time to consider each agenda item thoroughly and comprehensively, encouraging open discussion and achieving consensus in decision-making;
- 5) Ensuring proper communication and interaction with Shareholders, including consultations with the major Shareholders when making decisions on key strategic matters;
- 6) Overseeing the implication of resolutions passed by the Board of Directors and the General Meeting of Shareholders (the Sole Shareholder);
- 7) Taking measures to resolve Corporate Conflicts, minimising their negative impact on the Organisation's business and promptly informing major Shareholders (the Sole Shareholder) in cases when the Organisation cannot resolve a Conflict.

82. The Chairman of the Fund's Board of Directors may not simultaneously be the Chief Executive Officer of the Fund.

The Board of Directors shall consider the matters related to the Fund and the Organisations within its competence, as provided in the Fund's Charter. The Board of Directors shall also give preliminary consideration to the matters being within the competence of the Government as the Sole Shareholder.

The General Meeting of Shareholders (Sole Shareholder) of the Organisations elects their Board of Directors.

83. Remuneration of the members of the Board of Directors is sufficient to attract, retain and motivate each member at the professional level required for successful governance of the Organisation. At the same time, the expected positive effect to the Organisation from a member of the Board of Directors is taken into account. The Nomination and Remuneration Committee submits proposals on remuneration of candidates for Independent Directors.

Remuneration of the member of the Board of Directors of the Organisation is determined in accordance with the methodology developed by the Fund.

At the same time, the expected positive effect to the Organisation from a member of the Board of Directors is taken into account. For Organisations with more than one Shareholder, the regulations on remuneration of the members of the Board of Directors should be based on the Fund's methodology and should be approved by the General Meeting of Shareholders. The Nomination and Remuneration Committee submits proposals on remuneration of candidates for Independent Directors.

The remuneration of the Chairman and all members of the Board of Directors includes the time spent and responsibilities within the position.

No one should be involved in any decision-making concerning his / her own remuneration.

Remuneration of members of the Board of Directors should fairly reflect their expected contribution to improving the performance of the Board of Directors and the Organisation. The following shall be taken into account when establishing remuneration levels: the responsibilities of the members of the Board of Directors, the scale of the Organisation's activities, the long-term goals and tasks specified in the development plan, the complexity of the matters considered by the Board of Directors, and remuneration paid by peer companies (benchmarking, remuneration overview).

84. Members of the Board of Directors are typically paid fixed annual remuneration and additional one for their Chairmanship of the Board of Directors, and membership or Chairmanship of the Board of Director Committees. Remuneration of the Board of Directors members should not include stock options or other components tied to the Organisation's performance.

The General Meeting of Shareholders (the Sole Shareholder) of the Organisation determines the size and conditions of remuneration and expense reimbursement for the Board of Directors member (members) of the Organisation.

Members of the Fund's Board of Directors who are state officials shall not receive separate remuneration for their membership of the Board of Directors and its Committees.

85. For a deeper consideration and assessment of matters, the Fund's Board of Directors should establish the Audit Committee, the Nomination and Remuneration Committee, and the Specialised Committee. Other Committees may be created at the discretion of the Fund's Board of Directors. The Strategy Committee considers strategy planning issues, the Head of which is the first Head of the central authorized body for state planning.

The activities of Committees of the Board of Directors provide for deep and careful consideration of matters within the competence of the Board of Directors and improve the quality of decision-making in such areas as audit, risk management, proper and

effective application of the Procurement Procedure by the Fund and the Organisations, appointment and remuneration of the members of the Board of Directors and the Executive Body, Sustainable Development, including occupational health and safety and environment protection. The Committees shall not exclude liability of the members of the Board of Directors for the decisions made within its authority.

Committees are established to perform in-depth analysis and formulate recommendations on the most important matters before they are considered at the meeting of the Board of Directors. The Board of Directors makes final decisions on the matters that Committees considers.

The Board of Directors decides on the establishment of Committees, determines its personal and numerical composition, Chairmen, tenure as well as functions and working procedures.

86. The Committees are composed of the members of the Fund's Board of Directors and experts possessing sufficient professional knowledge required for their work in a particular Committee.

87. The Specialised Committee of the Fund provides comprehensive and objective analysis of the impact of activities of the member Organisations of the Fund group on the development of the economy and on particular economic sectors in accordance with the Law on the Fund. The representative of the Supreme Audit Chamber of the Republic of Kazakhstan act as the permanent member of the Specialized Committee. This representative is an expert with the right to vote.

The competence of the Supreme Audit Chamber of the Republic of Kazakhstan includes: controlling the use of the means allocated to the Fund and the Organisations from the Republican Budget and the National Fund of the Republic of Kazakhstan; assessing compliance of the use of the fund with the financial and economic feasibility studies, and evaluating the effectiveness of the budgetary investments.

Independent Directors shall comprise the majority of the other Committees of the Fund's Board of Directors.

88. The Committees are composed of Board of Directors members possessing the professional knowledge, competencies and skills required for the Committees' work. Potential conflicts of interest should be taken into account before appointing Committee members. The Chairmen of Committees, in addition to their professional competencies, have well-developed organisational, leadership and communication skills to organise the Committee work effectively.

The boards of directors should establish committees to consider matters related to audit, risk management, nomination and remuneration.

89. Organisations whose operations involve risks of accidents and technological disasters (for example, industrial, rail and air transport companies) establish Health, Safety and Environment Committees. For more effective investment decisions, the competence of one of the Committees under the Board of Directors should include matters related to investment activities of the Organisation that are in the Board of Directors' competence. Depending on the size, composition and current tasks of the Board of Directors, other Committees are also established to support the Board of Directors on strategy, investment and other matters. Each committee has at least three members.

90. The Audit Committee should comprise Independent Directors. A qualified expert may be involved in the Committee's work without the right to vote. The decision

to involve the expert shall be taken by the Audit Committee, and the matter of his involvement should be assessed annually in terms of their effectiveness and independence.

They are obliged to have in-depth knowledge and practical experience in accounting, audit, risk management and internal control. The principal functions of the Audit Committee include overseeing internal and external audit, financial reporting, internal control, risk management, compliance with legislation of the Republic of Kazakhstan and internal documents, and other matters the Board of Directors may delegate to the Audit Committee.

91. The Nomination and Remuneration Committee should comprise a majority of Independent Directors to make objective and independent decisions and prevent the influence of stakeholders (representatives of Shareholders, the Head of the Executive Body, employees and others) on the Committee's decision-making.

Members of this committee are obliged to possess deep professional knowledge and experience in human resource management and assessment, together with knowledge of corporate governance.

The Chairman of the Board of Directors Chairs the Committee.

The principal functions of the Committee include the matters of the appointment, establishing motivational KPIs, assessing the performance, remuneration and succession planning of the Head and members of the Executive Body, the matters of the appointment and remuneration of the Corporate Secretary as well as participating in the consideration of the said issues in relation to the Board of Directors, provided that the respective powers have been delegated to the Committee by the General Meeting of Shareholders (the Sole Shareholder). In this case, members of the Nomination and Remuneration Committee avoid conflicts of interest and not take part in decision-making related to their own appointment or remuneration.

The Nomination and Remuneration Committee analyses the staff remuneration policy and related policies, as well as coordinates incentive and remuneration measures, taking them into account when determining the remuneration policy of the executive director.

92. Only members of the Committees may attend their meetings. Other parties may only attend the meetings following the respective committee's invitation. If necessary, the Committees invite experts and consultants to attend their meetings.

93. The Committees' functions, powers, composition and Organisation processes are specified in respective Regulations and approved by the Board of Directors. The Committees should approve their work plans (the recommendation is to do so before the start of each year). The plans should be aligned with the Board of Director's work plan and contain a list of matters for consideration and dates of meetings.

94. The Committees should meet at least four times a year. The meetings should be held in the in-presence form and be minuted. To create favourable conditions and lower the costs to hold meetings of the Committee, the members of the Committees may participate via technical means of communication.

95. The Chairmen of the Committees should prepare reports on their Committees' work and should present the reports to the Board of Directors in separate meetings. The Chairman of the Board of Directors may request information from Committees on their activities at any time during the year.

96. Preparation for, and conduct of, Board of Directors meetings is as efficient as possible. To perform their duties, members of the Board of Directors have access to complete, relevant and timely information.

97. The Board of Directors meets regularly in order to perform its functions effectively. Meetings of the Board of Directors and its Committees are held in the in-presence or absentee form. The number of absentee meetings should be minimised. Consideration and decision-making on great importance and strategic matters shall be carried out only at meetings of the Board of Directors with in-person mode of voting.

98. Meetings of the Board of Directors and its Committees should be properly minuted by the Corporate Secretary and should contain the full results of discussions and decisions taken.

The Board of Directors should meet according to the work plan approved before the start of each calendar year, including a list of matters for consideration and dates of meetings.

99. The recommended number of meetings is from 8 to 12 a year. Matters for consideration should be distributed evenly throughout the year to ensure thorough and comprehensive discussions, as well as timely and high-quality decisions.

When preparing and holding its meetings, the Board of Directors should follow the procedures specified in the Organisation's documents.

100. Materials for the Board of Directors meetings should be distributed seven days before the meeting. For more important matters, as specified in the Organisation's Charter, materials should be distributed at least 15 working days before the meeting, unless another deadline has been specified in the Charter. The list of important matters includes, but is not limited to, the development plan, action plan, motivational KPIs for the Head and members of the Executive Body, the Annual Report, and the participation in creating other legal entities.

An agenda for the Board of Directors meeting should not contain matters for which materials have been distributed after the deadline. If these matters are included in the agenda, the Chairman of the Board of Directors should be provided with a comprehensive explanation of this fact.

101. The Board of Directors takes decisions based on complete, reliable and high-quality information. To help the Board of Directors make effective and timely decisions, it is necessary to ensure:

1) high quality of the materials, information, documents submitted to the Board of Directors, including translation into English, if necessary;

2) Opinions of (internal and external) experts are obtained if necessary (the involvement of experts in the decision-making process shall not exclude the responsibility of the Board of Directors for its decisions);

3) There is sufficient time for the Board of Directors' discussions, particularly the discussion of important and complex matters;

4) Prompt consideration of matters;

5) Action plans, deadlines and responsible persons are recorded in the resolutions of the Board of Directors.

The following factors adversely impact the quality of the Board of Directors' decision-making:

- 1) the dominance of one or more Directors at the meeting, which limits the involvement of other Directors in the discussions;
- 2) An overly formal attitude to risks;
- 3) Pursuit of personal interests and poor ethical standards;
- 4) Formal decision-making at the meeting of the Board of Directors, without genuine and active discussions;
- 5) position of intransigence (lack of flexibility) or a lack of commitment to the development (acceptance of the current circumstances);
- 6) A weak corporate culture;
- 7) Lack of information and/or analysis.

Members of the Board of Directors may request additional information on agenda items that they consider necessary for their decision-making.

102. Meetings of the Board of Directors and its Committees is held in person or in absentia voting form (the in-absentia form of a meeting should be justified). The number of absentee meetings should be minimised. Matters of a strategic nature and decision-making on them should only be considered at the meetings of the Board of Directors held in person.

On special occasions, a combination of the two forms of meetings of the Board of Directors and its Committees may take place. This applies to situations where one or more members of the Board of Directors are not able to attend the meeting in person.

103. The quorum for a meeting of the Board of Directors is at least half of its members and should include members who partake in the discussion and voting for matters under consideration via technical means of communication (video- or teleconference call and so on) or via the submission of their votes in writing.

A member of the Board of Directors with a conflict of interest related to a matter being considered may neither participate in the discussion nor vote on the matter. The Board of Directors meeting minutes should contain a respective record.

104. The period of non-disclosure of the Organisation's internal (official) information by former members of the Board of Directors is at least five years following cessation of their membership.

The Board of Directors should analyse its previous decisions. The analysis should cover both the resolutions and the proceedings that led to them. It is recommended to include this analysis in the assessment of the Board of Directors.

105. The Board of Directors, Committees and the individual members of the Board of Directors are assessed annually within a structured process approved by the Organisation's Board of Directors. This process should comply with the Fund's methodology. At least once every three years, the assessment should be carried out by an independent professional organisation. The assessment may be performed by the Board of Directors itself or an independent consultant may be engaged to improve the assessment quality. By agreement with the General Meeting of the Shareholders (the Sole Shareholder) or with the Chairman of the Board of Directors/ Supervisory Board, the assessment may be carried out with the involvement of an independent professional organisation once every three years.

The evaluation should help determining the contribution of the Board of Directors and each of its members to growth of the long-term value and Sustainable Development of the organization, as well as identifying areas and recommending measures for

improvement. The assessment results should be taken into account in the re-election or early termination of the members of the Board of Directors.

106. The assessment is one of the main tools to improve the Board of Directors' professionalism and that of its individual members. The assessment is mandatory both for Independent Directors and Shareholder representatives.

The assessment should be regular, comprehensive, continual, realistic and confidential.

The process, timeframe and procedure for assessing the Board of Directors, its Committees and members of the Board of Directors are clearly specified in the Organisation's internal documents. The Chairman and members of the Board of Directors are trained on how to conduct the assessments.

107. The assessment should include, but not be limited to, evaluating whether:

1) The composition of the Board of Directors is optimal (the balance of skills, experience, diversity of the composition, objectivity) in the context of the Organisation's goals;

2) The Board of Directors has a clear understanding of the Organisation's vision, strategy, key tasks, challenges and values;

3) Succession and development plans are in place;

4) The Board of Directors operates as a coherent body, and whether the roles of the Board of Directors and the Head of the Executive Body are defined;

5) The Board of Director's interaction with its members and the Organisation's bodies and Officials is effective;

6) Each member of the Board of Directors contributes effectively;

7) The Committees of the Board of Directors are effective and interact properly with the Board and the Executive Body members;

8) Good quality information and documentation is provided to the Board of Directors;

9) Discussions at meetings of the Board of Directors and its Committees are of good quality;

10) The Corporate Secretary is effective;

11) Processes and competencies are clearly understood;

12) The risk identification and evaluation process is effective;

13) Interaction with Shareholders and other Stakeholders is effective.

108. The Board of Directors undertakes the assessment annually. The assessment may be performed by the Board of Directors itself or an independent consultant may be engaged to improve the assessment quality. An independent external consultant should be engaged at least once every three years.

The Chairman of the Board of Directors oversees the assessment of the Board of Directors, its Committees and Board of Directors members, ensures members of the Board of Directors receive feedback and an improvement plan is prepared. The assessment results should be discussed at a special meeting of the Board of Directors, after which development plans for the Board of Directors and each of its members are prepared.

109. The Chairman of the Board of Directors is responsible for the assessment process and for taking measures based on its results.

Key roles in the assessment process are as follows:

1) The Chairman of the Board of Directors directs the assessment process, provides feedback to each of its members, informs the Sole Shareholder (major Shareholders) about the results and discusses measures for improvement, and monitors the implementation of the improvement plan based on the assessment results;

2) The Chairman of the Nomination and Remuneration Committee ensures the Chairman of the Board of Directors is assessed;

3) The Chairman of each Committee ensures their respective Committees are assessed;

4) An independent consultant (if engaged) organises, coordinates and moderates the process, and provides methodological support;

5) Each member of the Board of Directors participates in the assessment actively, openly, honestly and genuinely.

The assessment results are grounds for re-electing the entire Board of Directors or its individual members. The results may also be grounds for a review of the Board composition and remuneration of its members. In cases of serious deficiencies in the performance of individual members of the Board of Directors, the Chairman of the Board consults with major Shareholders (the Sole Shareholder).

In the Annual Report, the Board of Directors reflects how the assessment has been conducted and what measures have been taken. If an independent consultant has been engaged in the assessment, the information about the consultant's other services rendered to the Fund and the Organisations within the previous three years should be disclosed.

The Sole Shareholder may carry out its own assessment of the Board of Directors and, if necessary, engage an independent consultant. The self-assessment results conducted by the Board of Directors and the Organisation's financial performance and other factors shall be taken into account.

110. The Board of Directors should appoint the Corporate Secretary to facilitate the effective work of the Board of Directors and the interaction between the Board, the Executive Body and the Shareholders.

The Board of Directors appoints the Corporate Secretary and early terminates their powers, determines the tenure of the Corporate Secretary, requirements for the Corporate Secretary, functions and operating procedures, the amount of the official salary and remuneration conditions, decides on the creation of the Corporate Secretary Service. The Corporate Secretary is accountable to the Board of Directors of the Fund and is independent from the Executive Body of the Fund. The main duties of the Corporate Secretary include aiding timely and high-quality corporate decision-making by the Board of Directors, the Sole Shareholder, advising the Board of Directors on all aspects of their activities and on the application of the provisions of this Code, monitoring the implementation of this Code and helping to improve corporate governance in the Fund and the Organisations. The Corporate Secretary also drafts a report on compliance with the principles and provisions of this Code. The report contains a list of the principles and provisions of the Code that are not met along with relevant explanations.

A Corporate Secretary shall be appointed in Companies and Organisations whose shares are traded on a stock exchange. Appointing the Corporate Secretary is at the discretion of the Board of Directors. The appointment of a Corporate Secretary in Organisations established as a limited liability partnership is at the discretion of its Supervisory Board.

111. The Corporate Secretary's main responsibility is to ensure timely and high-quality decision-making by the Board of Directors and the General Meeting of Shareholders (the Sole Shareholder), and effective interaction of the Board of Directors with the Executive Body and Shareholders (the Sole Shareholder). In addition, the Corporate Secretary's duties include oversight of proper corporate governance practices.

The main duties of the Corporate Secretary include, but are not limited to - with respect to the Board of Directors activities:

- 1) Helping the Chairman to prepare a schedule of meetings for the year and meeting agendas;
- 2) Organising meetings of the Board of Directors and its Committees;
- 3) Ensuring members of the Board of Directors receive relevant and timely information for their decision-making on the matters within the Board's competence;
- 4) Minuting meetings of the Board of Directors and its Committees, ensuring storage of the minutes, transcripts, audio and video records and other materials from the meetings;
- 5) Advising members of the Board of Directors on legislation of the Republic of Kazakhstan, the Charter, the Code, and internal documents; monitoring amendments and informing the members of the Board about them promptly;
- 6) Inducting newly elected members of the Board of Directors;
- 7) Arranging training for the members of the Board of Directors, and arranging the involvement of experts;
- 8) Organising interaction between members of the Board of Directors, Shareholders and the Executive Body.

With respect to Shareholders (the Sole Shareholder):

- 1) Arranging the General Meetings of Shareholders;
- 2) Distributing promptly materials on matters to be considered at the General Meetings of Shareholders/the Sole Shareholder to support their decision-making;
- 3) Minuting the General Meetings of Shareholders, keeping the minutes, transcripts and other materials from the General Meetings (resolutions of the Sole Shareholder);
- 4) Ensuring proper interaction between the Organisation and its Shareholders, including ensuring timely responses to Shareholder requests.

With respect to the implementation of good corporate governance:

- 1) Monitoring the implementation of, and compliance with, the principles and provisions of the Code;
- 2) Preparing reports on compliance with the principles and provisions of the Code;
- 3) Identifying breaches of corporate governance norms set forth in legislation and the Organisation's Charter and other documents;
- 4) Advising the Organisation's Shareholders, Officials and employees on corporate governance matters;
- 5) Monitoring international best practice in corporate governance and proposing improvements of the Organisation's governance practices.

Assigning other duties to the Corporate Secretary should be made after taking into account his/her current workload. New responsibilities should not undermine the Corporate Secretary's ability to perform the duties set out in the Code. New functions should not duplicate the duties of other departments and Officials. In case of any duplication, the owner of the duties should be reconsidered.

112. In order to perform the duties professionally, the Corporate Secretary possesses sufficient knowledge, experience and expertise and an impeccable business reputation, and be trusted by the Board of Directors and Shareholders. A Corporate Secretary Service is established if it is warranted by the size of the Organisation and the scope of its activities.

113. The Corporate Secretary should be a person having a tertiary degree in law or economics, at least five years' experience and practical knowledge in corporate governance and corporate law.

114. To improve the effectiveness of preparing for, and conducting, the Board of Directors meetings, periodic discussions should be held to assess the usefulness and sufficiency of materials provided to the Board of Directors members. The results of the discussions should be a basis to assess the Corporate Secretary's performance.

115. The Organisation should have induction and succession planning programmes designed for the Corporate Secretary role. Searching for, and appointing, the Corporate Secretary should be based on open and transparent procedures specified in the Organisation's internal documents.

116. The Corporate Secretary performs the role in accordance with the regulations approved by the Board of Directors. The regulations should include the duties, rights and obligations, the rules for interacting with the Organisation's bodies, qualification requirements and other information.

To ensure effective interaction with, and the flow of information among, the Organisation's bodies, the Corporate Secretary is able to establish productive relationships and resolve conflicts. The Corporate Secretary informs the Chairman of the Board of Directors about any conflict of interest.

117. To perform the duties effectively, the Corporate Secretary is delegated the following powers:

1) To request and receive from the Organisation's bodies, Officials and employees documents and information necessary for the decision-making at the meetings of the Board of Directors and the General Meetings of Shareholders (the Sole Shareholder);

2) To take measures for organising meetings of the Board of Directors and the General Meeting of Shareholders, communicating their resolutions to the respective Officials at the Organisations, and monitoring the execution of the resolutions;

3) To interact directly with the Chairman and members of the Board of Directors, the Head and members of the Executive Body, employees and Shareholders of the Organisation.

The Organisation's Executive Body should support fully the activities of the Corporate Secretary.

118. The Organisation's budget includes expenditures for the activities of the Board of Directors and the Corporate Secretary, including travel and accommodation expenses related to attending meetings and performing other duties. The Organisation should have a budget for training and development of the Board of Directors members and for engaging external experts for the Board of Directors and Committees' work. The Corporate Secretary is responsible for preparing the budget for the activities of the Board of Directors and his own functions. The Corporate Secretary is responsible for submitting budget proposals to the appropriate departments.

The Corporate Secretaries of the Fund and the Organisation provide explanations regarding the provisions of this Code and their application.

119. A collegial Executive Body is established in the Companies. In other Organisations and in the case of a new joint venture, the Executive Body may be either collegial or sole, at the discretion of the Shareholders (Participants). The Head and members of the Executive Body are obliged to possess high professional and personal characteristics, as well as have an impeccable business reputation and adhere to high ethical standards.

The Executive Body is accountable to the Board of Directors and manages the daily activities of the organization, is responsible for the implementation of the Development Plan, the Action Plan and decisions taken by the Board of Directors and the General Meeting of Shareholders.

120. The Board of Directors elects the Head and members of the Executive Body, defines their terms of reference and sets their salary and other terms of remuneration. The Nomination and Remuneration Committee of the Board of Directors of the Organisation should play a key role in searching for, and selecting of, candidates for the Executive Body, and in setting their remuneration.

The recommended number of women in the collegial executive bodies of the Fund and the Organisations shall be at least thirty percent of the total number of members of the collegial executive bodies.

121. The Head of the Executive Body proposes candidates for the collegial Executive Body for the consideration of the Nomination and Remuneration Committee of the Board of Directors. If the Board of Directors rejects on two occasions a candidate for the same vacant position in the Executive Body proposed by the Head of the Executive Body, the right to propose candidates for the vacant position passes to the Board of Directors.

122. For Companies that are wholly owned by the Fund, the appointment of the Head of the Executive Body should be provisionally agreed with the Fund's Management Board.

The Board of Directors may at any time terminate the tenure of the Head and members of the Executive Body.

It is recommended that the Head and members of the Executive Body be elected for up to three years. The tenure of the Head and members of the Executive Body coincides with the tenure of the Executive Body as a whole.

123. The Prime Minister of the Republic of Kazakhstan should submit (recommend) for appointment (election) a candidate for the position of the CEO of the Company. This candidate is also approved by the Head of the Executive Office in accordance with the procedure established by the act of the President of the Republic of Kazakhstan.

The procedure on searching for, and election of, the Head of the Executive Body is carried out according to the internal documents of the Fund.

124. The performance of the Head and other members of the Executive Body should be assessed by the Board of Directors. The main criterion used for the assessment should be the achievement of KPIs.

The motivational KPIs of the Head and members of the Executive Body should be approved by the Board of Directors.

The Head of the Executive Body proposes motivational KPIs for the Executive Body members for the consideration of the Board of Directors.

The assessment results should influence the remuneration, promotion, re-election (re-appointment) or early termination.

125. The Executive Body meets in-person to discuss matters related to the development plan implementation, decisions made by the General Meeting of Shareholders (the Sole Shareholder) and the Board of Directors, and day-to-day operational activities. Special attention is paid to health and safety matters. Meetings of the Executive Body should be held regularly. The number of in-absentia meetings should be limited and specified in the Organisation's documents.

126. Before the start of each calendar year, the Executive Body develops its work plan for the year including a list of matters for consideration. Members of the Executive Body should receive high-quality documents in advance of meetings. The Executive Body may consider important and complex matters, such as Development Strategy, Development Plans, investment projects and risk management, over the course of several meetings. In order to carefully prepare for discussions of these matters given the scope and specifics of the Organisation's activity, the Organisation should establish special Committees, project and/or working groups to solve such specific tasks. The rights, duties, powers and responsibilities of these bodies are set out in the Organisation's internal documents.

127. When considering each matter, the Executive Body discusses the risks associated with passing/rejecting respective resolutions and how the risks may impact on the Organisation's value and Sustainable Development.

All matters submitted by the Executive Body for the consideration of the Board of Directors and the General Meeting of Shareholders (or the Sole Shareholder) are earlier considered and approved by the Executive Body.

128. At least once a year, the Head and members of the Executive Body meet employees, visit key sites if there are other branches and group organisations, and hold video conferences.

The Head and members of the Executive Body demonstrate high standards of ethical behaviour and are role models for the Organisation's employees.

The Head and members of the Executive Body prevent conflicts of interest. Any conflicts of interest is documented and reported in advance to the Board of Directors or the Head of the Executive Body. The Head and other members of the Executive Body may not participate in discussions of, and decision-making on, matters in which they have a conflict of interest.

A member of the Executive Body may hold positions in other entities following the Board of Directors' approval. The Head of the Executive Body and the Sole Executive Body has not grounds to be the Head of the Executive body or the Sole Executive Body of another legal entity.

130. The Organisation should ensure succession planning for the Executive Body. The mechanism and timing of the re-election of members of the Executive Body should motivate them to achieve long-term results and leave open the possibility of early dismissal if KPIs are not met.

When a new Head and/or members of the Executive Body are elected, it is recommended that continuity in the composition of the Executive Body be ensured. If re-

election of individual members of the Executive Body is being considered, the results of their work in respective areas of responsibility should be taken into account. When a new Chairman of the Board of Directors is elected, it is recommended that continuity in the composition of the Board of Directors be ensured.

131. The Executive Body ensures an optimal organisational structure.

The organisational structure is designed to ensure:

- 1) Effective decision-making;
- 2) Increased productivity;
- 3) Prompt decision-making;
- 4) Flexibility of the Organisation.

Candidates for vacant positions in the Organisation are selected on the basis of open, transparent competitive procedures. A Talent Pool is available within each Organisation's Staff Reserve. Candidates from this Pool may be appointed to senior and middle management roles. Employees should be assessed annually.

132. The Head of the Executive Body informs the Board of Directors of any breach of the Code of Business Ethics by members of the Executive Body.

A member of the Executive Body who has breached the Code of Business Ethics may not be a member of the Executive Body of any other Organisation.

133. In the event of a Corporate Conflict, the parties to the conflict seek to resolve this through negotiations in order to protect the interests of the Organisation and the Stakeholders.

Effective prevention and settlement of Corporate Conflicts means, foremost, that the conflicts are detected as early as possible, and the actions of all bodies of the Organisation are well coordinated.

Corporate Conflicts are considered by the Chairman of the Board of Directors, with the Corporate Secretary's aid. If the Chairman of the Board of Directors is involved in a Corporate Conflict, the case is considered by the Nomination and Remuneration Committee.

Chapter 6. Risk management, internal control, audit, compliance and Ombudsman

134. The Fund and the Organisations should establish an effective system of risk management and internal control, which should provide reasonable assurance that the strategic and operating goals of the Fund and the Organisations will be achieved. This system should include corporate policies, procedures, norms of behaviour and actions, and governance methods and mechanisms established by the Board of Directors and the Executive Body of the Fund and the Organisations for the following purposes:

- 1) Optimal balance between the growth of the Organisation's value, profitability and associated risks;
- 2) Effectiveness of financial and economic activities and achievement of financial sustainability of the Company;
- 3) Safeguarding of assets and efficient use of Company's resources;
- 4) Completeness, reliability and accuracy of financial and management reporting;
- 5) Compliance with the requirements of the laws of the Republic of Kazakhstan and internal documents;

6) Proper internal controls for fraud prevention and effective support of both core and secondary business processes and analysis of results.

The Board of Directors and the Executive Body ensures that a proper risk management culture is implemented in the Fund and the Organisations. The implementation and operation of the risk management and internal control systems in the Fund and the Organisations should be based on a clear regulatory framework compliant with best practice.

135. The Board of Directors of the Fund and the Organisations defines principles of and approaches to the risk management and internal control system organisation. When doing so, they should take into account the goals of the system, best practice, and the Fund's methodology in the areas of risk management and internal control.

The Board of Directors approves internal documents that define principles and approaches to the Organisation of the efficient risk management and internal control system demonstrating adherence of the company to the best practice of work in the sphere of risk management and internal control (integrated concept for structuring internal control system COSO, Concept (COSO) "Organisation Risk Management. Integrated Model" of the Committee of Sponsoring Organisations of the Treadway Commission, International Standard ISO 31000 "Risk Management. Principles and Guidance", International Standard ISO 31010 "Risk Management. Risk Evaluation Technique", etc.).

136. Effective risk management and internal control system in the Fund and the Organisations are designed to ensure there is a precise understanding of the rationale for, and acceptability of, the level of risk by employees, management, and the Company's bodies in the decision-making process. These systems are also designed to ensure that the Fund and the Organisations quickly respond to risks, and exercise control over their core and secondary business processes and day-to-day operations, and promptly notify relevant decision-makers of any significant weaknesses and areas for improvement.

The principles of, and approaches to, organising effective risk management and internal control systems in the Organisation include:

- 1) Setting the goal and tasks of risk management and internal control system;
- 2) Structuring the risk management and internal control system to cover all levels of decision-making, taking into account the role of the relevant level in the process of developing, approving, applying and assessing the risk management and internal control system;
- 3) Establishing requirements for the organisation of the risk management process (approaches to determining the risk appetite, risk identification and assessment procedures, determining response methods, monitoring, etc.);
- 4) Establishing requirements for arranging the internal control system and implementing control procedures (description of key areas and essential components of the internal control system, assessment of the effectiveness and reporting in the area of internal control).

The Fund and the Organisations should ensure that formal internal documents are adopted covering the role and tasks, and responsibilities of the Company's bodies, Revision Commission, Internal Audit and other units of the Company. Internal documents should also cover interaction between the units related to establishing risk management and internal control systems and ensuring they are effective.

When approving internal documents in the areas of risk management and internal control, the Organisations' Boards of Directors should follow the Fund's relevant internal regulations.

The Fund and Holding Companies should ensure that internal normative documents are adopted covering the responsibility of their Boards of Directors and Executive Bodies for establishing consolidated risk management and internal control systems and ensuring they function effectively.

137. The Executive Bodies of the Fund and the Organisations ensure that risk management and internal control systems are established and maintained, and that they operate effectively. The risk management process is integrated with the processes of planning (development plan and action plan, annual budget) and assessing the Organisation's performance (management reporting).

Each Official of the Fund or the Organisation ensures that appropriate consideration is given to risks in the decision-making process.

The Executive Body of the Fund or the Organisation ensures the employees have appropriate professional qualifications and experience to implement the risk management procedures.

The Executive Body:

1) Ensures that internal management and internal control documents are approved by the Board of Directors and are duly implemented;

2) Ensures the establishment and effective functioning of risk management and internal control system through the practical implementation and uninterrupted execution of the principles and procedures of risk management and internal control;

3) Is responsible for implementing decisions of the Board of Directors and recommendations of the Audit Committee on risk management and internal control system;

4) Monitors risk management and internal control system to evaluate whether they comply with the requirements of respective internal documents;

5) Ensures that risk management and internal control processes and procedures are improved and take account of changes in the internal and external business environment.

138. To implement the principles of internal control and effective risk management and internal control system, the Executive Body delegates powers, obligations and responsibilities for risk management and internal control procedures to managers of the lower level and/or Heads of structural units / owners of the business processes.

The Heads of structural units/owners of business processes are responsible for developing, documenting, introducing, monitoring and improving risk management and internal control system in the functional areas they oversee.

Organisational structure of the risk management and internal control system in the Fund and the Organisations (given scale and operating specifics) should provide for structural unit (structural units), responsible for risk management and internal control operating, the tasks of which include:

1) overall coordinating risk management and internal control processes;

2) development of guidelines in the sphere of risk management and internal control as well as rendering methodological support to the business process owners and employees in identification, documentation of risks, implementation, monitoring and improvement of control procedures, formation of action plans on risk response;

- 3) Arranging staff training in risk management and internal control;
- 4) formation of the consolidated risk reporting and notification of the Board of Directors and Executive Body on matters provided by internal documents in the sphere of risk management and internal control;
- 5) holding measures to improve the risk management and internal control system.

139. To ensure independence and objectivity of the Head of risk management and internal control, he/she should not be a risk owner. Combination of functions on risk management and internal control with functions related to the economic planning, corporate financing, treasury, investment activities and internal audit is not permitted. The risk management and internal control function may be combined with other functions only if doing so does not create a material conflict of interest.

The risk management and internal control system of the Fund and the Organizations is based on a high culture of risk management conducted by the Executive Body, which provides for mandatory procedures for identifying, evaluating and monitoring all significant risks, as well as taking timely and adequate measures to reduce the level of risks that may negatively affect the achievement of strategic goals, the implementation of operational tasks and the reputation of the company.

140. Risk management procedures must ensure rapid response to new risks, their clear identification and determination of risk owners. In the case of unforeseen changes in the competitive or economic environment of the Fund and the Organisations, re-assessment of the risk map and its compliance with risk appetite is undertaken immediately.

141. For comprehensive and clear insight into adherent risks of the Fund and the Organisations, identification and risk assessment that are recorded in the risk register/ risk map, action plan on risk response (improving processes, elimination strategy) to be approved by Board of Directors are held on annual basis.

A risk assessment results in measurable indicators in order to conclude if identified risks are in line with the approved risk appetite and to evaluate how the risks may impact the achievement of the Development Plan of the Fund and the Organisations.

142. Employees of the Fund and the Organisations should operate with risks on a day-to-day basis, manage them and monitor their potential effect of risks in their areas of responsibility.

143. Information on risks should be an integral part of the managerial reporting. The Board of Directors and Executive Body should regularly obtain information on key risks, their analysis from the point of view of impact on the strategy and business plans of the Company.

Approval of quarterly consolidated risk statements fall within the competence of the Board of Directors.

144. In the Fund and the Organisations, sustainable development should be integrated into:

- 1) management system (Sustainable Development management systems include properly defined and documented roles, competencies and responsibilities of each body and all employees, to implement the principles, standards and corresponding policies and plans in the Sustainable Development);

- 2) development plan by integrating Environmental, Social, and Corporate Governance goals (hereinafter referred to as ESG);

3) risk management system (the fund and the organisations are improving practices for managing environmental and climate risks associated with climate change);

4) investment decision-making process (it is necessary to integrate the practice of analyzing significant ESG factors and assessing ESG risks in order to identify investment risks and opportunities that are highly likely to affect the Fund's performance and investment efficiency);

5) the remuneration system of senior management and management bodies (the fund and the organisations develop and publicly disclose ESG goals, ESG target indicators are used to evaluate the performance of heads);

6) Key processes, including planning (long-term, medium-term (5-year plan) and short-term (Annual Budget) periods), reporting, human resource management, investment, operations and other processes, as well as decision-making at all levels;

7) a system of regular interaction with stakeholders, which implies providing the meaningful and reliable information, ensuring the possibility of a bilateral dialogue, awareness of environmental hazards and risks associated with the activities of Portfolio Companies, the development of a flexible complaint mechanism.

Holding Companies have a consolidated map of the Stakeholders for their groups and develop a relevant plan for their interaction with such Stakeholders.

The Board of Directors and the Executive Body of the Fund and the Organisations ensure that a proper system of sustainable development has been developed and implemented.

The Fund and the Organisations shall develop action plans in the field of Sustainable Development, taking into account international standards and best practices.

The Board of Directors provides strategic guidance and oversees the implementation of Sustainable Development system. The Executive Body forms a plan and submits it for the consideration of the Board of Directors.

145. It is recommended a Committee is established for the thorough preparation of matters in the field of Sustainable Development or delegating of ESG matters to the competence of one of the existing Committees under the Board of Directors of the Fund and the Organisation.

The Audit Committee of the Board of Directors monitors risk in the area of Sustainable Development and the quality of non-financial information and reporting.

All employees and officials at all levels contribute to Sustainable Development, implement principles and activities in Sustainable Development through personal conduct and compliance with relevant policies and standards.

The Fund and the Organisations should take steps to adopt and adhere to the principles of sustainable development in their relationships with Partners.

146. The Fund and the Organisations develop, approve, formalise and record control procedures in three key areas: operations, preparation of financial reports and compliance with the laws of the Republic of Kazakhstan and internal documents.

Control procedures are documentally recorded system of events and actions on effective internal control over execution of targets, tasks and plans of the company, identification and improvement of irregular operations, as well as risk management, restriction and preventing and possible illegal actions from the part of officials and employees of the company.

Control procedures should cover all governance and management levels. All employees of the Fund and the Organisations should comply with these procedures.

Control procedures cover three key areas: operations, preparation of financial statements, and compliance with the requirements of the laws of the Republic of Kazakhstan and internal documents in order to:

- 1) Reduce the likelihood of risks occurring;
- 2) Prevent mistakes and/or, when they occur, determine them;
- 3) Identify and eliminate duplicated and excessive operations;
- 4) Identify weaknesses and areas for improvement;
- 5) Further improve internal control system.

147. The Board of Directors of the Fund and the Organisations should ensure the effectiveness and proper functioning of risk management and internal control systems, and their compliance with the principles and approach approved by the Board of Directors. Risk Reports should be submitted to the meetings of the Board of Directors for a comprehensive and proper discussion at least quarterly.

148. The Board of Directors, in cooperation with the Audit Committee, are responsible for evaluating the efficiency and effectiveness of the risk management and internal control systems on an annual basis. The Board of Directors has its own opinion on its performance after proper and thorough study of information and assurance based on reports communicated to it by internal audit unit or external expert, Audit Committee and Executive Body.

149. The Board of Directors should regularly consider the organisation, functioning and effectiveness of the risk management and internal control system and, if necessary, make recommendations for its improvement.

Introducing control procedures implies the development/updating of charts by business processes indicating the risks of the given process level and control procedures, developing / updating of the risk matrix and controls by business processes, testing of control procedures and assessing their performance, and developing action plans to further improve internal control systems.

The responsibility for approving control procedures is assigned depending on the nature and significance of the risk which the control procedures are designed to mitigate.

150. The Internal Audit Service (hereinafter - IAS) should be established in the Fund and the Organisations to provide the Board of Directors with independent and objective guarantees and advices aimed at improving the risk management and internal control systems and corporate governance practices.

The Fund's Board of Directors determines the size and the tenure of the IAS, appoints its Head, as well as early terminates his/her powers, sets the working procedures, remuneration and bonuses of the IAS employees.

The IAS is directly accountable to the Fund's Board of Directors and is independent from the Fund's Executive Body.

The key responsibilities of the IAS should include assessing the quality of the Fund's internal control and risk management system and reporting to the Board of Directors on the adequacy and effectiveness of this system. The main goal of the IAS is to help improve the Fund's performance.

151. The Fund shall establish the collegial executive body in the form of the Management Board. The Management Board is accountable to the Board of Directors and

acting within its competence, as provided for in the Fund Charter. The Fund's Board of Directors monitors the efficiency of the Management Board and the implementation of the resolutions passed by the Sole Shareholder and the Board of Directors of the Fund.

The Government, as the Shareholder, appoints the Chief Executive Officer of the Fund and may terminate the appointment early. The Fund's Board of Directors elects the members of the Management Board. The Chief Executive Officer submits nominees for further consideration by the Fund's Board of Directors.

152. Internal audit in the Fund and the Organisations is performed through establishing a separate structural unit – the IAS (in a limited liability partnership, the internal audit functions is attributed to its Revision Commission / Revisor functionally accountable to the Supervisory Board. The goals, functions and tasks of the Revision Commission / Revisor and the way it interacts with the bodies of the Organisation should be defined through the principles contained in the Code and applicable to the IAS).

The internal document of the company defines the Regulations on the IAS, its goals, powers, responsibilities. The internal document enshrines:

- 1) A commitment to comply with the principles, the code of ethics and standards of internal auditors established by international institutions in the field of internal audit;
- 2) The status, goals and tasks of the Company's internal audit;
- 3) Assurance concerning the independence, objectivity and professionalism of the IAS in order to achieve its goals and tasks, perform its functions and fulfil its responsibilities effectively;
- 4) qualification requirements for the Head and employees of the IAS, including requirements for professional knowledge and skills, work experience, managerial experience (for Heads), as well as requirements for additional special training, confirmed by international certificates (internal auditors are recommended to demonstrate their professionalism by obtaining appropriate professional certificates and qualifications);
- 5) The scope and content of Internal Audit activities;
- 6) Right of access to documentation, employees and physical assets to perform respective tasks;
- 7) Rules of the IAS's interaction with the Board of Directors and the Executive Body as well as submitting reporting to the Audit Committee and the Board of Directors.

153. To ensure the independence and objectivity of internal audit, the IAS should be accountable to the Board of Directors both organisationally and functionally. The Board of Directors approves the work plan and strategy of the IAS, determines its quantitative composition, the size and terms of labor payment and remuneration of the IAS staff.

The organisational and functional accountability of the IAS to the Board of Directors mean that the Board:

- 1) Approves (following preliminary consideration by the Audit Committee) internal audit regulations and other policies setting goals, tasks and rules of the IAS activities;
- 2) Approves (following preliminary consideration by the Audit Committee) annual risk-based audit plan;
- 3) Receives (following preliminary consideration by the Audit Committee) quarterly and annual reports on the execution of the annual audit plan and other information about the IAS activities;

4) Approves (following preliminary consideration by the Audit Committee) decisions to appoint, terminate and remunerate the Head and employees of the IAS;

5) Considers (following preliminary consideration by the Audit Committee) significant limitations on the authority and scope of work of the IAS or other limitations that may adversely affect internal audit activities.

154. The IAS should operate according to a risk-based annual audit plan approved by the Board of Directors. The results of audit reports and key findings, monitoring of the implementation of audit recommendations should be submitted quarterly for the consideration of the Board of Directors.

The Board of Directors ensures timely consideration of the IAS reports and control over timely execution of audit recommendations.

155. The Head of the IAS develops and maintains a programme of quality assurance and quality improvement, covering all categories of internal audit activities. The programme should include a compulsory internal and external evaluation of the IAS's performance.

The Head of the IAS in organizations should develop internal documents regulating the activities of the subdivision based on the Fund's corporate standards in the field of internal audit and ensure their consideration and approval by the Audit Committee and the Board of Directors.

The Board of Directors should evaluate the effectiveness of the IAS, its Head and its staff, based on the IAS reports, meeting the deadline for execution of the annual audit plan and submitting reporting, evaluating the compliance of the reports with the standards and internal regulations of the IAS.

Quality assurance and improvement programmes should be developed and implemented to assess whether the IAS's activities comply with the internal audit standards. The programmes should ensure regular internal and external assessments (for compliance with the standards, the Code of Ethics of Internal Auditors) as well as assessments of the efficiency and effectiveness of the internal audit function, and the identification of opportunities for improvement.

156. In accordance with the legislation of the Republic of Kazakhstan, the compliance function is carried out in the Fund and all companies of the Fund group, the task of which is to build an effective compliance system that provides reasonable assurance that significant compliance and corruption risks of the company are properly managed.

The Compliance Service is designed to ensure meeting the anti-corruption legislation of the Republic of Kazakhstan, the adoption of compliance policies, as well as the formation of an internal corporate culture based on the principles of transparency and reliability in accordance with legislation and best international practices.

The activities of the Company's Compliance Service are regulated by its internal documents.

The Compliance service must be independent from the company's management system. In the company, the Compliance Service is directly subordinated to its Board of Directors. To work effectively, the Compliance Service must have sufficient powers and resources, as well as regularly interact with the company's management body and report to it on a periodic basis. The Executive Body supports the independence of the Compliance Service and does not interfere with the performance of duties.

The Head of the Compliance Service has relevant experience and is a senior manager. Conflicts of interest in combining another position in the company should be deleted.

157. The Fund develops standards for business ethics, the Ombudsman's activities, and the effective system for reporting alleged breaches. The Boards of Directors of the Fund and the Organisations ensure these standards are implemented and complied with.

158. The Ombudsman should be appointed to comply with the principles of business ethics and resolve effectively social and labour disputes that may arise in the Fund and the Organisations.

A candidate for the Ombudsman position should have an impeccable business reputation, high standing and the ability to take impartial decisions.

The Ombudsman is appointed by the decision of the Fund's Board of Directors and is re-appointed every two years. The Ombudsman's role is to advise employees and parties to a labour dispute or conflict who seek advice, and help them develop constructive, mutually beneficial and practically feasible solutions compliant with the laws of the Republic of Kazakhstan (including confidentiality, if applicable). The Ombudsman's role also includes helping employees, the Fund and the Organisations to resolve social and labour issues and helping employees to comply with the principles of business ethics.

The Ombudsman submits systemic problems identified by him/her that require relevant decisions (comprehensive actions), for consideration of the appropriate bodies and Officials of the Fund and/or Organisations and proposes constructive solutions to the problems.

At least once a year, the Ombudsman reports on the results of his/her work to the Nomination and Remuneration Committee and the Audit Committee of the Fund's Board of Directors. The Committees assess the results.

The Board of Directors of the Fund evaluates the performance of the Ombudsman and decides on either the extension or termination of the authorities of a person holding the position of the Ombudsman.

The Fund's Management Board determines the location, terms and conditions of the Ombudsman's work, except for the matters of terms and conditions of the labor payment and remuneration. The matters of labor payment and remuneration shall be determined by an internal regulatory document approved by the decision of the Fund's Board of Directors.

The Fund and the Organisations must adhere to high ethical standards and implement the necessary procedures to ensure that these standards are constantly applied by all employees and partners of the Fund and the Organisations.

Notifications of potential breaches should be sent directly to the IAS or the Board of Directors of the Fund and the Organisation. The Executive Body and all its structural subdivisions, including the Security Service, should not impede the submission of notifications of potential breaches to the IAS or the Board of Directors.

Chapter 7. Transparency of the Fund activities

159. To respect the interests of their Stakeholders, the Fund and the Organisations should promptly and fairly disclose information about all important aspects of their

activities, including financial performance, operational results and the structure of ownership and governance (management).

160. The Fund and the Organisations must promptly disclose information in accordance with legislation of the Republic of Kazakhstan and their internal documents. In order to ensure consistency of disclosure, the Fund and the Organisations should approve internal documents that define the information to be disclosed to Stakeholders, as well as the terms, procedures, methods and forms for disclosure, responsible Officials and employees, their functions and obligations, and other provisions regulating information disclosure. The Fund and the Organisations determine the procedure on classifying information into access categories, the rules for its storage and use, and the list of persons who may be granted access to commercially sensitive or officially secret information. The Fund and the Organisations take measures to protect this information.

The Fund and the Organisations promptly disclose information about their activities to Stakeholders in accordance with legislation of the Republic of Kazakhstan, this Code and internal documents.

161. The list of information disclosed to Shareholders (Participants) is given in Article 102 of the Law on the Securities Market, laws on business partnerships, partnerships, constituent documents and internal documents of a legal entity and the section “Transparency” of this Code.

Shareholders (participants) and investors receive information about the Organisation’s activities through:

1) The Annual Report, including the Board of Directors’ report and the audited annual financial statements (the audit requirement applies only if it is specified in legislation of the Republic of Kazakhstan or the Organisation’s internal documents);

2) The Organisation’s corporate website, which should contain a separate section for Shareholders (Participants) and investors and disclose current information about the Organisation’s activities;

3) The Internet resource of the financial statements depository, stock exchange, containing the information provided for in item 2 of Article 102 of the Law on Securities Market;

4) The option of obtaining information and documents through enquiries to the Organisation in accordance with legislation of the Republic of Kazakhstan, the Organisation’s incorporation and internal documents;

5) Press releases and other information materials distributed by the Organisation;

6) Briefings held by the Organisation;

7) Other means in accordance with the Organisation’s internal documents.

162. Upon request of a Shareholder (Participant), the Organisation provides copies of documents specified in legislation of the Republic of Kazakhstan. When doing so, the Organisation should take into account restrictions related to the disclosure of commercially sensitive and other confidential secret/information in accordance with legislation of the Republic of Kazakhstan and the Organisation’s internal documents. The fee charged for providing copies of the documents is determined by the Organisation and may not exceed the cost of their production and (if necessary) delivery to the Shareholder (Participant).

163. The Shareholder (Participant) may send to the Organisation requests in writing regarding its activities and receive reasonable responses within 30 (thirty) calendar days

following the date when the request is received by the Organisation, or another term set forth in the Organisation's Charter or internal documents of the Organisation.

Upon the Shareholder's (Participant's) request, the Organisation provides copies of the requested documents, as stipulated in Article 80 of the Law on Joint Stock Companies.

In order to protect trade secrets and other sensitive and confidential information, the Fund and the Organisations, in accordance with legislation of the Republic of Kazakhstan and the Charter, shall establish procedures to classify, store and use the information. The Fund and the Organisations should determine the persons who may be granted free access to commercially sensitive and confidential information, and take measures to protect confidential information. Persons who illegally obtained, disclosed or used commercially sensitive and confidential information are liable to reimburse losses and are responsible in accordance with legislation of the Republic of Kazakhstan.

164. It is recommended that Organisations whose shares are traded on a stock exchange, establish Investor Relations Departments (or create the functions for the structural unit) responsible for collecting, analysing and preparing information that will be published on the corporate website of the Organisation. It is recommended to appoint a person with practical experience in the finance, understanding of the Organisation's industry, as the Head of this unit.

Organisations whose shares are traded on the stock exchange should notify both Shareholders and issuers when acquiring or alienating major blocks of shares by more than 3% (interests subject to notification include direct and indirect ownership of shares and financial instruments having a similar economic effect).

165. An external auditor is selected through a competitive bidding process. The Audit Committee of the Board of Directors plays an important role in the selection process. The external auditor to be engaged does not render the Fund and the Organisations any consulting services that may jeopardise the auditor's independence. The Fund and the Organisations do not hire former members of the external audit team for management positions within two years following their resignation from the audit firm. The Fund and the Organisations disclose detailed information about the external auditor to be engaged. The Fund and the Organisations have regulations for selecting and interacting with the external auditor.

The Fund and the Organisations approve documents regulating the relationship with the external auditor. The documents include the external auditor selection process, the powers and functions of the competition commission, the external auditor's other services in addition to the audit of the financial statements and other information, matters of the rotation of audit firms and their senior audit team members, and hiring former employees of the audit firm.

It is necessary to rotate partners and senior staff responsible for the audit of financial statements at least once every five years if an audit firm renders audit services to the Fund and the Organisations for more than five successive years.

Former members of the audit firm should not be a member of the Board of Directors, the Executive Body, the IAS, or be appointed to the position of a Chief Accountant or Chief Financial Officer within two years following their resignation from the audit firm.

In order to assess the risks of the audit firm not being independent and to evaluate the potential quality of the audit of the financial statements and other information, it is necessary to disclose information about remuneration to the audit firm, including separately for the financial statements audit and non-audit services, as well as other information. In order to facilitate its search, this information should be available on the Organisation's corporate website and in its Annual Report.

The Audit Committee of the Organisation's Board of Directors regularly (at least three times before the auditor's report is issued) meet the external auditor as part of the audit process.

The external auditor has access to the Audit Committee to discuss audit issues. If there is no Audit Committee, the external auditor interacts directly with the Board of Directors and its Chairman.

The external auditor provides the Audit Committee with audit progress reports and information about audit results. The external auditor confirms its independence, the lack of financial interests in the Organisation, and the lack of significant influence of the total audit fee on the auditor's financial independence.

166. The Fund, the Companies and the Organisations whose shares are traded on the stock exchange should prepare an annual report in accordance with the provisions of this Code and the best practices of information disclosure.

Annual Reports shall be approved by the respective Boards of Directors.

The Annual Report, which is well structured in a clear format and published in Kazakh, Russian and English, is one of the key sources of information for stakeholders.

The Annual Report is prepared and published on the corporate website before the Annual General Meeting of Shareholders (Participants). The Board of Directors (Supervisory Board) should approve the Annual Report.

The Annual Report should, as a minimum, contain the following:

- 1) A Report by the Chairman of the Board of Directors (Supervisory Board);
- 2) A Report by the Head of the Executive Body;
- 3) Information about the Fund or the Organisation: general information; information about the equity structure including the following data: number and par value of issued shares (interests), a description of rights attached to the shares, the number and par value of authorised but unissued shares, the composition of the Shareholders (Participants) and the number and percentage of ordinary shares (equity interest) they own, the procedure for disposing of ownership rights; the mission, the development plan, results of its implementation; market overview and the Organisation's position in the market;
- 4) results of financial and operational performance for the year: review and analysis of performance against tasks set; operational and financial performance indicators; significant events and achievements; information about significant transactions; any financial support including guarantees obtained/to be obtained, from the state and any liabilities to the state and society incurred by the Fund or the Organisation (if not disclosed according to the IFRS);
- 5) Structure of assets, including subsidiaries/dependent organisations of all level, an overview of their financial and operational performance;
- 6) Future goals and plans;
- 7) Main risk factors and risk management systems;

8) Corporate governance: corporate governance structure; composition of Shareholders (Participants) and ownership structure; composition of the Board of Directors (the Supervisory Board), including qualifications and the selecting process, as well as about Independent Directors specifying the criteria of their independence; operating report of the Board of Directors (the Supervisory Board) and its Committees; information on compliance of the corporate governance practice with the Code principles, and explanations for any instances of non-compliance; composition of the Executive Body; the operating report of the Executive Body; officials' remuneration policy;

9) Sustainable Development. If there is a separate Sustainable Development report, reference to this report is possible;

10) Auditor report and financial statements with notes;

11) Analytical indicators and data included in the Annual Report which reflect comparable analysis and achieved progress (regress) in relation to the previous period (comparison with the values of similar indicators indicated in the last Annual Report). It is recommended that the performance indicators are published for a benchmark analysis against international companies in the same industry);

12) information according to the requirements of the leading stock exchanges.

For Holding Companies, it is acceptable to prepare a single consolidated Annual Report covering the entire group. An Organisation of a Holding Company may prepare its own Annual Report.

167. The Fund and the Companies publish the Sustainability Reporting, prepared according to the internationally recognized standards to provide clarity and transparency about their operations to their Stakeholders, taking into account the protection of information constituting official, commercial and other legally protected secrets. The Board of Directors approves the Sustainability Reporting.

The methods of information disclosure to the Stakeholders include meetings with them, disclosure via mass media (publications, interviews) and the Internet, providing feedback via communication systems, establishing advisory boards and councils, answering questions to requests and so on.

Public reporting should ensure timeliness, completeness, regularity, consistency, comparability, reliability of information, and allows assessing the effectiveness of risk reduction and the use of opportunities, based on data for at least the last 4 years. The Fund's companies should develop the practice of reporting on leading climate programmes. In the Organisations whose shares are traded on the stock exchange, as well as participating in ESG ratings, reporting indicators undergo third-party independent certification (verification).

The Fund and the Organisations monitor the disclosure of information in the field of sustainable development to the Stakeholders and keep it up-to-date on the Internet resource.

168. The corporate website is well structured, easy to navigate and contains information that is necessary for the Stakeholders to understand the activities of the Fund and the Organisations.

The Fund and the Organisations regularly monitor the completeness and accuracy of information published on the corporate websites. The information published on corporate websites in the official state language, as well as Russian and English languages, should be identical. The Fund and the Organisations appoint employees (or a

structural unit) to be responsible for the completeness and accuracy of the information on the corporate websites.

The corporate website includes the following information, as a minimum:

1) General information about the Fund and the Organisations, including the mission, main goals, tasks and business activities, equity capital, net worth, net income and number of employees;

2) Information on the development plan (at least, the strategic goals); core business activities;

3) The Charter and the internal regulations of the bodies, the Committees and the Corporate Secretary;

4) Information about the principles of ethics;

5) Information about risk management;

6) The dividend policy;

7) Information about each member of the Board of Directors, including: photograph (to be approved by the member of the Board of Directors), full name, date of birth, nationality, status of the member of the Board of Directors (Independent Director, Shareholder representative), functions of the member of the Board of Directors, including membership of Committees or Chairmanship of the Board of Directors, education, including main and additional one (name of educational institution, year of graduation, degree), experience for the preceding five years, main place of work and other current roles, professional qualifications, date of the first election to the Board of Directors and the date of the election to the current Board of Directors, the number and percentage of shares owned in affiliated companies, the Independent Directors' criteria;

8) Information on each member of the Management Board including photograph, full name, date of birth, nationality, title and functions, education: including main and additional one (name of educational institution, year of graduation, degree), experience for the preceding five years, professional qualifications, other employment, the number and percentage of shares owned in affiliated companies;

9) Financial statements;

10) Annual Reports;

11) Information about the external auditor;

12) Information about procurement activities, including the rules, announcements and results of the procurement processes;

13) Information about the share capital structure, including the number and par value of shares issued (interests), a description of the rights attached to shares, the number and par value of authorised but unissued shares, the composition of Shareholders (Participants) and the number and percentage of ordinary shares (interests) they own, and the procedure for disposing of ownership rights;

14) Information about the asset structure, including information about affiliates at all levels, supported with a summary their business activities;

15) Annual calendar of Corporate Events;

16) Information about related parties transactions, including the parties to each transaction, their principal terms and conditions (transaction subject and price), and the body that approved the transaction;

- 17) Information about significant transactions, including data on the parties to the transaction, principal terms and conditions (transaction subject and price), and the body that approved the transactions,
- 18) Information about the sustainable development;
- 19) information about the amount of approved dividend payments;
- 20) news and press releases.

A Holding Company may have a single corporate website for the entire group. The Organisation of the holding company may make a decision on the availability of its own Internet resource.

Annex to the draft resolution
of the Extraordinary General
Meeting of Shareholders of
NC “KazMunayGas” JSC
dated _____ 2025 No. _____

Explanatory note to the item
“On approval of the Corporate Governance Code of Joint Stock Company
“National Company “KazMunayGas” in a new wording”

Astana

«__» _____ 2025

1. Purpose and objective

Approval of the Corporate Governance Code of Joint Stock Company “National Company “KazMunayGas” (hereinafter referred to as **the Company, KMG**) in a new wording and declaring void the current Corporate Governance Code of Joint Stock Company “National Company “KazMunayGas” approved by the resolution of the General Meeting of Shareholders of the Company dated May 28, 2024 (Minutes No.1/2024, item No.4) (hereinafter referred to as **the Current CGC**) in connection with the amendments and additions made to the Corporate Governance Code of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” (hereinafter referred to as **the Fund, JSC “Samruk-Kazyna”**).

2. Economic effect

Not provided.

3. Background

In accordance with Article 36 (1) (1-1) of Law No.415-II of the Republic of Kazakhstan “On Joint Stock Companies” dated May 13, 2003 (hereinafter referred to as **the Law on Joint Stock Companies**), Article 12 (98) (2) of the Charter of Joint Stock Company “National Company “KazMunayGas”, approved by the resolution of the Annual General Meeting of Shareholders of the Company dated May 30, 2023 (Minutes No.2\2023, item No.5), as amended and supplemented by the resolution of the Annual General Meeting of Shareholders of NC “KazMunayGas” JSC dated May 28, 2024 (Minutes No.1/2024, item No.8), (hereinafter referred to as **the Charter of the Company**), Chapter 7 (32) (2) of the Regulations on the General Meeting of Shareholders of Joint Stock Company “National Company “KazMunayGas”, approved by the decision of the entity holding all voting shares of KMG dated December 2, 2022 (Minutes No.66/22 of the meeting of the Fund’s Management Board, item No.5), (hereinafter referred to as **the Regulation on the GMS**), the approval of the Company’s Corporate Governance Code, as well as amendments and additions to it, falls within the exclusive competence of the General Meeting of Shareholders of KMG.

The Corporate Governance Code of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” (hereinafter referred to as **the Fund’s CGC**) was approved by Decree No.1403 of the Government of the Republic of Kazakhstan “On Approval of the Corporate Governance Code of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” dated November 5, 2012.

By Decree No.239 of the Government of the Republic of Kazakhstan “On Amendments to Decree No.1403 of the Government of the Republic of Kazakhstan dated November 5, 2012 “On Approval of the Corporate Governance Code of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna”, dated April 15, 2015, the Fund’s CGC was set out in a new wording and its scope was extended not only for the Fund, but also for organizations in which the Fund directly or indirectly owns more than fifty percent of the voting shares (participation interests).

Thus, the first wording of the Corporate Governance Code of NC “KazMunayGas” JSC was approved by the resolution of the Management Board of JSC “Samruk-Kazyna” dated May 27, 2015 (Minutes No.22/15, item No.11).

According to the annex to Decree No.590 of the Government of the Republic of Kazakhstan “On Amendments to Decree No.1403 of the Government of the Republic of Kazakhstan dated November 5, 2012 “On Approval of the Corporate Governance Code of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” dated July 14, 2023, the Fund’s CGC was set out in a new wording.

Based on this, the Current CGC was approved by the resolution of the General Meeting of Shareholders of the Company dated May 28, 2024 (Minutes No.1/2024, item No.4).

By Decree No.659 of the Government of the Republic of Kazakhstan “On Amendments and Additions to Decree No.1403 of the Government of the Republic of Kazakhstan dated November 5, 2012 “On Approval of the Corporate Governance Code of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” dated August 15, 2024, amendments and additions were made to the Fund’s CGC.

In turn, by the decision of the Fund’s Management Board dated July 3, 2025 (Minutes No.33/25, item No.3), the Fund’s CGC was approved as the corporate governance code of organizations of the Fund’s group; representatives of the Fund on the Board of Directors of KMG were instructed to ensure that the issue of approving the Fund’s CGC as the Code of Corporate Governance of KMG was submitted for consideration by the General Meeting of Shareholders of KMG with declaring the Current CGC void by December 31, 2025.

According to Chapter 1 (4) of the Fund’s CGC, the scope of the Fund’s CGC extends to the Fund and organizations of the Fund’s group. At the same time, for the organizations with other shareholders (participants), the Code is recommended for approval at the General Meeting of Shareholders (Participants).

On September 10, 2025, the Board of Directors of the Company (Minutes No.15/2025, item No.6) decided to convene an extraordinary General Meeting of Shareholders of the Company (hereinafter referred to as the **EGM**) on October 13, 2025, one of the items on the agenda of which is the approval of the new wording of the KMG Corporate Governance Code.

Based on the above, it is proposed to approve the Corporate Governance Code of Joint Stock Company “National Company “KazMunayGas” in a new wording, according to the annex provided to the draft resolution on this issue, and to declare the Current CGC void.

According to Article 36 (2) and Article 50 (1) of the Law on Joint Stock Companies, Article 11 (91) and Article 12 (99) of the Company’s Charter, Chapter 16

(79) of the Regulations on GMS, a qualified majority of votes from the total number of voting shares of the Company participating in the voting is required to decide on this issue. The voting on this issue is carried out according to the principle of “one share – one vote”.

4. Conformity to the laws of the Republic of Kazakhstan

The adoption of a resolution on the submitted issue does not contradict the legislation of the Republic of Kazakhstan.

5. Major problems, risks, possible consequences in case of adopting or failure to adopt the resolution

The adoption of a resolution by the General Meeting of Shareholders of KMG on this issue will not entail any risks.

Failure to adopt a resolution by the General Meeting of Shareholders of KMG on this issue will entail the risk of non-compliance of the provisions of the Current CGC with the provisions of the amended Fund’s CGC.

Secretary

D. Sharipov

**Resolution
of the Extraordinary General Meeting of Shareholders of
NC “KazMunayGas” JSC**

**On Change in the Counting Commission of the General Meeting of
Shareholders of NC “KazMunayGas” JSC**

In compliance with Article 36 (1) (4), Article 46 (1) of Law No.415-II of the Republic of Kazakhstan “On Joint-Stock Companies” dated 13 May 2003, Article 12 98 (5) of the Charter of NC “KazMunayGas” JSC, validated by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 30 May 2023 (Minutes No.2/2023, item No.5), as amended and supplemented by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 28 May 2024 (Minutes No.1/2024, item No.8), Chapter 7 (32) (8) of the Regulation on the General Meeting of Shareholders of the National Company KazMunayGas Joint-Stock Company, validated by the resolution of the person owning all voting shares of KMG, dated December 2, 2022 (Minutes of the meeting of the Samruk-Kazyna JSC's Management Board No.66/22, item No.5),

having reviewed the materials submitted, the General Shareholders’ Meeting of NC “KazMunayGas” JSC

RESOLVED as follows:

1. To terminate the powers of Karsybek Kuan Kayrrollauly, member of the Counting Commission of the General Meeting of Shareholders of NC “KazMunayGas” JSC, ahead of schedule from 12 October 2025.

2.To elect Kalamkas Seidehanovna Akhanova as member of the Counting Commission of the General Meeting of Shareholders of NC “KazMunayGas” JSC from 13 October 2025 for the period until the expiry of its term of office as a whole.

3. To Secretary of the General Meeting of Shareholders of NC “KazMunayGas” JSC D.V. Sharipov to take the necessary measures arising from this resolution in accordance with the established procedure.

Secretary

D. Sharipov

Annex to the draft resolution
of the Extraordinary General
Meeting of Shareholders of
NC “KazMunayGas” JSC
dated ___ October 2025 No. _____

Explanatory note to the item
“On Change in the Counting Committee of the General Meeting of
Shareholders of NC “KazMunayGas” JSC”

Astana

" __ " _____ 2025

1. Purpose and objective

Early termination of the powers of previously elected member and election of new member of the Counting Commission of the General Meeting of Shareholders of NC “KazMunayGas” JSC (hereinafter referred to as the **Company, KMG**).

2. Economic effect

Savings of the Company’s monetary funds that could have been spent if the functions of the counting commission of the General Meeting of Shareholders of KMG had been assigned to the “Central Securities Depository” Joint-Stock Company.

3. Background

By resolutions of the Extraordinary General Meeting of KMG’s Shareholders dated April 6, 2023 (Minutes No.1\2023, item No.2), the Annual General Meeting of KMG’s Shareholders dated May 28, 2024 (Minutes No.1/2024, item No.26), Extraordinary General Meeting of KMG’s Shareholders dated May 5, 2025 (Minutes No.1/2025, item No.2) the number of members (8 people) and the term of office (3 years [from April 6, 2023]) of the Counting Commission of the General Meeting of KMG’s Shareholders (hereinafter referred to as the **Counting Commission**) were determined, and the following members were elected from among KMG’s employees:

Sharipov Damir Valerievich – Chairman of the Counting Commission;
Kuzhekenova Marhabat Bayanovna;
Karsybek Kuan Kayrrollaulu;
Madiyeva Saltanat Askarovna;
Myrzagali Abay Bolatuly;
Tyuleeva Kalbibi Alimzadayevna;
Seksenbayeva Asya Makhambetkaliyevna;
Nechayeva Oksana Nikolaevna.

At the same time, due to objective reasons it became necessary to terminate the powers of the following member of the Counting Commission:

Karsybek Kuan Kayrrollaulu.

In this regard, taking into account that The Counting Commission must consist of 8 persons, it is required to elect one new member of the Counting Commission.

In accordance with Article 36 (1) (4), Article 46 (1) of the Law No.415-II of the Republic of Kazakhstan dated May 13, 2003 “On Joint-Stock Companies” (hereinafter referred to as the **Law on JSC**), Article 12 (98) (5) of the Charter of the National Company KazMunayGas Joint Stock Company, validated by the resolution of the Annual General Meeting of Shareholders of NC KazMunayGas JSC dated 30 May 2023 (Minutes No. 2/2023, item No. 5), as amended and supplemented by the resolution of the Annual

General Meeting of Shareholders of NC KazMunayGas JSC dated 28 May 2024 (Minutes No.1/2024, item No.8), (hereinafter referred to as the **Company's Charter**), Chapter 7 (32) (8) of the Regulation on the General Meeting of Shareholders of the National Company KazMunayGas Joint-Stock Company, validated by the resolution of the person owning all voting shares of KMG, dated December 2, 2022 (minutes of the meeting of the Samruk-Kazyna JSC's Management Board No.66/22, issue No.5), (hereinafter referred to as the **Regulation on the GM**), determination of the number of members and term of office of the counting commission, election of its members and early termination of their powers is within the exclusive competence of the General Meeting of Shareholders of KMG.

The Board of Directors of the Company resolved (Minutes No. 5/2025 dated September 10, 2025, item No.6) to convene an Extraordinary General Meeting of Shareholders of the Company (hereinafter referred to as the **EGM**) on October 13, 2025.

Based on the above, it is proposed that:

to terminate the powers of member of the Counting Commission Karsybek Kuan Kayrrollaully ahead of schedule from the date preceding the date of the extraordinary GM; from the date of the extraordinary GM, to elect an employee of the Finance Department (since it includes the Investor Relations Department) as a member of the Counting Commission for a term until the expiration of its powers as a whole, namely: Kalamkas Seidehanovna Akhanova (leading specialist of the Equity Capital Market Sector of the Investor Relations Department).

The candidate proposed for the Counting Commission are not member of the KMG Management Board and thus meet the requirement stipulated by Article 46 (2) of the Law on JSC and Chapter 12 (60) of the Regulation on the GM that the Counting Commission may not include members of the collegial bodies of a joint-stock company, as well as a person solely exercises the functions of the executive body of a joint-stock company.

In accordance with Article 36 (2) and Article 50 (1) of the Law on JSC, Article 11 (91) and Article 12 (99) of the Company's Charter, Chapter 16 (79) of the Regulation on the GM, voting on this issue requires a simple majority of votes from the total number of KMG voting shares participating in the voting, and voting on this issue is based on the principle of "one share - one vote".

4. Conformity to applicable law of the Republic of Kazakhstan

The adoption of a resolution on the submitted issue does not contradict the legislation of the Republic of Kazakhstan.

5. Main problems, risks, possible consequences in case of adopting or failure to adopt the resolution

The adoption of a resolution on this issue will not entail any risks.

Failure of the General Meeting of Shareholders of KMG to adopt a resolution on this issue will entail the risk of non-compliance with the norms of the current legislation of the Republic of Kazakhstan, with subsequent possible emergence of legal disputes on invalidation of resolutions of the General Meeting of Shareholders of the Company.

Secretary

D. Sharipov

EXTRACT

**from Minutes No.1/2024 of the Annual General Meeting of Shareholders of
“National Company “KazMunayGas” Joint-Stock Company dated 28 May 2024**

Legal address of NC “KazMunayGas” JSC: 8 Dinmukhamed Konayev Str., Yessil District, Astana, 010000, Republic of Kazakhstan.

Place of location of the executive body of NC “KazMunayGas” JSC: 8 Dinmukhamed Konayev Str., Yessil District, Astana, 010000, Republic of Kazakhstan.

Date and venue of the meeting: 28 May 2024, 15:00 hrs (Astana time), Conference Room, Floor 2, n.p. 1, 8 Dinmukhamed Konayev Str., Yessil District, Astana, Z05H9E8, Republic of Kazakhstan.

Form of the meeting: in-person.

It is hereby confirmed that in accordance with Minutes No.1/2024 of the Annual General Meeting of Shareholders of NC “KazMunayGas” JSC dated 28 May 2024 on the sixth agenda item **“On Amendments to the Counting Committee of the General Meeting of Shareholders of NC “KazMunayGas” JSC”**.

In compliance with sub-clause 4) of clause 1 of Article 36, clause 1 of Article 46 of Law No.415-II of the Republic of Kazakhstan “On Joint Stock Companies” dated 13 May 2003 sub-clause 5) of clause 98 of Article 12 of the Charter of “National Company “KazMunayGas” JSC, approved by the resolution of the Annual General Meeting of Shareholders of NC “KazMunayGas” JSC dated 30 May 2023 (Minutes No.2\2023, item No.5), sub-clause 8) of clause 32 of Chapter 7, sub-clause 6) of clause 55 of Chapter 10, clause 60 of Chapter 12 of the Regulations on the General Meeting of Shareholders of NC “KazMunayGas” JSC approved by the resolution of the entity holding all the voting shares of NC “KazMunayGas” JSC dated 2 December 2022 (Minutes No.66/22 of the meeting of the Management Board of JSC “Samruk-Kazyna”, item No.5), following consideration of the submitted materials, the General Meeting of Shareholders of NC “KazMunayGas” JSC RESOLVED:

1. To terminate ahead of schedule the powers of the following members of the Counting Commission of the General Meeting of Shareholders of NC “KazMunayGas” JSC from 27 May 2024:

- 1) Nurdaulet Nurysh;
- 2) Zhansaya Galymzhanovna Togizbayeva.

2. To elect the following persons as members of the Counting Commission of the General Meeting of Shareholders of NC “KazMunayGas” JSC from 28 May 2024, for the period until the expiry of its term of office as a whole:

- 1) Torekhan Manarbekovich Karymsakov;
- 2) Oksana Nikolayevna Nechayeva.

3. To Secretary of the General Meeting of Shareholders of NC “KazMunayGas” JSC D.V. Sharipov to duly take the necessary measures arising from this resolution.

In accordance with paragraph 2 of Article 36 and paragraph 1 of Article 50 of Law №415-II of the Republic of Kazakhstan “On Joint Stock Companies” dated 13 May 2003, clause 91 of Article 11 and clause 99 of Article 12 of the Charter of “National Company “KazMunayGas” Joint-Stock Company, approved by the

resolution of the Annual General Meeting of Shareholders “National Company “KazMunayGas” Joint-Stock Company dated 30 May 2023 (Minutes №2\2023, item №5), the decision making on this issue requires a simple majority of votes of the total number of voting shares of NC “KazMunayGas” JSC participating in the voting. The resolution is adopted by open voting on the principle “one share - one vote”

According to the results of voting **THE RESOLUTION IS ADOPTED unanimously.**

**Corporate Secretary of
NC “KazMunayGas” JSC**

D.V. Sharipov

EXTRACT
from the minutes of the extraordinary General Meeting of Shareholders
Joint Stock Company "National Company "KazMunayGas"
No. 1/2025 dated May 5, 2025

Legal address of NC “KazMunayGas” JSC: Non-residential premise-1, Building 8, Dinmukhamed Konayev Street, Yessil District, Astana, Z05H9E8, Republic of Kazakhstan.

Location of the executive body of NC “KazMunayGas” JSC: Non-residential premise-1, Building 8, Dinmukhamed Konayev Street, Yessil District, Astana, Z05H9E8, Republic of Kazakhstan.

Date, place and time: May 5, 2025, 3:00 p.m. (Astana time), Conference Room, Floor 2, Non-residential premise-1, Building 8, Dinmukhamed Konayev Street, Yessil District, Astana, Z05H9E8, Republic of Kazakhstan.

Mode of delivery: face-to-face meeting.

We hereby confirm that in accordance with the minutes of the extraordinary General Meeting of Shareholders of NC “KazMunayGas” JSC No. 1/2025 dated May 5, 2025 on the second issue of the agenda «**On making changes in the composition of the Counting Commission of the General Meeting of Shareholders of NC “KazMunayGas” JSC**»

in accordance with sub-clause 4) clause 1 of Article 36, clause 1 of Article 46 of the Law No. 415-II of the Republic of Kazakhstan “On Joint Stock Companies” dated May 13, 2003, sub-clause 5) of clause 98 of Article 12 of the Charter of National Company KazMunayGas Joint-Stock Company, approved by the resolution of the Annual General Meeting of Shareholders of NC “KazMunayGas” JSC dated 30 May 2023 (Minutes №2\2023, item No. 5), as amended and supplemented by the resolution of the Annual General Meeting of Shareholders of NC “KazMunayGas” JSC dated 28 May 2024 (Minutes No. 1/2024, item No. 8), sub-clause 8) of clause 32 of Chapter 7 of the Regulations on the General Meeting of Shareholders of the “National Company KazMunayGas” Joint-Stock Company, approved by the resolution of the person owning all voting shares of NC “KazMunayGas” JSC dated December 2, 2022 (Minutes of the meeting of the Board of Samruk-Kazyna JSC No. 66/22, item No. 5), having considered the submitted materials, the General Meeting of Shareholders of NC “KazMunayGas” JSC **RESOLVED:**

1. To early terminate the powers of the following members of the Counting Committee of the General Meeting of Shareholders of NC “KazMunayGas” JSC from May 4, 2025:

- 1) Bayzatov Maksat Talgatovich;
- 2) Torekhan Manarbekovich Karymsakov;
- 3) Knatova Zhibek Ermekovna;
- 4) Turekhanov Serikzhan Aliaskarovich.

2. To elect the following persons to the Counting Committee of the General Meeting of Shareholders of NC “KazMunayGas” JSC as its members from May 5, 2025 for the period until the expiry of its term of office:

- 1) Kuzhekenova Markhabat Bayanovna;
- 2) Karsybek Kuan Kayrollauly;

3) Madieva Saltanat Askarovna;

4) Myrzagali Abay Bolatuly.

3. The Secretary of the General Meeting of Shareholders of NC “KazMunayGas” JSC D.V. Sharipov to take the necessary measures arising from this resolution in accordance with the established procedure.

To resolve on this issue, in accordance with clause 2 of Article 36 and clause 1 of Article 50 of the Law No. 415-II of the Republic of Kazakhstan “On Joint Stock Companies” dated May 13, 2003, clause 91 of Article 11 and clause 99 of Article 12 of the Charter of National Company KazMunayGas Joint-Stock Company, approved by the resolution of the Annual General Meeting of Shareholders of NC “KazMunayGas” JSC dated 30 May 2023 (Minutes №2\2023, item No. 5), as amended and supplemented by the resolution of the Annual General Meeting of Shareholders of NC “KazMunayGas” JSC dated 28 May 2024 (Minutes No. 1/2024, item No. 8), requires a simple majority of votes of the total number of voting shares of NC “KazMunayGas” JSC participating in the voting. The resolution is adopted by open voting on the principle ‘one share - one vote’.

According to the voting results, the **RESOLUTION ADOPTED unanimously**.

Corporate Secretary
NC “KazMunayGas” JSC

D. Sharipov

EXTRACT
from Minutes No.1\2023 of the Extraordinary General Meeting of Shareholders
of “National Company “KazMunayGas” Joint-Stock Company
dated 6 April 2023

Legal address of NC “KazMunayGas” JSC: “B” Block, “Emerald Quarter” Administrative Building, 8 Dinmukhamed Kunayev Str., Yessil District, Astana, 010000, Republic of Kazakhstan.

Place of location of the executive body of NC “KazMunayGas” JSC: “B” Block, “Emerald Quarter” Administrative Building, 8 Dinmukhamed Kunayev Str., Yessil District, Astana, 010000, Republic of Kazakhstan.

Date and venue of the meeting: 6 April 2023, 15:00 hrs (Astana time), Conference Room, Floor 2, “B” Block, “Emerald Quarter” Administrative Building, 8 Dinmukhamed Kunayev Str., Yessil District, Astana, Z05H9E8, Republic of Kazakhstan.

Form of the meeting: in-person.

It is hereby confirmed that in accordance with Minutes No.1\2024 of the Extraordinary General Meeting of Shareholders of NC “KazMunayGas” JSC dated 6 April 2023 on the second agenda item **“On determining the quantitative composition, term of office and election of members of the Counting Committee of the General Meeting of Shareholders of NC “KazMunayGas” JSC”**.

In compliance with clause 1 of Article 46, sub-clause 4) of clause 1 of Article 36, of Law No.415-II of the Republic of Kazakhstan “On Joint Stock Companies” dated 13 May 2003, sub-clause 5) of clause 90 of the Charter of NC “KazMunayGas” JSC, sub-clause 8) of clause 32 of the Regulations on the General Meeting of Shareholders of NC “KazMunayGas” JSC approved by the resolution of the entity holding all the voting shares of NC “KazMunayGas” JSC (Minutes No.66/22 of the meeting of the Management Board of JSC “Samruk-Kazyna” dated 2 December 2022), following consideration of the submitted materials, the General Meeting of Shareholders of NC “KazMunayGas” JSC **RESOLVED:**

1. To determine from 6 April 2023:

1) the number of members of the Counting Commission of the General Meeting of Shareholders of NC “KazMunayGas” JSC as 8 (eight) persons;

2) the term of powers of the Counting Commission of the General Meeting of Shareholders of NC “KazMunayGas” JSC as 3 (three) years.

2. To elect the Counting Commission of the General Meeting of Shareholders of NC “KazMunayGas” JSC from 6 April 2023 as follows:

Damir Valeryevich Sharipov – Chairman of the Counting Commission of the General Meeting of Shareholders of NC “KazMunayGas” JSC;

Zhibek Yermekovna Knatova;

Serikzhan Aliaskarovich Turekhanov;

Maksat Talgatovich Bayzatov;

Nurysh Nurdaulet;

Kalbibibi Alimzadayevna Tuleyeva;

Assya Makhambetkaliyevna Seksenbayeva;

Zhansaya Galymzhanovna Togizbayeva.

3. To Secretary of the General Meeting of Shareholders of NC “KazMunayGas” JSC D.V. Sharipov to duly take the necessary measures arising from this resolution.

In accordance with provisions of the Law of the Republic of Kazakhstan “On Joint Stock Companies” and the Charter of NC “KazMunayGas” JSC, , the decision making on this issue requires a simple majority of votes of the total number of voting shares of NC “KazMunayGas” JSC participating in the voting. The resolution is adopted by open voting on the principle “one share - one vote”

According to the results of voting **THE RESOLUTION IS ADOPTED unanimously.**

**Corporate Secretary of
NC “KazMunayGas” JSC**

D.V. Sharipov