

Approved  
by the resolution of the General Meeting  
of Shareholders of “KazTransOil” JSC  
dated November 25, 2024 (Minutes No. 2/2024)



## Corporate Governance Code of “KazTransOil” Joint-stock Company

### Contents

- Chapter 1. General provisions
- Chapter 2. Government as the Shareholder of the fund
- Chapter 3. Interaction between the fund and organizations. The role of the fund as a national holding company
- Chapter 4. Shareholders’ (participants’) rights and fair treatment of all shareholders (participants)
- Chapter 5. Effectiveness of the Board of Directors and executive body
- Chapter 6. Risk management, internal control, audit, compliance, and Ombudsman
- Chapter 7. Transparency of the fund’s 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 laws of the Republic of Kazakhstan, internal documents of Joint-Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” (hereinafter referred to as the fund), taking into account the corporate governance practices developing in Kazakhstan and worldwide. The provisions of this Code shall be applied subject to the specifics stipulated by the legislation of the Republic of Kazakhstan.

2. The objectives of this Code are improvement of corporate governance in the fund and organizations, ensuring the transparency of governance, confirmation of the commitment of the fund and organizations to follow the standards of good corporate governance.

3. The following basic terms are used in this Code:

- 1) “shareholder (participant)” means a person/entity who/which owns a share;
- 2) “General Meeting of Shareholders (Participants)” means the supreme body of the organization;

3) “Companies” mean national development institutions, national companies, and other legal entities, more than fifty percent of voting shares (participatory interests) of which are owned by the fund on the right of ownership or trust management;

4) “corporate conflict” means disagreement or dispute between: shareholders and the bodies of the fund or organization; bodies of the fund or organization; members of the Board of Directors and the executive body, Head of the Internal Audit Service, Corporate Secretary, Head of the Compliance Service, and Ombudsman;

5) “corporate events” mean events that have a significant impact on the issuer’s activities, affecting the interests of the security holders and investors of the issuer, as defined by Article 102 of the Law of the Republic of Kazakhstan “On the Securities Market” (hereinafter referred to as the Law on the Securities Market);

6) “fund” means the national management holding company;

7) “key performance indicators” (hereinafter referred to as KPIs) mean indicators characterizing the level of performance of the fund or organization that make it possible to assess the effectiveness of their activities as a whole, as well as of the executives of the fund or organization (KPIs have a quantitative value approved as part of the action plan of the fund or organization and corresponding to the results of their activities for the planned and reporting periods);

8) “an official of the fund, organization” means a member of the Board of Directors, or executive body, or a person solely performing the functions of the executive body;

9) “stakeholders” mean individuals, legal entities, groups of individuals or legal entities that influence or are influenced by the activities of the fund and/or organization, their products or services and related actions by virtue of legislation, concluded agreements (contracts) or indirectly (indirectly); this definition does not apply to all those who are familiar with the fund and organization or express an opinion about them; the main representatives of stakeholders are shareholders, employees, customers, suppliers, government agencies, subsidiaries, bondholders, creditors, investors, public organizations, population of the regions in which the fund or organizations operate;

10) “Ombudsman” means a person appointed by the Board of Directors of the fund, whose role is to advise employees of the fund and organizations who have applied to him/ her, assist in resolving labor disputes, conflicts, problematic issues of social and labor nature, as well as compliance with the principles of business ethics by employees of the fund and organizations;

11) “sustainable development” means development in which the fund and organizations manage the impact of their activities on the environment, economy, society and make decisions in a way that respects the interests of stakeholders;

12) “Independent Director” means a member of the Board of Directors who is not an affiliate of the joint stock company and has not been an affiliate of the joint stock company for three years preceding his/her election to the Board of Directors (except for the case of his/her tenure as an Independent Director of the joint stock company); is not affiliated with any affiliates of this joint stock company; is not related by subordination to officials of this joint stock company or organizations - affiliated

persons of this joint stock company and has not been related by subordination to these persons during three years preceding his election to the Board of Directors; is not a civil servant; is not a shareholder's representative at meetings of the Company's bodies and has not been such a representative for three years preceding 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 organization, and has not participated in such audit within three years preceding his election to the Board of Directors, and meets other requirements established by the laws of the Republic of Kazakhstan;

13) "organizations" mean legal entities, more than fifty percent of voting shares (participatory interests) of which are owned directly or indirectly by the fund on the right of ownership or trust management;

14) "holding company" means a company that directly or indirectly owns shares (participatory interests) in other organizations and has the ability to influence decisions made by these organizations;

15) "action plan" means a document defining the main activities and key performance indicators of the fund or organization for a five-year period, approved by the Board of Directors.

4. The scope of this Code applies to the fund and organizations within the fund's group. For organizations with other shareholders (participants), the Code is recommended for approval at the General Meeting of Shareholders (participants). Holding companies shall ensure that this Code is implemented in their group.

5. Organizations shall follow the provisions of this Code to the extent not contradicting 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 Joint Stock Companies), "On the Sovereign Welfare Fund" (hereinafter referred to as the Law on the Fund), and other laws of the Republic of Kazakhstan.

6. The Fund and Organizations comply with the provisions of this Code and, in case of non-compliance, provide explanations on the reasons for non-compliance with each of the provisions in the annual report. If the noncompliance with the Code provisions has a duration of more than six months, the organization notifies the fund and provides an appropriate explanation of the reasons. Control over implementation of this Code by the fund and organizations is vested in the boards of directors of the fund and the organizations, respectively. The Corporate Secretaries monitor and advise the boards of directors and the executive body of the fund and organizations on the proper compliance with this Code and prepare a report on compliance/noncompliance with its principles and provisions on an annual basis. Subsequently, this report is submitted to the appropriate committees of the Board of Directors, approved by the Board of Directors and included in the annual report of the fund or organization.

7. Documents and processes of the Fund and Organizations must 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 relevant committees and boards of directors with

appropriate decisions aimed at further improvement of corporate governance in the fund and organizations.

9. The norms of this Code are subject to revision taking into account changes in the legislation of the Republic of Kazakhstan, Kazakhstan and international corporate governance practice and standards.

## **Chapter 2. Government as the Shareholder of the fund**

10. The Government of the Republic of Kazakhstan being the sole shareholder of the Fund (hereinafter referred to as the Government) distinguishes between its authority as the sole shareholder of the fund and its authority related to government regulation.

The Government is involved in the management of the fund and organizations exclusively by exercising the powers of the sole shareholder of the fund, as provided for in the Law on the Fund and the Charter of the fund, and by representation on the Board of Directors of the fund. The main principles and issues of interaction between the Government and the fund are regulated in the Interaction Agreement. With regard to the Government as a shareholder, the principles of Chapter 3. “Shareholders’ (participants’) rights and fair treatment of all shareholders (participants)” of this Code shall apply in the part that does not contradict the Law on the Fund.

11. Relationships (interaction) between the Government and the fund, organizations are carried out through the Board of Directors of the fund in accordance with the principles of good corporate governance.

12. The Management Board of the fund, the Chairman of the Management Board of the fund, and the bodies of the organizations are fully independent and autonomous when making decisions and taking any actions within their competence.

In case of interference by state bodies in the operational (current) activities of the organizations, not provided for by the laws of the Republic of Kazakhstan, the organizations immediately inform the fund about such a circumstance

The fund periodically brings such information to the attention of the Board of Directors, which, if necessary, submits proposals to the Government, as the sole shareholder, to prevent such cases from occurring.

13. In case of setting in the drafts of state program documents, action plans and normative legal acts of target indicators, measures and / or other provisions that affect the activities of the fund and / or organizations, then such drafts are forwarded by the state body-developer to receive, within the timeframe provided by the Regulations of the Government of the Republic of Kazakhstan, a written position of the fund, which is attached to the draft when it is submitted to the Government.

14. When the Government (Prime Minister) or state bodies establish consultative and advisory bodies or working groups to consider issues related to the activities of the fund and/or organizations, representatives of the fund and/or organizations shall be included in the working group by agreement with the fund.

15. The fund discloses to the Government as a shareholder and to the Board of Directors of the fund all necessary information on the fund's activities in accordance with the legislative acts of the Republic of Kazakhstan, the Charter of the fund, the Interaction Agreement, and ensures transparency of activities of the fund and organizations.

Depending on the issue, the Government shall hear organizations on their activities exclusively by inviting their representatives to the Board of Directors of the fund.

At least once a quarter, the fund's Management Board reports by submitting for consideration by the Board of Directors the consolidated results of activities of the fund with organizations, more than fifty percent of voting shares (participatory interests) of which are owned by the fund on the right of ownership or trust management. The list of information submitted to the fund's Board of Directors is governed by the Interaction Agreement, the Regulations on the fund's Board of Directors, the fund's internal documents, and resolutions of the fund's Board of Directors.

The fund provides reporting to state authorities in case it is directly provided for by the laws of the Republic of Kazakhstan, decrees of the President of the Republic of Kazakhstan or the Government, and/or the Rules for posting reports required by state authorities on the fund's Internet resource, as well as the list, forms and frequency of posting reports approved by the central authorized body for state planning.

16. Investment activities of the fund or organization are carried out based on market principles in accordance with the development plan of the fund or organization and are aimed at increasing the value and optimal structure of assets

17. Distribution of net income to the Government as the sole shareholder is made in the form of dividends based on a formalized and transparent dividend policy.

18. Cases of implementation of low-profit and socially significant projects by the fund or organization should be disclosed in the annual report of the fund or organization with indication of the sources of financing of such projects.

19. By resolution of the sole shareholder and in the procedure determined by it, the fund annually allocates funds to the non-profit organization represented by the "Kazakhstan Khalkyna" public fund in the amount of not less than seven percent of the net income of the fund

### **Chapter 3. Interaction between the fund and organizations. The role of the fund as a national holding company**

20. The fund as a national management holding fulfills the role of a strategic holding in relation to its companies. Corporate governance is based on efficiency, responsiveness and transparency

21. The fund and companies should have an optimal asset structure. The fund and companies should strive to simplify the structure of their assets and their organizational and legal forms as much as possible.

Organizations carry out their activities within the framework of their main (core) activities. Implementation of new types of activities is allowed provided that there is no competition in this market, or participation of the fund and organizations will contribute to the development of small and medium-sized businesses

22. The corporate governance system of the fund and organizations is a set of processes that ensure management and control over the activities of the fund and organizations, as well as a system of relationships between the executive body, the Board of Directors, shareholders and stakeholders, and is aimed at the growth of long-term value and sustainable development. The Board of Directors periodically considers issues of improving efficiency of the above system of relationships. The competence of the bodies and the decision-making procedure are clearly defined and enshrined in the Charter.

The corporate governance system provides for relationships between:

- 1) shareholders (participants);
- 2) the Board of Directors (Supervisory Board);
- 3) executive body;
- 4) stakeholders;
- 5) other bodies determined in accordance with the Charter.

The corporate governance system should ensure, inter alia, the following:

- 1) adherence to the hierarchy of issues and decision-making procedures;
- 2) clear delineation of authority and responsibility between bodies, officials and employees;
- 3) timely and quality decision-making by the bodies of the fund and organizations;
- 4) efficiency of processes in the activities of the fund and organizations;
- 5) compliance with legislation, this Code and internal documents of the fund and organizations.

23. The fund and the organizations have approved regulations on the bodies and structural units, as well as job descriptions for the respective positions. Compliance with the provisions of these documents ensures systematic and consistent corporate governance processes.

24. The fund participates in the management of the companies by exercising the functions of a shareholder (participant), as well as through the Board of Directors in the manner prescribed by the charters of the companies and this Code.

Boards of Directors of companies have full autonomy in decision-making within their competence established by the Charter of the companies.

The fund's position on certain issues is communicated through the fund's representatives on the company's Board of Directors.

25. The fund, in accordance with the Law on the Fund, forms a unified policy for companies and approves methodological recommendations and corporate standards for organizations. Such areas include management of human resources, information technologies, investments, innovations, risk management, corporate governance, planning, economics and finance, and others. Holding companies may adopt a single

policy for their group for areas not covered by the fund's corporate standards or supplementing/detailing the fund's policies and corporate standards.

The decision to apply the corporate standards approved by the Fund in the field of internal audit and internal control system in the organization is made by the Board of Directors of the organization, considering the compliance of these standards with the specifics of the organization's activities.

26. The executive bodies of the fund and the companies interact in a spirit of cooperation to ensure that the development plans of the companies sent to the boards of directors of the companies for approval are sufficiently ambitious and realistic, and that they are consistent with the development plan and action plan of the fund. The executive body of the fund maintains an ongoing dialog with the company's executive body on issues of strategy and sustainable development. At the same time, the fund does not allow interference in the operational (current) activities of the company, for which the executive body of the company is responsible, unless there are circumstances that entail non-fulfillment of the KPIs established in the development plan.

27. It is recommended to ensure an optimal asset structure for the fund organizations. In a holding company, the parent company may be established in the form of a joint stock company. It is preferably recommended to establish other organizations in the organizational-legal form of a limited liability partnership. In organizations already established in the form of a joint stock company, it is recommended to consider the possibility of reorganization in the form of a limited liability partnership, taking into account economic, legal and other aspects and ensuring the interests of the fund group.

Establishment of new organizations in the form of a joint stock company is allowed in exceptional cases, such as the planned further sale of the organization's shares on the stock market.

When establishing an organization in the form of a limited liability partnership, the participants independently decide on the necessity of establishing supervisory boards and the expediency of electing independent members to it, depending on the scale and specifics of the activities of the organization to be established.

Asset portfolio management, including the determination of the shareholding when acquiring new assets and/or selling shares of organizations, is carried out in accordance with the strategic objectives established in the fund's development plan and the fund's investment policy approved by the Board of Directors of the fund.

28. Distribution of net profit and payment of dividends by companies, more than fifty percent of shares (participatory interests) of which are owned by the fund on the right of ownership or trust management is carried out in compliance with the dividend policy of the fund.

In order to effectively distribute the profits received, the organization has established a clear and transparent mechanism for determining the amount and payment of dividends.

29. Management of organizations is carried out by the bodies of organizations in accordance with the competence and procedure determined by the Charter of the

organization. This principle also applies to organizations with several shareholders (participants).

30. Management of the asset portfolio and the package of shares (participatory interests) in the fund organizations is determined within the framework of the fund development plan

Issues related to the development and implementation of the development plan are considered at intervals determined by the Board of Directors, but at least once a year, exclusively at in-person meetings of the Board of Directors. The Board of Directors implements a system of early identification and timely response to changes in domestic and external market conditions, force majeure situations

Bodies, officials and employees of the fund and organizations act and make decisions in accordance with the development plan and the charter. The development plan is a long-term document defining the vision, mission, goals, objectives, strategic directions and key performance indicators for a ten-year period.

31. The development plan of a holding company should contain goals, objectives and directions of development of the organizations included in its group. Holding group organizations whose shares are already listed on stock exchanges, as well as holding group organizations established in the form of joint ventures, adopt individual development plans. In the above organizations, the provisions of the organizations' charters and consultations with other shareholders (participants) should be used to develop a development plan.

As part of the development plan, the Board of Directors determines long-term goals that must meet the following criteria: specific, measurable, achievable, relevant, and with a set timeframe for achievement. The assessment of achievement of the strategic objectives is determined through long-term KPIs. It is recommended that individual areas of activity (e.g. investment, innovation, information technology, human resource management) be included in the development plan.

32. In the process of development and monitoring of the development plan implementation, the Board of Directors and the executive body hold strategic sessions during which the main activities, tasks, problematic issues, risks, and corrective measures are discussed.

Key stakeholders, such as major shareholders, key business partners, and interested government agencies are consulted in the development of the development plan.

The development plan provides goals, objectives and indicators in terms of sustainable development.

33. The fund, organizations and their officials are responsible for the growth of long-term value and sustainable development of the fund and organizations, respectively, and decisions made and actions/inactions taken in accordance with the procedure established by the legislation of the Republic of Kazakhstan and internal documents.

The main element in assessing the performance of the fund and organizations, and the executive body is the KPI system. The fund, through its representatives in the Board



of Directors, sends its KPI expectations to the companies. The list and target values of the company's KPIs are approved by the Board of Directors of the company.

In order to achieve KPIs, companies develop appropriate development plans.

34. The achievement of KPIs of the fund and organizations against the approved development plan is assessed on an annual basis. This assessment affects the remuneration of the CEO and members of the executive bodies, is considered in their re-election, and is also the basis for their early dismissal.

In order to assess the achievement of the goals and objectives set out in the development plan, companies are set KPIs through the following processes:

1) the fund sends its expectations of the companies' target KPIs for the planning period to its representatives on the Boards of Directors, which they submit for consideration to the companies' Boards of Directors;

2) based on the results of review and discussion, the Board of Directors of a company approves the list and target values of KPIs, which are communicated to the executive body of the company to develop appropriate development plans;

3) in order to achieve the approved KPIs, the company develops a development plan for a five-year period in accordance with the procedure determined by the relevant documents of the fund;

4) the company's draft development plan, after receiving the approval of the company's executive body, is entered into the fund's information system for planning, monitoring and evaluation of activities and is sent to the company's Board of Directors for review and approval;

5) the company's development plan is approved by the company's Board of Directors and then the approved version of the development plan is also entered into the fund's information system for planning, monitoring and evaluation of activities.

Adjustment of company development plans after their initial approval is allowed in accordance with the procedure determined by the relevant documents of the fund. A draft company development plan and a draft adjustment to an approved company development plan shall not be coordinated by the fund.

35. The executive body of a company monitors the implementation of the development plan and the company's KPIs; the monitoring results and reports on implementation of the development plan are entered into the fund's information system for planning, monitoring and performance evaluation in accordance with the procedure determined by the relevant documents of the fund.

36. The Board of Directors of a holding company ensures management efficiency, long-term value growth and sustainability in all legal entities within its group. The results of effective management in the holding company group are improved operational efficiency, better reporting, improved standards of corporate culture and ethics, greater openness and transparency, risk mitigation, and a proper internal control system.

Holding companies implement, maintain and continuously improve management systems within their group.

The Board of Directors of the holding company is the body responsible to the shareholders for the effective management and functioning of the entire group and makes decisions related to the management of the group.

37. The corporate governance system in the holding company should ensure the following:

- 1) clear management system in the group, delineated authority and decisionmaking, no duplication of functions and processes;
- 2) unified standards, policies and processes, including in terms of defining unified approaches to planning, monitoring and control, performance evaluation and application of corrective actions;
- 3) access to quality information regarding the group's activities;
- 4) proper management of the group risks;
- 5) ensuring compliance with the requirements established by the legislation of the Republic of Kazakhstan and documents of the fund and the holding company; 6) coordination of stakeholder engagement.

38. Other possible mechanisms for managing the holding company group include centralization of certain functions (planning, treasury, accounting, information technology, legal support, internal audit, etc.).

The holding company should ensure a balance between the management exercised by the holding company in the group and the granting of autonomy in operational decision-making to organizations to carry out their activities.

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

39. Respect for the rights of shareholders (participants) is a key condition for attracting investments in the fund and organizations. The organization should ensure that the rights of shareholders (participants) are realized.

40. The rights, obligations and competence of shareholders (participants) are determined in accordance with the current legislation, constituent documents and are fixed in them. The rights of shareholders (participants) include, but are not limited to, timely receipt of information sufficient for decision-making in accordance with the procedure established by the legislation of the Republic of Kazakhstan, the Charter and internal documents of the organization in the field of information disclosure; participation at the General Meeting of Shareholders (Participants) and voting on issues within its competence; participation in determining the number of members, term of office of the Board of Directors (Supervisory Board and executive body), election of its members and termination of their powers, as well as determining the amount and terms of remuneration payment; and receiving dividends in the amounts and within the terms determined by the decision of the General Meeting of Shareholders (Participants) on the basis of a clear and transparent dividend policy.

41. A shareholder (participant) has an opportunity to obtain information about the organization necessary for making a relevant decision, with account of the requirements of confidentiality and disclosure of information of the organization. Disclosure of information about the organization's activities should facilitate the adoption of an informed decision on participation in the charter capital of the organization by investors or withdrawal from the structure of shareholders (participants) of the organization.

42. The organization brings to the attention of its shareholders (participants) information on its activities affecting the interests of shareholders (participants) in the manner prescribed by the legislation of the Republic of Kazakhstan, the Charter, as well as other internal documents of the organization. The procedure and channels of information disclosure to shareholders (participants) are defined in the Information Policy or other document regulating the issues of information disclosure about the organization. Organizations whose shares are listed on a stock exchange additionally disclose information in accordance with the listing rules.

The organization should disclose to shareholders (participants) and investors information on any forms and terms of cooperation, agreements, partnership with the Government and state bodies.

43. Shareholders (participants) exercise their rights to participate in the management of the organization by attending General Meetings of Shareholders (Participants). General Meetings of Shareholders (Participants) are divided into annual and extraordinary meetings.

Organizations with a single shareholder (participant) do not hold a General Meeting of Shareholders (Participants). Decisions on issues referred by the legislation of the Republic of Kazakhstan and the Charter of the organization to the competence of the General Meeting of Shareholders shall be made by such shareholder alone and shall be executed in writing.

44. A shareholder (participant) holds meetings with the Board of Directors and executive body (Supervisory Board and/or executive body) (hereinafter referred to as Hearing of the Board of Directors) to summarize the results of the year's activities and make decisions on issues within its competence. A shareholder (participant) also holds regular meetings with the Chairman of the Board of Directors (Supervisory Board and/or executive body) throughout the year to discuss the organization's activities within its competence.

The date and time of the General Meeting of Shareholders (Participants) shall be set in such a way that the largest number of persons entitled to participate in the meeting, or all persons in respect of issues requiring unanimous decision-making, can participate in the meeting.

45. Information and materials provided to shareholders (participants) prior to the General Meeting of Shareholders (Participants)/Hearing of the Board of Directors, as well as the procedure for its provision, ensure the fullest possible understanding of the essence of the issues under discussion with an exhaustive list of precisely formulated issues to be discussed, the risks associated with the adoption (nonadoption) of a

decision, getting answers to the questions of interest and the possibility of making informed decisions on the agenda items.

Agenda items are as clear as possible and exclude the possibility of different interpretations. Items with the wording “miscellaneous”, “other”, “others”, etc. are excluded from the agenda. At the General Meeting of Shareholders (Participants), the organization should propose a separate resolution on each separate issue. The rights of shareholders to make proposals to the agenda of the General Meeting of Shareholders (Participants) in accordance with the established procedure, as well as to demand convening an extraordinary General Meeting of Shareholders (Participants) are easily exercised if they are clearly justified.

46. During the period of preparation for the General Meeting of Shareholders (Participants)/Hearing of the Board of Directors, the organization should create the necessary organizational and technical conditions to enable shareholders (participants) to ask questions on the agenda and materials. The organization establishes the powers of officers, the Corporate Secretary or a person performing his/ her functions, and employees of the organization to interact with shareholders (participants) and investors, as well as the procedure for providing responses to their requests.

47. The Corporate Secretary or a person performing his/her functions shall monitor incoming questions from shareholders (participants) and provide answers regarding the procedure of holding the General Meeting of Shareholders (Participants), explain the provisions of the legislation of the Republic of Kazakhstan and documents of the organization regarding the procedure of participation and voting at the General Meeting of Shareholders (Participants), as well as on other issues, if such is defined in the internal documents of the organization.

48. In organizations whose shares are listed on a stock exchange, it is recommended to create special investor relations departments to maintain communication with investors and ensure timely and high-quality answers to shareholders' questions.

49. In order to simultaneously provide information to all shareholders (participants) about the organization's activities to ensure equal treatment, shareholders (participants) publish information on the Internet resource of the financial statements depositary

Disclosure requirements should not impose unnecessary administrative burdens or unreasonable costs on the organization.

50. It is recommended that the relevant materials on the agenda of the General Meeting of Shareholders (Participants), taking into account the protection of confidential information, be posted on the organization's Internet resource with the contact information of the persons responsible for interaction with shareholders (participants) and investors (phone number, e-mail address).

The voting process at the General Meeting of Shareholders (Participants) is as simple and convenient as possible for a shareholder (participant) using all possible voting methods, with account of the provisions of the organization's Charter.

51. The procedure for holding the General Meeting of Shareholders (Participants) ensures that all shareholders (participants) have an equal opportunity to exercise their rights to participate in the General Meeting of Shareholders (Participants). A shareholder (participant) may vote at the General Meeting of Shareholders (Participants) held in person in personal presence or without personal presence (by proxy issued by the shareholder (participant) to its representative).

A power of attorney for participation in the General Meeting of Shareholders (Participants) and voting on the issues under consideration is not required for a person who has the right to act without a power of attorney on behalf of a shareholder or represent its interests in accordance with the laws of the Republic of Kazakhstan or a contract.

52. The organization develops rules of procedure for the General Meeting of Shareholders (Participants), which defines the procedure for holding the General Meeting of Shareholders (Participants), providing for proper discussion of agenda items and decision-making, speeches of officials and other issues

Significance of the General Meeting of Shareholders (Participants) of the organization implies mandatory participation (in case of invitation) of all officials involved in the management of the organization.

The registration time should be sufficient for all shareholders (their representatives) to register, and shareholders who have not been registered shall not be taken into account in determining the quorum and may not take part in voting.

The procedure for collecting and counting votes is as simple and transparent as possible, and shareholders should be confident that there is no possibility of any distortion of the voting results. The organization should ensure that votes are cast and recorded properly.

53. The Chairman of the General Meeting of Shareholders (Participants) shall endeavor to ensure that the shareholders (participants) receive answers to the questions directly during the meeting. If the complexity of the questions does not allow answering them immediately, the person(s) to whom they are asked shall provide written answers to the questions as soon as possible after the conclusion of the General Meeting of Shareholders (Participants).

54. Where institutional investors acquire shares (participatory interests) in organizations, in order to ensure the stability and sustainability of the organizations, institutional investors acting as a fiduciary should disclose their corporate governance policies and regulations for their investment activities, including the current decisionmaking procedures of the investor company.

Institutional investors acting in a fiduciary capacity should disclose how they address material conflicts of interest that could affect ownership rights with respect to investments they have made.

Institutional investor means a legal entity that attracts funds for the purpose of investment in accordance with the legislation of the Republic of Kazakhstan, for example, large financial organizations that accumulate free funds of the population,

companies or enterprises for subsequent investment in various financial instruments (insurance and pension funds, investment companies).

55. The organizations have a transparent procedure for election and remuneration of the Board of Directors (Supervisory Board and/or executive body) approved by the General Meeting of Shareholders (sole shareholder)/Participants (sole participant).

56. Shareholders (participants) have access to information on the terms and procedure of dividend payment, and are provided with reliable information on the financial position of the organization when paying dividends. To this end, the General Meeting of Shareholders (sole shareholder)/Participants (sole participant) approves a dividend policy with access for all shareholders/participants. A holding company develops a unified dividend policy for the group, taking into account the specifics of the presence of organizations with several shareholders/participants in the group structure. Organizations with several shareholders (participants) adopt a different dividend policy, which is approved by the General Meeting of Shareholders (Participants).

57. If the organization has several shareholders (participants), including minority shareholders (participants), the corporate governance system should ensure fair treatment of all shareholders (participants) and implementation of their rights, which should be enshrined in the organization's Charter.

Ensuring equal and fair treatment of all shareholders (participants) affects the reputation of the organization, its investment attractiveness and contributes to the growth of the organization's value

The order and procedures for holding General Meetings of Shareholders (Participants) should ensure equal treatment of all shareholders (participants). Corporate procedures should not unreasonably complicate or burden the voting procedure with costs.

If the organization has a shareholder (participant) who owns fifty or more percent of voting shares (participatory interests) or who has the right to determine decisions by virtue of agreements concluded with the organization and/or other shareholders (participants), redistribution of financial resources in favor of such shareholder (participant) should be carried out through dividend payments. If there are other mechanisms for redistribution of the organization's funds in favor of a shareholder (participant) who owns fifty or more percent of voting shares (participatory interests), they are fixed in the organization's documents and disclosed to all shareholders.

## **Chapter 5. Effectiveness of the Board of Directors and executive body**

58. The Board of Directors is a management body reporting to the General Meeting of Shareholders, providing strategic direction of the organization and control over the activities of the executive body, as well as implementation of all provisions of this Code.

The executive body reports to the Board of Directors, manages the daily operations of the organization and ensures its compliance with the development plan, action plan and decisions made by the General Meeting of Shareholders and the Board of Directors.

The Board of Directors and the executive body interact in a spirit of cooperation, act in the best interests of the organization and make decisions based on the principles of sustainable development and fair treatment of all shareholders.

The Board of Directors and the executive body ensure the growth of long-term value and sustainable development of the fund or organization.

59. The Board of Directors is vested with powers sufficient to manage the organization and control the activities of the executive body, performs its functions in accordance with the Charter and pays special attention to the following issues:

- 1) defining the development plan and integration of ESG objectives (directions and results);
- 2) setting and monitoring of key performance indicators of the action plan;
- 3) organization and supervision over the effective functioning of the risk management and internal control system;
- 4) approving and monitoring the effective implementation of major investment projects and other key strategic projects within the competence of the Board of Directors;
- 5) election, remuneration, succession planning and oversight of the CEO and members of the executive body;
- 6) corporate governance and ethics;
- 7) compliance of the organization with the provisions of this Code and corporate standards of the fund.

60. Members of the Board of Directors duly perform their duties and ensure the growth of long-term value and sustainable development of the organization. The Board of Directors of the organization is accountable to the shareholders. This accountability is realized through the mechanism of the General Meeting of Shareholders.

Members of the Board of Directors perform their functional duties and adhere to the following principles in their activities:

- 1) act within the limits of their authority - members of the Board of Directors make decisions and act within the limits of their authority set forth in the Charter;
- 2) devote sufficient time to attend and prepare for meetings of the Board of Directors, its committees - it is not allowed for a member of the Board of Directors to simultaneously hold the position of a member of the Board of Directors in more than four legal entities, simultaneous holding of the position of the Chairman of the Board of Directors is allowed only in two legal entities (holding of positions in other legal entities by a member of the Board of Directors is allowed after obtaining the approval of the Board of Directors);
- 3) contribute to the growth of long-term value and sustainable development of the organization - members of the Board of Directors act in the best interests of the organization, taking into account fair treatment of all shareholders and the principles of sustainable development; the impact of decisions and actions of members of the

Board of Directors can be determined through the following questions: what are the consequences of the decision/action in the long-term period; what is the impact of the organization's activities on society and the environment; whether all shareholders will be treated fairly; impact on the organization's reputation and high standards of business ethics; impact on stakeholder interests (this list of issues is the minimum necessary, but not exhaustive);

4) maintain high standards of business ethics - members of the Board of Directors in their actions, decisions and conduct comply with high standards of business ethics and are an example (model) for employees of the fund and the organization;

5) prevent conflicts of interest - a member of the Board of Directors does not allow situations in which his/her personal interest may affect the proper performance of his/her duties as a member of the Board of Directors.; in case of situations with conflicts of interest that affect or will potentially affect impartial decision-making, members of the Board of Directors shall notify the Chairman of the Board of Directors in advance and shall not participate in the discussion and adoption of such decisions; this requirement also applies to other actions of a member of the Board of Directors that directly or indirectly affect the proper performance of the duties of a member of the Board of Directors (e.g., participation of a member of the Board of Directors in the activities of other legal entities, acquisition of shares/participation interests and other property from partners and competitors, access to information and opportunities);

6) act with due reasonableness, skill and prudence - members of the Board of Directors are recommended to continuously improve their knowledge of the competencies of the Board of Directors and the performance of their duties in the Board of Directors and committees including areas such as legislation, corporate governance, risk management, finance and audit, sustainability, industry and organization-specific knowledge; in order to understand current issues of the organization's activities, members of the Board of Directors regularly visit the organization's key facilities and hold meetings with employees.

61. Members of the Board of Directors are personally responsible for the fulfillment of their duties as a member of the Board of Directors, including fiduciary duties to the shareholder (shareholders) and decisions made, effectiveness of their activities, action and/or inaction. If there are different opinions, the Chairman of the Board of Directors ensures that all acceptable options and suggestions made by individual members of the Board of Directors are considered in order to make a decision that is in the best interests of the organization.

62. The Board of Directors is accountable to the shareholders for the performance of the organization. At the Annual General Meeting of Shareholders (Hearing), the Chairman of the Board of Directors provides the shareholders (participants) with a report of the Board of Directors, which reflects the results of the activities of the Board of Directors and its Committees for the reporting period, measures taken by the Board of Directors to increase long-term value and sustainable development of the organization, major risk factors, significant events, issues considered, number of



meetings, form of meetings, attendance, as well as other important information - the report of the Board of Directors is included in the annual report of the organization.

The Board of Directors shall report annually to shareholders on compliance with the provisions of this Code.

Additionally, major shareholders (the sole shareholder) hold meetings with the Chairman and members of the Board of Directors to discuss the development plan, election of the head of the executive body and other aspects that affect the growth of long-term value and sustainable development of the organization. Such meetings are planned in advance and held in accordance with the approved procedures.

63. The Board of Directors and its committees have a balance of skills, experience and knowledge to ensure that independent, objective and effective decisions are made in the best interests of the organization and that all shareholders are treated fairly.

64. In the Board of Directors, it is recommended to ensure sufficient diversity in terms of personal characteristics, age and gender to enhance long-term value in line with ESG principles.

The recommended number of women on the Board of Directors of organizations is at least thirty percent of the total number of members of the Board of Directors.

65. The Board of Directors consists of independent directors in sufficient number to ensure independence of decision-making and fair treatment of all shareholders. The recommended number of independent directors in the company's Board of Directors is up to fifty percent of the total number of members of the Board of Directors.

66. It is recommended that the Board of Directors elect a senior independent director from among the 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 supporting him in communicating the goals he defines;
- 2) evaluation of the performance of the Chairman of the Board of Directors;
- 3) succession planning for the Chairman of the Board of Directors;
- 4) in case of disagreements between shareholders, the executive body, the Chairman of the Board of Directors and other directors, acting as a mediator in resolving the disagreements.

67. The General Meeting of Shareholders elects members of the Board of Directors based on clear and transparent procedures, taking into account the competencies, skills, achievements, business reputation and professional experience of the candidates. When re-electing individual members of the Board of Directors or its entire membership for a new term, their contribution to the effectiveness of the Board of Directors of the organization is taken into account.

68. In companies where all voting shares are owned by the fund, the following specifics exist with respect to the process for electing members of the Board of Directors:

- 1) the Chairman of the Board of Directors is elected by the resolution of the sole shareholder;

2) the process of searching for and selecting candidates to the Board of Directors is carried out by the fund jointly with the Chairman of the Board of Directors and the Chairman of the Nominations and Remuneration Committee of the company's Board of Directors.

69. The term of office of members of the Board of Directors coincides with the term of office of the entire Board of Directors and expires when the General Meeting of Shareholders decides to elect a new Board of Directors.

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

Any term of election to the Board of Directors for more than six consecutive years (e.g., two three-year terms) is subject to special consideration, taking into account the need to qualitatively renew the Board of Directors.

An Independent Director may not be elected to the Board of Directors for more than nine consecutive years. In exceptional cases, election for a period of up to nine years is allowed. The election of an Independent Director to the Board of Directors should take place annually, with a detailed explanation of the need to elect this member of the Board of Directors and the impact of this factor on the independence of decision making.

No person shall participate in making decisions relating to his or her own appointment, election or re-election.

70. The Board of Directors should include individuals with the knowledge, skills and experience necessary for the Board of Directors to perform its functions and ensure the growth of long-term value and sustainable development of the organization, as well as with an impeccable business and personal reputation.

71. When selecting candidates to the Board of Directors, the following shall be taken into account:

- 1) management experience;
- 2) experience as a member of the Board of Directors;
- 3) years of service;
- 4) education, specialty, including international certificates;
- 5) availability of competencies in areas and industries (industries may vary depending on the asset portfolio);
- 6) business reputation;
- 7) a direct or potential conflict of interest in case of election to the Board of Directors of the organization.

72. The size of the Board of Directors is set individually, considering the scale of operations, business needs, current tasks, development plan and financial capabilities. The number of members of the Board of Directors should allow for the creation of the necessary number of committees. In companies, the number of members of the Board of Directors ranges from 7 to 11 people.

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, and the head of the executive body), ensuring that decisions are made in the best interests of the organization and with due regard to fair treatment of shareholders.

A transparent process for selecting members of the Board of Directors is ensured, involving the fund's Board of Directors (in relation to company Boards of Directors) and the organization. The search for and election of candidates is carried out based on objective criteria and with account of the need for diversity in the composition of the Board of Directors.

The search and selection process are conducted prior to the expiration of the full term of office of the entire Board of Directors and the terms of office of individual members

74. The issue of election of the entire Board of Directors or individual members may be initiated in accordance with the established procedure by a major shareholder (participant) or the Nominations and Remuneration Committee through the Board of Directors of the organization.

Example of competencies of the Board of Directors' members by areas and industries

Criterion	Necessary knowledge	Director X	Director Y
Competency	Strategy		
	Risks and audit		
	Law		
	Corporate Governance		
	Investments		
	Economics and finance		
	Human Resource Management		
	Innovations		
Industry	Telecommunications		
	Oil and gas		
	Energy sector		
	Transportation		
	Mining metallurgy		
	Mechanical engineering		
	Property		

75. In companies where the fund owns 100% shares, there is the following process for the search and election of a member of the Board of Directors:

1) the fund, together with the Chairman of the Company's Board of Directors and the Chairman of the Nominations and Remuneration Committee of the Company's Board of Directors, prepares and plans - it analyzes and defines the set of required competencies and skills in the Board of Directors, taking into account the Company's objectives;

2) determines the candidate search channel - independently or with the involvement of a recruiting organization;

3) carries out candidate search;

4) selects candidates: assessment, interviews and preparation of candidate proposals (candidates to the Board of Directors of companies are discussed with at least one member of the Nominations and Remuneration Committee of the Fund's Board of Directors);

5) decision making by the sole shareholder;

6) publication of information on the company's website, press release. Holding companies use a similar process within 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 determined by the Law on Joint-Stock Companies and the Charter of the organization.

It is recommended that organizations establish the Nominations and Remuneration Committee of the Board of Directors of the organization to determine the composition, required skills and competencies of the Board of Directors and candidates to the Board of Directors.

76. Independent Directors are elected to the Board of Directors. An Independent Director is a person who has sufficient professionalism and autonomy to make independent and objective decisions free from the influence of individual shareholders, the executive body and other stakeholders

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

1) is or has been an employee of the company or its group for the last three years;

2) has, or has had within the last three years, material business relationship with the company directly or as a partner, shareholder, director or general manager of the body, or maintains such a relationship with the company;

3) has received or is receiving additional remuneration from the company over and above director's remuneration, is participating in a company share option or performance-related payment scheme, or is a member of a company pension scheme;

4) holds membership on Boards of Directors or has connections with other directors through participation in other companies or bodies;

5) represents a major shareholder;

6) has served on the Board of Directors for more than nine years since their initial appointment.

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

78. Independent Directors should actively participate in the discussion of issues where a conflict of interest may arise (preparation of financial and non-financial reports, conclusion of related-party transactions, nomination of candidates to the executive body, setting remuneration for members of the executive body). Independent Directors are elected to chair key committees of the Board of Directors - audit, nominations and remuneration committees.

The Independent Director shall monitor possible loss of independence status and notify the Chairman of the Board of Directors in advance in case of such situations. If there are circumstances affecting the independence of a member of the Board of Directors, the Chairman of the Board of Directors shall immediately bring this information to the attention of the shareholders for making an appropriate decision.

The fund and organizations need to ensure that succession plans are in place for members of the Board of Directors to maintain continuity and progressive refreshment of membership of the Board of Directors.

79. The Board of Directors approves an induction program for newly elected members of the Board of Directors and a professional development program for each member of the Board of Directors. The Corporate Secretary ensures the implementation of this program.

During the induction process, members of the Board of Directors are familiarized with their rights and duties, key aspects of the activities and documents of the fund and the organization, including those associated with the greatest risks.

80. The Chairman of the Board of Directors is responsible for the overall management of the Board of Directors, ensuring full and effective implementation by the Board of Directors of its main functions and building a constructive dialog between members of the Board of Directors, major shareholders and the executive body.

The Chairman of the Board of Directors strives to create a unified team of professionals committed to the growth of long-term value and sustainable development of the organization, able to respond to internal and external challenges in a timely and professional manner.

In addition to professional qualifications and experience, the role of the Chairman of the Board of Directors requires special skills such as leadership, ability to motivate, understanding of different views and approaches, and conflict resolution skills.

81. The roles and functions of the Chairman of the Board of Directors and the head of the executive body of the organization are clearly separated and set out in the Charter. The head of the executive body is not elected as the Chairman of the Board of Directors.

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

- 1) planning meetings of the Board of Directors and setting the agenda;
- 2) ensuring that members of the Board of Directors receive complete and up-to-date information for decision-making in a timely manner;

3) ensuring that the Board of Directors focuses on strategic issues and minimizes the issues of current (operational) nature to be considered by the Board of Directors;

4) ensuring maximum efficiency of meetings of the Board of Directors by allocating sufficient time for discussions, comprehensive and in-depth consideration of agenda items, encouraging open discussions, and reaching agreed solutions;

5) building proper communication and interaction with shareholders, including organization of consultations with major shareholders when making key strategic decisions;

6) ensuring monitoring and oversight of proper execution of resolutions adopted by the Board of Directors and the General Meeting of Shareholders (the sole shareholder);

7) in case of corporate conflicts, taking measures to resolve them and minimize their negative impact on the organization's activities and timely informing major shareholders (the sole shareholder) in case it is impossible to resolve such situations by own efforts.

82. The Chairman of the Board of Directors may not simultaneously be the Chairman of the fund's Management Board

The Board of Directors considers issues in relation to the fund and organizations within its competence according to the fund's Charter, and preliminarily considers all issues of competence of the Government as the sole shareholder

The Boards of Directors of the organizations are elected by the General Meeting of Shareholders (the sole shareholder) of the organizations.

83. The level of remuneration of members of the Board of Directors is sufficient to attract, retain and motivate each member of the Board of Directors to the level required to successfully manage the organization. The expected positive effect for the organization from the person's participation in the Board of Directors is taken into account. The Nominations and Remuneration Committee of the Board of Directors of the organization makes proposals on the amount of remuneration for candidates to Independent Directors.

Remuneration to a member of the organization's Board of Directors is set in accordance with the methodology developed by the fund.

The expected positive effect for the organization from the person's participation in the Board of Directors is taken into account. In organizations with several shareholders, the relevant rules for remuneration of members of the Board of Directors are developed on the basis of the fund's methodology and approved by the General Meeting of Shareholders. The Nominations and Remuneration Committee of the Board of Directors of the organization makes proposals on the amount of remuneration for candidates to Independent Directors.

The remuneration levels for the Chairman and all members of the Board of Directors include the time commitment and responsibilities of the position.

No person shall participate in making decisions in relation to his or her own remuneration.

Remuneration should fairly reflect the expected contribution of the member of the Board of Directors to the effectiveness of the entire Board of Directors and the

organization. When setting the amount of remuneration, the responsibilities of members of the Board of Directors are taken into account, the scale of the organization's activities, long-term goals and objectives determined by the development plan, the complexity of issues considered by the Board of Directors, and the level of remuneration in similar companies (benchmarking, review of remuneration).

84. Members of the Board of Directors are generally paid a fixed annual remuneration, as well as additional remuneration for chairing the Board of Directors and participating in and chairing committees of the Board of Directors. The remuneration of a member of the Board of Directors should not include options or other elements linked to the performance of the organization.

The General Meeting of Shareholders (sole shareholder) of the organization determines the amount and terms of remuneration and reimbursement of expenses to the member(s) of the Board of Directors of the organization.

Members of the fund's Board of Directors who are government employees do not receive separate compensation for membership on the Board of Directors and its committees

85. For a more in-depth and qualitative study of issues, the Board of Directors of the fund establishes standing committees: Audit, Nominations and Remuneration, Strategy, and Specialized Committee. Other committees may be established at the discretion of the fund's Board of Directors. The Strategy Committee considers issues of strategic planning and is headed by the first head of the central authorized body for state planning.

The activity of the committees of the Board of Directors of the fund contributes to deep and thorough consideration of issues within the competence of the Board of Directors and improvement of the quality of decisions made, especially in such areas as audit, risk management, proper and effective application of procurement procedures by the fund and organizations, appointment and remuneration of members of the Board of Directors and the executive body, sustainable development, including occupational safety and environmental protection. The existence of committees does not exempt members of the Board of Directors from responsibility for decisions made within the competence of the Board of Directors.

Committees are established for detailed analysis and development of recommendations on the most important issues prior to their consideration at a meeting of the Board of Directors. The final decision on issues considered by the committees is made by the Board of Directors.

The Board of Directors decides on the establishment of committees, determines their personal and numerical composition, chairpersons, term of office, as well as their functions and operating procedures.

86. The committees are composed of members of the fund's Board of Directors and experts with the necessary professional knowledge to serve on a particular committee.

87. The Specialized Committee of the fund carries out a comprehensive and objective analysis of the impact of the activities of organizations of the fund's group

on the development of the economy or a particular sector of the economy in accordance with the Law on the Fund. A permanent member of the Specialized Committee – the expert with the right to vote is a representative of the Supreme Audit Chamber of the Republic of Kazakhstan.

Control over the use by the fund and organizations of the allocated funds of the republican budget, the National Fund of the Republic of Kazakhstan for compliance with the financial and economic justification, evaluation of the effectiveness of budget investments fall within the competence of the Supreme Audit Chamber of the Republic of Kazakhstan.

Independent Directors make up the majority of the other committees of the fund's Board of Directors.

88. Committees are composed of members of the Board of Directors who have the necessary professional knowledge, competencies and skills to serve on the committee. The presence of potential conflicts of interest should be taken into account when forming the composition of committees. Along with professional competencies, committee chairpersons possess organizational and leadership skills, good communication skills for effective organization of committee activities.

The Boards of Directors establish committees to consider audit, risk management, nomination and remuneration matters.

89. Organizations, the operations of which are associated with the risk of accidents and technological disasters (e.g., industrial companies, air and railway transportation) establish industrial safety committees. In order to improve the efficiency of investment decision-making, it is recommended to include in the competence of one of the committees under the Board of Directors issues related to the organization's investment activities, the consideration of which falls within the competence of the Board of Directors. Depending on the composition, size and current tasks of the Board of Directors, other activities of the strategy, investment and other committees are envisaged. A committee consists of at least 3 persons.

90. The Audit Committee consists of Independent Directors. If the Committee engages a qualified expert, that person shall have no voting rights. The decision to engage an expert shall be made by the Audit Committee and such engagement shall be reviewed annually in terms of performance efficiency and independence

The members of the Audit Committee must have in-depth knowledge and practical experience in accounting and audit, risk management and internal control. The basic functions of the Audit Committee include internal and external audit, financial reporting, internal control and risk management, compliance with the laws of the Republic of Kazakhstan, internal documents and other matters as instructed by the Board of Directors.

91. The Nominations and Remuneration Committee includes a majority of Independent Directors in order to develop objective and independent decisions and prevent interested parties (representatives of shareholders, the head of the executive body, employees and other persons) from influencing the judgments of the Committee members.



Members of this Committee must have in-depth knowledge and practical experience in human resources management and performance appraisal, as well as in the area of corporate governance.

The Committee is chaired by the Chairman of the Board of Directors.

The basic functions of the committee include appointment, setting motivational KPIs, performance evaluation, remuneration and succession planning for the head and members of the executive body, appointment and remuneration of the corporate secretary, as well as participation in the consideration of these issues in relation to the composition of the Board of Directors itself, in cases where such authority is granted by the General Meeting of Shareholders (the sole shareholder).

In this case, the members of the Nominations and Remuneration Committee shall not allow a conflict of interest situation to arise and shall not participate in the consideration of their own appointment and/or remuneration issues.

The Nominations and Remuneration Committee reviews the staff remuneration policy and related policies and aligns incentives and remuneration arrangements, taking them into account when determining the executive director's remuneration policy.

92. Only committee members shall attend committee meetings. The presence of other persons is allowed only upon invitation of the committee. If necessary, the committees shall engage experts and consultants.

93. The functions, powers, composition and process of organizing the activities of the committees are regulated in the respective regulations and approved by the Board of Directors. The committees approve their work plan (recommended before the beginning of the calendar year), which is coordinated with the work plan of the Board of Directors, indicating the list of issues to be considered and dates of meetings.

94. The frequency of committee meetings shall be at least 4 meetings per year. Meetings of the committees shall be held in person with minutes being taken. In order to create favorable conditions and reduce the cost of committee meetings, committee members may participate by means of technical means of communication.

95. Committee Chairmen prepare a report on committee activities and report to the Board of Directors on the results of their activities for the year at a separate meeting. The Chairman of the Board of Directors has the right to request the committees to provide information on their activities during the year.

96. Preparation and holding of meetings of the Board of Directors contribute to maximizing the efficiency of its activities. In order to fulfill their duties, members of the Board of Directors have access to complete, relevant and timely information.

97. The Board of Directors shall hold regular meetings for the effective performance of its functions. Meetings of the Board of Directors and its committees shall be held through in-person or absentee voting, and the number of meetings with absentee voting shall be minimized. Consideration and decision-making on issues of an important and strategic nature shall be carried out only at meetings of the Board of Directors with in-person voting.

98. Meetings of the Board of Directors and its committees shall be duly minuted by the corporate secretary, indicating in full the results of discussions and resolutions adopted.

Meetings of the Board of Directors are held in accordance with the work plan approved before the beginning of a calendar year, including a list of issues to be considered and a schedule of meetings with the dates indicated.

99. The recommended frequency of meetings of the Board of Directors is from 8 to 12 meetings per year. It is recommended to evenly distribute the number of issues scheduled for consideration during the year to ensure thorough and full discussion and making timely and high-quality decisions.

The Board of Directors shall comply with the procedures established by the organization's documents for preparing and holding meetings of the Board of Directors.

100. Materials for the meetings of the Board of Directors are sent in advance - at least 7 calendar days in advance, and for more important issues, which are determined by the Charter of the organization - at least 15 working days in advance, unless other terms are established by the Charter. The list of important issues includes, but is not limited to, the development plan, action plan, motivational KPIs for the head and members of the executive body, annual report and participation in the establishment of other legal entities.

The agenda of the meeting of the Board of Directors shall not include the issues, materials for which were provided in violation of the deadlines. In case of inclusion of items on the agenda with a delay, the Chairman of the Board of Directors shall be provided with a comprehensive justification of such necessity.

101. The Board of Directors makes decisions based on complete, reliable and quality information. In order for the Board of Directors to make effective and timely decisions, the following factors should be ensured:

- 1) high quality of materials, information, documents submitted to the Board of Directors, including translation into English, if necessary;
- 2) obtaining expert (internal and external) opinions, if necessary (it should be taken into account that the involvement of experts does not relieve the Board of Directors of responsibility for the decision made);
- 3) time devoted to discussions at meetings of the Board of Directors, especially for important and complex issues;
- 4) timely consideration of issues;
- 5) decisions set out a plan for further action, timeframes and responsible persons.

The following factors have a negative impact on the quality of decisions of the Board of Directors:

- 1) dominance of one or more directors at a meeting, which restricts full participation of other directors in the discussions;
- 2) formal attitude to risks;
- 3) pursuit of personal interests and low ethical standards;

4) formal decision-making at a meeting of the Board of Directors, without real and active discussions;

5) a position of uncompromising (lack of flexibility) or lack of desire for development (contentment with the current situation).; 6) weak organizational culture;

7) lack of information and/or analysis.

Members of the Board of Directors may request additional information on agenda items necessary for decision making.

102. Meetings of the Board of Directors and its committees shall be held by means of in-person or absentee voting (with justification of the reasons for choosing an absentee voting form); the number of meetings with absentee voting should be minimized. Consideration and decision-making on strategic business issues shall be carried out only at meetings of the Board of Directors with in-person voting.

In special cases, it is possible to combine both forms of meetings of the Board of Directors and its committees. This applies to the situation when one or more members of the Board of Directors are unable to attend a meeting of the Board of Directors in person.

103. The quorum for holding a meeting of the Board of Directors shall be at least half of its members and shall be determined taking into account the members of the Board of Directors who participate in the discussion and voting on the issues under consideration using technical means of communication (videoconference, telephone conference call, etc.), or if their votes are expressed in writing.

A member of the Board of Directors who has an interest in a matter submitted for consideration by the Board of Directors shall not participate in the discussion and voting on this matter, and a corresponding entry shall be made in the minutes of the meeting of the Board of Directors.

104. The statute of limitations for non-disclosure of internal (official) information of the organization by former members of the Board of Directors after termination of their activity as members of the Board of Directors is at least 5 years.

It is recommended that the Board of Directors conduct an audit of previously adopted decisions. Both the decision itself and the process of its adoption should be analyzed. It is recommended that the Board of Directors audit earlier decisions when it evaluates its performance.

105. The Board of Directors, committees and members of the Board of Directors are evaluated on an annual basis through a structured process approved by the organization's Board of Directors. This process is consistent with the fund's methodology. At least once every three years, the evaluation is carried out with the involvement of an independent professional organization.

The methods of evaluation are self-assessment or engagement of an independent consultant to improve the quality of evaluation. Upon agreement with the General Meeting of Shareholders (the sole shareholder) or the Chairman of the Board of Directors/Supervisory Board, the evaluation may be carried out with the involvement of an independent professional organization once every three years.

The assessment should make it possible to determine the contribution of the Board of Directors and each of its members to the growth of long-term value and sustainable development of the organization, as well as to identify areas and recommend measures for improvement. The results of the evaluation shall be taken into account when re-electing members of the Board of Directors or terminating the powers of members of the Board of Directors ahead of schedule.

106. Evaluation is one of the main tools for improving professionalism of the Board of Directors and its individual members. Evaluation is mandatory for both Independent Directors and shareholder representatives.

The conduct of the evaluation should meet criteria such as regularity, comprehensiveness, continuity, realism, confidentiality.

The process, timing and procedure for evaluating the performance of the Board of Directors, its committees and members of the Board of Directors are clearly regulated in the internal documents of the organization. The Chairman and members of the Board of Directors are trained to conduct evaluation.

107. The evaluation includes, but is not limited to, consideration of the following issues:

- 1) optimality of the composition of the Board of Directors (balance of skills, experience, diversity, objectivity) in the context of the tasks facing the organization;
- 2) clarity of understanding of the organization's vision, strategy, key objectives, challenges and values;
- 3) succession and development plans;
- 4) functioning of the Board of Directors as a single body, the roles of the Board of Directors and the head of the executive body;
- 5) effectiveness of interaction in the Board of Directors, the Board of Directors with the bodies and officials of the organization;
- 6) effectiveness of each member of the Board of Directors;
- 7) effectiveness of committees of the board of Directors and their interaction with the Board of Directors and members of the executive body;
- 8) quality of information and documents provided to the Board of Directors;
- 9) quality of discussions at the Board of Directors, in committees;
- 10) efficiency of the corporate secretary's performance;
- 11) clarity of understanding of processes and competencies;
- 12) risk identification and assessment process;
- 13) interaction with shareholders and other stakeholders.

108. The evaluation is carried out by the Board of Directors mandatorily on an annual basis. The methods of evaluation are self-assessment or engagement of an independent consultant to improve the quality of evaluation. An independent external consultant is engaged at least once every three years.

The evaluation of the Board of Directors, its committees and members of the Board of Directors, providing feedback to the members of the Board of Directors and developing follow-up measures for improvement are carried out under the guidance of the Chairman of the Board of Directors. The results of the evaluation are discussed at

a separate meeting of the Board of Directors, which results in a development program for the Board of Directors as a whole and individually for each of its members.

109. The Chairman of the Board of Directors is responsible for the entire evaluation process and for taking action on its results.

The key roles in the evaluation process are organized as follows:

1) the Chairman of the Board of Directors leads the evaluation process, provides feedback to the entire Board of Directors and each of its members, informs the sole shareholder (major shareholders) of the evaluation results and discusses improvement measures, and monitors the implementation of the action plan based on the evaluation results;

2) the Chairman of the Nominations and Remuneration Committee ensures the process of evaluation of the Chairman of the Board of Directors;

3) Committee chairpersons ensure a process for evaluating effectiveness of the work of the committees they chair;

4) an independent consultant (if engaged) acts as a moderator and methodologist, organizes and coordinates the evaluation process;

5) members of the Board of Directors ensure active participation, openness, honesty and engagement.

The results of the evaluation form a basis for re-election of the entire Board of Directors or an individual member thereof, revision of the composition of the Board of Directors and the amount of remuneration to the members of the Board of Directors. If there are serious shortcomings in the performance of individual members of the Board of Directors, the Chairman of the Board of Directors shall consult with major shareholders (sole shareholder).

In the annual report, the Board of Directors reflects how the evaluation of the Board of Directors was carried out and the measures taken on the evaluation results. If an independent consultant has been engaged, it should be indicated whether the consultant has provided other consulting services to the fund and organizations during the last three years.

The sole shareholder may conduct its own evaluation of the Board of Directors independently or with the involvement of an independent consultant. The results of the evaluation conducted independently by the Board of Directors, the results of the organization's activity and other factors are taken into account.

110. For the purpose of efficient organization of activities of the Board of Directors and interaction between the Board of Directors, the executive body and shareholders, the Board of Directors appoints a Corporate Secretary.

The Board of Directors decides on appointment of the Corporate Secretary and early termination of his/her powers, determines the term of office of the Corporate Secretary, the requirements for the Corporate Secretary, functions and procedures of the Corporate Secretary's performance, the amount of his/her salary and terms of remuneration, and decides on the establishment of the Corporate Secretary Service (secretariat). The Corporate Secretary reports to the Board of Directors of the fund and is independent of the executive body of the fund. The main duties of the Corporate

Secretary include assisting in timely and quality corporate decision-making by the Board of Directors, the sole shareholder, acting as an advisor to the members of the Board of Directors on all matters of their activities and application of the provisions of this Code, as well as monitoring the implementation of this Code and participating in the improvement of corporate governance in the fund and organizations. The Corporate Secretary also prepares a report on compliance with the principles and provisions of this Code, which is included in the fund's annual report. This report contains a list of the principles and provisions of the Code that are not complied with, with relevant explanations provided.

The Corporate Secretary shall be appointed in companies as well as organizations whose shares are traded on the securities market. The appointment of the Corporate Secretary is within the exclusive competence of the Board of Directors. The decision to appoint a Corporate Secretary in organizations established in the form of a limited liability partnership is made at the discretion of the Supervisory Board.

111. The main duty of the Corporate Secretary is to ensure timely and quality corporate decision-making on the part of the Board of Directors and the General Meeting of Shareholders (the sole shareholder), to ensure effective interaction between the Board of Directors, the executive body and the shareholders (the sole shareholder). In addition, the functions of the Corporate Secretary include oversight of good corporate governance practices

The main functions of the corporate secretary include, but are not limited to, the following.

In terms of ensuring the activities of the Board of Directors:

- 1) assisting the Chairman of the Board of Directors in developing the work plan and agendas for meetings;
- 2) organization of meetings of the Board of Directors and its committees;
- 3) ensuring that members of the Board of Directors receive relevant and timely information required to make decisions on agenda items and within the competence of the Board of Directors;
- 4) taking minutes of the meetings of the Board of Directors and committees, storage of minutes, transcripts, audio-video recordings, materials of the meetings of the Board of Directors and committees;
- 5) advising the members of the Board of Directors on the legislation of the Republic of Kazakhstan, the Charter, this Code, internal documents, monitoring changes and informing the members of the Board of Directors in a timely manner;
- 6) organization of induction of newly elected members of the Board of Directors;
- 7) organizing training for members of the Board of Directors and engaging experts;
- 8) organization of interaction between members of the Board of Directors and shareholders and the executive body.

In terms of ensuring interaction with shareholders (the sole shareholder):

- 1) organization of general meetings of shareholders;
- 2) timely forwarding of materials on issues submitted for consideration by the General Meeting of Shareholders/sole shareholder for adoption of relevant resolutions;

3) taking minutes of the General Meeting of Shareholders, storage of minutes, transcripts, materials of the General Meetings of Shareholders (resolutions of the sole shareholder);

4) ensuring proper interaction of the organization with shareholders, including control over provision of information to shareholders' requests on a timely basis. In terms of implementation of good corporate governance practices:

1) monitoring the implementation of and compliance with the principles and provisions of this Code;

2) preparing a report on compliance with the principles and provisions of this Code;

3) detection of violations of corporate governance norms set forth by the legislation, the Charter and other documents of the organization within the framework of the performance of his/ her functions;

4) advising shareholders, officers, employees of the organization on corporate governance issues of the organization;

5) monitoring the best international practices in the field of corporate governance and making proposals to improve corporate governance practices in the organization.

Assignment of other duties to the Corporate Secretary should be based on the current workload of the Corporate Secretary. Assignment of new duties should not contribute to poor performance of the functions set out in this Code. New functions should not duplicate the functions of other structural units and officials. In case of duplication, the performer of such functions should be reconsidered.

112. To perform his/her duties professionally, the Corporate Secretary has knowledge, experience and qualifications, impeccable business reputation and enjoys the confidence of the Board of Directors and shareholders. Depending on the size of the organization and the scale of its activities, a Corporate Secretary Service is established.

113. A person with higher legal or economic education, with at least 5 years of work experience, and practical knowledge in the field of corporate governance and corporate law shall be appointed to the position of Corporate Secretary.

114. In order to improve the efficiency of preparing and holding meetings of the Board of Directors, it is recommended to periodically discuss the completeness and usefulness of the materials provided to the members of the Board of Directors. The results of these discussions serve as a basis for assessing the effectiveness of the Corporate Secretary's performance.

115. The organization develops an induction and succession planning program for the Corporate Secretary. The search for and appointment of the Corporate Secretary is based on open and transparent procedures set out in the internal documents of the organization.

116. The Corporate Secretary carries out his/her activities on the basis of a regulation approved by the Board of Directors, which specifies functions, rights and duties, the procedure for interaction with the organization's bodies, qualification requirements and other information.

In order to ensure effective interaction and information flow between the bodies of the organization, the Corporate Secretary shall be able to build fruitful relationships and has skills to resolve conflict situations. In case of conflict of interest situations, the Corporate Secretary brings this information to the attention of the Chairman of the Board of Directors.

117. To perform his/ her functions, the Corporate Secretary is vested with the following powers:

1) to request and receive from bodies, officials and employees of the organization documents and information necessary for decision-making at meetings of the Board of Directors and General Meetings of Shareholders (the sole shareholder);

2) to take measures to organize meetings of the Board of Directors and the General Meeting of Shareholders, to inform the officials of the organizations about the decisions taken, as well as to subsequently control of their implementation;

3) to interact directly with the Chairman and members of the Board of Directors, the head and members of the executive body, employees of the organization, and shareholders.

The executive body of the organization shall cooperate fully with the Corporate Secretary in the exercise of his or her powers.

118. The organization's budget includes items of expenditure to support the activities of the Board of Directors and the Corporate Secretary, including expenses related to travel to meetings, accommodation and other travel in the performance of assigned duties. It is recommended that funds be provided for the training and development of members of the Board of Directors and the engagement of external consultants and experts by the Board of Directors and its committees. The Corporate Secretary forms the budget of expenses to support the activities of the Board of Directors and the Corporate Secretary and sends it to the appropriate structural unit of the organization.

Corporate Secretaries of the fund and organizations provide clarification of the provisions of this Code and their application.

119. A collegial executive body is established in companies; in other organizations, as well as in the case of a joint venture company, it may be collegial or sole at the discretion of the shareholders (participants). The head and members of the executive body must have high professional and personal characteristics, as well as an impeccable business reputation and must adhere to high ethical standards.

The executive body reports to the Board of Directors and manages the daily operations of the organization, is responsible for the implementation of the development plan, action plan and resolutions adopted 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, determines the terms of office, the amount of their salaries, and the terms of their remuneration. The Nominations and Remuneration Committee of the Board of Directors plays a key role in the process of searching for and selecting candidates to the executive body and determining their remuneration.



The recommended number of women in collegial executive bodies of the fund and organizations is at least thirty percent of the total number of members of collegial executive bodies.

121. Proposals on candidates for election to the collegial executive body are submitted by the head of the executive body to the Nominations and Remuneration Committee of the Board of Directors. If the Board of Directors rejects a candidate proposed by the head of the executive body for the same vacant position in the executive body for the second time, the right to propose a candidate for the vacant position is transferred to the Board of Directors.

122. In companies in which 100% of shares (participatory interests) are owned by the fund, the candidacy for the position of the head of the executive body is preapproved by the fund's Management Board.

The Board of Directors may terminate the powers of the head and members of the executive body at any time.

It is recommended to elect the head and members of the executive body of the organization for a term of up to three years. The terms of office of the head and members of the executive body coincide with the term of office of the executive body as a whole.

123. The candidacy for the position of the first head of the company is submitted (recommended) for appointment (election) by the Prime Minister of the Republic of Kazakhstan, agreed by the Head of Administration in accordance with the procedure established by the Decree of the President of the Republic of Kazakhstan.

The procedure for searching for and electing the head of the executive body is carried out in accordance with the internal documents of the fund.

124. The head and members of the executive body are evaluated by the Board of Directors. The main evaluation criterion is the achievement of the set KPIs.

Motivational KPIs of the head and members of the executive body are approved by the Board of Directors.

Proposals regarding the motivational KPIs of the members of the executive body are submitted to the Board of Directors by the head of the executive body.

The evaluation results affect the amount of remuneration, incentives, re-election (appointment) or early termination of powers.

125. The executive body holds in-person meetings and discusses the implementation of the development plan, resolutions of the General Meeting of Shareholders (the sole shareholder), the Board of Directors and operational activities. Particular attention is paid to occupational safety issues. It is recommended to hold meetings of the executive body on a regular basis. The cases of holding meetings in absentia should be limited and defined in the documents of the organization.

126. The executive body shall formulate a work plan for the coming year with a list of issues before the beginning of a calendar year. Members of the executive body should receive materials for consideration well in advance and of appropriate quality. When considering important and complex issues, such as strategy and development plans, investment projects, risk management, several meetings may be held. In order

to thoroughly prepare such issues, considering the scale and specificity of the organization's activities, it is recommended to establish special committees, project and/or working groups working on specific tasks. The rights, duties, competence and responsibilities of these bodies are set out in the internal documents of the organization.

127. For each question, a separate discussion is devoted to the risks associated with making/not making the decision and their impact on the value and sustainability of the organization.

All issues submitted at the initiative of the executive body for consideration by the Board of Directors and the General Meeting of Shareholders (the sole shareholder) are preliminarily considered and approved by the executive body.

128. The head and members of the executive body meet with the labor collective, if there are branches and organizations of the Group in other regions, visit such facilities, hold meetings, videoconferences at least once a year.

The head and members of the executive body show high standards of ethical behavior and set an example for the employees of the organization.

The head and members of the executive body shall not allow a conflict of interest situation to arise. If a conflict of interest arises, they shall notify the Board of Directors or the head of the executive body in advance, and record it in writing and shall not participate in decision-making on the issue.

129. A member of the executive body may work in other organizations only with the approval of the Board of Directors. The head of the executive body or a person solely exercising the functions of the executive body shall not have grounds to hold the position of the head of the executive body or a person solely exercising the functions of the executive body of another legal entity.

130. The organization should ensure succession planning for the executive body. The mechanism and timing of re-election of members of the executive body should motivate them to achieve long-term results, providing for the possibility of early dismissal in case of failure to achieve key performance indicators.

In the event of a change of the head and/or composition of the executive body, it is recommended to ensure the principle of continuity in the composition of the executive body, with account of the results of their activities in the areas under their supervision when considering the re-election of individual members of the executive body. In case of a change of the Chairman of the Board of Directors, it is recommended to ensure continuity in the composition of the Board of Directors.

131. The executive body ensures that an optimal organizational structure is in place.

The organizational structure is aimed at:

- 1) decision-making efficiency;
- 2) productivity improvement;
- 3) rapid decision-making;
- 4) organizational flexibility.

Candidates for vacant positions in the organizations are selected on the basis of open and transparent competitive procedures. The organizations have a pool of

employees in the personnel reserve, from which appointments to senior and middle management positions can be made in the future. Employees are evaluated on an annual basis.

132. Cases of violations of the Code of Business Ethics by members of the executive body shall be brought to the attention of the Board of Directors by the head of the executive body.

A member of the executive body who has committed a violation of the Code of Business Ethics may not be a member of the executive body of any other organization.

133. In case of corporate conflicts, participants seek ways to resolve them through negotiations in order to ensure effective protection of interests of the organization and stakeholders.

The effectiveness of work on prevention and settlement of corporate conflicts implies, first of all, the fullest and earliest possible identification of such conflicts and clear coordination of actions of all bodies of the organization.

Corporate conflicts with the assistance of the Corporate Secretary are reviewed by the Chairman of the Board of Directors of the organization. If the Chairman of the Board of Directors is involved in a corporate conflict, such cases are reviewed by the Nominations and Remuneration Committee.

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

134. The fund and the organizations should have in place an effectively functioning risk management and internal control system designed to provide reasonable assurance that the fund and the organizations will achieve their strategic and operational objectives; the risk management and internal control system is a set of organizational policies, procedures, norms of behavior and actions, management methods and mechanisms established by the Board of Directors and the executive body of the fund and the organizations to ensure:

- 1) an optimal balance between growth of the organization's value, profitability and the accompanying risks;
- 2) efficiency of financial and economic activities and achievement of the company's financial stability;
- 3) preservation of assets and efficient use of the company's resources;
- 4) completeness, reliability and accuracy of financial and management reporting;
- 5) compliance with the requirements of the legislation of the Republic of Kazakhstan and internal documents;
- 6) adequate internal controls to prevent fraud and ensure effective support of core and supporting business processes and performance analysis.

The Board of Directors and the executive body shall ensure that a culture of good risk management is embedded in the fund and the organizations. The fund and the

organizations should have a clear regulatory framework based on best practices for the implementation and operation of the risk management and internal control system.

135. The Board of Directors of the fund and organizations determines the principles and approaches to the organization of the risk management and internal control system, based on the objectives of this system and with account of the best practices and methodology of the fund in the field of risk management and internal control.

The Board of Directors approves internal documents that define principles and approaches to the organization of an effective risk management and internal control system, demonstrating the Company's commitment to the best practices in the field of risk management and internal control (COSO's integrated concept of building an internal control system, "Organizational Risk Management. Integrated Model" Concept of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), International Standard ISO 31000 "Risk Management. Principles and Guidelines", International Standard ISO 31010 "Risk Management. Risk assessment techniques", etc).

136. The organization of an effective risk management and internal control system in the fund and organizations is aimed at building a management system capable of ensuring an accurate understanding of the reasonableness and acceptability of the level of risks by employees, management, company bodies when making decisions, responding quickly to risks, exercising control over basic and auxiliary business processes and daily operations, and immediately informing the appropriate level of management of any material weaknesses and areas for improvement.

Principles and approaches to the organization of an effective risk management and internal control system provide for:

- 1) defining the purpose and objectives of the risk management and internal control system;
- 2) the organizational structure of the risk management and internal control framework, covering all levels of decision-making and considering the role of the appropriate level in the design, approval, application and evaluation of the risk management and internal control system;
- 3) basic requirements to the organization of the risk management process (approaches to risk appetite determination, risk identification and assessment procedure, determination of response methods and monitoring);
- 4) requirements for the organization of the internal control system and control procedures (characterization of key areas and main components of the internal control system, procedure for assessing the effectiveness and reporting on internal control).

The internal documents of the fund and organizations should formalize the role and tasks, responsibilities of the company's bodies, audit commission, internal audit division and other departments of the company, as well as the procedure for their interaction within the framework of the organization and functioning of the risk management and internal control system.

When approving internal documents in the field of risk management and internal control, the Boards of Directors of the organizations are guided by the regulatory

documents adopted by the fund that regulate the issues of risk management and internal control.

The internal regulatory documents of the fund and holding companies should stipulate the responsibility of Boards of Directors and executive bodies to organize and ensure the effective functioning of the risk management and internal control system on a consolidated basis

137. The executive bodies of the fund and organizations ensure that an effective risk management and internal control system is established and maintained. The risk management process is integrated with the processes of planning (development plan and action plans, annual budget) and evaluation of the organization's performance (management reporting).

Each official of the fund or organization shall ensure that risks are properly considered in decision making

The executive body of the fund or organization ensures the implementation of risk management procedures by employees with appropriate qualifications and experience.

The executive body:

- 1) ensures development and implementation of internal documents in the field of risk management and internal control approved by the Board of Directors;
- 2) ensures the establishment and effective functioning of the risk management and internal control system through practical implementation and continuous implementation of the risk management and internal control principles and procedures assigned to it;
- 3) is responsible for implementing the resolutions of the Board of Directors and recommendations of the Audit Committee in the area of organizing the risk management and internal control system;
- 4) monitors the risk management and internal control system in accordance with the requirements of internal documents;
- 5) ensures improvement of risk management and internal control processes and procedures with account of changes in the external and internal business environment.

138. In order to implement the principles of internal control and ensure the effectiveness of the risk management and internal control system, the executive body allocates powers, duties and responsibility for specific risk management and internal control procedures among the following level managers and/or heads of structural units/business process owners.

Heads of structural divisions/business process owners, in accordance with their functional responsibilities, are responsible for the design, documentation, implementation, monitoring and development of the risk management and internal control system in the functional areas of the company entrusted to them.

The organizational structure of the risk management and internal control system in the fund and organizations (depending on the scale and specifics of activities) should provide for a structural unit (structural units) responsible for the functioning of the risk management and internal control system, whose tasks include the following:

- 1) overall coordination of risk management and internal control processes;

2) development of methodological documents in the field of risk management and internal control and provision of methodological support to business process owners and employees in the process of identification, documentation of risks, implementation, monitoring and improvement of control procedures, formation of action plans to respond to risks;

3) organization of employee training in the field of risk management and internal control;

4) preparation of consolidated risk reporting, informing the Board of Directors and the executive body on issues stipulated by internal documents in the field of risk management and internal control;

5) taking measures to improve the risk management and internal control system.

139. It is recommended that the manager supervising the risk management and internal control function should not be the owner of the risk, which ensures his/ her independence and objectivity. It is prohibited to combine risk management and internal control functions with functions related to economic planning, corporate finance, treasury, investment activities, and internal audit. Combination with other functions is allowed if there is no significant conflict of interest.

The risk management and internal control system of the fund and organizations is based on a high culture of risk management conducted by the executive body, which provides for mandatory procedures for identification, assessment and monitoring of all significant risks, as well as taking timely and adequate measures to reduce the level of risks that may adversely affect the achievement of strategic goals, the implementation of operational objectives and the company's reputation.

140. Risk management procedures are required to ensure that new risks are responded to quickly, clearly identified, and risk owners are identified. In the event of any unforeseen changes in the competitive or economic environment of the fund and organizations, the risk map is urgently reassessed and aligned with the risk appetite of the fund and organizations.

141. For a holistic and clear understanding of the inherent risks of the fund and organizations, risks are identified and assessed on a regular basis and reflected in the risk register/map, risk response action plan (process improvement, minimization strategies) approved by the Board of Directors

The implemented risk assessment results in measurable indicators, which allow to evaluate the compliance of risks with the approved risk appetite and the impact of risks on the implementation of the development plan of the fund and the organization.

142. Employees of the fund and organizations work with risks on a daily basis, manage them and monitor their potential impact within the scope of their functional responsibilities.

143. Risk information should be an integral part of management reporting. The Board of Directors and the executive body should regularly receive information on key risks and their analysis in terms of their impact on the company's strategy and business plans.

Approval of quarterly consolidated risk reports is assigned to the Board of Directors.

144. In the fund and organizations, sustainable development should be integrated into:

1) the management system (the sustainable development management system clearly defines and establishes the roles, competencies, responsibilities of each body and all employees for the implementation of principles, standards and relevant policies and plans in the field of sustainable development).

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

3) the risk management system (the fund and organizations improve practices to manage environmental and climate change risks related to climate change);

4) investment decision-making process (the practice of analyzing material ESG factors and ESG risk assessment should be integrated to identify investment risks and opportunities that are likely to affect fund performance and investment efficiency);

5) reward system for senior management and governance bodies (the fund and organizations develop and publicly disclose ESG targets. The ESG targets are used to assess the performance of managers);

6) key processes, including planning (long-term, medium-term (5-year plan) and short-term (annual budget) periods), reporting, human resources management, operations and others, as well as in decision-making processes at all levels of management;

7) a system of regular stakeholder engagement, which implies providing relevant and reliable information, ensuring the possibility of bilateral dialog, awareness of environmental hazards and risks associated with the activities of portfolio companies, developing a flexible grievance mechanism.

Holding companies have a consolidated stakeholder map for their group and develop an appropriate engagement plan with such parties.

The Board of Directors and the executive body of the fund and organizations ensure the formation of an appropriate system in the field of sustainable development and its implementation.

The fund and organizations develop action plans in the field of sustainable development with account of international standards and best practices.

The Board of Directors provides strategic guidance and control over the implementation of the sustainable development system. The executive body forms the relevant plan and submits it to the Board of Directors for consideration.

145. In order to thoroughly prepare sustainability issues, the creation of a committee or delegation of ESG issues to the terms of reference of one of the existing committees under the Board of Directors of the fund and the organization is recommended.

The Audit Committee of the Board of Directors monitors sustainability risks, quality of non-financial information and reporting.

All employees and officials at all levels contribute to sustainable development, implement sustainable development principles and activities through personal behavior and compliance with relevant policies and standards.

The fund and organizations should take measures to adopt and comply with the principles of sustainable development in their relationships with partners.

146. The fund and the organizations develop, approve, formalize and document control procedures in three key areas: operating activities, preparation of financial statements and compliance with the requirements of the legislation of the Republic of Kazakhstan and internal documents.

Control procedures are a documented system of measures and actions to ensure effective internal control over the fulfillment of the company's goals, objectives and plans, identification and execution of non-standard operations, as well as prevention, limitation and avoidance of risks and possible misconduct on the part of the company's executives and employees.

Control procedures should be implemented at all levels of management and be subject to compliance by all employees and bodies of the fund and organizations.

Control procedures cover three key areas: operating activities, preparation of financial statements, compliance with the requirements of the legislation of the Republic of Kazakhstan, internal documents and are aimed at:

- 1) reducing the probability of possible risks;
- 2) preventing errors from occurring and/or identifying errors after they have occurred;
- 3) identification and elimination of duplicative and redundant operations;
- 4) identifying gaps and areas for improvement;
- 5) further improvement of the internal control system.

147. The Board of Directors of the fund and organizations should take appropriate measures to ensure that the current risk management and internal control system complies with the principles and approaches to its organization determined by the Board of Directors and functions effectively. Risk reports should be submitted to meetings of the Board of Directors at least quarterly and should be discussed properly in full.

148. The Board of Directors together with the Audit Committee is responsible for assessing the effectiveness of the risk management and internal control system, forms its own opinion on its effectiveness after proper and thorough analysis of information and assurances communicated to it by the internal audit department or an external expert, the Audit Committee and the executive body.

149. The Board of Directors should regularly review the organization, operation and efficiency of the risk management and internal control system and, if necessary, make recommendations for its improvement.

Implementation of control procedures includes development/updating of business process flowcharts with indication of process-level risks and control procedures, development/updating of a matrix of risks and controls for business processes, testing



of control procedures and assessment of their effectiveness, formation of an action plan for further improvement of the internal control system.

Responsibility for approving control procedures is assigned depending on the nature and materiality of the risk in relation to which the relevant control procedures are established.

150. The fund and organizations should establish an Internal Audit Service (hereinafter referred to as the IAS) to provide the Board of Directors with independent and objective assurance and advice aimed at improving risk management, internal control and corporate governance systems.

The Board of Directors of the fund determines the quantitative composition, term of office of the IAS, appoints its head, and terminates his/her powers ahead of schedule, and determines the procedure of its work, the amount and terms of remuneration and bonuses for the employees of the IAS.

The IAS reports directly to the fund's Board of Directors and is independent of the fund's executive body.

The key responsibilities of the IAS 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 objective of the IAS is to contribute to the improvement of the fund's performance.

151. The fund establishes a collegial executive body in the form of a Management Board. The Management Board is accountable to the Board of Directors and performs its activities within the competencies defined in the charter of the fund. The fund's Board of Directors monitors the effectiveness of the fund's Management Board, including the implementation of resolutions of the sole shareholder and the fund's Board of Directors.

The Government, as a shareholder, appoints and dismisses the Chairman of the fund's Management Board. Members of the fund's Management Board are elected by the fund's Board of Directors. Proposals on candidates for election to the fund's Management Board are submitted by the Chairman of the fund's Management Board for consideration by the fund's Board of Directors.

152. Internal audit in the fund and organizations is carried out through the establishment of a separate structural unit – the IAS (in organizations in the form of limited liability partnerships, internal audit functions are assigned to the audit commission/auditor, functionally accountable to the supervisory board; in this case, the goals, functions and tasks of the audit commission/auditor, the procedure for its interaction with the bodies of the organization should be established taking into account the principles set out in this Code, as applied to the IAS).

The Company's internal document - the Regulations on the IAS, defines its objectives, powers, responsibilities, and sets out:

- 1) adherence to the principles, code of ethics and standards of internal auditors established by international institutions in the field of internal audit;
- 2) status, goals, objectives and responsibilities of the company's internal audit function;

3) conditions to ensure independence, objectivity and professionalism of the IAS to achieve the goals and objectives of the internal audit and effective performance by the IAS of its functions and responsibilities;

4) qualification requirements for the head and employees of the IAS, including requirements in terms of professional knowledge and skills, work experience, supervisory experience (for managers), as well as requirements in terms of additional specialized training confirmed by international certificates (internal auditors are recommended to demonstrate their professionalism by obtaining relevant professional certificates and qualifications);

5) scope and content of internal audit activities;

6) the right of access to documentation, employees and tangible assets in the performance of relevant assignments;

7) the procedure for interaction of the IAS with the Board of Directors and the executive body and reporting to the Audit Committee and the Board of Directors.

153. To ensure the independence and objectivity of internal audit, the IAS should be organizationally subordinate and functionally accountable to the Board of Directors, which makes decisions on approving the IAS plans and strategy, determines the quantitative composition, amount and terms of remuneration and bonuses for IAS employees.

Organizational subordination and functional accountability of the IAS to the Board of Directors means:

1) approval by the Board of Directors (after preliminary review by the Audit Committee) of the regulations and other internal audit policies governing the goals, objectives, functions and procedures of the IAS activities;

2) approval by the Board of Directors (after preliminary review by the Audit Committee) of the risk-oriented annual audit plan;

3) submission to the Board of Directors (after preliminary review by the Audit Committee) of quarterly and annual reports on the fulfillment of the annual audit plan and other information on internal audit activities;

4) approval by the Board of Directors (after preliminary review by the Audit Committee) of decisions on appointment, dismissal, remuneration of the head and employees of the internal audit division;

5) consideration by the Board of Directors (the Audit Committee) of material limitations on the IAS's authority or other restrictions that may adversely affect the internal audit function.

154. The IAS operates on the basis of a risk-oriented annual audit plan approved by the Board of Directors. The results of audit reports and key findings, monitoring the implementation of audit recommendations are presented to the Board of Directors on a quarterly basis

The Board of Directors ensures timely review of the IAS reports and control over timely implementation of audit recommendations.

155. The head of the IAS shall develop and maintain the quality assurance and improvement program covering all internal audit activities and providing for mandatory internal and external evaluation of the IAS activities.

The head of the IAS in organizations should develop internal documents regulating the activities of the unit based on the fund's corporate standards in the field of internal audit and ensure their review and approval by the Audit Committee and the Board of Directors.

The Board of Directors evaluates the performance of the IAS, its head and employees based on the review of the IAS reports, compliance with the deadlines for the annual audit plan and reporting, and assessment of the compliance of the reports with the requirements of the IAS standards and internal regulatory documents.

The quality assurance and improvement program is developed and implemented to assess the compliance of IAS activities with international internal audit standards. This program provides for periodic internal and external assessments (for compliance with the standards, code of ethics of internal auditors), as well as assessment of the efficiency and effectiveness of internal audit and identification of opportunities for improvement.

156. In accordance with the legislation of the Republic of Kazakhstan, the fund and all companies in the fund's group have a Compliance Service, the task of which is to build an effective compliance system that provides reasonable assurance that the company's significant compliance and corruption risks are properly managed.

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

The activity of the Compliance Service is regulated by the company's internal documents.

The Compliance Service should be independent in the company's management system. In the Company, the Compliance Service is directly subordinate to the Board of Directors of the Company. To operate effectively, the Compliance Service should have sufficient authority and resources, and should regularly interact with the company's governing 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 fulfillment of its responsibilities.

The head of Compliance Service has relevant experience and is a senior manager. It is necessary to exclude conflicts of interest while combining another position in the company.

157. The fund develops standards of business ethics and activities of the ombudsman, and an effective system of notification of alleged violations. The Boards of Directors of the fund and organizations ensure implementation of these standards and compliance with them.

158. An ombudsman is appointed to ensure compliance with the principles of business ethics and optimal regulation of social and labor disputes arising in the fund and organizations.

A candidate for the position of ombudsman must have an impeccable business reputation, high authority and be able to make impartial decisions.

The ombudsman is appointed by resolution of the Board of Directors of the fund and is re-elected every two years. The role of the ombudsman is to advise employees, participants of labor disputes or conflicts, who have applied to him, and assist them in developing a mutually acceptable, constructive and feasible solution, taking into account compliance with the legislation of the Republic of Kazakhstan (including confidentiality, if necessary), to assist in resolving problematic social and labor issues of both employees and the fund and the organization, as well as compliance with the principles of business ethics by employees of the fund and organizations.

The ombudsman submits for consideration by the relevant bodies and officials of the fund and/or organizations the problematic issues identified by the ombudsman, which are of a systemic nature and require appropriate solutions (comprehensive measures), and puts forward constructive proposals for their resolution.

At least once a year, the ombudsman submits a report on the results of his/ her work to the Nominations and Remuneration Committee and the Audit Committee of the fund's Board of Directors, which evaluate the results of his/ her activities.

The Board of Directors of the fund evaluates the performance of the ombudsman and re-elects the ombudsman by deciding to extend the term of office of the acting ombudsman or to terminate the incumbent's term of office and elect a new ombudsman.

The place of work, working conditions of the ombudsman are determined by the resolution of the Management Board of the fund, except for the issues of labor remuneration and bonus payment conditions. The issues of labor remuneration and bonus payment conditions are determined by an internal regulatory document approved by the resolution of the Board of Directors of the fund.

The fund and the organizations must adhere to high ethical standards and implement the necessary procedures to ensure that these standards are applied at all times by all employees and partners of the fund and the organizations.

Notifications of alleged violations should be sent directly to the IAS or the Board of Directors of the fund or organization. The executive body and all of its structural units, including the security service, should not prevent the transmission of notifications of alleged violations to the IAS or the Board of Directors.

## **Chapter 7. Transparency of the fund's activities**

159. In order to respect the interests of stakeholders, the fund and organizations disclose information about all important aspects of their operations, including financial condition, performance, ownership and governance structure, in a timely and accurate manner.

160. The fund and organizations timely disclose information provided for by the legislation of the Republic of Kazakhstan and internal documents. To ensure systematic disclosure of information, the fund and organizations should approve internal documents that define the list of information disclosed to stakeholders, terms, procedure, method, form of information disclosure, responsible officials and employees with indication of their functions and duties, as well as other provisions regulating the information disclosure processes. The fund and organizations determine the procedure for categorizing information into access categories, the conditions for storing and using information, including the circle of persons entitled to free access to information constituting commercial and official secrets, and take measures to protect its confidentiality.

The fund and organizations timely disclose information on their activities to the stakeholders in accordance with the 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 Securities Market, laws on economic partnerships, partnerships, constituent documents and internal documents of a legal entity and the “Transparency” section of this Code

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

1) annual report, including, inter alia, the report of the Board of Directors and audited annual financial statements (the norms of this paragraph with regard to audited statements shall apply if the audit of annual financial statements is stipulated by the legislation of the Republic of Kazakhstan and/or internal documents of the organization);

2) the organization’s Internet resource, containing a section for shareholders (participants) and investors, reflecting up-to-date information on the activities of the organization;

3) Internet resource of the depository of financial statements, stock exchange, containing information stipulated by clause 102 of the Law on Securities Market;

4) the possibility of obtaining information and documents through sending requests to the organization in accordance with the procedure established by the legislation of the Republic of Kazakhstan, constituent and internal documents of the organization;

5) press releases and other information materials distributed by the organization;

6) briefings by the organization;

7) other ways in accordance with the internal documents of the organization.

162. At the request of a shareholder (participant), the organization shall provide copies of documents stipulated by the legislation of the Republic of Kazakhstan, subject to restrictions on disclosure of official, commercial or other legally protected secrets/information defined in the legislation of the Republic of Kazakhstan and internal documents of the organization. The fee charged by the organization for providing copies of documents shall be established by the organization and may not

exceed the cost of expenses for their production and, if necessary, delivery to the shareholder (participant).

163. A shareholder (participant) may address the organization with written inquiries about its activities and receive reasoned answers within 30 (thirty) calendar days from the date of receipt of the inquiry by the organization or other term stipulated by the Charter, internal documents of the organization.

At the request of a shareholder (participant), the organization shall provide copies of documents in accordance with the procedure stipulated by Article 80 of the Law on Joint-Stock Companies.

In order to protect information constituting commercial and official secrets, the fund and organizations in accordance with the legislation of the Republic of Kazakhstan and the Charter determine the procedure for attributing information to categories of access, conditions of storage and use of information. The fund and organizations determine the range of persons entitled to free access to information constituting commercial and official secrets and take measures to protect its confidentiality. Persons who illegally obtained, disclosed or used information constituting commercial and official secrets are obliged to compensate for the damage caused and bear responsibility in accordance with the laws of the Republic of Kazakhstan.

164. In organizations whose shares are listed on a stock exchange, it is recommended to create a structural unit (or assign functions to a structural unit) for shareholder and investor relations, whose competence will include collection, analysis and preparation of information that will be posted on the Internet resource of the organization. It is recommended to appoint a person with practical experience in the financial sphere and a good understanding of the specifics of the industry in which the organization operates as the head of this unit.

Organizations listed on a stock exchange are required to notify both shareholders and issuers when acquiring or disposing of major shareholdings of more than 3% (notifiable interests include direct and indirect holdings of shares and financial instruments of similar economic effect).

165. The selection of the external auditor is based on a competitive bidding process. The Audit Committee of the Board of Directors plays an important role in the selection process. The external auditor engaged does not provide consulting services to the fund and the organization that may threaten the independence of the external auditor, and there is no practice of hiring former members of the audit team for management positions earlier than two years after their dismissal from the audit organization. The fund and the organizations disclose detailed information about the external auditor engaged. The fund and the organizations regulate the issues of selection of and interaction with the external auditor.

The fund and the organizations approve documents regulating relations with the external auditor, including the process of selecting an external auditor, the powers and functions of the tender commission, issues related to the provision by the audit organization of consulting services not related to the audit of financial statements and other information, issues related to the rotation of audit organizations and senior

personnel of the audit organization, issues related to the hiring of former employees of the audit organization.

There should be a rotation of partners and senior staff responsible for the audit of financial statements at least once every five years if the audit firm has been providing audit services to the fund and the organization for more than 5 consecutive years.

It should not be practiced to include former members of the audit organization in the Board of Directors, executive body, the IAS, and to hire former members of the audit organization to the positions of chief accountant and financial director earlier than two years after their dismissal from the audit organization.

To assess the risks of independence of the audit organization and to evaluate the potential quality of the audit of financial statements and other information, the information on the remuneration paid to the audit organization, including separately for audit services and services unrelated to the audit of financial statements and other information, should be disclosed. In order to facilitate the search for information, it should be disclosed on the organization's website and in the annual report of the organization.

The Audit Committee of the Board of Directors of the organization meets with the external auditor regularly (at least three times before the audit report is issued) as part of the audit process.

The external auditor has access to the Audit Committee to discuss audit matters. In the absence of the Audit Committee, the external auditor interacts directly with the Board of Directors and its Chairman.

The external auditor provides the Audit Committee with information on the progress and results of the audit; confirms the maintenance of independence, absence of financial interests in the organization, absence of significant impact on the financial dependence of the external auditor of the total amount of remuneration.

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

The annual report is approved by the Board of Directors.

The annual report, which is well structured and visually appealing, and published in the Kazakh, Russian and English languages, is one of the key sources of information for stakeholders.

The annual report is prepared and posted on the Internet resource prior to the Annual General Meeting of Shareholders (Participants). The annual report is approved by the Board of Directors (Supervisory Board).

The minimum requirements to the content of the annual report imply availability of the following information:

- 1) address of the Chairman of the Board of Directors (Supervisory Board);
- 2) address by the head of the executive body;
- 3) information on the fund or organization: general information; information on the structure of the authorized capital, including the following information: number and nominal value of issued shares (participatory interests), description of rights

granted by shares, number and nominal value of authorized but unissued shares, composition of shareholders (participants) and number and proportion of common shares (participatory interests) owned by them, procedure for disposition of ownership rights; mission; development plan, results of its implementation; market overview and market position;

4) financial and operating results for the reporting year: review and analysis of performance against objectives; operational and financial performance indicators; key significant events and achievements; information on significant transactions; any financial support, including guarantees received/received from the government and any commitments to the government and society made by the fund or organization (if not disclosed in accordance with the IFRS);

5) asset structure, including subsidiaries/dependent organizations of all levels, overview, main results of their financial and production activities;

6) goals and plans for future periods;

7) main risk factors and risk management system;

8) corporate governance: corporate governance structure; composition of shareholders (participants) and ownership structure; composition of the Board of Directors (Supervisory Board), including qualifications, selection process, including independent directors, with indication of criteria for determining their independence; report on the activities of the Board of Directors (Supervisory Board) and its committees; information on compliance of corporate governance practices with the principles of this Code, and in case of non-compliance, explanations on the reasons for non-compliance with each of the principles; composition of the executive body; report on the activities of the executive body; remuneration policy for officers;

9) sustainable development (if a separate sustainability report is prepared, a reference to this report may be provided);

10) auditor's report and financial statements with notes;

11) analytical indicators and data included in the annual report that reflect comparative analysis and progress (regression) achieved in relation to the previous period (comparison with the values of similar indicators indicated in the previous annual report) (in order to compare indicators with international companies operating in a similar industry, it is recommended to publish performance indicators that will allow for industry benchmarking analysis);

12) information in accordance with the requirements of leading stock exchanges.

A holding company organization may choose to prepare an annual report on a consolidated basis for the entire group. The organization of a holding company may decide to prepare an individual annual report.

167. The fund and the companies annually publish sustainable development reporting prepared in accordance with internationally recognized standards in order to ensure clarity and transparency of their activities for stakeholders, taking into account the protection of information constituting official, commercial and other legally protected secrets. Sustainability reporting is approved by the Board of Directors



Methods of information disclosure to stakeholders may include meetings with stakeholders, use of mass media (publications, interviews), Internet resource, providing feedback through communication tools, advisory committees and boards, providing responses to inquiries, and others.

Public reporting should ensure timeliness, completeness, regularity, consistency, comparability, reliability of information, as well as allow assessing the effectiveness of risk mitigation and utilization of opportunities based on data for at least the last 4 years. The fund companies should develop reporting practices for leading climate programs. In organizations listed on the stock exchange and participating in ESG ratings, reporting indicators are independently certified (verified) by a 3rd party.

The fund and the organizations control the disclosure of information in the field of sustainable development to stakeholders and keeping it up to date on the Internet resource.

168. The Internet resource is well-structured, easy to navigate and contains information necessary for stakeholders to understand the activities of the fund and organizations.

The fund and organizations regularly monitor the completeness and relevance of information posted on the Internet resource, as well as the compliance of this information with the state, Russian and English versions of the Internet resource. For this purpose, responsible persons (structural subdivision) responsible for the completeness and relevance of the information on the Internet resource are appointed.

The Internet resource minimally contains the following information:

1) general information about the fund or organization, including information on mission, main objectives, goals and activities, amount of equity, amount of assets, net income and number of personnel;

2) information on the development plan (at least strategic objectives); priority areas of activity;

3) the Charter and internal documents regulating the activities of bodies, committees, and Corporate Secretary;

4) information on ethical principles;

5) information about risk management;

6) dividend policy;

7) information on members of the Board of Directors, including the following information: photograph (upon agreement with a member of the Board of Directors), surname, first name, patronymic, date of birth, citizenship, status of a member of the Board of Directors (independent director, shareholder representative), indication of functions of a member of the Board of Directors, including membership in committees of the Board of Directors or acting as the Chairman of the Board of Directors, education, including basic and additional education (name of educational institution, year of graduation, qualification, degree obtained), work experience for the last five years, main place of work and other positions currently held, professional qualifications, date of first election to the Board of Directors and date of election to the

current Board of Directors, number of shares and shareholding in affiliated companies, criteria of independent directors;

8) information on members of the Management Board, including the following information: photograph, surname, first name, patronymic, date of birth, citizenship, position and functions performed, education, including basic and additional education (name of educational institution, year of graduation, qualification, degree obtained), work experience for the last five years, professional qualification, positions held on a part-time basis, number of shares and shareholding in affiliated companies;

9) financial statements;

10) annual reports;

11) information on the external auditor;

12) information on procurement activities, including procurement rules, announcements and procurement results;

13) information on the structure of the authorized capital, including the following information: number and par value of issued shares (participatory interests), description of rights granted by the shares, number and par value of authorized but unplaced shares, composition of shareholders (participants), number and share of common stock (participatory interests) owned by them, procedure for disposition of ownership rights;

14) information on the structure of assets, including information on affiliated companies of all levels with a brief indication of the scope of their activities; 15) annual calendar of corporate events;

16) information on interested-party transactions, including information on the parties to the transaction, material terms of the transaction (subject of the transaction, transaction price), the body that made the decision to approve the transaction;

17) information on major transactions, including information on the parties to the transaction, material terms of the transaction (subject of the transaction, transaction price), the body that took the decision to approve the transaction;

18) information on sustainable development activities; 19) information on the amount of approved dividends; 20) news and press releases.

A holding company may have one Internet resource for all organizations of its group. An organization of a holding company may decide to have its own Internet resource.