

**Application 26**  
**to the Order of the Minister of**  
**Education and Science of the**  
**Republic of Kazakhstan dated**  
**"\_\_" \_\_\_\_\_ 2024**  
**No. \_\_\_\_**

**Corporate governance code**  
**non-profit joint-stock company**  
**"Aktobe Regional University named after K. Zhubanov"**

**Chapter 1. General Provision**

1. The Corporate Governance Code of the non-profit joint-stock company "K. Zhubanov Aktobe Regional University" (hereinafter referred to as the Code) has been developed in accordance with the Laws of the Republic of Kazakhstan "On State Property", "On Joint-Stock Company", "On Education", "On Non-Profit Organizations", "On Combating Corruption" and determines the approaches of corporate governance in the relations of the intra-non profit joint-stock company "Aktobe Regional University named after K.Zhubanov (hereinafter referred to as the Company), and with other interested parties.

2. The objectives of this Code are to ensure transparency and efficiency of management in the Company and its commitment to follow the standards of good corporate governance in the implementation of its activities.

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

1) Sole shareholder – the supreme body of the Company – the Ministry of Science and Higher Education of the Republic of Kazakhstan;

2) partners – suppliers and contractors, partners in joint projects;

3) Management Board – the executive body of the Company, acting collectively;

4) development plan – a document that determines the main activities and indicators of the Company's financial and economic activities for a five-year period;

5) Strategy/program of the Company's development – a document that defines the goals, priorities and development strategies of the organization of higher and (or) postgraduate education and is of a medium-term nature;

6) Board of Directors – a management body in the Company, which is formed

by electing its members by the decision of the Company's Sole Shareholder, responsible for the general management and control of the activities of the Company and the Management Board;

7) corporate governance – a set of processes that ensure the management and control of the Company's activities and include relations between shareholders, the board of Directors, the management board, other bodies of the Company and stakeholders in the interests of shareholders. Corporate governance also defines the structure of a Company, through which its goals are set, ways to achieve these goals, as well as monitoring and evaluating performance;

8) corporate events – events that have a significant impact on the Company's activities, affecting the interests of the Sole Shareholder and investors of the Company, defined by the Law "On Joint-Stock Companies", the Laws of the Republic of Kazakhstan "On Accounting and Financial Reporting" and "On the Securities Market", as well as the Charter of the Company;

9) corporate conflict – a disagreement or dispute between the Sole Shareholder and the Company's bodies; members of the Board of Directors and the executive body, the head of the Internal Audit Service, the Corporate Secretary, the Ombudsman and the Anti-Corruption Compliance Service;

10) institutional investor – a legal entity that invests the money raised by it in securities and other financial instruments in accordance with the legislation of the Republic of Kazakhstan;

11) corporate secretary – an employee of a non-profit joint-stock company who is not a member of the Board of Directors and (or) the executive body of the company, who is appointed by the board of directors of the company and is accountable to the board of directors of the company, as well as within the framework of his activities supervises the preparation and conduct of meetings of the meeting of the Sole Shareholder and the Board of Directors of the company, ensures the formation of materials on issues submitted for consideration by the Sole Shareholder and materials for the meeting of the company's board of directors, monitors access to them. The competence and activities of the Corporate Secretary are determined by the company's internal documents;

12) key performance indicators (hereinafter referred to as KPIs) – indicators characterizing the level of efficiency of the Company, officers and employees of the Company, which allow them to assess the effectiveness of their activities. KPIs have a quantitative value approved for the Company as part of the Company's development plan and/or development program, or approved differentially for each employee of the Company and corresponding to the results of their activities for the planned and

reporting periods;

13) official – a member of the Board of Directors, an executive body;

14) interested parties – individuals, legal entities, groups of individuals or legal entities that have or may be influenced by the activities of the Company, their products or services and related actions by virtue of the legislation, concluded agreements (contracts) or indirectly (indirectly); the main representatives of stakeholders are the Sole Shareholder, employees, customers, suppliers, government agencies, subsidiaries and affiliates, creditors, investors, public organizations, and the population of the regions in which the Company operates;

15) ombudsman – a person appointed by the Board of Directors of the Company, whose role is to advise the Company's employees who have applied to him/her and to assist in resolving labor disputes, conflicts, problematic issues of a social and labor nature, as well as in compliance with the principles of business ethics by the Company's employees;

16) Anti-corruption Compliance- provision Compliance the Company, its employees and students of regulatory requirements on anti corruption and anti-corruption regulatory requirements provided for by the legislation of the Republic of Kazakhstan and international treaties ratified by the Republic of Kazakhstan (hereinafter referred to as the legislation), which the Company is obliged to follow, as well as internal documents of the Company establishing policies and procedures for the implementation of these requirements;

17) anti-corruption compliance service – a structural subdivision of the Company established by the decision of the Board of Directors;

18) sustainable development is development in which the Company manages the impact of its activities on the environment, economy, society and makes decisions taking into account the interests of stakeholders;

19) independent director – a member of the Board of Directors who is not an affiliate of this Company and has not been such during the three years preceding his election to the Board of Directors (except for the case of his being an independent director of this Company), is not an affiliate in relation to affiliated persons of this Company; is not subordinate to the officials of this Company – affiliated persons of this Company and has not been subordinate to these persons during the three years preceding his election to the Board of Directors; is not a civil servant; is not a representative of the shareholder at the meetings of the bodies of this Company and has not been one for three years, preceding his election to the Board of Directors; does not participate in the audit of this Company as an auditor working as part of an audit organization, and did not participate in such audit during the three years

preceding his election to the Board of Directors;

20) authorized body for management of the relevant branch of state administration (hereinafter referred to as the authorized body of the relevant industry) – the Ministry of Science and Higher Education of the Republic of Kazakhstan, to which the rights of possession and use of the state block of shares of the Company were transferred, as well as the State Property and Privatization Committee, performing the functions of a shareholder in relation to it in accordance with the Law on State Property;

21) academic council – an elected collegial body, the competence of which includes consideration of issues and decision-making on scientific, educational, methodological, social and educational activities;

22) internal audit service – a body exercising control over the financial and economic activities of the Company, accountable to the Board of Directors;

23) organizations – legal entities, more than fifty percent of voting shares (participatory interests) in the authorized capital of which are directly or indirectly owned by the Company on the basis of ownership or trust management;

24) fiduciary obligations – obligations assumed by a person who carries out his professional activity for the benefit of another person. There are two main fiduciary duties: good faith and reasonableness. The duty of good faith is manifested in the fact that in the event of a conflict of interest, the subject of this obligation must act exclusively in the interests of the Company.

In turn, the duty of reasonableness is manifested in the application of skills, knowledge and abilities usually required in such a situation. Entities bound by fiduciary obligations to the Company include members of the Company's management bodies, its employees, shareholders, as well as other interested parties. For example, members of the Company's management bodies, its employees, as well as the controlling shareholder are not entitled to use the Company's business opportunities exclusively in their own interests. The opposite will mean a violation of the duty of good faith in relation to the Company.

25) minimum wage (MW) – the minimum amount of wages, determined in accordance with the legislation of the republican budget for the relevant financial year. Other terms used in this Code shall correspond to the terms and definitions used in the legislation of the Republic of Kazakhstan.

4. The Company conducts an independent assessment of corporate governance at least once every three years, the results of which are posted on the website of joint-stock companies.

The Internal Audit Service of the Company analyzes the effectiveness of the

corporate governance system.

The Board of Directors determines the frequency of the analysis of the effectiveness of the corporate governance system, taking into account the expectations of the sole shareholder.

Results of independent assessment and analysis of the effectiveness of the corporate governance system are disclosed in the Company's annual report.

5. The Company recommends the implementation of this Code in organizations in which the Company directly or indirectly owns more than fifty percent of the voting shares (stakes) (hereinafter referred to as the organization).

6. The Company recommends that limited liability companies implement compliance with the provisions of this Code to the extent that they do not contradict the Law on Limited Liability Companies.

7. In carrying out its activities, the Company ensures:

1) management of the Company in compliance with the principle of legality and an appropriate level of responsibility, delineation of powers, accountability and efficiency;

2) risk management and internal control system;

3) elimination of conflicts of interest.

In order to ensure the transparency of the Company's activities, the Code provides for the following types of fiduciary obligations:

1) fiduciary obligations of the Company – good faith and reasonable compliance by the Company with obligations in the interests of its stakeholders, the Company is not entitled to use its business opportunities solely for profit;

2) fiduciary obligations to the Company – good faith and reasonable compliance with the obligations of the Sole Shareholder, the Board of Directors, the Management Board, employees of the Company, its subsidiaries and affiliates and their employees in the interests of the Company. Members of the Company's management bodies, its employees, as well as the Sole Shareholder are not entitled to use the Company's business opportunities solely in their own interests.

8. Control over the Company's implementation of this Code is carried out by the Board of Directors of the Company. The Corporate Secretary monitors and advises the Board of Directors and the Executive body of the Company on issues of proper compliance with this Code, and also forms an annual report on compliance/non-compliance with its principles and provisions.

9. Cases of non-compliance with the provisions of this Code are considered at meetings of committees and Boards of Directors with the adoption of decisions aimed at further improving corporate governance in the Company.

## **Chapter 2. Principles of corporate governance of the Company**

10. The Company considers corporate governance as a means of improving the efficiency of the Company's activities, ensuring transparency and accountability, strengthening its reputation and reducing the cost of raising capital by it. The corporate governance system provides for the separation of powers and responsibilities between the bodies, officials and employees of the Company.

The Company considers corporate governance as a means of improving the efficiency of the Company's activities, ensuring transparency and accountability, strengthening its reputation and attractiveness for investors to attract their capital. The corporate governance system provides for the delineation of powers and responsibilities between the bodies, officials and employees of the Company.

11. The Company's corporate governance is based on fairness, honesty, responsibility, transparency, professionalism and competence. The corporate governance structure is based on respect for the rights and interests of all stakeholders in the Company's activities and contributes to the successful activities of the Company, including the growth of its value, support of financial stability, sustainable development and the implementation of the goals defined by the Charter.

12. The fundamental principles of this Code are:

- the principle of delimitation of powers;
- the principle of protecting the rights and interests of shareholders;
- the principle of effective management of the Company by the Board of Directors and the Management Board;
- the principle of sustainable development; the principle of risk management, internal control and audit;
- the principle of regulating corporate conflicts and conflicts of interest;
- the principle of transparency and objectivity of information disclosure on the Company's activities.

Deviation from the above principles of the Company's management requires the submission of appropriate explanations in accordance with paragraph 133 of this Code.

13. Within the framework of the corporate governance structure of the Company, the division of responsibilities between the Company's bodies is determined, and the consistency and consistency of corporate governance processes are ensured.

14. Following the principles of corporate governance set out in the Code

contributes to the creation of an effective approach for conducting an objective analysis of the Company's activities and receiving recommendations from analysts, financial consultants and rating agencies.

### **Paragraph 1. Principle of delimitation of powers**

15. The rights, obligations and powers of the Sole Shareholder, the Board of Directors and the executive body shall be determined in accordance with the current legislation of the Republic of Kazakhstan.

16. The state body shall distinguish between its powers as the Sole Shareholder of the Company and the powers related to the performance of state functions in order to prevent conflicts of interest.

17. The Company carries out its activities within the framework of its main (core) activities. The implementation of new types of activities is regulated by the Entrepreneurial Code of the Republic of Kazakhstan.

18. The optimal structure of assets is being built in the Company, their structure and organizational and legal form are being simplified.

When a Company creates new organizations or participates in other legal entities, a limited liability partnership is the preferred organizational and legal form.

Production and financial companies where it is possible to increase the Company's assets by participating in the implementation of investment projects and financial operations to attract extra-budgetary investments for the implementation of socio-economic tasks are created or exist in the form of a joint-stock company.

When a Company establishes an organization in the form of a limited liability partnership and or participates in it, a participant(s) may, in cases provided for by the articles of association, establish a supervisory board and (or) an audit commission (appoint an auditor).

19. The State Body, as the Sole Shareholder, participates in the management of the Company solely through the exercise of the powers of the Sole Shareholder provided for in the Law on Joint Stock Companies and the Articles of Association of the Company.

20. The state body performing the functions of a shareholder shall provide full operational independence in the activities of the Company's Board of Directors in order to ensure independent and objective performance of their functions of strategic management and control over the activities of the executive body.

The Executive body of the Company and the head of the executive body are completely independent and independent in making decisions and carrying out

actions within their competence.

The Company informs the Board of Directors and shareholders (the sole shareholder) on a quarterly basis about cases of interference by government agencies in the operational (ongoing) activities of the Company and organizations not provided for by the laws of the Republic of Kazakhstan.

The Board of Directors, if necessary, submits proposals to the shareholders (the sole shareholder) to prevent such cases.

21. Transactions and relations between the Company, the Sole Shareholder and interested parties shall be carried out within the framework of the current legislation of the Republic of Kazakhstan.

22. The Company shall finance its economic activities on market terms. In particular, with the conditions relating to access to debt and equity financing:

1) the Company's relations with all market participants (including financial and non-financial organizations) are based exclusively on a commercial basis, except for cases when one of the main tasks of the Company is the implementation or assistance in the implementation of the state policy for the development of industries of the Republic of Kazakhstan;

2) within the framework of economic activity, the Company does not benefit from any indirect financial support, which gives advantages over private competitors, except for cases provided for by the legislation of the Republic of Kazakhstan. The Company's economic activities shall not obtain resources (e.g. energy, water resources or land) at prices and on terms that are favourable to those offered to private competitors;

3) the rates of profit, established taking into account the operating conditions, in relation to the economic activity of the Company, correspond to the results obtained by competing private enterprises;

4) Society and organizations can participate in the implementation of socially significant and industrial-innovative projects, taking into account the main directions of state policy in industrial and innovative, socio-economic and other spheres, in the areas of activity of the Society and the organization.

Information on expenses related to the goals of state policy is disclosed on the website of the Company and the organization.

With the participation of the Company in public procurement as a customer, the procedures applied are competitive, transparent (taking into account the principle of confidentiality), non-discriminatory and are carried out taking into account the requirements of the Law of the Republic of Kazakhstan "On Public Procurement" and "On Procurement of Certain Entities of the Quasi Public Sector".



23. Relations (interaction) between the state body and the Company, organizations shall be carried out through the Board of Directors and/or the executive body of the Company in accordance with the principles of corporate governance. The role and functions of the Chairman of the Board of Directors and the head of the executive body of the Company are delimited and fixed in the documents of the Company.

Interaction between state bodies, the Company and organizations that is not related to interaction within the framework of the activities of shareholders (sole shareholder), membership of representatives of state bodies in the Board of Directors of the Company and organizations, is carried out exclusively within the framework of the current legislation of the Republic Kazakhstan.

The Company discloses to the state body as a shareholder and the Board of Directors of the Company information on the Company's activities in accordance with the Law on Joint Stock Companies, the Charter of the Company and ensures the transparency of the activities of the Company and organizations to interested parties.

24. The corporate governance system provides for the relationship between:

- 1) Sole shareholder;
- 2) the Board of Directors (Supervisory Board);
- 3) the executive body;
- 4) interested parties;
- 5) other bodies determined in accordance with the Charter.

The Company approves regulations on bodies (if such provisions are not provided for by the Charter of the Company) and structural subdivisions, as well as job descriptions. Compliance with the provisions of these documents ensures the consistency and consistency of corporate governance processes.

25. The Company participates in the management of organizations through the implementation of the functions of the Sole Shareholder (Participant), as well as through the Board of Directors, in the manner prescribed by the charters of organizations and this Code.

26. The Company shall annually send to the Chairman of the Board of Directors and representatives of the Company in the Board of Directors (Supervisory Board) of the organization the shareholder's expectations for the upcoming financial year.

27. The sole shareholder shall hold meetings with the members of the Board of Directors (Supervisory Board) of the organization, all voting shares of which belong to the Company.

The Board of Directors (supervisory boards) of organizations shall have full

independence in decision-making within the scope of their competence established by the charter of organizations.

28. In order to ensure the sustainable development of organizations, the Company forms and approves uniform accounting, tax, dividend and other policies, guidelines and corporate standards for organizations.

The decision on the application of corporate standards approved by the Company in the field of internal audit and the internal control system in the organization is made by the Board of Directors of the organization, taking into account the compliance of these standards with the specifics of the organization's activities.

The Executive body of the Company and organizations ensure that the plans/strategies/programs for the development of organizations submitted for approval by the Board of Directors of organizations comply with the plan/strategy/program for the development of the Company.

The Executive Body of the Company maintains a constant dialogue with the executive body of the organization on issues of development plans/strategies/programs and sustainable development. At the same time, the Company does not allow interference in the operational (current) activities of the organization, for which the executive body of the organization is responsible.

The Company, organizations and their officials ensure the growth of long-term value and sustainable development of the Company and organizations, respectively, and decisions and actions/omissions taken, in accordance with the procedure established by the legislation of the Republic of Kazakhstan and internal documents of the Company and organizations.

The Executive body of the Company interacts with the executive body of the organization on issues of strategy and sustainable development. At the same time, the Company does not interfere in the operational (current) activities of the organization, for which the executive body of the organization is responsible.

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

29. One of the main strategic objectives of the Company is to ensure the growth of long-term value and sustainable development of the Company, which is reflected in their development plans/strategies/programs. All decisions and actions taken are in line with the development plan/strategy/program.

The main element of the assessment of the effectiveness of the Company and its executive body is the KPI system. In order to achieve KPIs, the Company

develops a strategy/plan/development program with the Law of the Republic of Kazakhstan "On State Property" on an annual basis.

In order to assess the achievement of the goals and objectives set out in the development plan/programme/development plan, the Company sets KPIs through the following processes:

1) the Company sends its expectations to its representatives on the Board of Directors its expectations for the target KPIs of the organisations for the planned period, which are submitted by them for consideration by the Boards of Directors of organizations;

2) based on the results of consideration and discussion, the Board of Directors of the organizations approves the list and target values of KPIs, which are communicated to the executive body of the organizations for the development of relevant plans/strategies/development programs;

3) the action plan of the Company is approved by the Board of Directors of the organizations.

30. The Company shall approve uniform rules for the development, approval of development plans of organizations in which the Company owns a controlling stake (participatory interest), as well as monitoring and evaluation of their implementation.

## **Paragraph 2. Principle of protection of the rights and interests of shareholders**

31. Respect for the rights of the Sole Shareholder is a key condition for attracting investments into the Company. Corporate governance in the Company is based on ensuring the protection and respect of the rights and legitimate interests of the Sole Shareholder and is aimed at contributing to the effective operation of the Company, including improving the quality of trained personnel, maintaining financial stability, ensuring sustainable development and asset security.

The Company's observance of the rights and legitimate interests of investors is a key condition for attracting investments. Corporate governance in the Company is based on ensuring the protection and respect of the rights and legitimate interests of investors and the Sole Shareholder equally and is aimed at contributing to the effective operation of the Company, including improving the quality of trained personnel, maintaining financial stability, ensuring sustainable development and asset security.

## **Paragraph 3. Securing shareholder rights**

32. The Company ensures the exercise of the rights of the Sole Shareholder and investors, including:

- the right to own, use and dispose of shares;
- the right to participate in the management of the Company and elect the Board of Directors in accordance with the procedure provided for by the Law on State Property, Article 36 of the Law "On Joint Stock Companies" and/or the Charter of the Company;
- the right to receive a share in the Company's assets upon its liquidation;
- the right to receive information about the Company's activities, including to familiarize themselves with the Company's financial statements, in accordance with the procedure established by the Company's Charter;
- the right to apply to the Company with written requests regarding its activities and to receive motivated and exhaustive answers within the time limits established by the Charter of the Company;
- the right to receive extracts from the Company's registrar or nominee holder confirming his ownership of securities;
- the right to challenge in court the decisions made by the Company's bodies;
- the right to apply to the judicial authorities on their own behalf in the cases provided for by Articles 63 and 74 of the Law "On Joint Stock Companies" with a claim for compensation to the Company by the Company's officials for losses caused to the Company, and for the return to the Company by the Company's officials of the profit (income) received by them as a result of decisions to conclude (propose to conclude) major transactions and/or interested party transactions;
- the right to make a decision to change the number of shares of the Company or change their type in the manner prescribed by the Law "On Joint-Stock Companies".

33. The Sole Shareholder exercises his rights to participate in the management of the organization through decision-making within the exclusive competence of the Sole Shareholder.

Decisions and expectations of the Sole Shareholder are made by him alone and are subject to execution in writing.

34. The sole shareholder holds meetings with the Board of Directors and/or the executive body to summarize the results of the year's activities and make decisions on issues within its competence. The Sole Shareholder may also hold regular meetings with the Chairman of the Board of Directors during the year to discuss issues related to the Company's activities within their competence.

#### **Paragraph 4. Effective Board of Directors**

35. The Board of Directors is a management body accountable to the Sole Shareholder, which provides strategic management of the organization and control over the activities of the Management Board.

36. The Board of Directors ensures full transparency of its activities to the Sole Shareholder, as well as the implementation of all provisions of this Code.

The state body/Company shall ensure the availability of effective mechanisms for communicating the will of the shareholder to the members of the board of directors of the Company/organization nominated by such shareholder and/or who are his/her representatives.

37. The Board of Directors performs its functions in accordance with the Law "On State Property", the Law "On Joint-Stock Companies", the Law "On Non Profit Organizations", the Charter of the Company, this Code, the Regulations on the Board of Directors and other internal documents of the Company.

The Board of Directors pays special attention to:

- 1) determining the development plan / strategy / program (directions and results);
- 2) setting and monitoring KPIs established in the development plan/program/strategy;
- 3) organization and supervision of the effective functioning of the risk management and internal control system, and identification of key risks;
- 4) approval and monitoring of the effective implementation of major investment projects and other key strategic projects within the competence of the Board of Directors;
- 5) Election (re-election), Reward Planning continuity and supervision of the activities of the head and members of the executive body;
- 6) disclosure of information, including in the financial statements, that reliably reflected the Company's affairs and related risks;
- 7) corporate governance, corporate culture and ethics;
- 8) compliance with the provisions of this Code in the Society the Company's corporate standards in the field of business ethics (Code of Business/Corporate Ethics).

38. The members of the Board of Directors perform their functional duties in good faith and adhere to the following principles in their activities:

- 1) act within the limits of their powers – members of the Board of Directors make decisions and act within the limits of their powers enshrined in the Law on

State Property, the Law on Joint Stock Companies, the Charter and the Regulations on the Board of Directors of the Company;

2) devote sufficient time to participate in meetings of the Board of Directors and its committees and prepare for them. A member of the Board of Directors may hold positions in other legal entities after obtaining the approval of the Board of Directors;

3) contribute to the growth of long-term value and sustainable development. Members of the Company – members of the Board of Directors act in the interests of the Company, taking into account fair treatment of the shareholder and the principles of sustainable development; the impact of decisions and actions of members of the Board of Directors can be determined at least through the following questions: what are the consequences of the decision/action in the long term; what is the impact of the organization's activities on society and the environment; fair treatment of the Sole Shareholder; impact on the Company's reputation and high standards of business ethics; impact on the interests of investors and other interested parties (this list of issues is not exhaustive);

4) maintain high standards of business ethics – members of the Board of Directors in their actions, decisions and behavior comply with high standards of business ethics, and be an example (model) for the Company's employees;

5) not create a conflict of interest – members of the Board of Directors do not allow situations in which personal interest may affect the proper performance of his/her duties as a member of the Board of Directors, in the event of situations with conflicts of interest, that affect or may 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 take part in the discussion and adoption of such decisions. This requirement also applies to other actions of a member of the Board of Directors that may directly or indirectly affect the proper performance of the duties of a member of the Board of Directors;

6) act with due reason, skill and prudence – members of the Board of Directors on an ongoing basis improve their knowledge in terms of the competence of the Board of Directors and the performance of their duties in the Board of Directors and committees, including such areas as legislation, corporate governance, risk management, finance and audit, sustainable development, knowledge of the industry and the specifics of the Company's activities. In order to understand the current issues of the Company's activities, members of the Board of Directors regularly visit the Company's key facilities and hold meetings with employees.

39. Responsibility between the Board of Directors for ensuring its activities,

performing its functions and duties, including (but not limited to) according to the definition of the strategic directions of the Company's activities, the setting of tasks and specific, measurable (digitized) KPIs and the responsibility of the Company's management board for the operational (current) activities of the Company, including (but not limited to) the fulfillment of assigned tasks and the achievement of established KPIs / KPIs is divided and fixed in the relevant internal documents of the Company.

Members of the Board of Directors are personally responsible for fulfilling their duties, including fiduciary duties to the Sole Shareholder, and bear financial, administrative and other responsibility for decisions made, the effectiveness of their activities, actions and/or omissions.

In case of differing opinions, the Chairman of the Board of Directors ensures that all acceptable options and proposals are considered by individual members of the Board of Directors in order to make a decision that meets the interests of the Company.

The Chairman of the Board of Directors annually submits to the Sole Shareholder:

1) a report of the Board of Directors reflecting 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 the long-term value and sustainable development of the Company, the main risk factors, significant events, issues considered, the number of meetings, the form of meetings, attendance, as well as other important information – the report of the Board of Directors is included in the Company's annual report;

2) a report on the implementation of the Sole Shareholder's expectations.

The Board of Directors shall annually report on compliance with the provisions of this Code to the Sole Shareholder. The Board of Directors ensures that mechanisms are put in place to avoid conflicts of interest that impede the objective performance of the Board's responsibilities and to limit political interference in the Board's processes.

The Company's sole shareholder holds meetings with the Chairman and members of the Board of Directors to discuss the development plan/strategy/program, elect the head of the Company's executive body and other aspects that affect the growth of the Company's long-term value and sustainable development. Such meetings are scheduled in advance and conducted in accordance with approved procedures.

40. The Board of Directors and its committees maintain a balance of skills, experience and knowledge to ensure the adoption of independent, objective and effective decisions in the interests of the Company and taking into account fair

treatment of the Sole Shareholder and the principles of sustainable development.

41. The Sole Shareholder elects the members of the Board of Directors based on the competencies, skills, achievements, business reputation and professional experience of the candidates. When re-electing individual members of the Board of Directors or its full membership for a new term, their contribution to the effectiveness of the Company's Board of Directors is taken into account.

In the event of early termination of the powers of a member of the Board of Directors and the election of a new member of the Board of Directors, the latter's powers expire simultaneously with the expiration of the term of office of the Board of Directors as a whole.

42. The term of office of members of the Board of Directors expires at the time the Sole Shareholder makes a decision to elect a new Board of Directors.

43. Members of the Board of Directors of the Company are elected for a term of no more than three years, subsequently, subject to satisfactory performance results, re-election is allowed for a period of up to three years.

44. Any term of election to the Board of Directors of the Company for a term of more than six consecutive years is subject to special consideration by the General Meeting of Shareholders (Sole Shareholder) taking into account the need for a qualitative renewal of the composition of the Board of Directors. In exceptional cases, election is allowed for a term of more than six years, and the election of such a person to the Board of Directors of the Company takes place annually, with a detailed explanation of the need for the election of this member of the Board of Directors and the impact of this factor on the independence of decision-making.

45. The same person is recommended not to be elected to the Board of Directors of the Company for more than nine consecutive years.

No person participates in decisions related to his or her own appointment, election and re-election.

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

- 1) work experience, including in managerial positions;
- 2) experience as a member of the Board of Directors;
- 3) work experience in the specialty;
- 4) education, specialty, including the availability of certificates, including international ones;
- 5) availability of competencies in the areas and industries of the Company's activities;
- 6) business reputation;



7) the presence of a direct or potential conflict of interest.

47. The number of members of the Board of Directors of the Company and organizations shall be determined by the General Meeting of Shareholders (sole shareholder). The number of members of the board of directors should allow for the creation of the required number of committees. The recommended number of members of the Board of Directors is from 3 to 11 people.

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

48. The composition of the Board of Directors ensures that decisions are made in the interests of the Company and taking into account fair treatment of the Sole Shareholder by means of a balanced combination of members of the Board of Directors (representatives of shareholders, independent directors, and, in the case of inclusion in the Board of Directors, the head of the executive body).

The issue of electing the entire board of directors or individual members is initiated in accordance with the established procedure by a major shareholder or the nomination and remuneration committee through the Company's Board of Directors.

Employers and/or representatives of business structures are necessarily elected to the Board of Directors.

49. A person shall not be elected to the position of a member of the Board of Directors of the Company:

1) has an outstanding or unexpunged conviction in accordance with the procedure established by law;

2) who was previously the chairman of the board of directors, the head of the executive body, the deputy head, the chief accountant of another legal entity for a period not more than one year before the decision on compulsory liquidation or compulsory redemption of shares, or conservation of another legal entity declared bankrupt in accordance with the established procedure. This requirement shall be applied within five years after the date of the decision on the compulsory liquidation or compulsory redemption of shares, or the conservation of another legal entity declared bankrupt in accordance with the established procedure;

3) who has committed a corruption crime.

The provisions specified in this paragraph shall be established in the Charter of the Company.

50. Independent directors shall be present and participate in the Board of Directors. The number of members of the Board of Directors is at least six. At least thirty percent of the composition of the Board of Directors of the Company must be

independent directors. The number of independent directors must be at least three members to ensure the independence of decisions made and fair treatment of the Sole Shareholder, the Company and interested parties. The recommended number of independent directors on the Company's Board of Directors is up to fifty percent of the total number of members of the Board of Directors.

Independent members of the Board of Directors are free from any material interests or relations with the Company, its management or its property, which could jeopardize the exercise of objective judgment.

The independent director monitors the possible loss of independence status and notifies the chairman of the board of directors in advance if such situations arise. In the event of 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 Sole Shareholder for an appropriate decision.

Requirements for Independent Directors:

1) A candidate for election as an independent director to the Board of Directors must;

2) Comply with the definition of an independent director in accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies".

3) Possess general information about the key issues specific to an organization similar in scope and nature of the Company's activities, and/or have international experience in a similar industry/sector and professional experience of at least 2 years prior to nomination, and demonstrate an understanding of:

- legal requirements in relation to the Company;
- competitive environment in the national and international markets.

4) Be able to analyze and objectively evaluate the information provided and develop an independent position on the issue based on the principles of legality, fairness and equal treatment of all shareholders. Be able to express your own opinion and defend your point of view with arguments.

5) Know the principles of corporate governance and sustainable development.

6) Have an impeccable reputation/positive achievements in the business and/or industry environment. The candidate's biography must not contain facts of committing a crime in the field of economic activity, as well as administrative offenses in entrepreneurial activity.

7) Have sufficient time to participate in the work of the Board of Directors not only during the meetings of the Board of Directors, but also for the proper study of materials for the meetings of the Board of Directors.

8) Annually carry out the procedure for confirming independence and inform

the Company in case of loss of the status of independent Director.

9) Experience in authorized bodies (management board, board of directors).

10) Experience in educational organizations and (or) authorized bodies in the relevant fields for at least 2 years.

- At least 2 years of experience in the financial sector.

- Higher legal or economic education is preferable (confirmed by a diploma and diploma supplements)

Independent directors actively participate, among other things, in discussing issues where a conflict of interest is possible (preparation of financial and non-financial statements, conclusion of interested-party transactions, nomination of candidates to the management board, setting remuneration for members of the management board). Independent Directors are elected by the Chairmen of the Board of Directors' committees on strategic planning, personnel and remuneration, audit, and other matters stipulated by the company's internal documents.

The Independent Director monitors the possible loss of independence status and notifies the Chairman of the Board of Directors in advance in case of such situations. In case of 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 Sole Shareholder for making an appropriate decision.

51. Relations between independent members of the Board of Directors and the Company shall be formalized by agreements taking into account the requirements of the legislation of the Republic of Kazakhstan, the provisions of this Code and internal documents of the Company.

An agreement with members of the Board of Directors who are independent directors on behalf of the Company on the basis of the decision of the Sole Shareholder on election is concluded by the head of the executive body of the Company.

The contracts specify the rights, obligations, responsibilities of the parties and other essential conditions, as well as the obligations of the director to comply with the provisions of this Code, including to devote a sufficient amount of time to perform the functions assigned to them, the obligation not to disclose internal information about the Company after the termination of its activities for the period established by the Board of Directors and additional obligations due to the requirements of the status and functions of independent directors.

Contracts may provide for the deadlines for members of the Board of Directors to perform certain duties.

52. The Company shall ensure the availability of succession plans for members of the Board of Directors to maintain the continuity of operations and progressive renewal of the composition of the Board of Directors. In order to create a qualified effective management body, the Company is recommended to provide professional development for members of the Board of Directors on corporate governance issues at least once every two years.

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

54. Members of the Board of Directors elected for the first time shall undergo an induction programme after their appointment. In the process of induction, members of the Board of Directors are familiarized with their rights and obligations, key aspects of the Company's activities and documents, including those related to the greatest risks.

55. The Chairman of the Board of Directors shall be personally responsible for the general management of the Board of Directors, ensure the full and effective implementation by the Board of Directors of its main functions and the building of a constructive dialogue between the members of the Board of Directors, the Sole Shareholder and the Management Board of the Company.

56. The Chairman of the Board of Directors creates a unified team of professionals committed to the growth of long-term value and sustainable development of the Company, who are able to respond to internal and external challenges in a timely and professional manner.

57. To perform the role of Chairman of the Board of Directors, the candidate, along with professional qualifications and experience, has special skills such as leadership, the ability to motivate, understand different views and approaches, and has conflict resolution skills.

58. The functions of the Chairman of the Board of Directors and the Chairman of the Management Board of the Company shall be divided and fixed in the Charter of the Company. The Chairman of the Management Board may not be elected as the Chairman of the Board of Directors of the Company.

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 current (operational) issues subject to consideration by the Board of Directors;

4) ensuring the effectiveness of meetings of the Board of Directors by allocating sufficient time for discussions, comprehensive and in depth consideration of agenda items, stimulating open discussions, reaching agreed decisions;

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

6) ensuring monitoring and supervision of the proper implementation of decisions made by the Board of Directors and the Sole Shareholder;

7) in the event of corporate conflicts, taking measures to resolve them and minimize the negative impact on the activities of the organization, and timely informing the Sole Shareholder, if it is impossible to resolve such situations on their own.

### **Paragraph 5. Remuneration of members of the Board of Directors**

59. Members of the Board of Directors who are independent directors shall be paid a fixed remuneration for each participation in meetings of the Board of Directors and committees, including:

- for participation in an in-person meeting – 1.5 minimum wages;
- in absentia and submission of a written opinion – 0.75 MW.

Remuneration is paid for one meeting of 1 MW for the chairmanship of the Committee.

Upon the recommendation of the Company's executive body, the Chairman of the Board of Directors may be paid other amounts of remuneration on the basis of a decision of the sole shareholder.

At the same time, members of the Board of Directors who are state and civil servants are not paid remuneration.

60. The remuneration of an independent director is the income of an individual and is subject to taxation in accordance with the requirements of the tax legislation of the Republic of Kazakhstan.

61. Based on the application, members of the Board of Directors may be compensated for expenses (travel, accommodation, daily subsistence allowance) related to attending meetings of the Board of Directors held outside the place of

permanent residence of members of the Board of Directors.

62. Reimbursement of expenses shall be made in accordance with the procedure provided for by the Company's internal regulatory documents.

### **Paragraph 6. Committees of the Board of Directors**

63. Committees are established under the Boards of Directors, whose competence includes consideration of audit, strategic planning, risk management, personnel and remuneration, as well as other issues stipulated by the Company's internal documents.

In order to increase the effectiveness of investment decision-making, the competence of one of the committees under the Board of Directors includes issues related to the investment activities of the organization, the consideration of which falls within the competence of the Board of Directors.

The quantitative composition of the Committee is not less than 3 (three) persons.

It is allowed to combine issues related to strategic planning, personnel and remuneration, social issues, and investment activities within the framework of the activities of one committee.

A separate committee is established under the Board of Directors to consider audit issues.

64. The presence of committees does not exempt members of the Board of Directors from liability for decisions made within the competence of the Board of Directors.

65. Committees shall be established to conduct a detailed analysis and develop recommendations on the range of the most important issues prior to their consideration at a meeting of the Board of Directors. The final decision on the issues considered by the committees is made by the Board of Directors.

66. Activities All Committees regulated by internal documents approved by the Board of Directors containing provisions on the composition, competence, procedure for electing committee members, the procedure for the work of committees, as well as on the rights and obligations of their members. The sole shareholder can familiarize himself with the regulations on committees. Regulations on the committees are posted on the corporate website.

67. The functions of the Secretary of the Committee are performed by the Corporate Secretary. If the Company has a corporate secretary's service, an employee of the corporate secretary's service may be appointed as its secretary by a decision of

the committee. The Secretary of the Committee ensures the preparation of committee meetings, the collection and systematization of materials for meetings, the timely sending to committee members and invited persons of notifications on the holding of committee meetings, the agenda of meetings, materials on agenda items, minutes of meetings, preparation of draft decisions of the committee, as well as the subsequent storage of all relevant materials.

The Corporate Secretary oversees the preparation of materials and the conduct of Committee meetings.

68. The Board of Directors decides on the establishment of committees, determines the composition of committees, terms and powers.

The Committees consist of members of the Board of Directors who have the professional knowledge, competencies, and skills to serve on the committee. When forming the composition of the committees, the existence of potential conflicts of interest is taken into account. The Chairmen of the Committees, along with professional competencies, have organizational and leadership qualities, good communication skills for effective organization of the committee's activities.

At the meetings of the committee, decisions are made by the members of the committee.

The Committees, if necessary, involve independent experts and consultants to provide expert advice on the issues on the agenda.

69. Committees approve their work plan (before the beginning of the calendar year), which shall be coordinated with the work plan of the Board of Directors, indicating the list of issues to be considered and the dates of meetings. Meetings of the committees are held in person, with the minutes drawn up. In exceptional cases, it is allowed to hold meetings of the committee with absentee voting. In order to create favorable conditions and reduce the cost of holding committee meetings, the participation of committee members through technical means of communication is allowed.

70. The chairmen of the committees prepare a report on their activities and report to the Board of Directors on the results of their activities for the year at a separate meeting. The Board of Directors has the right to require the Committees to submit a report on current activities at any time during the year within the deadlines set by the Board of Directors.

### **Paragraph 7. Strategic Planning Committee**

71. The Chairman of the Strategic Planning Committee is elected from among

the members of the Board of Directors who are independent Directors for the term of office of the Board of Directors at one of the first meetings of the Board of Directors. The decision on election is made by a simple majority vote of the total number of members of the Board of Directors.

72. The Strategic Planning Committee is entitled to engage experts with relevant experience and competencies to ensure the proper organization of its activities. Committee members who are not members of the Board of Directors shall be appointed by the Board of Directors upon the recommendation of the Chair of the Committee.

73. The functions of the Strategic Planning Committee include the development and submission of recommendations to the Company's Board of Directors on matters related to determining the Company's strategic priorities and development strategy. This includes the development of measures aimed at enhancing the efficiency of the Company's operations, increasing its long-term value, and ensuring sustainable development.

74. Additionally, the Committee's functions include matters related to the development and approval of educational programs; the development and approval of scientific projects, including within the framework of program-targeted and grant funding; the establishment, performance evaluation, and dissolution of academic and scientific structural units; as well as participation in the consideration of such matters regarding the composition of the Board of Directors itself, in cases where such powers are granted by the Sole Shareholder. In such cases, the members of the Strategic Planning Committee shall avoid any conflict of interest and shall not participate in decisions regarding their own appointment and/or remuneration.

The Strategic Planning Committee may also consider matters related to the investment activities of the higher education institution if the transaction value exceeds 10% of the Company's total balance sheet assets.

### **Paragraph 8. Audit Committee**

75. The Audit Committee shall consist of independent directors with knowledge and practical experience in accounting and auditing, risk management, and internal control. The Chair of the Audit Committee must be an independent director. The functions of the Audit Committee include matters related to internal and external audits, financial reporting, internal control and risk management, compliance with the legislation of the Republic of Kazakhstan, internal regulations, and other issues as assigned by the Board of Directors.



76. The Audit Committee evaluates candidates for the Company's auditors and the head of the anti-corruption compliance service. It also conducts a preliminary review of the audit report before its submission to the Board of Directors and the Sole Shareholder.

77. A member of the Board of Directors who is not an independent director may be elected to the Audit Committee if the Board of Directors, by way of exception, determines that such appointment serves the interests of the Shareholders and the Company, and provides appropriate justification for the decision.

### **Paragraph 9. Nomination and Remuneration Committee**

78. In order to ensure objective and independent decision-making and to prevent the influence of any interested parties with a potential conflict of interest (including representatives of shareholders, the head of the executive body, employees, and other individuals) on the judgments of the Committee members, the majority of the members of the Nomination and Remuneration Committee shall be independent directors.

79. At least one member of the Nomination and Remuneration Committee must possess knowledge and practical experience in human resources management, performance evaluation, and corporate governance. The Chair of the Committee shall be an independent director.

80. The functions of the Nomination and Remuneration Committee include matters related to the appointment (election), setting of motivational KPIs, performance evaluation, remuneration, and succession planning for the head and members of the executive body; matters of appointment and remuneration of the Corporate Secretary, the Head and staff of the Internal Audit Service, and other employees of the Company whose appointment is made by the decision of the Board of Directors (while matters concerning the Head and staff of the Internal Audit Service fall under the competence of the Audit Committee); as well as participation in the consideration of such matters with regard to the composition of the Board of Directors itself, in cases where such authority is granted by the General Meeting of Shareholders (or the Sole Shareholder). In such cases, members of the Nomination and Remuneration Committee must not have any conflict of interest and must abstain from participation in the consideration of issues related to their own appointment and/or remuneration.

The Committee also addresses the following social matters:

- 1) prepares recommendations on improving the effectiveness of the

- remuneration and bonus systems for employees of the Company and its affiliated entities;
- 2) develops recommendations on social policy, corporate social responsibility, and the formation of a positive reputation of the Company and its affiliated entities.

### **Paragraph 10. Organization of the Board of Directors**

81. Preparation and holding of meetings of the Board of Directors contribute to the effectiveness of its activities. In order to perform their duties, members of the Board of Directors are provided with access to complete, up-to-date and timely information.

82. The Board of Directors complies with the procedures established by the Company's documents for the preparation and holding of meetings of the Board of Directors.

83. Meetings of the Board of Directors are held in accordance with the work plan approved by the Board of Directors prior to the beginning of the calendar year, which includes a list of issues to be considered and a schedule of meetings.

Meetings of the Board of Directors and its committees are held by means of in-person or absentee voting. The Board of Directors is recommended to reduce the number of meetings with absentee voting.

84. Consideration and decision-making on strategic issues is carried out only at meetings of the Board of Directors with in-person voting.

85. If members of the Board of Directors (no more than 30% of the total number of members of the Board of Directors) are unable to attend a meeting of the Board of Directors in person, a combination of both forms of meetings of the Board of Directors and its committees is possible.

An absent member of the Board of Directors may participate in the discussion of the issues under consideration using technical means of communication and provide his/her opinion in writing.

86. The frequency of meetings of the Board of Directors is at least six meetings per year.

To ensure thorough and full-fledged discussion and timely and high-quality decisions, the issues planned for consideration during the year are evenly distributed.

87. Materials for the meetings of the Board of Directors shall be submitted no later than seven calendar days in advance, and for more significant matters — as defined by the Charter of the Company — no later than ten business days prior to the

meeting, unless otherwise specified by the Charter.

88. The list of significant matters includes, but is not limited to, the development plan/strategy/program, KPIs for the head and members of the executive body, the annual report, and participation in the establishment of other legal entities.

89. Items for which the materials were submitted in violation of the deadlines shall not be included in the agenda of the Board of Directors meeting. If such items are included, a comprehensive justification must be provided to the Chair of the Board of Directors. This circumstance shall be taken into account when evaluating the performance of the person responsible for the timely preparation and submission of such materials.

90. It is recommended that no more than seven items be considered at a single meeting of the Board of Directors.

91. The Board of Directors makes decisions based on complete, reliable and high-quality information. In order for the Board of Directors to make effective and timely decisions, the following conditions are met:

1) high quality of materials, information, documents provided to the board of directors (including, if necessary, translation of other languages depending on the language proficiency of the board members);

2) obtaining the opinion of experts (internal) and external. Engaging experts does not relieve the Board of Directors of responsibility for the decision made;

3) the time devoted to board discussions, especially for important and complex issues;

4) timely consideration of issues;

5) the resolutions provide for a plan for further actions, deadlines and responsible persons.

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

1) the dominance of one or more directors at the meeting, which may limit the 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, unrealistic and active discussions;

5) the position of uncompromising (lack of flexibility) or the lack of desire for development (satisfaction 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.

92. Each member of the Board of Directors shall participate in the meetings of the Board and of any committees to which they belong. Exceptions to this rule are permitted only in exceptional cases, as specified in the Regulations on the Board of Directors.

93. The quorum for a meeting of the Board of Directors shall be defined by the Charter of the Company, but must be no less than half of the total number of Board members. The quorum may include members participating via technical means of communication (e.g., videoconferencing, teleconferencing) or through written voting submissions.

94. Decisions at meetings of the Board of Directors shall be made by a majority of the votes of the members present, unless otherwise stipulated by the legislation of the Republic of Kazakhstan or the Company's Charter. Certain decisions of the Board, as required by law or the Charter, shall be adopted by a qualified majority vote.

95. Each member of the Board of Directors shall have one vote. The delegation of voting rights to another person, including another Board member, is not permitted unless otherwise provided by the legislation of the Republic of Kazakhstan or the Company's Charter.

96. In the event of a tie during voting at a Board meeting, the Chairperson of the Board of Directors shall have the casting vote.

97. A Board member who has a conflict of interest regarding a matter under consideration shall not participate in the discussion or voting on that matter. This shall be duly recorded in the minutes of the Board meeting.

98. The Board of Directors may conduct a review of previously adopted decisions. Both the decisions themselves and the processes by which they were made are subject to such review. This may take place in the context of the Board's performance evaluation.

#### **Paragraph 11. Assessment of the performance of the Board of Directors**

99. The Board of Directors, its committees, and individual members are evaluated on an annual basis. Additionally, at least once every three years, the evaluation is carried out with the involvement of an independent professional organization. The purpose of the evaluation is to determine the effectiveness of the Board's performance, its communication with the executive body, the engagement

level of committees and members in Board activities, and to identify priority areas for improvement of the Board, its committees, and the Corporate Secretary.

100. The evaluation helps identify the contribution of the Board of Directors, its committees, and each of its members to the growth of the long-term value and sustainable development of the Company. It also highlights areas for improvement and recommends measures for enhancement. Evaluation results are used to determine the skills, experience, and knowledge required of Board members to ensure sustainable long-term value creation, support succession planning, and guide reappointments. In case of significant shortcomings in the performance of individual Board members, the Chairman of the Board consults with the shareholders (or Sole Shareholder) to facilitate the appropriate decision. Evaluation results are also taken into account when determining the optimal size and remuneration of the Board of Directors.

101. Evaluation is one of the key tools for enhancing the professionalism of the Board and its individual members, and it supports the development of effective and appropriate induction and training programs for new and current Board members. The evaluation applies both to independent directors and shareholder (or Sole Shareholder) representatives, including the head of the executive body, if included in the Board of Directors. The Chairman of the Board is responsible for overseeing the evaluation process and ensuring that appropriate follow-up actions are taken.

102. The evaluation is conducted based on the principles of regularity, comprehensiveness, continuity, realism, and confidentiality.

103. The process, timeline, and procedure for evaluating the performance of the Board of Directors, its committees, and its members are regulated by the internal documents of the Company.

104. The assessment includes, among other things, consideration of the following issues:

- 1) the optimality of the composition of the Board of Directors (balance of skills, experience, diversity of composition, objectivity) in the context of the tasks facing the Company;

- 2) clarity of vision, strategy, main tasks, problems and values of the Company;

- 3) succession and development plans;

- 4) the functioning of the Board of Directors as a single body, the role of the Board of Directors and the Chairman of the Management Board in the Company's activities;

- 5) the effectiveness of interaction between the Board of Directors and the Sole Shareholder, the executive body and the Company's officials;

- 6) efficiency of each member of the Board of Directors;
- 7) the efficiency of the activities of the committees of the Board of Directors and their interaction with the Board of Directors and members of the executive body;
- 8) the quality of information and documents provided to the Board of Directors;
- 9) the quality of discussions at the Board of Directors and in committees;
- 10) efficiency of the Corporate Secretary's activities;
- 11) clarity of processes and competencies;
- 12) the process of identifying and assessing risks;
- 13) interaction with the Sole Shareholder and other interested parties.

105. The assessment is carried out by the Board of Directors on an annual basis, taking into account the relevant assessment of the personnel and Remuneration Committee. An independent external consultant is engaged at least once every three years at the expense of the Company.

106. The results of the assessment are the basis for the Sole Shareholder to re-elect the entire Board of Directors or an individual member thereof, to revise the composition of the Board of Directors and the amount of remuneration to members of the Board of Directors. In the event of serious deficiencies in the performance of individual members of the Board of Directors, the Chairman of the Board of Directors shall consult with the Sole Shareholder.

The Board of Directors shall reflect in its annual annual report the manner in which the Board of Directors was evaluated and the measures taken based on its results.

107. The sole shareholder may conduct its own assessment of the Board of Directors independently or with the involvement of an independent consultant. The assessment conducted by the sole shareholder takes into account the results of the assessment conducted by the Board of Directors, the results of the Company's activities, and the achievement of KPIs.

## **Paragraph 12. Corporate Secretary of the Company**

108. In order to effectively organize the activities of the Board of Directors and the interaction of the executive body with the Sole Shareholder, the Board of Directors appoints a Corporate Secretary.

109. The Board of Directors shall decide on the appointment of the Corporate Secretary, determine the term of office, functions and procedures of his/her activities, the amount of the official salary and the terms of remuneration, and decide on the

establishment of the Corporate Secretary's service (secretariat). The Corporate Secretary is accountable to the Board of Directors of the Company and is independent of the Management Board of the Company.

110. The main responsibilities of the Corporate Secretary include:

- assistance in the timely and high-quality adoption of interrelated and (or) complementary corporate decisions by the Board of Directors of the sole shareholder;
- acting as an adviser to members of the Board of Directors, the Management Board, the Anti-Corruption Compliance Service and the Ombudsman on all issues related to their activities and the 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 Company and organizations;
- control over the timely implementation of corporate resolutions made by the Sole Shareholder and the Board of Directors;
- monitoring the implementation by the executive body and other key employees of the decisions of the Sole Shareholder and the Board of Directors, informing the Board of Directors about such execution/non-performance;
- participation in the improvement of corporate governance of the Company and organizations.

The Corporate Secretary is also responsible for preparing a report on compliance with the principles and provisions of this Code, which is included in the Company's annual report. This report reflects the list of principles and provisions of the Code that were not observed, accompanied by duly documented explanations.

The assignment of additional responsibilities to the Corporate Secretary must take into account their current workload. New responsibilities should not negatively affect the quality of the functions outlined in this Code and the Company's internal documents. New responsibilities must not duplicate the functions of other structural units or officers. In case of duplication, a review of responsibilities should be conducted to minimize overlaps.

111. The main functions of the Corporate Secretary related to supporting the activities of the Board of Directors include, but are not limited to:

- 1) assisting the Chairman of the Board of Directors in developing the work plan and agendas of meetings;
- 2) organization of meetings of the board of directors and its committees;
- 3) ensuring that members of the board of directors receive up-to date and timely information sufficient to make decisions on agenda items and within the competence of the board of directors;
- 4) minutes of meetings of the Board of Directors and committees, ensuring the

storage of minutes, transcripts, materials of meetings of the Board of Directors and committees;

5) advising members of the Board of Directors on the legislation of the Republic of Kazakhstan, the Company's Charter, this Code, internal documents, monitoring of ongoing changes and timely informing members of the Board of Directors;

6) arranging for the induction of newly elected members of the Board of Directors;

7) organization of training for members of the Board of Directors and involvement of experts;

8) organization of interaction between members of the Board of Directors and the shareholder and the executive body.

In terms of interaction with the Sole Shareholder:

1) Timely submission of materials on matters submitted to the Sole Shareholder for appropriate decision-making;

2) Ensuring proper interaction between the organization and the Sole Shareholder, including oversight of the timely provision of information in response to requests from the Sole Shareholder.

In terms of implementing sound corporate governance practices:

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

2) preparation Report on Compliance principles and Provisions of this Code;

3) detection of violations in the exercise of his powers in the parts of the corporate governance standards enshrined in the legislation, the Charter and other documents of the Company;

4) advising the Sole Shareholder, officials, employees of the Company on corporate governance issues;

5) monitoring of the world's best practices in the field of corporate management and making proposals to improve corporate governance practices in the Company.

112. In order to ensure effective communication and information exchange between the organization's governing bodies, the Corporate Secretary must be able to build constructive relationships and possess conflict resolution skills. In the event of a conflict of interest, the Corporate Secretary informs the Chair of the Board of Directors.

113. To fulfill their duties, the Corporate Secretary must have the necessary knowledge, experience, qualifications, and a good business reputation. A Corporate



Secretary Office may be established.

114. The Corporate Secretary must hold a higher education degree in law or economics, have specialized training in corporate governance, and a minimum of three years of professional experience, including at least one year in a managerial position.

115. To enhance the effectiveness of Board meetings, the completeness and quality of materials provided to the Board members are periodically discussed. The results of these discussions serve as a basis for evaluating the effectiveness of the Corporate Secretary.

116. An onboarding and succession planning program is developed for the Corporate Secretary. The appointment is made based on open and transparent procedures defined in the internal documents of the organization.

117. The Corporate Secretary carries out activities based on a Regulation approved by the Board of Directors. This document outlines the Corporate Secretary's functions, rights and duties, interaction procedures with the organization's bodies, qualification requirements, and other relevant information.

118. To fulfill their duties, the Corporate Secretary is granted the following powers:

1) to request and receive from officials and employees of the organization all materials necessary for decision-making by the Board of Directors and the Sole Shareholder;

2) to take measures for organizing Board meetings;

3) to interact directly with the Chair and members of the Board of Directors, the executive body, employees of the organization, and the Sole Shareholder.

The executive body of the organization shall provide the Corporate Secretary with comprehensive support in exercising these powers.

### **Paragraph 13. Ombudsman of the Society**

119. To ensure compliance with principles of business ethics and to optimally regulate social and labor disputes arising within the Company and its organizations, an Ombudsman shall be appointed.

The candidate for the position of Ombudsman must have an impeccable business reputation, high authority, and the ability to make impartial decisions.

120. The Ombudsman is appointed by a resolution of the Board of Directors of the Company and its organizations and is subject to reappointment every two years.

The Ombudsman's role is to provide consultation to employees and participants of

labor disputes and conflicts who reach out to them, and to assist in developing mutually acceptable, constructive, and practical solutions, while ensuring compliance with the laws of the Republic of Kazakhstan (including confidentiality requirements). The Ombudsman also assists in resolving complex social and labor issues concerning both employees and the Company and its organizations.

121. The Ombudsman submits systemic issues identified during their work to the relevant bodies and officials of the Company and its organizations for consideration, and puts forward constructive proposals for addressing them.

122. At least once a year, the Ombudsman submits a report on the results of their work to the Nomination and Remuneration Committee of the Board of Directors of the Company and its organizations, which evaluates the Ombudsman's performance.

123. The Board of Directors of the Company approves the Ombudsman's annual work plan and KPIs, evaluates the Ombudsman's performance on a quarterly basis, and reviews matters related to remuneration and bonuses. It also makes decisions on whether to extend or terminate the Ombudsman's powers. The terms of remuneration and bonuses are determined by an internal regulatory document approved by the Board of Directors.

The place of work and working conditions of the Ombudsman are determined by the decision of the executive body of the Company.

The Company is obligated to adhere to high ethical standards and to implement the necessary procedures to ensure the ongoing application of these standards by all employees and partners of the Company.

#### **Paragraph 14. Internal Audit Service under the Board of Directors Society**

124. In order to support the Board of Directors in overseeing the risk management, internal control, and corporate governance systems, the Board of Directors ensures the existence of an independent internal audit function. Specifically, an Internal Audit Service (hereinafter – IAS) is established as a separate structural unit to provide the Board of Directors and the executive body with independent and objective assurance and consulting services aimed at improving the Company's operations and achieving its objectives through a systematic and disciplined approach to evaluating and enhancing the effectiveness of risk management, internal control, and corporate governance processes.

The Board of Directors of the Company determines the staffing size of the

Internal Audit Service, the term of office of its employees, appoints and may early dismiss its head, establishes its operating procedures, remuneration and bonus conditions for IAS employees, as well as the IAS budget.

125. Employees of the Internal Audit Service may not be elected to the Board of Directors or the executive body of the Company.

126. The Internal Audit Service reports directly to the Board of Directors and is independent from the Company's executive body. The tasks, functions, rights, and responsibilities of the Internal Audit Service are defined in the Internal Audit Charter approved by the Board of Directors.

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

1) approval by the Board of Directors (following preliminary review by the Audit Committee) of the internal audit charter, which defines the objectives, tasks, functions, and procedures of the IAS;

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

3) submission to the Board of Directors (following preliminary review by the Audit Committee) of quarterly and annual reports on the implementation of the audit plan and other information about the internal audit activity;

4) approval by the Board of Directors (following preliminary review by the Audit Committee) of decisions on the appointment, dismissal, and remuneration of the Head and employees of the IAS;

5) approval by the Board of Directors (following preliminary review by the Audit Committee) of the IAS budget;

6) consideration by the Board of Directors of any significant limitations of IAS authority or other constraints that could negatively impact the conduct of internal audits.

127. The key responsibilities of the Internal Audit Service include evaluating the quality of the internal control and risk management systems of the Company and informing the Board of Directors about the adequacy and effectiveness of these systems. The main task of the IAS is to assist in improving the Company's performance.

128. The internal audit charter defines and formalizes:

1) adherence to the principles and provisions adopted by the International Institute of Internal Auditors;

2) the status, goals and objectives of the Company's internal audit;

3) conditions for ensuring the independence, objectivity and professionalism of

the internal audit service to achieve the goals and objectives of the internal audit and the effective performance of its functions and responsibilities by the internal audit service;

4) qualification requirements for the head and employees of the internal audit service;

5) the scope and content of internal audit activities;

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

7) the procedure for interaction of the internal audit service with the Board of Directors and the Management Board of the Company and the submission of reports to the Audit Committee and the Board of Directors of the Company.

129. The Regulation on the Internal Audit Service also provides for the following tasks and functions:

1) assisting the Management Board and employees of the Company in developing and monitoring the implementation of procedures and measures to improve the risk management and internal control system, corporate governance;

2) coordination of activities with the Company's external auditor, as well as persons providing consulting services in the field of risk management, internal control and corporate governance;

3) conducting internal audit of subsidiaries within the framework of the established procedure;

4) preparation and submission to the Board of Directors and the Audit Committee of quarterly and annual reports on the results of the internal audit department's activities and implementation of the annual audit plan (including information on significant risks, deficiencies, results and effectiveness of measures taken to address the identified deficiencies, results of the assessment of the actual condition, reliability, and effectiveness of the risk management, internal control, and corporate governance systems);

5) verification of compliance by members of the Company's executive body and its employees with the legislation of the Republic of Kazakhstan and internal documents related to insider information, anti-corruption, and ethical standards;

6) monitoring the implementation of recommendations issued by the external auditor;

7) providing consultations to the Board of Directors, the Management Board, structural divisions, and subsidiaries on the organization and improvement of internal control, risk management, corporate governance, and internal audit (including the development of internal regulations and relevant project documents), as well as on

other matters within the competence of the internal audit service (IAS).

The IAS carries out its activities based on a risk-based annual audit plan approved by the Board of Directors. Audit reports and key findings, as well as the monitoring of the implementation of IAS recommendations, are submitted quarterly to the Board of Directors for review. In the course of its activities, the IAS conducts an annual assessment of the effectiveness of the internal control and risk management systems and an evaluation of corporate governance using generally accepted auditing standards and corporate standards.

The Board of Directors ensures timely review of IAS reports and monitors the timely implementation of IAS recommendations.

The Head of IAS develops and maintains a quality assurance and improvement program covering all internal audit activities. This program must include mandatory internal and external evaluations of IAS performance.

130. The effectiveness (quality) of the internal audit service, its Head, and its employees is evaluated by the Board of Directors based on an internal regulatory document approved by the Board of Directors, which sets out the procedure for evaluating the effectiveness (quality) of the IAS and its Head.

The quality assurance and improvement program is developed and implemented to assess the IAS's compliance with international internal audit standards. This program includes periodic internal and external evaluations (to verify compliance with standards and the Code of Ethics for internal auditors), as well as assessments of the efficiency and effectiveness of internal auditing, and identification of opportunities for improvement.

### **Paragraph 15. Anti-Corruption Compliance Service**

131. To ensure compliance by the Company, its employees, and learners with regulatory requirements on anti-corruption and other anti-corruption regulatory obligations provided for by the legislation of the Republic of Kazakhstan and international treaties ratified by the Republic of Kazakhstan (hereinafter – legislation), which the Company is obliged to follow, as well as with the Company's internal documents that establish policies and procedures for fulfilling these obligations, the Company shall establish an Anti-Corruption Compliance Service.

132. The Anti-Corruption Compliance Service is established by decision of the Board of Directors and functions as a structural subdivision of the Company.

133. The activities of the Anti-Corruption Compliance Service are regulated by an internal regulatory document approved by the Board of Directors.

134. The Anti-Corruption Compliance Service operates independently from the executive body and officials of the Company, reports to the Board of Directors, and maintains independence in ensuring compliance with the anti-corruption legislation of the Republic of Kazakhstan. The Head of the Anti-Corruption Compliance Service shall be appointed with due consideration of potential conflicts of interest. The combination of the functions of the Anti-Corruption Compliance Service with those of other structural units of the Company is not allowed.

135. In its interaction with the executive body, the Anti-Corruption Compliance Service (hereinafter – the Service):

- 1) develops a Work Plan for the Service taking into account the Management Board's proposals for inspections and consultations;
- 2) presents the Work Plan of the Service, approved by the Company's Board of Directors, and provides consultations on anti-corruption compliance issues;
- 3) promptly notifies the Head of the executive body of any violations of anti-corruption legislation, including cases involving members of the Company's executive body;
- 4) submits to the executive body conclusions and materials based on the results of internal investigations for decision-making;
- 5) submits proposals to the executive body on improving the Company's anti-corruption activities, including those involving employees and learners.
- 6) The appointment and dismissal of the Head of the Service is carried out by the Board of Directors.

137. The territorial division of the authorized anti-corruption body provides methodological, procedural, and informational support to the Anti-Corruption Compliance Service.

138. The Anti-Corruption Compliance Service submits quarterly reports and information on the anti-corruption measures taken to the territorial division of the authorized anti-corruption body. Upon request, additional information on anti-corruption measures implemented within the Company shall also be provided to the authorized anti-corruption body.

139. The Anti-Corruption Compliance Service shall annually, and as necessary, periodically report to the Board of Directors on anti-corruption efforts.

140. The interaction of the Anti-Corruption Compliance Service with the Company's structural units shall be based on mutual respect and professionalism in the workplace.

## **Paragraph 16. Academic Council**

141. To address issues and make decisions related to scientific, educational, methodological, social, and upbringing activities, the Company establishes an Academic Council.

142. The powers, formation procedures, and activities of the Academic Council are regulated by the Company's Charter and the Regulation "On the Academic Council," approved by the Management Board based on standard documents of the authorized body.

143. The Academic Council preliminarily considers issues related to the implementation of the Company's priority (strategic) areas in academic, scientific, social, and upbringing activities that, according to the Charter and/or the legislation of the Republic of Kazakhstan, fall under the exclusive competence of other governing bodies of the Company.

Such issues shall not be considered by other bodies of the Company without prior decision of the Academic Council.

144. When considering issues that fall under the exclusive competence of other governing bodies of the Company, according to the Charter and/or the legislation of the Republic of Kazakhstan, the decisions made by the Academic Council are considered advisory.

145. The personal composition of the Academic Council is approved in accordance with the Regulation "On the Academic Council."

146. The Academic Council is headed by the head of the Company's executive body.

147. In its activities, the Academic Council is guided by the legislation of the Republic of Kazakhstan, the Standard Rules for the Activities of the Academic Council of a Higher Educational Institution, this Code, and the Company's Charter.

148. The activities of the Academic Council are based on transparency and collective discussion of matters within its competence.

149. To organize the preparation of issues for discussion by the Academic Council, to monitor the implementation of decisions, to summarize experience, and to develop proposals for improving the forms and methods of work of the Council, an Academic Secretary is appointed from among its members by order of the head of the Company's executive body. The term of office of the Academic Secretary is 3 years.

150. The Academic Secretary is responsible for the timely and high-quality preparation of materials for meetings of the Academic Council and for the recordkeeping of the Council.

151. The Academic Secretary is responsible for organizing the work of the

Academic Council, forming the agenda, conducting meetings, monitoring the implementation of decisions, and providing practical and methodological support.

152. The Academic Secretary may not hold any other position in addition to scientific and pedagogical work.

### **Paragraph 17. Executive Body**

153. The current operations of the Company are managed by the Management Board.

The Chairman of the Management Board – Rector and the members of the Management Board must possess high professional and personal qualities, a solid business reputation, and adhere to ethical standards. To ensure a competent executive body, it is recommended that members of the Management Board undergo training in corporate governance at least once a year.

The Chairman of the Management Board – Rector must also have organizational skills and actively engage with the Sole Shareholder, fostering constructive dialogue with them, the Board of Directors, employees, and other stakeholders.

154. The Management Board is accountable to the Board of Directors and oversees the daily operations of the Company. It is responsible for implementing the development plan/strategy/program and the decisions of the Board of Directors and Sole Shareholder.

155. The Management Board is headed by the Chairman of the Management Board – Rector. The Board of Directors reviews candidates for the position of Chairman of the Management Board – Rector and recommends them to the republican selection commission for review and subsequent appointment by the Sole Shareholder.

156. The Board of Directors determines the number of members on the Management Board, their term of office, the procedure for election (excluding the Chairman of the Management Board – Rector and the member for academic affairs), as well as early termination of powers and disciplinary actions.

It is recommended that women make up at least thirty percent of the Management Board. The primary criterion for forming the executive body is the knowledge and competencies of its members as established by the legislation of the Republic of Kazakhstan.

157. The Board of Directors determines the salaries, working conditions, and



remuneration for members of the Management Board.

158. The Board of Directors may at any time terminate the powers of Management Board members (excluding the Chairman of the Management Board – Rector and the member for academic affairs). The Sole Shareholder makes decisions regarding early termination of the Chairman of the Management Board – Rector and the member for academic affairs. The Board of Directors may submit a motion to the Sole Shareholder requesting consideration of the matter.

159. The Chairman of the Management Board – Rector and members of the Management Board are appointed for a term of up to three years. Their terms should align with the overall term of the Management Board.

160. To enhance transparency in the appointment and remuneration processes of the Chairman of the Management Board – Rector and members of the Management Board, the Board of Directors approves and strictly adheres to procedures for selection and appointment, remuneration policies, and performance evaluations. A succession planning program is developed within the Company.

161. Under the supervision of the Board of Directors, the Management Board develops the Company's development plan/strategy/program. The Management Board ensures:

- 1) operations comply with the legislation of the Republic of Kazakhstan, the Charter, internal documents, and decisions of the Sole Shareholder and Board of Directors;
- 2) effective risk management and internal control;
- 3) allocation of resources to implement decisions of the Sole Shareholder and Board of Directors;
- 4) occupational safety of the Company's employees;
- 5) creation of an engaged and loyal workforce, development of corporate culture, and social responsibility.

162. The Board of Directors exercises oversight of the Management Board's activities. This oversight may include regular reporting by the Management Board and/or hearings regarding the implementation of medium-term development plans and achieved outcomes.

163. The Management Board holds in-person meetings to discuss matters related to the implementation of development strategies/plans, as well as instructions from the Sole Shareholder and Board of Directors, and ongoing operations. Meetings are held on a regular basis. Remote (absentee) meetings are limited and defined in the Charter and internal documents.

164. The Management Board prepares a work plan for the upcoming year with

a list of topics before the start of the calendar year. Members of the Management Board must be provided with high-quality materials in advance. For topics such as strategy, development plans, investment projects, and risk management, multiple meetings may be held. Each agenda item should include a discussion of the risks associated with decision-making and its impact on the Company's value and sustainable development. All matters initiated by the Management Board for submission to the Board of Directors and the Sole Shareholder must be reviewed and approved by the Management Board in advance.

165. The Chairman of the Management Board – Rector and members of the Management Board must avoid conflicts of interest. In the event of such conflicts, they must notify the Board of Directors or the Chairman of the Management Board – Rector in advance, document it in writing, and abstain from decision-making on the issue. Any violations of the Code of Business Ethics by members of the executive body must be reported by the head of the executive body to the Board of Directors.

166. The Chairman of the Management Board – Rector and members of the Management Board may hold positions in other organizations only with the approval of the Board of Directors. The Chairman of the Management Board – Rector must not hold a position as head of the Management Board of another legal entity.

167. The Management Board ensures the creation of an optimal organizational structure and staffing plan aimed at:

- 1) effective decision-making;
- 2) increased productivity of the Company;
- 3) operational efficiency;
- 4) organizational flexibility.

Candidate selection for vacant positions in the Company is conducted through open and transparent competitive procedures. Career advancement and financial incentives are implemented according to the principles of meritocracy, taking into account knowledge, competencies, work experience, and achievement of goals. A talent pool is formed for future appointments to mid-level and senior management. Employees are evaluated annually.

Recruitment procedures must meet the following requirements:

- openness and equal access to positions for a broad range of applicants, ensuring equal opportunity, promoting competition, and selecting deserving candidates based on professionalism and competence;
- impartiality in the selection process with no patronage, favoritism (e.g., loyalty, ethnicity, family ties, or personal friendships);
- legal regulation, including clear principles and criteria for evaluating

candidates, preventing subjectivity in decision-making.

### **Paragraph 18. Evaluation and remuneration of members of the Management Board of the Company**

168. The Chairman of the Management Board – Rector and members of the Management Board are evaluated annually by the Board of Directors. The primary evaluation criterion is the achievement of Key Performance Indicators (KPIs).

The KPIs of the Chairman of the Management Board – Rector and members of the Management Board are approved by the Board of Directors of the Company based on the Company's development plan/strategy/program. Proposals on the KPIs of Management Board members are submitted to the Board of Directors by the Management Board.

169. The evaluation results influence remuneration, incentives, reappointment (or appointment), or early termination of powers.

170. The remuneration of the Chairman and members of the Management Board consists of fixed and variable components.

When determining the base salary, the following are taken into account:

- the complexity of the tasks performed;
- the employee's personal competencies and market competitiveness;
- the contribution of the individual to the development of the Company;
- the level of salaries in similar organizations;
- the Company's current economic situation.

171. In case of early termination of the employment contract, compensation is paid in accordance with internal documents approved by the Board of Directors of the Company.

If the powers of the members or a specific member of the Management Board are terminated early without a decision by the Board of Directors to impose disciplinary action, the Company shall, at its own expense, pay a one-time compensation equal to three average monthly salaries within 15 working days from the date of the final decision.

In cases where the powers of members or an individual member of the Management Board are terminated early due to contract expiration, mutual agreement of the Parties, or at the initiative of the member(s), the Company does not guarantee or pay any compensation.

### **Paragraph 19. The principle of sustainable development**

172. The Company recognizes the importance of its impact on the economy, the environment, and society, and ensures its long-term sustainable development by maintaining a balance of interests among stakeholders. A responsible, thoughtful, and rational approach to stakeholder engagement will contribute to the Company's sustainable development.

The Company's sustainability activities shall be conducted in accordance with the principles of openness, accountability, transparency, ethical behavior, respect for stakeholders' interests, legality, observance of human rights, zero tolerance for corruption, and avoidance of conflicts of interest.

Zero tolerance for corruption is one of the principles of sustainable development.

Corruption destroys the value created by the Company for the Sole Shareholder, investors, other stakeholders, and society at large. The Company declares zero tolerance for corruption in any form. Officials and employees involved in corruption are subject to dismissal and legal liability as provided by law. The Company's internal control systems must include measures to prevent, deter, and detect corruption-related offenses. The Company shall develop dialogue with stakeholders to raise awareness in the fight against corruption.

173. The Company ensures sustainable development by maintaining a balance of stakeholders' interests. Sustainability efforts are aligned with best international standards.

In the course of its operations, the Company influences – and is influenced by – stakeholders.

Stakeholders can have both positive and negative impacts on the Company's activities, including its sustainable development, reputation, and image, and may either create or mitigate risks. The Company attaches great importance to proper stakeholder engagement.

174. When identifying stakeholders and building engagement with them, the Company uses internationally recognized standards for stakeholder identification and interaction, such as AA1000 Accountability Principles Standard (2008), AA1000 Stakeholder Engagement Standard (2015), ISO 26000: Guidance on Social Responsibility, Global Reporting Initiative (GRI) Standards.

The Company takes measures to establish dialogue and long-term cooperation with stakeholders.

175. The Company develops a stakeholder map, taking into account risks and classifying stakeholders based on dependency (direct or indirect), obligations, context

(with particular attention to high-risk areas), influence, and diverse perspectives.

176. The Company ensures the alignment of its economic, environmental, and social goals for long-term sustainable development, including, among other things, growth of long-term value for shareholders and investors. Sustainable development at the Company includes three components: economic, environmental, and social.

177. The economic component directs the Company's activities toward increasing long-term value, ensuring the interests of shareholders and investors, improving process efficiency, increasing investment in the development of advanced technologies, and enhancing labor productivity.

178. The environmental component ensures the minimization of impact on biological and physical natural systems, optimal use of limited resources, implementation of environmentally friendly, energy- and resource-saving technologies, creation of environmentally acceptable products, and the minimization, recycling, and disposal of waste, among other related activities.

179. The social component is guided by principles of social responsibility, including but not limited to: ensuring occupational safety and health, fair remuneration and respect for workers' rights, individual development of personnel, implementation of social programs for staff, job creation, sponsorship and charity activities, environmental and educational campaigns, and other relevant initiatives.

180. The Company conducts an analysis of its activities and associated risks in these three areas and seeks to avoid or reduce any negative impacts of its operations on stakeholders.

181. The Company establishes a management system in the area of sustainable development, which includes, among other elements:

1) commitment to the principles of sustainable development and alignment with the United Nations Sustainable Development Goals in the Republic of Kazakhstan at the level of the Sole Shareholder, the Board of Directors, the executive body, and employees;

2) involvement of the Company's officials in promoting sustainable development issues;

3) analysis of the internal and external situation across three components (economic, environmental, social issues);

4) ensuring the sustainability of supply chain management;

5) identification of sustainability risks in the social, economic, and environmental spheres;

6) building a stakeholder map/maintaining a registry of related parties;

7) defining the directions and formats for engagement with the government and

the Company;

8) setting goals and KPIs for sustainable development, developing an action plan, and appointing responsible individuals;

9) motivating members of the executive body and other employees to integrate sustainable development principles into the Company's activities, including linking remuneration to results in the area of sustainable development;

10) integrating sustainable development into key processes, including risk management, planning, human resources management, investments, reporting, operational activities, as well as in development plans and decision-making processes;

11) enhancing the qualifications of officials and employees in the area of sustainable development;

12) regular monitoring and evaluation of sustainable development activities, assessing the achievement of goals and KPIs, taking corrective actions, and implementing a culture of continuous improvement.

182. The Board of Directors and the Company's Management Board ensure the formation and implementation of an appropriate system in the area of sustainable development. All employees and officials at all levels contribute to sustainable development through personal behavior and compliance with relevant policies and standards.

183. The Company develops sustainable development action plans through:

1) analysis of the current situation across three main areas: economic, environmental, and social. The accuracy, timeliness, and quality of the information are critical in conducting this analysis;

2) identifying sustainability risks. These risks are categorized according to the three directions of sustainable development, but may also affect adjacent areas and encompass other risks. Both internal and external factors impacting the Company are analyzed to determine these risks;

3) identifying stakeholders and their influence on the Company's activities;

4) setting goals and, where possible, target indicators, measures for improving and enhancing the organization's activities across the three components, appointing responsible individuals, and allocating resources and deadlines;

5) regular monitoring and evaluation of the implementation of goals and activities, and achieving target indicators;

6) systematic and constructive interaction with stakeholders, obtaining feedback;

7) implementation of the formulated plan;

- 8) continuous monitoring and regular reporting;
- 9) analyzing and evaluating the effectiveness of the plan, summarizing results, and taking corrective and improvement actions.

Sustainable development is integrated into:

- 1) the management system;
- 2) the development plan;
- 3) key processes, including risk management, planning (long-term development plans, medium-term five-year action plans, and short-term annual budgets), reporting, risk management, human resources management, investments, operational activities, as well as decision-making processes at all levels, from the Sole Shareholder to the Board of Directors, Management Board, and ordinary employees.

184. The management system in the area of sustainable development defines and assigns the roles, competencies, and responsibilities of each body and all employees for the implementation of principles, standards, relevant policies, and plans in the area of sustainable development.

185. The Board of Directors provides strategic leadership and oversight over the implementation of sustainable development. The Management Board formulates the relevant action plan and submits it for the Board's consideration.

To prepare sustainable development issues, a committee is created, or these functions are delegated to one of the existing committees under the Board of Directors, specifically focused on sustainable development.

The Company implements special training and qualification improvement programs in the area of sustainable development. Training is an ongoing element in the implementation of sustainable development. The Company's officials facilitate employee engagement in sustainable development based on understanding and commitment to sustainable development principles, as well as changing the culture and behavior in conducting activities and fulfilling responsibilities.

186. The benefits of implementing sustainable development principles include:

- 1) attracting investments – in global practice, investors take into account the effectiveness of sustainable development in assessing investment attractiveness;
- 2) enhancing management effectiveness and minimizing risks – integrating environmental and social aspects into management decision-making expands planning horizons and considers a broader range of risks and opportunities, creating the foundation for business sustainability;
- 3) increasing efficiency – the adoption of modern technologies allows the creation of innovative products and services, enhancing competitiveness and efficiency;

4) strengthening reputation – improving the corporate image is a direct result of sustainable development activities, enhancing brand value and fostering trust, which also positively affects interactions with business partners;

5) increasing loyalty from internal and external stakeholders – creating attractive working conditions, opportunities for professional and career growth allows the Company to attract and retain promising, qualified specialists. Building effective dialogue with stakeholders fosters a positive environment around the Company's activities, which enhances business effectiveness through understanding and support from clients, shareholders, investors, government bodies, local communities, and public organizations.

187. The Company develops and publishes an annual sustainability report. The information may be presented either in a separate report or as part of the Company's annual report.

188. The sustainability report is approved by the Board of Directors and communicated to stakeholders through publication on the corporate website and/or by providing it in paper format.

To inform stakeholders about sustainable development policies, the Company's internet resources contain a dedicated section on this area of activity.

189. The Company and organizations discuss the inclusion and adherence to sustainable development principles and standards in relevant contracts (agreements, contracts) with partners.

If the Company or organization identifies a risk associated with a partner's negative impact on the economy, the environment, and society, the Company and/or organization takes measures to stop or prevent such impact.

If the partner fails to implement or improperly adheres to the principles and standards of sustainable development, the importance of the partner to the Company and the organization is considered, and actions are taken to either address the issue or replace the partner if necessary.

## **Paragraph 20. Risk management**

190. The Company establishes an effectively functioning risk management and internal control system aimed at ensuring the achievement of its strategic and operational goals, and representing a set of organizational policies, procedures, norms of behavior and actions, methods, and management mechanisms developed by the board of directors and the executive body of the Company to ensure:

1) an optimal balance between the growth of the Company's value,



profitability, and associated risks;

2) the efficiency of financial and economic activities and the achievement of financial sustainability of the Company;

3) the preservation of assets and the efficient use of the Company's resources;

4) the completeness, reliability, and accuracy of financial and managerial reporting;

5) compliance with the requirements of the legislation of the Republic of Kazakhstan and internal documents of the Company;

6) proper internal control to prevent fraud and ensure the effective support of core and auxiliary business processes and activity analysis.

The Board of Directors and the executive body ensure the implementation of a risk management culture in the Company. The implementation and functioning of the risk management and internal control system in the Company have a clear regulatory framework based on best practices.

191. The Board of Directors of the Company approves internal documents that define the principles and approaches to organizing the risk management and internal control system based on the system's objectives. The organization of an effective risk management and internal control system in the Company aims at building a management system capable of ensuring the understanding of the reasonableness and acceptability of risk levels by employees, management, and company bodies when making decisions, reacting quickly to risks, controlling key and auxiliary business processes and daily operations, as well as promptly informing the management of any significant deficiencies.

192. The principles and approaches to organizing an effective risk management and internal control system include:

1) defining the goals and objectives of the risk management and internal control system;

2) the organizational structure of the risk management and internal control system covering all decision-making levels and considering the role of each level in the process of developing, approving, applying, and evaluating the risk management and internal control system;

3) the basic requirements for organizing the risk management process (approaches to risk identification, evaluation methods, response determination, monitoring);

4) requirements for organizing the internal control system and conducting control procedures (characterization of key areas and main components of the internal control system, procedures for evaluating effectiveness and reporting in internal

control).

193. Internal documents of the Company establish the responsibility of the Board of Directors and the executive body of the Company for organizing and ensuring the effective functioning of the risk management and internal control system.

Internal documents of the Company, which has subsidiaries, also establish the responsibility of the Board of Directors and the executive body for organizing and ensuring the effective functioning of the risk management and internal control system on a consolidated basis.

The executive body ensures the creation and maintenance of an effective risk management and internal control system. The risk management process is integrated with planning processes (development plan and/or action plans, annual budget) and evaluation of the Company's performance.

194. Every individual in the Company ensures proper consideration of risks when making decisions. The executive body ensures the implementation of risk management procedures by employees with relevant qualifications and experience.

195. The executive body of the Company:

1) ensures the development and implementation of the internal documents approved by the Board of Directors in the area of risk management and internal control;

2) ensures the creation and effective functioning of the risk management and internal control system through practical implementation and continuous execution of the principles and procedures of risk management and internal control assigned to it;

3) is responsible for the implementation of decisions made by the Board of Directors and recommendations from the audit committee regarding the organization of the risk management and internal control system;

4) monitors the risk management and internal control system according to the requirements of internal documents;

5) ensures the improvement of processes and procedures for risk management and internal control, taking into account changes in the external and internal business environment.

196. In order to implement the internal control principles and ensure the effectiveness of the risk management and internal control system, the executive body distributes powers, duties, and responsibilities for specific risk management and internal control procedures among lower-level managers and/or heads of structural divisions.

197. Heads of structural divisions, according to their functional responsibilities,

are responsible for the development, documentation, implementation, monitoring, and improvement of the risk management and internal control system in their respective functional areas of the Company's activities.

198. The organizational structure of the risk management and internal control system in the Company (depending on the scale and specifics of the activities) includes a structural unit responsible for risk management and internal control issues (or these functions can be assigned to the internal audit service), whose tasks include:

- 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 providing methodological support to business process owners and employees in identifying, documenting risks, implementing, monitoring, and improving control procedures, forming risk response plans and plans for improving the risk management and internal control system, reports on their implementation;
- 3) organizing employee training in risk management and internal control;
- 4) analyzing the risk portfolio and developing proposals for the strategy for responding and reallocating resources in relation to managing the corresponding risks;
- 5) forming consolidated risk reports, informing the Board of Directors and the executive body on issues specified in internal documents on risk management and internal control;
- 6) conducting activities to improve the risk management and internal control system.

The manager responsible for overseeing risk management and internal control is not a risk owner, ensuring independence and objectivity. The functions of risk management and internal control cannot be combined with functions related to economic planning, corporate finance, treasury, investment activities, and internal auditing. Combining with other functions is allowed only if there is no significant conflict of interest.

199. The risk management and internal control system provides procedures for identifying, evaluating, and monitoring all significant risks, as well as taking timely and adequate measures to reduce the level of risks.

Risk management procedures ensure a quick response to new risks, their identification, and the definition of risk owners. In the event of any unforeseen changes in the competitive or economic environment of the Company, an assessment of the impact of changes on the Company's operations is carried out, the risk map is re-evaluated, and its alignment with risk appetite levels is ensured.

200. The Board of Directors approves the overall risk appetite level and

tolerance levels for key risks, which are fixed in the Company's internal documents.

201. The tolerance levels for key risks are reviewed in the event of significant events. Limits are set to restrict risks in day-to-day operations.

202. To ensure a comprehensive and clear understanding of the risks inherent in the Company, an identification and evaluation of risks is conducted annually, reflected in the risk register, risk map, and risk response plan (process improvement, risk minimization strategies), approved by the Board of Directors.

203. The Board of Directors, when reviewing the list of risks, ensures the inclusion of risks that may indeed affect the achievement of strategic goals, and when reviewing the risk response plan, ensures the usefulness of the activities. The Board of Directors and the executive body regularly receive information on key risks, their analysis regarding the development plan and/or action plans of the Company.

Risk reports are presented to the Board of Directors at least once a quarter and discussed thoroughly in full.

204. The Company implements transparent principles and approaches in the field of risk management and internal control, practices training of employees and officials about the risk management system, as well as the process of documenting and promptly communicating information to the relevant officials.

205. Employees of the Company and organizations undergo annual training/induction when hired to familiarize themselves with the accepted risk management and internal control system in the part related to their job duties. Knowledge testing is conducted based on the results of such training.

### **Paragraph 21. Internal control and audit**

206. As part of the risk management and internal control system, a safe, confidential, and accessible method is established for notifying the Board of Directors, the Audit Committee, and the Internal Audit Unit of any violations of the legislation of the Republic of Kazakhstan, internal procedures, or the Code of Business Ethics committed by any employee or officer of the Company.

207. The Company establishes an Internal Audit Service to conduct systematic, independent assessments of the reliability and effectiveness of the risk management and internal control systems, as well as corporate governance practices.

The Company develops, approves, formalizes, and documents control procedures in three key areas: operational activities, preparation of financial statements, and compliance with the legislation of the Republic of Kazakhstan and internal regulations.

Control procedures must be implemented at all management levels and adhered to by all employees of the Company. They aim to:

- 1) reduce the likelihood of potential risks;
- 2) prevent errors and/or detect them post-occurrence;
- 3) identify and eliminate duplicate and redundant operations;
- 4) detect weaknesses and areas for improvement;
- 5) continuously improve the internal control system.

The Board of Directors, in cooperation with the Audit Committee, is responsible, as defined by the Company's internal documents, for assessing the effectiveness of the risk management and internal control system. The Board forms its own opinion on the system's effectiveness after a thorough analysis of the information and assurances provided by the Internal Audit Service or external experts, the Audit Committee, and the executive body.

The Board regularly reviews issues related to the organization, operation, and effectiveness of the risk management and internal control system and makes recommendations for its improvement.

208. Separate internal audit units are established in joint-stock companies that are part of the Company.

209. The Internal Audit Service operates based on a risk-based annual audit plan approved by the Company's Board of Directors.

210. Audit reports, key findings, and related recommendations are submitted to the Board of Directors on a quarterly basis.

211. In its activities, the Internal Audit Service evaluates the effectiveness of the internal control and risk management systems, as well as corporate governance, using generally accepted internal audit standards and corporate standards.

The evaluation of the internal control system includes:

1) analysis of the alignment of business processes, projects, and structural units with the Company's objectives, verification of the reliability and integrity of business processes (activities) and information systems, including anti-fraud, abuse, and anti-corruption measures;

2) verification of the accuracy of accounting (financial), statistical, managerial, and other reporting, and assessment of business process and structural unit performance against objectives;

3) assessment of the adequacy of performance evaluation criteria set by the Management Board;

4) identification of deficiencies in the internal control system that hinder goal achievement;

- 5) evaluation of the results of measures implemented to correct violations and deficiencies and improve the internal control system at all levels of management;
- 6) assessment of the efficiency and appropriateness of resource utilization;
- 7) verification of the safeguarding of the Company's assets;
- 8) verification of compliance with the legislation of the Republic of Kazakhstan, the Charter, and internal documents.

Evaluation of the risk management system includes:

- 1) assessment of the adequacy and maturity of the risk management system components (goals and objectives, infrastructure, process organization, regulatory and methodological support, departmental interaction within the system, and reporting);
- 2) assessment of the completeness of risk identification and accuracy of risk assessment by the executive body at all levels;
- 3) evaluation of the effectiveness of control procedures and other risk management measures, including the use of allocated resources;
- 4) analysis of information on realized risks (e.g., findings of internal audits, failures to meet objectives, litigation cases).

Corporate governance assessment includes:

- 1) verification of compliance with ethical principles and corporate values;
- 2) assessment of goal-setting, monitoring, and control processes;
- 3) review of regulatory support and information exchange procedures (including internal control and risk management) at all levels, including engagement with stakeholders;
- 4) verification of shareholders' rights, including those of subsidiaries, and assessment of stakeholder relations;
- 5) evaluation of information disclosure procedures regarding the Company and its subsidiaries.

212. The Company conducts an annual audit of its financial statements through an independent auditor, who provides stakeholders with an objective opinion on the reliability of the statements and their compliance with International Financial Reporting Standards (IFRS).

213. The selection of the external auditor is carried out via the Republic of Kazakhstan's public procurement web portal.

214. The selected external auditor does not provide consulting services to the Company that may pose a threat to its independence. The Company does not appoint former audit team members to the Board of Directors or executive positions, including Head of the Internal Audit Service, Chief Accountant, or Chief Financial Officer, within two years after their resignation from the audit firm.

To assess the independence risk and potential audit quality, the Company discloses information on auditor fees—separately for audit services and non-audit services—on its website and in its annual report.

The Company regulates matters related to the selection and cooperation with the external auditor.

215. Stakeholders ensure the reliability of the Company's financial reporting through the engagement of an external auditor that meets the following criteria:

- highly qualified audit professionals;
- significant experience and positive reputation in Kazakhstan and internationally (if applicable);
- industry-specific experience;
- compliance with International Standards on Auditing, Kazakhstani audit legislation, and the IFAC Code of Ethics for Professional Accountants;
- effective identification of deficiencies and provision of recommendations for internal control improvements related to financial reporting preparation.

216. The Company approves documents regulating audit procedures and relations with the external auditor, including the provision of non-audit consulting services, auditor firm and senior personnel rotation, and the hiring of former audit staff.

217. Rotation of partners and senior personnel responsible for the audit of financial statements must occur at least once every five years if the auditor has been providing services continuously for more than five years.

The Company's Audit Committee meets with the external auditor at least three times before the audit opinion is issued. The external auditor has access to the Audit Committee to discuss issues related to the audit. If there is no Audit Committee, the auditor communicates directly with the Board of Directors and its Chair.

The external auditor reports to the Audit Committee on the audit's progress and outcomes and confirms their independence, lack of financial interests in the Company, and that total fees received do not compromise their independence.

## **Paragraph 22. Corporate Conflict Management**

218. Members of the Board of Directors and the Management Board, as well as employees of the Company, perform their professional duties in good faith and with due care in the interests of the Company, while ensuring fair treatment of the Sole Shareholder and avoiding corporate conflicts.

In the event of an existing or emerging corporate conflict, the parties involved shall seek resolution through negotiations to ensure effective protection of the interests of the Company and stakeholders. Company officers must promptly notify the Corporate Secretary and/or the Ombudsperson about the existence or emergence of a conflict. Effective prevention and resolution of corporate conflicts require the timely and full identification of such conflicts and the coordination of actions across all corporate bodies.

219. Corporate conflicts are reviewed by the Chairman of the Board of Directors with the assistance of the Corporate Secretary and/or the Ombudsperson. If the Chairman of the Board of Directors is involved in the conflict, such cases shall be considered by the Nomination and Remuneration Committee.

220. As representatives of the state, individuals who are not civil servants may be nominated to the Board of Directors of the Company and its subsidiaries, in accordance with the established procedure.

221. To ensure an objective assessment of corporate conflicts and create conditions for effective resolution, individuals whose interests are affected or may be affected by the conflict shall not participate in the resolution process.

If corporate conflicts cannot be resolved through negotiations, they shall be settled strictly in accordance with the laws of the Republic of Kazakhstan.

222. The Board of Directors develops and periodically reviews the policy and rules for resolving corporate conflicts to ensure that resolutions align with the interests of the Company and its shareholders.

223. The Board of Directors resolves corporate conflicts related to matters within its competence. In such cases, the Corporate Secretary and/or Ombudsperson is responsible for ensuring that the Board is appropriately informed of the nature of the conflict and for acting as a mediator in its resolution.

224. The Chairman of the Management Board, on behalf of the Company, resolves corporate conflicts related to matters that are not within the competence of the Board of Directors and independently determines the procedure for addressing such conflicts.

225. The Board of Directors may review specific corporate conflicts that fall within the competence of the Management Board.

### **Paragraph 23. Conflict of Interest Regulation**

226. A conflict of interest is defined as a situation in which the personal interest of a member of the Board of Directors or an employee of the Company



affects or may affect the impartial performance of their official duties.

227. Officers and employees of the Company shall avoid situations that may lead to a conflict of interest, whether involving themselves (or their related parties) or others.

To prevent conflicts of interest that may hinder the Board of Directors from performing its duties objectively and to limit political interference in the Company's board processes, the Company implements mechanisms for the prevention and regulation of such conflicts.

228. The fundamental principles for preventing conflicts of interest, as well as the methods for identifying, assessing, and resolving them, are outlined in the Company's Code of Business Ethics, which is approved by the Board of Directors.

#### **Paragraph 24. The principle of transparency and objectivity of disclosure information on the Company's activities**

229. In order to safeguard the interests of stakeholders, the Company discloses information in a timely and accurate manner as required by the legislation of the Republic of Kazakhstan and the Company's internal documents, as well as information on its activities, including its financial condition, performance results, ownership structure, and governance.

The Company discloses information in accordance with the principles of transparency, consistency, timeliness, accessibility, reliability, completeness, and comparability of the disclosed data.

The channels for disseminating information ensure equal, timely, and cost-free access to necessary information. Access to information is provided free of charge and does not require any special procedures (e.g., obtaining passwords, registration, or other technical restrictions) for review.

When establishing disclosure and reporting requirements for companies, legislation takes into account the size of the Company and the nature of its activities. For example, for small companies not involved in implementing public policy, disclosure requirements should not be excessive so as to avoid unnecessary costs or placing them at a disadvantage compared to competitors.

230. The Company approves internal documents that define the principles and approaches to information disclosure and protection, the list of information disclosed to stakeholders, the terms, procedure, method, and format of disclosure, the responsible officials and employees with their functions and duties, as well as other provisions regulating the information disclosure process.

In accordance with the legislation of the Republic of Kazakhstan and the Company's Charter, the Company determines the procedure for classifying information by access level, conditions for storage and use of information, including the list of persons with the right of unrestricted access to information that constitutes commercial and official secrets, and takes measures to ensure its confidentiality.

231. The Company's website is structured, user-friendly in navigation, and contains sufficient information for stakeholders to understand the Company's activities. Information is posted in separate thematic sections of the website.

232. The website is updated at least once a week. The Company regularly monitors the completeness and relevance of the information posted on the website and ensures that the information matches across the Kazakh, Russian, and English versions. For this purpose, responsible individuals (or a structural unit) are assigned to ensure the completeness and relevance of website content.

233. The Company's website includes the following information:

1) general information about the Company, including its mission, key objectives, goals, business activities, size of equity capital, assets, net income, and number of employees;

2) development plan and/or action plan (strategic goals); priority areas of activity;

3) charter and internal documents governing the activities of the board, committees, corporate secretary, internal audit service, compliance function, and ombudsman;

4) ethical principles;

5) risk management;

6) members of the Board of Directors, including the following details: photo (with consent), full name, date of birth, citizenship, board membership status (independent director, shareholder representative), description of duties including committee membership or chairmanship, education (main and additional, including name of institution, graduation year, qualification, degree), work experience over the past five years, current main employment and other current positions, professional qualifications, date of initial and current election to the board, number and share of affiliated organization shares held, criteria for independent directors;

8) members of the Management Board, including: photo, full name, date of birth, citizenship, position and responsibilities, education (main and additional), work experience over the past five years, professional qualifications, part-time positions, number and share of affiliated organization shares held;

9) financial statements;

- 10) annual reports;
- 11) external auditor;
- 12) procurement activities, including regulations, announcements, and results;
- 13) structure of share capital, including number and nominal value of issued shares (equity stakes), description of rights conferred by shares, number and nominal value of authorized but unissued shares, shareholder (participant) composition, number and share of common shares (equity stakes) held, and rules on exercising ownership rights;
- 14) asset structure, including all-level affiliated organizations with brief descriptions of their activities;
- 15) annual corporate events calendar;
- 16) related-party transactions, including parties to the transaction, key terms (subject, price), and approving body;
- 17) major transactions, including parties to the transaction, key terms (subject, price), and approving body;
- 18) activities in the area of sustainable development;
- 19) news and press releases;
- 20) on the homepage, information on the hotline — a secure, confidential, and accessible means for reporting to the Board of Directors (Audit Committee) and Internal Audit Service any violations of Kazakhstani law, internal procedures, or the Code of Business Ethics by any employee or official.

234. The Company prepares an annual report in accordance with this Code and information disclosure best practices. The annual report is approved by the Board of Directors.

235. The annual report is one of the key sources of information for stakeholders. It is a structured and visually accessible document and is published in Kazakh and, where necessary, other languages.

The report is prepared and posted on the website within five working days after the annual general meeting of shareholders (sole shareholder).

236. The content requirements for the annual report include:

- 1) address from the Chairman of the Board of Directors;
- 2) address from the Head of the Management Board;
- 3) about the Company: general information; structure of share capital (number and nominal value of issued shares (equity stakes), rights conferred by shares, number and nominal value of authorized but unissued shares, shareholder (participant) composition, number and share of common shares (equity stakes) held, ownership rights), mission, development plan, results of implementation, market

overview and market position;

4) financial and operational results for the reporting year: analysis of goal achievement, including fulfillment of objectives of the state socio-economic policy and assessment of the Company's impact on socio-economic development of the sector/region/Republic of Kazakhstan; operational and financial performance; major events and achievements; material related-party transactions with the state and others; expenditures related to achieving government socio-economic goals and their sources of funding, as well as financial support (including guarantees) received from the state and obligations to the state and society, including those from public-private partnerships (if not disclosed per IFRS), including terms of support, goals, and achievements;

5) asset structure including subsidiaries/affiliates at all levels, and summary of their financial and operational performance;

6) future goals and plans;

7) significant risk factors and risk management system;

8) corporate governance: structure; ownership structure; board composition including qualifications, selection process, independent directors and independence criteria; board and committee activity reports; corporate governance compliance report and explanations of non-compliance; management board composition and activity report; remuneration policy for board and executive members, and remuneration amounts for the reporting year;

9) ESG and sustainable development activities and contributions to the UN Sustainable Development Goals in Kazakhstan (if a separate sustainability report is prepared, a reference to it may be provided);

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

11) comparative analysis and performance dynamics relative to the previous period (comparison with figures from the prior annual report); for benchmarking purposes, indicators allowing international comparisons in the same industry are published.

**Agreed**

07/31/2024 17:59 Shakhman Olzhas Zhumagalievich  
07/31/2024 17:59 Toktybaev Ernar Duissenbekovich  
07/31/2024 18:02 Turganaliyev Ganmirnur Ganmirlanovich  
07/31/2024 18:02 Dzharasova Gulzhan Sagidullaevna  
07/31/2024 18:12 Zhusupov Arman Nurtaevich  
07/31/2024 18:12 Seytak Saruar Muratovna  
08/02/2024 15:08 Aligozhin Beket Kabidenovich  
08/02/2024 16:20 Ahmed-Zaki D.J. (acting Yeshekulov T.I.)  
08/05/2024 15:17 Kozhakhmet Madiyar Duysenbayuly

**Signed**

08.08.2024 17:32 Nurbek Sayasat

