

Corporate Governance Code of Kazakhtelecom Joint Stock Company

Content

- Chapter 1. General provisions
- Chapter 2. Government as a shareholder of the Fund
- Chapter 3. Interaction of the Fund and organizations. Role of Fund as a national managing holding company
- Chapter 4. Rights of shareholders (participants) and fair treatment of shareholders (participants)
- Chapter 5. Effectiveness of the Board of Directors and the Executive Body
- Chapter 6. Risk management, internal control, audit, compliance and the Ombudsman
- Chapter 7. Transparency of the activities of Fund

Chapter 1. General provisions

1. This Corporate Governance Code of Joint Stock Company Kazakhtelecom (hereinafter – the Code) has been developed in accordance with the legislation of the Republic of Kazakhstan, internal documents of Samruk-Kazyna National Welfare Fund Joint Stock Company (hereinafter – the Fund), taking into account the developing corporate governance practices in Kazakhstan and the world. The provisions of this Code are applied taking into account the specifics provided for by the legislation of the Republic of Kazakhstan.

2. The objectives of this Code are to improve corporate governance in the Fund and organizations, ensure transparency in management, and confirm the commitment of the Fund and organizations to follow the standards of good corporate governance.

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

- 1) shareholder (participant) – a person who owns a share;
- 2) General Meeting of Shareholders (participants) – the highest body of the organization;
- 3) companies – national development institutions, national companies and other legal entities, more than fifty percent of the voting shares (participation interests) of which belong to the Fund by right of ownership or trust management;

4) corporate conflict – a disagreement or dispute between: shareholders and the bodies of the Fund or organization; the bodies of the Fund or organization; members of the Board of Directors and the executive body, the head of the Internal Audit Service, the corporate secretary, the head of the compliance service, the Ombudsman;

5) corporate events – events that have a significant impact on the issuer's activities, affecting the interests of holders of securities and investors of the issuer, as defined in article 102 of the Law of the Republic of Kazakhstan “On the Securities Market” (hereinafter – the Law on Securities Securities);

6) Fund – a national managing holding company;

7) key performance indicators (hereinafter referred to as KPIs) – indicators characterizing the level of effectiveness of the Fund or organization, allowing to assess the effectiveness of their activities as a whole, as well as the managers of the Fund or organization (KPIs have a quantitative value, approved as part of the action plan of the Fund or organization and corresponding to the results of their activities for the planned and accounting periods);

8) an official of the Fund or organization – a member of the Board of Directors, the executive body, or a person solely performing the functions of the executive body.;

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

10) ombudsman – a person appointed by the Board of Directors of the Fund, whose role is to advise employees of the Fund and organizations who have contacted him, assist in resolving labor disputes, conflicts, problematic issues of a social and labor nature, as well as compliance with the principles of business ethics by employees of the Fund and organizations;

11) sustainable development – a development in which the Fund and organizations manage the impact of their activities on the environment, economy, and society and make decisions taking into account the interests of stakeholders.;

12) Independent Director – a member of the Board of Directors who is not an affiliated person of this joint-stock Company and was not an affiliated person during the three years preceding his election to the Board of Directors (except in the case of his tenure as an Independent Director of this joint-stock Company), is not an affiliated person in relation to the affiliated persons of this joint-stock Company; is not affiliated with officials of this joint-stock Company or affiliated organizations of this joint-stock Company and was not affiliated with these persons during the three years preceding his election to the Board of Directors; is not a government employee; is not a shareholder's representative at meetings of the bodies of this joint-

stock Company and has not been for three years prior to his election to the Board of Directors; does not participate in the audit of this joint-stock Company as an auditor working for an audit organization, and did not participate in such an audit during the three years preceding his election to the Board of Directors, and also meets other requirements established by the laws of the Republic of Kazakhstan.;

13) organizations – legal entities, more than fifty percent of the voting shares (participation interests) of which are directly or indirectly owned by the Fund by right of ownership or trust management;

14) holding company – a Company that directly or indirectly owns shares (stakes) in other organizations and has the ability to influence decisions made by these organizations;

15) action plan – a document defining the main areas of activity and key performance indicators of a Fund or organization for a five-year period, approved by the Board of Directors.

4. The scope of this Code applies to the Fund and organizations belonging to the Fund Group. For organizations with other shareholders (participants), the Code is recommended for approval at the general meeting of shareholders (participants). The holding companies ensure the implementation of this code in their group.

5. Organizations follow the provisions of this Code to the extent that they do not contradict the laws of the Republic of Kazakhstan “On Limited and Additional Liability Partnerships” (hereinafter – the Law on Partnerships), “On Joint Stock Companies” (hereinafter – the Law on Joint Stock Companies), “On the National Welfare Fund” (hereinafter – the Law on the Fund) and other laws of the Republic of Kazakhstan.

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

7. The documents and processes of the Fund and organizations should be updated in accordance with the provisions of this Code.

8. Cases of non-compliance with the provisions of this Code are carefully reviewed at meetings of relevant committees and boards of directors with the adoption of appropriate decisions aimed at further improving corporate governance in the Fund and organizations.

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

Chapter 2. Government as Fund shareholder

10. The Government of the Republic of Kazakhstan – the Sole Shareholder of the Fund (hereinafter – the Government), distinguishes between its powers as the Sole Shareholder of the Fund and its powers related to state regulation.

The Government participates in the management of the Fund and organizations exclusively through the exercise of the powers of the Sole Shareholder of the Fund, as provided for by the Law on the Fund and the Articles of Association of the Fund, and representation on the Board of Directors of the Fund. The basic principles and issues of interaction between the Government and the Fund are regulated by the Cooperation Agreement. With regard to the Government as a shareholder, the principles of Chapter 3, “Rights of Shareholders (Participants) and Fair Treatment of Shareholders (Participants)” of this Code shall apply insofar as they do not conflict with the Fund Law.

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

12. The Management Board of Fund, the Chairman of the Management Board of Fund, and the bodies of organizations are completely independent and autonomous in making decisions and carrying out any actions within their competence.

In the event of interference by state bodies in the operational (current) activities of organizations not provided for by the laws of the Republic of Kazakhstan, the organizations shall immediately inform the Fund of such circumstances.

The Fund periodically brings such information to the attention of the Board of Directors, which, if necessary, submits proposals to the Government, as the Sole Shareholder, to prevent such cases.

13. If draft state program documents, action plans, and regulatory legal acts establish targets, measures, and/or other provisions that affect the activities of the Fund and/or organizations, such drafts shall be sent by the state authority that developed them to obtain, within the time limits provided for by the Regulations of the Government of the Republic of Kazakhstan, a written position of the Fund, which shall be attached to the draft when submitted to the Government.

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

15. The Fund shall disclose to the Government as a shareholder and to the Board of Directors of the Fund all necessary information about the activities of the Fund in accordance with the legislative acts of the Republic of Kazakhstan, the

Charter of the Fund, the Cooperation Agreement, and shall ensure the transparency of the activities of the Fund and organizations.

Depending on the issue, the Government hears organizations on matters related to their activities exclusively by inviting their representatives to the Board of Directors of Fund.

The Fund's management reports at least once a quarter by submitting to the Board of Directors for consideration the consolidated results of the Fund's activities with organizations in which more than fifty percent of the voting shares (equity interests) are owned by the Fund on the basis of ownership or trust management. The list of information submitted to the Board of Directors of Fund is regulated by the Cooperation Agreement, the Regulations on the Board of Directors of Fund, the Fund's internal documents, and the decisions of the Board of Directors of Fund.

The Fund submits reports to state authorities if this is expressly provided for by the laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan, the Government and/or the Rules for the publication of reports required by state authorities on the Fund's website, as well as the list, forms, and frequency of publication of reports approved by the central authorized body for state planning.

16. The investment activities of the Fund or organization shall be carried out on market principles in accordance with the development plan of the Fund or organization and shall be aimed at increasing value and optimizing the structure of assets.

17. The distribution of net income in favor of the Government as the Sole Shareholder is carried out in the form of dividends based on a formalized and transparent dividend policy.

18. Cases of low-profit and socially significant projects implemented by the Fund or organization should be disclosed in the annual report of the Fund or organization, indicating the sources of financing for such projects.

19. By the decision of the Sole Shareholder and in accordance with the procedure determined by him, the Fund annually allocates Funds in the amount of at least seven percent of the net income of the Fund to a non-profit organization represented by the public Fund “Kazakhstan Khalkyna”.

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

20. As a national holding company, the Fund acts as a strategic holding company for its companies. Corporate governance is based on KPIs, effectiveness, and transparency.

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

Organizations carry out their activities within the framework of their main (core) activities. New types of activities are permitted provided that there is no competition in the market or that the participation of the Fund and organizations will contribute to the development of small and medium-sized businesses.

22. The corporate governance system of the Fund and organizations is a set of processes that ensure the management and control of the activities of the Fund and organizations, as well as a system of relations between the executive body, the Board of Directors, shareholders, and stakeholders, and is aimed at long-term value growth and sustainable development. The Board of Directors periodically reviews issues related to improving the effectiveness of this system of relationships. The powers of the bodies and the decision-making process are clearly defined and enshrined in the charter.

The corporate governance system provides for relationships between:

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

The corporate governance system must ensure, among other things:

- 1) compliance with the hierarchy of the order of consideration of issues and decision-making;
- 2) clear division of powers and responsibilities between bodies, officials, and employees;
- 3) timely and high-quality decision-making by the bodies of the Fund and organizations;
- 4) KPIs of processes in the activities of the Fund and organizations;
- 5) compliance with legislation, this code, and internal documents of the Fund and organizations.

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

24. The Fund participates in the management of companies by exercising the functions of a shareholder (participant), as well as through the Board of Directors in accordance with the procedure established by the companies' charters and this code.

The companies' boards of directors have complete independence in making decisions within their competence as established by the companies' charters.

The Fund's position on specific issues is communicated through the Fund's representatives on the Company's Board of Directors.

25. In accordance with the Law on the Fund, the Fund forms a unified policy with regard to companies and approves methodological recommendations and corporate standards for organizations. These areas include human resources management, information technology, investments, innovation, risk management, corporate governance, planning, economics and finance, and others. Holding companies may approve a unified policy for their group in areas not covered by the Fund's corporate standards, or policies and corporate standards that supplement or elaborate on the Fund's policies and corporate standards.

The decision to apply the corporate standards approved by the Fund in the area of internal audit and internal control systems in the organization is made by the

organization's Board of Directors, taking into account the compliance of these standards with the specifics of the organization's activities.

26. The executive bodies of the Fund and the companies shall cooperate in a spirit of collaboration to ensure that the development plans of the companies submitted for approval to the boards of directors of the companies are sufficiently ambitious and realistic, as well as consistent with the Fund's development plan and action plan.

The Fund's executive body maintains an ongoing dialogue with the Company's executive body on strategy and sustainable development issues. At the same time, the Fund does not interfere in the operational (day-to-day) activities of the Company, including personnel decisions, procurement, and production processes, for which the Company's executive body is responsible, except in cases specified by the legislation of the Republic of Kazakhstan, as well as in cases where there are circumstances that lead to the non-fulfillment of the KPIs set out in the development plan.

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

The creation of new organizations in the form of joint-stock companies is permitted in exceptional cases, such as the planned future sale of the organization's shares on the stock market.

When establishing an organization in the form of a limited liability partnership, the participants independently decide on the need to establish supervisory boards and the advisability of electing independent members to them, depending on the scale and specifics of the activities of the organization being established.

The management of the asset portfolio, including the determination of the share of participation in the acquisition of new assets and/or the sale of shares of organizations, is carried out in accordance with the strategic objectives set out in the Fund's development plan and investment policy approved by the Fund's board of directors.

28. The distribution of net profits and payment of dividends by companies in which more than fifty percent of the shares (equity interests) are owned by the Fund on a proprietary or trust basis shall be carried out in accordance with the Fund's dividend policy.

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

29. Organizations are managed by their governing bodies in accordance with the powers and procedures defined in the organization's charter. This principle also applies to organizations with multiple shareholders (participants).

30. Management of the portfolio of assets and shares (stakes) in the Fund's organizations is determined within the framework of the Fund's development plan.

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

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

31. The development plan of a holding company shall contain the goals, objectives, and directions of development of the organizations that are part of its group. Individual development plans shall be adopted in organizations of the holding group whose shares are already listed on stock exchanges, as well as in organizations of the holding group established in the form of joint ventures. When developing a development plan, these organizations should be guided by the provisions of their charters and consult with other shareholders (participants).

As part of the development plan, the Board of Directors shall determine long-term goals that must meet the following criteria: be specific, measurable, achievable, relevant, and have set deadlines for achievement. The achievement of strategic goals is assessed using long-term KPIs. It is recommended that individual areas of activity (e.g., investment, innovation, information technology, human resources management) be included in the development plan.

32. In the process of developing and monitoring the implementation of the development plan, the Board of Directors and the executive body hold strategic sessions to discuss the main areas of activity, objectives, issues, risks, and corrective measures.

When developing the development plan, consultations are held with key stakeholders, in particular, major shareholders, key business partners, and relevant government agencies.

The development plan sets out goals, objectives, and indicators for sustainable development.

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

The main element of assessing the effectiveness of the Fund, organizations, and the executive body is the KPIs system. The Fund, through its representatives on the Board of Directors, communicates its KPI expectations to companies. The list and target values of the Company's KPIs are approved by the Company's Board of Directors.

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

34. An annual assessment is carried out of the achievement of the Fund's and organizations' KPIs in comparison with the approved development plan. This assessment affects the remuneration of the head and members of the executive bodies, is taken into account when they are re-elected, and is also the basis for their early dismissal from office.

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

1) the Fund sends its representatives on the boards of directors its expectations for the target KPIs of companies for the planned period, which are submitted by them for consideration by the boards of directors of companies;

2) based on the results of consideration and discussion, the Company's board of directors approves the list and target KPI values, which are communicated to the Company's executive body for the development of appropriate development plans;

3) in order to achieve the approved KPIs, the Company develops a five-year development plan in accordance with the procedure defined by the relevant documents of the Fund;

4) After receiving approval from the Company's executive body, the draft development plan is entered into the Fund's information system for planning, monitoring, and evaluating activities and is sent to the Company's Board of Directors for review and approval.

5) the Company's development plan is approved by the Company's Board of Directors, and the approved version of the development plan is also entered into the Fund's information system for planning, monitoring, and evaluating activities.

Adjustments to the companies' development plans after their initial approval are permitted in accordance with the procedure specified in the relevant documents of the Fund. The draft development plan of the Company and the draft adjustment to the approved development plan of the Company are not agreed upon by the Fund.

35. The Company's executive body monitors the implementation of the development plan and the Company's KPI, and the results of the monitoring and reports on the implementation of the development plan are entered into the Fund's information system for planning, monitoring, and evaluating activities in accordance with the procedure defined by the relevant documents of the Fund.

36. The board of directors of the holding company ensures effective management, long-term value growth, and sustainable development in all legal entities within its group. The results of effective management in the holding company's group are increased operational KPIs, improved reporting quality, improved standards of corporate culture and ethics, greater openness and transparency, reduced risks, and an adequate internal control system.

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

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

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

1) existence of a clear management system within the group, with clearly defined powers and decision-making processes, and no duplication of functions and processes;

2) uniform standards, policies, and processes, including the definition of uniform approaches to planning, monitoring and control, performance evaluation, and corrective action;

3) access to high-quality information regarding the group's activities;

4) proper management of the group's risks;

5) ensuring compliance with the requirements established by the legislation of the Republic of Kazakhstan and the documents of the Fund and the holding company;

6) coordination of interaction with stakeholders.

38. Other possible mechanisms for managing a holding company group include centralizing certain functions (planning, treasury, accounting, information technology, legal support, internal audit, and others).

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

Chapter 4. Rights of shareholders (participants) and fair treatment of shareholders (participants)

39. Respect for the rights of shareholders (participants) is a key condition for attracting investment to the Fund and the organization. The organization must ensure that the rights of shareholders (participants) are exercised.

40. The rights, obligations, and powers of shareholders (participants) are determined in accordance with applicable law and the founding documents and are enshrined therein. The rights of shareholders (participants) include, but are not limited to timely receipt of information sufficient for decision-making, in accordance with the procedure established by the legislation of the Republic of Kazakhstan, the Charter, and internal documents of the organization in the field of information disclosure; participation in the general meeting of shareholders (participants) and voting on issues within their competence; participation in determining the quantitative composition and term of office of the Board of Directors (Supervisory Board and executive body), the election of its members and the termination of their powers, as well as determining the amount and conditions of remuneration; receiving dividends in the amounts and at the times determined by the decision of the general meeting of shareholders (participants) on the basis of a clear and transparent dividend policy.

41. A shareholder (participant) has the opportunity to obtain information about the organization necessary to make an appropriate decision, taking into account the requirements of confidentiality and disclosure of information of the organization.

Disclosure of information about the organization's activities should facilitate the adoption of an informed decision by investors to participate in the organization's authorized capital or to withdraw from the organization's shareholders (participants).

42. The organization shall inform its shareholders (participants) about its activities affecting the interests of shareholders (participants) in accordance with the procedure provided for by the legislation of the Republic of Kazakhstan, the Charter, and other internal documents of the organization. The procedure and channels for disclosing information to shareholders (participants) are defined in the information policy or other document regulating the disclosure of information about the organization. Organizations whose shares are listed on the stock exchange shall additionally disclose information in accordance with the listing rules.

The organization must disclose to shareholders (participants) and investors information about any forms and conditions of cooperation, agreements, and partnerships with the government and state authorities.

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

In organizations with a single shareholder (participant), a general meeting of shareholders (participants) is not held. Decisions on issues referred to the competence of the general meeting of shareholders by the legislation of the Republic of Kazakhstan and the Charter of the organization are made by such a shareholder alone and must be formalized in writing.

44. The shareholder (participant) holds meetings with the Board of Directors and the executive body (supervisory board and/or executive body) (hereinafter referred to as the Board of Directors hearing) to summarize the results of the year's activities and make decisions on issues within its competence. The shareholder (participant) also holds regular meetings during the year with the chair of the Board of Directors (supervisory board and/or executive body) to discuss issues related to the organization's activities within the scope of their competence.

The date and time of the general meeting of shareholders (participants) shall be set in such a way that the largest number of persons entitled to participate in the meeting, or all persons in relation to issues requiring unanimous decisions, can participate in the meeting.

45. The information and materials provided to shareholders (participants) prior to the general meeting of shareholders (participants)/hearing of the Board of Directors, as well as the procedure for providing it, shall ensure the most complete presentation of the essence of the issues under discussion with an exhaustive list of precisely formulated issues to be discussed, the risks associated with the adoption (non-adoption) of a decision, the receipt of answers to questions of interest, and the possibility of making informed decisions on the agenda items.

The agenda items should be as clear as possible and exclude the possibility of different interpretations. Items formulated as "miscellaneous," "other," "various," etc. should be excluded from the agenda. At the general meeting of shareholders (participants), the organization must propose a separate resolution for each

individual item. The rights of shareholders to submit proposals to the agenda of the general meeting of shareholders (participants) in accordance with the established procedure, as well as to request the convening of an extraordinary general meeting of shareholders (participants), are easily exercised if they are clearly justified.

46. During the preparation for the general meeting of shareholders (participants)/hearing of the Board of Directors, the organization should create the necessary organizational and technical conditions to enable shareholders (participants) to ask questions about the agenda and materials. The organization shall establish the powers of officials, the corporate secretary or the person performing his/her functions, and employees of the organization to interact with shareholders (participants) and investors, as well as the procedure for responding to their requests.

47. The corporate secretary or the person performing his/her functions shall monitor questions received from shareholders (participants) and provide answers regarding the procedure for holding the general meeting of shareholders (participants), explain the provisions of the legislation of the Republic of Kazakhstan and the organization's documents regarding the procedure for participation and voting at the general meeting of shareholders (participants), as well as other issues, if so specified in the organization's internal documents.

48. Organizations whose shares are listed on the stock exchange are recommended to establish special investor relations departments to maintain communication with investors and ensure timely and high-quality responses to shareholders' questions.

49. In order to provide all shareholders (participants) with information about the organization's activities at the same time and to ensure equal treatment of all shareholders (participants), shareholders (participants) shall publish information on the website of the financial statements depository.

Disclosure requirements should not impose an excessive administrative burden or unreasonable costs on the organization.

50. It is recommended that relevant materials on the agenda of the general meeting of shareholders (participants), taking into account the protection of confidential information, be posted on the organization's Internet resource, indicating the contact information of the persons responsible for interacting with shareholders (participants) and investors (telephone, e-mail address).

The voting process at the general meeting of shareholders (participants) should be as simple and convenient as possible for shareholders (participants), using all possible voting methods, taking into account the provisions of the organization's charter.

51. The procedure for holding a general meeting of shareholders (participants) provides all shareholders (participants) with an equal opportunity to exercise their rights to participate in the general meeting of shareholders (participants). A shareholder (participant) may vote at a general meeting of shareholders (participants) held in person, either in person or without being present (by proxy issued personally by the shareholder (participant) to their representative). No power of attorney is required to participate in the general meeting of shareholders (participants) and vote on the issues under consideration for a person who, in

accordance with the legislation of the Republic of Kazakhstan or a contract, has the right to act without a power of attorney on behalf of a shareholder or represent his interests.

52. The organization shall develop rules of procedure for the general meeting of shareholders (participants), which shall determine the procedure for holding the general meeting of shareholders (participants), providing for the possibility of proper discussion of the agenda items and decision-making, speeches by officials, and other issues.

The importance of the general meeting of shareholders (participants) of the organization requires the mandatory participation (if invited) of all officials involved in the management of the organization.

The registration time must be sufficient for all shareholders (their representatives) to register, and shareholders who have not registered are not counted when determining the quorum and cannot participate in the voting.

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

53. The chairperson of the general meeting of shareholders (participants) shall endeavor to ensure that shareholders (participants) receive answers to their questions directly during the meeting. If the complexity of the questions does not allow for immediate answers, the person (persons) to whom they are addressed shall provide written answers to the questions as soon as possible after the conclusion of the general meeting of shareholders (participants).

54. In the event of the acquisition of shares (participation interests) in organizations by institutional investors, in order to ensure the stability and sustainability of organizations, institutional investors acting as trustees shall disclose their corporate governance policy and regulations for the implementation of their investment activities, including the current decision-making procedures in the investor's Company.

Institutional investors acting as trustees must report on how they resolve material conflicts of interest that may affect the ownership rights in relation to their investments.

An institutional investor is defined as a legal entity that raises Funds for the purpose of making investments in accordance with the legislation of the Republic of Kazakhstan, for example, large financial organizations that accumulate free Funds from the population, companies, or enterprises for subsequent investment in various financial instruments (insurance and pension Funds, investment companies).

55. Organizations have a transparent procedure for electing and determining the remuneration of the Board of Directors (Supervisory Board and/or executive body), which is approved by the general meeting of shareholders (Sole Shareholder)/participants (sole participant).

56. Shareholders (participants) have access to information regarding the terms and procedure for the payment of dividends, and are provided with reliable information on the financial position of the organization when dividends are paid.

For this purpose, the general meeting of shareholders (Sole Shareholder)/participants (sole participant) approves a dividend policy with access for all shareholders/participants. A holding company shall establish a unified dividend policy for the group, developed taking into account the specifics of the group's structure with multiple shareholders/participants. Organizations with multiple shareholders (participants) shall adopt a different dividend policy, approved by the general meeting of shareholders (participants).

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

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

The rules and procedures for holding general meetings of shareholders (participants) should ensure equal treatment of all shareholders (participants). Corporate procedures should not unreasonably complicate or burden the voting process with costs.

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

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

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

The Executive Body is accountable to the Board of Directors, manages the daily activities of the organization and ensures its compliance with the development plan, action plan and decisions adopted by the general Meeting of Shareholders and the Board of Directors.

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

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

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

- 1) definition of the ESG development and integration plan of goals (directions and results);
- 2) performance and monitoring key performance indicators of the action plan;
- 3) organization and supervision of the effective functioning of the risk management and internal control system;
- 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, remuneration, succession planning and supervision of the activities of the head and members of the executive body;
- 6) Corporate governance and ethics;
- 7) the organization's compliance with the provisions of this Code and the Fund's corporate standards.

60. Members of the Board of Directors properly perform their duties, ensure the growth of long-term value and sustainable development of the organization. The Board of Directors of the organization is accountable to the shareholders. This accountability is implemented through the mechanism of the general meeting of shareholders.

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

- 1) to act within the limits of their powers – the members of the Board of Directors make decisions and act within the limits of their powers stipulated in the Articles of Association;
- 2) devote sufficient time to attend meetings of the Board of Directors and its committees and prepare for them – it is not allowed for a member of the Board of Directors to simultaneously hold the position of a member of the Board of Directors in more than four legal entities, simultaneous occupation of the position of Chairman of the Board of Directors is allowed only in two legal entities (holding positions by a member of the Board of Directors in other legal entities is allowed after receiving approval from the Board of Directors);
- 3) contribute to the growth of the long-term value and sustainable development of the organization - the members of the Board of Directors act in the interests of the organization, taking into account fair treatment of all shareholders and the principles of sustainable development; the impact of decisions and actions of the members of the Board of Directors can be determined through the following questions: what are the long-term consequences of the decision/action; what is the impact of the organization's activities on society and the environment; whether fair treatment of all shareholders will be ensured; the impact on the organization's reputation and high standards of business ethics; influence on the interests of stakeholders (this list of issues is minimally necessary, but not exhaustive);

4) to maintain high standards of business ethics – the members of the Board of Directors in their actions, decisions and behavior meet high standards of business ethics and are an example for the employees of the Fund and the organization.;

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

1) act with due reasonableness, skill and prudence – members of the Board of Directors are encouraged to continuously improve their knowledge of the competencies of the Board of Directors and perform their duties on the Board of Directors and committees, including areas such as legislation, corporate governance, risk management, finance and audit, sustainable development, industry knowledge and business specific organizations; In order to understand the current issues of the organization's activities, members of the Board of Directors regularly visit key facilities of the organization and hold meetings with employees.

61. Members of the Board of Directors are personally responsible for fulfilling the duties of a member of the Board of Directors, including fiduciary duties to the shareholder(s) and decisions made, the effectiveness of their activities, actions and/or omissions. If there are different 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 organization.

62. The Board of Directors is accountable to the shareholders for the results of the organization's activities. At the annual general meeting of shareholders (hearing), the Chairman of the Board of Directors provides the shareholders (participants) with the report of the Board of Directors, which reflects the results of the activities of the Board of Directors and its committees for the reporting period, the measures taken by the Board of Directors to increase the long-term value and sustainable development of the organization, the main risk factors, significant events, issues considered, the number of meetings, form of meetings, attendance, as well as other important information – the report of the Board of Directors is included in the annual report of the organization.

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

Additionally, major shareholders (the Sole Shareholder) hold meetings with the Chairman and members of the Board of Directors to discuss the issues of the development plan, the election of the first head of the executive body and other

aspects that affect the growth of long-term value and sustainable development of the organization. Such meetings are planned in advance and conducted in accordance with approved procedures.

63. The Board of Directors and its committees maintain a balance of skills, experience and knowledge, ensuring that independent, objective and effective decisions are made in the interests of the organization and with due regard for fair treatment of all shareholders.

64. It is recommended that the Board of Directors ensure sufficient diversity in terms of personality, age and gender composition to increase long-term value in accordance with ESG principles.

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

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

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

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

The key functions of the Senior Independent Director include:

- 1) acting as an advisor to the Chairman of the Board of Directors and providing him with support in communicating the goals he defines;
- 2) assessment of the activities of the Chairman of the Board of Directors;
- 3) succession planning of the Chairman of the Board of Directors;
- 4) in case of disagreements between the shareholders, the executive body, the Chairman of the Board of Directors and other directors, mediate in resolving the differences.

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

68. In companies, all voting shares of which belong to the Fund, there are the following peculiarities regarding the process of electing members of the Board of Directors:

- 1) the Chairman of the Board of Directors is elected by the decision of the Sole Shareholder;

2) the process of searching and selecting Independent Directors of companies is carried out on a competitive basis. The selection procedure for Independent Directors of companies is approved by the Fund's Management Board.

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

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

Any term of election to the Board of Directors for a period of more than six consecutive years (for example, two three-year terms) is subject to special consideration, taking into account the need for a qualitative renewal of the Board of Directors.

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

No person should participate in making decisions related to their own appointment, election, or re-election.

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

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

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

2) previously served as Chairman of the Board of Directors, head of the executive body, deputy head, chief accountant of another legal entity for a period of no more than one year prior to the decision on forced liquidation or forced repurchase of shares, or conservation of another legal entity declared bankrupt in accordance with the established procedure (the specified requirement applies for five years after the date of making a decision on the compulsory liquidation or compulsory repurchase of shares, or the conservation of another legal entity declared bankrupt in accordance with the established procedure);

3) who committed a corruption crime.

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

1) Work experience in senior positions;

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

3) work experience;

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

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

6) business reputation;

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

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

72. The number of members of the Board of Directors is determined individually, taking into account the scope of activities, business needs, current tasks, development plan and financial capabilities. The number of members of the Board of Directors should allow for the creation of the required number of committees. In companies, the number of members of the Board of Directors ranges from 7 to 11 people.

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

A transparent selection process for members of the Board of Directors is ensured with the involvement of the Fund's Board of Directors (in relation to the boards of directors of companies) and the organization. Candidates are searched and elected according to objective criteria and taking into account the need for diversity in the Board of Directors.

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

The process of searching and selecting Independent Directors of the Fund, companies

and organizations is carried out on a competitive basis. The procedure for selecting Independent Directors of the Fund is approved by the Board of Directors of the Fund. The selection procedure for Independent Directors of companies and organizations is approved by the Fund's Board.

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

An example of the competencies of members of the Board of Directors in areas and industries

Criteria	Necessary knowledge	Director X	Director Y
Competence	Strategy		
	Risks and audits		
	Jurisprudence		

	Corporate governance		
	Investment		
	Economics and finance		
	Human resource management		
	Innovation		
Area	Telecommunications		
	Oil and gas		
	Energy industry		
	Transport		
	Mining metallurgy		
	Mechanical engineering		
	Realty		

75. In companies in which 100% of the shares are owned by the Fund, there is the following process for finding and electing a member of the Board of Directors.

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

1) conducts preparation and planning: analysis and determination of the set of necessary competencies and skills in the Board of Directors, taking into account the objectives of the Company;

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

3) searches for candidates;

4) carries out the selection of candidates: evaluation, interviews and preparation of proposals for candidates (candidates for members of the Board of Directors of companies are discussed with at least one member of the Nomination and Remuneration Committee of the Board of Directors of the Fund);

5) makes a decision by the Sole Shareholder;

6) publishes information on the Company's Internet resource, a press release.

At the same time, the process of searching and selecting Independent Directors of companies is carried out on a competitive basis. The selection procedure for Independent Directors of companies is approved by the Fund's Management Board.

Holding companies use a similar process in their group.

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

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

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

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

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

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

78. Independent directors should actively participate 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 executive body, setting remuneration for members of the executive body). Independent Directors are elected by the Chairmen of the key committees of the Board of Directors - on audit, appointments and remuneration.

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 shareholders for making an appropriate decision.

The Fund and organizations need to ensure that there are succession plans for the members of the Board of Directors in order to maintain business continuity and progressively update the composition of the Board of Directors.

79. 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.

During the induction process, members of the Board of Directors become familiar with their rights and responsibilities, key aspects of the Fund's and the organization's activities and documents, including those related to the greatest risks.

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

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

To fulfill the role of Chairman of the Board of Directors, in addition to professional qualifications and experience, it is necessary to have special skills such as leadership, the ability to motivate, understand different views and approaches, and have conflict resolution skills.

81. The roles and functions of the Chairman of the Board of Directors and the Head of the executive body of the organization are clearly separated and fixed in the Charter. The Head of the executive body is not elected by the Chairman of the Board of Directors.

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

- 1) planning meetings of the Board of Directors and setting the agenda;
- 2) ensuring that members of the Board of Directors receive complete and up-to-date information in a timely manner for decision-making;
- 3) ensuring that the Board of Directors focuses on strategic issues and minimizes current (operational) issues to be considered by the Board of Directors;
- 4) ensuring maximum effectiveness of meetings of the Board of Directors by allocating sufficient time for discussions, comprehensive and in-depth consideration of issues on the agenda, stimulating open discussions, and reaching agreed decisions;
- 5) building proper communication and interaction with shareholders, including organizing consultations with major shareholders when making key strategic decisions;
- 6) ensuring monitoring and supervision of the proper execution of the decisions of the Board of Directors and the General Meeting of Shareholders (the Sole Shareholder);
- 7) in case of corporate conflicts, taking measures to resolve them and minimize their negative impact on the organization's activities and timely informing major shareholders (the Sole Shareholder) if it is impossible to resolve such situations on their own.

82. The Chairman of the Board of Directors may not simultaneously be the Chairman of the Management Board of Fund.

The Board of Directors considers issues related to the Fund and organizations within its competence in accordance with the Fund's Charter, and also preliminarily considers all issues within the competence of the Government as the Sole Shareholder.

The boards of directors of organizations are elected by the general meeting of shareholders (the Sole Shareholder) of the organizations.

83. The remuneration level of the members of the Board of Directors is sufficient to attract, retain and motivate each member of the Board of Directors to the level required for the successful management of the organization. At the same time, the expected positive effect for the organization from the participation of this person in the Board of Directors is taken into account. The Nomination and

Remuneration Committee of the Board of Directors of the organization makes proposals on the amount of remuneration for candidates for Independent Directors.

Remuneration for a member of the Board of Directors of an organization is determined in accordance with the methodology developed by the Fund.

At the same time, the expected positive effect for the organization from the participation of this person in the Board of Directors is taken into account. In organizations with several shareholders, the relevant remuneration rules for members of the Board of Directors are developed based on the Fund's methodology and approved by the general meeting of shareholders. The Nomination and Remuneration Committee of the Board of Directors of the organization makes proposals on the amount of remuneration for candidates for Independent Directors.

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

No person should be involved in making decisions related to their own remuneration.

Remuneration should fairly reflect the expected contribution of a member of the Board of Directors to improving the effectiveness of the entire Board of Directors and the organization's activities. When setting the amount of remuneration, the responsibilities of members of the Board of Directors, the scope of the organization's activities, long-term goals and objectives determined by the development plan, the complexity of issues considered by the Board of Directors, and the level of remuneration in similar companies (benchmarking, remuneration review) are taken into account.

84. As a rule, members of the Board of Directors are paid a fixed annual remuneration, as well as additional remuneration for chairing the Board of Directors, participating in and chairing committees of the Board of Directors. Remuneration of a member of the Board of Directors should not include options or other elements related to the performance of the organization.

The General Meeting of Shareholders (the Sole Shareholder) of the organization determines the amount and terms of payment of remuneration and compensation of expenses to the member(s) of the Board of Directors of the organization.

Members of the Board of Directors of Fund who are government employees do not receive separate remuneration for membership in the Board of Directors and its committees.

85. For a more in-depth and high-quality study of issues, permanent committees are being established under the Board of Directors of the Fund: audit, appointments and remuneration, strategy, and a Specialized Committee. Other committees may be established at the discretion of the Board of Directors of Fund. The Strategy Committee considers strategic planning issues, headed by the first head of the central authorized body for state planning.

The activities of the Board of Directors of Fund committees contribute to in-depth and thorough consideration of issues within the competence of the Board of Directors and to improving the quality of decisions made, especially in areas such as audit, risk management, proper and effective application of procurement

procedures by the Fund and organizations, appointment and remuneration of members of the Board of Directors and the executive body, sustainable development, including including industrial safety and environmental protection. The existence of committees does not relieve members of the Board of Directors from responsibility for decisions taken within the competence of the Board of Directors.

Committees are established to conduct detailed analysis and develop recommendations on a range of the most important issues before 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.

The Board of Directors decides on the establishment of committees, determines their personal and numerical composition, chairmen, term of office, as well as functions and working procedure.

86. The committees are composed of members of the Board of Directors of Fund and experts with the necessary professional knowledge to work on a particular committee.

87. The Specialized Committee of the Fund carries out a comprehensive and objective analysis of the impact of the activities of organizations belonging to the Fund's group on the development of the economy or a particular branch of the economy in accordance with the Law on the Fund. A permanent member of the Specialized Committee, an expert with voting rights, is a representative of the Supreme Audit Chamber of the Republic of Kazakhstan.

Control over the use by the Fund and organizations of the Funds allocated to it from the republican budget and the National Fund of the Republic of Kazakhstan for compliance with the financial and economic justification, assessment of the effectiveness of budget investments are within the competence of the Supreme Audit Chamber of the Republic of Kazakhstan.

The majority of the other committees of the Board of Directors of Fund are Independent Directors.

88. The Committees consist of members of the Board of Directors who possess the necessary professional knowledge, competencies and skills to work in the committee. Potential conflicts of interest should be taken into account when forming the composition of the committees. The Chairmen of the committees, along with their professional competencies, have organizational and leadership qualities, and good communication skills for effective organization of the committee's activities.

Committees are established under the boards of directors, whose competence includes consideration of issues related to audit, risk management, appointments and remuneration.

89. Industrial safety committees are established in organizations whose operations are associated with the risk of accidents and technological disasters (for example, industrial companies, air and rail transportation). In order to improve the KPIs of investment decision-making, it is recommended that one of the committees of the Board of Directors include issues related to the investment activities of the organization, the consideration of which falls within the competence of the Board of Directors. Depending on the composition, size and current tasks of the Board of

Directors, other areas of activity of the strategy, investment and other issues committees are envisaged. The committee consists of at least 3 people.

90. The Audit Committee consists of Independent Directors. If the Committee involves a qualified expert, this person should not have the right to vote. The decision on the involvement of an expert is made by the Audit Committee, and the issue of his involvement should be reviewed annually for effectiveness and independence.

The members of the Audit Committee are required to have in-depth knowledge and practical experience in accounting and auditing, risk management, and internal control. The basic functions of the Audit Committee include issues of internal and external audit, financial reporting, internal control and risk management, compliance with the legislation of the Republic of Kazakhstan, internal documents and other issues on behalf of the Board of Directors.

91. The Nomination and Remuneration Committee consists of a majority of Independent Directors in order to develop objective and independent decisions and avoid the influence of stakeholders (representatives of shareholders, the head of the executive body, employees and others) on the judgments of the committee members.

The members of this committee are required to have in-depth knowledge and practical experience in the field of personnel management and evaluation, as well as in the field of corporate governance.

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

The basic functions of the committee include issues of appointment, setting motivational KPIs, performance evaluation, remuneration and succession planning for the head and members of the executive body, appointment and remuneration of the corporate secretary, as well as participation in the consideration of these issues regarding the composition of the Board of Directors itself, in cases where such powers are granted by the general meeting of shareholders (the Sole Shareholder). In this case, the members of the Nomination and Remuneration Committee do not allow a conflict of interest situation to arise and do not participate in the consideration of their own appointment and/or remuneration.

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

92. Committee meetings are attended only by committee members. The presence of other persons is allowed only at the invitation of the committee. If necessary, the committees involve experts and consultants.

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

94. The frequency of committee meetings is at least 4 meetings per year. Meetings of the committees are held in person with the preparation of minutes. In

order to create favorable conditions and reduce the cost of committee meetings, committee members may participate through technical means of communication.

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

96. The preparation and holding of meetings of the Board of Directors contribute to the maximum effectiveness of its activities. To fulfill their duties, members of the Board of Directors have access to complete, up-to-date and timely information.

97. The Board of Directors holds regular meetings to effectively perform its functions. Meetings of the Board of Directors and its committees are held through in-person or absentee voting, while the number of meetings with absentee voting should be minimized. Consideration and decision-making on issues of an important and strategic nature are carried out only at meetings of the Board of Directors with face-to-face voting.

98. Meetings of the Board of Directors and its committees are duly recorded by the Corporate Secretary, indicating in full the results of discussions and decisions taken.

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

99. The recommended frequency of meetings of the Board of Directors is from 8 to 12 meetings per year. It is recommended that the number of issues scheduled for consideration throughout the year be evenly distributed to ensure thorough and meaningful discussion and timely and high-quality decisions.

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

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

The agenda of the meeting of the Board of Directors does not include issues on which materials were provided in violation of deadlines. If issues are included in the agenda in violation of deadlines, the Chairman of the Board of Directors is provided with an exhaustive justification for this need.

101. 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, it is necessary to ensure compliance with the following factors:

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

2) obtaining the opinion of experts (internal and external), if necessary (it should be borne in mind that the involvement of experts does not relieve the Board of Directors of responsibility for the decision);

3) time devoted to discussions at Board meetings, especially for important and complex issues;

4) timely consideration of issues;

5) decisions set out a plan for further actions, deadlines and responsible persons.

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

1) the dominance of one or more directors at the meeting, which limits the full participation of other directors in the discussions;

2) formal attitude to risks;

3) the pursuit of personal interests and low ethical standards;

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

5) a position of uncompromising (lack of flexibility) or lack of desire for development (contentment with the current situation);

6) weak organizational culture;

7) lack of information and/or analysis.

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

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

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

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

A member of the Board of Directors who has an interest in an issue submitted for consideration by the Board of Directors does not participate in the discussion and voting on this issue, which is recorded in the minutes of the meeting of the Board of Directors.

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

The Board of Directors is recommended to conduct an audit of previously adopted decisions. Both the decision itself and the process of its adoption are subject

to analysis. It is recommended that earlier decisions be reviewed when the Board of Directors evaluates its activities.

105. The Board of Directors, committees and members of the Board of Directors are evaluated on an annual basis as part of a structured process approved by the Board of Directors of the organization. This process is consistent with the Fund's methodology. At the same time, an assessment is carried out at least once every three years with the involvement of an independent professional organization. The assessment methods are self-assessment or the involvement of an independent consultant to improve the quality of the assessment. In agreement with the general meeting of shareholders (the Sole Shareholder) or the Chairman of the Board of Directors/Supervisory Board, the assessment may be conducted with the involvement of an independent professional organization once every three years.

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

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

The assessment should meet criteria such as regularity, complexity, continuity, realism, and confidentiality.

The process, timing and procedure for evaluating the activities of the Board of Directors, its committees and members of the Board of Directors are clearly regulated in the internal documents of the organization. The Chairman and members of the Board of Directors are trained in conducting the assessment.

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

- 1) optimal composition of the Board of Directors (balance of skills, experience, diversity of staff, objectivity) in the context of the tasks facing the organization;
- 2) clarity of understanding of the vision, strategy, main tasks, problems and values of the organization;
- 3) succession and development plans;
- 4) functioning of the Board of Directors as a single body, the roles of the Board of Directors and the head of the executive body;
- 5) effectiveness of interaction in the Board of Directors, the Board of Directors with the bodies and officials of the organization;
- 6) effectiveness of each member of the Board of Directors;
- 7) effectiveness of the activities of the committees of the Board of Directors and their interaction with the Board of Directors, members of the executive body;
- 8) quality of information and documents provided to the Board of Directors;
- 9) quality of discussions on the Board of Directors and in the committees;
- 10) effectiveness of the corporate secretary's activities;
- 11) clarity in understanding processes and competencies;

- 12) risk identification and assessment process;
- 13) interaction with shareholders and other interested parties.

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

The evaluation of the Board of Directors, its committees and members of the Board of Directors, providing feedback to members of the Board of Directors and developing follow-up measures for improvements are carried out under the supervision of the Chairman of the Board of Directors. The evaluation results are discussed at a separate meeting of the Board of Directors, following which a development program is developed for the Board of Directors as a whole and individually for each of its members.

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

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

1) Chairman of the Board of Directors directs the evaluation process, provides feedback to the entire Board of Directors and each of its members, informs the Sole Shareholder (major shareholders) about the evaluation results and discusses measures for improvements, as well as monitors the implementation of the action plan based on the evaluation results;

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

3) Chairmen of the committees ensure the process of evaluating the effectiveness of the work of the committees they head;

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

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

The evaluation results serve as the basis for the re-election of the entire Board of Directors or an individual member, a review of the composition of the Board of Directors and the amount of remuneration to members of the Board of Directors. If there are serious deficiencies in the performance of individual members of the Board of Directors, the Chairman of the Board of Directors consults with major shareholders (the Sole Shareholder).

The Board of Directors in its annual annual report reflects how the Board of Directors was evaluated and the measures taken based on the results. If an independent consultant is involved, it is indicated whether they have provided other consulting services to the Fund and organizations over the past three years.

The Sole Shareholder may conduct its own assessment of the Board of Directors independently or with the involvement of an independent consultant. The results of the independent assessment carried out by the Board of Directors, the results of the organization's activities and other factors are taken into account.

110. In order to effectively organize the activities of the Board of Directors and the interaction of the Board of Directors and the Executive body with shareholders, the Board of Directors appoints a corporate secretary.

The Board of Directors decides on the appointment of the corporate Secretary and early termination of his/her powers, determines the term of office of the corporate secretary, requirements for the corporate secretary, functions and procedures, the amount of the official salary and remuneration conditions, decides on the establishment of the corporate secretary's service (secretariat). The Corporate Secretary is accountable to the Board of Directors of Fund and is independent of the Fund's executive body. The main duties of the Corporate Secretary include assistance in timely and high-quality corporate decision-making by the Board of Directors, the Sole Shareholder, acting as an adviser to the members of the Board of Directors on all matters 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 improving corporate governance in the Fund and organizations. The Corporate Secretary also prepares a report on compliance with the principles and provisions of this Code, which is included in the annual report of the Fund. This report contains a list of the principles and provisions of the code that are not being followed, with appropriate explanations.

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

111. The main responsibility of the Corporate Secretary is to ensure timely and high-quality corporate decision-making by the Board of Directors and the General Meeting of Shareholders (the Sole Shareholder), and to ensure effective interaction between the Board of Directors and the executive body with shareholders (the Sole Shareholder). In addition, the corporate Secretary's functions include overseeing good corporate governance practices.

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

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

1) assistance to the Chairman of the Board of Directors in forming the work plan and meeting agendas;

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 necessary for making decisions on issues on the agenda and within the competence of the Board of Directors;

4) record keeping of meetings of the Board of Directors and committees, provision of storage of minutes, transcripts, audio-video recordings, materials of meetings of the Board of Directors and committees;

5) advising members of the Board of Directors on issues related to the legislation of the Republic of Kazakhstan, the Charter, this Code, internal documents, monitoring changes and timely informing members of the Board of Directors;

6) organization of the inauguration of newly elected members of the Board of Directors;

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

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

In terms of ensuring interaction with shareholders (the Sole Shareholder):

1) organization of general meetings of shareholders;

2) timely sending of materials on issues submitted for consideration by the general meeting of shareholders/the Sole Shareholder for making appropriate decisions;

3) record keeping of the general meeting of shareholders, ensuring storage of minutes, transcripts, materials of meetings of the general meeting of shareholders (decisions of the Sole Shareholder);

4) ensuring proper interaction of the organization with shareholders, including control over the provision of information to shareholders' requests on a timely basis.

Regarding the implementation of good corporate governance practices:

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

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

3) identification, within the framework of the performance of their functions, of violations of corporate governance standards stipulated by the legislation, the Charter and other documents of the organization;

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

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

The assignment of other duties to the corporate secretary should be carried out taking into account the current workload of the corporate secretary. The assignment of new responsibilities should not contribute to the poor performance of the functions set out in this Code. New functions should not duplicate the functions of other structural units and officials. In case of duplication, it is necessary to review the performer of such functions.

112. For the professional performance of his duties, the Corporate Secretary has knowledge, experience and qualifications, an impeccable business reputation and enjoys the trust of the Board of Directors and shareholders. Depending on the size of the organization and the scale of its activities, a corporate secretary service is created.

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

114. In order to improve the effectiveness of the preparation and holding of meetings of the Board of Directors, it is recommended to periodically discuss the completeness and usefulness of the materials provided to the members of the Board

of Directors. The results of these discussions serve as a basis for evaluating the effectiveness of the corporate secretary.

115. In relation to the corporate secretary, the organization is developing a program for the appointment and succession planning. The search and appointment of a corporate secretary is carried out on the basis of open and transparent procedures fixed in the internal documents of the organization.

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

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

117. In order to perform his functions, the Corporate Secretary has the following powers:

1) request and receive from the bodies, officials and employees of the organization the documents and information necessary for decision-making at meetings of the Board of Directors and general meetings of shareholders (the Sole Shareholder);

2) take measures to organize meetings of the Board of Directors and the general meeting of Shareholders, inform the officials of the organizations about the decisions taken, as well as the subsequent monitoring of their implementation;

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

The executive body of the organization provides the Corporate Secretary with full assistance in the performance of his duties.

118. The budget of the organization includes items of expenses to ensure the activities of the Board of Directors and the Corporate Secretary, including expenses related to travel to the venue of meetings, accommodation and other trips within the framework of the assigned duties. It is recommended to provide Funds for the training and development of members of the Board of Directors and the involvement of external consultants and experts by the Board of Directors and its committees. The formation of the budget of expenses for ensuring the activities of the Board of Directors and the Corporate Secretary and sending it to the appropriate structural unit of the organization are carried out by the corporate Secretary.

The corporate secretaries of the Fund and the organization provide explanations regarding the provisions of this Code and their application.

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

The Executive Body is accountable to the Board of Directors and manages the daily activities of the organization, is responsible for the implementation of the development plan, action plan and decisions adopted by the Board of Directors and the general Meeting of Shareholders.

120. The Board of Directors elects the head and members of the executive body, determines the terms of office, the amount of the official salary, and the terms of payment for their work. The Nomination and Remuneration Committee of the Board of Directors of the organization plays a key role in the process of searching and selecting candidates for the executive body and determining their remuneration.

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

121. Proposals on candidates for election to the collegial executive body for consideration by the Nominating and Remuneration Committee of the Board of Directors are submitted by the head of the executive body. If the Board of Directors rejects a candidate proposed by the head of the executive body for the same vacant position in the executive body for the second time, the right to submit a proposal for a candidate for this vacant position passes to the Board of Directors.

122. In companies where 100% of the shares (participation interests) belong to the Fund, the candidate for the position of head of the executive body is preliminarily approved by the Fund's management board.

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

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

123. A candidate for the position of the first head of the Company is submitted (recommended) for appointment (election) by the Prime Minister of the Republic of Kazakhstan, approved by the Head of the Administration in accordance with the procedure established by the act of the President of the Republic of Kazakhstan.

The procedure for the search and election of the head of the executive body is carried out in accordance with the internal documents of the Fund.

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

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

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

The results of the assessment have an impact on the amount of remuneration, encouragement, re-election (appointment) or early termination of powers.

125. The Executive Body holds in-person meetings and discusses issues related to the implementation of the development plan, decisions of the general meeting of shareholders (Sole Shareholder), the Board of Directors and operational activities.

Special attention is paid to industrial safety issues. Meetings of the executive body are recommended to be held on a regular basis. Cases of holding absentee meetings should be limited and defined in the organization's documents.

126. The Executive Body forms a work plan for the coming year with a list of issues before the beginning of the calendar year. The members of the executive body should receive the materials for consideration in advance and of proper quality. Several meetings may be held when considering important and complex issues such as strategy and development plans, investment projects, and risk management. In order to thoroughly prepare such issues, taking into account the scale and specifics of the organization's activities, it is recommended to create special committees, project and/or working groups working on specific tasks. The rights, duties, competence and responsibilities of these bodies are fixed in the internal documents of the organization.

127. When considering each issue, a separate discussion is devoted to the risks associated with making/not making a decision and their impact on the cost and sustainable development of the organization.

All issues initiated by the executive body for consideration by the Board of Directors and the general meeting of Shareholders (the Sole Shareholder) are preliminarily reviewed and approved by the executive body.

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

The head and members of the executive body show high standards of ethical behavior and serve as an example for the organization's employees.

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

129. A member of the executive body may work in other organizations only with the approval of the Board of Directors. The head of the executive body or a person solely exercising the functions of the executive body has no grounds to hold the position of head of the executive body or a person solely exercising the functions of the executive body of another legal entity.

130. Succession planning of the executive body should be ensured in the organization. The mechanism and timing of the re-election of members of the executive body should motivate them to achieve long-term results, providing for the possibility of early dismissal from office if key performance indicators are not met.

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

131. The Executive Body ensures the creation of an optimal organizational structure.

The organizational structure is aimed at:

- 1) effective decision-making;
- 2) increase productivity;
- 3) KPIs of decision-making;
- 4) Organizational flexibility.

Candidates for vacant positions of organizations are selected on the basis of open and transparent competitive procedures. Organizations have a pool of personnel reserve employees, from which future appointments can be made to senior positions of middle and senior management. Employees are assessed on an annual basis.

132. Cases of violations of the Business Ethics Code by members of the executive body are brought to the attention of the Board of Directors by the Head of the Executive Body.

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

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

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

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

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

134. An effectively functioning risk management and internal control system should be established in the Fund and organizations, aimed at ensuring reasonable confidence in the achievement by the Fund and organizations of their strategic and operational goals and representing a set of organizational policies, procedures, standards of conduct and actions, methods and management mechanisms created by the Board of Directors and the executive body of the Fund and organizations for security features:

- 1) the optimal balance between the growth of the organization's value, profitability and the associated risks;
- 2) KPIs of financial and economic activities and achievement of financial stability of the Company;
- 3) safety of assets and efficient use of the Company's resources;
- 4) completeness, reliability and reliability of financial and management reports;

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

6) proper internal controls to prevent fraud and ensure effective support for the functioning of core and ancillary business processes, and performance analysis.

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

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

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

136. The organization of an effective risk management and internal control system in the Fund and organizations is aimed at building a management system capable of ensuring an accurate understanding of the reasonableness and acceptability of the risk level by employees, management, and Company bodies in their decision-making, responding quickly to risks, exercising control over the main and auxiliary business processes and daily operations, and immediately inform the management of the appropriate level of any significant shortcomings and areas for improvement.

The principles and approaches to the organization of an effective risk management and internal control system include:

1) definition of the purpose and objectives of the risk management and internal control system;

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

3) basic requirements for the organization of the risk management process (approaches to determining risk appetite, procedures for risk identification and assessment, definition of response methods and monitoring);

4) requirements for the organization of the internal control system and the conduct of control procedures (characteristics of the key areas and main components

of the internal control system, the procedure for evaluating effectiveness and reporting in the field of internal control).

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

When approving internal documents in the field of risk management and internal control, the boards of Directors of organizations are guided by the regulatory documents adopted by the Fund regulating risk management and internal control issues.

The internal regulatory documents of the Fund and the holding companies should establish the responsibility of the boards of directors and executive bodies for organizing and ensuring the effective functioning of the risk management and internal control system on a consolidated basis.

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

Each official of the Fund or organization ensures that risks are properly considered when making decisions.

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

The Executive Body:

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

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

3) is responsible for the implementation of decisions of the Board of Directors and recommendations of the Audit Committee in the field of risk management and internal control system organization;

4) monitors the risk management and internal control system in accordance with the requirements of internal documents;

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

138. In order to implement the principles of internal control and ensure the effectiveness of the risk management and internal control system, the executive body distributes powers, responsibilities and responsibilities for specific risk management

and internal control procedures among the heads of the following levels and/or heads of structural divisions/owners of business processes.

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

The organizational structure of the risk management and internal control system in the Fund and organizations (depending on the scale and specifics of the activity) should provide for the presence of a structural unit (structural divisions) responsible for the functioning of the risk management and internal control system, the tasks of which 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 provision of methodological support to business process owners and employees in the process of identifying, documenting risks, implementing, monitoring and improving control procedures, and forming action plans to respond to risks;
- 3) organization of employee training in the field of risk management and internal control;
- 4) preparation of consolidated risk reports, informing the Board of Directors and the Executive body on issues stipulated by internal documents in the field of risk management and internal control;
- 5) implementation of measures to improve the risk management and internal control system.

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

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

140. Risk management procedures are required to ensure rapid response to new risks, their clear identification and identification of risk owners. In case of any unforeseen changes in the competitive or economic environment of the Fund and organizations, an urgent reassessment of the risk map and its compliance with risk appetite is carried out.

141. For a holistic and clear understanding of the inherent risks of the Fund and organizations, risk identification and assessment are carried out on a regular basis,

which are reflected in the risk register/map, risk response plan (process improvement, minimization strategy), approved by the Board of Directors.

The ongoing risk assessment, which makes it possible to assess the compliance of risks with the approved risk appetite and the impact of risks on the implementation of the development plan of the Fund and the organization, leads to measurable indicators.

142. Employees of the Fund and organizations work with risks on a daily basis, manage them and monitor their potential impact in the sphere of their functional responsibilities.

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

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

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

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

2) a development plan by integrating the goals of Environmental, Social, and Corporate Governance (hereinafter – ESG);

3) risk management system (the Fund and organizations are improving their practices for managing environmental and climate risks related to climate change);

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

5) the remuneration system for senior management and management bodies (the Fund and organizations develop and publicly disclose ESG goals, ESG targets are used to evaluate the performance of managers);

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

7) a system of regular interaction with stakeholders, which implies the provision of meaningful and reliable information, ensuring the possibility of a two-way dialogue, awareness of environmental hazards and risks associated with the activities of portfolio companies, and the development of a flexible complaint mechanism.

Holding companies have a consolidated stakeholder map for their group and draw up an appropriate plan for interaction with such parties.

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

The Fund and organizations develop action plans in the field of sustainable development, taking into account international standards and best practices.

The Board of Directors provides strategic guidance and control over the implementation of the system in the field of sustainable development. The Executive Body forms an appropriate plan and submits it to the Board of Directors for consideration.

145. In order to thoroughly prepare issues in the field of sustainable development, it is recommended to establish a committee or delegate to the competence of one of the existing committees under the Board of Directors of the Fund and the organization of issues in the field of ESG.

The Audit Committee of the Board of Directors monitors risks in the field of sustainable development, the quality of non-financial information and reporting.

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

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

146. The Fund and organizations carry out the development, approval, formalization and documentation of control procedures in three key areas: operational activities, preparation of financial statements and compliance with the requirements of the legislation of the Republic of Kazakhstan and internal documents.

Control procedures are a documented system of measures and actions to ensure effective internal control over the fulfillment of the Company's goals, objectives and plans, identify and perform non-standard operations, as well as prevent, limit and prevent risks and possible misconduct on the part of Company officials and employees.

Control procedures must be carried out at all levels of management and must be observed by all employees and bodies of the Fund and organizations.

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

- 1) reducing the likelihood of possible risks;
- 2) prevention of errors and/or identification of errors after their commission;
- 3) identification and elimination of duplicate and redundant operations;
- 4) identification weaknesses and areas for improvement;
- 5) further improvement of the internal control system.

147. The Board of Directors of the Fund and organizations should take appropriate measures to ensure that the current risk management and internal control system complies with the principles and approaches to its organization defined by the Board of Directors and functions effectively. Risk reports should be submitted

to meetings of the Board of Directors at least once a quarter and discussed appropriately in full.

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

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

The implementation of control procedures involves the development/updating of flowcharts for business processes indicating the risks of the process level and control procedures, the development / updating of a matrix of risks and controls for business processes, testing control procedures and evaluating their effectiveness, and the formation of an action plan for further improvement of the internal control system.

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

150. An Internal Audit Service (hereinafter – the IAS) should be established in the Fund and organizations to provide the Board of Directors with independent and objective guarantees and consultations aimed at improving risk management, internal control and corporate governance systems.

The Board of Directors of the Fund determines the quantitative composition, term of office, appoints its head, and also prematurely terminates his powers, determines the order of his work, the amount and conditions of remuneration and bonuses for IAS employees.

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

The IAS's key responsibilities include evaluating the quality of the Fund's internal control and risk management system and informing the Board of Directors of the adequacy and effectiveness of this system. The main task of the IAS is to contribute to improving the results of the Fund's activities.

151. The Fund establishes a collegial executive body in the form of a management board. The Management Board is accountable to the Board of Directors and carries out its activities within the competence defined by the charter of the Fund. The Board of Directors of the Fund monitors the effectiveness of the Fund's management board, including the implementation of decisions of the Sole Shareholder and the Board of Directors of the Fund.

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

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

The internal document of the Company defines the Regulations on the IAS, its goals, powers, responsibilities and are fixed:

- 1) commitment to the principles, code of ethics and standards of internal auditors established by international institutions in the field of internal audit;
- 2) the status, goals, objectives and responsibilities of the Company's internal audit;
- 3) the conditions for ensuring the independence, objectivity and professionalism of the IAS in order to achieve the goals and objectives of internal audit and the effective performance of its functions and responsibilities by the IAS;
- 4) qualification requirements for the head and employees of the IAS, including requirements in terms of professional knowledge and skills, work experience, managerial experience (for managers), as well as requirements for additional special training, confirmed by international certificates (internal auditors are recommended to demonstrate their professionalism by obtaining appropriate professional certificates and qualifications);
- 5) the scope and content of internal audit activities;
- 6) the right of access to documentation, employees and tangible assets when performing relevant tasks;
- 7) the procedure for IAS interaction with the Board of Directors and the executive body and reporting to the Audit Committee and the Board of Directors.

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

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

- 1) approval by the Board of Directors (after preliminary consideration by the Audit Committee) of the regulations and other internal audit policies governing the goals, objectives, functions and procedures of the IAS;
- 2) approval by the Board of Directors (after preliminary consideration by the Audit Committee) of the risk-based annual audit plan;
- 3) providing the Board of Directors (after preliminary consideration by the Audit Committee) with quarterly and annual reports on the implementation of the annual audit plan and other information on internal audit activities;
- 4) approval by the Board of Directors (after preliminary consideration by the Audit Committee) of decisions on the appointment, dismissal, and remuneration of the head and employees of the internal audit department;

5) consideration by the Board of Directors (Audit Committee) of significant limitations on the powers of the IAS or other restrictions that may negatively affect the implementation of internal audit.

154. The IAS carries out its activities on the basis of a risk-based annual audit plan approved by the Board of Directors. The results of audit reports and key findings, as well as monitoring the implementation of audit recommendations, are submitted quarterly to the Board of Directors for consideration.

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

155. The Head of the IAS develops and maintains a quality assurance and improvement program covering all types of internal audit activities and providing for mandatory internal and external evaluations of IAS activities.

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

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

The quality assurance and improvement program is being developed and implemented in order to assess the compliance of IAS activities with international internal audit standards. The program provides for periodic internal and external evaluations (for compliance with standards and the code of ethics of internal auditors), as well as evaluating the effectiveness and KPIs of internal audit and identifying opportunities for improvement.

156. In accordance with the legislation of the Republic of Kazakhstan, the Fund and all companies of the Fund group have a compliance service, whose task is to build an effective compliance system that provides reasonable assurance that significant compliance and corruption risks of the Company are properly managed.

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

The activities of the compliance service are regulated by the Company's internal documents.

The compliance service must have independence in the Company's management system. In the Company, the Compliance Service reports directly to the Company's Board of Directors. For effective work, the Compliance Service must have sufficient powers and resources, as well as regularly interact with the Company's management body and report to it on a periodic basis. The Executive body supports the independence of the compliance service and does not interfere with the performance of duties.

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

157. The Fund develops standards of business ethics, the activities of the Ombudsman, and an effective system for notification of alleged violations. The Boards of Directors of the Fund and organizations ensure the implementation of these standards and their observance.

158. In order to comply with the principles of business ethics and the optimal regulation of social and labor disputes arising in the Fund and organizations, an ombudsman is appointed.

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

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

The Ombudsman submits for consideration by the relevant bodies and officials of the Fund and/or organizations the problematic issues identified by him, which are systemic in nature and require appropriate decisions (comprehensive measures), and puts forward constructive proposals for their solution.

The Ombudsman submits a report on the results of his work to the Nomination and Remuneration Committee and the Audit Committee of the Board of Directors of Fund at least once a year, which assess the results of his activities.

The Board of Directors of the Fund evaluates the results of the Ombudsman's activities and re-elects the Ombudsman by deciding whether to extend the powers of the current Ombudsman or terminate the powers of the person holding the position of Ombudsman and electing a new Ombudsman.

The place of work and working conditions of the Ombudsman are determined by the decision of the Fund's board, with the exception of issues of remuneration and bonuses. The issues of remuneration and bonuses are determined by an internal regulatory document approved by the decision of the Board of Directors of the Fund.

The Fund and organizations are required to adhere to high ethical standards and implement the necessary procedures to ensure the continuous application of these standards by all employees and partners of the Fund and organizations.

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

Chapter 7. Transparency of the Fund's activities

159. In order to comply with the interests of stakeholders, the Fund and organizations promptly and reliably disclose information about all important aspects of their activities, including financial condition, results of operations, ownership and management structure.

160. The Fund and organizations promptly disclose information provided for by the legislation of the Republic of Kazakhstan and internal documents. To ensure the systematic disclosure of information in the Fund and organizations, internal documents must be approved that define the list of information disclosed to interested parties, the timing, procedure, method, and form of information disclosure, responsible officials and employees, indicating their functions and responsibilities, as well as other provisions governing information disclosure processes. The Fund and organizations determine the procedure for classifying information into access categories, the conditions for storing and using information, including the circle of persons who have the right of free access to information constituting commercial and official secrets, and take measures to protect its confidentiality.

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

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

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

1) an annual report, including, inter alia, the report of the Board of Directors and the audited annual financial statements (the provisions of this paragraph regarding audited financial statements apply if the audit of the annual financial statements is provided for by the legislation of the Republic of Kazakhstan and/or internal documents of the organization);

2) the organization's Internet resource, which contains a section for shareholders (participants) and investors, reflecting up-to-date information about the organization's activities;

3) an online resource of the financial reporting depository, stock exchange, containing information provided for in paragraph 2 of article 102 of the Law on Securities;

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

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

6) briefings conducted by the organization;

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

162. At the request of a shareholder (participant), the organization provides copies of documents provided for by the legislation of the Republic of Kazakhstan, subject to restrictions on disclosure of official, commercial or other legally protected secrets/information defined in the legislation of the Republic of Kazakhstan and internal documents of the organization. The fee charged by the organization for providing copies of documents is set by the organization and cannot exceed the cost of their production and, if necessary, delivery to the shareholder (participant).

163. A shareholder (participant) may apply to the organization with written requests about its activities and receive reasoned responses within 30 (thirty) calendar days from the date of receipt of the request to the organization or another period stipulated by the Charter, internal documents of the organization.

At the request of a shareholder (participant), the organization provides copies of documents in accordance with the procedure provided for in article 80 of the Law on Joint Stock Companies.

In order to protect information constituting commercial and official secrets, the Fund and organizations, in accordance with the legislation of the Republic of Kazakhstan and the Charter, determine the procedure for classifying information into access categories, conditions for storing and using information. The Fund and organizations determine the circle of persons who have the right of free access to information constituting commercial and official secrets, and take measures to protect its confidentiality. Persons who unlawfully obtained, disclosed or used information constituting commercial and official secrets are obliged to compensate for the damage caused and are liable in accordance with the laws of the Republic of Kazakhstan.

164. In organizations whose shares are listed on the stock exchange, it is recommended to create a structural unit (or assign functions to the structural unit) for relations with shareholders and investors, whose competence will include collecting, analyzing, and preparing information to be posted on the organization's Internet resource. It is recommended to appoint a person with practical experience in the financial sector and a good understanding of the specifics of the industry in which the organization operates as the head of this department.

Organizations whose shares are listed on the stock exchange are required to notify both shareholders and issuers when acquiring or disposing of the main blocks of shares by more than 3% (the interests to be notified include direct and indirect ownership of shares and financial instruments having a similar economic effect).

165. The selection of an external auditor is carried out on the basis of a competition. The Audit Committee of the Board of Directors plays an important role in the selection process. The external auditor involved does not provide consulting services to the Fund and the organization that could threaten the independence of the external auditor, and there are no cases of former audit team members being hired to senior positions earlier than two years after their dismissal from the audit organization. The Fund and the organizations disclose detailed information about the external auditor involved. The Fund and organizations regulate issues related to the selection and interaction with an external auditor.

The Fund and organizations approve documents regulating relations with the external auditor, including the process of selecting an external auditor, the powers and functions of the competition commission, issues of consulting services provided by the audit organization that are not related to the audit of financial statements and other information, issues of rotation of audit organizations and senior staff of the audit organization, issues of hiring former employees of the audit organization. organizations.

It is necessary to rotate partners and senior staff responsible for auditing financial statements at least once every five years, if the audit organization provides audit services to the Fund and the organization for more than 5 consecutive years.

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

In order to assess the risks of the audit organization's independence and assess the potential quality of the audit of financial statements and other information, it is necessary to disclose information about remuneration paid to the audit organization, including separately for audit services and services not related to the audit of financial statements and other information. In order to facilitate the search for information, it should be disclosed on the Internet resource and in the annual report of the organization.

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

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

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

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

The annual report is approved by the Board of Directors.

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

The annual report is prepared and posted on the Internet resource before the annual General Meeting of shareholders (participants). The annual report is approved by the Board of Directors (Supervisory Board).

The requirements for the content of the annual report minimally assume the following information::

- 1) address of the Chairman of the Board of Directors (Supervisory Board);

2) appeal of the head of the executive body;

3) information about the Fund or organization: general information; information about the structure of the authorized capital, including the following information: the number and par value of issued shares (participation interests), a description of the rights granted by shares, the number and par value of declared but outstanding shares, the composition of shareholders (participants) and the number and share of common shares owned by them shares (participation shares), the procedure for disposing of property rights; mission; development plan, results of its implementation; market overview and market position;

4) results of financial and operational activities for the reporting year: review and analysis of activities related to the tasks set; operational and financial performance indicators; key significant events and achievements; information on significant transactions; any financial support, including guarantees received/received from the state and any obligations to the state and society assumed by the Fund or an organization (if not disclosed in accordance with IFRS);

5) the structure of assets, including subsidiaries/affiliates at all levels, an overview, and the main results of their financial and production activities;

6) goals and plans for future periods;

7) main risk factors and risk management system;

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

9) sustainable development (in case of preparation of a separate report in the field of sustainable development, it is possible to provide a link to this report);

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

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

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

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

167. The Fund and companies annually publish sustainability reports prepared in accordance with internationally recognized standards in order to ensure clarity and transparency of their activities for stakeholders, taking into account the

protection of information constituting official, commercial and other legally protected secrets. Sustainability reporting is approved by the Board of Directors.

Methods of disclosing information to interested parties may include meetings with stakeholders, the use of mass media (publications, interviews), an online resource, providing feedback through communication tools, advisory committees and councils, providing responses to requests, and others.

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

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

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

The Fund and organizations regularly monitor the completeness and relevance of information posted on the Internet resource, as well as the compliance of this information posted on the state, Russian, and English versions of the Internet resource. For these purposes, responsible persons (structural unit) responsible for the completeness and relevance of information on the Internet resource are assigned.

The Internet resource minimally contains the following information:

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

2) information about the development plan (at least strategic goals); priority areas of activity;

3) Charter and internal documents regulating the activities of bodies, committees, and the corporate secretary;

4) information about ethical principles;

5) information on risk management;

6) the dividend policy;

7) information about the members of the Board of Directors, including the following information: photo (in agreement with a member of the Board of Directors), surname, first name, patronymic, date of birth, citizenship, status of a member of the Board of Directors (Independent Director, shareholder representative), indication of the functions of a member of the Board of Directors, including membership in the committees of the Board of Directors or performance of the functions of Chairman of the Board of Directors, education, including basic and additional (name of educational institution, year of graduation, qualifications, degree received), work experience over the past five years, main place of work and other positions currently held, professional qualifications, date of first election to the

Board of Directors and date of election to the current Board of Directors, number and proportion of shares owned by affiliated companies, criteria for Independent Directors;

8) information about the members of the management Board, including the following information: photograph, surname, first name, patronymic, date of birth, nationality, position and functions performed, education, including basic and additional (name of educational institution, year of graduation, qualifications, degree received), work experience over the past five years, professional qualifications, positions held concurrently, the number and share of shares owned by affiliated companies;

9) financial statements;

10) annual reports;

11) information about the external auditor;

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

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

14) information on the structure of assets, including information on affiliated companies at all levels with a brief indication of the scope of their activities;

15) Annual calendar of corporate events;

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

17) information about major transactions, including information about the parties to the transaction, the essential terms of the transaction (the subject of the transaction, the price of the transaction), the body that made the decision to approve the transaction;

18) information on activities in the field of sustainable development;

19) information on the amount of approved dividends;

20) news and press releases.

A holding company may have one Internet resource for all organizations in its group. The organization of the holding company may decide to have its own Internet resource.
