Approved
By the decision of the Board
"Samruk-Kazyna" JSC
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Corporate Governance Code

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INTRODUCTION

1. The scope of this Corporate Governance Code of the Sovereign Wealth Fund Samruk-Kazyna JSC (the "Code") applies to the Sovereign Wealth Fund Samruk-Kazyna JSC (the "Fund") and the organisations in which the Fund directly or indirectly owns more than 50% of the voting shares (interests) (the "Organisations"). For the Organisations having other Shareholders (Participants), it is recommended that they approve the Code at their General Meeting of Shareholders (Participants). Holding Companies should ensure implementation of the Code within their groups.

2. The goals of the Code are to improve the corporate governance of the Fund and the Organisations, provide for governance transparency, and confirm the Fund and the Organisations' commitment to adhere to standards of good corporate governance. The Code consists of two parts: the Principles and the Annotations, the latter being rules and clarifications for implementing the Principles.

3. The Code has been developed in accordance with legislation of the Republic of Kazakhstan and the Fund's internal documents. The Code takes account of developments in corporate governance both in Kazakhstan and globally, and the Transformation Programme approved by the Fund's Board of Directors (Minutes No. 113 dated 17 September 2014). The provisions of the Code should be applied with consideration of special provisions contained in legislation of the Republic of Kazakhstan.

4. Limited liability companies should comply with the provisions of the Code to the extent that the provisions do not contravene the Republic of Kazakhstan Law "On Companies with Limited Liability and Companies with Additional Liability".

5. The first two Chapters of the Code are of a specific nature and describe the features of the Fund's governance, interaction between the Fund and the Government of the Republic of Kazakhstan, and the governance practices of the Fund and the Organisations. The Fund and the Organisations should apply the subsequent Chapters of the Code taking into account the provisions of the first two Chapters and the legislation of the Republic of Kazakhstan.

The Fund and the Organisations should comply with the principles of the Code. Any instance of non-compliance is to be disclosed in the Organisations' Annual Reports together with explanations for the non-compliance. The Board of Directors may conclude that certain provisions of the Code are either not applicable or impossible to implement. If an instance of non-compliance with the provisions of the Code should last for more than six months, the Organisation must notify the Fund and provide an explanation of the reasons for non-compliance. The Boards of Directors of the Fund and the Organisations, respectively, should each be responsible for implementing the Code. Corporate Secretaries should monitor the implementation of the Code and advise the Boards of Directors and the Executive Bodies of the Fund and the Organisations on compliance with the Code. Every year,

Corporate Secretaries should prepare a report on compliance/non-compliance with the principles and provisions of the Code. These reports shall be submitted for the consideration of the appropriate Committees of the Board of Directors and subsequently for approval by the Board of Directors. The approved reports shall be included in the Annual Reports of the Fund and the Organisations.

7. The requirements of mandatory disclosure of the Fund's and the Organisations' non-compliance with the provisions of the Code and publication of Sustainable Developments reports in their Annual Reports shall be effective as of 1 January 2017.

8. Documents and processes of the Fund and the Organisations should be updated in accordance with the provisions of the Code.

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

10. The Fund will additionally introduce a Corporate Governance Diagnostic Methodology to be used by the Fund and the Organisations in order to assess their compliance with the provisions of this Code. The provisions of this Code are subject to revision to reflect amendments in the legislation of the Republic of Kazakhstan, Kazakhstani and international practices and corporate governance standards.

11. Corporate Secretaries of the Fund and the Organisations should provide guidance regarding the provisions of the Code and their application.

12. The following definitions are used in the Code:

1) **Shareholder (Participant)** – a party owning shares (interests) in the Organisation.

2) **Official** – a member of the Board of Directors or the Executive Body, or a person performing the functions of the Sole Executive Body.

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

4) **Companies** – national companies and other legal entities, in which the Fund directly owns more than 50% of the voting shares (interests).

Corporate Events – events that significantly influence operations of a joint stock company, affect the interests of the Shareholders and investors of the joint stockcompany and are defined in Article 79 of the Republic of Kazakhstan Law "On Joint Stock Companies".

6) **Corporate Conflicts** – disagreements or disputes between: the Shareholders and the bodies of the Fund or the bodies of the Organisations; the bodies of the Fund or the bodies of the Organisations; the members of the Boards of Directors and the Executive Body, Head of the Internal Audit Service (hereafter referred to as the IAS) and the Corporate Secretary.

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

8) **Independent Director** – a member of the Board of Directors possessing sufficient professionalism and autonomy to make independent and objective decisions free from the influence of individual Shareholders, the Executive Body and the other Stakeholders. The requirements for Independent Directors are set in accordance with the Republic of Kazakhstan Law "On Joint Stock Companies" and are stipulated in the Charter of the Fund or the Organisation.

9) **General Meeting of Shareholders (Participants)** – the Organisation's supreme body. The procedures for holding the General Meeting of Shareholders are determined by legislation of the Republic of Kazakhstan, the Charter of the respective Organisations and Chapter 4 of the Code.

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

11) **Organisations** – legal entities in which more than 50% of the voting shares (interests) directly or indirectly belong to the Fund on the basis of ownership or trust management.

12) **Partners** – suppliers and contractors, partners in joint projects.

13) **Development Plan** – a document that has been approved by the Board of Directors and determines the core activities and the KPIs of the Fund and the Organisations for the following five years.

14) **Government** – the Government of the Republic of Kazakhstan the Sole Shareholder of the Fund.

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

16) **Fund** – the Sovereign Wealth Fund "Samruk-Kazyna" JSC.

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

PART 1. PRINCIPLES OF CORPORATE GOVERNANCE OF THE SOVEREIGN WEALTH FUND "SAMRUK-KAZYNA" JSC

Chapter 1. The Government as the Shareholder of the Fund

1. The Government segregates its powers of the Sole Shareholder of the Fund from its powers related to state regulatory functions. The Government governs the Fund to enhance the national welfare of the Republic of Kazakhstan through achieving growth in the long-term value of the Fund and the Organisations and through managing the assets of the Fund and the Organisations effectively.

2. The Government is the Sole Shareholder of the Fund.

The main strategic task of the Fund and the Organisations is the long-term growth in their value and their Sustainable Development, as reflected in the Development Strategy of the Fund and the Companies. All decisions and actions should be consistent with the Development Strategy.

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

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

It is recommended that the Fund should have and retain a controlling stake (interest) in its Organisations.

3. The Government governs the Fund and the Organisations solely through exercising its powers of the Sole Shareholder of the Fund, as provided by the Law "On the Sovereign Wealth Fund" and the Fund's Charter, and through its representation on the Fund's Board of Directors. The main principles and issues of interaction between the Government and the Fund are regulated by the Agreement on Cooperation Between the Government of the Republic of Kazakhstan and the Fund, approved by the Republic of Kazakhstan Government Decree as of 14 December 2012 No. 1599 (Agreement on Cooperation). The principles contained in Chapter 4 "Shareholders' (Participants') Rights and Fair Treatment of all Shareholders (Participants)" of the Code apply to the Government as the Shareholder to the extent that they do not contravene the Republic of Kazakhstan Law "On the Sovereign Wealth Fund".

4. For the purpose of sustainable social and economic development of the country, resilience and protection of the economy from unfavourable external factors, issues related to governance of the Fund shall be considered at meetings of the Governance Council of the Fund (hereafter referred to as the GCF). The GCF is chaired by the President of the Republic of Kazakhstan and acts in accordance with the Regulation approved by the Republic of Kazakhstan Presidential Decree of 6 December 2012 No. 1116.

The Government provides the Fund and the Organisations with full operational autonomy. The Government and state bodies shall not interfere with dailyoperational activities of the Fund and the Organisations, except for cases provided by laws, acts and orders of the President of the Republic of Kazakhstan.
The Fund's Management Board, the Chairman of the Management Board, and bodies of the Fund are fully autonomous and independent in their decisions and any actions within their competence.

6. Cooperation (interaction) of the Government with the Fund and the Organisations shall be conducted solely through the Fund's Board of Directors, in accordance with the principles of good corporate governance. The role and functions of the Chairman of the Board of Directors and the Chairman of the Management Board of the Fund are clearly segregated and set out in the Fund's internal documents.

The composition and competence of the Fund's Board of Directors are determined by the Republic of Kazakhstan Law "On the Sovereign Wealth Fund". Members of the Government, the Chairman of the Board of the Fund, Independent Directors and other persons shall form the Fund's Board of Directors. The size of the Fund's Board of Directors is determined by the Charter of the Fund; the number of Independent Directors should be at least two-fifths of the total number of members of the Board of Directors. The provisions of Chapter 5 "Effectiveness of the Board of Directors and the Executive Body" of the Code apply to the members of the Fund's Board of Directors, including the Independent Directors, to the extent that they do not contravene the Republic of Kazakhstan Law "On the Sovereign Wealth Fund" and the Fund's Charter.

The Chairman of the Fund's Board of Directors is, *ex officio*, the Prime Minister of the Republic of Kazakhstan.

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

Members of the Government and other state officials (representatives of state bodies) shall not be members of the Organisations' Boards of Directors.

The Fund's Board of Directors is elected by the Government as the Shareholder. The Boards of Directors of the Organisations are elected by their respective General Meetings of Shareholders (or by the Sole Shareholder).

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

The Fund's Board of Directors shall consider the matters related to the Fund and the Organisations within its competence, as provided in the Fund's Charter. The Fund's Board of Directors shall also give preliminary consideration to the matters being within the competence of the Government as the Sole Shareholder.
The Fund shall disclose all necessary information about its activities to the Government, as the Shareholder, and the Fund's Board of Directors, in accordance with the Republic of Kazakhstan Law "On Joint Stock Companies", the Fund's

Charter, and the Agreement on Cooperation, and ensures transparency of the activities of the Fund and the Organisations.

7. The investment activities of the Fund and the Organisations shall be carried out based on market principles and in accordance with the Development Strategy of the Fund and the Organisations. The investment activities should lead to increased value and optimal structure of assets. Distribution of net income to the Government, as the Sole Shareholder, shall be made in the form of dividends payable on the basis of a formalised and transparent dividend policy.

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

8. The Fund's Board of Directors, Management Board, Committees of the Board of Directors, Corporate Secretary and IAS should act in accordance with the principles of Chapters 5 "Effectiveness of the Board of Directors and the Executive Body" and 6 "Risk Management, Internal Control and Audit" of the Code to the extent that the Chapters do not contravene the Republic of Kazakhstan Law "On the Sovereign Wealth Fund".

9. For a deeper consideration and assessment of matters, the Fund's Board of Directors should establish the Audit Committee, the Nomination and Remuneration Committee, and the Specialised Committee. Other Committees may be created at the discretion of the Fund's Board of Directors.

The Fund's Board of Directors decides on the establishment of each Committee, determines its size, composition, tenure, functions and working procedures, and elects the Chairman of the Committee.

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

The Audit Committee of the Fund or the Organisation shall be composed solely of Independent Directors. A qualified expert may be involved in the Committee's work without the right to vote. The decision to involve the expert shall be made by the Audit Committee, and this matter should be assessed annually in terms of their effectiveness and independence.

The Specialised Committee of the Fund provides comprehensive and objective analysis of the impact of the Organisations' activities on the development of the economy and on particular economic sectors in accordance with the Republic of Kazakhstan Law "On the Sovereign Wealth Fund". A representative of the Accounts Committee for Control over Execution of the Republican Budget is a permanent member of the Specialised Committee. This representative is an expert with the right to vote.

The competence of the Accounts Committee for Control over Execution of the Republican Budget includes: controlling the use of the funds allocated to the Fund and the Organisations from the Republican Budget and the National Fund of the Republic of Kazakhstan, assessing compliance of the use of the funds with the

financial and economic feasibility studies, and evaluating the effectiveness of the budgetary investments.

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

11. The Fund's Board of Directors appoints the Corporate Secretary and determine the relevant terms of office, duties and work procedures. The Corporate Secretary's main duties include helping the Board of Directors and the Sole Shareholder in their timely and proper decision-making. The Corporate Secretary should act as adviser to the members of the Board of Directors on all matters related to their activities and the application of the Code's provisions. The Corporate Secretary should monitor the implementation of the Code and contribute to the improvement of corporate governance in the Fund and the Organisations.

12. The Fund establishes the IAS. The Fund's Board of Directors determines the size and the tenure of the IAS, appoints and dismisses the Head of the IAS, sets the working procedures, remuneration and bonuses of the IAS employees, and approves the budget of the IAS.

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

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

13. The Fund shall establish a collegial Executive Body in the form of the Management Board accountable to the Fund's Board of Directors and acting within its competence, as provided in the Fund's Charter. The Fund's Board of Directors monitors the efficiency of the Management Board and the implementation of the resolutions passed by the Sole Shareholder and the Board of Directors of the Fund.

The Government, as the Shareholder, appoints the Chairman of the Management Board of the Fund and may terminate the appointment early. Members of the Management Board are elected by the Fund's Board of Directors. The Chairman of the Management Board submits nominees for further consideration by the Board of Directors.

14. The Fund and the Organisations should comply with the highest ethical standards and implement appropriate procedures to ensure that all employees and Partners of the Fund and the Organisations comply with these standards.

Notifications of potential breaches of ethical standards should be sent directly to either the IAS or the Board of Directors of the Fund or the Organisations. The Executive Body and all departments of the Fund and the Organisations, including Unofficial English language translation prepared by PricewaterhouseCoopers Kazakhstan LLP in March 2016 of the Sovereign Wealth Fund "Samruk-Kazyna" JSC Corporate Governance Code approved by Decree No. 239 of the Government of the Republic of Kazakhstan on 15 April 2015.

security departments, should not impede the submission of these notifications to the IAS or the Board of Directors.

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

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

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

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

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

The Fund's Board of Directors assesses the performance of the Ombudsman and decides on either the extension or termination of the Ombudsman's tenure.

The Fund's Management Board determines the location, terms and conditions of the Ombudsman's work.

Chapter 2. Interaction of the Fund and Organisations. The Role of the Fund as the National Managing Holding Company

1. The corporate governance systems in the Fund and the Organisations should provide governance of and control over the operations of the Fund and the Organisations in order to ensure growth in their long-term value and their Sustainable Development. The Fund, as the National Managing Holding Company, plays a strategic role in respect to its Companies. Effectiveness, efficiency and transparency should be at the core of corporate governance.

The corporate governance system of the Fund and the Organisations is a set of processes providing for governance and control of their activities. It is a system of relationships between the Executive Body, the Board of Directors, Shareholders and Stakeholders. The roles and decision-making procedures of these bodies should be clearly defined and set forth in the Charter.

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

The Fund provides its expectations for the next financial year to the Chairman of, and the Fund's representatives on, the Company's Board of Directors.

For the Companies all of whose voting shares are owned by the Fund, the Fund meets with members of the Board of Directors of these Companies in the format of the General Meeting of Shareholders.

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

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

According to the Republic of Kazakhstan Law "On the Sovereign Wealth Fund", a Company all of whose voting shares are owned by the Fund may have in its Charter a provision that the matters normally included in the competence of the General Meeting of Shareholders and the Board of Directors, may devolve to the Company's Board of Directors and the Executive Body, respectively. In these cases, the body that has devolved its powers to a lower-level body should monitor the execution of these powers.

4. After taking account of its consultations with the Companies, the Fund establishes uniform policies for the Companies and approves methodological guidelines and corporate standards for the Organisations.

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

5. The Executive Bodies of the Fund and the Companies should interact with each other in a spirit of collaboration to ensure that the Companies' Development Plans submitted to the Board of Directors for consideration are ambitious, realistic and consistent with the Fund's Strategy and Development Plan.

The Fund's Executive Body should maintain a continual dialogue with the Company's Executive Body on matters of strategy and Sustainable Development. However, the Fund should not interfere with the Company's daily operational matters falling within the competence of the Company's Executive Body, unless there are circumstances leading to a failure to achieve the KPIs set forth in the Development Plan.

6. Distribution of net income to the Fund, as the Sole Shareholder, is made in the form of dividends and should be based on a formal and transparent dividend policy.

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

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

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

In order to achieve the KPIs, the Companies should prepare Development Plans. The achievement of KPIs by the Fund and the Organisations should be assessed annually by comparing actual results with the approved Development Plans. The assessment should influence the remuneration of the Chairman and members of the Executive Body and should be taken into account when re-appointing the Executive Body members. The assessment may also form the basis for early termination of the Chairman and members of the Executive Body.

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

Chapter 3. Sustainable Development

1. The Fund and the Organisations recognise the importance of their impact on society, the economy and the environment. Seeking to grow their long-term value, the Fund and the Organisations should ensure that their development is sustainable in the long term through balancing Stakeholders' interests. This principle of responsible, thoughtful and rational interaction with Stakeholders will contribute to the successful development of the Fund and the Organisations.

"Sustainable Development" is development that meets the needs of the current generation without compromising the ability of future generations to meet their own needs (Report of the World Commission on Environment and Development "Our common future", 4 August 1987).

"We are not afraid of the changes that are taking place in the world under the impact of a prolonged global crisis. We are ready for them. Now our task, while keeping everything we have achieved over the years of independence, is to continue our Sustainable Development into the 21st century." (Excerpt from "The Kazakhstan 2050 Strategy", an address to the people of Kazakhstan by Nursultan Nazarbayev, President of the Republic of Kazakhstan, 12 December 2012).

2. The Fund and the Organisations should seek to grow their long-term value while ensuring their Sustainable Development and balancing Stakeholders' interests. Sustainable Development activities should comply with international best practice.

3. The Organisations should ensure alignment of their social, economic and environmental goals for the long-term Sustainable Development, which includes, among others, growth of long-term value for Shareholders and investors. Sustainable Development of the Fund and the Organisation has three components: economic, environmental and social.

The economic component should direct the activities of the Fund and the Organisations towards long-term value growth, the interests of the Shareholders and investors, improvement of operational efficiency, more investment in advanced technologies, and higher labour productivity.

The environmental component should provide for minimisation of the impact of operations on biological and physical natural systems, optimal use of scarce resources, use of environmentally friendly energy and material-saving technologies, production of environmentally friendly goods and services, and minimisation, recycling and disposal of waste.

The social component focuses on the principles of social responsibility. These include protecting employees' health and safety, fair remuneration and respect for employees' rights, individual development of staff, implementation of social programmes for staff, creation of new jobs, sponsorships and charity, and ecological and educational initiatives.

The Fund and the Organisations should assess their activities against the three components and take measures to reduce or eliminate the negative impact of their operations on Stakeholders.

4. The principles of Sustainable Development are: openness, accountability, transparency, ethical behaviour, respect for Stakeholders' interests, justice, respect for human rights, intolerance of corruption, inadmissibility of conflict of interests, and leading by example.

5. The Fund and the Organisations should have a Sustainable Development system that should include, but not be limited to, the following elements;

1) Commitment to the principles of Sustainable Development at the level of the Board of Directors, the Executive Body and the employees,

2) Analysis of both the internal and external situation through the economic, environmental and social components of Sustainable Development,

3) Identification of risks in the field of Sustainable Development, across the economic, environmental and social components,

4) Development of the Stakeholders map,

5) Determination of the goals and KPIs for Sustainable Development, preparation of an action plan, and appointment of persons responsible for the tasks,

6) Integration of Sustainable Development with key processes, including risk management, planning, human resource management, investment, reporting, production, the Development Strategy, and decision-making processes,

7) Development of qualifications for Officials and employees in the field of Sustainable Development,

8) Regular monitoring and evaluation of Sustainable Development activities, evaluation of performance against the goals and KPIs, taking remediation measures, and creating a culture of continuous improvement.

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

All employees and Officials at all levels should contribute to Sustainable Development.

Holding Companies are responsible for implementing Sustainable Development principles throughout their entire group.

6. Taking into account the requirements on confidentiality or non-disclosure of official, commercial and other types of secret information protected by law, the Fund and the Organisations should publish annual reports on Sustainable Development to provide clarity and transparency about their operations to their Stakeholders. Sustainable Development reports should be approved by the respective Boards of Directors.

7. The Fund and the Organisations should seek to encourage and support the implementation of Sustainable Development principles by their Partners.

Chapter 4. Shareholders' (Participants') Rights and Fair Treatment of all Shareholders (Participants)

1. Respect for the rights of Shareholders (Participants) is a key condition for attracting investment to the Fund and the Organisations. An Organisation should ensure that its Shareholders (Participants) are able to exercise their rights. An Organisation with more than one Shareholder should ensure that each Shareholder is treated fairly.

The rights, responsibilities and competence of the Shareholders (Participants) are determined and are set forth in legislation and the Organisation's incorporation documents. The rights of the Shareholders (Participants) include, but are not limited, to;

- receiving sufficient and timely information for decision-making in accordance with the procedures stipulated in legislation of the Republic of Kazakhstan, the Organisation's Charter and internal documents on information disclosure,
- participating in General Meetings of Shareholders (Participants) and voting on matters within their competence,
- determining the composition and terms of office of the Board of Directors (the Supervisory Board and the Executive Body), appointing its members,

terminating the appointments, and determining the amount and conditions of their remuneration,

- receiving dividends in the amounts and on dates determined by the General Meeting of Shareholders (Participants), based on a clear and transparent dividend policy.

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

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

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

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

The Board of Directors and the Executive Body should collaborate, act in the interests of the Organisation and make decisions based on the principles of Sustainable Development and fair treatment of all Shareholders.

The Board of Directors and the Executive Body should ensure the long-term value growth and Sustainable Development of the Fund or the Organisations.

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

1) Defining the Development Strategy (directions and results), 2) Setting and monitoring the KPIs of the Development Plan,

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3) Organising and controlling the effectiveness of risk management and internal control systems,

4) Approving and monitoring the effective execution of major investments and other key strategic projects within the competence of the Board of Directors,

5) Electing the Head (i.e. Chairman of the Management Board) and members of the Executive Body, approving their remuneration, overseeing their activities and planning their succession,

6) Overseeing corporate governance and ethics,

7) Ensuring compliance of the Organisation with the provisions of the Code, the Fund's corporate standards on business ethics (the Code of Business Ethics).

3. Members of the Organisation's Board of Directors should properly carry out their duties and should ensure the long-term value growth and Sustainable Development of the Organisation. The Board of Directors of the Organisation is accountable to the Shareholders. This accountability is exercised through the mechanism of the General Meeting of Shareholders.

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

5. The composition of the Board of Directors should be diverse in terms of experience, personal qualities and gender of its members. The Board of Directors should include Independent Directors. The number of Independent Directors should provide for independence in decision-making and fair treatment of all Shareholders. The recommended share of Independent Directors on the Company's Board of Directors is up to 50 (fifty) percent of the total number of the members.

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

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

1) The Chairman of the Board of Directors is appointed by the Sole Shareholder. If the Fund's representative is elected as Chairman, the Board of Directors should elect the Senior Independent Director from among the Independent Directors,

2) The search for, and selection of, candidates to the Board of Directors should be undertaken by the Fund jointly with the Chairman of the Board of Directors and the Chairman of the Nomination and Remuneration Committee of the Company.

In Organisations with more than one Shareholder, electing the members and the Chairman of the Board of Directors is carried out in accordance with the Republic of Kazakhstan Law "On Joint Stock Companies" and the Organisation's Charter. It is recommended that these Organisations involve the Nomination and

Remuneration Committee of the Board of Directors when determining the composition of the Board of Directors and the required skills and competencies of its members.

Members of the Government and other state officials shall not be members of an Organisation's Board of Directors.

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

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

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

An Independent Director may not be a member of an Organisation's Board of Directors for more than nine successive years. In exceptional cases, the Independent Director may be a member for more than nine years. After this period, re-election of the Independent Director shall be held annually and be supported with a detailed justification of such a necessity and the influence of this fact on the Director's independence.

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

7. The Board of Directors approves an induction programme for its newly elected members and a professional development programme for each of its members. The Corporate Secretary ensures these programmes are implemented.

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

9. The roles and functions of the Chairman of the Board of Directors and the Head of the Executive Body should be clearly segregated and set forth in the Organisation's Charter, the Regulations of the Board of Directors, and the Regulations of the Executive Body.

Remuneration of the members of the Board of Directors should be sufficient to attract, retain and motivate each member at the professional level required for successful governance of the Fund and the Organisations. Remuneration of the members of the Board of Directors should be set in accordance with the methodology developed by the Fund. The expected positive effect to the Organisation from a member of the Board of Directors should be taken into account. For Organisations with more than one Shareholder, the regulations on remuneration of the members of the Board of Directors should be based on the Fund's methodology and should be approved by the General Meeting of Shareholders.

The Nomination and Remuneration Committee submits proposals on remuneration of candidates for Independent Directors.

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

11. Committees of the Board of Directors provide for deep and careful consideration of matters within the competence of the Board of Directors and improve the quality of decision-making in such areas as audit, risk management, proper application of the goods, work and services procurement rules at the Fund and the Organisations, appointment and remuneration of the members of the Board of Directors and the Executive Body, Sustainable Development, including occupational health and safety and environment protection. The Committees shall not exclude liability of the members of the Board of Directors for the decisions made within its authority.

12. Preparation for, and conduct of, Board of Directors meetings should be as efficient as possible. In order to perform their duties, members of the Board of Directors should have access to complete, relevant and timely information.

The Board of Directors meets regularly in order to perform its functions effectively. Meetings should be held in accordance with the approved work plan for the following calendar year. Meetings of the Board of Directors and its Committees may be held in person or *in absentia* (remote voting). The number of *in absentia* meetings should be minimised. Matters of great importance or of a strategic nature should only be considered at the meetings held in person. On special occasions, a combination of the two forms of meetings may take place.

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

13. The Board of Directors, its Committees and the individual members of the Board of Directors should be assessed annually within a structured process approved by the Board of Directors. This process should comply with the Fund's methodology. At least once every three years, the assessment should be carried out by an independent professional organisation.

14. The assessment should identify the contribution of the Board of Directors and each of its members to the long-term value growth and Sustainable Development of the Organisation; it should also identify trends and provide recommendations for improvement. The assessment results should be taken into account in the re-election or termination of members of the Board of Directors.

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

The Board of Directors appoints the Corporate Secretary, determines their tenure, duties, salary and other terms of remuneration, and decides on the establishment and budget of the Corporate Secretariat department. The Corporate Secretary is accountable to the Board of Directors and is independent from the

Executive Body. The main duties of the Corporate Secretary include aiding timely and high-quality decision-making by the Board of Directors and the Sole Shareholder, advising the Board of Directors on all aspects of its activities and on the application of the provisions of the Code, monitoring the implementation of the Code and helping to improve governance in the Fund and the Organisations. The Corporate Secretary also drafts a report on compliance with the principles and provisions of the Code. The report should be included in the Fund's Annual Report and should contain information about non-compliance with any of the principles and provisions of the Code along with an explanation for the non-compliance.

16. A collegial Executive Body is established in the Companies. In other Organisations and in the case of a new joint venture, the Executive Body may be either collegial or sole, at the discretion of the Shareholders (Participants). The Head and members of the Executive Body should possess high-quality professional and personal characteristics, impeccable business reputations and adhere to high ethical standards.

17. The Executive Body is accountable to the Board of Directors, manages daily activities of the Organisation and is responsible for executing the Strategy, the Development Plan and resolutions passed by the Board of Directors and the General Meeting of Shareholders.

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

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

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

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

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

19. If a Company is on the special list approved by the Decree of the President of the Republic of Kazakhstan, the candidate for the Head of the Executive Body of the Company is approved by the President of the Republic of Kazakhstan or by the Presidential Administration.

In this case, the following procedure applies to the search for, and election of, the candidate for the Head of the Executive Body;

1) The Nomination and Remuneration Committee of the Board of Directors determines the competency and skills required of the candidates for the Head of the Executive Body, the search method to be used (either by the Company itself or by an executive search firm),

2) The Nomination and Remuneration Committee searches for and selects candidates, interviews them and composes a ranked short list of candidates,

3) The Fund's Management Board approves the candidate for the Head of the Executive Body and forwards it along with the ranked short list to the Nomination and Remuneration Committee of the Board of Directors of the Fund,

4) The Fund's Nomination and Remuneration Committee of the Board of Directors considers and forwards the candidate along with the ranked list signed by the Fund's Chairman of the Board of Directors (the Prime Minister of the Republic of Kazakhstan) to the President of the Republic of Kazakhstan,

5) The candidate approved by the President of the Republic of Kazakhstan or the Head of the Presidential Administration is appointed by the Board of Directors of the Company as the Head of the Executive Body of the Company.

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

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

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

The results of the assessment of the Head and members of the Executive Body should influence their remuneration, promotion, re-election (re-appointment) or early termination.

21. The Head of the Executive Body should inform the Board of Directors of any breach of the Code of Business Ethics by members of the Executive Body.

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

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

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

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

Chapter 6. Risk Management, Internal Control and Audit

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

1) Optimal balance between the growth of the Company's value, profitability and associated risks,

2) Effectiveness of financial and economic activities and achievement of financial sustainability of the Company,

3) Safeguarding of assets and efficient use of Company's resources,

4) Completeness, reliability and accuracy of financial and management reporting,

5) Compliance with the requirements of the laws of the Republic of Kazakhstan and corporate internal documents,

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

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

2. The Board of Directors of the Fund and the Organisations should define the principles of and approach to the implementation of the risk management and internal control systems. When doing so, they should take into account the goals of the systems, best practice, and the Fund's methodology in the areas of risk management and internal control.

3. The Executive Bodies of the Fund and the Organisations should ensure that risk management and internal control systems are established and maintained, and that they operate effectively. The risk management process should be integrated with the processes of planning (Strategy, Development Plans and annual budgets) and assessing the Organisation's performance (management reporting).

Each Official of the Fund and of the Organisation should ensure that appropriate consideration is given to risks in the decision-making process.

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

4. The risk management and internal control systems of the Fund and the Organisations should be based on an advanced culture of risk management. This culture should be created by the Executive Body and should include compulsory

procedures to identify, assess and oversee all significant risks. This culture should also ensure that timely and adequate measures are taken to mitigate risks that may negatively impact the achievement of strategic goals, operational performance and the reputation of the Company.

Risk management procedures should ensure prompt reaction to new risks, their identification and determination of risk owners. In the case of unforeseen changes in the competitive or economic environment of the Fund and the Organisations, re-assessment of the risk map and its compliance with the risk appetite should be undertaken immediately.

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

6. The Fund and the Organisations should implement transparent principles and approaches in the areas of risk management and internal control, risk management training for employees and officials, processes to identify, record and promptly deliver necessary information to relevant Officials.

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

8. The IAS should be established in the Fund and the Organisations to ensure there is a systematic independent evaluation of the reliability and effectiveness of risk management and internal control systems and corporate governance practices.

Internal audit in the Fund and the Organisations should be performed through establishing a separate department – the IAS (in a limited liability partnership, the internal audit functions should be attributed to its Revision Commission / Revisor functionally accountable to the Supervisory Board. The goals, functions and tasks of the Revision Commission / Revisor and the way it interacts with the bodies of the Organisation should be defined through the principles contained in the Code and applicable to the IAS). The goals, powers and responsibility of the IAS and requirements concerning qualification and professionalism of the Internal Auditor should be set forth in the Company's internal document (Regulations of the IAS). The Regulations should be developed and approved in accordance with international professional standards of internal audit and the Fund's corporate standards of internal audit. The Organisation's Board of Directors is responsible for aligning the Regulations with the Organisation's specific business needs.

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

11. The Head of the IAS should develop internal regulations of the department, based on the Fund's corporate standards of internal audit, and ensure consideration and approval of the regulations by the Audit Committee and the Board of Directors.

12. The IAS should operate according to a risk-based annual audit plan approved by the Board of Directors. The IAS's reports and key findings should be submitted to the Board of Directors at least quarterly.

13. When carrying out its activities, the IAS should assess the effectiveness of internal control and risk management systems, assess corporate governance using generally accepted standards of internal audit, corporate standards and the Fund's recommendations on the assessment of corporate governance and effectiveness of the risk management and internal control systems.

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

The Board of Directors should evaluate the effectiveness of the IAS, its Head and its staff, based on the audit reports, timely execution of the annual audit plan and compliance of the reports with the standards and internal regulations of the IAS.

Chapter 7. Transparency

1. To respect the interests of their Stakeholders, the Fund and the Organisations should promptly and fairly disclose information about all important aspects of their activities, including financial performance, operational results and the structure of ownership and governance (management).

2. The Fund and the Organisations must promptly disclose information in accordance with legislation of the Republic of Kazakhstan and their internal documents. The Fund and the Organisations should approve internal documents outlining the principles of and approaches to information disclosure and protection, and the information to be disclosed to the Stakeholders. The Fund and the Organisations determine the procedures for classifying information, the rules for its storage and use, and the list of persons who may be granted access to commercially sensitive or officially secret information. The Fund and the Organisations should take measures to protect this information.

3. The Fund, Companies and Organisations whose shares or bonds are traded on a stock exchange should promptly publish on their corporate websites audited annual IFRS financial statements and IFRS financial statements for the first three months, six months and nine months of the reporting period. These entities are recommended to disclose information about their financial condition in addition to the IFRS financial statements.

4. The Fund and the Organisations should arrange audits of their annual financial statements by appointing an independent and qualified auditor to provide (as a third party) the Stakeholders with an objective opinion on the reliability and accuracy of the financial statements and their compliance with IFRS. The requirement to have annual financial statements audited only applies if it is set forth in legislation of the Republic of Kazakhstan and / or in internal documents.

5. The Fund, Companies and Organisations whose shares or bonds are traded on a stock exchange should prepare their Annual Reports in compliance with the provisions of the Code and best practice on information disclosure. Annual Reports shall be approved by the respective Boards of Directors.

6. The corporate website should be well structured, easy to navigate and should contain information that is necessary for Stakeholders to understand the activities of the Fund and the Organisations.

PART 2. ANNOTATIONS TO THE PRINCIPLES OF CORPORATE GOVERNANCE OF THE SOVEREIGN WEALTH FUND "SAMRUK-KAZYNA" JSC

Chapter 1. The Government as the Shareholder of the Fund

1. The Government segregates its powers of the Sole Shareholder of the Fund from its powers related to state regulatory functions. The Government governs the Fund to enhance the national welfare of the Republic of Kazakhstan through achieving growth in the long-term value of the Fund and the Organisations and through managing the assets of the Fund and the Organisations effectively.

2. The Government is the Sole Shareholder of the Fund.

The main strategic task of the Fund and the Organisations is the long-term growth in their value and their Sustainable Development, as reflected in the Development Strategy of the Fund and the Companies. All decisions and actions should be consistent with the Development Strategy.

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

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

It is recommended that the Fund should have and retain a controlling stake (interest) in its Organisations.

The bodies, officials and employees of the Fund and the Organisations should act and make decisions in accordance with the Development Strategies and Charters of the Fund and the Organisations. The Development Strategy is a long-term document defining the vision, mission, goals, strategic directions and KPIs for a ten-year period. Companies should align their Development Strategies with the Development Strategy of the Fund and approve them.

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

The Board of Directors determines long-term goals that should be consistent with the Development Strategy and meet the following criteria: specific, measurable, achievable, relevant, and with clear deadlines for their achievement. Assessment of the achievement of strategic goals should be performed through long-term KPIs. It is

recommended that individual areas of activities (e.g. investments, innovations, IT and HR) be incorporated in the Development Strategy.

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

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

The Strategy should include goals, tasks and performance indicators, including those concerning Sustainable Development.

The Board of Directors should consider the Development Strategy and its implementation only during an in-person meeting, at least once a year. The Board of Directors should implement a system for early detection and prompt response to changes in internal and external markets and force majeure situations.

The Development Plans should be prepared on the basis of the strategic goals and tasks set forth in the Development Strategy.

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

The preferred legal form for new Organisations is a limited liability partnership. An Organisation may be established as a joint stock company in an exceptional case, such as the sale of its shares on a stock market. These exceptional cases include when an Organisation plans to list its shares on a stock exchange.

When establishing an Organisation as a limited liability partnership, the Participants, taking into account the scope and specifics of the new Organisation, themselves decide on setting up a Supervisory Board and appointing its independent members.

If the Organisation acquires new assets and / or sells assets, it is recommended that they should acquire and retain a controlling stake (interest) in the assets. Organisations specialising in portfolio investment with a given investment horizon may acquire a minority stake (interest) and sell the entire stake (interest).

3. The Government governs the Fund and the Organisations solely through exercising its powers of the Sole Shareholder of the Fund, as provided by the Law "On the Sovereign Wealth Fund" and the Fund's Charter, and through its representation on the Fund's Board of Directors. The main principles and issues of interaction between the Government and the Fund are regulated by the Agreement on Cooperation Between the Government of the Republic of Kazakhstan and the Fund, approved by the Republic of Kazakhstan Government Decree as of 14 December 2012 No. 1599 (Agreement on Cooperation). The principles contained in

Chapter 4 “Shareholders’ (Participants’) Rights and Fair Treatment of all Shareholders (Participants)” of the Code apply to the Government as the Shareholder to the extent that they do not contravene the Republic of Kazakhstan Law “On the Sovereign Wealth Fund”.

4. For the purpose of sustainable social and economic development of the country, resilience and protection of the economy from unfavourable external factors, issues related to governance of the Fund shall be considered at meetings of the Governance Council of the Fund (hereafter referred to as the GCF), chaired by the First President of the Republic of Kazakhstan and acts in accordance with the Regulation approved by the Republic of Kazakhstan Presidential Decree of 6 December 2012 No. 1116.

The Chairman of the GCF is the First President of the Republic of Kazakhstan— the Leader of The Nation. The composition and Regulations of the Governance Council are approved by a relevant Republic of Kazakhstan Presidential Decree.

The GCF considers the operational matters of the Fund and the Organisations and in accordance with the Regulations of the GCF;

1) Develops proposals to improve the competitiveness and efficiency of the Fund,

2) Approves the Fund’s Development Strategy,

3) Considers and develops proposals for the Fund’s participation in Government programmes on diversification and modernisation of the Kazakh economy, and

4) Develops proposals for the priority sectors of the economy in which the Fund operates.

5. The Government provides the Fund and the Organisations with full operational autonomy. The Government and state bodies shall not interfere with daily operational activities of the Fund and the Organisations, except for cases provided by laws, acts and orders of the President of the Republic of Kazakhstan.

The Fund’s Management Board, the Chairman of the Management Board, and bodies of the Fund are fully autonomous and independent in their decisions and any actions within their competence.

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

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

If drafts of state programme documents, action plans and laws contain target KPIs, actions and / or other provisions affecting the activities of the Fund and the Organisations, the state body responsible for the respective drafts should, in accordance with the timeframe set out in the Regulations of the Government of the Republic of Kazakhstan, forward them to the Fund to obtain the Fund’s written opinion. These opinions should be attached to the draft when it is submitted for the consideration of the Government.

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

6. Cooperation (interaction) of the Government with the Fund and the Organisations shall be conducted solely through the Fund's Board of Directors, in accordance with the principles of good corporate governance. The role and functions of the Chairman of the Board of Directors and the Chairman of the Management Board of the Fund are clearly segregated and set out in the Fund's internal documents.

The composition and competence of the Fund's Board of Directors are determined by the Republic of Kazakhstan Law "On the Sovereign Wealth Fund". Members of the Government, the Chairman of the Management Board of the Fund, Independent Directors and other persons shall form the Fund's Board of Directors. The size of the Fund's Board of Directors is determined by the Charter of the Fund; the number of Independent Directors should be at least two-fifths of the total number of members of the Board of Directors. The provisions of Chapter 5 "Effectiveness of the Board of Directors and the Executive Body" of the Code apply to the members of the Fund's Board of Directors, including the Independent Directors, to the extent that they do not contravene the Republic of Kazakhstan Law "On the Sovereign Wealth Fund" and the Fund's Charter.

The Chairman of the Fund's Board of Directors is, *ex officio*, the Prime Minister of the Republic of Kazakhstan.

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

Members of the Government and other state officials shall not be members of the Organisations' Boards of Directors

The Fund's Board of Directors is elected by the Government as the Shareholder. The Boards of Directors of the Organisations are elected by their respective General Meetings of Shareholders (or by the Sole Shareholder).

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

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

7. The Fund shall disclose all necessary information about its activities to the Government, as the Shareholder, and the Fund's Board of Directors, in accordance with the Republic of Kazakhstan Law "On Joint Stock Companies", the Fund's Charter, and the Agreement on Cooperation, and ensures transparency of the activities of the Fund and the Organisations.

The Government may call hearings to examine the Organisations' activities only by inviting the Organisations' representatives to the meetings of the Fund's Board of Directors.

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

The Fund submits reports to state bodies in cases directly required by the laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan, acts of the Government and / or the Rules on Posting Reports Required by the State Bodies on the Internet site of the Fund, in accordance with the structure, forms and frequency established by the Government.

8. The investment activities of the Fund and the Organisations shall be carried out based on market principles and in accordance with the Development Strategy of the Fund and the Organisations. The investment activities should lead to increased value and optimal structure of assets. Distribution of net income to the Government, as the Sole Shareholder, shall be made in the form of dividends payable on the basis of a formalised and transparent dividend policy.

The Fund and the Organisations should disclose cases of implementation of low-profit or socially significant projects in their Annual Reports. The disclosures should contain information about the sources of funding for the projects.The investment activities of the Fund and the Organisations should be consistent with the Development Strategy and should pursue value growth and the optimal structure of assets. The unified approach to investment is set forth in the Fund's internal documents regulating investment activities.

9. The Fund's Board of Directors, Management Board, Committees of the Board of Directors, Corporate Secretary and Internal Audit Service (hereafter referred to as the IAS) should act in accordance with the principles of Chapters 5 "Effectiveness of the Board of Directors and the Executive Body" and 6 "Risk Management, Internal Control and Audit" of the Code to the extent that the Chapters do not contravene the Republic of Kazakhstan Law "On the Sovereign Wealth Fund".

10. For a deeper consideration and assessment of matters, the Fund's Board of Directors should establish the Audit Committee, the Nomination and Remuneration Committee, and the Specialised Committee. Other Committees may be created at the discretion of the Fund's Board of Directors.

The Fund's Board of Directors decides on the establishment of each Committee, determines its size and personal composition, and elects the Committee Chairman.

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

The Audit Committee of the Fund or the Organisation shall be composed solely of Independent Directors. A qualified expert may be involved in the Committee's work without the right to vote. The decision to involve the expert shall be made by the Audit Committee, and this matter should be assessed annually in terms of their effectiveness and independence.

The Specialised Committee of the Fund provides comprehensive and objective analysis of the impact of the Organisations' activities on the development of the economy and on particular economic sectors in accordance with the Republic of Kazakhstan Law "On the Sovereign Wealth Fund". A representative of the Accounts Committee for Control over Execution of the Republican Budget is a permanent member of the Specialised Committee. This representative is an expert with the right to vote.

The competence of the Accounts Committee for Control over Execution of the Republican Budget includes: controlling the use of the funds allocated to the Fund and the Organisations from the Republican Budget and the National Fund of the Republic of Kazakhstan; assessing compliance of the use of the funds with the financial and economic feasibility studies, and evaluating the effectiveness of the budgetary investments.

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

The Specialised Committee carries out its work in accordance with its Regulations approved by the Fund's Board of Directors. The Regulations should be drafted in accordance with the Republic of Kazakhstan Law "On the Sovereign Wealth Fund" and the Fund's Charter.

The Fund's Board of Directors is responsible for determining the composition and tenure of the Specialised Committee members, and the appointment and early termination of its Chairman and members. The Chairman of the Specialised Committee is appointed from among the members of the Fund's Board of Directors. The Chairman of the Fund's Management Board may not be elected Chairman of the Committee. The Specialised Committee performs the following functions;

1) Considers proposals by the Accounts Committee responsible for controlling execution of the Republican Budget to examine Organisations, and subsequently submits enquiries in the prescribed format to the Fund's Board of Directors,

2) Studies and prepares comprehensive assessments of the financial and economic activities of an Organisation included in the Fund's group,

3) Presents results of the assessments to the Fund's Board of Directors and the Accounts Committee.

11. The Fund's Board of Directors appoints the Corporate Secretary and determine the relevant terms of office, duties and work procedures. The Corporate Secretary's main duties include helping the Board of Directors and the Sole Shareholder in their timely and proper decision-making. The Corporate Secretary should act as adviser to the members of the Board of Directors on all matters related to their activities and the application of the Code's provisions. The Corporate Secretary should monitor the implementation of the Code and contribute to the improvement of corporate governance in the Fund and the Organisations.

12. The Fund establishes the IAS. The Fund's Board of Directors determines the size and the tenure of the IAS, appoints and dismisses the Head of the IAS, sets the working procedures, remuneration and bonuses of the IAS employees, and approves the budget of the IAS.

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

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

13. The Fund shall establish a collegial Executive Body in the form of the Management Board accountable to the Fund's Board of Directors and acting within its competence, as provided in the Fund's Charter. The Fund's Board of Directors monitors the efficiency of the Management Board and the implementation of the resolutions passed by the Sole Shareholder and the Board of Directors of the Fund.

The Chairman of the Management Board of the Fund is elected and early terminated by the Sole Shareholerof the Fund. Members of the Management Board are elected by the Fund's Board of Directors. The Chairman of the Management Board submits nominees for further consideration by the Board of Directors.

14. The Fund and the Organisations should comply with the highest ethical standards and implement appropriate procedures to ensure that all employees and Partners of the Fund and the Organisations comply with these standards.

Notifications of potential breaches of ethical standards should be sent directly to either the IAS or the Board of Directors of the Fund or the Organisations. The Executive Body and all departments of the Fund and the Organisations, including security departments, should not impede the submission of these notifications to the IAS or the Board of Directors.

The Fund develops standards for business ethics, the Ombudsman's activities, and the system for reporting alleged breaches (the "whistleblowing" system"). The Boards of Directors of the Fund and the Organisations ensure these standards are implemented and complied with. All Officials and employees of the Fund and the Organisations should sign a statement acknowledging they are familiar with the Code of Business Ethics. Their knowledge should be validated regularly. Officials

and employees of the Fund and the Organisations should receive regular training to ensure their understanding of the Code of Business Ethics and the Ombudsman's role, and to ensure that the "whistleblowing" system is accessible.

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

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

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

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

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

The Fund's Board of Directors assesses the performance of the Ombudsman and decides on either the extension or termination of the Ombudsman's tenure.

The Fund's Management Board determines the location, terms and conditions of the Ombudsman's work.

Chapter 2. Interaction of the Fund and Organisations. The Role of the Fund as the National Managing Holding Company

1. The corporate governance systems in the Fund and the Organisations should provide governance of and control over the operations of the Fund and the Organisations in order to ensure growth in their long-term value and their Sustainable Development. The Fund, as the National Managing Holding Company, plays a strategic role in respect to its Companies. Effectiveness, efficiency and transparency should be at the core of corporate governance.

The corporate governance system of the Fund and the Organisations is a set of processes providing for governance and control of their activities. It is a system of relationships between the Executive Body, the Board of Directors, Shareholders and Stakeholders. The roles and decision-making procedures of these bodies should be clearly defined and set forth in the Charter.

The corporate governance system stipulates the relationships between;

1) Shareholders (Participants),

2) The Board of Directors (Supervisory Board),

3) The Executive Body,

4) Stakeholders,

5) Other bodies specified in the Charter.

The corporate governance system should also ensure;

1) There is a hierarchy for considering matters and decision-making,

2) Clear segregation of powers and responsibilities between the bodies, Officials and employees,

3) Timely, good-quality decision-making by bodies of the Fund and the Organisations,

4) The efficiency of the Fund's and the Organisations business processes,

5) Compliance with the legislation, the Code and internal documents of the Fund and the Organisations.

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

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

The Fund provides its expectations for the next financial year to the Chairman of, and the Fund's representatives on, the Company's Board of Directors.

For the Companies all of whose voting shares are owned by the Fund, the Fund meets with members of the Board of Directors of these Companies in the format of the General Meeting of Shareholders.

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

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

According to the Republic of Kazakhstan Law "On the Sovereign Wealth Fund", a Company all of whose voting shares are owned by the Fund may have in its Charter a provision that the matters normally included in the competence of the General Meeting of Shareholders and the Board of Directors, may devolve to the Company's Board of Directors and the Executive Body, respectively. In these cases, the body that has devolved its powers to a lower-level body should monitor the execution of these powers.

The Fund manages the Organisations in accordance with the Republic of Kazakhstan Laws "On Joint Stock Companies" and "On the Sovereign Wealth Fund", and internal documents regulating governance of subsidiaries and affiliated organisations.

4. After taking account of its consultations with the Companies, the Fund establishes uniform policies for the Companies and approves methodological guidelines and corporate standards for the Organisations.

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

The Fund develops a common policy for the Companies, issues methodological recommendations and establishes corporate standards for the Organisations in accordance with the Law "On the Sovereign Wealth Fund". Areas to be covered by these policies, recommendations and standards include human resources, information technology, investment, innovation, risk management, corporate governance, planning, economics and finance, and others. The Holding Companies may adopt their own policies to apply throughout their groups in areas not covered by the Fund's policies. The Holding Companies also may adopt their own policies to elaborate, and provide more detail in support of, the Fund's policies.

5. The Executive Bodies of the Fund and the Companies should interact with each other in a spirit of collaboration to ensure that the Companies' Development Plans submitted to the Board of Directors for consideration are ambitious, realistic and consistent with the Fund's Strategy and Development Plan.

The Fund's Executive Body should maintain a continual dialogue with the Company's Executive Body on matters of strategy and Sustainable Development. However, the Fund should not interfere with the Company's daily operational matters falling within the competence of the Company's Executive Body, unless there are circumstances leading to a failure to achieve the KPIs set forth in the Development Plan.

6. Distribution of net income to the Fund, as the Sole Shareholder, is made in the form of dividends and should be based on a formal and transparent dividend policy.

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

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

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

In order to achieve the KPIs, the Companies should prepare Development Plans. The achievement of KPIs by the Fund and the Organisations should be assessed annually by comparing actual results with the approved Development Plans. The

assessment should influence the remuneration of the Chairman and members of the Executive Body and should be taken into account when re-appointing the Executive Body members. The assessment may also form the basis for early termination of the Chairman and members of the Executive Body.

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

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

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

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

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

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

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

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

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

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

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

The corporate governance system of a Holding Company should ensure;

1) There are clear systems of control in the group, segregated powers and decision-making process, and that functions and processes are not duplicated,

2) Uniform standards, policies and processes, including those establishing uniform approaches to planning, monitoring and controlling, evaluating performance and implementing improvements,

3) Access to good quality information about the activities of the entire group,

4) Adequate risk management across the group,

5) Compliance with the laws of the Republic of Kazakhstan and the internal documents of the Fund and the Company,

6) Coordination of interaction with the Stakeholders.

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

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

The corporate governance system and decision-making process in the Holding Company should be clearly established and set forth in the Charter and internal documents of both the Holding Company and the group entities.

Chapter 3. Sustainable Development

1. The Fund and the Organisations recognise the importance of their impact on society, the economy and the environment. Seeking to grow their long-term value, the Fund and the Organisations should ensure that their development is sustainable in the long term through balancing Stakeholders' interests. This principle of responsible, thoughtful and rational interaction with Stakeholders will contribute to the successful development of the Fund and the Organisations.

"Sustainable Development" is development that meets the needs of the current generation without compromising the ability of future generations to meet their own needs (Report of the World Commission on Environment and Development "Our common future", 4 August 1987).

"We are not afraid of the changes that are taking place in the world under the impact of a prolonged global crisis. We are ready for them. Now our task, while keeping everything we have achieved over the years of independence, is to continue our Sustainable Development into the 21st century." (Excerpt from "The Kazakhstan 2050 Strategy", an address to the people of Kazakhstan by Nursultan Nazarbayev, President of the Republic of Kazakhstan, 12 December 2012).

2. The Fund and the Organisations should seek to grow their long-term value while ensuring their Sustainable Development and balancing Stakeholders' interests. Sustainable Development activities should comply with international best practice.

The Fund and the Organisations in the course of their activities influence, or are influenced by Stakeholders.

Stakeholders may have both a positive and negative impact on the activities of the Fund and the Organisations. This impact may include value growth, Sustainable Development, reputation and image, and the creation or mitigation of risks. The Fund and the Organisations should pay special attention to proper interaction with Stakeholders.

When defining their Stakeholders and interacting with them, the Fund and the Organisations are recommended to use international standards (AA 1000 Accountability Principles Standard 2008, AA 1000 Stakeholder Engagement Standard 2011, ISO 26000 Guidance on Social Responsibility; GRI [Global Reporting Initiative] and others).

The list of Stakeholders includes but is not limited to:

Stakeholders	**Contribution, influence**	**Expectation, interest**
Investors, including the Shareholders and second- tier banks	Financial resources (equity capital, borrowed funds)	Profitability of investments, timely payment of dividends, principal and interest
Employees and the Officials	Human resources, loyalty	High wages, decent work, professional development
Trade unions	Assurance of social stability, regulation of labour relations, conflict resolution	Respect for employees' rights, decent work
Clients	Financial resources through procuring products (goods and services) of the Organisation	Safe and high-quality goods and services at a reasonable price
Suppliers	Supply of resources (goods, work and services) for value creation	Reliable market, regular and solvent customer
Local communities, population in the areas of operations and social organisations	Support in the areas of operations, loyalty and support from local authorities, favourable attitude, cooperation	New jobs, regional development
Government, state bodies and Parliament	State regulation	Generation of tax revenues, resolution of social problems

The Fund and the Organisations should engage in a constructive dialogue, establish long-term cooperation and manage relationships with their Stakeholders.

The Fund and the Organisations should draw up maps of their Stakeholders. The maps should take into account the relevant risks and rank them depending on the degree of their impact (direct or indirect), liabilities, circumstances (paying special attention to high-risk areas), influence, and various prospects.

Holding Companies should have consolidated maps of the Stakeholders for their groups and develop plans for their interaction with the Stakeholders.

Means of interacting with Stakeholders include, but are not limited to, the following (AA 1000 Stakeholder Engagement Standard 2011):

Level of Interaction	Means of interaction
Consultations: ***Bilateral interaction; the Stakeholders respond to questions by the Fund and the Organisations***	Questionnaires Focus groups Meetings with the Stakeholders Public meetings Seminars Feedback through means of communication Advisory Councils / Boards
Negotiations	Collective bargaining based on the social partnerships principles
Engagement ***Bilateral and multilateral interaction; building knowledge and experience by all parties, the Stakeholders and the Organisations act independently***	Multilateral forums Advisory panels Consensus processes Joint decision-making Focus groups Feedback systems
Cooperation ***Bilateral and multilateral cooperation; joint building of knowledge and experience, taking decisions and measures***	Joint projects Joint ventures Partnerships Joint initiatives by the Stakeholders
Delegating powers ***The Stakeholders (if applicable) participate in business governance***	Integrating interaction with Stakeholders into management practices, Strategy and day-to-day operations

Integrating interaction with Stakeholders into management practices, Strategy and day-to-day operations

3. The Organisations should ensure alignment of their social, economic and environmental goals for the long-term Sustainable Development, which includes, among others, growth of long-term value for Shareholders and investors. Sustainable Development of the Fund and the Organisation has three components: economic, environmental and social.

The economic component should direct the activities of the Fund and the Organisations towards long-term value growth, the interests of the Shareholders and investors, improvement of operational efficiency, more investment in advanced technologies, and higher labour productivity.

The environmental component should provide for minimisation of the impact of operations on biological and physical natural systems, optimal use of scarce resources, use of environmentally friendly energy and material-saving technologies, production of environmentally friendly goods and services, and minimisation, recycling and disposal of waste.

The social component focuses on the principles of social responsibility. These include protecting employees' health and safety, fair remuneration and respect for employees' rights, individual development of staff, implementation of social programmes for staff, creation of new jobs, sponsorships and charity, and ecological and educational initiatives.

The Fund and the Organisations should assess their activities against the three components and take measures to reduce or eliminate the negative impact of their operations on Stakeholders.

The International GRI 4 Standards provide the following categories and aspects of Sustainable Development:

Category	**Aspects**
Economic	Economic performance Market presence Indirect economic impacts Procurement practices
Environmental	Materials Energy Water Biodiversity Emissions Effluents and Waste Products and Services Compliance Transport Overall Supplier Environmental Assessment Environmental Grievance Mechanisms
Social	Labour practices and decent work

	includes, employment, labour / management relations, occupational health and safety, training and education, diversity and equal opportunity, equal remuneration for women and men, supplier assessment for labour practices, labour practices grievance mechanisms
	Human rights *includes, investment, non-discrimination, freedom of association and collective bargaining, child labour, forced or compulsory labour, security practices, indigenous rights, supplier human rights assessment, human rights grievance mechanisms*
	Society *includes, local communities, anti-corruption, public policy, anti-competitive behaviour compliance, supplier assessment for impacts on society, grievance mechanisms for impacts on society*
	Product responsibility *includes, customer health and safety, product and service labelling, marketing communications, customer privacy, compliance*

4. The principles of Sustainable Development are: openness, accountability, transparency, ethical behaviour, respect for Stakeholders' interests, justice, respect for human rights, intolerance of corruption, inadmissibility of conflict of interests, and leading by example.

Disclosure of principles:

1) Openness – We are open to meetings, discussions and dialogue. We seek long-term cooperation with Stakeholders, based on mutual interests, respect for rights and the balance of the interests of the Fund, the Organisations and Stakeholders,

2) Accountability – We are aware of our accountability for our impact on the economy, environment and society. We are aware of our responsibility to Shareholders and investors for long-term value growth and long-term Sustainable Development of the Fund and the Organisations. We strive to minimise our negative impact on the environment by carefully using resources (including energy, raw materials, and water), by progressively reducing emissions and waste, and by introducing high-performance, energy- and resource-saving technologies. We pay taxes and other fees stipulated by law to the state budget. We maintain and create jobs within our strategy and capabilities. We strive to develop local communities where we operate within our strategy and available financial resources. We make decisions and take actions thoughtfully and prudently at every level, from the Board of Directors and the Officials through to the employees. We strive to introduce innovative technologies for careful and responsible use of resources and for higher labour productivity. Our products, goods and services should be of proper quality and comply with consumer health and safety standards established by legislation. We value our clients,

3) Transparency – Our decisions and actions should be clear and transparent to Stakeholders. We promptly disclose information in accordance with legislation and our own internal documents, while also taking into consideration legal requirements to protect confidential information,

4) Ethical behaviour – The basis for our decisions and actions are our values, including respect, honesty, openness, team spirit, trust, bona fides and fairness,

5) Respect – We respect the rights and interests of Stakeholders, whether arising from the law, signed contracts, or implied within business relationships,

6) Justice – Our decisions and actions are consistent with legislation of the Republic of Kazakhstan and resolutions of the Organisations' bodies,

7) Respect for human rights – We promote respect for human rights set forth in the Constitution of the Republic of Kazakhstan and international documents, such as the Universal Declaration of Human Rights. We absolutely reject and forbid the use of child labour. Our employees are our main value and our main resource – their professionalism and welfare impact directly on our performance and on the value we create for investors. Therefore, we strive to;

- openly and transparently attract the best and most professional candidates from the labour market and develop our employees based on the principle of meritocracy,

- ensure the health and safety of our employees,

- organise wellness programmes and provide social support to our employees,

- establish effective systems to motivate and develop our employees,

- develop corporate culture.

8) Intolerance of corruption – Corruption destroys the value created by our Organisations for our Shareholders, investors, other Stakeholders and for society as a whole. We declare our intolerance of any kind of corruption in our interaction with all Stakeholders. Executives and employees involved in corruption are to be dismissed and brought to justice in accordance with the law. Internal control systems in the Fund and the Organisations should include measures to prevent and detect corruption; Organisations should maintain a dialogue with Stakeholders to raise their awareness of the fight against corruption.

9) Rejection of conflicts of interest – Significant violations related to conflicts of interest can damage the reputation of the Fund and the Organisations and, so, could undermine their credibility with Shareholders and other Stakeholders. The personal interests of executives and employees should not influence the impartial performance of their duties. With a view to establishing and maintaining fiduciary relationships in which the parties must treat each other with utmost honesty, integrity, fairness and loyalty, the Fund and the Organisations take measures to prevent, detect and eliminate conflicts of interest in their relationships with Partners.

10) Personal example – Every day, each of us in our actions, behaviour and decision-making contributes to the achievement of Sustainable Development. Executives and employees in managerial positions should serve as role models motivating others to achieve Sustainable Development.

5. The Fund and the Organisations should have a Sustainable Development system that should include, but not be limited to, the following elements;

1) Commitment to the principles of Sustainable Development at the level of the Board of Directors, the Executive Body and the employees,

2) Analysis of both the internal and external situation through the economic, environmental and social components of Sustainable Development,

3) Identification of risks in the field of Sustainable Development, across the economic, environmental and social components,

4) Development of the Stakeholders map,

5) Determination of the goals and KPIs for Sustainable Development, preparation of an action plan, and appointment of persons responsible for the tasks,

6) Integration of Sustainable Development with key processes, including risk management, planning, human resource management, investment, reporting, production, the Development Strategy, and decision-making processes,

7) Development of qualifications for Officials and employees in the field of Sustainable Development,

8) Regular monitoring and evaluation of Sustainable Development activities, evaluation of performance against the goals and KPIs, taking remediation measures, and creating a culture of continuous improvement.

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

All employees and Officials at all levels should contribute to Sustainable Development.

Holding Companies are responsible for implementing Sustainable Development principles throughout their entire group.

The Fund and the Organisations should develop action plans for Sustainable Development through;

1) A careful, thorough and thoughtful analysis of the current situation with respect to the three components - economic, environmental and social; accuracy, timeliness and quality of information are important to this analysis,

2) Identification of Sustainable Development; risks should be categorised across the three components of Sustainable Development. Risks in one component may affect or include risks in the other components. In order to identify risks, an analysis of internal and external factors impacting the Fund and the Organisations should be conducted,

3) Identification of the Stakeholders and their impact on activities of the Fund and the Organisations,

4) Identification of goals, determination of target KPIs and measures to improve operations across the three components of Sustainable Development, and identification of employees in charge, required resources and deadlines,

5) Regular monitoring and evaluation of the goals to be achieved and measures needed to achieve the goals,

6) Systematic and meaningful interaction with the Stakeholders and their feedback,

7) Implementation of the action plan,

8) Continual monitoring of regular reports,

9) Reviewing and assessing the results of implementing the action plan, reaching conclusions and taking measures to correct and enhance performance in the area of Sustainable Development.

When developing the action plan for Sustainable Development, the Fund and the Organisations should take into account relevant international declarations and standards (OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, ISO 26 000 Guidance on Social Responsibility, IFC Sustainability Framework; the Declaration on environment and development, adopted by UN Conference in Rio de Janeiro, 3-14 June 1992; UN Global Compact Principles; and others).

Sustainable Development should be integrated into;

1) Management systems,

2) The Development Strategy,

3) Key processes, including risk management, planning (long-term (Strategy), medium-term planning (five-year Development Plan) and short-term (Annual Budget)), reporting, human resource management, investment, operations and other processes; decision-making at all levels, from the General Meetings of Shareholders through to the Board of Directors, the Executive Body and employees.

Sustainable Development management systems should include properly defined and documented roles, competencies and responsibilities of each body within the Organisation, and of all employees, to implement the principles of Sustainable Development.

The Board of Directors provides strategic guidance and oversees the implementation of Sustainable Development. The Executive Body develops an action plan and submits it for the consideration of the Board of Directors.

It is recommended that a special Committee is established to consider Sustainable Development issues before they are submitted to the Board of Directors of the Fund and the Organisations. Alternatively, one of the existing Committees of the Board of Directors may be delegated respective powers. For example, it may be the Health, Safety and Environment Committee.

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

The Executive Body properly implements the principles, policies, standards and action plan in the Fund and the Organisations. For this purpose, an employee in a managerial position should be responsible for initiating, coordinating and implementing Sustainable Development activities.

All employees, each at their own level, apply the principles of Sustainable Development through their personal conduct and compliance with the relevant policies and standards.

The Funds and the Organisations should establish education and training programmes on Sustainable Development. They should become a constant to help implement Sustainable Development. Executives of the Fund and the Organisations should strive to engage employees through their understanding of, and commitment to, the principles of Sustainable Development, cultural change, the importance of their behaviour and of fulfilling their responsibilities.

Benefits from implementing the Sustainable Development principles include;

1) Attraction of investment: International practice shows that investors pay attention to Sustainable Development effectiveness when making investment decisions,

Increased managerial effectiveness and mitigation of non-financial risks: Integrating environmental and social aspects into decision-making leads to extended planning

horizons and consideration of a wider range of risks and opportunities, which creates the prerequisites for Sustainable Development,

3) Increased efficiency: Introducing high-performance, resource-efficient technologies enables the creation of innovative products and services and increases the Organisation's competitiveness and efficiency,

4) Strengthened reputation: An enhanced corporate image is the most visible evidence of an Organisation's activities in the area of Sustainable Development. This adds value to the brand, creates a climate of trust, and has a positive effect on the quality of cooperation with business Partners,

5) Increased Stakeholder loyalty, both internal and external: Creating attractive working conditions and offering opportunities for professional growth and career development helps attract and retain the best employees. Engaging in effective dialogue with the Stakeholders helps build a positive environment around the Fund and the Organisations. It contributes to their increased business efficiency through a better understanding of, and support by, customers, Shareholders, investors, state bodies, local communities and social organisations,

6. Taking into account the requirements on confidentiality or non-disclosure of official, commercial and other types of secret information protected by law, the Fund and the Organisations should publish annual reports on Sustainable Development to provide clarity and transparency about their operations to their Stakeholders. Sustainable Development reports should be approved by the respective Boards of Directors.

The Fund and the Organisations should ensure clarity and transparency of their activities to the Stakeholders.

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

The Fund, together with Companies and Organisations whose shares are traded on a stock exchange, should prepare and publish annual Sustainable Development reports, while ensuring protection of confidential information, trade secrets and other sensitive information protected by law.

Reporting on Sustainable Development is the public presentation of the results of activities across the economic, social and environmental components, as well as the demonstration of effects of these activities on Stakeholder interests.

Sustainable Development information may either be presented in a separate report or be included in an integrated report. Holding Companies may prepare a single consolidated report covering all entities within their groups.

If the Sustainable Development information takes form of an integrated report, the report should reflect;

1) Significant financial, economic and operational results of core activities, and their economic, environmental and social impact,

2) Approaches taken to manage the economic, environmental and social areas of activities,

3) Short, medium and long-term strategy and plans.

Reporting on Sustainable Development should comply with generally accepted standards, namely: International Integrated Reporting Standards (IIRC), Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI), and the standards of the AA1000 Institute of Social and Ethical Accountability series.

Sustainable Development reports should be approved by the Board of Directors and should be made available to Stakeholders through corporate websites and / or delivering hard copies.

In order to inform Stakeholders about the Sustainable Development policy, the Fund and the Organisations are recommended to establish a separate Sustainable Development section on their corporate websites.

7. The Fund and the Organisations should seek to encourage and support the implementation of Sustainable Development principles by their Partners.

The Fund and the Organisations should discuss with their business Partners compliance with Sustainable Development principles and standards and incorporate the principles and standards into respective contracts (agreements). The Fund and the Organisations are recommended to take comprehensive action jointly with their Partners to implement the principles and standards.

If the Fund and the Organisations detect risk following from their Partners' negative impact on the economy, environment and society, they should take measures to stop or prevent the negative impact.

If the Partner fails to comply with the Sustainable Development principles and standards, the Fund and the Organisations should evaluate the importance of the Partner for their business and either identify ways to encourage the Partner to comply or consider replacing the Partner.

Chapter 4. Shareholders' (Participants') Rights and Fair Treatment of all Shareholders (Participants)

1. Respect for the rights of Shareholders (Participants) is a key condition for attracting investment to the Fund and the Organisations. An Organisation should ensure that its Shareholders (Participants) are able to exercise their rights. An Organisation with more than one Shareholder should ensure that each Shareholder is treated fairly.

The rights, responsibilities and competence of the Shareholders (Participants) are determined and are set forth in legislation and the Organisation's incorporation documents. The rights of the Shareholders (Participants) include, but are not limited, to;

- receiving sufficient and timely information for decision-making in accordance with the procedures stipulated in legislation of the Republic of

Kazakhstan, the Organisation's Charter and internal documents on information disclosure,

- participating in General Meetings of Shareholders (Participants) and voting on matters within their competence,
- determining the composition and terms of office of the Board of Directors (the Supervisory Board and the Executive Body), appointing its members, terminating the appointments, and determining the amount and conditions of their remuneration,
- receiving dividends in the amounts and on dates determined by the General Meeting of Shareholders (Participants), based on a clear and transparent dividend policy.

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

Disclosure of information about the Organisation's activities should help an investor make a decision to buy or sell the Organisation's shares.

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

The information to be disclosed to Shareholders is listed in Article 79 of the Republic of Kazakhstan Laws "On Joint Stock Companies", "On Business Partnerships", "On Companies with Limited Liability and Companies with Additional Liability" in the incorporation documents and internal documents of the legal entity, and in Chapter 7 of the Code.

Shareholders and investors receive information about the Organisation's activities through;

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

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

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

4) Press releases and other materials distributed by the Organisation,

5) Briefings held by the Organisation,

6) Other means in accordance with the Organisation's internal documents

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

The Shareholder (Participant) has the right to send the Organisation requests in writing regarding its activities and receive reasonable responses within 30 (thirty) days following the date when the request is received by the Organisation, or another term set forth in the Organisation's Charter or internal documents.

Upon the Shareholder's (Participant's) request, the Organisation shall provide copies of the requested documents, as stipulated in Article 80 of the Republic of Kazakhstan Law "On Joint Stock Companies".

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

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

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

Procedures for the General Meeting of Shareholders (Participants) are specified by the Republic of Kazakhstan Law "On Joint Stock Companies" (or the Republic of Kazakhstan Law "On Companies with Limited Liability and Companies with Additional Liability"), the Organisation's Charter and internal documents, and by resolutions of the General Meeting of Shareholders (Participants). The date and time of the General Meeting is set to ensure the attendance of the greatest number of the Shareholders (Participants) entitled to participate, or to ensure the attendance of all people in cases where a unanimous resolution is required.

The process for the General Meeting of Shareholders to consider and adopt amendments to the operations and governance of the Organisation is supported with

materials justifying the amendments. The procedure to obtain the materials should be as simple and easy as possible.

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

If an agenda of the General Meeting of Shareholders (Participants) includes the election of members of the Board of Directors / Supervisory Board, comprehensive information about the candidates should be supplied in accordance with legislation of the Republic of Kazakhstan, the Organisation's Charter and its internal documents. Agenda items should be clear and unambiguous. The agenda should not contain the words "miscellaneous", "other", "et cetera" and so on. At a General Meeting of Shareholders (Participants), the Organisation should offer a separate resolution for each agenda item. When it can be clearly justified, the Shareholders (Participants) should have the opportunity to easily execute the right to amend the agenda and the right to call for an Extraordinary General Meeting.

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

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

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

The means of notifying the Shareholders about the General Meeting of Shareholders should ensure that they are all notified promptly in accordance with legislation of the Republic of Kazakhstan. If necessary, the notification may be duplicated or sent via various communication channels, including the Organisation's corporate website. In order to simultaneously provide information to all Shareholders (Participants) on the Organization's activity to ensure all Shareholders (Participants) are treated equitably, the Shareholders (Participants) themselves determine the mass media channel .Information materials distributed during the preparation for the General Meeting of Shareholders should be systematised in line with the agenda.

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

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

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

The procedure for holding the General Meeting of Shareholders should ensure that all Shareholders (Participants) have an equal opportunity to exercise their rights to take part in the General Meeting. A Shareholder (Participant) may vote at the General Meeting either in person or *in absentia* via a power of attorney issued by the Shareholder (Participant) to their representative. Participation in the General Meeting and voting on agenda items do not require a power of attorney if the person is empowered by law or contract to participate and vote on behalf of a Shareholder.

The Organisation should develop Regulations for General Meetings of Shareholders (Participants) specifying the procedures for a proper discussion of agenda items, decision-making and presentations by executives.

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

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

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

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

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

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

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

Organisation should have transparent regulations for electing and remunerating its Board of Directors (Supervisory Board and / or Executive Body). The procedures should be approved by the General Meeting of Shareholders (Participants) or the Sole Shareholder (Sole Participant). The members of the Board of Directors (Supervisory Board and / or Executive Body) should be elected in accordance with legislation of the Republic of Kazakhstan, the Charter and internal documents of the Organisation and the Code.

Chapter 5 of the Code covers the size and composition of the Board of Directors. It also covers the tenure, termination, amount and terms of remuneration, and assessment of the Board of Directors members.

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

Shareholders should have access to information about the terms and conditions of dividend payments and be provided with reliable information about the financial condition of the Organisation making the dividend payments. For this purpose, the General Meeting of Shareholders / Participants (the Sole Shareholder) should approve the Dividend Policy providing access for all Shareholders (Participants). A Holding Company should have a consistent dividend policy developed for all entities in its group. The policy should account for specific factors, such as the Organisations with more than one Shareholder (Participant) within their group. Organisations with more than one Shareholder (Participant) may have a different Dividend Policy approved by the General Meeting of Shareholders (Participants).

Companies in which the Fund owns more than 50 (fifty) percent of shares distribute their profit and pay dividends in compliance with the Fund's Dividend Policy.

The Dividend Policy sets the principles to be used by the Board of Directors (Supervisory Board and / or Executive Body) when they draft proposals to the Shareholders (Participants) concerning the distribution of the Organisation's net profit for the preceding financial year. The Dividend Policy should be based on the following principles;

1) Safeguarding Shareholders' (Participants') interests,
2) Increasing the Organisation's long-term value,
3) Ensuring financial sustainability of the Organisation,
4) Ensuring funds are available for the Organisation's investment activities, including financing its investment projects with its own funds,
5) Developing a transparent mechanism to determine the amount of dividend payments,

6) Balancing the Shareholders' short-term (gaining profit) and long-term (development of the Organisation) interests.

The dividends are calculated based on the Organisation's net profit reflected in its audited annual IFRS financial statements prepared according to legislation of the Republic of Kazakhstan. If the dividends per common share are based on the quarter or six-month financial results, or if the past-period undistributed profit is distributed, or in some other cases, the amount of dividends may be specially determined by the General Meeting of Shareholders (by the Sole Shareholder) during the consideration of the respective agenda item.

In order to assist the General Meeting of Shareholders (Participants) to pass a resolution on dividend payments, the Board of Directors (Supervisory Board and / or Executive Body) submits proposals to distribute the Organisation's net profit for the preceding financial year along with the amount of dividends for the year per ordinary share in the Organisation.

The dividends are paid within the period set by the General Meeting of Shareholders (Participants) or by the Sole Shareholder (Sole Participant).

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

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

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

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

The Organisation should disclose to its Shareholders (Participants) and investors information about the form, terms and conditions of any cooperation, agreement or partnership with state bodies and the Government.

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

1. The Board of Directors is the governance body accountable to the General Meeting of Shareholders. It provides strategic direction for the Organisation and

oversees the Executive Body. The Board of Directors should ensure the implementation of all provisions of the Code.

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

The Board of Directors and the Executive Body should collaborate, act in the interests of the Organisation and make decisions based on the principles of Sustainable Development and fair treatment of all Shareholders.

The Board of Directors and the Executive Body should ensure the long-term value growth and Sustainable Development of the Fund or the Organisations.

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

1) Defining the Development Strategy (directions and results), 2) Setting and monitoring the KPIs of the Development Plan,

3) Organising and controlling the effectiveness of risk management and internal control systems,

4) Approving and monitoring the effective execution of major investments and other key strategic projects within the competence of the Board of Directors,

5) Electing the Head and members of the Executive Body, approving their remuneration, overseeing their activities and planning their succession,

6) Overseeing corporate governance and ethics,

7) Ensuring compliance of the Organisation with the provisions of the Code, the Fund's corporate standards on business ethics (the Code of Business Ethics).

3. Members of the Organisation's Board of Directors should properly carry out their duties and should ensure the long-term value growth and Sustainable Development of the Organisation. The Board of Directors of the Organisation is accountable to the Shareholders. This accountability is exercised through the mechanism of the General Meeting of Shareholders.

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

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

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

3) Promote the Organisation's growth in long-term value and Sustainable Development: Members of the Board of Directors should act in the interests of the

Organisation, treat all Shareholders fairly and follow the principles of Sustainable Development. The influence of decisions and actions of the Board of Directors members may be assessed through the following questions;

- What are the long-term consequences of the decision / action?
- What are the social and environmental impacts of the Organisation's activities? - Will all Shareholders be treated fairly?
- What is the impact on the Organisation's reputation and high ethical standards? - What is the impact on Stakeholders' interests?

(While essential, this list of questions is not exhaustive).

4) Maintain high standards of business ethics: In their actions, decisions and behaviour, members of the Board of Directors should comply with high standards of business ethics and act as role models for employees of the Fund and the Organisations.

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

Act reasonably, skilfully and with due diligence: Members of the Board of Directors are recommended to develop their knowledge and skills regularly in order to perform their duties more effectively. This may include such areas as law, corporate governance, risk management, finance and audit, Sustainable Development, industry knowledge and features of the Organisation's business. To understand issues related to the Organisation's business, members of the Board of Directors should regularly visit key sites and meet employees of the Organisation.

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

The Board of Directors is accountable to the Shareholders for the Organisation's performance. At the Annual General Meeting of Shareholders (Hearing of the Board of Directors), the Chairman of the Board of Directors provides the Shareholders (Participants) with;

1) The Board of Directors' report reflecting the results of the activities of the Board of Directors and its Committees throughout the reporting period. The report reflects the measures taken by the Board of Directors to increase the Organisation's long-term value and ensure its Sustainable Development. The report also covers the main risk factors, significant events, matters considered, the number and form of Board of Directors meetings held, the statistics of the Directors' attendance and other important information. The Board of Directors' report should be included in the Organisation's Annual Report,

2) A report on meeting the Shareholder's (Participant's) expectations (for the Companies).

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

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

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

5. The composition of the Board of Directors should be diverse in terms of experience, personal qualities and gender of its members. The Board of Directors should include Independent Directors. The number of Independent Directors should provide for independence in decision-making and fair treatment of all Shareholders. The recommended share of Independent Directors on the Company's Board of Directors is up to 50 (fifty) percent of the total number of the members.

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

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

1) The Chairman of the Board of Directors is appointed by the Sole Shareholder. If the Fund's representative is elected as Chairman, the Board of Directors should elect the Senior Independent Director from among the Independent Directors,

2) The search for, and selection of, candidates to the Board of Directors should be undertaken by the Fund jointly with the Chairman of the Board of

Directors and the Chairman of the Nomination and Remuneration Committee of the Company.

In Organisations with more than one Shareholder, electing the members and the Chairman of the Board of Directors is carried out in accordance with the Republic of Kazakhstan Law "On Joint Stock Companies" and the Organisation's Charter. It is recommended that these Organisations involve the Nomination and Remuneration Committee of the Board of Directors when determining the composition of the Board of Directors and the required skills and competencies of its members.

Members of the Government and state officials may not be members of an Organisation's Board of Directors

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

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

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

An Independent Director may not be a member of an Organisation's Board of Directors for more than nine successive years. In exceptional cases, the Independent Director may be a member for more than nine years. After this period, re-election of the Independent Director shall be held annually and be supported with a detailed justification of such a necessity and the influence of this fact on the Director's independence.

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

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

During the selection of candidates to the Board of Directors, the following should be taken into account;

1) Experience in senior management roles,
2) Board Directorship experience,
3) Work experience (longevity),
4) Education and professional qualifications, including international qualifications,
5) Knowledge of specific business areas and industries,
6) Business reputation,
7) Potential conflict of interest (direct or indirect).

Examples of the Board of Directors members' knowledge of business areas and industries

Criterion	Necessary Knowledge	Director X	Director Y
Competence	Strategy		
	Risks and Audit		
	Jurisprudence		
	Corporate Governance		
	Investments		
	Economy and Finance		
	HR and Remuneration		
	Innovation		
Industry	Telecommunications		
	Oil and Gas		
	Energy		
	Transport		
	Mining		
	Mechanical Engineering		
	Real Estate		

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

The composition of the Board of Directors should be balanced, which requires a combination of members (Shareholder representatives, Independent Directors, the Head of the Executive Body) to ensure decision-making in the interests of the Organisation and the fair treatment of Shareholders. Members of the Government and public officials may not be members of the Organisation's Board of Directors

The process of electing members to the Organisation's Board of Directors should be transparent and involve the Boards of Directors of the Fund (for electing members of the Company's Board of Directors) and the Organisation. Searching for, and electing, the candidates should be based on objective criteria and the principles of diversity.

The search for, and selection of, new Board of Director members should be completed before the current tenure of the whole Board of Directors and its individual members expires.

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

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

1) The Fund, in cooperation with the Chairman of the Board of Directors and the Chairman of the Nomination and Remuneration Committee, prepares and plans the process, i.e. analyses and determines (taking into account the Company's business needs) the set of skills, knowledge and competencies necessary for the Board of Directors,

2) Determines the approach to the search, i.e. on their own or through an executive search firm,

3) Carries out the search for candidates,

4) Selects candidates, i.e. assesses and interviews candidates and shortlists them (the candidates should be discussed with at least one member of the Nominations and Remuneration Committee of the Fund's Board of Directors),

5) The Sole Shareholder passes a resolution on the candidates,

6) Information about the election is disclosed via the Organisation's corporate website and a press release.

Holding Companies use a similar process within their groups.

In Organisations with more than one Shareholder, members and the Chairman of the Board of Directors are elected in accordance with the Republic of Kazakhstan Law "On Joint Stock Companies" and the Organisation's Charter. It is recommended that these Organisations involve their Nomination and Remuneration Committees in the process of determining the composition of the Board of Directors and the skills and competencies required of its members.

Independent Directors are elected to the Board of Directors. An Independent Director should have sufficient expertise and autonomy to make independent and objective decisions, and be free from the influence of any Shareholder, the Executive Body and other Stakeholders.

The criteria for Director independence are specified in legislation of the Republic of Kazakhstan and the Organisation's Charter.

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

Independent Directors should monitor their independence and notify the Chairman of the Board of Directors as soon as they detect a potential loss of independence. If there are circumstances threatening the independence of an Independent Director, the Chairman of the Board of Directors should immediately inform the Shareholders, who should make a decision.

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

7. The Board of Directors approves an induction programme for its newly elected members and a professional development programme for each of its members. The Corporate Secretary ensures these programmes are implemented.

Newly elected members of the Board of Directors should attend an induction programme. During the programme, members should be briefed about their rights and responsibilities, key business aspects and documents of the Fund and the Organisation, including those associated with the greatest risks.

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

9. The roles and functions of the Chairman of the Board of Directors and the Head of the Executive Body should be clearly segregated and set forth in the Organisation's Charter, the Regulations of the Board of Directors, and the Regulations of the Executive Body.

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

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

The roles and functions of the Chairman of the Board of Directors and the Head of the Executive Body of the Organisation should be clearly segregated and set forth in the Charter. The Head of the Executive Body may not be elected the Chairman of the Board of Directors.

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

1) Planning the meetings of the Board of Directors and preparing the agendas,
2) Ensuring that members of the Board of Directors promptly receive complete and accurate information for their decision-making,
3) Ensuring that the Board of Directors concentrates on strategic matters and spends minimal time on current (operational) matters included in its competence,
4) Maximising the effectiveness of the Board of Directors' meetings by allocating sufficient time to consider each agenda item thoroughly and comprehensively, encouraging open discussion and achieving consensus in decision-making,
5) Ensuring proper communication and interaction with Shareholders, including consultations with the major Shareholders when making decisions on key strategic matters,
6) Overseeing the implication of resolutions passed by the Board of Directors and the General Meeting of Shareholders (the Sole Shareholder),

7) Taking measures to resolve Corporate Conflicts, minimising their negative impact on the Organisation's business and promptly informing major Shareholders (the Sole Shareholder) in cases when the Organisation cannot resolve a Conflict.

The key functions of the Senior Independent Director include;

1) Acting as advisor to the Chairman of the Board of Directors and helping them communicate their goals,

2) Assessing the performance of the Chairman of the Board of Directors,

3) Planning the succession of the Chairman of the Board of Directors,

4) Mediating arguments and disagreements that may arise between the Shareholders, the Executive Body, the Chairman and the other members of the Board of Directors.

10. Remuneration of the members of the Board of Directors should be sufficient to attract, retain and motivate each member at the professional level required for successful governance of the Fund and the Organisations. Remuneration of the members of the Board of Directors should be set in accordance with the methodology developed by the Fund. The expected positive effect to the Organisation from a member of the Board of Directors should be taken into account. For Organisations with more than one Shareholder, the regulations on remuneration of the members of the Board of Directors should be based on the Fund's methodology and should be approved by the General Meeting of Shareholders.

The Nomination and Remuneration Committee submits proposals on remuneration of candidates for Independent Directors.

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

Remuneration of members of the Board of Directors should fairly reflect their expected contribution to improving the performance of the Board of Directors and the Organisation.

The following shall be taken into account when establishing remuneration levels: the responsibilities of the members of the Board of Directors, the scale of the Organisation's activities, the long-term goals and tasks specified in the Development Strategy, the complexity of the matters considered by Board of Directors, and remuneration paid by peer companies (benchmarking, remuneration overview).

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

Remuneration for members of the Board of Directors should be aligned with the Fund's methodology and take into account the expected positive effect from each member of the Board of Directors to the Organisation. The methodology

should be discussed with at least one member of the Fund's Remuneration and Nomination Committee.

For Organisations with more than one Shareholder, the Board of Directors members' remuneration policy should be drafted in line with the Fund's methodology and approved by the Organisation's General Meeting of Shareholders.

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

11. Committees of the Board of Directors provide for deep and careful consideration of matters within the competence of the Board of Directors and improve the quality of decision-making in such areas as audit, risk management, proper application of the goods, work and services procurement rules at the Fund and the Organisations, appointment and remuneration of the members of the Board of Directors and the Executive Body, Sustainable Development, including occupational health and safety and environment protection. The Committees shall not exclude liability of the members of the Board of Directors for the decisions made within its authority.

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

The Board of Directors decides on the establishment of the Committees, determines their composition, tenure and powers.

The Committees are composed of Board of Directors members possessing the professional knowledge, competencies and skills required for the Committees' work.

Potential conflicts of interest should be taken into account before appointing Committee members. The Chairmen of the Committees, in addition to their professional competencies, should have well-developed organisational, leadership and communication skills to organise the Committee work effectively.

The Boards of Directors should establish Committees to consider matters related to audit, risk management, nomination and remuneration. Organisations whose operations involve risks of technological disasters (for example, industrial, rail and air transport companies) should establish Health, Safety and Environment Committees. For more effective investment decisions, the competence of one of the Committees should include matters related to investment activities that are in the Board of Directors' competence. Depending on the size, composition and current tasks of the Board of Directors, other Committees may also be established to support the Board of Directors on strategy, investment and other matters. Each Committee shall have at least three members.

The Audit Committee should comprise only Independent Directors. They should have in-depth knowledge and practical experience in accounting, audit, risk

management and internal control. The Chairman of the Audit Committee should be an Independent Director. The principal functions of the Audit Committee include overseeing internal and external audit, financial reporting, internal control, risk management, compliance with legislation of the Republic of Kazakhstan and internal documents, and other matters the Board of Directors may delegate to the Audit Committee.

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

Members of the Nomination and Remuneration Committee should possess deep professional knowledge and experience in human resource management and assessment, together with knowledge of corporate governance. An Independent Director should Chair the Committee. The principal functions of the Committee include;

- with respect to the Executive Body: overseeing the appointment process, establishing motivational KPIs, assessing the performance, setting remuneration, and succession planning,
- with respect to the Corporate Secretary: overseeing the appointment process and setting remuneration,

with respect to the Board of Directors, provided that the respective powers have been delegated to the Committee by the General Meeting of Shareholders (the Sole Shareholder): participating in the election process, participating in the establishment of motivational KPIs, assessing performance, setting remuneration, and succession planning. In this case, members of the Committee should avoid conflicts of interest and should not take part in decision-making related to their own appointment or remuneration.

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

The Committees' functions, powers, composition and processes should be specified in respective regulations approved by the Board of Directors. The Committees should approve their work plans (the recommendation is to do so before the start of each year). The plans should be aligned with the Board of Director's work plan and contain a list of matters for consideration and dates of meetings. The Committees should meet at least four times a year. The meetings should be held in-person and be minuted. To create favourable conditions and lower the costs, the members of the Committees may convene via technical means of communication.

The Chairmen of the Committees should prepare reports on their Committees' work and should present the reports to the Board of Directors in

separate meetings. The Chairman of the Board of Directors may request information from Committees on their activities at any time during the year.

12. Preparation for, and conduct of, Board of Directors meetings should be as efficient as possible. In order to perform their duties, members of the Board of Directors should have access to complete, relevant and timely information.

The Board of Directors meets regularly in order to perform its functions effectively. Meetings should be held in accordance with the approved work plan for the following calendar year. Meetings of the Board of Directors and its Committees may be held in person or *in absentia* (remote voting). The number of *in absentia* meetings should be minimised. Matters of great importance or of a strategic nature should only be considered at the meetings held in person. On special occasions, a combination of the two forms of meetings may take place.

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

The Board of Directors should meet according to the work plan approved before the start of each calendar year, including a list of matters for consideration and dates of meetings. The recommended number of meetings is 8 to 12 a year. Matters for consideration should be distributed evenly throughout the year to ensure thorough and comprehensive discussions, as well as timely and high-quality decisions.

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

Materials for the Board of Directors meetings should be distributed seven days before the meeting. For more important matters, as specified in the Organisation's Charter, materials should be distributed at least 15 working days before the meeting, unless another deadline has been specified in the Charter. The list of important matters includes, but is not limited to, the Development Strategy, medium-term Development Plans, motivational KPIs for the Head and members of the Executive Body, the Annual Report, and the creation of, or purchases of interests in, other legal entities.

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

The Board of Directors should make its decisions based on comprehensive, accurate and high quality information. To help the Board of Directors make effective and timely decisions, it is necessary to ensure;

1) High quality materials, documents and information are submitted to the Board of Directors, including translating them into English, if necessary,

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

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

4) Prompt consideration of matters,

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

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

1) The dominance of one or more Directors at meetings, which may limit the involvement of other Directors,

2) An overly formal attitude to risk,

3) Pursuit of personal interests and poor ethical standards,

4) Formal decision-making by the Board of Directors, without genuine and active discussions,

5) Inflexible attitudes, complacency and a lack of commitment to the Organisation's development (i.e. an acceptance of the current circumstances),

6) A weak corporate culture,

7) Lack of information and /or analysis.

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

Meetings of the Board of Directors and its Committees may be held in-person or in-absentia (the in-absentia form of a meeting should be justified). The number of in-absentia meetings should be minimised. Meetings on strategic matters should only be in-person.

In special cases, a combination of both forms of the meetings of the Board of Directors is permitted. This applies to situations where one or more members of the Board of Directors are not able to attend the meeting. The quorum for a meeting of the Board of Directors is at least half of its members and should include the members who partake in the meeting via technical means of communication (video- or teleconference call and so on) or via the submission of their votes in writing before the meeting.

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

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

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

13. The Board of Directors, its Committees and the individual members of the Board of Directors should be assessed annually within a structured process

approved by the Board of Directors. This process should comply with the Fund's methodology. At least once every three years, the assessment should be carried out by an independent professional organisation.

14. The assessment should identify the contribution of the Board of Directors and each of its members to the long-term value growth and Sustainable Development of the Organisation; it should also identify trends and provide recommendations for improvement. The assessment results should be taken into account in the re-election or termination of members of the Board of Directors.

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

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

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

The assessment should include, but not be limited to, evaluating whether;

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

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

3) Succession and development plans are in place,

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

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

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

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

8) Good quality documentation is provided to the Board of Directors,

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

10) The Corporate Secretary is effective,

11) Processes and competencies are clearly understood,

12) The risk identification and evaluation process is effective,

13) Interaction with Shareholders and other Stakeholders is effective.

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

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

The Chairman of the Board of Directors is responsible for the assessment process and for taking measures based on its results. Key roles in the assessment process are as follows;

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

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

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

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

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

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

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

The Sole Shareholder may carry out its own assessment of the Board of Directors and, if necessary, engage independent consultants. In this case, the assessment should include the results of self-assessment conducted by the Board of Directors and the Organisation's financial performance and compliance with the Shareholder's expectations.

15. The Board of Directors appoints the Corporate Secretary to facilitate the effective work of the Board of Directors and the interaction between the Board, the Executive Body and the Shareholders.

The Board of Directors appoints the Corporate Secretary, determines their tenure, duties, salary and other terms of remuneration, and decides on the establishment and budget of the Corporate Secretariat department. The Corporate

Secretary is accountable to the Board of Directors and is independent from the Executive Body. The main duties of the Corporate Secretary include aiding timely and high-quality decision-making by the Board of Directors and the Sole Shareholder, advising the Board of Directors on all aspects of its activities and on the application of the provisions of the Code, monitoring the implementation of the Code and helping to improve governance in the Fund and the Organisations. The Corporate Secretary also drafts a report on compliance with the principles and provisions of the Code. The report should be included in the Fund's Annual Report and should contain information about non-compliance with any of the principles and provisions of the Code along with explanation for the non-compliance.

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

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

The main duties of the Corporate Secretary include, but are not limited to

– with respect to the Board of Directors activities;

1) Helping the Chairman to prepare a schedule of meetings for the year and meeting agendas,

2) Organising meetings of the Board of Directors and its Committees,

3) Ensuring members of the Board of Directors receive relevant and timely information for their decision-making on the matters within the Board's competence,

4) Minuting meetings of the Board of Directors and its Committees, ensuring storage of the minutes, transcripts, audio and video records and other materials from the meetings,

5) Advising members of the Board of Directors on legislation of the Republic of Kazakhstan, the Charter, the Code, and internal documents; monitoring amendments and informing the members of the Board about them promptly,

6) Inducting newly elected members of the Board of Directors,

7) Arranging training for the members of the Board of Directors, and arranging the involvement of experts,

8) Organising interaction between members of the Board of Directors, Shareholders and the Executive Body.

With respect to Shareholders (the Sole Shareholder);

1) Arranging the General Meetings of Shareholders,

2) Distributing promptly materials on matters to be considered at the General Meetings of Shareholders to support their decision-making,

3) Minuting the General Meetings of Shareholders, keeping the minutes, transcripts and other materials from the General Meetings,

4) Ensuring proper interaction between the Organisation and its Shareholders, including ensuring timely responses to Shareholder requests.

With respect to the implementation of good corporate governance;

1) Monitoring the implementation of, and compliance with, the principles and provisions of the Code,

2) Preparing reports on compliance with the principles and provisions of the Code,

3) Identifying breaches of corporate governance norms set forth in legislation and the Organisation's Charter and other documents,

4) Advising the Organisation's Shareholders, Officials and employees on corporate governance matters,

5) Monitoring international best practice in corporate governance and proposing improvements of the Organisation's governance practices.

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

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

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

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

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

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

To ensure effective interaction with, and the flow of information among, the Organisation's bodies, the Corporate Secretary should be able to establish

productive relationships and resolve conflicts. The Corporate Secretary should inform the Chairman of the Board of Directors about any conflict of interest.

To perform the duties effectively, the Corporate Secretary should be delegated the following powers;

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

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

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

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

The Organisation's budget should include expenditures for the activities of the Board of Directors and the Corporate Secretary, including travel and accommodation expenses related to attending meetings and performing other duties. The Organisation should have a budget for training and development of the Board of Directors members and for engaging external experts for the Board of Directors and Committees' work.

The Corporate Secretary is responsible for preparing the budget for the activities of the Board of Directors and his own functions. The Corporate Secretary is responsible for submitting budget proposals to the appropriate departments.

16. A collegial Executive Body is established in the Companies. In other Organisations and in the case of a new joint venture, the Executive Body may be either collegial or sole, at the discretion of the Shareholders (Participants). The Head and members of the Executive Body should possess high-quality professional and personal characteristics, impeccable business reputations and adhere to high ethical standards.

17. The Executive Body is accountable to the Board of Directors, manages daily activities of the Organisation and is responsible for executing the Strategy, the Development Plan and resolutions passed by the Board of Directors and the General Meeting of Shareholders.

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

The Head of the Executive Body proposes candidates for the collegial Executive Body for the consideration of the Nomination and Remuneration Committee. If the Board of Directors rejects on two occasions a candidate for the

same vacant position in the Executive Body proposed by the Head of the Executive Body, the right to propose candidates for the vacant position passes to the Board of Directors.

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

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

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

Head of the Executive BodyIn this case, the following procedure applies to the search for, selection and election of, the candidate for the Head of the Executive Body;

1) The Nomination and Remuneration Committee of the Board of Directors determines the competency and skills required of the candidates for the Head of the Executive Body, the search method to be used (either by the Company itself or by an executive search firm),

2) The Nomination and Remuneration Committee searches for and selects candidates, interviews them and composes a ranked short list of candidates,

3) The Fund's Management Board approves the candidate for the Head of the Executive Body and forwards it along with the ranked short list to the Nomination and Remuneration Committee of the Board of Directors of the Fund,

4) The Fund's Nomination and Remuneration Committee of the Board of Directors considers and forwards the candidate along with the ranked list signed by the Fund's Chairman of the Board of Directors (the Prime Minister of the Republic of Kazakhstan) to the President of the Republic of Kazakhstan,

5) The candidate approved by the President of the Republic of Kazakhstan or the Head of the Presidential Administration is appointed by the Board of Directors of the Company as the Head of the Executive Body of the Company.

The Executive Body ensures day-to-day (operational) management of the Organisation to increase its long-term value and secure its Sustainable Development.

The Executive Body is accountable to Shareholders and the Board of Directors. The Executive Body, under the supervision of the Board of Directors,

formulates the Organisation's Development

Strategy. The Executive Body should ensure;

1) The compliance of the Organisation's activities with legislation of the Republic of Kazakhstan, the Organisation's Charter and internal documents, and with the resolutions of the General Meeting of Shareholders and the Board of Directors,

2) Proper risk management and internal control,

3) Resources are available to execute the decisions of the General Meeting of Shareholders (the Sole Shareholder) and the Board of Directors,

4) The Organisation's employees health and safety at work,

5) The development of a corporate culture providing for the engagement and loyalty of the Organisation's employees.

The Board of Directors oversees the activities of the Organisation's Executive Body. This oversight may be exercised by the Executive Body through its regular reports to the Board and through the Board's meetings with the Executive Body to discuss the implementation of the mid-term Development Plans and the results achieved. These meetings should take place at least quarterly. If the Executive Body's performance is unsatisfactory, the Board of Directors may terminate the tenure of the Executive Body or its individual members.

The Head and members of the Executive Body should possess sufficient knowledge, skills and experience to perform their duties. They should also have impeccable business and personal reputations.

In addition to the requirements set forth in this provision, the Head of the Executive Body should have strong leadership skills, be able to create an atmosphere of interest and engagement, have strong organisational skills, actively interact and continually maintain a constructive dialogue with Shareholders, the Board of Directors, employees and other Stakeholders.

To increase the transparency when appointing and remunerating the Organisation's staff, the Board of Directors should approve rules on nomination, remuneration, assessment and succession. The Organisation should strictly adhere to these rules.

The remuneration of the Head and members of the Executive Body should include both fixed and variable components. The following are taken into account when establishing the base salary: the job complexity; personal skills and competencies of the employee and his/her competitiveness in the job market; the employee's contribution to the development of the Organisation; salary levels in peer companies; and the financial condition of the Organisation. The difference in remuneration between the members of the Executive Body, middle management and other employees of the Organisation should also be taken into account.

The variable component of remuneration is linked to the achievement of medium-term goals and tasks and should be determined before the start of each calendar year.

When employment contracts are terminated early, remuneration must be paid in accordance with the internal documents approved by the Board of Directors.

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

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

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

The results of the assessment of the Head and members of the Executive Body should influence their remuneration, promotion, re-election (re-appointment) or early termination.

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

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

When considering each matter, the Executive Body should discuss the risks associated with passing (or rejecting) respective resolutions and how the risks may impact on the Organisation's value and Sustainable Development.

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

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

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

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

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

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

When a new Head or members of the Executive Body are elected, it is recommended that continuity in the composition of the Executive Body be ensured. If re-election of individual members of the Executive Body is being considered, the results of their work in respective areas of responsibility should be taken into account.

When a new Chairman of the Board of Directors is elected, it is recommended that continuity in the composition of the Board of Directors be ensured.

The Executive Body should ensure an optimal organisational structure. The structure should be designed to ensure;

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

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

21. The Head of the Executive Body should inform the Board of Directors of any breach of the Code of Business Ethics by members of the Executive Body.

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

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

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

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

Chapter 6. Risk Management, Internal Control and Audit

1. The Fund and the Organisations should establish an effective system of risk management and internal control, which should provide reasonable assurance that the strategic and operating goals of the Fund and the Organisations will be

achieved. This system should include corporate policies, procedures, norms of behaviour and actions, and governance methods and mechanisms established by the Board of Directors and the Executive Body of the Fund and the Organisations for the following purposes;

1) Optimal balance between the growth of the Company's value, profitability and associated risks,

2) Effectiveness of financial and economic activities and achievement of financial sustainability of the Company,

3) Safeguarding of assets and efficient use of Company's resources,

4) Completeness, reliability and accuracy of financial and management reporting,

5) Compliance with the requirements of the laws of the Republic of Kazakhstan and corporate internal documents,

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

The Board of Directors and the Executive Body should ensure that a proper risk management culture is implemented in the Fund and the Organisations.

The implementation and operation of the risk management and internal control systems in the Fund and the Organisations should be based on a clear regulatory framework compliant with best practice (COSO) and the Fund's methodology (policies).

2. The Board of Directors of the Fund and organizations should define principles and approaches to the risk management and internal control system organization based on the tasks of this system and given best practices ~~**of work and Fund's methodology**~~ in the sphere of risk management and internal control.

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

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

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

1) Setting the goal and tasks of risk management and internal control systems,

2) Structuring the risk management and internal control systems to cover all levels of decision-making, taking into account the role of the relevant level in the process of developing, approving, applying and assessing the risk management and internal control systems,

3) Establishing requirements for the Organisation of the risk management process (approaches to determining the risk appetite, risk identification and assessment procedures, determining response methods, monitoring, etc.),

4) Establishing requirements for arranging the internal control systems and implementing control procedures (description of key areas and essential components of the internal control system, assessment of the effectiveness and reporting in the area of internal control, etc.).

The Fund and the Organisations should ensure that formal internal documents are adopted covering the role, tasks, and responsibilities of the Company's bodies,

Revision Commission, IAS and other units of the Companies. Internal documents should also cover interaction between the units related to establishing risk management and internal control systems and ensuring they are effective.

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

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

3. The Executive Bodies of the Fund and the Organisations should ensure that risk management and internal control systems are established and maintained, and that they operate effectively. The risk management process should be integrated with the processes of planning (Strategy, Development Plans and annual budgets) and assessing the Organisation's performance (management reporting).

Each Official of the Fund and of the Organisation should ensure that appropriate consideration is given to risks in the decision-making process.

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

The Executive Body;

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

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

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

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

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

To implement the principles of internal control and effective risk management, the Executive Body delegates powers, obligations and responsibilities for risk management and internal control procedures to managers of departments / owners of the business processes.

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

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

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

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

3) training of employees in the sphere of risk management and internal control;

~~**4) risk portfolio analysis and elaboration of proposals on response strategy and resource reallocation in relation to the relevant risk management;**~~

~~**45**~~) formation of the consolidated risk reporting**;**

~~**6) operating control over the risk management process by structural units and Subsidiaries in prescribed manner;**~~

~~**7) preparation and**~~ notification of the Board of Directors and Executive Body on issues provided by internal documents in the sphere of risk management and internal control;

~~**8) methodological and practical assistance to Subsidiaries in the sphere of risk management and internal control**~~.To ensure independence and objectivity of the Head of risk management and internal control, he/she should not be a risk owner. Combination of functions on risk management and internal control with

functions related to the economic planning, corporate financing, treasury, ~~**taking investment decisions**~~ is not permitted. The risk management and internal control function may be combined with other functions only if doing so does not create a material conflict of interest.

4. The risk management and internal control systems of the Fund and the Organisations should be based on an advanced culture of risk management. This culture should be created by the Executive Body and should include compulsory procedures to identify, assess and oversee all significant risks. This culture should also ensure that timely and adequate measures are taken to mitigate risks that may negatively impact the achievement of strategic goals, operational performance and reputation of the Company.

Risk management ensures rapid response to new risks, their clear identification and determination of risk owners.

The Board of Directors will approve the overall level of risk appetite and tolerance levels in relation to key risks. They should be specified in the Company's internal documents.

To approve the level of risk appetite, it is necessary, among other things, to analyse the impact of potential loss (equal to the size of risk appetite) on the Company's financial results (for example, annual profit).

Tolerance levels for key risks are revisited in case of significant events. In addition, limits restricting risks in routine activities should be established.

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

~~**Risk assessment should result in measurable indicators in order to assess risk compliance with risk-appetite approved and risk impact on the Fund and organizations' Development Strategy implementation.**~~

~~**The Board of Directors in consideration of the risk register and risk map should be convinced that they include risks that may have real effect on the implementation of strategic tasks, and in consideration of the action plan on risk response is should be convinced in event usefulness.**~~

Employees of the Fund and the Organisations should manage risk on a day-to-day basis and monitor the potential effect of risks in their areas of responsibility.

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

~~**Quarter consolidated risk reports should be approved by Board of Directors.**~~5. The Fund and the Organisations should develop, approve, formalise and record control procedures in three key areas: operations, preparation of financial

reports and compliance with the laws of the Republic of Kazakhstan and internal documents.

Control **~~procedures are documentally recorded system of events and actions on effective internal control over execution of targets, tasks and plans of the company, identification and improvement of irregular operations, as well as risk management, restriction and preventing and possible illegal actions from the part of officials and employees of the company.~~**Control procedures should cover all governance and management levels. All employees of the Fund and the Organisations should comply with these procedures.

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

1) Reduce the likelihood of risks occurring,
2) Prevent errors and mistakes and, when they occur, evaluate the causes and develop action plans to prevent them from recurring,
3) Identify and eliminate duplicated operations and unnecessarily elaborate processes,
4) Identify weaknesses and areas for improvement,
5) Further improve internal control systems.

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

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

6. The Fund and the Organisations should implement transparent principles and approaches in the areas of risk management and internal control, risk management training for employees and officials, processes to identify, record and promptly deliver necessary information to relevant Officials.

Knowledge of risk management systems should be freely available. Employees and executives should understand the principles of, and the approaches to, risk management and internal control, as well as best practices in this area.

~~Employees of the Fund and organizations annually as well as upon entry into employment should undergo training / introduction training to make acquaintance with the risk management and internal control system approved. Knowledge will be tested following results of such training.Safety, confidential and available method (hotline) of informing Board of Directors (Audit Committee) and internal audit units on breaches of the legislation of the Republic of Kazakhstan, internal procedures, Code of Business Conduct by any employee and official should be arranged within risk management and internal control system.~~

7. The Board of Directors of the Fund and the Organisations should ensure the effectiveness and proper functioning of risk management and internal control systems, and their compliance with the principles and approach approved by the Board of Directors. Risk reports should be submitted for the meetings of the Board of Directors ~~**at least once a quarter**~~ and discussed properly ~~**in full**~~..

The Board of Directors in cooperation with the Audit Committee bear responsibility for ~~**annual**~~ performance ~~**evaluation**~~ of the risk management and internal control system. The Board of Directors should form its own opinion on its performance after proper and through study of information and guarantees based on ~~**reports**~~ communicated to it by internal audit unit or external expert, Audit Committee and Executive Body.

The Board of Directors ~~**at least once a year**~~ should consider the organization, functioning and effectiveness of the risk management and internal control systems and, if necessary, make recommendations for its improvement.~~**Information on the results of the Board of Directors reviewing the issues of the effectiveness of the internal control system is provided to shareholders (participants) as part of the annual report**~~.

8. The IAS should be established in the Fund and the Organisations to ensure systematic independent evaluation of the reliability and effectiveness of risk management and internal control systems and corporate governance practices.

9. Internal audit in the Fund and the Organisations should be performed through establishing a separate department – the IAS (in a limited liability partnership, the internal audit functions should be attributed to its Revision Commission / Revisor functionally accountable to the Supervisory Board. The goals, functions and tasks of the Revision Commission / Revisor and the way it interacts with the bodies of the Organisation should be defined through the principles contained in the Code and applicable to the IAS). The goals, powers and responsibility of the IAS and requirements concerning qualification and professionalism of the Internal Auditor should be set forth in the Company's internal document (Regulations of the IAS). The Regulations should be developed and approved in accordance with international professional standards of internal audit and the Fund's corporate standards of internal audit. ~~**Full compliance of the Regulations on IAS with specific needs of the organization business falls within responsibility of the Board of Directors of organizations.**~~

The following is determined and described in the Regulations of the IAS;

1) A commitment to comply with the principles and regulations of the Institute of Internal Auditors,

2) The status, goals and tasks of the Company's IAS,

3) Assurance concerning the independence, objectivity and professionalism of the IAS in order to achieve its goals and tasks, perform its functions and fulfil its responsibilities effectively,

4) Qualification requirements for the Head of the IAS and its employees, 5) The scope and content of Internal Audit activities,

6) Right of access to documentation, employees and physical assets to perform respective tasks,

7) Rules of the IAS's interaction with the Board of Directors, the Audit Committee and the Executive Body.

To help ensure that the Organisation's Internal Audit function is effective, the Fund provides methodological support by approving corporate standards and recommendations, and regulating the establishment and activities of the IAS.

The IAS should strictly comply with the standard requirements for professionalism, knowledge, skills, and other competencies necessary for internal auditors to perform their duties effectively. For this purpose, the Fund's corporate standards include requirements for the Head and employees of the IAS concerning their professional knowledge and skills, work experience, leadership experience (for managers), and the requirements for specialised additional qualifications supported with international certificates. It is recommended that internal auditors demonstrate their professionalism through obtaining relevant professional certificates and qualifications, such as Certified Internal Auditor (CIA) and other qualifications offered by the International Institute of Internal Auditors and other professional organisations.

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

The accountability of the IAS to the Board of Directors means that the Board;
1) Approves, following preliminary consideration by the Audit Committee,

internal audit regulations and policies setting goals, tasks and rules of the IAS activities,

2) Approves, following preliminary consideration by the Audit Committee, annual risk-based audit plans,

3) Receives quarterly and annual reports on the execution of the annual audit plan and other information about the IAS activities,

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

5) Approves itself or via the Audit Committee the IAS budget (this power may be delegated to the Audit Committee),

6) Considers itself or via the Audit Committee significant limitations on the authority and scope of work of the IAS or other limitations that may adversely affect internal audit activities.

11. The Head of IAS of organizations should develop internal documents regulating activity of the unit based on the corporate standards of the Fund in the sphere of internal audit and ensure their consideration and approval by Audit Committee and Board of Directors.

Internal documents regulating the activities of the IAS should ensure that the goals and tasks of Internal Audit are fully implemented and comply with the Standards.

Policies and procedures regulating the IAS activities should not contravene the Fund's corporate standards in the area of internal audit.

If the Fund's corporate standards in the area of internal audit do not regulate certain activities of the IAS, the Organisation should develop its own policies and procedures consistent with the Fund's standards and recommendations on internal audit.

The IAS should operate according to a risk-based annual audit plan approved by the Board of Directors. The IAS's reports and key findings should be submitted to the Board of Directors at least quarterly.

The Head of the IAS takes into account risk management principles adopted by the Company, and applies his/her own judgment about risks after consulting with the Executive Body and the Audit Committee.

The IAS work plan should be based on a formal risk assessment carried out at least once each year. The Head of the IAS should ascertain the expectations of the Executive Body, the Audit Committee and the Board of Directors and other Stakeholders in relation to the IAS. The Head of the IAS should take these expectations into account when developing the work plan.

The Regulations of the IAS should include the terms and procedures for reporting to the Audit Committee and the Board of Directors. At least once a quarter, the IAS should report to the Board of Directors on the execution of the annual work plan and the results of the work, key findings and recommendations. The Board of Directors should ensure timely consideration of these reports and evaluate whether audit recommendations comply with the goals and tasks in the area of internal audit.

13. When carrying out its activities, the IAS should assess the effectiveness of internal control and risk management systems, assess corporate governance using generally accepted standards of internal audit, corporate standards and the Fund's recommendations on the assessment of corporate governance and effectiveness of the risk management and internal control systems.

Assessing the effectiveness of internal control systems includes;

1) Analysing whether the goals of business processes, projects and departments are aligned with the Organisation's goals. It also includes evaluating the reliability and integrity of business processes (activities) and information systems, including the reliability of procedures to counter illegal actions, abuse and corruption,

2) Auditing the accuracy of accounting and financial data, statistics and management reports, and determining whether the results of the Organisation's activities, business processes and departments are in line with its goals,

3) Considering the adequacy of criteria set by the Executive Body to evaluate the progress in achieving goals,

4) Identifying weaknesses in the internal control systems that have led or may lead to non-achievement of goals,

5) Evaluating the results of measures taken to prevent violations and weaknesses and to improve internal control systems throughout the Organisation,

6) Evaluating the effectiveness of the use of resources,

7) Evaluating whether assets are properly safeguarded,

8) Evaluating compliance with legislation, the Charter and internal documents.

Assessing the effectiveness of the risk management system includes;

Evaluating the adequacy and maturity of risk management systems for effective risk management (goals and tasks, infrastructure, processes, methodological support, interaction of risk management system, reporting),

2) Evaluating the completeness and accuracy of risk identification and assessment by the Executive Body and all levels of management,

3) Evaluating the effectiveness of control procedures and other risk management-related activities, including evaluating whether the resources allocated to risk management are used effectively,

4) Analysing information about risk occurrences (breaches, failures to achieve goals and facts of litigation identified through internal audit activities).

Corporate governance assessment includes;

1) Evaluating compliance with the principles of ethics and corporate values of the Organisation,

2) Evaluating the rules of goal setting and monitoring the controls over their achievement,

3) Evaluating whether regulations and policies are in place and whether there are rules to share information at all levels (including interaction on internal control and risk management matters) and with Stakeholders of the Organisation,

4) Evaluating whether the rights of Shareholders are protected, including Shareholders of subsidiaries, and evaluating the effectiveness of interaction with Stakeholders,

5) Evaluating regulations for disclosure of information about the activities of the Organisation and its controlled entities.

The Regulations of the IAS should also ensure it;

1) Assists the Executive Body and employees to implement and monitor improvements to risk management and internal control systems and corporate governance,

2) Coordinates the activities of the Organisation's external auditor, and the work of consultants engaged in the areas of risk management, internal control and corporate governance,

3) Conducts internal audits of a Holding Company's subsidiaries,

4) Submits to the Board of Directors and Audit Committee quarterly and annual reports on the results of the IAS work and achievement of the annual audit plan. The reports should contain information about material risks, weaknesses, results and the effectiveness of recommendations for improvements, the results of

the IAS assessments, the reliability and effectiveness of the risk management, internal control and corporate governance systems,

5) Evaluates the compliance of the members of the Executive Body and employees with legislation of the Republic of Kazakhstan and internal documents on insider information, the fight against corruption, and ethical requirements,

6) Monitors the implementation of the external auditor's recommendations,

Advises the Board of Directors, the Executive Body, departments and subsidiaries on measures to establish or improve internal control, risk management, corporate governance and the internal audit function (including drafting relevant internal regulations and proposals), and other matters within the IAS's competence,

8) Interacting with, and coordinating the activities of, the control bodies of subsidiaries; this should cover such matters as planning and conducting audits and revisions and providing methodological support to the subsidiaries' IASs and Revision Commissions.

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

The Board of Directors should evaluate the effectiveness of the IAS, its Head and its staff, based on the audit reports, timely execution of the annual audit plan and compliance of the reports with the standards and internal regulations of the IAS.

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

Chapter 7. Transparency

1. To respect the interests of their Stakeholders, the Fund and the Organisations should promptly and fairly disclose information about all important aspects of their activities, including financial performance, operational results and the structure of ownership and governance (management).

2. The Fund and the Organisations must promptly disclose information in accordance with legislation of the Republic of Kazakhstan and their internal documents. The Fund and the Organisations should approve internal documents outlining the principles of and approaches to information disclosure and protection, and the information to be disclosed to the Stakeholders. The Fund and the Organisations determine the procedures for classifying information, the rules for its storage and use, and the list of persons who may be granted access to commercially

sensitive or officially secret information. The Fund and the Organisations should take measures to protect this information.

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

In order to ensure consistency of disclosure, the Fund and the Organisations should approve internal documents that define the information to be disclosed to Stakeholders, as well as the terms, procedures, methods and forms for disclosure, responsible Officials and employees, their functions and obligations, and other provisions regulating information disclosure.

In order to protect trade secrets and other sensitive and confidential information, the Fund and the Organisations, in accordance with legislation of the Republic of Kazakhstan, shall establish procedures to classify, store and use the information. The Fund and the Organisations should determine the persons who may be granted free access to commercially sensitive and confidential information, and take measures to protect confidential information.

A person who illegally obtained, disclosed or used commercially sensitive and confidential information is liable to reimburse losses and is responsible in accordance with legislation of the Republic of Kazakhstan.

It is recommended that Organisations whose shares are traded on a stock exchange, establish Investor Relations Departments responsible for collecting and analysing information and publishing it on the corporate website. The Head of the Investor Relations Department should have work experience in finance and an understanding of the Organisation's industry.

The Funds and the Organisations should ensure control over disclosure of information to Stakeholders.

3. The Fund, Companies and Organisations whose shares or bonds are traded on a stock exchange should promptly publish on their corporate websites audited annual IFRS financial statements and IFRS financial statements for the first three months, six months and nine months of the reporting period. These entities are recommended to disclose information about their financial condition in addition to the IFRS financial statements.

Financial statements should comply with IFRS, and should include a profit and loss statement, a balance sheet, a cash flow statement and a statement of changes in equity. Annual financial statements should, among other things, include notes and be independently audited.

Financial reports of the Fund, the Companies and the Organisations whose shares are traded on a stock exchange should be published on their corporate websites quarterly. The annual financial reports of these entities should be available on their corporate websites within 120 days following the end of the reporting period. Financial reports for the first six months and for the first nine months of the reporting period should be available on the websites within 60 days following the end of the respective reporting periods.

To enhance operational transparency and explain the results presented in the financial statements, management should disclose their discussion and analysis of business performance, including the factors and conditions that affected the financial results.

In addition to the financial reports, notes to the annual financial statements should include segment analysis, detailed income structure, structure of operating and capital costs, description of the asset valuation methods, information about indicators of capital adequacy, and information about subsidies and state guarantees.

4. The Fund and the Organisations should arrange audits of their annual financial statements by appointing an independent and qualified auditor to provide (as a third party) the Stakeholders with an objective opinion on the reliability and accuracy of the financial statements and their compliance with IFRS. The requirement to have annual financial statements audited only applies if it is set forth in legislation of the Republic of Kazakhstan and / or in internal documents.

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

Stakeholders should have assurance that the financial reports of the Fund and the Organisations are reliable. This assurance may be provided through appointing external audit firms meeting the following criteria: high professional level of employees; work experience both in Kazakhstan and internationally; relevant industry knowledge and a positive reputation both in Kazakhstan and internationally. The external audit firms should comply with International Standards on Auditing, legislation of the Republic of Kazakhstan in the area of audit, and the Code of Business Ethics of the International Federation of Accountants. The external auditors should be able to efficiently identify weaknesses and formulate recommendations to improve internal controls applied to the preparation of financial reports.

The evaluation of the external auditor independence should take into account: the measures taken by the audit firm to evaluate its independence; the nature of services previously rendered by the audit firm; the nature of the Organisation's financial or business relationship with the auditor; the contractual terms of the external auditor's appointment; the need for periodic rotation of the external auditor; and rendering of services by the audit firm to other parties with which the Organisation may have a conflict of interest.

The selection of the external auditor should be based on open tender. Members of the Audit Committee should be included in the Auditor Selection Commission. The transparency of the procedure for selecting the external auditor is

ensured through: the adoption of clear selection processes and their wide availability; the participation of the Audit Committee in the selection process; and the availability and clarity of the Organisation's requirements to the auditor, evaluation criteria, and requirements to official bid proposals.

The evaluation of the independence of the members of the Auditor Selection Commission should include the following criteria: the nature of any financial or business relations of each member of the Commission with the external auditor and the nature of any family ties of each member of the Commission with representatives of the external auditor.

The Fund and the Organisations should approve documents regulating the appointment of the external auditor and their relationship with the external auditor after the appointment is made. The documents should include the external auditor selection process, the powers and functions of the Auditor Selection Commission, the external auditor's other services in addition to the audit of the financial statements and other information, any requirements to rotate the audit firm and its senior audit team members, and policies about hiring former employees of the external audit firm.

The Fund may approve a corporate document regulating the selection of the external auditor for the Fund and the Organisations.

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

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

In order to assess the risks of the audit firm not being independent and to evaluate the potential quality of the audit, information about the audit and non-audit fees paid to the audit firm should be separately disclosed. This information should be available on the Organisation's corporate website and in its Annual Report.

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

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

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

If the external auditor intends to provide services to the Fund and the Organisations in addition to the audit of the financial statements, it must obtain approval for these services from the Audit Committee.

5. The Fund, Companies and Organisations whose shares or bonds are traded on a stock exchange should prepare their Annual Reports in compliance with theprovisions of the Code and best practice on information disclosure. Annual Reports shall be approved by the respective Boards of Directors.

The Annual Report is a key source of information for Stakeholders. It should be well structured in a clear format and be published in the official state language, as well as Russian and English.

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

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

1) A Report by the Chairman of the Board of Directors (Supervisory Board),
2) A Report by the Head of the Executive Body,
3) Information about the Fund or the Organisation;

- General information,
- Information about the equity structure including the number and par value of issued shares (interests), a description of rights attached to the shares, the number and par value of authorised but unissued shares, the composition of the Shareholders (Participants) and the number and percentage of ordinary shares (equity interest) they own, the procedure for disposing of ownership rights,
- Mission,
- Development Strategy and progress toward its implementation,
- Market overview and the Organisation's position in the market,

4) Financial results for the year and an evaluation of operational performance;

- Review and analysis of performance against budget and other plans,
- Operational and financial performance indicators,
- Significant events and achievements,
- Information about significant transactions,
- Any financial support including guarantees obtained, or to be obtained, from the state and any liabilities to the state and society incurred by the Fund or the Organisation (if not disclosed elsewhere in the IFRS financial statements),

5) Structure of assets, including subsidiaries and dependent organisations and an overview of their financial and operational performance,
6) Future goals and plans,
7) Main risk factors and risk management systems,
8) Corporate governance;

- Corporate governance structure,
- Composition of Shareholders (Participants) and ownership structure,
- Composition of the Board of Directors, including members' qualifications and the process to select them, as well as Independent Directors and the criteria of their independence,
- Report on the activities of the Board of Directors (Supervisory Board) and its Committees,

- Information on compliance with the Code, and explanations for any instances of non-compliance,
- Composition of the Executive Body,
- A report on the Executive Body's activities,
- Officials' remuneration policy,

9) Sustainable Development. If there is a separate Sustainable Development report, it should be referenced in the Annual Reports,

10) Audit report and financial statements with notes,

11) Analytical indicators and data in the Annual Report should include comparable data for the previous year, thereby showing whether progress has been made achieving the Organisation's objectives. It is recommended that the Annual Report include performance indicators for a benchmark analysis against international companies in the same industry.

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

6. The corporate website should be well structured, easy to navigate and should contain information that is necessary for Stakeholders to understand the activities of the Fund and the Organisations.

The corporate website should be well structured, easy to navigate and accessible to all Stakeholders. It is recommended that information be presented on websites in specialised sections. The websites should be updated as necessary, at least once a week.

The Fund and the Organisations should ensure the completeness and accuracy of information published on their corporate websites. The information published on corporate websites in the official state language, as well as Russian and English languages, should be identical. The Fund and the Organisations should appoint employees (or a business unit) to be responsible for the completeness and accuracy of the information on the corporate websites.

Corporate websites should include the following information, as a minimum;

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

2) A summary of the Development Strategy or, at least, the strategic goals, and core business activities,

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

4) Information about the principles of ethics,

5) Information about risk management,

6) The dividend policy,

7) Information about each member of the Board of Directors, including;

- photograph (to be approved by the member of the Board of Directors),
- full name,
- date of birth,

- nationality,
- status of the member of the Board of Directors (Independent Director, Shareholder representative); functions of the members of the Board of Directors, including membership of Committees or Chairmanship of the Board of Directors,
- education: main and additional (name of educational institution, year of graduation, degree),
- experience for the preceding five years, main place of work and other current

roles,
- professional qualifications,
- date of the first election to the Board of Directors and the date of the latest re-election,
- the number and percentage of shares owned in affiliated companies,
- the director independence criteria,

8) Information on each member of the Management Board including;
- photograph,
- full name,
- date of birth,
- nationality,
- title and functions,
- education: main and additional (name of educational institution, year of graduation, degree),
- experience for the preceding five years, main place of work and other current

roles,
- professional qualifications,
- other employment,
- the number and percentage of shares owned in affiliated companies,

9) Financial statements,

10) Annual Reports,

11) Information about the external auditor,

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

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

14) Information about the group structure, including subsidiaries and affiliated companies at all levels, supported with a summary their business activities,

15) Annual calendar of Corporate Events,

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

17) Information about major transactions, including information about the parties to each transaction, their principal terms and conditions (transaction subject and price), and the body that approved the transactions,

18) Information about Sustainable Development,

19) Information about the amount of approved dividend payments,

20) Corporate news and press releases.

A Holding Company may have a single corporate website for the entire group. A subsidiary of a Holding Company may have its own corporate website.