

Annex No.1

Approved by the decision of the
Board of Directors of
JSC NMC "Tau-Ken Samruk"
of 31, 2023 Minutes No. 07/23.



Regulations on the Compliance Officer of JSC NMC "Tau-Ken Samruk"

Astana, 2023

Chapter 1. General Provisions

1. The present Regulations on the Compliance Officer of JSC NMC Tau-Ken Samruk (hereinafter-the Company) have been developed in accordance with the Laws of the Republic of Kazakhstan “On Joint Stock Companies”, “On Combating Corruption”, the Charter, the Corporate Standard for the Compliance function in the portfolio companies of Samruk-Kazyna JSC and other internal regulatory documents of the Company.

2. The Regulations define the status of the Company’s Compliance Officer, goals, objectives, principles, functions, rights and obligations, responsibilities of the Compliance Officer and the procedure for his interaction with the Board of Directors, the Management Board of the Company, subsidiaries and affiliates of the Company and other organizations.

3. The Regulations on the Compliance Officer are posted on the official Internet resource of the Company and brought to the attention of all employees.

4. The following basic concepts are used in this Regulations:

1) **Compliance officer** – a person responsible for ensuring compliance with the norms of the legislation of the Republic of Kazakhstan, including anti-corruption, internal regulatory documents of the Company, moral and ethical standards and effective compliance risk management.

2) **Board of Directors** - a management body - a collegial body that carries out general management of the Company's activities, as well as control over the activities of the executive body in accordance with the Charter and applicable legislation.

3) **Executive body (Management Board)** – a person or a collegial body that manages the current activities of the Company.

4) **Officials** - members of the Board of Directors, the Management Board of the Company.

5) **Employee** – an individual who is in an employment relationship with the Company and directly performs work under an employment contract, as well as persons who actually perform labor functions within the framework of outstaffing and paid service contracts.

6) **Compliance system or anti-corruption system** – a set of interrelated elements of the internal control system, policies, procedures, processes and measures taken by the company to achieve anti-corruption goals, as well as a set of preventive measures and preventive actions to prevent violations of anti-corruption legislation, the requirements of industry norms and regulatory documents of the Company in order to ensure high professional and ethical standards, minimize the risks of non-

compliance with legislation and preventing significant financial loss or loss of reputation.

7) **Compliance program** - a documented description of the compliance systems created and the measures taken by the company to effectively manage compliance risks faced by the company in its activities.

8) **Internal analysis of corruption risks** – identification and study of the causes and conditions that contribute to the commission of corruption offenses;

9) **Conflict of interests** - a contradiction between the personal interests of an employee and his official powers, in which personal interests may lead to non-performance and (or) improper performance of their official duties.

10) **Corruption offense** - an unlawful guilty act (action or omission) that has signs of corruption, for which administrative or criminal liability is established by law;

11) **Corruption risk** – the possibility of causes and conditions that contribute to the commission of corruption offenses;

12) **Prevention of corruption** – the activities of anti-corruption entities to study, identify, limit and eliminate the causes and conditions that contribute to the commission of corruption offenses by developing and implementing a system of preventive measures;

13) **Authorized anti-corruption body** - a state body responsible for the formation and implementation of the anti-corruption policy of the Republic of Kazakhstan and coordination in the field of anti-corruption, as well as prevention, detection, suppression, disclosure and investigation of corruption offenses, and its territorial divisions.

5. The Compliance Officer of the Company is appointed and is accountable to the Board of Directors of the Company and is independent of the executive body. The decision of the Board of Directors also determines the term of office, the amount of remuneration and the terms of remuneration of the Compliance Officer.

6. The Compliance Officer is independent in ensuring compliance with the requirements of the legislation of the Republic of Kazakhstan, including anti-corruption legislation.

7. The functions of a Compliance Officer are not allowed to combine with the functions of other structural divisions of a Company entity.

8. When appointing a Compliance Officer, the Board of Directors must take into account the education, previous work experience necessary for the effective performance of the functions of a Compliance Officer, as well as the business qualities necessary for the performance of official duties, in particular, the presence of:

- higher education in specialized fields – law, economics or other related field related to the business function;
- preferably valid professional certificates in the field of compliance (not lower than “ICA International Diploma in Governance Risk and Compliance” or similar top-level certificates issued by international and national professional organizations in the field of compliance, assuming the passing of a qualification exam);
- work experience of at least five years in companies of comparable size (in terms of the number of personnel, assets, etc.) working in similar or similar sectors of the economy (it is important for the candidate to understand the regulatory structure of the industry);
- work experience of at least three years in the implementation of the compliance function;
- LLM/MBA degree in business management, economics, finance or law is preferable;
- proficiency in the state language at a level sufficient for effective communication and training, taking into account regional and other features of the company's activities, as well as English.

9. An employment contract with a Compliance Officer is concluded on the basis of a decision of the Company’s Board of Directors by the Chief Executive Officer in accordance with the labor legislation of the Republic of Kazakhstan.

10. In case of termination of the powers of a Compliance Officer by decision of the Board of Directors of the Company, a compensation payment may be made to him/her for early termination of an employment contract in the amount of no more than three official salaries.

11. The Compliance Officer must be impartial in his work and avoid conflicts of interest.

Chapter 2. The purpose of the activity, the main tasks, principles, functions of the Compliance Officer

12. The main purpose of the Compliance Officer’s activity is to ensure that the Company and employees comply with mandatory regulatory requirements and international practice on compliance issues, including anti-corruption issues, as well as monitoring the implementation of anti-corruption measures. Formation of the internal corporate culture of the Company, which ensures transparency, honesty among all employees and creates conditions for doing business in accordance with the best international standards, internal policies and legislation of the Republic of Kazakhstan.

13. The main tasks of a Compliance Officer are:

- 1) ensuring compliance with the legislation of the Republic of Kazakhstan by structural divisions of the Company, including compliance with external regulatory requirements and international compliance practices, including anti-corruption and fraud, compliance with moral and ethical standards;
- 2) identification and periodic assessment of compliance risks;
- 3) development and execution of the compliance program on an annual basis;
- 4) development and updating of standards and policies in the field of compliance;
- 5) development and updating of the Code of Business Ethics of the Company's Group of Companies;
- 6) conducting, together with interested structural units, a comprehensive audit of the reliability of counterparties;
- 7) implementation of the initiative information line;
- 8) communication and implementation of compliance policies through training of the Company's employees;
- 9) conducting compliance checks/investigations;
- 10) interaction with regulatory authorities and compliance service of Samruk-Kazyna JSC;
- 11) conducting investigations on reports received on the whistleblowing line;
- 12) conducting an internal analysis of corruption risks in the Company's business processes;
- 13) ensuring compliance with the basic principles of combating corruption in accordance with the Law of the Republic of Kazakhstan "On Combating Corruption".

14. The Compliance Officer in implementation and realization of compliance functions is guided by the following principles:

- 1) the sufficiency of the powers and resources allocated to perform the functions of the Compliance Officer;
- 2) independence of the Compliance Officer;
- 3) information openness of the Compliance Officer's activity;
- 4) continuous improvement of the competencies of specialists performing compliance functions;
- 5) continuity of anti-corruption compliance;
- 6) improving anti-corruption compliance.

15. In order to comply with the principles of independence and objectivity in the course of performing their functions, a Compliance Officer should not:

- 1) be involved in any activities that may subsequently be the subject of an investigation of the compliance function;
- 2) perform functional duties in the Company that are not related to its activities in accordance with this Regulation;
- 3) be included in the composition of committees or other working groups/commissions created by the Company as their voting members, with the exception of working groups/commissions created for conducting investigations;
- 4) use confidential information for personal interests or in any other way contrary to the legislation of the Republic of Kazakhstan or capable of harming the Company.

16. Functions of the Compliance Officer:

- 1) monitoring of external regulatory requirements and international compliance practices, including on anti-corruption and fraud issues;
- 2) assessment of compliance risks, monitoring of identified corruption risks in the Company and measures taken to mitigate and eliminate them.
- 3) analysis of the Company's business processes in order to identify the processes most exposed to compliance risks;
- 4) ensuring the preparation of a quarterly report on the assessment of compliance risks and an action plan to minimize them;
- 5) development and updating of the compliance program, internal policies, regulations and procedures of the Company on compliance issues;
- 6) updating the Code of Business Ethics of the Company and subsidiaries, ensuring its standards by employees of the Company and subsidiaries;
- 7) conducting compliance verification of counterparties for reliability;
- 8) implementation of the whistleblowing line and ensuring the optimization of communication tools for initiative information in the Society in accordance with the developed Policy of initiative information;
- 9) providing advice to the Board of Directors, the Management Board on the organization and improvement of the compliance system, as well as on other issues within the competence of the Compliance Officer;
- 10) monitoring the implementation of compliance policies and standards in the Company;
- 11) conducting training and workshops in compliance areas for employees of the Company and subsidiaries;
- 12) monitoring compliance with the compliance program, compliance system;

13) providing recommendations to the Company's Management Board on minimizing compliance risks and monitoring the implementation of recommendations;

14) ensuring the preparation of regular reports to the Board of Directors of the Company on the activities of the Compliance Officer;

15) conducting compliance checks/investigations in the Company and subsidiaries in cases of receipt of messages to the initiative information line ("hotline"), complaints of third parties received in writing in the form of an incoming letter, detections of the Internal Audit Service and other bodies, detections as a result of verification of the reliability of third parties, information in the media and etc.;

16) conducting own investigations;

17) ensuring interaction with regulatory authorities and with the compliance service of Samruk-Kazyna JSC on compliance issues;

18) ensuring compliance by persons equated to persons authorized to perform state functions with financial control measures and anti-corruption restrictions established by the Law of the Republic of Kazakhstan "On Combating Corruption";

19) taking measures to identify, monitor and resolve conflicts of interest;

20) taking measures to resolve the issues of giving and receiving gifts in the Society;

17. The Compliance Officer combines and performs the following functions of the Company's Ombudsman:

1) consideration of labor disputes and conflicts of employees of the Company and subsidiaries of the Company, assistance in developing a mutually acceptable, constructive and implementable solution, taking into account compliance with the legislation of the Republic of Kazakhstan;

2) assistance in solving problematic social issues of employees;

3) compliance with the principles of business ethics by employees of the Company and subsidiaries of the Company;

4) development of internal regulatory documents of the Company in the activities of the Ombudsman;

5) ensuring interaction with the Ombudsman of JSC "Samruk-Kazyna" on issues within the competence of the Ombudsman.

6) other functions provided for by the internal regulatory documents of the Company and Samruk-Kazyna JSC, the legislation of the Republic of Kazakhstan.

18. The Compliance Officer, acting as the Company's Ombudsman, at least once a year submits a report on the results of the work carried out to the Nomination

and Remuneration Committee and the Audit Committee of the Board of Directors of the Company, which evaluate the results of its activities.

Chapter 3. Rights and Liabilities of the Compliance Officer

19. A Compliance Officer for the implementation of the main tasks and the exercise of his/her functions has the right in accordance with the established procedure to:

1) request and receive from other structural divisions of the Company and subsidiaries information and materials, including those constituting commercial and official secrets, on an unlimited and unhindered basis, necessary to perform the functions and solve tasks;

2) submit written requests to the Company's subsidiaries, other organizations and structural divisions of the Company on issues within its competence;

3) directly contact the Chairman and members of the Board of Directors and the Audit Committee, members of the Management Board, as well as the management of subsidiaries of the Company on their activities;

4) participate in meetings and events held by the Management Board on improving risk management, corporate governance and other issues within the competence of the Compliance Officer without the right to coordinate decisions of the Management Board of the Company;

5) take part in meetings of the Audit Committee on issues of the Company's activities falling within the competence of the Compliance Officer;

6) initiate the submission of issues to the Management Board and the Board of Directors of the Company within its competence;

7) initiate investigations into compliance violations;

8) involve employees of other divisions in the implementation of planned activities and the execution of individual orders of the Company's management in coordination with the relevant head;

9) take part in programs aimed at professional training and professional development of the Company's employees;

10) take part in the development of draft state programs, regulatory legal acts and their implementation within their competence;

11) prepare and make proposals and recommendations to the Company's management on compliance issues, including anti-corruption;

12) organize and hold meetings on issues within its competence;

13) represent the interests and/or act as a representative of the Company in state bodies and other organizations within their competence on the basis of a power of attorney issued;

14) initiate the creation of working groups, including with the participation of representatives of the Company, to implement the main tasks in the field of implementation of compliance policy, including anti-corruption and implementation of measures on such policy;

15) review, coordinate, approve documents on issues within its competence;

16) participate in working groups/commissions to investigate compliance violations in other portfolio companies of the Samruk-Kazyna JSC Group;

17) perform other actions that do not contradict the legislation of the Republic of Kazakhstan, the Charter, this Regulation and internal regulatory documents of the Company.

20. The Compliance Officer is obliged to:

1) when carrying out activities, comply with the norms and requirements of the legislation of the Republic of Kazakhstan, the Charter, the Corporate Standard for the Compliance function in the portfolio companies of Samruk-Kazyna JSC and the Company's business ethics, these Regulations and other internal regulatory documents of the Company;

2) execute the instructions of the Audit Committee and the Board of Directors of the Company;

3) report on his/her activities to the Audit Committee and the Board of Directors of the Company in accordance with the Corporate Standard for the Compliance function in the portfolio companies of Samruk-Kazyna JSC;

Reports on the activities of the Compliance Officer (functioning of the compliance system) should include:

-information about identified significant compliance risks, their assessment and measures taken to mitigate them. Compliance functions should also express an opinion on the effectiveness of compliance risk management;

-information on cases of violations identified in the reporting period, including the measures of influence applied by authorized state bodies, their analysis and measures taken to eliminate their consequences and the development of control systems to prevent such violations;

-information on the functioning of the initiative information line, including information on the consideration of received appeals, measures taken to eliminate

identified violations and disciplinary measures against employees, as well as changes in the internal control system to prevent the recurrence of violations. The head of the compliance function should discuss with the members of the management body the level of detail of the information provided to the management body;

- information about the inspections of contractors and candidates for positions in the company, including the identified compliance risks that were not properly mitigated;

- significant changes in the company's regulatory environment and compliance obligations, their impact on the company and proposed (or adopted) actions to meet new requirements;

- the degree of execution of plans in the field of compliance;

- information on the implementation of the company's compliance program and the achievement of compliance system performance indicators, including quantitative and qualitative indicators, as well as measures taken in the reporting period to improve them;

- results of internal and external audits on compliance issues, as well as monitoring of the compliance system;

- monitoring the completeness of the implementation of action plans, especially those prepared based on the results of regulatory inspections and audit reports.

4) respect the confidentiality of information about the Company and its affiliates, insider information that became known during the period of performing the functions of a Compliance Officer and for at least three years after the termination of powers as a Compliance Officer;

5) ensure the confidentiality of persons who have contacted the Compliance Officer on alleged and actual facts of corruption, violations of the Company's Code of Business Ethics and other internal policies and procedures of the Company on compliance issues;

6) inform promptly the Chief Executive Officer, the Chairman of the Board of Directors and/or the Chairman of the Audit Committee about any situations related to the presence or potential possibility of a violation of independence and/or objectivity, expressed, inter alia, in the form of a conflict of interests;

7) bring to the attention of the authorized anti-corruption body about the cases of corruption offenses that have become known, are being prepared, committed or committed.

Chapter 4. Responsibility of the Compliance Officer

21. A Compliance Officer must act in the public interest and perform his/her duties in good faith.

22. The Compliance Officer, in accordance with the procedure established by the legislation of the Republic of Kazakhstan and internal documents of the Company, is responsible for:

- 1) proper performance of the tasks, functions, rights and obligations assigned to him;
- 2) losses caused to the Company by his/her actions (inaction);
- 3) disclosure of information constituting confidential information of the Company in accordance with the legislation of the Republic of Kazakhstan;
- 4) the use of insider information (restricted access information) available to him about the Company for personal purposes.

23. The responsibility of the Compliance Officer is fixed in the employment contract concluded with him.

Chapter 5. Final provisions

24. The approval of these Regulations, as well as the introduction of amendments and additions to it, refer to the competence of the Board of Directors of the Company.

25. If, as a result of changes in the legislation of the Republic of Kazakhstan, the Company's Charter, certain provisions of these Regulations come into conflict with them, these provisions of the Regulations become invalid and until changes are made to the Regulations, the Company's officials and employees are guided by the current legal acts of the Republic of Kazakhstan and the Company's Charter.