

«Approved»
by Order of the Ministry of Health
Of the Republic of Kazakhstan
dated «19» November 2019
No.642

**Corporate Governance Code
of the Non-Commercial Joint Stock Company
"Medical University of Karaganda"**

Chapter 1. General provision

1. The Corporate Governance Code of the Non-Commercial Joint Stock Company "Medical University of Karaganda", developed in accordance with paragraph 3 of Article 182 of the Law of the Republic of Kazakhstan dated March 1, 2011 "On State Property" (hereinafter - the Law on State Property) and defines corporate governance approaches in relations within a state-controlled non-commercial joint stock company (hereinafter the Company), its branches and with other interested parties.

The Code is aimed at improving corporate governance in the Company, ensuring transparency and management efficiency.

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

- 1) shareholder (participant) – Ministry of Health of the Republic of Kazakhstan;
- 2) the General Meeting of Shareholders (participants) – the highest body of the Company. The procedure for holding the general meeting of shareholders (participants) is determined by the laws of the Republic of Kazakhstan dated May 13, 2003 "On Joint Stock Companies" (hereinafter – the Law on Joint Stock Companies), dated April 22, 1998 "On Limited and Additional Liability Partnerships" (hereinafter – the Law on Limited Liability Partnerships), the Charter of the Company;
- 3) partners – suppliers and contractors, partners in joint projects;
- 4) board – the executive body of the Company acting collectively;
- 5) development plan – a document defining the main areas of activity, indicators of financial and economic activity and key performance indicators of the Company for a five-year period, approved by the Board of Directors;
- 6) development strategy – a document defining and justifying the mission, vision, strategic goals, objectives and key performance indicators of the Company for a ten-year period, approved by the general meeting of shareholders (sole shareholder), except in cases when, in accordance with the Law on State Property, the approval of the development strategy is carried out by the Government of the Republic of Kazakhstan or its development is not required;
- 7) the board of directors – a management body in the Company, which is formed by electing its members at the general meeting of shareholders (sole shareholder) Responsible for the overall management and control over the activities of the Company and the Management Board;
- 8) subsidiary organization – a legal entity, the predominant part of the authorized capital of which was formed by another legal entity (hereinafter referred to as the parent organization);
- 9) institutional investor – a legal entity investing the money attracted by it in securities and other financial instruments in accordance with the legislation of the Republic of Kazakhstan;
- 10) corporate governance – a set of processes that provide management and control over the Company's activities and include relations between shareholders, the board of directors, the management board, other bodies of the Company and interested parties in the interests of shareholders. Corporate governance also

determines the structure of the Company, through which its goals are set, ways to achieve these goals, as well as monitoring and evaluation of performance;

- 11) corporate events – events that have a significant impact on the Company's activities, affecting the interests of shareholders and investors of the Company, as defined by the Law on Joint Stock Companies, the Laws of the Republic of Kazakhstan dated February 28, 2007 "On Accounting and Financial Reporting" and July 2, 2003 "On the Securities Market", as well as the Charter of the Company;
- 12) corporate conflict – a disagreement or dispute between shareholders and the Company's bodies; members of the Board of Directors and the executive body, the head of the Internal Audit Service, the corporate secretary;
- 13) corporate secretary – an employee of the joint-stock company who is not a member of the board of directors and (or) the executive body of the company, who is appointed by the board of directors of the company and is accountable to the board of directors of the company, as well as within the framework of his activities supervises the preparation and holding of meetings of the shareholders' meeting and the board of directors of the company, ensures the formation of materials on the agenda of the general meeting shareholders and materials for the meeting of the Board of Directors of the company, supervises access to them. The competence and activities of the corporate secretary are determined by the company's internal documents;
- 14) key performance indicators (hereinafter referred to as KPIs) – indicators that characterize the level of efficiency of the Company's activities, officials and employees of the Company, which make it possible to assess the effectiveness of their activities. KPIs have a quantitative value approved for the Company as part of the Company's development strategy and/or development plan, or approved differentially for each employee of the Company and corresponding to the results of their activities for the planned and reporting periods;
- 15) official – member of the board of directors (supervisory board), executive body;
- 16) interested parties – individuals, legal entities, groups of individuals or legal entities that influence or may be influenced by the Company's activities, their products or services and related actions by virtue of legislation, concluded agreements (contracts) or indirectly (indirectly); The main representatives of stakeholders are shareholders, employees, customers, suppliers, government agencies, subsidiaries and affiliates, bondholders, creditors, investors, public organizations, the population of the regions in which the Company operates;
- 17) ombudsman – a person appointed by the Company's board of Directors, whose role is to advise the Company's employees who have applied to him and assist in resolving labor disputes, conflicts, problematic issues of a social and labor nature, as well as in compliance with the principles of business ethics by the Company's employees;
- 18) sustainable development - a development in which a Society manages the impact of its activities on the environment, economy, society and makes decisions taking into account the interests of interested parties. Sustainable development should meet the needs of the current generation without depriving future generations of the opportunity to meet their needs;

- 19) a dependent organization – a legal entity is recognized as dependent if another (participating, prevailing) legal entity has more than twenty percent of its voting shares (participation shares);
- 20) independent director — a member of the board of directors who is not an affiliated person of this Company and has not been an affiliated person for three years prior to his election to the board of directors (except in the case of his tenure as an independent director of this Company), is not an affiliated person in relation to the affiliated persons of this Company; is not subordinated with the officials of this Company – affiliated persons of this Company and was not subordinated to these persons during the three years preceding his election to the Board of Directors; is not a civil servant; is not a shareholder's representative at meetings of the Company's bodies and was not a shareholder during the three years preceding his election to the board of directors; does not participate in the audit of this Company as an auditor working as part of an audit organization, and did not participate in such an audit during the three years preceding his election to the board of directors;
- 21) the authorized body for the management of the relevant branch (sphere) of public administration (hereinafter referred to as the authorized body of the relevant branch) — central executive bodies, local executive bodies or their departments to which the rights of ownership and use of the state block of shares of the Company have been transferred, as well as the State Property and Privatization Committee or its territorial divisions performing the functions of a shareholder in relation to him in accordance with the Law on State Property;
- 22) organizations – legal entities, more than fifty percent of voting shares (participation shares) in the authorized capital of which directly or indirectly belong to the Company on the right of ownership or trust management;
- 23) fiduciary obligations — obligations assumed by any person who carries out his professional activity in favor of another person. There are two main fiduciary duties: integrity and reasonableness. The duty of good faith is manifested in the fact that in the event of a conflict of interests, the subject of this duty must act exclusively in the interests of Society. In turn, the duty of reasonableness manifests itself in the application of skills, knowledge and skills usually required in such a situation.

Subjects bound by fiduciary obligations to the Company include members of the Company's management bodies, its employees, majority and minority shareholders, as well as other interested parties. For example, members of the Company's management bodies, its employees, as well as the controlling shareholder are not entitled to use the Company's business opportunities solely in their own interests. The opposite would mean a violation of the duty of good faith towards Society.

Other terms used in this Code correspond to the terms and definitions used in the legislation of the Republic of Kazakhstan.

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

4. The Company recommends that limited liability partnerships implement compliance with the provisions of this Code in a part that does not contradict the Law on Limited Liability Partnerships.

5. When carrying out its activities, the Company provides:

- 1) management of the Company in compliance with the principle of legality and the appropriate level of responsibility, separation of powers, accountability and efficiency;
- 2) risk management and internal control system;
- 3) exclusion of conflicts of interest.

6. Control over the Company's implementation of this Code is carried out by the Company's Board of Directors. Corporate secretaries monitor and advise the Boards of Directors and the executive body of the Company on the proper compliance with this Code, as well as on an annual basis form a report on compliance/non-compliance with its principles and provisions.

Subsequently, this report is submitted for consideration by the Committees of the Board of Directors, approved by the Board of Directors and included in the annual report of the Company.

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

Chapter 2. Principles of Corporate Governance of the Company

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

9. Корпоративное управление Общества строится на справедливости, честности, ответственности, прозрачности, профессионализме и компетентности. Структура корпоративного управления основывается на уважении прав и интересов всех заинтересованных в деятельности Общества лиц и способствует успешной деятельности Общества, в том числе росту его ценности, поддержке финансовой стабильности и прибыльности.

10. The fundamental principles of this Code are::

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

11. Within the framework of the corporate governance structure of the Company the division of responsibilities between the bodies of the Company is determined, the system and consistency of corporate management processes is ensured.

12. Following the principles of corporate governance as set out in the Code will create an effective approach for carrying out an objective analysis of the Company's activities and receiving recommendations from analysts, financial consultants and rating agencies.

Paragraph 1. Principle of delimitation of powers

13. Rights, duties and powers of shareholders (sole shareholder), board of directors and executive body are determined in accordance with the current legislation of the Republic of Kazakhstan.

14. The State body differentiates its powers as a shareholder of the Company and the powers related to the performance of state functions in accordance with Article 3 of the Law of the Republic of Kazakhstan dated November 27, 2000 "On Administrative Procedures" in order to prevent a conflict of interests that does not contribute to both the interests of the Company and the shareholder (shareholders). The State body performs the functions of a shareholder of the Company in order to increase the long-term value (value) The Company, taking into account the stimulation of the development of the relevant industry and/or region.

15. The Company carries out its activities within the framework of its main (profile) activities. The implementation of new types of activities is regulated by the Entrepreneurial Code of the Republic of Kazakhstan dated October 29, 2015.

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

In a holding company, the parent company is created in the form of a joint-stock company.

When a Company creates new organizations, the preferred organizational and legal form is a limited liability partnership. Production and financial companies, where it is possible to increase the assets of the state through the implementation of investment projects and financial operations to attract extra-budgetary investments for the implementation of socio-economic tasks, are created in the form of a joint-stock company.

When a Company creates an organization in the form of a limited liability partnership, a participant (participants) in the cases provided for by the charter, a limited liability partnership may create a supervisory board and (or) an audit commission (auditor).

17. The state body, as a shareholder, participates in the management of the Company solely through the exercise of the powers of the shareholder provided for in the Law on Joint Stock Companies.

18. The state body, as a shareholder of the Company, provides the Company with full operational independence and does not interfere in the operational (current) and investment activities of the Company, except in cases provided for by the legislation

of the Republic of Kazakhstan, instructions of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

19. Transactions and relations between the Company, shareholders and interested persons shall be carried out on a commercial basis within the framework of the current legislation of the Republic of Kazakhstan, except for cases when one of the main tasks of the Company and organizations, is the implementation or assistance in the implementation of the state policy on the development of various industries of the Republic of Kazakhstan.

20. The Company's economic activity meets the market conditions regarding debt and equity finance:

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

2) The Company's economic activity does not benefit from any indirect financial support, which gives advantages over private competitors, except in cases provided for by the legislation of the Republic of Kazakhstan;

3) compliance with the rules of profit from economic activity of the Company taking into account working conditions, which correspond to the results obtained by competing private enterprises.

21. With the participation of the Company in public procurement as a customer, the procedures applied are competitive, transparent (taking into account the principle of confidentiality) and non-discriminatory.

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

The Company shall disclose to the state body as a shareholder and the Board of Directors of the Company information about the activities of the Company according to the Law on Joint-Stock Companies, the Charter of the Company and shall ensure transparency of the activities of the Company and organizations before all interested persons.

23. The corporate governance system provides a relationship between:

1) Shareholders (participants);

2) Board of Directors (Supervisory Board);

3) by the executive body;

4) Stakeholders;

5) by other organs determined in accordance with the Charter.

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

24. The Company participates in the management of organizations through the implementation of the functions of a shareholder (participant), as well as through the Board of Directors, in accordance with the procedure established by the charters of organizations and this Code.

25. The Company annually sends to the Chairman of the Board of Directors and representatives of the Company in the Board of Directors (Supervisory Board) of the organization the expectations of the shareholder for the upcoming financial year.

26. The Company, in the format of a general meeting of shareholders, holds meetings with members of the Board of Directors (supervisory Board) of the organization, all voting shares of which belong to the Company.

The boards of directors (supervisory boards) of organizations have full independence in making decisions within their competence established by the charter of the organizations.

27. In order to ensure the sustainable development of organizations, the Company forms and approves uniform accounting policies, methodological recommendations and corporate standards for organizations.

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

The executive body of the Company and organizations ensure that the development plans of organizations submitted for approval to the boards of directors of organizations comply with the Company's strategy and/or development plan.

The executive body of the Company should maintain a constant dialogue with the executive body of the organization on issues of strategy and sustainable development. At the same time, the Company does not allow interference in the operational (current) activities of the organization, for which the executive body of the organization is responsible.

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

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

28. One of the main strategic objectives of the Company is to ensure the growth of long-term value and sustainable development of the Company, which is reflected in their development strategies and/or development plans. All decisions and actions taken correspond to the development strategy and/or development plan.

The main element of evaluating the effectiveness of the Company and its executive body is the KPIs system. Shareholders (the sole shareholder), through their representatives on the board of directors (or by written notification), express strategic guidelines and their expectations for KPIs.

In order to achieve KPIs, the Company develops a development strategy and/or a development plan in accordance with the legislation of the Republic of Kazakhstan.

The Company's KPIs achievement is assessed on an annual basis. This assessment affects the remuneration of the head and members of the executive bodies, is taken into account when they are re-elected, and is also one of the grounds for their removal from office ahead of schedule.

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

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

2) based on the results of consideration and discussion by the board of directors of organizations, a list and target values of KPIs are approved, which are brought to the executive body of organizations for the development of appropriate development strategies for a ten-year period and/or development plans for a five-year period;

3) the company's development plan is approved by the board of directors of organizations.

29. The Company approves uniform rules for the development, approval of development strategies and/or development plans of organizations whose controlling stake (participation interests) belong to the company, as well as monitoring and evaluation of their implementation.

The executive body of the Company monitors the implementation of the development strategies and/or the development plan and the KPIs of the organization.

The results of monitoring and reports on the implementation of the development plan are entered into the Company's information system for planning, monitoring and evaluation of activities in accordance with the procedure determined by the Company's documents.

Paragraph 2. Principle of protection of rights and interests of shareholders

30. Observance of rights of shareholders (participants) is the key condition for attraction of investments in the Company. Corporate management in the Company is based on the provision of protection, respect for the rights and legitimate interests of shareholders (participants) and is aimed at promoting the effective activity of the Company, including growth of the long-term value of the Company, Maintaining their financial stability and profitability.

Paragraph 3. Ensuring the rights of the shareholder

31. The Company ensures the exercise of shareholder rights, including:
the right to own, use and dispose of shares;
the right to participate in the management of the Company and to elect the Board of Directors in accordance with the procedure provided for by the Law on State

Property, Article 36 of the Law on Joint Stock Companies and/or the Charter of the Company;

the right to receive a share of the Company's profit (dividends);

the right to receive a share in the Company's assets upon its liquidation;

the right to receive information about the Company's activities, including to get acquainted with the Company's financial statements, in accordance with the procedure determined by the General Meeting of Shareholders (sole shareholder) or the Company's Charter;

the right to apply to the Company with written requests regarding its activities and to receive motivated and exhaustive answers within the time limits established by the Company's Charter;

the right to receive an extract from the registrar of the Company or a nominee holder confirming his ownership of securities;

the right to challenge decisions taken by the Company's bodies in court;

when holding five or more percent of the Company's voting shares independently or in conjunction with other shareholders, apply to the judicial authorities on their own behalf in cases provided for in Articles 63 and 74 of the Law of the Republic of Kazakhstan "On Joint Stock Companies", with a claim for compensation to the Company by the Company's officials for losses caused to the Company and return to the Company by the Company's officials and/ or their affiliated persons profit (income) received by them as a result of making decisions on the conclusion (proposals for conclusion) of large transactions and/or transactions, in the commission of which there is an interest;

the right to pre-emptive purchase of shares or other securities of the Company convertible into its shares in accordance with the procedure established by the Law on Joint-Stock Companies;

the right to participate in the adoption by the general meeting of shareholders of a decision on changing the number of shares of the Company or changing their type in accordance with the procedure provided for by the Law on Joint Stock Companies.

32. Shareholders exercise their rights to participate in the management of the organization by participating in general meetings of shareholders.

General meetings of shareholders are divided into annual and extraordinary.

33. In a Company with a sole shareholder, a general meeting of shareholders is not held. Decisions on issues referred by the legislation of the Republic of Kazakhstan and the Charter of the Company to the competence of the General meeting of Shareholders are taken by such a shareholder alone and are subject to registration in writing.

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

Paragraph 4. Order of General Meeting of Shareholders

35. The organization and procedure of the General Meeting of Shareholders meet the following requirements:

- fair and equal treatment of the Sole Shareholder;
- availability of participation in the general meeting;
- provision of organizational and reporting information;
- simplicity and transparency of the general meeting of shareholders.

The procedure for holding the general meeting of shareholders is determined in accordance with the Law on Joint Stock Companies, the Charter and other internal documents of the Company regulating the Company's activities, or by a decision of the general meeting of shareholders. The date and time of the general meeting of shareholders are set in such a way that the meeting can be attended by the largest number of persons entitled to participate in it, or all persons in relation to issues requiring unanimous decision-making.

36. The information and materials provided to shareholders prior to the general meeting of Shareholders /hearing of the Board of Directors, as well as the procedure for its provision, provide a complete picture of the essence of the issues under discussion with an exhaustive list of precisely formulated issues to be discussed, the risks associated with the adoption (non-adoption) of a decision, getting answers to questions of interest and the possibility of making informed decisions on the issues of the agenda.

If the agenda of the general meeting of Shareholders includes issues on the selection of members of the Board of Directors, full information on candidates for these positions is provided in accordance with the Law on State Property, the Law on Joint Stock Companies, the Charter and internal documents of the Company.

The issues on the agenda are presented in a meaningful way and interpreted in accordance with the literal meaning of their verbal expression and exclude the possibility of their different interpretation. The agenda may not include issues with the wording "miscellaneous", "different", "other". At the general meeting of shareholders, the Company proposes a separate decision on each individual issue submitted for consideration by shareholders.

A shareholder may submit proposals to the agenda of the General meeting of Shareholders, as well as request the convening of an extraordinary general meeting of shareholders upon their justification.

37. Methods of informing about the convocation of the general meeting of shareholders ensure timely notification of all shareholders. In order to simultaneously provide information to shareholders about the Company's activities, in order to ensure equal treatment of them, the General Meeting of Shareholders determines the mass media.

38. The shareholder has the opportunity to get acquainted with the list of persons participating in the general meeting of shareholders. The process of familiarization with the list of persons entitled to participate and receive materials of the general meeting of shareholders is simple for all shareholders. The list of shareholders participating in the general meeting of shareholders is compiled by the Registrar of the Company on the basis of data from the register of shareholders of the Company with disclosure by nominee holders of the owners of shares.

39. The information materials distributed during the preparation of the general meeting of shareholders are systematized in relation to the agenda of the general meeting of shareholders. A simple and easy procedure for obtaining and/or familiarization with these materials is stopped.

40. At the request of the participants, they are provided with additional information about the plans, achievements and problems of the Company's activities, as well as analytical studies and materials of other organizations about the Company's activities.

41. The Company brings to the attention of its shareholders timely and in full information about its activities affecting the interests of shareholders in accordance with the procedure provided for by the Charter and internal documents of the Company.

42. The Company provides shareholders with reliable information about its financial and economic activities and its results. In the case of combining the tasks of implementing state policy in the implementation of the Company's activities with the main commercial activity, these goals are disclosed and brought to the attention of all shareholders, including minority shareholders.

43. In case of acquisition of shares (participation interests) in organizations by institutional investors, in order to ensure the stability and sustainability of organizations, institutional investors acting as a proxy are disclosed the corporate governance policy and regulations for their investment activities, including the current decision-making procedures in the investor's company.

Institutional investors acting as a proxy report on how they resolve significant conflicts of interest that may affect ownership rights in relation to the investments they have made.

The Company strives not to enter into transactions in which there is an interest. In the case of such transactions, the Company discloses information about the Company's affiliates and transactions.

44. The date and time of the general meeting of shareholders are set in such a way that the largest number of persons entitled to participate in it can take part in the meeting.

45. The procedure for holding the general meeting of shareholders provides shareholders with an equal opportunity to exercise their rights to participate in the general meeting. A shareholder may vote in person or through a representative (by a power of attorney issued by the shareholder personally to his representative). Votes cast in person and without personal presence have equal force. A power of attorney for participation in the general meeting of shareholders and voting on the issues under consideration is not required for a person who, in accordance with the legislation of the Republic of Kazakhstan or constituent documents, has the right to act without a power of attorney on behalf of a shareholder or represent his interests.

46. During the preparation for the general meeting of Shareholders/hearing of the Board of Directors of the Company, organizational and technical conditions are created to enable shareholders to ask questions on the agenda and materials. The Company establishes the powers of officials, the corporate secretary (or the person performing his functions) and employees of the Company to interact with shareholders and investors, as well as the procedure for providing answers to their requests.

47. The Corporate Secretary (or the person performing his functions) monitors incoming questions from shareholders and provides answers regarding the procedure for holding the general meeting of shareholders, clarifies the provisions of the legislation of the Republic of Kazakhstan and the Company's documents regarding the procedure for participation and voting at the general meeting of shareholders, as well as on other issues, if such is defined in the internal documents of the Company.

48. The Company develops and approves by the General Meeting of Shareholders the rules of procedure of the General Meeting of Shareholders, which defines the procedure for holding the general meeting of shareholders, providing for the possibility of proper discussion of issues on the agenda and decision-making, speeches of officials and other issues.

49. The Chairman of the General Meeting of Shareholders ensures that shareholders receive answers to all essential questions directly at the general meeting of shareholders.

The Chairman ensures the attendance of all members of the Board of Directors and the Management Board, heads of the internal audit service and structural divisions of the Company to answer questions at the annual general meeting.

The registration time should be sufficient for all shareholders (their representatives) to register, while shareholders who have not been registered are not taken into account when determining the quorum and do not participate in voting.

In case of reasonable absence of the heads of the Internal Audit Service and structural divisions of the Company, their deputies and/or persons competent in these matters may be present.

If the questions posed do not allow answering them immediately, the person(s) to whom they are asked provides written answers to the questions asked as soon as possible after the conclusion of the general meeting.

50. The procedure for collecting and counting votes is simple and transparent, shareholders are convinced that there is no possibility of any distortion of the voting results.

51. The voting results of the general meeting of shareholders or the results of absentee voting are brought to the attention of shareholders by publishing them in the mass media and on the Company's corporate Internet resource or sending a written notice to each shareholder within 10 (ten) calendar days after the closing of the general meeting of shareholders.

The procedure for notification of voting results is determined by the Charter.

Paragraph 5. Dividend Policy

52. Shareholders are provided with access to information regarding the conditions and procedure for the payment of dividends, as well as reliable information about the financial position of the Company when paying dividends.

To this end, the General Meeting of Shareholders (the sole shareholder) approves the dividend policy with access for all shareholders.

The holding company approves a unified dividend policy for the group, which is developed taking into account the specifics of the presence of organizations with several shareholders/participants in the structure of the group.

Organizations with several shareholders (participants) may adopt a different dividend policy of the Company and organizations approved by the general meeting of shareholders (participants).

53. The dividend policy defines the principles that guide the Board of Directors (supervisory board and/or executive body) when preparing proposals to shareholders (participants) on the distribution of net income of the Company and/or organization for the past financial year. The dividend policy is based on the following principles:

- 1) compliance with the interests of shareholders (participants);
- 2) increasing the long-term value of the organization;
- 3) ensuring the financial stability of the organization;
- 4) ensuring financing of the organization's activities, including financing of investment projects implemented at the expense of the organization;
- 5) transparency of the mechanism for determining the amount of dividends;
- 6) balance of short-term (income generation) and long-term (development of the organization) interests of shareholders (participants).

54. The dividend policy also regulates the procedure for distributing net income and determining its part to be allocated for the payment of dividends, the procedure for calculating the amount of dividends, the procedure for paying dividends, including the timing, place and form of their payment.

55. The Dividend Policy establishes the procedure for determining the share of the Company's net profit allocated for the payment of dividends.

56. The amount of dividends is calculated based on the amount of the net income of the organization reflected in the annual audited financial statements of the organization prepared in accordance with the requirements of the legislation of the Republic of Kazakhstan on accounting and financial reporting and international financial reporting standards.

57. In case of payment of dividends on ordinary shares based on the results of the quarter or half-year or distribution of retained earnings of previous years, as well as in some cases, the amount of dividends is determined by the general meeting of shareholders (the sole shareholder) in a special order when considering the approval of the procedure for the distribution of profits for the relevant periods.

58. In order to make a decision on the payment of dividends, the Board of Directors (supervisory board or executive body) submits for consideration by the general meeting of shareholders (sole shareholder)/participant (sole participant) proposals on the distribution of the Company's net income for the past financial year and the amount of the dividend for the year per one common share of the organization.

59. When considering the payment of dividends, the current state of the Company, its short-, medium- and long-term plans are taken into account.

If there is a shareholder (participant) in the organization who owns fifty percent or more of the voting shares (participation interests) or who has the right to determine decisions by virtue of agreements concluded with the organization and/or other

shareholders (participants), the redistribution of financial resources in favor of such shareholder (participant) is carried out through dividend payments.

If there are other mechanisms for the redistribution of the organization's funds in favor of a shareholder (participant) who owns fifty percent or more of the voting shares (participation interests), they are fixed in the relevant documents of the organization and disclosed to all shareholders.

60. The Company discloses to shareholders (participants) and investors information about any forms and conditions of cooperation, agreements and partnerships.

Paragraph 6. Efficient Board of Directors

61. The Board of Directors is a management body accountable to the General meeting of Shareholders, providing strategic management of the organization and control over the activities of the Management Board.

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

63. The Board of Directors performs its functions in accordance with the Law on State Property, the Law on Joint Stock Companies, the Charter of the Company, this Code, the regulations on the Board of Directors and other internal documents of the Company.

The Board of Directors pays special attention to the issues of:

- 1) determining the development strategy (directions and results);
- 2) setting and monitoring the KPIs set in the development strategy and/or development plan;
- 3) organization and supervision of the effective functioning of the risk management and internal control system;
- 4) approval and monitoring of the effective implementation of major investment projects and other key strategic projects within the competence of the board of directors;
- 5) election (re-election), remuneration, succession planning and supervision of the activities of the head and members of the executive body;
- 6) corporate governance and ethics;
- 7) compliance in the Company with the provisions of this Code and the Company's corporate standards in the field of business ethics (Code of Business Ethics).

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

- 1) act within the limits of their powers — members of the Board of Directors make decisions and act within the limits of their powers stipulated in the Law on State Property, the Law on Joint Stock Companies, as well as the Charter of the Company;
- 2) devote sufficient time to attend and prepare for meetings of the Board of Directors and its committees. A member of the Board of Directors may hold

positions in other legal entities after receiving the approval of the Board of Directors;

3) contribute to the growth of the long—term value and sustainable development of the Company - the members of the Board of directors act in the interests of the Company, taking into account the fair treatment of all shareholders and the principles of sustainable development; the impact of decisions and actions of the members of the board of directors can be determined by the following questions: what are the consequences of the decision/action in the long term; what is the impact of the organization's activities on society and the environment; will fair treatment be provided to all shareholders; impact on the Company's reputation and high standards of business ethics; influence on the interests of stakeholders (this list of issues is not exhaustive);

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

5) do not create a conflict of interest - members of the Board of Directors do not allow situations in which a personal interest may affect the proper performance of his duties as a member of the Board of Directors in the event of a conflict of interest situation, Members of the Board of Directors shall notify the Chairman of the Board of Directors in advance and shall not participate in the discussion and adoption of such decisions. This requirement also applies to other actions by a member of the board of directors that may directly or indirectly affect the proper performance of the duties of a member of the board of directors;

6) act with due diligence, skill and diligence - members of the Board of Directors continually improve their knowledge of the Board's competencies and the performance of their duties on the Board of Directors and Committees, including areas such as legislation, corporate management, risk management, finance and audit, sustainable development, knowledge of the industry and specifics of the Company's activities. In order to understand the current issues of the Company's activities, the members of the Board of Directors regularly visit the Company's key facilities and hold meetings with employees.

65. Responsibility between the Board of Directors for ensuring its activities, performance of its functions and duties, including (but not limited to) to determine the strategic directions of the Company's activities, setting tasks and specific, measurable (digitized) The KPIs and responsibility of the Management Board of the Company for the operational (current) activities of the Company, including (but not limited to) the fulfillment of the tasks set and the achievement of the established KPIs are divided and fixed in the relevant internal documents of the Company.

Members of the Board of Directors perform their duties, including fiduciary duties to the shareholder(s) and are responsible for the decisions taken, the effectiveness of their activities, actions and/or inaction. In case of different opinions, the Chairman of the Board of Directors ensures consideration of all acceptable options and proposals that are expressed by individual members of the Board of Directors in order to make a decision that meets the interests of the Company.

At the Annual General Meeting of Shareholders (hearing), the Chairman of the Board of Directors provides shareholders with:

1) the report of the board of directors, which reflects the results of the activities of the board of directors and its committees for the reporting period, the measures taken by the board of directors to increase the long—term value and sustainable development of the Company, the main risk factors, significant events, issues considered, the number of meetings, the form of meetings, attendance, as well as other important information - the report of the board The Board of Directors is included in the annual report of the Company;

2) report on the implementation of the expectations of shareholders (sole shareholder).

The Board of Directors annually reports on compliance with the provisions of this Code to the shareholders (the sole shareholder). The Board of Directors ensures the implementation of mechanisms that will help to avoid conflicts of interest that prevent the Board of Directors from fulfilling its duties objectively and limit political interference in the processes of the Board of Directors.

The sole shareholder of the Company may additionally hold meetings with the Chairman and members of the Board of Directors to discuss issues of development strategy, election of the first head of the Management Board of the Company and other aspects that affect the growth of long-term value and sustainable development of the Company. Such meetings are planned in advance and conducted in accordance with approved procedures.

66. The Board of Directors and its committees maintain a balance of skills, experience and knowledge that ensures the adoption of independent, objective and effective decisions in the interests of the Company and taking into account fair treatment of all shareholders and the principles of sustainable development.

67. Shareholders (the sole shareholder) elect (elects) members of the Board of Directors on the basis of clear and transparent procedures, taking into account the competencies, skills, achievements, business reputation and professional experience of candidates. When re-electing individual members of the Board of Directors or its full composition for a new term, their contribution to the effectiveness of the Company's Board of Directors is taken into account.

68. The term of office of the members of the Board of Directors expires at the time when the General Meeting of Shareholders (the sole shareholder) decides to elect a new board of directors.

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

70. Any term of election to the Board of Directors of the Company for a period of more than six consecutive years is subject to special consideration, taking into account the need for a qualitative renewal of the Board of Directors.

71. The same person is recommended not to be elected to the Board of Directors of the Company for more than nine consecutive years. In exceptional cases, election for a term of more than nine years is allowed, while the election of such a person to the Board of Directors of the Company takes place annually or in another period

determined by the general meeting of shareholders (the sole shareholder) Of the Company, with a detailed explanation of the need to elect this member of the Board of directors and the impact of this factor on the independence of decision-making.

No person participates in making decisions related to their own appointment, election and re-election.

72. In selecting candidates for the board of directors, account shall be taken of:

- 1) Experience in management positions;
- 2) Experience as a member of the board of directors;
- 3) length of service;
- 4) education, profession, including international certificates;
- 5) the existence of competences in areas and industries (industries may vary depending on the portfolio of assets);
- 6) business reputation;
- 7) the existence of a direct or potential conflict of interest.

73. The quantitative composition of the Company's Board of Directors is determined by the General Meeting of Shareholders (the sole shareholder). The composition of the Company's Board of Directors is determined individually, taking into account the scope of activities, business needs, current tasks, development strategy and/or development plan and financial capabilities.

74. The composition of the Board of Directors ensures decision-making in the interests of the Company and taking into account fair treatment of shareholders by a balanced combination of members of the Board of directors (representatives of shareholders, independent directors, the head of the executive body).

75. A person is not elected to the position of a member of the Board of Directors of the Company:

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

2) previously was the chairman of the board of directors, the first head (chairman of the management board), deputy head, chief accountant of another legal entity for a period not more than one year prior to the decision on compulsory liquidation or compulsory repurchase of shares, or conservation of another legal entity declared bankrupt in accordance with the established procedure. The specified requirement is applied within five years after the date of the decision on compulsory liquidation or compulsory repurchase of shares, or the preservation of another legal entity declared bankrupt in accordance with the established procedure.

The provisions specified in this paragraph are established in the Company's Charter.

76. Independent directors are present and participate in the Board of Directors. The number of members of the Board of Directors is at least three people. At least one third of the members of the Company's Board of Directors are independent directors. The number of independent directors should be sufficient to ensure the independence of decisions and fair treatment of all shareholders. The recommended number of independent directors in the Company's Board of Directors is up to fifty percent of the total number of members of the Board of Directors.

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

An independent director is a person who has sufficient professionalism and independence to make independent and objective decisions, free from the influence of individual shareholders, the executive body and other interested parties.

Requirements for independent directors are established in accordance with the legislation of the Republic of Kazakhstan and the Charter of the Company.

Independent directors actively participate, among other things, in discussing issues where a conflict of interest is possible (preparation of financial and non-financial statements, conclusion of interested-party transactions, nomination of candidates to the management Board, establishment of remuneration to members of the management board). Independent directors are elected by the chairmen of the key committees of the Board of Directors – on audit, appointments and remuneration, in other committees they are elected as chairmen.

An independent director monitors the possible loss of independence status and notifies the Chairman of the Board of Directors in advance if there are such situations. If there are circumstances affecting the independence of a member of the Board of Directors, the Chairman of the Board of Directors shall immediately bring this information to the attention of shareholders for making an appropriate decision.

77. Relations between members of the Board of Directors and the Company are formalized by contracts taking into account the requirements of the legislation of the Republic of Kazakhstan, the provisions of this Code and internal documents of the Company.

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

The contracts may provide for deadlines for the performance of certain duties by members of the Board of Directors.

78. The Company ensures that there are succession plans for the members of the Board of Directors to maintain the continuity of activities and progressive renewal of the Board of Directors.

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

80. Members of the Board of Directors elected for the first time, after their appointment, undergo an induction program. During the induction process, members of the Board of Directors become familiar with their rights and responsibilities, key aspects of the Company's activities and documents of the Company and the organization, including those related to the greatest risks.

81. The Chairman of the Board of Directors is responsible for the overall management of the Board of Directors, ensures the full and effective implementation by the Board of Directors of its main functions and building a constructive dialogue between the members of the Board of Directors, major shareholders and the Management Board of the Company.

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

To fulfill the role of chairman of the board of directors, the candidate, along with professional qualifications and experience, has special skills, such as leadership, the ability to motivate, understand different views and approaches, has conflict resolution skills.

The functions of the Chairman of the Board of Directors and the Head of the Management Board of the Company are separated and fixed in the Charter of the Company. The Head of the Management Board may not be elected Chairman of the Board of Directors of the Company.

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

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

Paragraph 7. Remuneration of board members

82. The remuneration level of the members of the Board of Directors is established by the General Meeting of shareholders (the sole shareholder) in an amount sufficient to attract and motivate each member of the Board of Directors of the level required for the successful management of the Company. The HR and Remuneration Committee of the Company's Board of Directors makes proposals on the amount of remuneration for candidates for independent directors.

83. No person participates in making decisions related to their own remuneration.

84. Remuneration fairly reflects the expected contribution of a member of the Board of Directors to improving the efficiency of the entire Board of Directors and the Company's activities.

85. When determining the amount of remuneration of a member of the Board of Directors, the expected positive effect for the Company from the participation of this person in the board of directors is taken into account. The responsibilities of the members of the Board of Directors, the scope of the Company's activities, long-term goals and objectives determined by the development strategy, the complexity of issues considered by the Board of directors, the level of remuneration in similar private sector companies (benchmarking, remuneration review) are also taken into account.

86. The level of remuneration is balanced and reasonable in order to exclude a potential negative reaction from the public caused by the establishment of an excessively high level of remuneration.

87. Disclosure of information on remuneration of members of the Board of Directors and the executive body of the Company is carried out by posting them on the corporate website.

88. As a rule, the members of the Board of Directors are paid a fixed code remuneration, as well as additional remuneration for the chairmanship of the Board of Directors, participation and chairmanship of the committees of the Board of Directors. Remuneration of a member of the Board of Directors of ne includes options or other elements related to the results of the Company's activities.

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

89. General Meeting of Shareholders (sole shareholder) The Company determines the amount and conditions of payment of remuneration and compensation of expenses to the member(s) of the Board of Directors of the Company. At the same time, the terms of remuneration of directors are reflected in the contracts concluded with them and, if necessary, in the internal document of the Company.

Paragraph 8. Committees at the Board of Directors

90. Committees are established under the Boards of Directors, whose competence includes consideration of issues related to audit, strategic planning, risk management, personnel and remuneration, as well as other issues stipulated by the Company's internal documents. Safety and environmental protection committees are established in organizations whose operations are associated with the risk of technological disasters. In order to improve the efficiency of investment decision-making, the competence of one of the committees under the Board of Directors includes issues related to the investment activities of the organization, the consideration of which is within the competence of the board of Directors. The quantitative composition of the Committee is at least 3 (three) people.

91. The existence of committees does not exempt members of the Board of Directors from responsibility for decisions taken within the competence of the Board of Directors.

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

93. The activities of all committees are regulated by internal documents approved by the Board of Directors containing provisions on the composition, competence, procedure for electing committee members, the procedure for the work of committees, as well as the rights and obligations of their members. Shareholders (sole shareholder) they can get acquainted with the regulations on committees.

94. To organize the work of the committee, the committee or the board of Directors, the secretary of the committee is appointed from among the employees of the corporate secretary service. The Secretary of the committee ensures the preparation of committee meetings, the collection and systematization of materials for meetings, timely sending to committee members and invited persons notifications of committee meetings, the agenda of meetings, materials on agenda items, minutes of meetings, preparation of draft decisions of the committee, as well as the subsequent storage of all relevant materials.

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

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

96. The Committees approve their work plan (before the beginning of the calendar year), which is coordinated with the work plan of the Board of Directors, indicating the list of issues under consideration and the dates of meetings. The frequency of committee meetings is at least four meetings per year. The meetings of the committees are held in person, with the registration of the protocol. In order to create favorable conditions and reduce the cost of holding committee meetings, the participation of committee members through technical means of communication is allowed.

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

Paragraph 9. Strategic Planning Committee

98. The Chairman of the Strategic Planning Committee is elected from among the members of the Board of Directors for the term of office of the Board of Directors at one of the first meetings of the Board of Directors. The decision on election is made by a simple majority of votes of the total number of members of the Board of Directors.

99. The Strategic Planning Committee has the right to involve experts with relevant experience and competence for the proper organization of its activities. Members of the Committee who are not members of the Board of Directors are appointed by the Board of Directors on the proposal of the Chairman of the Committee.

100. The functions of the Strategic Planning Committee are to develop and submit to the Board of Directors of the Company recommendations on the development of priority areas of the Company's activities and its development strategy, including issues on the development of measures to improve the efficiency of the Company, its long-term value and sustainable development.

Paragraph 10. Audit Committee

101. The audit committee consists of independent directors with knowledge and practical experience in the field of accounting and auditing, risk management, internal control. The Chairman of the Audit Committee is an independent director. The functions of the Audit Committee include internal and external audit, financial reporting, internal control and risk management, compliance with the legislation of the Republic of Kazakhstan, internal documents and other issues on behalf of the Board of Directors.

102. The Audit Committee evaluates candidates for auditors of the Company, as well as pre-analyzes the conclusion of the audit organization before submitting it to the Board of directors and at the general meeting of shareholders.

103. A member of the board of directors who is not independent is elected to the committee if the board of directors exceptionally decides that the membership of this person in the audit committee meets the interests of shareholders and the Company and the provision of appropriate justifications.

Paragraph 11. Committee on Personnel and Remuneration

104. The HR and Remuneration committee consists of a majority of independent directors in order to develop objective and independent decisions and to prevent the influence of interested persons (representatives of shareholders, the head of the management Board, employees and other persons) on the judgments of the committee members.

105. The members of the committee have knowledge and practical experience in the field of personnel management and evaluation of its activities, as well as in the field of corporate governance. The Chairman of the Committee is an independent director.

106. The HR and Remuneration Committee determines the criteria for the selection of candidates for members of the Board of Directors, candidates for top managers, develops the Company's policy in the field of remuneration of these persons, regularly evaluates the activities of members of the Board and top managers.

The functions of the Committee include issues of appointment (election), setting motivational KPIs, performance evaluation, remuneration and succession planning of the head and members of the Management Board, issues of appointment and remuneration of the corporate secretary and employees of the internal audit service, as

well as participation in the consideration of these issues with respect to the composition of the Board of directors itself, in cases when such powers are granted by the general meeting of shareholders (sole shareholder). In this case, the members of the HR and Remuneration Committee are not allowed to have a conflict of interest situation and do not participate in the consideration of issues of their own appointment and/or remuneration.

Paragraph 12. Organization of the Board of Directors

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

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

109. Meetings of the Board of Directors are held in accordance with the work plan approved by the Board of Directors before the beginning of the calendar year, including the list of issues under consideration and the schedule of meetings.

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

110. Consideration and decision-making on strategic issues is carried out only at meetings of the Board of Directors with face-to-face voting.

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

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

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

In order to ensure a thorough and full-fledged discussion and the adoption of timely and high-quality decisions, the issues planned for consideration during the year are evenly distributed.

113. Materials for meetings of the Board of Directors are sent at least ten calendar days in advance, and on more important issues determined by the Company's Charter, at least fifteen working days in advance, unless other deadlines are established by the Company's Charter.

114. The list of important issues includes, inter alia, the development strategy and/or development plan, the efficiency for the head and members of the management board, the annual report and participation in the creation of other legal entities.

115. The agenda of the meeting of the Board of Directors does not include issues on which materials were provided in violation of deadlines. If issues are included in the agenda in violation of deadlines, the Chairman of the Board of Directors is provided

with an exhaustive justification of this need. The circumstance connected with the inclusion of issues on the agenda with violation of deadlines is taken into account when evaluating the activities of the corporate Secretary of the Company.

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

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

2) obtaining the opinion of experts (internal and external) if necessary. The involvement of experts does not relieve the board of directors of responsibility for the decision taken;

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

4) timely consideration of issues;

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

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

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

2) formal attitude to risks;

3) pursuit of personal interests and low ethical standards;

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

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

6) weak organizational culture;

7) lack of information and/or analysis.

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

117. Each member of the Board of Directors participates in meetings of the Board of Directors and the committee of which he is a member. A deviation from this norm is allowed in exceptional cases stipulated in the regulations on the Board of Directors.

118. The quorum for holding a meeting of the Board of Directors is determined by the Charter of the Company, but not less than half of the number of members of the Board of Directors.

119. Decisions at a meeting of the Board of Directors of the Company are taken by a majority vote of the members of the Board of Directors participating in the meeting, unless otherwise provided by the legislation of the Republic of Kazakhstan, the Charter of the Company or its internal documents defining the procedure for convening and holding meetings of the Board of Directors.

120. When resolving issues at a meeting of the Company's Board of Directors, each member of the Company's Board of Directors has one vote. The transfer of voting rights by a member of the Company's Board of Directors to another person, including

another member of the Company's Board of Directors, is not allowed, except in cases provided for by the legislation of the Republic of Kazakhstan or the Company's Charter.

121. When the Board of Directors of the Company makes decisions, in case of equality of votes of the members of the Board of Directors, the right of decisive vote belongs to the Chairman of the Board of Directors of the Company.

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

123. The Board of Directors may audit previously adopted decisions. The decision and the process of its adoption are subject to analysis. The audit of previously adopted decisions is carried out when the Board of Directors evaluates its activities.

Paragraph 13. Evaluation of the Board of Directors

124. The Board of Directors, committees and members of the Board of Directors are evaluated on an annual basis. At the same time, at least once every three years, the assessment is carried out with the involvement of an independent professional organization.

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

126. Evaluation is one of the main tools for improving the professionalism of the Board of Directors and its individual members. The evaluation is carried out both for independent directors and for representatives of shareholders (sole shareholder).

The evaluation is carried out according to the principles of regularity, complexity, continuity, realism, confidentiality.

The process, terms and procedure for evaluating the activities of the Board of Directors, its committees and members of the Board of Directors are regulated by the Company's internal documents.

127. The assessment includes, inter alia, consideration of the following issues:

- 1) optimal composition of the board of directors (balance of skills, experience, diversity of composition, objectivity) in the context of the tasks facing the Company;
- 2) clarity of vision, strategy, main tasks, problems and values of Society;
- 3) succession and development plans;
- 4) functioning of the Board of directors as a single body, the role of the board of directors and the head of the management board in the Company's activities;
- 5) efficiency of interaction of the board of directors with shareholders (sole shareholder), the management board and officials of the Company;
- 6) the effectiveness of each of the members of the board of directors;

7) the effectiveness of the activities of the committees of the board of directors and their interaction with the board of directors, members of the management board;

8) quality of information and documents provided to the board of directors;

9) the quality of discussions on the board of directors, in committees;

10) efficiency of the corporate secretary;

11) clarity of processes and competencies;

12) risk identification and assessment process;

13) interaction with shareholders and other interested parties.

128. The evaluation is carried out by the Board of Directors on an annual basis, taking into account the relevant evaluation of the HR and Remuneration Committee. Assessment methods are self-assessment or the involvement of an independent consultant to improve the quality of the assessment. An independent external consultant is engaged at least once every three years.

129. The results of the evaluation are the basis for the general meeting of shareholders (sole shareholder) to re-elect the entire board of directors or its individual member, review the composition of the board of Directors and the amount of remuneration to members of the Board of Directors. If there are serious shortcomings in the performance of individual members of the Board of Directors, the Chairman of the Board of Directors consults with major shareholders (the sole shareholder).

The Board of Directors in the annual annual report reflects the method of evaluation of the Board of Directors and the measures taken on its results.

130. The sole shareholder may conduct its own assessment of the Board of Directors independently or with the involvement of an independent consultant. The evaluation carried out by the sole shareholder takes into account the results of the evaluation carried out by the Board of Directors, the results of the Company's activities, the performance of the KPIs.

Paragraph 14. Corporate Secretary of the Company

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

132. The Board of Directors makes a decision on the appointment of the corporate secretary, determines the term of his powers, functions and procedure of activity, the amount of the official salary and remuneration conditions, decides on the establishment of the service (secretariat) of the corporate secretary and determines the budget of the specified service. The Corporate Secretary is accountable to the Board of Directors of the Company and is independent from the Management Board of the Company.

133. The main responsibilities of the corporate Secretary include:

assistance in timely and high-quality corporate decision-making by the Board of Directors, the sole shareholder;

acting as an adviser to the members of the Board of Directors on all issues of their activities and the application of the provisions of this Code, as well as monitoring the

implementation of this Code and participating in the improvement of corporate governance in the Company and organizations.

The Corporate Secretary also prepares a report on compliance with the principles and provisions of this Code, which is included in the Company's annual report. This report contains a list of the principles and provisions of the Code that are not observed, with appropriate explanations.

134. The main functions of the corporate secretary in terms of ensuring the activities of the Board of Directors include, inter alia:

- 1) assistance to the chairman of the board of directors in the formation of the work plan and meeting agendas;
- 2) organization of meetings of the board of directors and its committees;
- 3) ensuring that members of the board of directors receive up-to-date and timely information sufficient to make decisions on issues on the agenda and within the competence of the board of directors;
- 4) recording of meetings of the board of directors and committees, ensuring the storage of minutes, transcripts, audio-video recordings, materials of meetings of the board of directors and committees;
- 5) advising members of the Board of Directors on the legislation of the Republic of Kazakhstan, the Company's Charter, this Code, internal documents, monitoring of changes and timely informing members of the Board of Directors;
- 6) Organization of the inauguration of newly elected members of the Board of Directors;
- 7) organization of training of members of the board of directors and involvement of experts;
- 8) organization of interaction of members of the board of directors with shareholders, the management board.

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

- 1) organization of general meetings of shareholders;
- 2) timely submission of materials on issues submitted for consideration by the general meeting of shareholders/sole shareholder for making appropriate decisions;
- 3) logging of the general meeting of shareholders, ensuring the storage of minutes, transcripts, materials of meetings of the general meeting of shareholders (decisions of the sole shareholder);
- 4) Ensuring proper interaction with shareholders, including control over the provision of information to shareholders' requests on a timely basis.

Regarding the implementation of good corporate governance practices:

- 1) Monitoring the implementation and compliance with the principles and provisions of this Code;
- 2) preparation of a report on compliance with the principles and provisions of this Code;
- 3) identification, within the framework of the performance of its functions, of violations in terms of corporate governance norms stipulated by the legislation, the Charter and other documents of the Company;

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

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

135. In case of situations with a conflict of interests, the corporate secretary brings this information to the attention of the Chairman of the Board of Directors.

136. To perform his duties, the corporate secretary has knowledge, experience and qualifications, a good business reputation. Depending on the size of the Company and the scale of its activities, a corporate secretary service may be established.

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

138. In order to improve the efficiency of the preparation and conduct of meetings, the Board of Directors periodically discusses the completeness and usefulness of the materials provided to the members of the Board of Directors. The results of these discussions serve as a basis for evaluating the effectiveness of the corporate secretary.

139. In relation to the corporate Secretary, the Company is developing a program of induction and succession planning. The appointment of the Corporate Secretary is carried out on the basis of open and transparent procedures stipulated in the Company's internal documents.

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

141. To perform their functions, the corporate Secretary is vested with the following powers:

1) request and receive from officials materials sufficient for making decisions at meetings of the board of directors and materials on the agenda of the general meeting of shareholders;

2) take measures to organize meetings of the board of directors and the general meeting of shareholders;

3) directly interact with the chairman and members of the Board of Directors, the first head and members of the management Board, employees of the Company, shareholders.

The Management Board of the Company provides the Corporate Secretary with full assistance in the performance of his/her powers.

Paragraph 15. Ombudsman of the Company

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

143. The Ombudsman is appointed by the decision of the Board of Directors of the Company and Organizations and is subject to re-election every two years. The role

of the Ombudsman is to advise employees who have applied to him, participants in labor disputes, conflict and assist them in developing a mutually acceptable, constructive and implementable solution, taking into account compliance with the norms of the legislation of the Republic of Kazakhstan (including confidentiality), assisting in solving problematic social and labor issues, both employees and Company, and organizations.

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

145. The Ombudsman at least once a year submits a report on the results of the work carried out to the HR and Remuneration Committee and the audit Committee of the Board of Directors of the Company and organizations that evaluate the results of its activities.

146. The Board of Directors of the Company and Organizations assesses the results of the Ombudsman's activities and decides on the extension or termination of the powers of the person holding the position of the Ombudsman.

Paragraph 16. Internal Audit Service at the Board of Directors of the Company

147. To exercise control over the financial and economic activities of the Company, assessment in the field of internal audit and control, risk management, compliance with the legislation of the Republic of Kazakhstan, an internal audit service is established in the Company. The Board of Directors of the Company determines the quantitative composition of the internal audit service, the term of office of its employees, appoints its head, as well as prematurely terminates his powers, determines the order of its work, the amount and conditions of remuneration and bonuses for employees of the internal audit service, as well as the budget of the internal audit service.

148. Employees of the Internal Audit Service may not be elected to the Board of Directors and the Management Board of the Company.

149. The Internal Audit Service reports directly to the Company's Board of Directors and is independent of the Company's Management Board. The tasks and functions of the internal audit service, its rights and responsibilities are determined by the regulations on the internal audit service approved by the Board of Directors of the Company.

150. The key responsibilities of the internal audit service include assessing the quality of the internal control and risk management system in the Company and informing the Board of Directors about the sufficiency and effectiveness of this system. The main task of the internal audit service is to contribute to the improvement of the Company's performance.

151. The regulations on the internal audit service define and fix:

- 1) adherence to the principles and regulations adopted by the International Institute of Internal Auditors (The Institute of Internal Auditors);

- 2) status, goals and objectives of the Company's internal audit;
- 3) conditions for ensuring the independence, objectivity and professionalism of the internal audit service in order to achieve the goals and objectives of internal audit and the effective performance by the internal audit service of its functions and responsibilities;
- 4) qualification requirements for the head and employees of the internal audit service;
- 5) scope and content of internal audit activities;
- 6) the right of access to documentation, employees and tangible assets when performing relevant tasks;
- 7) the procedure for interaction of the internal audit service with the Board of Directors and the Management Board of the Company and reporting to the audit committee and the Board of Directors of the Company.

152. The regulation on the internal audit service also provides for the following tasks and functions:

- 1) assistance to the Management Board and employees of the Company in developing and monitoring the implementation of procedures and measures to improve the risk management and internal control system, corporate governance;
- 2) coordination of activities with the external auditor of the Company, as well as persons providing consulting services in the field of risk management, internal control and corporate governance;
- 3) conducting an internal audit of subsidiaries within the established procedure;
- 4) preparation and submission to the board of directors and the audit committee of quarterly and annual reports on the results of the internal audit unit and the implementation of the annual audit plan (including information on significant risks, deficiencies, results and effectiveness of measures to eliminate identified deficiencies, the results of the assessment of the actual condition, reliability and effectiveness of the risk management system, internal control and corporate governance);
- 5) verification of compliance by members of the Company's Management Board and its employees with the provisions of the legislation of the Republic of Kazakhstan and internal documents related to insider information and anti-corruption, compliance with ethical requirements;
- 6) monitoring the implementation of the recommendations of the external auditor;
- 7) providing advice to the board of directors, the management board, structural divisions and subsidiaries on the organization and improvement of internal control, risk management, corporate governance and the organization of internal audit (including the development of internal regulatory documents and projects in these areas), as well as on other issues within the competence of the internal audit service.

153. Evaluation of the effectiveness of the internal audit service, its head and employees is carried out by the Board of Directors on the basis of consideration of the reports of the internal audit service, compliance with the deadlines for the annual audit

plan and reporting, assessment of compliance of reports with the requirements of standards and internal regulatory documents of the internal audit service.

Paragraph 17. Board

154. The management of the Company's current activities is carried out by the Management Board.

The head and members of the Management Board have high professional and personal characteristics, a good business reputation, and adhere to ethical standards.

The head of the Management Board has organizational skills, also works in active interaction with shareholders and constructively builds a dialogue with them, the board of directors, employees and other interested parties.

155. The Management Board is accountable to the Board of Directors and manages the day-to-day activities of the Company, is responsible for the implementation of the development strategy and/or development plan and decisions adopted by the Board of Directors and the general meeting of shareholders.

156. The Board of Directors elects the head and members of the Management Board, determines the terms of office, the amount of the official salary, the terms of payment for their work. The HR and Remuneration Committee of the Company's Board of Directors plays a key role in the process of searching and selecting candidates to the Management Board and determining their remuneration.

157. Proposals on candidates for election to the Management Board for consideration by the HR and Remuneration Committee of the Board of Directors are submitted by the Head of the Management Board. If the Board of Directors rejects a candidate proposed by the head of the Management Board for the same vacant position in the management board for the second time, the right to make a proposal for a candidate for this vacant position passes to the Board of Directors.

158. The Board of Directors may terminate the powers of the Head and members of the Management Board at any time.

159. The head and a member of the Management Board of the Company is elected for a term of up to three years. The terms of office of the head and members of the Management Board coincide with the term of office of the Management Board.

160. In order to increase the transparency of the processes of appointment and remuneration of the head and members of the Management Board of the Company, the Board of Directors approves and strictly adheres to the rules on appointments, remuneration, evaluation and succession of the head and members of the Management Board of the Company.

161. The Management Board, under the guidance of the Board of Directors, develops a development strategy and/or a development plan for the Company.

The Board provides:

- 1) carrying out activities in accordance with the norms of the legislation of the Republic of Kazakhstan, the Charter and internal documents of the Company, decisions of the general meeting of shareholders, the Board of Directors;
- 2) proper risk management and internal control;

- 3) allocation of resources for the implementation of decisions of the general meeting of shareholders (sole shareholder), the board of directors;
- 4) safety of the Company's employees;
- 5) creation of an atmosphere of interest and loyalty of the Company's employees, development of corporate culture.

162. The Board of Directors exercises control over the activities of the Company's Management Board. Control can be implemented by providing the Management Board with regular reports to the Board of Directors and hearing the Management Board on the implementation of medium-term development plans and achieved results at least once a quarter.

163. The Management Board holds face-to-face meetings and discusses the implementation of the development strategy and/or development plan, decisions of the General Meeting of Shareholders (sole shareholder), the Board of Directors and operational activities. Board meetings are held on a regular basis. The cases of holding absentee meetings are limited and defined in the Charter and internal documents of the Company.

164. The Board forms a work plan for the coming year with a list of issues before the beginning of the calendar year. Members of the Board are provided with materials for consideration in advance, of proper quality. When considering issues such as development strategies and/or development plans, investment projects, risk management, several meetings are allowed.

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

All issues submitted on the initiative of the Board for consideration by the Board of Directors and the General Meeting of Shareholders (sole shareholder) are pre-considered and approved by the Board.

165. The head and members of the Board do not allow a situation with a conflict of interests to arise. If a conflict of interest arises, they notify the board of directors or the head of the Board in advance, fix it in writing and not participate in making a decision on the issue.

166. The head and members of the management Board may hold positions in other organizations only with the approval of the board of directors. The head of the Department does not hold the position of head of the department of another legal entity.

167. The Board ensures the creation of an optimal organizational structure of the Company.

Организационная структура направлена на:

- 1) efficiency of decision-making;
- 2) increasing the productivity of Society;
- 3) efficiency of decision-making;
- 4) organizational flexibility.

The selection of candidates for vacant positions of the Company is carried out on the basis of open and transparent competitive procedures. Career advancement and financial incentives for the Company's employees are carried out in accordance with the principles of meritocracy, taking into account the level of knowledge,

competencies, work experience and achievement of the tasks set. A pool of personnel reserve employees is formed in the Company, from which appointments to senior positions of middle and top management can be made in the future. Employees are evaluated on an annual basis.

Personnel selection procedures are implemented according to the following requirements:

openness and absence of restrictions for holding positions for a wide range of people, ensuring the principle of equality of opportunities, which contribute to increased competition and selection of worthy applicants who meet the requirements of professionalism and competence;

impartial recruitment and complete absence of protectionism, patronage system of admission (based on the principle of loyalty, ethnicity, family ties and personal friendship);

legal regulation, including in matters of fixing the principles and criteria for evaluating candidates, excluding conditions for subjectivity in making a decision.

Paragraph 18. Assessment and remuneration of members of the Board of the Company

168. The Head and members of the Management Board are evaluated by the Board of Directors. The main evaluation criterion is the achievement of the set KPIs.

The KPIs of the head and members of the Management Board are approved by the Board of Directors of the Company. Proposals regarding the KPIs of members of the Management Board are submitted to the Board of Directors by the head of the Management Board.

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

170. Remuneration of the head and members of the management Board consists of a constant and variable part. When setting the official salary, the complexity of the tasks performed, the personal competencies of the employee and his competitiveness in the market, the contribution made by this person to the development of the Company, the level of official salaries in similar companies, the economic situation in the Company are taken into account.

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

Paragraph 19. The principle of sustainable development

172. The Company is aware of the importance of its influence on the economy, the environment and society, striving to increase long-term value, ensure its sustainable development in the long term, observing the balance of interests of stakeholders. The approach of responsible, thoughtful and rational interaction with stakeholders will contribute to the sustainable development of the Company.

173. The Company strives to increase long-term value, ensure sustainable development, and maintain a balance of interests of stakeholders. Activities in the field of sustainable development comply with the best international standards.

The Company, in the course of its activities, influences or is influenced by interested parties.

Stakeholders can have both positive and negative impact on the Company's activities, namely, the growth of the Company's value, sustainable development, reputation and image, create or remove risks. The Company attaches great importance to proper interaction with stakeholders.

174. The Company uses international standards of definition and interaction with stakeholders when identifying and interacting with them (AA 1000 Accountability Principles Standard 2008 (AA 2011 Stakeholder Engagement Standard), ISO 26000 Social Responsibility Guide (Social Responsibility Guidance), GRI (Global Reporting Initiative), listed under Annex 1 to this Code.

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

175. The Company draws up a map of stakeholders, taking into account risks and ranking, taking into account dependencies (direct or indirect), obligations, situations (paying special attention to high-risk areas), influences, different (diverse) perspectives.

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

177. Methods of interaction with stakeholders include the following forms (AA 1000 «Stakeholder engagement standard» 2011 (AA 2011 Stakeholder engagement standard 12011) listed in accordance with Annex 2 to this Code.

178. The company ensures coherence of its economic, environmental and social goals for sustainable development in the long term, which includes, inter alia, growth of long-term value for shareholders and investors. Sustainable development in the Society has three components: economic, environmental and social.

179. The economic component directs the Company's activities to increase long-term value, ensure the interests of shareholders and investors, increase the efficiency of processes, increase investments in the creation and development of more advanced technologies, increase labor productivity.

180. The environmental component ensures the minimization of the impact on biological and physical natural systems, the optimal use of limited resources, the use of environmentally friendly, energy- and material-saving technologies, the creation of environmentally acceptable products, minimization, recycling and destruction of waste.

181. The social component is focused on the principles of social responsibility, which, among other things, include ensuring occupational safety and health of employees, fair remuneration and respect for the rights of employees, individual development of personnel, implementation of social programs for personnel, creation of new jobs, sponsorship and charity, environmental and educational campaigns.

182. The Company conducts an analysis of its activities and risks in these three aspects, and also strives to prevent or remove the negative impact of the results of its activities on interested parties.

183. International standards GRI 4 classify the categories and aspects of sustainable development of Companies, according to Annex 3 to this Code.

184. The Company is building a management system in the field of sustainable development, which includes, inter alia, the following elements:

- 1) commitment to the principles of sustainable development at the level of the board of directors, executive body and employees;
- 2) analysis of the internal and external situation on three components (economy, ecology, social issues);
- 3) identification of risks in the field of sustainable development in the social, economic and environmental spheres;
- 4) building a stakeholder map;
- 5) definition of goals and KPIs in the field of sustainable development, development of an action plan and identification of responsible persons;
- 6) integration of sustainable development into key processes, including risk management, planning, human resource management, investments, reporting, operational activities and others, as well as into development strategy and decision-making processes;
- 7) professional development of officials and employees in the field of sustainable development;
- 8) regular monitoring and evaluation of activities in the field of sustainable development, assessment of the achievement of goals and KPIs, the adoption of corrective measures, the introduction of a culture of continuous improvement.

185. The Board of Directors and the Management Board of the Company ensure the formation of an appropriate system in the field of sustainable development and its implementation.

All employees and officials at all levels contribute to sustainable development.

Holding companies are responsible for implementing the principles of sustainable development throughout the group.

186. The Company develops action plans in the field of sustainable development through:

- 1) analysis of the current situation in three main areas: economic, environmental and social. When conducting this analysis, the reliability, timeliness and quality of information is important;
- 2) identification of risks in the field of sustainable development. Risks are distributed in accordance with the three directions of sustainable development, they can also affect funny directions and capture other risks. To determine the risks, an analysis of both internal and external factors of impact on the Company is carried out;
- 3) identification of stakeholders and their impact on the activities;
- 4) defining goals, as well as, if possible, targets, measures to improve and improve the organization's activities in three components, responsible persons, resources and deadlines;

- 5) regular monitoring and evaluation of the implementation of goals, measures to achieve targets;
- 6) systematic and constructive interaction with stakeholders, receiving feedback;
- 7) implementation of the formed plan;
- 8) continuous monitoring and regular reporting;
- 9) analysis and evaluation of the effectiveness of the plan, summing up and taking corrective and improving measures.

Sustainable development is integrated into:

- 1) control system;
- 2) development strategy;
- 3) key processes, including risk management, planning (long-term (strategy), medium-term (five-year development plan) and short-term (annual budget) periods), reporting, risk management, human resource management, investments, operational activities and others, as well as decision-making processes at all levels from the authorities (general meeting of shareholders (sole shareholder), board of directors, management board), and ending with ordinary employees.

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

188. The Board of Directors of the Company carries out strategic management and control over the implementation of sustainable development. The Management Board of the Company forms an appropriate action plan and submits it for consideration by the Board of Directors.

In order to prepare sustainable development issues, a committee is created or these functions are delegated to the competence of one of the existing committees under the Board of Directors of the Sustainable Development Issues Company.

The Company implements special training and advanced training programs on sustainable development issues. Training is a permanent element in the implementation of sustainable development. The Company's officials promote the involvement of employees in sustainable development on the basis of understanding and commitment to the principles of sustainable development and changing culture, behavior when conducting activities and performing duties.

189. The benefits of implementing the principles of sustainable development include:

- 1) attracting investments – in world practice, when determining the investment attractiveness of investors, efficiency in the field of sustainable development is taken into account;
- 2) improving managerial efficiency and minimizing risks – integrating environmental and social aspects into the management decision-making process allows you to expand planning horizons and take into account a more diverse range of risks and opportunities, which creates prerequisites for sustainable business development;

3) efficiency improvement – the introduction of modern technologies allows you to create innovative products and services, while increasing your competitiveness and efficiency;

4) strengthening the reputation – improving the corporate image is a direct result of activities in the field of sustainable development, which increases the value of the brand and creates a credit of trust, as well as has a positive impact on the quality of interaction with business partners;

5) increasing loyalty on the part of internal and external stakeholders — creating attractive working conditions, opportunities for professional and career growth allows attracting and retaining promising qualified specialists; building an effective dialogue with stakeholders contributes to the formation of a positive environment around the Company's activities, which contributes to improving business efficiency through understanding and support from customers, shareholders, investors, government agencies, local population, public organizations.

190. The report on sustainable development is approved by the Board of Directors and brought to the attention of interested parties by posting on the corporate Internet resource and/or providing on paper.

In order to bring the policy of sustainable development to the attention of stakeholders, the Internet resource of the Company and organizations contains a separate section dedicated to this field of activity.

191. The Company and organizations discuss the inclusion and compliance with the principles and standards of sustainable development in the relevant contracts (agreements, contracts) with partners.

If the Company or the organization identifies a risk associated with the partners' negative impact on the economy, the environment and society, the Company and/or the organization takes measures aimed at stopping or preventing such impact.

If a partner does not accept or improperly implements the principles and standards of sustainable development, the importance of this partner for Company and the organization is taken into account, and whether there are measures to influence it and the possibility of its replacement.

Paragraph 20. Risk management

192. The Company is creating an effectively functioning risk management and internal control system aimed at ensuring that the Company achieves its strategic and operational goals, and represents a set of organizational policies, procedures, standards of conduct and actions, methods and management mechanisms created by the Board of Directors and the Management Board of the Company to ensure:

1) an optimal balance between the growth of the Company's value, profitability and the risks associated with them;

2) efficiency of financial and economic activity and achievement of financial stability of the Company;

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

4) completeness, reliability and reliability of financial and management reports;

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

6) proper internal control to prevent fraud and ensure effective support for the functioning of the main and auxiliary business processes and analysis of performance.

193. The Board of Directors of the Company approves internal documents defining the principles and approaches to the organization of the risk management and internal control system based on the objectives of this system.

The organization of an effective risk management and internal control system in the Company is aimed at building a management system capable of ensuring that employees, management, and Company bodies understand the reasonableness and acceptability of the risk level when making decisions, respond quickly to risks, exercise control over the main and auxiliary business processes and daily operations, as well as immediately inform the management of the relevant the level of any significant drawbacks.

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

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

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

3) requirements for the organization of the risk management process (approaches to response methods, monitoring);

4) requirements for the organization of the internal control system and the conduct of control procedures (characteristics of the key areas and main components of the internal control system, the procedure for evaluating the effectiveness and reporting in the field of internal control).

195. The Company's internal documents establish the responsibility of the Board of Directors and the Management Board of the Company to organize and ensure the effective functioning of the risk management and internal control system on a consolidated basis.

196. Each person of the Company ensures proper consideration of risks when making decisions.

The Management Board of the Company ensures the implementation of risk management procedures by employees with appropriate qualifications and experience.

197. The Management Board of the Company:

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

2) ensures the creation and effective functioning of the risk management and internal control system through the practical implementation and continuous

implementation of the principles and procedures of risk management and internal control assigned to it;

3) responsible for the implementation of decisions of the board of directors and recommendations of the audit committee in the field of risk management and internal control system organization;

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

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

198. In order to implement the principles of internal control and ensure the effectiveness of the risk management and internal control system, the Company's Management Board distributes powers, responsibilities and responsibility for specific risk management and internal control procedures among the managers of the following level and/or heads of structural divisions.

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

200. The organizational structure of the risk management and internal control system in the Company (depending on the scope and specifics of its activities) provides for the existence of a structural unit responsible for risk management and internal control issues (or these functions may be assigned to the internal audit service), whose tasks include:

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

2) development of methodological documents in the field of risk management and internal control and provision of methodological support to business process owners and employees in the process of identifying, documenting risks, implementing, monitoring and improving control procedures, forming action plans to respond to risks and action plans to improve the risk management and internal control system, reports on their implementation;

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

4) analysis of the risk portfolio and development of proposals for a response strategy and reallocation of resources in relation to the management of relevant risks;

5) formation of consolidated risk reporting;

6) 6) implementation of operational control over the risk management process by structural divisions;

7) preparing and informing the Board of Directors and/or the Management Board of the Company about the status of the risk management system, existing threats and proposals for their prevention/leveling.

The manager in charge of the risk management and internal control function is not the owner of the risk, which ensures its independence and objectivity. It is impossible to combine risk management and internal control functions with functions related to economic planning, corporate finance, treasury, and investment decision-

making. Combination with other functions is allowed if there is no significant conflict of interest.

201. The risk management and internal control system provides for the identification, assessment and monitoring of all significant risks, as well as the adoption of timely and adequate measures to reduce the level of risks.

Risk management procedures ensure rapid response to new risks, their identification and identification of risk owners. In case of any unforeseen changes in the competitive or economic environment of the Company, the risk map is reassessed and its compliance with risk appetite.

202. The Board of Directors approves the general level of risk appetite and tolerance levels in relation to key risks, which are fixed by the Company's internal documents.

203. Tolerance levels for key risks are reviewed in the event of significant events. Limits that limit risks in daily activities are stopped.

204. For a holistic and clear understanding of the inherent risks in the Company, risks are identified and assessed on an annual basis, which are reflected in the risk register, risk map, risk response plan (process improvement, minimization strategies) approved by the Board of Directors.

205. When considering the list of risks, the Board of Directors ensures that risks that can really affect the implementation of strategic objectives are included in them, and when considering the plan of measures to respond to risks, make sure that the measures are useful. The Board of Directors and the Management Board of the Company regularly receive information about key risks and their analysis in terms of their impact on the Company's strategy and business plans.

Risk reports are submitted to meetings of the Board of Directors at least once a quarter and discussed properly in full.

206. The Company implements transparent principles and approaches in the field of risk management and internal control, the practice of training employees and officials about the risk management system, as well as the process of documenting and timely communication of information to officials.

207. Employees of the Company and organizations annually, as well as when hiring, undergo training / introductory instruction to familiarize themselves with the adopted risk management and internal control system.

Based on the results of such training, knowledge testing is carried out.

208. Within the framework of the risk management and internal control system, a safe, confidential and accessible way is organized to inform the Board of Directors, the audit committee and the internal audit unit about violations of the legislation of the Republic of Kazakhstan, internal procedures, the Code of Business Ethics by any employee and official of the Company.

Paragraph 21. Internal control and audit

209. The Company is creating an internal audit service for a systematic independent assessment of the reliability and effectiveness of the risk management and internal control system and corporate governance practices.

210. In organizations in the form of a joint-stock company that are part of the Company, a separate structural unit is created - the internal audit service.

211. The Internal Audit Service carries out its activities on the basis of a risk-based annual audit plan approved by the Board of Directors of the Company.

212. The results of audit reports, key findings and relevant recommendations are submitted quarterly to the Board of Directors.

213. In carrying out its activities, the internal audit service evaluates the effectiveness of the internal control system and risk management system, assesses corporate governance using generally accepted standards of internal audit and corporate standards.

Evaluation of the effectiveness of the internal control system includes:

1) conducting an analysis of the compliance of the goals of business processes, projects and structural units with the goals of the Company, checking the reliability and integrity of business processes (activities) and information systems, including the reliability of procedures for countering illegal actions, abuse and corruption;

2) verification of the reliability of accounting (financial), statistical, managerial and other reporting, identification of the results of business processes and structural units for compliance with the set goals;

3) determination of the adequacy of the criteria established by the Management Board of the Company to analyze the degree of performance (achievement) of the set chains;

4) identification of shortcomings of the internal control system that did not allow (do not allow) to achieve the set goals;

5) evaluation of the results of the implementation (implementation) of measures to eliminate violations, deficiencies and improve the internal control system implemented at all levels of management;

6) checking the efficiency and appropriateness of the use of resources;

7) verification of the safety of the Company's assets;

8) verification of compliance with the requirements of the legislation of the Republic of Kazakhstan, the Charter and internal documents of the Company.

The assessment of the effectiveness of the risk management system includes:

1) verification of sufficiency and maturity of elements of the risk management system for effective risk management (goals and objectives, infrastructure, organization of processes, regulatory and methodological support, interaction of structural units within the risk management system, reporting);

2) verification of completeness of identification and correctness of risk assessment by the executive body at all levels of its management;

3) verification of the effectiveness of control procedures and other risk management measures, including the effectiveness of the use of resources allocated for these purposes;

4) analysis of information on realized risks (violations identified by the results of internal audits, facts of failure to achieve goals, facts of litigation).

Corporate governance assessment includes verification:

1) compliance with ethical principles and corporate values of the Company;

2) the procedure for setting goals, monitoring and controlling their achievement;

3) the level of regulatory support and procedures for information interaction (including on internal control and risk management) at all levels of management, including interaction with stakeholders;

4) ensuring the rights of shareholders, including controlled organizations, and the effectiveness of relations with interested parties;

5) procedures for disclosure of information about the activities of the Company and its controlled organizations.

214. The Company conducts annual audit of financial statements through the involvement of an independent auditor who provides an objective opinion to interested parties on the reliability of financial statements and their compliance with the requirements of the International Financial Reporting Standard.

215. The selection of an external auditor is carried out on the basis of a competition. The selection takes into account the opinion of the audit Committee of the Board of Directors of the Company, whose members are included in the composition of the competition commission.

When determining the independence of the members of the commission for the selection of an external auditor, the following main parameters are taken into account:

the nature of financial or business relations of each member of the commission with an external auditor;

the nature of the family ties of each member of the commission with representatives of the external auditor.

216. The external auditor involved does not provide consulting services to the Company that may threaten the independence of the external auditor, does not practice cases of hiring former members of the audit team to senior positions earlier than two years after their dismissal from the audit organization.

The Company provides disclosure of detailed information about the external auditor involved.

The company regulates the issues of selection and interaction with an external auditor.

217. Interested parties verify the reliability of the Company's financial statements by engaging an external auditor who meets the following criteria:

high level of qualification of audit organization specialists; significant work experience and positive reputation (in Kazakhstan and international market (if necessary));

having experience in the industry;

compliance by the auditing organization with international auditing standards, the legislation of the Republic of Kazakhstan in the field of auditing, the Code of Ethics of Professional Accountants of the International Federation of Accountants;

the effectiveness of work on identifying shortcomings and providing recommendations for improving internal controls on the process of preparing financial statements.

218. The Company approves documents regulating the procedure for conducting an audit and relations with an external auditor, including the process of selecting an external auditor, the powers and functions of the competition commission, the provision of consulting services by an audit organization that are not related to the audit

of financial statements and other information, the rotation of audit organizations and senior personnel of an audit organization, issues of admission to the work of former employees of the audit organization.

219. The rotation of partners and senior personnel responsible for the audit of financial statements is carried out at least once every five years, if the audit organization provides audit services to the Company for more than 5 consecutive years.

Paragraph 22. Corporate Conflict Management

220. Members of the Board of Directors and the Management Board of the Company, employees of the Company, perform their professional functions in good faith and reasonably in the interests of shareholders and the Company, avoiding conflicts.

In case of corporate conflicts, the participants find ways to resolve them through negotiations in order to ensure effective protection of the interests of the Company and interested parties.

The Company's officials promptly inform the Corporate Secretary and/or the Ombudsman about the presence (occurrence) of a conflict.

The effectiveness of work on the prevention and settlement of corporate conflicts presupposes the full and speedy identification of such conflicts and coordination of actions of all organs of the Company.

221. Corporate conflicts with the assistance of the Corporate Secretary and/or the Ombudsman are considered by the Chairman of the Board of Directors of the Company. If the Chairman of the Board of Directors is involved in a corporate conflict, such cases are considered by the HR and Remuneration Committee.

222. Shareholders (sole shareholder), in order to prevent interference by state bodies in the Company's operational activities, as well as to increase the responsibility of the boards of directors for decisions taken, should avoid electing members of the board of directors who are representatives of state bodies.

223. In order to ensure the objectivity of the assessment of the corporate conflict and create conditions for its effective settlement, persons whose the interests of the settlement.

If it is impossible to resolve corporate conflicts through negotiations, they are resolved strictly in accordance with the legislation of the Republic of Kazakhstan.

224. The Board of Directors develops and periodically reviews the policy and rules for resolving corporate conflicts, in which their resolution will meet the interests of the Company and shareholders.

225. The Board of Directors settles corporate conflicts on issues within its competence. In this case, the Corporate Secretary and/or the Ombudsman are responsible for ensuring that the Board of Directors is aware of the essence of the corporate conflict and the role of an intermediary in resolving the corporate conflict.

226. The Chairman of the Management Board, on behalf of the Company, settles corporate conflicts on all issues on which decision-making is not within the competence of the Board of Directors of the Company, and also independently determines the procedure for resolving corporate conflicts.

227. The Board of Directors considers individual corporate conflicts within the competence of the Management Board.

Paragraph 23. Regulation of conflicts of interest

228. A conflict of interest is defined as a situation in which the personal interest of an employee of the Company affects or may affect the impartial performance of official duties.

229. The Company's employees do not allow a situation in which a conflict of interests may arise, either in relation to themselves (or related persons), or in relation to others.

In order to avoid conflicts of interest that prevent the Board of Directors from fulfilling its duties objectively and to limit political interference in the processes of the Board of Directors of the Company, mechanisms are being put in place to prevent and regulate them.

230. The basic principles of conflict of interest prevention, methods of their identification, assessment and resolution are fixed in the Company's Code of Business Ethics approved by the Board of Directors.

Paragraph 24. Principle of transparency and objectivity of disclosure of information about the Company's activities

231. In order to comply with the interests of interested parties, the Company promptly and reliably discloses information provided for by the legislation of the Republic of Kazakhstan and internal documents of the Company, as well as information about its activities, including financial condition, results of operations, ownership and management structure.

232. The Company approves internal documents defining the principles and approaches to disclosure and protection of information, a list of information disclosed to interested parties, terms, procedure, method, form of disclosure of information; responsible officials and employees, indicating their functions and responsibilities, as well as other provisions governing the disclosure of information.

The Company, in accordance with the legislation of the Republic of Kazakhstan and the Charter of the Company, determines the procedure for classifying information into categories of access, conditions for storing and using information.

The Company determines the circle of persons who have the right of free access to information constituting commercial and official secrets, and takes measures to protect its confidentiality.

233. The head of this division is appointed a person with practical experience in the financial sector, who understands the specifics of the industry in which the Company operates.

234. The Company's Internet resource is structured, user-friendly navigation and contains information sufficient for interested persons to understand the Company's activities. The information is placed in separate thematic sections of the Internet resource.

235. Updating of the Internet resource is carried out at least once a week. The Company regularly monitors the completeness and relevance of information posted on the Internet resource, and also determines the compliance of this information posted on the Kazakh, Russian, English versions of the Internet resource. For these purposes, responsible persons (structural unit) responsible for the completeness and relevance of information on the Internet resource are assigned.

236. The Internet resource of the Companies contains the following information:

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

2) on the development strategy and/or development plan (strategic goals); priority areas of activity;

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

4) about ethical principles;

5) about risk management;

6) about the dividend policy;

7) about the members of the board of directors, including the following information: photo (in agreement with a member of the board of directors), surname, first name, patronymic, date of birth, citizenship, status of a member of the board of directors (independent director, shareholder representative), indication of the functions of a member of the board of directors, including membership in the committees of the board of directors or performance functions of the chairman of the board of directors, education, including basic and additional education (name of educational institution, year of graduation, qualification, degree), work experience over the past five years, main place of work and other positions currently held, professional qualifications, date of first election to the board of directors and date of election to the current board of directors, number and share of shares owned by affiliated organizations, criteria of independent directors;

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

9) about financial statements;

10) about annual reports;

11) about the external auditor;

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

13) on the structure of the authorized capital, including the following information: the number and nominal value of issued shares (participation shares), a description of the rights granted by shares, the number and nominal value of declared but outstanding shares, the composition of shareholders (participants), the number and share of

common shares (participation shares) owned by them, the procedure for disposing of ownership rights;

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

15) about the annual calendar of corporate events;

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

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

18) on activities in the field of sustainable development;

19) on the amount of approved dividends;

20) about news and press releases.

237. The Company prepares an annual report in accordance with the provisions of this Code and the practice of information disclosure.

The Annual Report is approved by the Board of Directors.

238. The annual report is a structured document and is published in Kazakh, Russian and English (if necessary).

The annual report is prepared and posted on the Internet resource before the Annual General Meeting of Shareholders (sole shareholder).

239. The requirements for the content of the annual report assume the following information

1) address of the Chairman of the Board of Directors of the Company;

2) address of the head of the management board;

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

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

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

6) goals and plans for future periods;

7) main risk factors and risk management system;

8) corporate governance: corporate governance structure; composition of shareholders and ownership structure; composition of the board of directors, including qualifications, selection process, including independent directors with criteria for

determining their independence; report on the activities of the board of directors and its committees; information on the compliance of corporate governance practices with the principles of this Code, and when it explanations on the reasons for non-compliance with each of the principles; composition of the Company's Management Board; report on the activities of the management board; remuneration policy of officials;

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

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

11) the analytical indicators and data included in the annual report reflect the comparative analysis and the progress achieved (regression) in relation to the previous period (comparison with the values of similar indicators indicated in the last annual report). In order to compare the indicators with international companies operating in a similar industry, performance indicators are published that will allow for an industry benchmarking analysis.

The holding company is allowed to prepare an annual report on a consolidated basis for the entire group.

Annex 1
to the Model Code of Corporate
Governance
of «Medical University of
Karaganda» NCJSC

International standards for definition and stakeholder engagement

Stakeholders	Contribution, influence	Expectations, interest
Investors, including shareholders, second-tier banks	Financial resources (equity, borrowed funds)	Return on investment, timely payment of dividends, principal and remuneration
Employees, officials	Human resources, loyalty	High wages, good working conditions, professional development
Trade unions	Promotion of social stability, regulation of labor relations and conflict resolution	Observance of workers' rights, good working conditions
Customers	Financial resources by purchasing products (goods and services) of the organization	Obtaining high-quality, safe goods and services at an affordable price
Suppliers	Supply of resources (goods, works and services) to create value	Reliable sales market, permanent solvent buyer
Local communities, the population in the places of activity, public organizations	Support in places of activity, loyalty and support of local authorities, favorable attitude, cooperation	Creation of additional jobs, development of the region
Government, State bodies, Parliament	State regulation	Taxes, solving social problems

Annex 2
to the Model Code of Corporate
Governance
of «Medical University of
Karaganda» NCJSC

Methods of interaction with stakeholders

Level of interaction	Methods of interaction
Consultations: two-way interaction; interested parties answer questions from the Company and organizations	Questionnaires; focus groups; meetings with stakeholders; public meetings; seminars; providing feedback through communication tools; advisory councils
Negotiation	Collective bargaining based on the principles of social partnership
Involvement: Bilateral or multilateral interaction; building experience and knowledge from all sides.,	Multilateral forums; consultation panels; consensus-building process; joint decision-making process; focus groups; feedback schemes
Cooperation: Bilateral or multilateral cooperation; joint development of experience and knowledge, decision-making and measures	Joint projects; joint ventures; partnerships; joint initiatives of stakeholders
Granting of authority interested parties (if applicable) take part in the management	Integration of stakeholder engagement into management, strategy and operations

Annex 2
to the Model Code of Corporate
Governance
of «Medical University of
Karaganda» NCJSC

Classification of categories and dimensions of sustainable development

Category	Aspects
Economic	'Economic performance; market presence; indirect economic impacts; procurement practices
Ecological	Materials; energy; water; biodiversity; emissions; discharges and waste; products and services; compliance; transport; general information; environmental assessment of suppliers; mechanisms for filing complaints about environmental problems
Social	The practice of labor relations and decent work, include, among others, suppliers, mechanisms for filing complaints about the practice of labor relations
	Human rights include, inter alia, investment, non-discrimination, freedom of association and collective bargaining, child labor, forced or compulsory labor, security practices, rights of indigenous and small peoples, assessment of compliance with: suppliers of human rights, mechanisms for filing complaints of human rights violations
	The Company includes, inter alia, local communities, anti-corruption, public policy, non-obstruction of competition, compliance with requirements, assessment of the impact of suppliers on company, mechanisms for filing complaints about the impact on company
	Product responsibility includes, inter alia, consumer health and safety, labeling of products and services, marketing communications, consumer privacy, compliance with requirements