

APPROVED
decision of the Board of Directors
Kazyna Capital Management JSC
dated March 18, 2021 No. 05/21

Application No. 6
to the minutes of the meeting
Board of Directors of a Joint Stock Company
"Kazyna Capital Management"
March 18, 2021
(Minutes No. 05/21)

Regulations
about the Audit and Risk Committee of the Board of Directors
joint-stock company Kazyna Capital Management»

Chapter 1. General Provisions

1. This Regulation on the Audit and Risk Committee of the Board of Directors of Kazyna Capital Management Joint Stock Company (hereinafter referred to as the Regulation) is an internal regulatory document of Kazyna Capital Management Joint Stock Company (hereinafter referred to as the Company) and was developed in accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies", the Charter, the Corporate Governance Code and the Regulations on the Board of Directors.

Paragraph 2 was amended in accordance with the decision of the Board of Directors of Kazyna Capital Management JSC dated December 28, 21, No. 22/21 (see previous edition)

2. Concepts and definitions used in this Regulation:

Sole shareholder - Joint Stock Company "National Managing Holding "Baiterek";

Legislation - a set of normative legal acts of the Republic of Kazakhstan, adopted in the prescribed manner;

Committees - committees of the Board of Directors of the Company (Committee for Strategic Planning and Corporate Development, Committee for Audit and Risks, Committee for Personnel, Remuneration and Social Issues);

Committee - the Committee for Audit and Risks of the Board of Directors of the Company;

Corporate Secretary - Corporate Secretary of the Company;

An independent director is a member of the Board of Directors who is not an affiliate of the Company and has not been an affiliate for the three years preceding his election to the Board of Directors (except for the case of his tenure as an independent director of this joint-stock company), is not affiliated with affiliated persons of this joint-stock company; is not connected by subordination with officials of the Company or organizations - affiliated persons of the Company and was not connected by subordination with these persons within three years preceding his election to the Board of Directors; is not a public servant; is not a representative of a shareholder at meetings of the Company's bodies and has not been so for three years prior to his election to the Board of Directors; does not participate in the audit of the 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;

Anti-corruption compliance service - a service of the Company, the main task of which is to ensure compliance by the Company and its employees with the legislation of the Republic of

Kazakhstan on combating corruption, as well as other tasks and functions stipulated by the internal regulatory documents of the Company;

Internal Audit Service - a body exercising control over financial and economic activities, assessment in the field of internal control, risk management, execution of documents in the field of corporate governance and consulting in order to improve the Company's activities;

The Board of Directors is a governing body;

The Board is the executive body;

Charter - the charter of the Society.

3. These Regulations determine the status, competence, number of members, procedure for the formation and operation of the Committee, election of the Chairman and members of the Committee, powers and early termination of their powers, as well as rights and obligations.

4. The Committee is a permanent consultative and advisory body that assists the Board of Directors through preliminary consideration, analysis, succession planning and development of recommendations on issues within its competence.

The Committee was established to improve the efficiency and quality of the work of the Board of Directors of the Company by preparing recommendations for the Board of Directors on establishing an effective system of control over the financial and economic activities of the Company (including the completeness and reliability of financial statements), on monitoring the reliability and effectiveness of the internal control system and risk management, to control the independence of external and internal audit and anti-corruption compliance service, compliance with the legislation of the Republic of Kazakhstan, internal documents, as well as to prepare recommendations for the Board of Directors of the Company on the development of priority areas of activity (development), and the functioning of an adequate risk management system in the Company, improving and strengthening the risk management system.

5. All proposals developed by the Committee are drawn up in the form of protocols (decisions) and are advisory in nature.

6. The Committee is accountable to the Board of Directors of the Company and acts within the powers granted to them by the Board of Directors of the Company and these Regulations.

7. In its activities, the Committee is guided by the legislation of the Republic of Kazakhstan, the Charter of the Company, the Corporate Governance Code of the Company, decisions of the Sole Shareholder, the Board of Directors of the Company, the Regulations on the Board of Directors of the Company, these Regulations and other internal regulations of the Company.

Chapter 2. Competence and powers of the Committee

Paragraph 8 was amended in accordance with the decision of the Board of Directors of Kazyna Capital Management JSC dated December 28, 21, No. 22/21 (see previous edition)

8. The competence of the Committee includes consideration and provision of recommendations to the Board of Directors on the following issues:

1) establishment of an effective system of control over financial and economic activities (including the completeness and reliability of financial statements, assessment of the process of preparing financial statements);

2) control over the independence of internal audit;

3) control over the effectiveness of internal procedures designed to ensure compliance with the legislation of the Republic of Kazakhstan;

4) control over the implementation of the recommendations of internal and external auditors;

5) appointment and the need to change the external auditor performing the audit, agreeing on qualification requirements and / or technical specifications developed for the purpose of holding a competition for the selection of an external auditor, determining the amount of payment for his services, assessing the quality of the services of an external auditor;

6) preliminary approval of the proposed candidate for further consideration of the issue of his appointment (election) to the position of a member of the Management Board, managing director or chief accountant of the Company, if he participated in the mandatory audit of the Company as an employee of the external auditor or took part in the mandatory audit of the Company as an employee of the external auditor within 2 (two) years preceding the date of his appointment (election) to the Company;

7) assessment of the independence and objectivity of the external audit, as well as a preliminary analysis of the conclusion of the audit organization before submitting it to the Board of Directors;

8) preliminary approval of the procedure for the work of the Internal Audit Service (annual audit plan, map of areas of audit, budget, professional training plan for employees of the Internal Audit Service), regulations on the Internal Audit Service, the amount and terms of remuneration and bonuses for employees of the Internal Audit Service, budget expenditures for them, as well as qualification requirements for employees of the Internal Audit Service, ensuring the independence of the Internal Audit Service;

9) preliminary approval of the work procedure and compliance program (annual plan) of the anti-corruption compliance service, the provisions of the anti-corruption compliance service, the amount and terms of remuneration and bonuses for employees of the anti-corruption compliance service, budget costs for them, as well as qualification requirements for employees of the anti-corruption compliance service, ensures the independence of the anti-corruption compliance service;

10) approval in accordance with the established procedure of the structure, staffing of the Internal Audit Service and the anti-corruption compliance service, the candidacy of the head and other employee of the Internal Audit Service, the anti-corruption compliance service, as well as a decision on the early termination of their powers;

11) preliminary review and analysis of audit reports of the Internal Audit Service based on the results of audit assignments and periodic reports on the activities (work) of the Internal Audit Service, presenting the results of work and the most significant audit comments in a generalized format;

12) preliminary approval of internal audit policies and procedures;

13) carrying out, in accordance with the established procedure, an assessment of the activities of the Internal Audit Service (the effectiveness of the internal audit function), preliminary consideration of the Card of key performance indicators of the head and employees of the Internal Audit Service, reports on the implementation of key performance indicators (KPI maps) of the IAS and its employees; anti-corruption compliance service;

14) consideration of the results and quality of implementation of the developed measures (corrective actions) to improve the system of internal control and risk management, as part of the reports of the Internal Audit Service;

15) consideration of a report on the results of an external assessment of the quality of the activities of the Internal Audit Service conducted by an external auditor, an action plan, a report on the implementation of the action plan;

16) consideration of reports on the results of diagnostics of corporate governance, assessment of the effectiveness of the risk management system, assessment of the effectiveness of the internal control system, assessment of the effectiveness of the information technology system, information security system, action plans based on the results of assessments;

17) consideration at least once a year of the report of the Ombudsman on the results of the work carried out, and evaluation of the results of his activities;

18) consideration of issues related to the execution of documents in the field of corporate governance with the issuance of recommendations to the Board of Directors;

19) development of proposals for a "hot line" procedure, through which employees can confidentially or anonymously contact information about alleged violations of the law or abuse, incl. concerning the completeness and reliability of financial reporting, internal control and risk

management and ethical issues, as well as proposals for the procedure for considering and responding to such requests;

20) preliminary approval of reports on the work of the anti-corruption compliance service, control over compliance risk and evaluation of the activities of the anti-corruption compliance service, as well as an annual plan for advanced training of the head and employees of the anti-corruption compliance service, amendments and (or) additions to it (subject to accountability to the Board of Directors);

21) assessment of the effectiveness of internal procedures designed to ensure compliance with the legislation of the Republic of Kazakhstan;

22) consideration of reports of regulatory bodies, external and internal auditors, management on compliance with the law;

23) development of recommendations to the Board of Directors on conducting special investigations (inspections), incl. with the involvement of independent consultants (experts);

24) analysis of cases of illegal actions in relation to the property of the Company and assessment of the adequacy of the measures taken by the Management Board to prevent illegal actions in relation to property;

25) development of recommendations to the Board of Directors on determining the amount of payment for the services of an appraiser (if the competence of the Board of Directors is available);

26) assessment of the accounting policy of the Company;

27) consideration of confidential appeals of employees and officials about violation or incorrect implementation of internal control procedures or other policies, as well as cases of fraud, theft, violation of the law;

28) regular meetings with the external auditor, consideration of letters to management prepared by the external auditor, consideration of the recommendations of the external auditor implemented by management, reflected in the letter to management;

29) consideration of other issues related to the activities of internal and external audit, compliance procedures and financial and economic reporting.

30) preliminary consideration of reports submitted to the Committee in accordance with the internal regulations of the Company;

31) control over the reliability and efficiency of the internal control and risk management system;

32) preliminary approval of the risk management policy, as well as rules, methodological documents and other internal regulations on risk management issues;

33) preliminary approval of the policy and procedures for managing compliance risks;

34) preliminary approval of limits, risk appetite and tolerance levels, as well as other indicators and restrictions subject to approval by the Board of Directors;

35) consideration of proposals and approaches in the field of automation of the risk management system;

36) ensuring approval/determination of the risk register, matrix of business processes, risks and controls, risk map, risk owners;

37) monitoring the periodic updating and improvement of the risk management methodology, developing recommendations for improving the risk management system, providing training for managers and employees in the risk management methodology;

38) ensuring the approval of work plans in the field of improving the risk management system, including the development of long-term plans for the development of the risk management system and risk culture, including automation and staff training;

39) consideration of the results of assessing the effectiveness of the risk management system;

40) consideration of conclusions, reports in terms of risk management methodology;

41) consideration of information on transactions that may lead to violation of established limits, covenants and other restrictions, to losses or loss of business reputation as a result of non-compliance with the requirements of the legislation of the Republic of Kazakhstan;

42) consideration of issues on financing investment projects, export operations, and other transactions and the provision of credit instruments within the competence of the Board of Directors in accordance with internal regulations (if necessary);

43) consideration of other issues related to the internal control system and the risk management system that are not within the competence of other Committees.

Chapter 3. Rights and obligations of the Committee and its members

9. To exercise the assigned powers, the Committee and its members are vested with the following rights:

1) request, within its competence, documents, reports, explanations and other information from members of the Board of Directors, Committees, Management Board, Internal Audit Service, anti-corruption compliance service, Corporate Secretary and other employees of the Company;

2) invite members of the Management Board, Committees, Internal Audit Service, Anti-Corruption Compliance Service and other persons to their meetings as observers;

3) in accordance with the established procedure, use the services of external experts and consultants within the funds provided in the Company's budget for the current year;

4) participate in the control and verification of the execution of decisions and instructions of the Board of Directors of the Company on issues of its activities;

5) develop and submit proposals for amendments and additions to this Regulation;

6) develop and submit for approval by the Board of Directors of the Company draft documents relating to the activities of the Committee;

7) demand the convocation of a meeting of the Committee and include issues on the agenda of the meeting of the Committee;

8) enjoy other rights necessary for the exercise of the powers assigned to him.

10. The Committee has the right to consider other issues related to the competence of the Committee, including by decision of the Board of Directors or its Chairman.

11. The Committee monitors and analyzes the execution of decisions of the Board of Directors of the Company that fall within the competence of the Committee.

12. The Committee and its members are obliged:

1) carry out its activities honestly and in good faith in accordance with these Regulations, in the interests of the Sole Shareholder and the Company as a whole;

2) devote sufficient time to the effective performance of their duties;

3) participate in the work of the Committee and attend its meetings in person;

4) at the request of the Board of Directors of the Company, report to the Board of Directors of the Company on the results of its activities;

5) observe the confidentiality of information received in the course of carrying out the activities of the Committee;

6) inform the Board of Directors of the Company about any changes in his status as an independent director or about the occurrence of a conflict of interest in connection with decisions to be taken by the Committee;

7) confirm the presence of deep knowledge in the field of risk management, audit and / or undergo appropriate training (at least 1 (one) time in 3 (three) years).

Chapter 4. Composition, procedure for election and term powers of the Committee

13. The Committee consists of members of the Board of Directors of the Company who have the necessary professional knowledge, competencies and skills to work in the Committee.

14. The Audit and Risk Committee should consist of independent members of the Board of Directors. A member of the Board of Directors who is not independent, upon election, may be elected to this committee, if the Board of Directors, as an exception, decides that the membership

of this person in the audit and risks committee is necessary in the interests of the Sole Shareholder and the Holding. In the event of such an appointment, the Board of Directors should disclose the nature of the dependency of this person and justify such a decision.

15. The Chairman and members of the Committee are elected by the Board of Directors of the Company by a simple majority of votes. The Committee may not include the Chairman, members of the Management Board and employees of the Company. Members of the Management Board/employees of the Company may take part in meetings of the Committees as invited persons.

16. The term of office of the members of the Committee coincides with the term of their office as members of the Board of Directors of the Company.

17. The Committee may be early disbanded by decision of the Board of Directors of the Company.

Chapter 5. Chairman of the Committee

18. The Chairman of the Committee is elected from among independent directors and organizes the work of the Committee headed by him, in particular:

1) convenes meetings of the Committee, determines the form of the meetings and presides over them;

2) forms the agenda of the meetings of the Committee;

3) organize the keeping of minutes at the in-person meetings of the Committee;

4) organizes the discussion of issues at the meetings of the Committee, and also hears the opinions of persons invited to participate in the meetings;

5) maintains constant contacts with members of the Board of Directors of the Company, members of the Board of Directors of the Company, structural divisions of the Company in order to obtain the most complete and reliable information necessary for the Committee to make decisions, and to ensure their effective interaction with the Board of Directors of the Company;

6) distributes duties between its members, gives them and the Secretary of the Committee instructions related to the study and preparation of issues for consideration at meetings of the Committee;

7) ensures and coordinates the work on the execution of decisions of the Committee;

8) ensures the development and approval of the work plan of the Committee for the current year, taking into account the schedule of meetings of the Board of Directors, ensures monitoring and supervision of the proper execution of decisions and instructions of the Committee headed by him;

9) prepares a report on the activities of the committee and at a separate meeting reports to the Board of Directors on the results of activities for the year during the meeting of the Board of Directors.

19. The Chairman of the Committee, along with professional competencies, must have organizational and leadership qualities, good communication skills for the effective organization of the activities of the Committee headed by him.

20. In the absence of the Chairman of the Committee at the meeting, the members of the Committee elect the chairperson of the meetings from among the members present by a simple majority of votes.

Chapter 6 Secretary of the Committee

21. Functions for organizational and information support of the work of the Committee are performed by the Corporate Secretary and he is the secretary of the Committee. For the period of absence of the Corporate Secretary (vacation, business trip and other valid reasons), the performance of his duties in accordance with the decision of the Chairman of the Committee is temporarily assigned to another employee of the Company.

Paragraph 22 was amended in accordance with the decision of the Board of Directors of Kazyna Capital Management JSC No. 15/21 dated August 27, 21 (see previous edition)

22. The Secretary of the Committee ensures:

- 1) preparation and holding of meetings of the Committee;
- 2) collection and systematization of materials for meetings;
- 3) timely sending to the members of the Committee and invited persons of notices of the meetings of the Committee, the agenda of the meetings, materials on the agenda items;
- 4) recording of meetings, drawing up the results of absentee voting of the committee, as well as subsequent storage of minutes, electronic versions of minutes signed using an electronic digital signature (decisions, ballots), transcripts, audio-video recordings, materials of meetings of the Committee;
- 5) issuance of extracts from the minutes (decisions) of the Committee as necessary;
- 6) analysis of the instructions of the Board of Directors of the Company relating to the competence of the Committee;
- 7) performance of other functions on behalf of the Chairman or other members of the Committee.

Chapter 7. Procedure for the work of the Committee

23. The meetings of the Committee are held in accordance with the work plan approved before the beginning of the calendar year, which is consistent with the work plan of the Board of Directors, indicating the list of issues under consideration and the dates of the meetings, but at least once a quarter. If necessary, the Committee holds extraordinary meetings.

24. Regular and extraordinary meetings of the Committee may be convened at the initiative of its Chairman or at the request of:

- 1) Sole shareholder;
- 2) the Board of Directors;
- 3) any member of the Committee.

If the Chairman of the Committee refuses to convene the meetings, the initiator has the right to apply with the said request to the Board of Directors of the Company.

25. The meetings of the Committee are held in person or by absentee voting, while the number of meetings with absentee voting must be minimized.

Paragraph 26 was amended in accordance with the decision of the Board of Directors of Kazyna Capital Management JSC dated 27.08.21 No. 15/21 (see previous edition)

26. Notification on convening meetings of the Committee shall be sent by the Secretary of the Committee to the members of the Committee not later than 3 (three) business days prior to the date of the relevant meeting.

The notice must contain:

- 1) the place, time and date of the meeting;
- 2) the form of the meeting (in person or in absentia).

The notice must be accompanied by:

- the agenda of the meeting of the Committee;
- explanatory notes addressed to the members of the Committee for each issue under consideration on the agenda, signed by the Chairman or a member of the Management Board of the Company, or by the person initiating the inclusion of the issue on the agenda of meetings on paper or in electronic form, using an electronic digital signature;
- a draft decision of the Committee on each issue of the agenda, endorsed by the Chairman or a member of the Management Board of the Company or the person initiating the inclusion of the issue on the agenda of the meeting on paper or in electronic form, using an electronic digital signature;

- draft documents to be considered at a meeting of the Committee, endorsed by the Chairman or a member of the Management Board, or by the person initiating the submission of the document for consideration by the Committee on paper or in electronic form, using an electronic digital signature;

- extracts from the minutes of the meetings of the Management Board of the Company (if necessary);

- Bulletin of absentee voting of the Committee (in case of holding a meeting in absentia);

- other additional documents, if any (presentations, copies of decisions of state bodies and (or) other legal entities, reference materials justifying the inclusion of these issues on the agenda).

27. Participants of the meetings of the Committee are its Chairman, members of the Committee and the Secretary of the Committee. The following persons may attend meetings of the Committee by invitation (including but not limited to):

1) employees of the Company;

2) duly involved consultants (experts).

28. If necessary, the Committee may hold separate meetings with the management of the Company, its external and internal auditors.

29. The Chairman presides at meetings of the Committee. In case of his absence from the meeting, the members of the Committee shall elect the chairman of the meeting from among the members present by a simple majority of votes.

30. The meeting of the Committee is competent if at least half of the members of the Committee participate in it. In order to create favorable conditions and reduce the cost of holding meetings of the Committee, it is allowed for members of committees to participate in a meeting of the Committee through videoconferencing (interactive audiovisual communication), conference calls (simultaneous conversation of members of the Committee in the "telephone meeting" mode), as well as by using other means of communication. This participation is equivalent to participation in person.

31. Decisions of the Committee are taken by a simple majority of votes from the total number of all members of the Committee. When resolving issues, each member of the Committee has one vote. Transfer of voting rights by a member of the Committee to other persons, including other members of the Committee, is not allowed. In case of equality of votes of the members of the Committee, the vote of the chairman of the meeting is decisive.

Clause 32 is set out in the wording of the decision of the Board of Directors of Kazyna Capital Management JSC dated 27.08.21 No. 15/21 (see previous edition)

32. Based on the results of each in-person meeting of the Committee, a protocol is drawn up, and a decision is drawn up based on the results of each absentee meeting of the Committee. The protocol (decision) is drawn up on paper or in electronic form, using an electronic digital signature, and signed no later than 5 (five) working days after the meeting. The minutes are signed on paper or in electronic form, using an electronic digital signature by the Chairman of the Committee or the person exercising his functions, who is responsible for the correctness of the contents of the minutes, members of the Committee and the Secretary of the Committee. The decision of the absentee meetings of the Committee is signed on paper or in electronic form, using an electronic digital signature by the Chairman of the Committee and the Secretary of the Committee. When holding meetings in absentia, absentee ballots are used, which are drawn up in accordance with the requirements of paragraph 40 of these Regulations.

33. The minutes (decision) of the meeting shall indicate:

1) date, place and time, form of the meeting of the Committee;

2) a list of the members of the Committee who took part in the meeting (in case of absentee voting), as well as a list of other persons who were present at the meeting of the Committee (in case of an in-person meeting);

3) the agenda of the meeting of the Committee;

4) key proposals of the members of the Agenda Committee;

5) issues put to the vote, and the results of voting on them, as well as all decisions taken.

Chapter 8. Reporting on the activities of the Committee

34. The Committee regularly, but at least once a year, reports to the Board of Directors on its activities.

35. The Chairman of the Committee organizes the preparation of information on the results of the work of the Committee for inclusion in the report of the Board of Directors and the Annual Report of the Company.

Chapter 9. Responsibility of Committee Members

36. Members of the Committee are liable to the Company and the Sole Shareholder of the Company for damage caused by its actions (inaction), in accordance with the legislation of the Republic of Kazakhstan, including for losses incurred as a result of providing misleading information or knowingly false information.

37. The limitation period for non-disclosure of internal (official) information of the Company by former members of the Committee after the termination of their activities as members of the Board of Directors is 5 (five) years.

Chapter 10. Final Provisions

38. In the event of amendments and/or additions to the legislation of the Republic of Kazakhstan, the Charter of the Company, these Regulations shall be valid to the extent that they do not contradict such amendments and additions.

39. Changes and / or additions to this Regulation are made in the manner similar to the approval of the Regulation.

40. Requirements for the content of an explanatory note, draft decision, minutes, bulletins and other additional documents for a meeting of the Committees are similar to the requirements for the content of materials submitted to a meeting of the Board of Directors.

Throughout the text, the words “Compliance Service” have been replaced by the words “Anti-Corruption Compliance Service” in accordance with the decision of the Board of Directors of Kazyna Capital Management JSC dated December 28, 21, No. 22/21 (see previous edition)