

APPENDIX
to the Minister of Education and Science of
the Republic of Kazakhstan Order
No. ____ dated _____, 202__

APPROVED by the
the Minister of Education and Science of
the Republic of Kazakhstan Order
No. ____ dated _____, 202__

CORPORATE GOVERNANCE CODE
of a non-profit joint stock company in the field of higher and postgraduate education

Chapter 1. General provisions

1. The Corporate Governance Code of a non-profit joint stock company in the field of higher and postgraduate education (hereinafter the Code) is a set of rules and recommendations that a non-profit joint stock company in the field of higher and postgraduate education (hereinafter the Company) follows in the course of its activities in relations within the Company and with other interested parties.

The Code was developed in accordance with the Law of the Republic of Kazakhstan “On Joint Stock Companies.

2. The objectives of this Code are to ensure transparency and efficiency of management at the Company and its commitment to follow the standards of proper corporate governance in the course of its activities.

3. When performing its activities, the Company ensures:

1) management of the Company in compliance with the principle of legality and an appropriate level of responsibility, delimitation of powers, accountability and efficiency;

2) risk management and internal control system;

3) exclusion of conflicts of interest.

4. Control over implementing this Code by the Company is assigned to the Board of Directors of the Company. Corporate Secretary monitors and advises the members of the Board of Directors and the Management Board of the Company on the issues of proper compliance with this Code, at least once a year, on his own initiative, draws up a report on compliance/non-compliance with its principles and provisions. Then, this report is approved by the Board of Directors and included in the Company's annual report, if any.

5. Cases of non-compliance with the provisions of this Code are considered at the meetings of the relevant Committees and the Board of Directors with the adoption of appropriate decisions aimed at further improving corporate governance at the Company.

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

1) an official is a member of the Board of Directors, a member of the Management Board;

2) subsidiary organization is 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);

3) Sole Shareholder is the supreme body of the Company: the Ministry of Education and Science of the Republic of Kazakhstan;

4) a dependent organization is a legal entity recognized as dependent if another (participating, predominant) legal entity has more than twenty percent of its voting shares (participatory interests);

5) interested parties are individuals, legal entities, groups of individuals or legal entities that influence or may be influenced by the activities of the Company, their products or services and related actions by virtue of the law, 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 where the Company operates;

6) corporate conflict is a disagreement or dispute between the Sole Shareholder and the bodies of the Company, members of the Board of Directors and the Management Board (sole executive body), the head of the Internal Audit Service, Corporate Secretary;

7) key indicators) of the activities (hereinafter KPI) are indicators characterizing the level of efficiency of the Company's activities, officials and employees of the Company that allow evaluating the effectiveness of their activities. KPIs have a quantitative and qualitative value approved for the Company as part of the development strategy and / or development plan of the Company, or approved differently for each employee of the Company and corresponding to the results of their activities for the planned and reporting periods;

8) Corporate Secretary is an employee of the 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 reports exclusively to it, and as part of his activities, controls preparing and holding of meetings of the Board of Directors of the Company, ensures the formation of materials for meetings of the Board of Directors of the Company, controls access to them. The competence and activities of Corporate Secretary are determined by the internal documents of the Company;

9) corporate events are events that have a significant impact on the activities of the Company, affecting the interests of the Sole Shareholder and investors of the Company determined by the Laws of the Republic of Kazakhstan "On Joint Stock Companies", "On Accounting and Financial Reporting", "On the Securities Market", as well as the Charter of the Company;

10) an independent director is a member of the Board of Directors who is not an affiliated person of this Company and has not been such during the three years preceding his election to the Board of Directors (except for the case of his tenure as an independent director of this Company). He is not an affiliated person in relation to affiliated persons of this Company; is not connected by subordination with officials of this Company, affiliated persons of this 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 the Sole Shareholder at the meetings of the bodies of this Company and has not been so for 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;

11) organizations are legal entities, more than fifty percent of voting shares (participatory interests) in the authorized capital of which directly or indirectly belong to the Company on the basis of ownership or trust management;

12) partners are suppliers and contractors, partners in joint projects;

13) Development Plan is a document that defines 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;

14) Management Board is the executive body of the Company acting collectively;

15) Board of Directors is a management body in the Company that is formed by electing its members by the Sole Shareholder of the Company, responsible for general management and control over the activities of the Company and the Management Board;

16) Development Strategy (Strategic Development Plan) is a document defining and substantiating the mission, vision, strategic goals, objectives and key performance indicators of the Company for a five-year period, approved by the Board of Directors;

17) sustainable development is development in which the Company manages the impact of its activities on the environment, economy, society and makes decisions taking into account the interests of stakeholders. Sustainable development must meet the needs of the present generation without depriving future generations of the opportunity to meet their own needs;

18) fiduciary obligations are obligations assumed by a person who carries out his professional activities in favor of another person. There are two main fiduciary duties: good faith and reasonableness. The duty of good faith is manifested in the fact that in the event of a conflict of interest, the subject of this duty must act exclusively in the interests of the Company. In turn, the duty of reasonableness is manifested in the application of skills, knowledge and skills that are usually required in such a situation.

7. The entities bound by fiduciary obligations in relation to the Company include members of the Company's management bodies, its employees, the Sole Shareholder, as well as other interested parties. For example, members of the management bodies of the Company, its employees, as well as the Sole Shareholder are not entitled to use the business opportunities of the Company solely in their own interests. The opposite will mean a violation of the duty of good faith in relation to the Company.

8. Terms used but not defined in this Code are used in the sense in which they are used in the legislation and the Charter.

Chapter 2. Principles of the Company's corporate governance

9. Corporate governance is understood as a set of processes that provide management and control over the activities of the Company and include relations between the Sole Shareholder, the Board of Directors, the Management Board (sole executive body), the other bodies of the Company and interested parties in the interests of the Sole Shareholder. Corporate governance also determines the structure of the Company, through which its goals, ways to achieve these goals are set, as well as monitoring and evaluating the performance results.

10. 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 cost of attracting capital. The corporate governance system provides for the division of powers and responsibilities between the bodies, officials and employees of the Company.

11. Corporate governance of the Company is based on fairness, honesty, responsibility, transparency, professionalism and competence. The structure of corporate governance is based on respect for the rights and interests of all the persons interested in the activities of the Company and contributes to the successful operation of the Company, including the growth of its value, support for financial stability and profitability.

12. The fundamental principles of this Code are as follows:

- the principle of differentiating 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 regulation of corporate conflicts and conflicts of interest;
- the principle of transparency and objectivity in disclosing information of the Company's activities.

13. As part of the corporate governance structure of the Company, the division of duties between the Company's bodies is determined, and the systemic and consistent corporate governance processes are ensured.

14. Following the principles of corporate governance set forth in the Code, contributes to the development of an effective approach for conducting an objective analysis of the Company's activities and obtaining recommendations from analysts, financial consultants and rating agencies.

Paragraph 1. Principle of differentiating powers

15. The rights, obligations and powers of the Sole Shareholder, the Board of Directors and the Management Board are determined in accordance with the current legislation of the Republic of Kazakhstan and are fixed in the Charter of the Company.

16. The Ministry of Education and Science of the Republic of Kazakhstan delimits its powers as the Sole Shareholder of the Company and the powers related to the performing 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 interest that does not promote both the interests of the Company and the Sole Shareholder. The Ministry of Education and Science of the Republic of Kazakhstan performs the functions of the Sole Shareholder of the Company in order to increase the long-term value of the Company, taking into account the stimulation of developing the relevant industry and/or region.

17. The Company perform its activities within the framework of its main (core) activities. The implementation of new types of activities is regulated by the Entrepreneurial Code of the Republic of Kazakhstan dated October 29, 2015.

18. When the Company forms new organizations, the preferred organizational and legal form is a limited liability partnership.

19. The Ministry of Education and Science of the Republic of Kazakhstan, being the Sole Shareholder, participates in the management of the Company solely through exercising the powers of the Sole Shareholder, provided for in the legislative acts of the Republic of Kazakhstan and the Charter of the Company.

20. The Ministry of Education and Science of the Republic of Kazakhstan, being the Sole 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 for those provided by the legislation of the Republic of Kazakhstan, guidelines of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

21. Transactions and relations between the Company, the Sole Shareholder and interested parties are performed 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 the organization is implementing or assistance in implementing the state policy for the development of certain industries of the Republic of Kazakhstan.

22. The economic activity of the Company meets the market conditions regarding debt and equity finance:

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

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

3) compliance with the profit margins from the Company's business activities, taking into account operating conditions that correspond to the results obtained by competing private enterprises.

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

24. Relationships (the interaction) between the Ministry of Education and Science of the Republic of Kazakhstan and the Company, organizations are carried out through the Board of Directors and/or the Management Board (the sole executive body) of the Company in accordance with the principles of corporate governance. The role and functions of Chairman of the Board of Directors and Chairman of the Board, Rector (the sole executive body) of the Company must be delimited and fixed in the documents of the Company.

The Company discloses to the Ministry of Education and Science of the Republic of Kazakhstan as the Sole Shareholder and the Board of Directors of the Company the information of the activities of the Company in accordance with the legislative acts of the Republic of Kazakhstan and the Charter of the Company and ensures the transparency of the activities of the Company and organizations to all interested parties.

25. The corporate governance system provides for the relationship between:

1) the Sole shareholder;

2) the Board of Directors;

3) the Management Board;

4) interested parties;

5) the other bodies determined in accordance with the Charter. The corporate governance system ensures, among other things:

6) observance of the hierarchy of the procedure for considering issues and making decisions;

7) a clear delineation of powers and responsibilities between bodies, officials and employees;

8) the timely and high-quality decision-making by the Company's bodies and the organization;

9) the efficiency of processes in the activities of the Company and the organization;

10) compliance with the law, this Code and internal documents of the Company and the organization.

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

26. The company participates in the management of organizations through implementing the functions of a shareholder (participant), as well as through the Board of Directors, in the manner determined by the Charters of organizations and this Code.

27. The Company annually sends to Chairman of the Board of Directors and its representatives in the Board of Directors of the organization its expectations as a shareholder for the coming financial year.

28. The Boards of Directors of organizations are completely independent in making decisions within their competence established by the Charter of organizations.

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

The decision to apply corporate standards approved by the Company in the field of internal audit and the internal control system at the organization is taken by the Board of Directors of the organization, taking into account ensuring that these standards comply with the specifics of the organization's activities.

30. The Management Board (the sole executive body) of the Company and organizations interact in order to ensure that the development plans of organizations comply with the strategy and development plan of the Company.

The Management Board (the sole executive body) of the Company maintains a constant dialogue with the executive body of the organization on the issues of strategy and sustainable development. At the same time, the Company does not allow interfering 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 the long-term value and sustainable development of the Company and organizations, respectively, and the decisions made and actions/inaction, in the manner established by the legislation of the Republic of Kazakhstan and internal documents of the Company and organizations.

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

The main element for evaluating the efficiency of the Company and its Management Board is the KPI system approved on the basis of the Development Strategy and/or Development Plan of the Company. The sole shareholder by written notice expresses strategic guidelines and his expectations for KPI in accordance with the Development Strategy and/or Development Plan of the Company.

In order to achieve KPI, the Company develops a Development Strategy and/or Development Plan in accordance with the legislation of the Republic of Kazakhstan.

On an annual basis, the achievement of the Company's KPI is assessed. This assessment affects Chairman of Board, Rector and members of the Board remuneration, it is taken into account when they are re-elected, and is also one of the grounds for their removal from their positions ahead of schedule..

Paragraph 2. Principle of protecting the rights and interests of the Sole Shareholder

32. Observance of the rights of the Sole Shareholder (participants) is the key condition for attracting investments to the Company. Corporate governance at the Company is based on ensuring protection, respect for the rights and legitimate interests of the Sole Shareholder and is aimed at contributing to the efficient operation of the Company, including the growth of the long-term value of the Company, maintaining the financial stability and profitability.

Paragraph 3. Ensuring the rights of the Sole Shareholder

33. The Company, in accordance with the established procedure, ensures implementing the rights of the Sole Shareholder, including:

- the right to own, to use and to dispose shares;
- the right to participate in the management of the Company and to elect the Board of Directors in the manner prescribed by the Law of the Republic of Kazakhstan "On State Property", "On Joint Stock Companies" and/or the Charter of the Company;
- the right to receive a share in the Company's assets in the event of its liquidation;
- the right to receive information of the activities of the Company, including familiarization with the

financial statements of the Company, in the manner determined by the Sole Shareholder or the Charter of the Company;

- the right to apply to the Company with written inquiries regarding its activities and receive motivated and comprehensive answers within the time limits established by the Charter of the Company;

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

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

- the right to apply to the judicial authorities on one's 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 demand 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 affiliates by persons of the profit (income) received by them as a result of making decisions on the conclusion (offer for conclusion) of major transactions and / or transactions in which there is an interest;

- the right to preferential purchasing the shares or the 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 make a decision on changing the number of shares of the Company or changing their type in the manner prescribed by the Law on Joint Stock Companies.

34. The Sole Shareholder may hold meetings with the Board of Directors and the Management Board (sole executive body) to sum up the results of the year and make decisions on issues within its competence. The Sole Shareholder may also hold regular meetings during the year with Chairman of the Board of Directors to discuss issues of the Company's activities within its competence.

Paragraph 4. The Board of Directors

35. The Board of Directors is a management body accountable to the Sole Shareholder, providing strategic management of the organization and control over the activities of the Management Board.

36. The Board of Directors ensures full transparency of its activities to the Sole Shareholder, as well as implementing all the provisions of this Code.

37. The Board of Directors performs its functions in accordance with the Laws of the Republic of Kazakhstan "On State Property", "On Joint Stock Companies", the Charter of the Company, this Code and the other internal documents of the Company.

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

- 1) determining the development strategy (priority areas and results);

- 2) setting and monitoring of KPIs established in the development strategy and/or development plans;

- 3) organization and supervision of the effective functioning of the risk management and internal control system;

- 4) approving and monitoring of the effective implementation of large investment projects and other key strategic projects within the competence of the Board of Directors;

- 5) electing (re-electing, remuneration, succession planning and supervision over the activities of Chairman of the Board, Rector, members of the Board;

- 6) corporate governance and ethics;

- 7) compliance in the Company with the provisions of this Code and corporate standards of the Company in the field of business ethics (Code of Corporate Ethics).

38. Members of the Board of Directors conscientiously perform their functions duties and in their activities adhere to the following principles:

- 1) to act within their powers: members of the Board of Directors make decisions and act within their powers, enshrined in the laws of the Republic of Kazakhstan "On State Property", "On Joint Stock Companies", as well as the Charter of the Company;

- 2) to devote sufficient time to participate in meetings of the Board of Directors, its committees and prepare for them. When a member of the Board of Directors holds positions in the other legal entities, a member of the Board of Directors undertakes to inform the Board of Directors;

- 3) to contribute to the growth of the long-term value and sustainable development of the Company - members of the Board of Directors act in the interests of the Company, taking into account a fair attitude towards the Sole Shareholder and the principles of sustainable development; the impact of decisions and

actions of members of the board of directors can be determined through 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; whether a fair treatment of the Sole Shareholder will be ensured; impact on the reputation of the Company and high standards of business ethics; impact on the interests of stakeholders (this list of issues is not exhaustive);

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

5) to avoid conflicts of interest: members of the Board of Directors do not allow situations in which personal interest may affect the proper performance of the duties of a member of the Board of Directors, in the event of situations with conflicts of interest that affect or may potentially affect impartial decision-making, members The Boards of Directors notify Chairman of the Board of Directors about this in advance and do not take part in the discussion and adoption of such decisions. This requirement also applies to other actions of a member of the Board of Directors, which may affect directly or indirectly the proper performance of the duties of a member of the Board of Directors;

6) to act with due reasonableness, skill and discretion: members of the Board of Directors on an ongoing basis improve their knowledge in terms of the competence of the Board of Directors and the performance of their duties in the Board of Directors and committees, including such areas as legislation, corporate governance, risk management, finance and audit , sustainable development, knowledge of the industry and the specifics of the Company's activities. In order to understand the current issues of the Company's activities, members of the Board of Directors regularly visit key facilities of the Company and hold meetings with employees.

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

Members of the Board of Directors are personally responsible for performing the duties, including fiduciary duties to the Sole Shareholder and are responsible for the decisions made, the effectiveness of their activities, actions and/or inaction. In case of different opinions, Chairman of the Board of Directors ensures consideration of all the 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.

Every year Chairman of the Board of Directors provides the Sole Shareholder with:

1) a 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 of Directors is included in the annual report of the Company;

2) a report on implementing the expectations of shareholders (the Sole Shareholder).

The Board of Directors annually reports on compliance with the provisions of this Code to the Sole Shareholder. The Board of Directors ensures implementing the 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 Chairman and members of the Board of Directors to discuss issues of development strategy, election of Chairman of the Board, Rector (the sole executive body) 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 held in accordance with approved procedures.

40. 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 a fair treatment of all shareholders and the principles of sustainable development.

41. The Sole Shareholder elects members of the Board of Directors based on the Regulations on the

Board of Directors, competencies, skills, achievements, business reputation and professional experience of candidates. When re-electing individual members of the Board of Directors or its entire composition for a new term, their contribution to the efficiency of the Board of Directors of the Company is taken into account.

42. The term of office of members of the Board of Directors expires at the time the Sole Shareholder decides to elect a new Board of Directors.

43. Members of the Board of Directors of the Company are elected for a period of not more than three years, subsequently, subject to satisfactory performance, re-election for another period of up to three years is allowed.

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

44. The same person is not elected to the Board of Directors of the Company for more than nine consecutive years. In exceptional cases, election for a period 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 at another time determined by 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 his own appointment, election and re-election.

45. When selecting candidates for the Board of Directors, the following shall be taken into account:

- 1) work experience in managerial positions;
- 2) work experience as a member of the Board of Directors;
- 3) work experience;
- 4) education, specialty, including the availability of international certificates;
- 5) availability of competencies in areas and industries (industries may vary depending on the portfolio of assets);
- 6) business reputation;
- 7) the existence of a direct or potential conflict of interest.

46. The quantitative composition of the Board of Directors of the Company is determined by the Sole Shareholder. The composition of the Board of Directors of the Company is established individually, taking into account the scope of activities, current tasks, development strategy and/or development plan and financial capabilities.

47. The composition of the Board of Directors ensures decision-making in the interests of the Company and taking into account a fair attitude towards the Sole Shareholder through a balanced combination of members of the Board of Directors (representatives of shareholders, independent directors, head of the executive body).

48. There cannot be elected to the position of a member of the Board of Directors of the Company a person:

- 1) having an unexpunged conviction in accordance with the procedure established by law;
- 2) who was previously Chairman of the Board of Directors, the first head (Chairman of the Board), deputy head, chief accountant of another legal entity for a period not more than one year before the decision on forced liquidation or forced redemption of shares, or conservation of another legal entity declared bankrupt in the prescribed manner specified. This requirement is applied within five years after the date of adoption of the decision on forced liquidation or compulsory buyout of shares, or conservation of another legal entity declared bankrupt in accordance with the established procedure.

49. The presence and participation of independent directors is mandatory in the composition of the Board of Directors. The number of members of the Board of Directors must be at least three persons. At least one third of the members of the Board of Directors of the Company must be independent directors. The number of independent directors must be sufficient to ensure the independence of decisions made and fair treatment of the Sole Shareholder. The recommended number of independent directors in the Board of Directors of the Company is up to fifty percent of the total number of members of the Board of Directors. The composition of the Board of Directors must also respect gender balance.

Independent members of the Board of Directors are free from any material interests or relations with the Company, its management or its property, which could jeopardize exercising of an 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.

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

Among other things, independent directors actively participate in discussions of issues where a conflict of interest is possible (preparation of financial and non-financial reporting, conclusion of interested party transactions, nomination of candidates to the Management Board, setting remuneration for members of the Management Board. Independent directors are elected Chairmen of the key committees of the Board of Directors on matters of audit, appointments and remuneration, in other committees they may be members.

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

50. Relations between the 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.

51. The agreements specify the rights, obligations, responsibilities of the parties and other essential conditions, as well as the obligations of the director to comply with the provisions of this Code, including devoting sufficient time to perform the functions assigned to them, obligations not to disclose information about the Company constituting official, commercial and other secret protected by law during the term of the director's powers and after their termination for a period established by the Board of Directors, as well as additional obligations due to the requirements for the status and functions of independent directors.

52. Contracts can provide for members of the Board of Directors the terms to perform certain duties.

53. The Company ensures that succession plans for members of the Board of Directors are in place to maintain business continuity and progressive renewal of the composition of the Board of Directors. The Board of Directors approves the induction program for newly elected members of the Board of Directors. The corporate secretary ensures the implementation of this program.

54. Members of the Board of Directors elected for the first time, after their appointment go through an induction program. During the induction process, members of the Board of Directors become familiar with their rights and obligations, key aspects of the Company's and organization's activities and documents, including those associated with the greatest risks.

55. Chairman of the Board of Directors forms a single 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 manner and at the proper professional level.

To fulfill the role of Chairman of the Board of Directors, the candidate, alongside with professional qualifications and experience, should have special skills such as leadership, the ability to motivate, understand different views and approaches, and has the skills to resolve conflict situations.

The functions of 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. Chairman of the Management Board cannot be elected as Chairman of the Board of Directors of the Company.

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

- 1) planning meetings of the Board of Directors and setting the agenda;
- 2) ensuring timely receipt by the members of the Board of Directors of complete and up-to-date information for decision-making;
- 3) ensuring that the attention of the Board of Directors is focused on consideration strategic issues and minimization of current (operational) issues subject to consideration by the Board of Directors.
- 4) ensuring the effectiveness of the Board of Directors meetings by allocating sufficient time for discussions, comprehensive and in-depth consideration of agenda items, stimulating open discussions, reaching agreed decisions;
- 5) building proper communication and interaction with the Sole Shareholder, including organizing consultations with the Sole Shareholder when making key strategic decisions;
- 6) ensuring monitoring and supervision of the proper execution of the adopted decisions of the Board of Directors and the Sole Shareholder;

7) in the event of corporate conflicts, taking measures to resolve them and minimize the negative impact on the activities of the Company, and timely informing the Sole Shareholder, if it is impossible to resolve such situations on their own.

Paragraph 5. Remuneration of the Board of Directors members

56. Members of the Board of Directors, independent directors, are paid a fixed remuneration in the amount of eighty thousand tenge for each participation in a meeting of the Board of Directors, or other amounts of remuneration may be paid on the proposal of the Management Board. At the same time, no remuneration is paid to members of the Board of Directors who are state and civil servants.

57. If an independent director is Chairman of the Board of Directors, on the recommendation of the Management Board and depending on the financial condition of the Company, the independent director, Chairman of the Board of Directors can be paid other fixed remuneration.

58. Remuneration of an independent director is the income of an individual and is subject to taxation in accordance with the requirements of the tax legislation of the Republic of Kazakhstan.

59. Based on an application, members of the Board of Directors can be compensated for expenses (travel, accommodation, daily allowance) associated with travel to meetings of the Board of Directors held outside the place of permanent residence of an independent director.

60. Compensation of expenses is made upon presentation of supporting documents, within the limits of reimbursement of travel expenses to Chairman of the Management Board, Rector of the Company provided for by the internal regulatory documents of the Company.

Paragraph 6. Committees under the Board of Directors

61. Under the Boards of Directors, committees are organized whose competence includes consideration of the issues on audit, strategic planning, personnel and remuneration, as well as other issues provided for by the internal documents of the Company. In order to improve the efficiency of investment decision-making, the competence of one of the committees under the Board of Directors includes the issues related to the investment activities of the organization, consideration of which is within the competence of the Board of Directors. The number of members of the Committee shall be at least 3 (three) persons.

62. The presence of committees does not release the members of the Board of Directors from responsibility for the decisions taken within the competence of the Board of Directors.

63. Committees are formed to conduct a detailed analysis and to develop recommendations on a range of the most important issues prior to their consideration at a meeting of the Board of Directors. The final decision on the issues considered by the committees is taken by the Board of Directors.

64. 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 members of the committee, the procedure for the work of committees, as well as on the rights and obligations of their members. The Sole Shareholder can be acquainted with the regulations on committees.

65. The functions of the secretary of the committee are performed by the Corporate Secretary. The secretary of the committee ensures preparing the committee meetings, collecting and systematizing materials for the meetings, timely sending to the members of the committee and invited persons of notifications of the committee meetings, the agenda of the meetings, materials on the agenda, the minutes of the meetings, preparing draft decisions of the committee, as well as the subsequent storage of all relevant materials.

66. 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 on the committee. When forming the composition of the committees, the presence of potential conflicts of interest is taken into account. Chairmen of the committees, alongside with professional competencies, must have organizational and leadership qualities, good communication skills to effectively organize the activities of the committee.

67. The committees approve their work plan (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. The frequency of committee meetings is at least four meetings per year. Committee meetings are held in person, with minutes. In order to create favorable conditions and reduce the cost of holding committee meetings, participation of committee members through technical means of communication is allowed.

68. 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 require the committees to submit a report on current activities within the time limits established by the Board of Directors.

Paragraph 7. Strategic Planning Committee

69. Chairman of the Strategic Planning Committee is elected from among the members of the Board of Directors for the term of the Board of Directors exercising its powers at one of the first meetings of the Board of Directors. The decision on election is taken by a simple majority of votes of the total number of members of the Board of Directors.

70. 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.

71. The main functions of the strategic planning committee are the development and submission to the Board of Directors of the Company of recommendations on the development of priority areas of the Company's activities and its development strategy, including issues on the development of measures that contribute to improving the efficiency of the Company's activities, its long-term value and sustainable development.

Paragraph 8. Audit Committee

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

73. The Audit Committee evaluates candidates for the Company's auditors, and preliminarily analyzes the conclusion of the audit organization before submitting it to the Board of Directors and the Sole Shareholder.

74. A member of the Board of Directors, who is not independent, is elected to the Committee if the Board of Directors, as an exception, decides that the membership of this person in the Audit Committee is in the interests of the Sole Shareholder and the Company.

Paragraph 9. Human Resources and Remuneration Committee

75. The HR and Remuneration Committee includes a majority of independent directors in order to develop objective and independent decisions and prevent the influence of interested parties (representatives of the Sole Shareholder, Chairman of the Board, Rector, employees and other persons) on the opinions of the committee members.

76. Members of the Committee should have knowledge and practical experience in the field of personnel management and evaluation of its performance, as well as in the field of corporate governance. Only an independent director can be elected Chairman of the Committee.

77. The Human Resources and Remuneration Committee determines the criteria for selecting candidates for members of the Board of Directors, the Management Board, develops the Company's policy in the field of remuneration of these persons and regularly evaluates their performance.

The main functions of the Committee include the issues of appointment (election), setting motivational

KPIs, performance evaluation, remuneration and succession planning of the Chairman 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 in relation to the composition of the Board itself directors, in cases of granting such powers by the Sole Shareholder. In this case, the members of the Human Resources and Remuneration Committee are not allowed having a conflict of interest and are not involved in the consideration of their own appointment and/or remuneration.

Paragraph 10. Organizing the Board of Director activities

78. Preparing and holding meetings of the Board of Directors contribute to the effectiveness of its activities. In order to fulfill their duties, members of the Board of Directors are provided with access to complete, up-to-date and timely information.
79. The Board of Directors complies with the procedures established by the documents of the Company for the preparation and holding of meetings of the Board of Directors.
80. 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, which includes a list of issues under consideration and a schedule of meetings. It is allowed holding meetings with the use of technical means of communication.
81. Meetings of the Board of Directors and its committees are carried out through in-person or absentee voting, while the number of meetings with absentee voting should be minimal.
82. Consideration and adoption of decisions on issues of a strategic nature is carried out only at meetings of the Board of Directors with in-person voting.
83. If members of the Board of Directors do not have the opportunity to attend personally a meeting of the Board of Directors, a combination of both forms of a meeting of the Board of Directors and its committees is possible.
84. An absent member of the Board of Directors can provide his opinion in writing.
85. The agenda of the meeting of the Board of Directors does not include issues, the materials on which were provided in violation of the deadlines. In case of inclusion in the agenda of issues with violation of deadlines, Chairman of the Board of Directors is provided with an exhaustive justification for this need. The circumstance associated with the inclusion of issues on the agenda with violation of deadlines is taken into account when assessing the performance of Corporate Secretary of the Company.

It is not allowed considering more than five issues at one meeting of the Board of Directors, except for special cases, for which a written explanation must be given in the agenda and minutes of the meeting.
86. 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 observed:
 - 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 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) the 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 for further actions, deadlines and responsible persons.The following factors have a negative impact on the quality of board decisions:
 - 1) dominance of one or more directors at the meeting, which may limit the full participation in discussions of other directors;
 - 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 attitude (lack of flexibility) or lack of desire for development (satisfaction with the current situation);

- 6) weak organizational culture;
- 7) absence of information and/or analysis.

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

87. Each member of the Board of Directors participates in meetings of the Board of Directors and the committee of which he is a member. Deviation from this rule is allowed in exceptional cases.

88. 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.

89. Decisions at a meeting of the Board of Directors of the Company are made by the 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.

90. When resolving issues at a meeting of the Board of Directors of the Company, each member of the Board of Directors has one vote. The transfer of voting rights by a member of the Board of Directors of the Company to another person, including another member of the Board of Directors, is not allowed, except for cases provided for by the legislation of the Republic of Kazakhstan or the Charter of the Company.

91. When decisions are made by the Board of Directors of the Company, in case of equality of votes of the members of the Board of Directors, the right of the decisive vote belongs to the Chairman of the Board of Directors of the Company.

92. 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, about which a corresponding entry is made in the minutes of the meeting of the Board of Directors.

93. The Board of Directors may revise previously adopted decisions. The decision and the process of its adoption are subject to analysis.

Paragraph 11. Evaluation of the Board of Directors activities

94. The Board of Directors, committees and members of the Board of Directors are evaluated annually.

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

96. Evaluation is one of the main tools for enhancing the professionalism of the Board of Directors and its individual members. The evaluation is carried out both for independent directors and for representatives of the Sole Shareholder.

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

The process, terms and procedure for assessing the activities of the Board of Directors is regulated in accordance with the Regulations on the assessment of the activities of the Board of Directors in accordance with the Appendix to the Code.

97. The evaluation includes, but is not limited to, consideration of the following issues:

- 1) the 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 the Company;
- 3) succession plans;
- 4) functioning of the Board of Directors as a single body, the role of the Board of Directors and Chairman of the Board, Rector in the activities of the Company;
- 5) the effectiveness of interaction of the Board of Directors with the Sole Shareholder, the Management Board and officials of the Company;
- 6) efficiency of each member of the Board of Directors;
- 7) performance efficiency of the committees of the Board of Directors and their interaction with the Board of Directors, members of the Management Board;
- 8) the quality of information and documents provided to the Board of Directors;
- 9) the quality of discussions at the Board of Directors, in committees;
- 10) the performance efficiency of Corporate Secretary;

- 11) the effectiveness of the activities of the Internal Audit Service;
- 12) clarity of processes and competencies;
- 13) the process of identifying and assessing risks;
- 14) interaction with the Sole Shareholder and other interested parties.

97. The Sole Shareholder may conduct its own evaluation of the Board of Directors on its own or with the involvement of an independent consultant. In the evaluation conducted by the Sole Shareholder, the results of the evaluation conducted by the Board of Directors, the results of the Company's activities, and the fulfillment of KPIs are taken into account.

Paragraph 12. Corporate Secretary of the Companya

98. In order to organize effectively the activities of the Board of Directors and the interaction of the Management Board with the Sole Shareholder, the Board of Directors appoints Corporate Secretary.

99. The Board of Directors decides on the appointment of the Corporate Secretary, determines the term of his powers, functions and procedures, the amount of the official salary and remuneration conditions, decides on the establishment of the service (secretariat) of the Corporate Secretary. The Corporate Secretary is accountable to the Company's Board of Directors and is independent of the Company's Management Board.

100. The main duties of Corporate Secretary include assistance in the timely and high-quality adoption of corporate decisions by the Board of Directors, the Sole Shareholder, acting as an adviser to members of the Board of Directors on all issues of their activities and application of the provisions of this Code, as well as monitoring the implementation of this Code and participation in improving corporate governance in the Company and organizations.

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 reflects a list of principles and provisions of the Code that are not observed, with appropriate explanations.

101. The main functions of Corporate Secretary in terms of ensuring the activities of the Board of Directors include, among other things:

- 1) assistance to Chairman of the Board of Directors in the formation of the work plan and agendas of meetings;
- 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 for making decisions on agenda items and within the competence of the Board of Directors;
- 4) taking minutes 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 issues of the legislation of the Republic of Kazakhstan, the Charter of the Company, this Code, internal documents, monitoring ongoing changes and timely informing members of the Board of Directors;
- 6) organizing the induction of newly elected members of the Board of Directors, their training and involvement of experts;
- 7) organizing the interaction between the members of the Board of Directors and the Sole Shareholder, the Management Board.

102. In terms of ensuring the interaction with the Sole Shareholder:

- 1) timely submission of materials on issues submitted for consideration by the Sole Shareholder for the adoption of appropriate decisions;
- 2) ensuring proper interaction of the organization with the Sole Shareholder, including control over the provision of information to the requests of the Sole Shareholder on a timely basis.

In terms of implementing good corporate governance practices:

- 1) monitoring the implementation and compliance with the principles and provisions of this Code;
- 2) preparing a report on compliance with the principles and provisions of this Code;
- 3) revealing, within the framework of the performance of their functions, violations in terms of corporate governance norms enshrined in legislation, the Charter and other documents of the Company;
- 4) advising the Sole Shareholder, officials, employees of the Company on corporate governance issues;
- 5) monitoring of the best world practice in the field of corporate governance and making proposals for

improving the practice of corporate governance in the Company.

103. In case of situations with a conflict of interest, Corporate Secretary brings this information to the attention of the Chairman of the Board of Directors.

104. To perform his/her duties, Corporate Secretary shall have knowledge, experience and qualifications, as well as a good business reputation. Depending on the size of the Company and the scale of its activities, a corporate secretary service may be created.

105. A person with a higher legal or economic education, with at least one year of work experience or with a certificate in the field of corporate governance and corporate law is appointed to the position of Corporate Secretary.

106. In order to improve the efficiency of preparing and holding 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 the basis for evaluating the performance of Corporate Secretary.

107. In relation to Corporate Secretary, the Company is developing a program of induction and succession planning. The appointment of Corporate Secretary is carried out on the basis of open and transparent procedures set forth in the internal documents of the Company.

108. Corporate Secretary operates 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.

109. To perform its functions, Corporate Secretary is vested with the following powers:

1) to request and to receive from officials and employees of the Company materials sufficient for making decisions at meetings of the Board of Directors and materials necessary for making decisions by the Sole Shareholder;

2) to take measures to organize meetings of the Board of Directors;

3) to interact directly with Chairman and members of the Board of Directors, Chairman of the Board, Rector, members of the Board, employees of the Company, the Sole Shareholder.

The Management Board of the Company provides Corporate Secretary with comprehensive assistance in the exercise of his powers.

Paragraph 13. Internal Audit Service under the Board of Directors of the Company

110. To exercise control over the financial and economic activities of the Company, assess in the field of internal audit and control, risk management, compliance with the legislation of the Republic of Kazakhstan, the Internal Audit Service must be 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, and terminates his powers ahead of schedule, determines the procedure for its work, the amount and terms of remuneration and bonuses for employees of the Internal Audit Service.

111. Employees of the Internal Audit Service cannot be elected to the Board of Directors and the Management Board of the Company.

112. 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 Regulation on the Internal Audit Service approved by the Board of Directors of the Company.

113. The key responsibilities of the Internal Audit Service include assessing the quality of the internal control and risk management system in the Company and bringing to the attention of the Board of Directors information of the sufficiency and effectiveness of this system. The main task of the Internal Audit Service is to contribute to the improvement of the results of the Company's activities.

114. The Regulation on the Internal Audit Service defines and fixes:

1) adherence to the principles and regulations adopted by the international Institute of Internal Auditors (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 duties;

- 4) qualification requirements for the head and employees of the Internal Audit Service;
- 5) scope and content of internal audit activities;
- 6) the right to access documentation, employees and tangible assets in the performance of 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.

115. 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 the development and monitoring of 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, within the established procedure, an internal audit of subsidiary organizations;
- 4) preparation and submission to the Board of Directors and the Audit Committee quarterly and annual reports on the results of the activities of the internal audit unit and the implementation of the annual audit plan (including information on significant risks, shortcomings, the results and effectiveness of the implementation of measures to eliminate the identified shortcomings, the results of assessing the actual state, reliability and effectiveness of the risk management system, internal control and corporate governance);
- 5) verification of compliance by members of the Management Board of the Company and its employees with the provisions of the legislation of the Republic of Kazakhstan and internal documents relating to insider (confidential) information and the fight against corruption, compliance with ethical requirements;
- 6) monitoring 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 organization of internal audit (including the development of internal regulations and projects in these areas), as well as on other issues within the competence of the Internal Audit Service.

116. Evaluation of the effectiveness of the activities 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 implementation of the annual audit plan and reporting, evaluation of compliance of reports with the requirements of standards and internal regulatory documents of the Internal Audit Service.

Paragraph 14. Management Board

117. Managing the Company's current activities is carried out by the Management Board.

Chairman of the Board, Rector and members of the Board have high professional and personal characteristics, good business reputation, and adhere to ethical standards. Chairman of the Board, Rector must also have organizational skills, work in active interaction with the Sole Shareholder and constructively build a dialogue with him, the Board of Directors, employees and other interested parties.

118. The Management Board is accountable to the Board of Directors and manages the daily activities of the Company, is responsible for the implementation of the development strategy and / or development plan and decisions made by the Board of Directors and the Sole Shareholder.

119. The Management Board is headed by Chairman of the Board, Rector. The Board of Directors considers candidates for the position of Chairman of the Board, Rector and recommends candidates for consideration by the Republican Competition Commission for election and subsequent appointment as the Sole Shareholder.

120. The Board of Directors determines the number of members of the Management Board of the Company, their term of office, the procedure for election (with the exception of Chairman of the Management Board, Rector of the Company and a member of the Management Board for academic affairs), as well as early termination of their powers and bringing to disciplinary responsibility.

121. The Board of Directors determines the amount of the official salary, terms of remuneration and remuneration of the members of the Management Board.

122. The Board of Directors determines the amount of the official salary, terms of remuneration and remuneration of the members of the Management Board.

123. The Board of Directors may at any time terminate the powers of the members of the Board (with the exception of Chairman of the Board, Rector and a member of the Board for academic issues). The decision on early termination of the powers of Chairman of the Board, Rector and a member of the Board for academic issues is made by the Sole Shareholder. The Board of Directors has the right to send a request to the Sole Shareholder to consider this issue.

124. Chairman of the Board, the Rector and members of the Board of the Company are elected for a term of up to three years. The terms of office of Chairman of the Board, Rector and members of the Board must coincide with the term of office of the Board.

125. To increase transparency of the processes of appointment and remuneration of Chairman of the Board, Rector and members of the Board of the Company, the Board of Directors approves and strictly observes the procedure for selection and appointment, provisions on remuneration and remuneration, evaluation of members of the Board of the Company. The Company is developing a succession program.

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

The Board ensures:

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 Sole Shareholder, the Board of Directors;

2) proper risk management and internal control;

3) allocation of resources for the implementation of decisions of the Sole Shareholder, the Board of Directors;

4) occupational safety of the Company's employees;

5) development of an atmosphere of interest and loyalty of the Company's employees, development of corporate culture.

The Board of Directors exercises control over the activities of the Management Board of the Company. Control can be exercised by providing the Management Board with regular reporting to the Board of Directors and hearing the Management Board on the implementation of medium-term development plans and the results achieved.

126. The Management Board holds in-person meetings and discusses implementation of developing a strategy or a development plan, the Sole Shareholder, the Board of Directors and operational activities. The Board meetings are held on a regular basis. The cases of holding meetings in absentia are limited and are defined in the Charter and internal documents of the Company.

127. The Board forms a work plan for the coming year with a list of issues before the start of the calendar year. Members of the Board are provided in advance with materials for consideration, of proper quality. When considering such issues 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 value and sustainable development of the Company.

All the issues submitted at the initiative of the Management Board for consideration by the Board of Directors and the Sole Shareholder are preliminary considered and approved by the Management Board.

128. Chairman of the Board, Rector and members of the Board do not allow a situation with a conflict of interest. In the event of a conflict of interest, they must notify the Board of Directors or Chairman of the Board, Rector in advance, record this in writing and not participate in the decision-making on the issue.

129. Chairman of the Board, Rector and members of the Board may hold positions in other organizations only with the approval of the Board of Directors. Chairman of the Board, Rector should not hold the position of the head of the Board of another legal entity.

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

131. The organizational structure is aimed at:

1) decision-making efficiency;

2) increasing the productivity of the Company;

3) efficiency of decision-making;

4) organizational flexibility. Selection of candidates for vacant positions in the Company is carried out on the basis of open and transparent competitive procedures. Career advancement, 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. The Company forms a pool of personnel reserve employees, from which later appointments to senior positions of middle and top management can be made. Employees are assessed on an annual basis.

5) personnel selection procedures implemented must meet the following requirements:

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

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

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

Paragraph 15. Evaluation and remuneration of the Board members

132. Chairman of the Board, Rector and members of the Board are annually evaluated by the Board of Directors. The main evaluation criterion is the achievement of the set KPIs.

KPI of Chairman of the Board, Rector and members of the Board are approved by the Board of Directors of the Company based on the Development Strategy and/or Development Plan of the Company. Proposals in terms of KPI members of the Management Board for consideration by the Board of Directors are submitted by the Management Board.

133. The results of the evaluation affect the amount of remuneration, promotion, re-election (appointment) or early termination of powers.

134. Remuneration of Chairman and members of the Board consists of a fixed and a variable part. When setting the official salary, the complexity of the tasks performed, the employee's personal competencies 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, and the economic situation in the Company are taken into account.

135. 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 16. Principle of sustainable development

136. The Company is aware of the importance of its impact on the economy, ecology and society, striving for the growth of long-term value, ensures its sustainable development in the long term, respecting 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.

137. The Company should strive to increase long-term value, while ensuring sustainable development, maintaining a balance of interests of stakeholders. Activities in the field of sustainable development must 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 reduce risks. The Company should attach importance to proper stakeholder engagement.

138. When identifying stakeholders and interacting with them, the Company uses international standards for identifying and interacting with stakeholders (Standard AA 1000, Accountability Principles Standard 2008 "Stakeholder Engagement Standard 2011", ISO 26000 Guidelines for Social Responsibility (Guidelines for Social Responsibility), GRI (Global Reporting Initiative).

Interested parties	Contribution, impact	Expectations, interest
Investors, including shareholders, second level banks	Financial resources (equity, borrowed funds)	Return on investment, timely payment of dividends, principal and remuneration
Employees, officials	Human resources, loyalty	High profit payment, good working conditions, professional development
Trade unions	Assistance in providing social stability, regulation of labor relations and conflict settling	Observing the employees' rights, good working conditions
Clients	Financial resources by means of purchasing products (goods and services) of the organization	Getting high-quality, safe goods and services at an affordable price
Suppliers	Supplying resources (goods, works and services) for making cost	Reliable selling market, permanent solvent buyer
Local communities, population in the places of operation, public organizations	Local support in implementing activities; loyalty and support of the local authorities; favorable attitude; cooperation	Providing additional jobs, development of the region
Government, state bodies, Parliament	Governmental regulation	Taxes, solving social problems

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

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

140. Methods of interaction with the interested parties include the following forms: AA 1000 Stakeholder Engagement Standard 2011):

The interaction level	The interaction methods
Consultations: two-way interaction; the interested parties answer questions from the Company and organizations	Questionnaires; focus groups; meetings with the interested parties; public meetings; seminars; providing feedback through communication tools; advisory boards
Negotiations	Collective negotiations based on the principles of social partnership
Involvement: Bilateral or multilateral interaction; build experience and knowledge from all sides, stakeholders and organizations act independently	Multilateral forums; advisory panels; consensus process; collaborative decision-making process; focus groups; delivery schemes of feedback
Cooperation: Bilateral or multilateral interaction; joint development of experience and knowledge, decision-making and action	Joint projects; joint ventures, partnership; joint stakeholder's initiatives
Grant of authority: the interested parties (if applicable) are involved in management	Integration of the issues of the interested parties engagement into management, strategy and operations

141. The Company ensures consistency of its economic, environmental and social goals for sustainable development in the long term. Sustainable development at the Company consists of three components: economic, environmental and social.

The economic component directs the Company's activities to the growth of long-term value, ensuring the interests of the Sole Shareholder and investors, increasing the efficiency of processes, increasing investment in the creation and development of more advanced technologies, and increasing labor productivity.

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, development of environmentally friendly products, minimization, processing and destruction of waste.

The social component is focused on the principles of social responsibility, which, among other things, include ensuring labor safety and maintaining the 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 promotions.

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

143. The GRI 4 international standards give the following classification of the categories and aspects of sustainable development:

Category	Aspects
Economic	Economic performance; presence in the markets; indirect economic impacts; procurement practices
Ecological	Materials; energy; water; biodiversity; emissions; discharges and waste; products and services; compliance with the requirements; transport; general information; environmental assessment of suppliers; complaint mechanisms for environmental issues
Social	Labor practices and decent work include but are not limited to suppliers, labor practices complaint mechanisms
	Human rights include, but are not limited to, investment, non-discrimination, freedom of association and collective bargaining, child labor, forced or compulsory labor, security practices, rights of indigenous peoples, supplier compliance assessments, human rights complaint mechanisms
	Society, including but not limited to, local communities, anti-corruption, public policy, not anti-competition, compliance, supplier societal impact assessment, community impact grievance mechanisms
	Product responsibility includes, but is not limited to, consumer health and safety, product and service labeling, marketing communications, consumer privacy, compliance

Образование свободной предпринимательской инициативы, развитие предпринимательства, обеспечение занятости;

144. The Company is building a management system in the field of sustainable development, which includes, among other things, the following elements:

- 1) commitment to the principles of sustainable development at the level of the Board of Directors, the Management Board and employees;
- 2) analysis of the internal and external situation in three components (economy, ecology, social issues); areas of sustainable development in the social, economic and environmental spheres;
- 3) building a stakeholder map;
- 4) definition of goals and KPIs in the field of sustainable development, development of an action plan and identification of responsible persons;
- 5) integration of sustainable development into key processes, including risk management, planning, human resource management, investments, reporting, operations and others, as well as into development strategy and decision-making processes;
- 6) advanced training of officials and employees in the field of sustainable development;
- 7) 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.

145. 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 the employees and officials at all levels contribute to sustainable development.

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

- 1) analysis of the current situation in three main areas: economic, ecological and social. When conducting this analysis, the reliability, timeliness and quality of information are important;
- 2) identifying risks in the field of sustainable development. Risks are distributed in accordance with the three directions of sustainable development, they can also affect related areas and capture other risks. To determine the risks, an analysis of both internal and external factors of influence on the Company is carried out;
- 3) identification of interested parties and their influence on the activity;
- 4) defining goals, as well as, if possible, target indicators, measures to improve and improve the activities of the organization in three components, responsible persons, resources and deadlines;
- 5) regular monitoring and evaluation of the implementation of goals, measures to achieve target indicators;
- 6) systematized 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) the control system;
- 2) the development strategy;
- 3) the key processes, including risk management, planning, reporting, risk management, human resource management, investments, operations and others, as well as in decision-making processes at all levels, from bodies (Sole Shareholder, Board of Directors, Management Board), and ending with ordinary workers.

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

148. The Board of Directors of the Company performs strategic management and control over 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 the issues of sustainable development, a committee is formed or these functions are delegated to the terms of reference of one of the existing committees under the Board of Directors of the Company on issues of sustainable development.

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 officials of the Company promote the involvement of employees in sustainable development based on understanding and commitment to the principles of sustainable development and changing culture, behavior in the conduct of activities and performance of duties.

149. Benefits from implementing sustainable development principles include:

1) attraction of investments: in world practice, when determining investment attractiveness, investors take into account efficiency in the field of sustainable development;

2) improving the managerial efficiency and minimizing risks: integrating environmental and social aspects into the process of making managerial decisions allows expanding the planning horizons and take into account a more diverse range of risks and opportunities, which creates prerequisites for sustainable business development;

3) improving the efficiency: the introduction of modern technologies allows developing innovative products and services, while increasing 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 forms credibility, and has a positive impact on the quality of interaction with business partners;

5) increasing loyalty from 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 activities of the Company, which helps to increase its efficiency through understanding and support from customers, the Sole Shareholder, investors, government agencies, the local population, public organizations.

150. If needed, the Company can develop and publish sustainability reports. When preparing a report on sustainable development, one should be guided by generally accepted international standards: International Integrated Reporting Standard (IIRC), Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, AA1000 Social and Ethical Accountability Standards in the field of managing the economic, social and environmental aspects of activities, as well as taking into account its impact on the interests of stakeholders, taking into account ensuring the protection of information constituting official, commercial and other secrets protected by law.

It is permitted to present the information of sustainable development in the form of a separate report or as part of the Company's annual report.

Paragraph 17. Risk management

151. The Company provides an effectively functioning risk management and internal control system aimed at ensuring that the Company achieves its strategic and operational goals, and which is 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) the optimal balance between the growth of the Company's value, profitability and associated risks;

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

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

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

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

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

152. The Board of Directors of the Company approves internal documents that define the principles and approaches to the organization of the risk management and internal control system, based on the objectives of this system.

Organization of an effective risk management and internal control system at the Company is aimed at building a management system that can ensure that employees, management, bodies of the Company understand the reasonableness and acceptability of the level of risks when they make decisions, quickly respond to risks, exercise control over the main and auxiliary processes and daily operations and promptly

report any significant deficiencies to the appropriate level of management.

153. The principles and approaches to organizing an effective risk management and internal control system provide for:

- 1) determination of the goals and objectives of the risk management and internal control system;
- 2) organizational structure of the risk management and internal control system covering all levels of decision-making and taking into account the role of the relevant level in the process of developing, approving, applying and evaluating the risk management and internal control system;
- 3) requirements for the organization of the risk management process (approaches to risk identification, the procedure for identifying and assessing risks, determining 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 assessing the effectiveness and reporting in the field of internal control).

154. The internal documents of the Company establish responsibility of the Board of Directors and the Management Board of the Company for organizing and ensuring the effective functioning of the risk management and internal control system on a consolidated basis.

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

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

156. The 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 development and effective functioning of the risk management and internal control system through the practical implementation and continuous implementation of the principles and procedures for risk management and internal control assigned to it;
- 3) is responsible for the implementation of decisions of the Board of Directors and recommendations of the audit committee in the field of organization of the risk management and internal control system;
- 4) monitors the risk management and internal control system in accordance with the requirements of internal documents;
- 5) ensures the improvement of processes and procedures for risk management and internal control, taking into account changes in the external and internal business environment.

157. In order to implement the principles of internal control and to ensure the effectiveness of the risk management and internal control system, the Management Board of the Company distributes powers, duties and responsibilities for specific risk management and internal control procedures between the managers of the lower level and/or heads of structural divisions.

158. The heads of structural divisions, in accordance with their functional duties, 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's activities entrusted to them.

159. The organizational structure of the risk management and internal control system in the Company (depending on the scale and specifics of activities) provides for the existence of a structural unit responsible for risk management and internal control (or these functions can be assigned to the internal audit service), whose tasks relate to:

- 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 process owners and employees in the process of identifying, documenting risks, implementing, monitoring and improving control procedures, developing action plans to respond to risks and action plans to improve the risk management system and internal control, reports on their execution;
- 3) organization of the employee training in the field of risk management and internal control;
- 4) analysis of the risk portfolio and development of proposals for a response strategy and redistribution of resources in relation to the management of relevant risks;
- 5) formation of consolidated reporting on risks;
- 6) implementation of operational control over the process of risk management by structural units;
- 7) preparation 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/levelling.

The head in charge of the risk management and internal control function should not be the owner of the risk, which ensures his 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.

160. The risk management and internal control system provides for a procedure for identifying, assessing and monitoring all significant risks, as well as taking 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 re-evaluated and its compliance with the risk appetite is carried out.

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

162. The tolerance levels for the key risks are reviewed in the event of significant events. Limits are set to limit risks in day-to-day activities.

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

164. When reviewing the list of risks, the Board of Directors ensures that they include risks that can actually affect the implementation of strategic objectives, and when reviewing the action plan 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, their analysis in terms of their impact on the strategy and business plans of the Company.

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

165. The Company introduces 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 bringing information to the attention of officials.

166. As part of the risk management and internal control system, a safe, confidential and accessible way (hot line, helpline) is organized to inform the Board of Directors, the Audit Committee and the Internal Audit Service about the facts of violations of the legislation of the Republic of Kazakhstan, internal procedures, the Code of Corporate Ethics by any employee and officer of the Company.

Paragraph 18. Internal control and audit

167. The Company organizes an Internal Audit Service for systematic independent assessment of reliability and effectiveness of the risk management and internal control system and corporate governance practices.

168. At organizations in the form of a joint-stock company that are part of the Company, a separate structural unit is organized: the Internal Audit Service.

169. The Internal Audit Service operates according to a risk-based annual audit plan approved by the Board of Directors of the Company.

170. The results of audit reports, the key findings and relevant recommendations are quarterly submitted for consideration by the Audit Committee of the Board of Directors.

171. In carrying out its activities, the Internal Audit Service evaluates the effectiveness of the internal control system and the risk management system, evaluates corporate governance using generally accepted standards of activity in the field of internal audit and corporate standards.

Evaluation of the internal control system effectiveness includes:

1) analyzing compliance of the goals of processes, projects and structural divisions with the goals of the Company, verification of ensuring the reliability and integrity of activities and information systems, including the reliability of procedures for combating illegal actions, abuse and corruption;

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

3) determining the adequacy of the criteria established by the Management Board of the Company for the analysis of the degree of fulfillment (achievement) of the goals set;

4) identifying deficiencies in the internal control system that did not allow (do not allow) to achieve the goals set;

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

6) verifying the effectiveness and expediency of the use of resources;

7) checking the security of the Company's assets;

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

Evaluation of the effectiveness of the risk management system includes:

1) verification of the sufficiency and maturity of the 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 the completeness of identification and correctness of risk assessment by the Management Board (sole executive body) at all levels of its management;

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

4) analysis of information on realized risks (violations identified as a result of internal audits, facts of failure to achieve goals, facts of litigation).

The corporate governance assessment includes checking:

1) observance of 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 exchange (including on internal control and risk management) at all levels of management, including interaction with stakeholders;

4) ensuring the rights of the Sole Shareholder, including controlled organizations, and the effectiveness of relationships with stakeholders;

5) procedures for disclosing information about the activities of the Company and organizations controlled by it.

172. The Company conducts an annual audit of financial statements by engaging 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.

173. The selection of the 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.

174. The involved external auditor does not provide the Company with consulting services that may become a threat to the independence of the external auditor, does not practice the 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 ensures disclosure of detailed information of the involved external auditor.

175. Stakeholders certify the reliability of the Company's financial statements by engaging an external auditor that meets the following criteria:

- high level of qualification of the audit organization specialists; significant work experience and positive reputation (in Kazakhstan and international markets (if needed));

- experience in the industry;

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

- efficiency of work on identifying shortcomings and presenting recommendations for improving internal controls in the process of preparing financial statements.

176. The Company approves documents regulating the procedure for conducting an audit and relations with an external auditor.

177. 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 years in a row.

Paragraph 19. Settlement of conflicts

178. 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 the Sole Shareholder and the Company, avoiding conflicts.

179. In case of presence (occurrence) 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 stakeholders.

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

181. The efficiency of work at prevention and settlement of corporate conflicts implies full and prompt identification of such conflicts and coordination of actions of all the Company's bodies.

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

183. In order to prevent the interference of state bodies in the Company's operating activities, as well as to increase the responsibility of the Boards of Directors for decisions made, the Sole Shareholder should avoid electing members of the Board of Directors who are representatives of state bodies.

184. Chairman of the Board, Rector (the sole executive body) on behalf of the Company shall resolve corporate conflicts on all issues, the adoption of decisions on which is not within the competence of the Board of Directors of the Company, and independently determine the procedure for the settlement of corporate conflicts.

185. The Board of Directors considers individual corporate conflicts that fall within the competence of the Management Board.

Paragraph 20. Settlement of the conflict of interest

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

187. Employees of the Company do not allow a situation in which a conflict of interest can arise, either in relation to themselves (or persons related to them), or in relation to others.

In order to avoid conflicts of interest that impede the objective performance of its duties by the Board of Directors, and to limit political interference in the processes of the Board of Directors of the Company,

mechanisms are being introduced to prevent and to regulate them.

188. The main principles of preventing conflicts of interest, methods of their identification, assessing and resolving are enshrined in the Code of Corporate (Business) Ethics of the Company approved by the Board of Directors.

Paragraph 21. Principle of transparency and objectivity of the information disclosure of the Company activities

189. In order to comply with the interests of stakeholders, the Company timely and reliably discloses information provided for by the legislation of the Republic of Kazakhstan and internal documents of the Company, as well as information of the activities, including financial condition, performance results, ownership and management structure.

190. The Company approves internal documents that define the principles and approaches to the disclosure and protection of information, the list of information disclosed to interested parties, the timing, procedure, method, form of information disclosure, responsible officials and employees indicating their functions and responsibilities, as well as others provisions governing disclosure processes.

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

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

191. The Internet resource of the Company is structured, easy to navigate and contains information sufficient for interested parties to understand the activities of the Company. The information is placed in separate thematic sections of the Internet resource.

The website is updated as needed but at least once a week. The Company regularly monitors the completeness and relevance of information posted on the Internet resource, and determines the compliance of this information posted in the Kazakh, Russian, English versions of the Internet resource. For these purposes, persons (a structural unit) are assigned who are responsible for the completeness and relevance of the information on the Internet resource.

192. The Internet resource of the Company must contain the following information:

1) general information of the Company, including information of the mission, main tasks, goals and types of activities, the amount of equity capital, the amount of assets, net income and the number of employees;

2) 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) ethical principles;

5) risk management;

6) members of the Board of Directors, including the following information: a photo (as agreed with a member of the Board of Directors), last name, first name, patronymic, date of birth, citizenship, status of a member of the Board of Directors (independent director, representative of a shareholder), membership in committees of the Board of Directors or performance of the functions of Chairman of the Board of Directors, education, including basic and additional education (name of educational institution, year of graduation, qualification, degree obtained), work experience over the past five years, main place of work and other positions currently held, professional qualifications, the date of the first election to the Board of Directors and the date of election to the current Board of Directors;

7) members of the Management Board, including the following information: a photo, last name, 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 received), work experience for the last five years, professional qualifications, positions held part-time;

8) financial reporting;

9) annual reports;

10) the external auditor;

- 11) procurement activities, including rules, announcements and results of procurement;
- 12) the structure of the authorized capital, including information on the number and par value of the issued shares and their ownership by the Sole Shareholder;
- 13) the annual calendar of corporate events;
- 14) transactions in which there is an interest, including information about the parties to the transaction, the essential terms of the transaction (the subject of the transaction, the price of the transaction), the body that made the decision to approve the transaction;
- 15) major transactions, including information about the parties to the transaction, the essential terms of the transaction (the subject of the transaction, the price of the transaction), the body that made the decision to approve the transaction;
- 16) activities in the field of sustainable development;
- 17) news and press releases.

193. 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.

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

The annual report is prepared and posted on the Internet resource.

195. The annual report should contain the following information:

- 1) the address of Chairman of the Board of Directors of the Company;
- 2) the address of Chairman of the Board, Rector;
- 3) information of the Company: general information; the structure of the authorized capital, including information on the number and par value of the issued shares and their ownership by the Sole Shareholder; mission; development strategy, results of its implementation; market overview and market position;
- 4) the 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 society assumed by the Company (if not disclosed in accordance with IFRS);
- 5) the structure of assets, including subsidiaries/affiliates of all levels, an overview, the main results of their financial and production activities;
- 6) goals and plans for future periods;
- 7) main risk factors and risk management system;
- 8) corporate governance: structure of corporate governance; compound shareholders and ownership structure; the composition of the Board of Directors, including qualifications, the selection process, including information about independent directors, indicating the 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 in case of non-compliance, an explanation of the reasons for non-compliance with each of the principles; composition of the Management Board of the Company; report on the activities of the Board; policy of remuneration of officials;
- 9) sustainable development (in the case of preparing a separate report in the field of sustainable development, it is possible to provide a link to this report);
- 10) auditor's report and financial statements with notes;
- 11) analytical indicators and data included in the annual report reflect a comparative analysis and progress (regression) in relation to the previous period (comparison with the values of similar indicators indicated in the previous annual report). In order to compare performance with international companies operating in a similar industry, performance indicators are published that will allow for industry benchmarking analysis.

Appendix
to the Corporate Governance Code
of Non-profit Joint-stock Company in the field of higher and postgraduate education
Regulation on evaluation of the Board of Directors activities

1. General provisions

1. This Regulation on the evaluation of the activities of the Board of Directors was developed in accordance with the current legislation of the Republic of Kazakhstan, the Corporate Governance Code of a non-profit joint stock company in the field of higher and postgraduate education and regulates the evaluation process.

2. The main objectives of the assessment are to increase the efficiency of the Board of Directors.

3. The assessment is carried out by the Sole Shareholder and allows:

1) determining the strengths and weaknesses (advantages and disadvantages) of the own work of the Board of Directors;

2) adjusting the activities of the Board of Directors;

3) determining the effectiveness of the remuneration system for the Chairman and members of the Management Board, the head and employees of the Internal Audit Service, as well as the Corporate Secretary;

4) determining the need for training and advanced training for members of the Management Board, employees of the Internal Audit Service and the Corporate Secretary.

4. The Sole Shareholder evaluates the overall performance of the Board of Directors, the performance of their duties by the members of the Board of Directors.

5. Evaluation should be carried out in accordance with the following principles:

1) objectivity;

2) the regularity of evaluation and refinement of the evaluation indicators;

3) complexity.

6. The Corporate Secretary is responsible for the annual performance evaluation of the Board of Directors as a whole and each member.

7. Assessment can be carried out:

1) by questioning;

2) using a mixed approach: through questionnaires and with the involvement of outside experts;

3) by other means by decision of the Sole Shareholder.

2. Procedure for evaluating

8. The decision to conduct an evaluation is made by the Sole Shareholder. The specified decision determines the specific terms (schedule) for the evaluation, the composition of the commission and the required resources (for example, materials, information, reports, etc.).

9. The evaluation is carried out annually following the completion of the audit of the annual financial statements.

10. The evaluation process is coordinated by the Sole Shareholder.

11. The results of the evaluation are discussed at a closed meeting of the Board of Directors, which is attended only by members of the Board of Directors and the Corporate Secretary.

12. At this meeting, members of the Board of Directors should conceptually discuss the activities of the Board of Directors and identify the factors that reduced the efficiency of their work, and propose ways to improve efficiency, discuss a number of key problems of management and control over the Company's activities.

Members of the Board of Directors provide recommendations based on the results of the year of work.

13. In general, the evaluation process should stimulate discussion on:

- 1) roles and functions of the Board of Directors;
- 2) priorities of the work of the Board of Directors;
- 3) availability of knowledge, skills, experience and personal qualities that the members of the Board of Directors should possess in general;
- 4) current procedures for the work of the Board of Directors, including the practice of preparing and holding meetings of the Board of Directors, their regularity, issues of information support for the activities of the Board of Directors;
- 5) the current position of the Company and the prospects for its development;
- 6) the role of Chairman of the Board, Rector in the development of the Company's activities.

14. Based on the results of the assessment, the Board of Directors may take the following measures:

- 1) identify several main tasks/directions on which the Board of Directors should focus;
- 2) make recommendations to the plans and methods of work of the Board of Directors;
- 3) take into account the results of the assessment when electing the Chairman of the Board - Rector and members of the Board, the head and employees of the Internal Audit Service, as well as the Corporate Secretary.

15. Forms for evaluation are sent to the members of the Board of Directors by Corporate Secretary of the Company.

16. Weaknesses in the work are those criteria, according to which the average score of the evaluation turned out to be below 2 with a three-point evaluation, and below 3 with a five-point evaluation, which require attention from the Board of Directors.

17. Corporate Secretary, who organizes and processes the collected information, is responsible for its objectivity and confidentiality.

Evaluation criteria of the Board of directors and its members activities

18. The criteria for evaluating the activities of the Board of Directors as a whole are as follows:

- 1) documentary support for the work of the Board of Directors;
- 2) composition and structure of the Board of Directors;
- 3) the role and tasks of the Board of Directors, the Chairman of the Board of Directors;
- 4) procedures for the work of the Board of Directors;
- 5) interaction of the Board of Directors with the Management Board of the Company.

19. An individual evaluation of the activities of members of the Board of Directors makes it possible to intensify their participation in the work of the Board of Directors and find opportunities to improve the efficiency of the work of the Board of Directors as a whole.

20. When conducting an individual evaluation of the activities of the Board of Directors members, it is recommended to pay special attention to the following factors:

- 1) competence in matters falling within the scope of responsibility of the Board of Directors, the Committee, which includes a member of the Board of Directors;
- 2) knowledge of the industry and the specifics of the scope of the direction of activity;
- 3) participation in the meeting of the Board of Directors and its committees;
- 4) the degree of participation in the discussion at meetings of the Committee of the Board of Directors;
- 5) activity at meetings of the Board of Directors and the nature of voting in the decision-making process;
- 6) personal characteristics of a member of the Board of Directors and their influence on the effectiveness of his work (ability to work in a team, accessibility for communication, ability to defend one's views, ability to take into account other people's opinions, ethical standards of activity).

21. To assess the Board of Directors as a whole and its members, each member of the Board of Directors fills in the questionnaires in accordance with Appendix 1 and Appendix 2.

Appendix 1
to the Regulation on evaluation of the Board of Directors activities

Questionnaire for evaluating the Board of Directors member activities

Note:

1. *To be filled in by each member of the Board of Directors in a confidential manner*
2. *On a scale from 1 to 3, mark the score that corresponds to your opinion and characterizes the answer to the question:*
 - 1 - *completely disagree;*
 - 2 - *rather disagree;*
 - 3 - *take a neutral position;*
 - 4 - *rather agree;*
 - 5 - *totally agree*
3. *If you have a dissenting opinion, comment, recommendations or wishes, you must fill out the appropriate section of the questionnaire*
4. *Based on the results of filling out the questionnaire by the Corporate Secretary, the total number of answers with a mark from 1 to 5 is displayed and the average value of numerical information is calculated, and a list of comments, recommendations, wishes, etc. is compiled.*

No	Evaluation criteria	Points	Comments/recommendations/ wishes
1	Members of the Board of Directors understand their powers and priorities		
2	The Board of Directors demonstrates its strategic importance and constructivism (the Board of Directors carries out strategic management of the Company, is a constructive critic of the Management Board)		
3	The Board of Directors understands the values, mission, Development Strategy and takes into account all of the above when making key issues		
4	Number of implemented initiatives proposed by members of the Board of Directors		
5	Independent members of the Board of Directors of the Company are indeed independent		
6	Members of the Board of Directors regularly participate in in-person meetings of the Board of		
7	Members of the Board of Directors have enough opportunities to communicate with members of the Management Board of the Company, in addition to		
8	The Chairman of the Board of Directors effectively manages the work of the Board of Directors		
9	Members of the Board of Directors have enough time to effectively perform their functions in the Board of Directors		
10	Members of the Board of Directors receive from the Management Board of the Company information sufficient for informed decision-making		
11	Please name up to three areas in which, in your opinion, the Board of Directors should focus its efforts next year	1. 2. 3.	
Average point value			

Appendix 2
to the Regulation on evaluation of the Board of Directors activities

Questionnaire for evaluating the Board of Directors member activities

Note:

3. *To be filled in by each member of the Board of Directors in a confidential manner, including self-assessment*
4. *On a scale from 1 to 3, mark the score that corresponds to your opinion:*
 - 1 - satisfactory;
 - 2 - good;
 - 3 - excellent;
3. *If you have a dissenting opinion, comment, recommendations or wishes, you must fill out the appropriate section of the questionnaire*
4. *Based on the results of filling in the questionnaire by Corporate Secretary, the total number of answers with a mark from 1 to 3 is displayed and the average value of numerical information is calculated, and a list of comments, recommendations, wishes, etc. is compiled.*

Full name of the Board of Directors member	Professional experience	Knowledge of the area specifics	Strategic vision (recommendations)	Attendance at the meetings	Activeness when voting	Number of initiatives offered	Active participation in the meetings
Board of Directors member 1							
Board of Directors member 2							
Board of Directors member 3							
Board of Directors member 4							
Board of Directors member 5							
Board of Directors member 6							
Board of Directors member 7							
Average point value							
<p>Comment of the Board of Directors member <i>(a member of the Board of Directors may note, among other things, what factors prevent him from demonstrating his skills and knowledge, which affect the level of participation in meetings of the Board of Directors, areas in which he needs to improve his knowledge, etc.):</i></p>							

Results of coordination

04/19/2021 15:40:43: Irgebayev E. T. (Department of Higher and Postgraduate Education) - agreed without comments
04/19/2021 15:44:47: Daulenov M. M. (Management) - agreed without comments
04/19/2021 15:55:27: Toibayev A. Zh. (Department of Higher and Postgraduate Education) - agreed without comments

Signing result

04/19/2021 04:23:52 PM Aimagambetov A. K. Signed