

1. General provisions

1.1 This Provision on Procedure of Appointment, Amount and Conditions of Remuneration and Bonuses to the Internal Audit Service Employees of Abylkas Saginov Karaganda Technical University Non-Profit Joint-Stock Company has been developed in accordance with the Law of the Republic of Kazakhstan “On Joint Stock Companies”, the Corporate Governance Code of a non-profit joint stock company in the field of higher and postgraduate education, the Charter of Abylkas Saginov Karaganda Technical University Non-Profit Joint-Stock Company (hereinafter the Company), The Collective Agreement between Abylkas Saginov Karaganda Technical University NJSC and the trade union organization of teachers and staff of the University for 2023-2026 and other regulatory legal acts of the Republic of Kazakhstan *(this paragraph was supplemented by the decision of the Board of Directors of the Company dated December 27, 2023).*

2. Procedure of appointment of the Internal Audit Service employees

2.1 Determining the quantitative composition, the term of office of the Internal Audit Service of the Company (hereinafter referred to as the Service), appointment of the head and members of the Service, as well as early termination of their powers are performed by the Board of Directors of the Company.

2.2 Labor contracts with the Service employees based on the decision of the Board of Directors, are concluded by the Chairman of the Management Board, Rector of the Company in accordance with the labor legislation of the Republic of Kazakhstan.

2.3 The duties, rights, responsibility and work procedure of the head and employees of the Service are determined by the Provision on the Internal Audit Service, the labor contract, job descriptions, and other internal documents of the Company.

3. Qualification requirements to the Internal Audit Service employees

3.1 The head of the Service must meet the following qualification requirements:

1) to have higher professional education in the following areas: economics and finance, and/or accounting and audit, and/or financial management, and/or finance and credit, preferably with additional education in the field of information technology and/or technical field, and/or jurisprudence;

2) work experience in the field of audit, and/or accounting, and/or finance (at least three years);

3) work experience in a managerial position at least two years;

4) knowledge of the regulatory legal acts of the Republic of Kazakhstan including those on the issues of auditing, accounting and taxation;

5) preferable knowledge of international financial reporting standards and international professional standards of internal audit developed by the Institute of

Internal Auditors (The Institute of Internal Auditors Inc), International Standards on Auditing (ISA);

6) it is preferable to have additional special training, namely, the presence of a qualification certificate "auditor" obtained in accordance with the Law of the Republic of Kazakhstan "On Auditing Activity", and/or a certificate in the field of internal audit CIA (Certified Internal Auditor), and/or a certificate of jury ACCA accountant (Association of Certified Chartered Accountants), and/or DipIFR (Diploma in International Financial Reporting), and/or CIPA (Certified International Professional Accountant), and/or DipPIA (Diploma in Professional Internal Auditor);

7) it is preferable to be proficient in the state and foreign languages.

3.2 An employee of the Service must meet the following qualification requirements:

1) to have higher professional education in the following areas: economics and finance, and / or accounting and audit, and/or financial management, and/or finance and credit, preferably with additional education in the field of information technology and/or technical field, and/or jurisprudence;

2) work experience in the field of audit, and/or accounting, and/or finance (at least two years);

3) knowledge of the regulatory legal acts of the Republic of Kazakhstan including those on the issues of auditing, accounting and taxation;

4) preferable knowledge of international financial reporting standards and international professional standards of internal audit developed by The Institute of Internal Auditors Inc, International Standards on Auditing (ISA);

5) it is preferable to have a certificate and/or qualification in the field of audit, and/or accounting and financial management;

6) knowledge of the state and foreign languages is preferable.

4. Amount and conditions of remuneration and bonuses to the Internal Audit Service employees

4.1 The amount of the official salary of the employees of the Service is determined by the Board of Directors of the Company and can be changed by the Board of Directors of the Company decision.

4.1-1 When providing annual paid leave, employees of the Service are paid a recovery allowance in the amount of one month's official salary (*this paragraph was supplemented by a decision of the Board of Directors of the Company dated December 27, 2023*).

4.1-2 Other social benefits and entitlements to employees of the Service are paid in accordance with the Collective Agreement of the Company (*this paragraph was supplemented by a decision of the Board of Directors of the Company dated December 27, 2023*).

4.2 For the purpose of material interest of the Service employees in improving production efficiency and quality of work, remuneration/bonuses can be paid based on the results of work for the year.

4.3 The amount of remuneration/bonus based on the results of work for the year is determined by the Board of Directors of the Company on the basis of an individual approach to assessing the performance of each Service employee and depends on the

qualitative and quantitative indicators of implementing the annual audit plan of the Service.

5. Final provisions

5.1. Amendments and additions to this Provision can be made by the decision of the Board of Directors of the Company including those at the initiative of the Sole Shareholder of the Company.

AMENDMENT SHEET

1. Amendments No. 1:

- approved by the decision of the Board of Directors of Abylkas Saginov Karaganda Technical University NJSC (Minutes No. 9 dated December 27, 2023).