

**APPROVED by the
Decision of the Board of Directors of
Abylkas Saginov Karaganda
Technical University
dated 2023/06/13 (Minutes No. 2)
*(with amendments and additions
of 2024/10/09, Decision No. 8/39;
of 2026/04/30, Minutes No. 4/57)***

**POLICY
on Risk Management and Internal Control
of Abylkas Saginov Karaganda Technical University NJSC**

Karaganda - 2023

1. GENERAL PROVISIONS

1. This Policy on Risk Management and Internal Control of Abylka Saginov Karaganda Technical University (hereinafter referred to as the Policy) has been developed in accordance with the applicable legislation of the Republic of Kazakhstan, the Charter, the Corporate Governance Code, and the other internal documents of Abylka Saginov Karaganda Technical University NJSC (hereinafter referred to as the Company), as well as RK ST ISO 31000-2020 "Risk Management: Guidelines," and takes into account recommendations of international professional organizations in the fields of internal control and risk management (*this Clause was amended by the Decision of the Company Board of Directors dated April 30, 2026*).

2. This Policy defines the fundamental principles and approaches regarding organization of the corporate system of risk management and internal control within the Company.

3. The mission of this Policy is to maintain the risk management system that enables the Company to effectively manage and allocate resources across priority areas to ensure the level of risk acceptable to the Company and to maximize returns from its core operations.

4. The scope of this Policy extends to all the types of the Company activities.

5. This Policy is mandatory for review and application by all the collegial bodies, structural subdivisions, and all the employees of the Company, including new employees upon their commencement of employment with the Company. In the performance of their functional duties and the execution of assigned tasks, every employee of the Company shall be guided by the provisions set forth in this Policy.

2. KEY TERMS AND CONCEPTS

6. The following terms and abbreviations are used in this Policy:

1) Academic Risk is a risk arising in the course of conducting educational activities.

2) Risk Owner is an employee, structural unit, or collegial body of the Company responsible for specific aspects of managing a particular risk.

3) Internal Control is the process carried out by all the employees and management of the Company at all the levels of governance designed to provide "reasonable assurance" regarding the efficiency and effectiveness of the Company's operations, the reliability and timeliness of its accounting (financial) and the other reporting, and its compliance with applicable laws and the requirements of the Company's internal regulatory documents; it constitutes an integral part of the corporate risk management system.

4) Risk Identification is the process of detecting, recognizing, and describing risks, as well as identifying risk sources, events, their underlying causes, and potential consequences.

5) Risk Map is a graphical representation of risks plotted within a rectangular matrix based on the magnitude of their potential impact and their probability of occurrence; the vertical axis of the matrix indicates the magnitude of potential loss associated with the risk, while the horizontal axis indicates the probability of its occurrence.

6) Control (Control Procedure) is an element of internal control consisting of a documented set of actions, system configurations, or process arrangements designed to reduce the probability of a risk event occurring or to mitigate its consequences; a control procedure constitutes an integral part of the Company's business processes.

6-1) Consolidated Risk is an integrated, aggregate assessment of the level of strategic uncertainty derived from the aggregation and analysis of interconnected risks across the Company structural units: risks capable of exerting a material impact on the achievement of the Company mission, strategic objectives, performance indicators, financial stability, academic reputation, and compliance with mandatory regulatory requirements (*this sub-clause was added pursuant to the Decision of the Company Board of Directors dated April 30, 2026*).

6-2) Risk Management is coordinated activities for directing and controlling the organization with regard to risk; specifically, the culture, competencies, methods, and approaches integrated

into all the processes of the Company upon which the Company relies in the conducting its operations (*this subparagraph was amended by a decision of the Company Board of Directors dated April 30, 2026*).

7) Company is Non-profit Joint-Stock Company Abylkas Saginov Karaganda Technical University.

8) Operational Risk is a risk arising in the course of carrying out daily operational activities related to the implementation of the Strategic Development Plan.

9) Risk Redistribution is reducing the probability and/or impact of a risk achieved by transferring or otherwise allocating a portion of the risk to a third party. Common methods of risk redistribution include purchasing insurance policies, conducting hedging operations, and outsourcing a relevant type of activity to an external organization.

10) Preventive Measures are ongoing actions undertaken by Risk Owners/Activity Owners prior to the materialization of a risk aimed at promptly addressing the root causes of risk materialization.

11) Risk Acceptance implies that the level of risk is deemed tolerable and that the possibility of its occurrence is accepted; it can also involve the acceptance of residual risk following the implementation of risk mitigation measures.

12) Risk Portfolio is a comprehensive overview of the Company's risks that enables an examination of the types, impact levels, and interdependencies of risks, as well as their consequences for the Company's operational performance.

13) Reactive Measures are planned actions undertaken by Risk Owners/Activity Owners to be executed following the risk materialization aimed at providing a prompt response and mitigating the negative consequences resulting from the risk materialization.

14) Risk Register is a document that contains information regarding the Company identified risks (risk description, risk factors, Risk Owner, and risk assessment metrics).

15) Risk is the probability of occurrence of events that can impact the achievement of the Company's strategic objectives.

16) Risk Appetite is the acceptable level of risk and/or loss that the Company is prepared to accept in the pursuit of its strategic objectives.

17) Risk Culture is a characteristic of the internal environment wherein the Company management and employees make decisions and conduct their operational and the other activities while taking into account the selection of an optimal balance between risks and opportunities.

18) Risk Management and Internal Control System (RMICS) is a set of organizational measures, methodologies, and procedures integrated into a unified, continuous process, within which the Board of Directors, the Management Board, management, and employees, each at their respective level, participate in identifying potential events that can affect the Company's operations, and in maintaining the impact of such events within acceptable limits to ensure reasonable assurance regarding the achievement of strategic and operational objectives.

19) Risk Reduction (Minimization) implies actions aimed at decreasing the probability and/or impact of a risk, which require the adoption of numerous operational decisions regarding organization of business activities.

20) Strategic Risk is a risk arising at the level of strategic decision-making. So, this risk has a direct impact on the Company Strategic Development Plan.

21) Material Risk is a risk that exerts a material (critical) impact on the Company's achievement of its long-term and short-term objectives.

22) Risk Tolerance is the acceptable level of deviation regarding the achievement of a specific objective resulting from the realization of a risk.

23) Risk Avoidance is the cessation of a Company activity that gives rise to a risk the level of which exceeds the established Risk Appetite.

24) (*This clause was excluded by the decision of the Company's Board of Directors dated April 30, 2026.*)

25) Risk factor is a cause contributing to the realization of a risk.

26) Financial risk is a risk arising in the course of conducting daily financial operations and largely driven by unexpected changes in external financial and macroeconomic factors.

3. OBJECTIVES AND TASKS OF THE RISK MANAGEMENT AND INTERNAL CONTROL POLICY

7. The main goal of this Policy is to ensure continuity and stability of activity by limiting the degree of influence of external and internal negative factors on the Company's activity.

8. The objectives of this Policy are:

1) development of the Risk Management and Internal Control System (RMICS) and its integration into the organizational and functional structure of the Company;

2) formation of the Company risk profile based on specialized approaches;

3) regulation of internal control processes;

4) ensuring the efficiency of business processes, the reliability of internal and external reporting and the promotion of compliance with legal norms.

9. The tasks of the RMICS include the following:

1) the optimal balance between the growth of the Company value, profitability and accompanying risks;

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

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

4) completeness, reliability and credibility 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 control to prevent fraud and ensure effective support of the functioning of main and auxiliary processes and analysis of activity results.

4. PRINCIPLES AND APPROACHES TO ORGANIZATION OF THE EFFECTIVE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

10.1 Organization of the effective RMICS provides for:

1) definition of the goals and objectives of the RMICS;

2) organizational structure of the RMICS covering all the levels of decision-making and taking into account the role of the corresponding level in the process of development, approval, application and evaluation of the RMICS;

3) requirements for organization of the risk management process (approach to risk determination, procedure for identification and assessment of risks, determination of response methods, monitoring);

4) requirements for organization of the internal control system and implementation of control procedures (characteristics of the key areas and main components of the internal control system, the procedure for evaluating the effectiveness and reporting in the field of internal control) (*this clause was amended by the Decision of the Board of Directors of the Company on October 9, 2024*).

10.2 The principles by which the Company is guided in the implementation of the current activities of the RMICS:

1) Integration. The RMICS is an integral part of all the activities of the Company;

2) Structuredness and completeness. A structured and complex approach to risk management contributes to obtaining interrelated and comparable results;

3) Flexibility. The structure and process of risk management are adjusted and correspond to the external and internal context of the Company, related to the strategic directions of the Company's activity;

4) Involvement. Timely participation of interested parties allows to take into account their knowledge, opinions and ideas. This leads to increasing the awareness and validity of the RMICS;

5) Dynamics. Risks can arise, change or disappear as the external and internal context of the Company changes. The risk management system predicts, identifies, confirms and reacts to these changes and events in a timely and appropriate manner;

6) Best available information. Initial data for risk management is based on information for previous reporting periods and current information, as well as future expectations. The RMICS expressly disclaims any limitations and uncertainties associated with such information and expectations. Information should be timely, clear and accessible to relevant interested parties;

7) Factors related to people and culture. People's behavior and culture have a significant impact on all aspects of risk management at every level and stage;

8) Constant improvement. Risk management is constantly improved through training and experience (*this paragraph was supplemented by the Decision of the Board of Directors of the Company dated October 9, 2024*).

5. ORGANIZATIONAL STRUCTURE OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

11. The RMICS organizational structure in the Company includes the following entities:

1) Board of Directors;

2) Audit Committee of the Board of Directors

3) Internal Audit Service;

4) Management Board;

5) Structural subdivision, responsible for issues of risk management and internal control;

6) Owners of risks (directors of departments, heads of departments, employees of the Company);

7) Stakeholders (in accordance with the Stakeholder Map).

12. The RMICS structure in the Company is presented at several levels with the involvement of the following bodies and subdivisions of the Company (Figure 1).



Figure 1. Risk Management and Internal Control System structure

13. Participants of the risk management process perform their role through the implementation of rights and obligations within the framework of competences established in legislative acts and

internal documents of the Company, and in accordance with organizational and administrative documents, job descriptions and regulations on structural subdivisions.

14. External stakeholders are represented by state bodies, suppliers and consumers of the Company services, whose interests depend on the Company's activities.

6. FUNCTIONS AND RESPONSIBILITIES OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM PARTICIPANTS

15. The Board of Directors is a management body that bears the key responsibility to the Sole Shareholder for issues of risk management and internal control of the Company.

16. The Board of Directors performs the following functions in relation to the RMICS:

- 1) approves the Policy on risk management and internal control of the Company;
- 2) approves internal documents defining the principles and approaches to organization of the RMICS based on the tasks of this system;
- 3) approves Risk Appetite, Risk Register and Risk Map of the Company;
- 4) sets goals (short-term and long-term) of the Company in the field of risk management and internal control;
- 5) determines forms and terms of submission of reports on risk management and internal control;
- 6) reviews the reports on the effectiveness of the RMICS;
- 7) approves the reports of the Internal Audit Service on the effectiveness of the RMICS;
- 8) ensures implementation of the culture of proper risk management in the Company (*this paragraph was supplemented by the Decision of the Board of Directors of the Company dated October 9, 2024*).

17. The Audit Committee of the Board of Directors provides assistance to the Board of Directors of the Company on matters of control over the reliability and efficiency of the RMICS and performs:

- 1) the RMICS analysis efficiency;
- 2) analysis of reports of external and internal auditors on the state of the RMICS;
- 3) control over the implementation of the recommendations of internal and external auditors of the Company in relation to the RMICS;
- 4) analysis of suggestions for improvement of the RMICS, including issues of risk identification and adjustment of risk parameters;
- 5) preliminary review, prior to approval by the Board of Directors, of the Company's internal documents, which determine organizing and functioning of the RMICS, the Policy on risk management and internal control, and subsequent changes.

18. The Internal Audit Service (IAS) is a body of the Company that carries out control over its financial and economic activities, operations and actions of the Management Board and structural units of the Company, systematic independent assessment of the reliability and effectiveness of the RMICS, the practice of corporate governance and compliance with the legislation of the Republic of Kazakhstan.

19. The IAS is formed by the decision of the Board of Directors of the Company, reports directly to the Board of Directors of the Company, reports to it on its work and is independent from the Board of the Company.

20. The IAS carries out its activities on the basis of a risk-oriented annual audit plan approved by the Board of Directors of the Company.

21. The IAS performs the following functions:

- 1) evaluating the effectiveness of the RMICS;
- 2) assisting to the Board and employees of the Company in the development and monitoring of the implementation of procedures and measures for the improvement of the RMICS, corporate management;

3) coordinating the 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;

4) preparing and submitting quarterly and annual reports to the Board of Directors and the Audit Committee on the results of the IAS activities and the implementation of the annual audit plan (including information on significant risks, shortcomings, results and effectiveness of measures to eliminate identified shortcomings, the results of the assessment of the actual state, reliability and effectiveness of the RMICS and corporate governance);

5) monitoring the implementation of the recommendations of the external auditor;

6) providing consultations to the Board of Directors, the Management Board, structural units and subsidiary organizations on the issues of organizing and improving internal control, risk management, corporate governance and internal audit of the organization (including issues of development of internal normative documents and projects in these areas), as well as on the other issues within the competence of the Internal Audit Service;

7) other functions within the competence of the IAS.

22. The Management Board is the executive body of the Company responsible for the implementation of this Policy, ensures the implementation of risk management procedures by employees with the appropriate qualifications and experience, performs the following functions on the issues of the RMICS:

1) ensuring development and implementation of internal regulatory documents approved by the Board of Directors;

2) ensuring the forming and effective functioning of the RMICS within the framework of the Company's current activities;

3) submitting information of the results of the Company risk management for consideration by the Board of Directors;

4) being responsible for the implementation of the decisions of the Board of Directors and recommendations of the audit committee in the field of the RMICS organization;

5) distributing powers, duties and responsibilities for specific procedures of risk management and internal control between Risk Owners;

6) approving regulatory and methodological documents of the Company on the organization and functioning of the RMICS, with the exception of documents whose approval is assigned to the competence of the Board of Directors of the Company;

7) monitoring implementation of the RMICS in accordance with the requirements of internal regulatory documents;

8) considering the reports of the owners of risks for the management of risks of the Company;

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

10) ensuring the introduction of a culture of proper risk management in the Company (*this paragraph is supplemented by the Decision of the Board of Directors of the Company dated October 9, 2024*).

23. The structural unit responsible for risk management and internal control of the Company performs the following tasks:

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

2) development of methodological documents in the field of risk management and internal control and provision of methodological support to owners of business processes and employees in the process of identification, documentation of risks, implementation, monitoring and improvement of control procedures, formation of action plans for risk response and action plans for improvement of the risk management and internal control system, reports on their implementation;

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

4) analysis of the Risk Portfolio and development of proposals for the strategy of response and redistribution of resources in relation to the management of relevant risks;

5) formation of a summary report on risks, informing the board of directors and the executive body on issues stipulated by internal documents in the field of risk management and internal control;

6) carrying out measures to improve the system of risk management and internal control (*this clause was amended by the Decision of the Board of Directors of the Company on October 9, 2024*).

7) administration of the risk management process within the framework of the Automated Risk Management System (*this subparagraph is included by the Decision of the Board of Directors of the Company dated April 30, 2026*).

24. Risk Owners play the key role in the process of risk management, within the limits of their powers and competencies, and bear personal responsibility for:

- 1) timely identification and informing about significant risks in the field of activity;
- 2) submission of proposals for risk management for inclusion in the risk response plan;
- 3) implementation of approved plans of measures for risk minimization and coordination of actions of the participants of the measures;

4) quarterly formation of reports on management in the Automated Risk Management System (*this subsection is amended by the Decision of the Board of Directors of the Company dated April 30, 2026*).

5) formation of an annual report on the current state of the risk management process and its submission to the structural unit responsible for risk management and internal control (*this subparagraph is included by the decision of the Board of Directors of the Company dated April 30, 2026*).

25. Risk Owners perform the following functions:

- 1) permanent risk monitoring;
- 2) on a regular basis identification, documentation and assessment of risks, according to which the structural division is determined by the owner of the risks;
- 3) development of action plans for response and risk minimization with an outline of the main stages of their implementation and responsible persons based on the assessment of the effectiveness of current risk minimization measures or in the absence of current measures;
- 4) development of the Risk Register and Risk Maps and control of the structural subdivision, including proposals for control procedures;
- 5) participation in the development of methodical and regulatory documentation and the formation of proposals for methods and methods of risk management and internal control;
- 6) performance of functions in business processes within the limits of their powers;
- 7) implementation of control over external/internal factors that can potentially lead to changes in previous risk assessment results;
- 8) selection of risk response methods;
- 9) assistance in the development of the risk-culture process in the Company;
- 10) submission of a report on identified and implemented risks, including the necessary accompanying information;
- 11) participation in working groups and commissions on risk management issues.

26. To efficiently organize the work of the RMICS, a responsible worker is appointed in each structural subdivision of the Company, whose responsibility includes organization of risk management work in his structural subdivision.

27. In the course of its activities, the Company exerts influence or experiences the influence of stakeholders.

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

7. PROCESSES OF RISK MANAGEMENT AND INTERNAL CONTROL

28. The process of risk management in the Company is permanent, dynamic, cyclical (continuous), multidirectional. The risk management process consists of the following components (Figure 2):

- definition of the environment;
- risk identification;
- risk assessment;
- risk management;
- control over risks;
- information and communication;
- monitoring.

Risk management components (procedures) provide quick response to new risks, their identification and identification of Risk Owners. In the event of any unforeseen changes in the competitive or economic environment of the Company, an assessment of the changes impact on the Company's activity, re-evaluation of the Risk Map and its correspondence to the levels of Risk Appetite is carried out (*this paragraph is supplemented by the Decision of the Board of Directors of the Company dated October 9, 2024*).

29. Definition and/or formation of the environment is the basic process of risk management and represents an overview of external and internal factors of the Company's activity, which ultimately determine the goals, objectives and methods of achieving the tasks set before the Company.

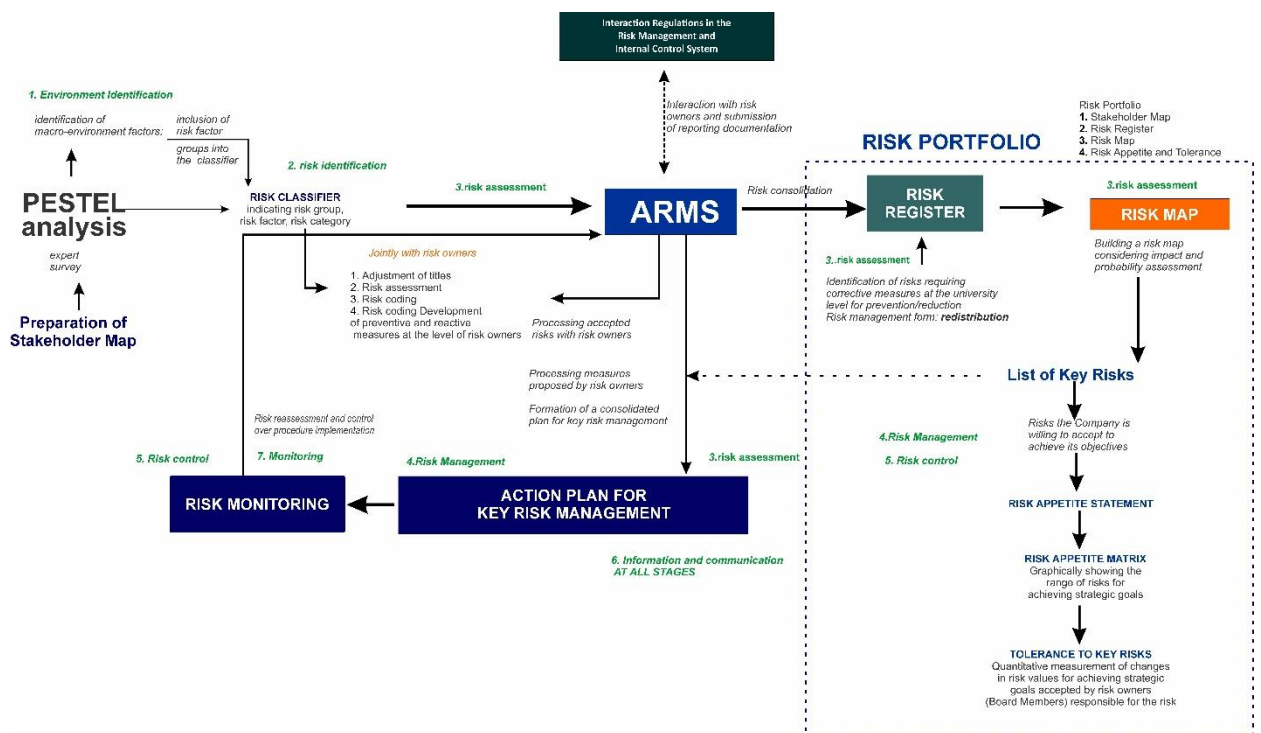


Figure 2. Processes of risk management and internal control (*amended by the Decision of the Board of Directors of the Company on April 30, 2026*).

30. Risk management environment can be external and internal.

31. The external environment is the external conditions of the Company functioning. The external environment includes: legislative environment, competition from foreign and domestic universities, colleges, demographic situation, socio-economic level of the region, level of training of applicants.

32. The relationship between the Company and the external environment is reflected in the internal environment and affects its formation.

33. The internal environment determines the general attitude of the Company to risks, that is, how its employees perceive and react to risks. The internal environment is the basis for the other components of the RMICS and includes the Policy on risk management and internal control, risk appetite, honesty and ethical values, professionalism, organizational structure, delegation of authority and distribution of responsibility.

34. The Company's activity is aimed at forming the internal environment that increases the competence of employees in understanding risks and increases their involvement in the risk management process.

35. The result of the definition of the risk management environment can be understanding of the strengths and weaknesses, opportunities and threats of the RMICS, as well as the definition of the goals that need to be achieved.

36. The determining of the Risk Appetite of the Company on a consolidated basis is carried out by the structural unit responsible for the organization of risk management activities and is submitted for approval by the Company Board of Directors.

37. Risk Appetite affects the distribution of resources, organization of processes and development of the infrastructure within the organization that are needed for effective monitoring and responding to risks.

38. To implement effective monitoring and to prevent exceeding the level of Risk Appetite in the Company, tolerance levels are applied to the key risks.

39. Structural subdivisions of the Company determine their own Risk Appetite and tolerance levels for the key risks, subject to mandatory compliance with the basic requirements described in the Company's internal risk management documents.

40. Identification of risks is determining the Company exposure on a consolidated and separate basis to the influence of events, the occurrence of which can negatively affect the ability to achieve planned goals and implement set tasks, as well as determining the area and necessity of improving the risk management process.

41. A combination of various methods and tools is used for risk identification, such as risk identification based on set goals and objectives, seminars and discussions, interviewing, process analysis, collection and analysis of incurred losses, individual expert methods, strategic analysis, monitoring of publications and presentations, SWOT analysis.

42. Annually, on the basis of the Risk Appetite analysis, the Risk Register of the Company is compiled in electronic form to ensure the grouping, definition and identification of specific risks that are characteristic for each type of the Company's activity.

43. For the classification of risks in the Company, grouping of risks is used in the following categories:

- strategic risk;
- financial risks;
- legal risks;
- academic risks;
- operational risks.

44. The results of identification and assessment of risks are presented to the Management Board, the Audit Committee of the Board of Directors and the Board of Directors.

45. The next stage of the risk management process is risk assessment.

46. Risks are assessed by Risk Owners from the point of view of probability or frequency of their occurrence and impact on strategy and business processes.

47. When assessing risks, qualitative or quantitative analyzes are used, or a combination of them. This provides a methodological basis for the risk management process.

48. Qualitative risk assessment is carried out by means of targeted interviewing of Risk Owners or by means of a questionnaire, in which it is proposed to select the risks that they consider

the most significant for the Company, to evaluate them according to the proposed point scale, and also to give suggestions for managing them.

49. Quantitative assessment can be conducted for the key risks. Quantitative assessment allows obtaining more accurate analytical data, and is especially useful when developing methods of financing risk management activities.

50. All the identified and assessed risks are reflected in the Risk Map. The Risk Map makes it possible to assess the relative importance of each risk compared to the other risks, as well as to identify risks that are considered the key and require the development and implementation of measures for their management.

51. Risk management is adoption of management decisions at various levels of the Company to reduce the probability of risk realization or to reduce the negative effect of the resulting risk. Having assessed the risk, the owner of the risk determines how to react to it.

52. To ensure the effectiveness of the risk management process and to reduce the costs of its implementation, the Company should focus on risks that can have the most significant impact on its financial condition, achievement of goals and objectives.

53. The Company determines the methods of responding to risks and develops a plan of risk management measures that corresponds to the Company own holding capacity and Risk Appetite.

54. Risk management can be aimed at minimizing the probability of risk realization (preventive measures) or at minimizing the negative consequences of the risk (reactive measures).

55. Risk Owners are responsible for carrying out preventive measures for risk management.

56. The method of responding to risk and developing plans for risk management measures to ensure an acceptable level of residual risk includes the following methods:

- risk minimization;
- risk acceptance;
- risk avoidance;
- risk redistribution.

57. Minimization of risk is an impact on risk by using preventive measures and planning actions in case of risk realization, which entails changing the degree of probability of risk realization in the direction of reduction and changing the causes of occurrence or consequences of risk realization.

58. Acceptance of the risk implies that its level is acceptable for the Company, and the Board of Directors accepts the possibility of its manifestation, therefore no actions are taken to reduce the probability or impact of a negative event. It is also possible to accept residual risk after applying measures to minimize it.

59. Risk avoidance is taking a decision against the continuation or acceptance of an action that is the source of the risk. At the same time, measures are developed that completely exclude the identified risk.

60. Risk redistribution or partial transfer of risk to another party includes the use of various mechanisms that allow separating of responsibility and obligations.

61. Risk management control is a procedure that helps to ensure implementation of risk management measures. Control actions are included in the business process at all the levels of the Company.

The Company develops, approves, formalizes and documents control procedures in three key areas: operational activity, preparation of financial statements and compliance with the requirements of the legislation of the Republic of Kazakhstan and internal documents.

Control procedures must be carried out at all the levels of management, they are subject to compliance by all the employees of the Company and are aimed at:

- 1) reducing the probability of occurrence of possible risks;
- 2) preventing errors and/or identification of errors after their completion;
- 3) identifying and eliminating duplicate and redundant operations;
- 4) identifying shortcomings and areas for improvement;

5) further improving the internal control system (*this clause was amended by the Decision of the Board of Directors of the Company on October 9, 2024*).

62. Control activities include a wide range of measures, such as approval, authorization, verification, coordination, analysis of operations, security of assets and distribution of responsibilities.

63. Risk Owners are responsible for conducting business process analysis and determining the necessity and expediency of introducing additional control actions - heads of the relevant structural subdivisions of the Company.

The Board of Directors, together with the audit committee, is responsible for assessing the effectiveness of the risk management system and internal control, provided for by the internal documents of the Company. The Board of Directors forms its own opinion about its effectiveness after a proper and thorough analysis of information and guarantees brought to it by the internal audit service or an external expert, audit committee and executive body.

The Board of Directors regularly reviews the issues of organizing, functioning and effectiveness of the Risk Management and Internal Control System and makes recommendations for its improvement (*this clause was amended by the Decision of the Board of Directors of the Company on October 9, 2024*).

64. The main results and conclusions of the risk management process in the Company are displayed in the form of regular reporting on risks and measures to respond to them.

The results of audit reports, the key findings and relevant recommendations are presented quarterly to the Board of Directors (*this clause was amended by the Decision of the Board of Directors of the Company on October 9, 2024*).

65. On the basis of regular risk reporting, the Company monitors current risks and implements risk response measures.

66. As part of the Risk Management and Internal Control System, a safe, confidential and accessible way of informing the Board of Directors, the audit committee and the internal audit service about violations of the legislation of the Republic of Kazakhstan, internal procedures, the Code of Business Ethics by any employee and official of the Company is organized.

As such a method of informing the Company, official notes are established with information of the appeals through the public reception, the Ethics Council, the Compliance Service, as well as other appeals registered in the Register of Remarks and Claims (*this paragraph was amended by the Decision of the Board of Directors of the Company dated October 9, 2024*).

67. Information and communication is a component of the risk management process, which allows providing the participants of the risk management process with reliable and timely information about risks, increases the level of awareness about risks, methods and tools for responding to risks.

68. In the process of implementation of each component of the RIMCS, the information exchange is ensured between the structural divisions of the Company. All the materials and documents prepared within the framework of the RIMCS are coordinated with the interested departments, which make their comments and suggestions.

69. The structural unit responsible for risk management and internal control ensures an adequate flow of information vertically and horizontally. The goals of the process of regular exchanging the information of the Company's risks are as follows:

- to establish personal responsibility for management of topics or the other significant risks for Risk Owners;

- timely report to the Board of Directors of the Company information of all the risks that must be managed at the appropriate level of the Company;

- in a timely manner, inform the executors of risk management measures of their personal responsibility for the implementation of the relevant measures (including the expected result, terms, resources, etc.);

- to ensure effective exchange of information during the management of cross-functional risks of the Company.

70. The Company can provide information of risk management to external stakeholders, while ensuring that the degree of detail of the disclosed information corresponds to the nature and scale of the Company's activities.

71. Information of risk management issues is provided to external interested parties by means of reporting at different levels, posting information on the Company's website, and also by means of other information channels.

72. Monitoring is the final stage of the RMICS process, which allows monitoring the entire process of risk management and, if necessary, making adjustments.

73. Monitoring is carried out within the framework of the Company's operational activities (risk reporting), as well as by evaluating the effectiveness of the RMICS operation on a regular basis.

74. The monitoring system of risk management is carried out in two directions:

1) current monitoring, by constantly monitoring the implementation of policies, procedures and risk management measures;

2) separate (additional) internal and external inspections.

8. RELATIONSHIP OF THE RISK MANAGEMENT PROCESS WITH THE PROCESSES OF STRATEGIC PLANNING, PRINCIPAL ACTIVITIES, BUDGETING, MOTIVATION AND EVALUATION OF THE COMPANY RESULTS

(laid out in the new edition by the Decision of the Board of Directors dated October 9, 2024)

75. The goals of the Company's activities are determined at the strategic level and establish the basis for the development of operational goals. The Company is exposed to risks from external and internal sources, and the main condition for effective identification, assessment and development of risk management methods is the setting of goals.

76. The goals of the Company are determined by identifying potential risks that can negatively affect their achievement. The RMICS makes it possible to verify that the Company has the process of defining goals and objectives that are consistent with the mission and correspond to the Company Risk Appetite.

77. The Company annually establishes alternative ways to achieve its goals and identifies risks that can affect the achievement of goals.

78. The process of risk management is based on interaction with the key business processes of the Company.

79. The relationship between the process of risk management and the process of strategic planning includes (and is not limited to) the following:

1) the process of developing strategic plans should provide for the identification and analysis of risks capable of influencing the achievement of strategic goals;

2) strategic plans of the Company must provide for complex measures aimed at minimizing risks associated with the implementation of planned strategic initiatives.

80. The relationship between the process of risk management and the process of operational activity includes (but is not limited to) the following:

1) risk management action plans (separate actions) are included in the corresponding annual work plans of the Company/structural subdivisions of the Company;

2) the Risk Owner must objectively assess the time and administrative resources necessary for the implementation of the proposed risk management plan, and reflect the received assessment in the relevant risk report;

3) the necessary time and administrative resources must be allocated to the Risk Owners for the implementation of the measures provided by the risk management measures plans;

4) Risk Owners present a report on realized risks.

81. The connection between the risk management process and the budgeting process includes approval of the plan of risk management measures by the Board of Directors of the Company. It is necessary for the Risk Owners to provide the necessary financial resources for the

implementation of the proposed plan of risk management measures and to work out this issue with the structural division responsible for budgeting.

82-1. The relationship between the risk management process and the personnel motivation process includes (but is not limited to) the following:

- employees of the Company annually, as well as when taking a job, undergo training/introductory training to be familiarized with the adopted Risk Management and Internal Control System in the part related to their duties. Based on the results of such training, knowledge testing is conducted;

- responsibilities of the RMICS participants to perform all the procedures provided for them by the system should be fixed in the job descriptions, and the heads of the structural units of the Company should monitor their performance;

- it is also recommended to provide incentive mechanisms designed to motivate the managers and employees of the Company to act properly within the framework of the RMICS, in accordance with the established terms and target indicators (*this clause was amended by the Decision of the Board of Directors of the Company on October 9, 2024*).

82-2. The relationship between the process of managing risks and the process of evaluating the results of the Company's activity includes (but is not limited to) the following:

- assessment of the influence of the key risks on the implementation of conceptual trends of the Company's activity;

- analysis of the impact of the risks on the achievement of the target indicators of the development of the Company;

- development and implementation of measures to prevent risks and to respond to them within the framework of the Development Program implementation (*this paragraph is supplemented by the Decision of the Board of Directors of the Company dated October 9, 2024*).

9. REQUIREMENTS FOR THE CONFIDENTIALITY OF RISK INFORMATION

83. Decisions regarding the granting of access to specific officials of the Company structural subdivisions, specifically to detailed information concerning the description, assessment, or action plans for managing particular risks, are made by the respective Risk Owners.

84. Requirements regarding the confidentiality of risk management information are governed by the Company's internal documents, as well as by the other documents approved by Resolutions of the Government of the Republic of Kazakhstan.

85. External parties seeking access to risk-related information that contains official or commercial secrets shall be granted such access only upon signing a Non-disclosure Agreement regarding confidential information.

86. All the documents related to risk management must be stored at the Company registered office. The Risk Owners are responsible for the safekeeping of the said documents.

10. FINAL PROVISIONS

87. Approving of this Policy, as well as introducing of amendments and additions thereto, falls within the competence of the Board of Directors.

88. Should individual provisions of this Policy come into conflict as a result of changes in legislation or the Charter, such provisions shall cease to be in force until appropriate amendments are introduced.

A M E N D M E N T S H E E T

1. Amendments No. 1:

- approved by the Decision of the Board of Directors of Abylkas Saginov Karaganda Technical University NJSC (Decision No. 8/39 dated October 9, 2024).

2. Amendments No. 2:

- approved by the Decision of the Board of Directors of Abylkas Saginov Karaganda Technical University NJSC (Minutes No. 4/57 dated April 30, 2026).