

SOLE SHAREHOLDER

THE GOVERNMENT OF THE REPUBLIC OF KAZAKHSTAN ACTS AS THE SOLE SHAREHOLDER OF THE FUND. THE GOVERNMENT MANAGES THE FUND AND THE ORGANIZATIONS EXCLUSIVELY BY EXERCISING THE POWERS OF THE SOLE SHAREHOLDER OF THE FUND, AS PROVIDED FOR BY THE LAW ON THE FUND AND THE CHARTER OF THE FUND, AND BY REPRESENTATION ON THE BOARD OF DIRECTORS OF THE FUND.

The key principles and issues of interaction between the Government and the Fund are defined in the Agreement on interaction. The Government of the Republic of Kazakhstan delineates its powers as the sole shareholder of the Fund and powers related to state regulation. It manages the Fund to increase the national welfare of the Republic of Kazakhstan by increasing the long-term value and effective management of the Fund's and Organizations' assets.

The Government grants the Fund and its Organizations full operational autonomy, excluding interference in their current and investment activities, except in cases specifically provided for by the legislation and acts of the President of the Republic of Kazakhstan. The Management of the Fund, including the Chairman of the Management Board, as well as the governing bodies of the Organizations have full autonomy and independence in making decisions and taking actions within the scope of their authority.

The list of tasks to be resolved directly by the Sole Shareholder is clearly defined. Below is an overview of the key issues attributed to its exclusive competence. These aspects are critical for the Fund when analyzing its strategic and financial performance, namely:

- ◆ Approval of the Fund's Charter;
- ◆ Approval of the annual financial statements of the Fund;
- ◆ Approval of the Fund's Development Plan;
- ◆ Approval of the Fund's Corporate Governance Code;
- ◆ Determination of the Fund's dividend policy, adoption of the decision on distribution of the Fund's net income based on the results of the reporting period, adoption of the decision on payment of dividends;
- ◆ Making decisions on voluntary reorganization or liquidation of the Fund;
- ◆ Determining the number of members, term of office of the Fund's Board of Directors, election of its members and early termination of their powers;
- ◆ Appointment and early dismissal of the Chairman of the Management Board;
- ◆ Alienation of shares of companies according to the list defined by the Sole Shareholder of the Fund, as well as the transfer of these shares into trust management;
- ◆ Adoption of decisions on liquidation, reorganization of companies on the list defined by the Sole Shareholder of the Fund.

The full list of issues referred to the exclusive competence of the Sole Shareholder is disclosed in the Charter of the Fund at www.sk.kz.