

# THE BOARD OF DIRECTORS AND ITS COMMITTEES

## Leading role of the Board of Directors

THE FUND'S BOARD OF DIRECTORS IS A MANAGEMENT BODY ACCOUNTABLE TO THE SOLE SHAREHOLDER, PROVIDING STRATEGIC GUIDANCE AND CONTROL OVER THE ACTIVITIES OF THE FUND'S MANAGEMENT BOARD. THE BOARD OF DIRECTORS ENSURES IMPLEMENTATION OF ALL PROVISIONS OF THE CORPORATE GOVERNANCE CODE OF THE FUND.

The activity of the Board of Directors is based on the principles of efficiency and responsibility, maximum observance and realization of the interests of the Sole Shareholder and the Fund, as well as protection of the rights of the Sole Shareholder and responsibility for the Fund's activities.

The Board of Directors is independent and autonomous when making decisions and taking any actions within its competence in accordance with the Law on the Fund, the Code and the Charter.

The Board of Directors may not make decisions on issues that, in accordance with the legislative acts of the Republic of Kazakhstan and the Charter, fall within the exclusive competence of the Sole Shareholder (unless otherwise established by the legislative acts of the Republic of Kazakhstan) or the Executive Body of the Fund, as well as make decisions that contradict the decisions of the Sole Shareholder. During 2023, the Board of Directors had no contradictions with these requirements.

The Board of Directors has powers sufficient to manage the Organization and control the activities of the Management Board. The Board of Directors fulfils its functions in accordance with the Charter and focuses on the following issues:

- ◆ defining medium-term planning;
- ◆ setting and monitoring the key performance indicators of the action plan;
- ◆ organizing and supervising the effective functioning of the risk management and internal control system;

- ◆ approving and monitoring the effective implementation of major investment projects and other key strategic projects within the competence of the Board of Directors;
- ◆ election, remuneration, succession planning and supervision of the Head and members of the Management Board;
- ◆ compliance with the provisions of the Corporate Governance Code and corporate standards of the Fund.

The full list of issues referred to the exclusive competence of the Board of Directors is determined by the Law of the Republic of Kazakhstan "On Sovereign Wealth Fund" and disclosed in the Charter of the Fund at [www.sk.kz](http://www.sk.kz).

Members of the Board of Directors effectively fulfil their duties, adhering to high standards of corporate governance. They effectively contribute to the sustainable development of the Fund and strengthening its long-term value.

Members of the Board of Directors fulfil their functional duties and adhere to the following principles in their activities:

- ◆ act within the limits of their authority;
- ◆ devote sufficient time to attend and prepare for meetings of the Board of Directors and its committees;
- ◆ contribute to the long-term value and sustainability of the organization;
- ◆ maintain high standards of business ethics;
- ◆ avoid conflicts of interest;
- ◆ act with due reasonableness, skill and prudence.

## Composition of the Board of Directors<sup>31</sup>



### Olzhas Bektenov

CHAIRMAN OF THE BOARD OF DIRECTORS,  
PRIME MINISTER OF THE REPUBLIC  
OF KAZAKHSTAN

#### ELECTION DATE:

February 2024

#### EDUCATION:

- ◆ Kazakh State Law Academy (Kazakh University of Humanities and Law named after M.S. Narikbayev) – Jurisprudence;
- ◆ Candidate of Legal Sciences (dissertation topic: "Organizational and legal problems of prevention of administrative tort of minors in the Republic of Kazakhstan").

#### EXPERIENCE:

- ◆ Olzhas Bektenov started his labour activity in 2002 as a chief specialist of the department in the Justice Department of Almaty city;
- ◆ In 2005–2006 he worked as an expert, chief expert of the Legal Department of the Office of the Prime Minister of the Republic of Kazakhstan;
- ◆ From 2006 to 2009 in the Administration of the President of the Republic of Kazakhstan;
- ◆ From 2009 to 2012, he was Deputy Chairman of the Committee for Registration Service and Legal Assistance of the Ministry of Justice of the Republic of Kazakhstan;
- ◆ In 2012–2014, he held the position of Head of Department in the central office of the Republic of Kazakhstan Agency for Combating Economic and Corruption Crime (Financial Police);

- ◆ In 2015–2016 he was Chief of Staff of the Akim of Astana, Head of the Secretariat of the Head of the Administration of the President of the Republic of Kazakhstan;
- ◆ In 2016–2017 he was Head of the Department of the National Bureau for Combating Corruption (anti-corruption service) for the city of Astana;
- ◆ From 2017 to 2018 he was Deputy Akim of Akmola region;
- ◆ From 2018 to 2019 Deputy Chairman of the Republic of Kazakhstan Agency for Public Service and Anti-Corruption;
- ◆ From 2019 to 2022 he was First Deputy Chairman of the Republic of Kazakhstan Anti-Corruption Agency;
- ◆ From February 2022 to April 2023, he was Chairman of the Republic of Kazakhstan Anti-Corruption Agency;
- ◆ On 3 April 2023, by Decree of the Head of State, he was appointed Head of the Administration of the President of the Republic of Kazakhstan;
- ◆ On 6 February 2024, by the Decree of the President of the Republic of Kazakhstan, he was appointed Prime Minister of the Republic of Kazakhstan;
- ◆ He was awarded the Orders of "Aibyn" II degree (2014), "Dank" II degree (2021).



### Aset Irgaliyev

MEMBER OF THE BOARD OF DIRECTORS,  
ASSISTANT TO THE PRESIDENT  
OF THE REPUBLIC OF KAZAKHSTAN  
ON ECONOMIC ISSUES

#### ELECTION DATE:

October 2023

#### EDUCATION:

- ◆ Kazakhstan Institute of Management, Economics and Forecasting – Economics;
- ◆ Business School in Sweden – Economics;
- ◆ York University – Economics;
- ◆ University of Nottingham – master's degree in economics.

#### EXPERIENCE:

- ◆ Aset Irgaliyev started his career in the Economic Department of the European Bank for Reconstruction and Development in London, UK in 2010;
- ◆ From 2013 to 2016, he served as Director, Vice President, Deputy Chairman of the Management Board, First Deputy Chairman of the Management Board of Economic Research Institute JSC;
- ◆ In 2016, he was Chairman of the Management Board of Economic Research Institute JSC, Advisor to the Chairman of the Management Board of NMH Baiter-ek JSC;

- ◆ From 2016 to 2020, he held the positions of Advisor to the Prime Minister of the Republic of Kazakhstan, Vice-Minister of the National Economy of the Republic of Kazakhstan, Deputy Head of the Office of the Prime Minister of the Republic of Kazakhstan, First Vice-Minister of the National Economy of the Republic of Kazakhstan;
- ◆ From January 2021 to January 2022, he was the Minister of National Economy of the Republic of Kazakhstan;
- ◆ From January 2022 to September 2023, he worked as Chairman of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan;
- ◆ On 2 September 2023, by the Presidential Decree, was appointed Assistant to the President of the Republic of Kazakhstan for economic affairs;
- ◆ Awarded Medal for Distinguished Labour "Eren begi ushin" (2020).

<sup>31</sup> The composition of the Fund's Board of Directors is presented as of February 2024.



## Nurlan Baibazarov

MEMBER OF THE BOARD OF DIRECTORS, DEPUTY PRIME MINISTER – MINISTER OF NATIONAL ECONOMY OF THE REPUBLIC OF KAZAKHSTAN

### ELECTION DATE:

February 2024

### EDUCATION:

- ◆ Kazakh State Academy of Management – Economics.

### EXPERIENCE:

- ◆ Nurlan Baibazarov started his career in 1997 as specialist, chief specialist, Head of Department in the Budget Department and the Department of State Borrowing Ministry of Finance of the Republic of Kazakhstan;
- ◆ From 2004 to 2011 he worked as Head of the Department of Agency Service for Projects, Managing director for Investment Projects, Director of the Corporate Development Department, Corporate Secretary of Development Bank of Kazakhstan;
- ◆ From 2013 to 2016 he worked as Director of the Department of Development of Economic Sectors of the Ministry of National Economy of the Republic of Kazakhstan, worked in NC Kazakhstan Temir Zholy JSC, KazMunayGas Consulting, NC KazMunay-Gas JSC;
- ◆ From 2016 to November 2022, he was Chairman of the Board of Industrial Development Fund JSC;
- ◆ From November 2022 to October 2023, Chairman of the Board of Development Bank of Kazakhstan;
- ◆ From October 2023 to February 2024, Chairman of the Board of NMH Baiterek JSC;
- ◆ On 6 February 2024, by Decree of the Head of State he was appointed Deputy Prime Minister – Minister of National Economy of the Republic of Kazakhstan;
- ◆ Awarded Medal for Distinguished Labour "Eren enbegi ushin", 4 Commemorative Medals.



## Bolat Zhamishev

MEMBER OF THE BOARD OF DIRECTORS, INDEPENDENT DIRECTOR

### ELECTION DATE:

July 2022

### EDUCATION:

- ◆ Kazakh Agriculture Institute – Economics;
- ◆ Candidate of Economic Sciences.

### EXPERIENCE:

- ◆ In different years, Bolat Zhamishev held the leading positions of Vice-Minister of Labour and Social Protection of the Population of the Republic of Kazakhstan from November 1997 to March 1999; Vice-Minister of Finance of the Republic of Kazakhstan from March 1999 to June 2001; Vice-Minister of Internal Affairs of the Republic of Kazakhstan from June 2001 to February 2002; First Vice-Minister of Finance of the Republic of Kazakhstan from February 2002 to February 2003; Deputy Chairman of the National Bank of the Republic of Kazakhstan from February 2003 to January 2004; Chairman of the Agency of the Republic of Kazakhstan for Regulation and Supervision of the Financial Market and Financial Organizations from January 2004 to January 2006;
- ◆ From June 2006 to November 2007, he was Deputy Chairman of the Board of Eurasian Development Bank (EDB);
- ◆ From November 2007 to November 2013, he was Minister of Finance of the Republic of Kazakhstan;
- ◆ From November 2013 to August 2014, he was Minister of Regional Development of the Republic of Kazakhstan;
- ◆ He was Chairman of the Management Board of Development Bank of Kazakhstan JSC from August 2014 to April 2019; Chairman of the Board of Directors of Social Health Insurance Fund NJSC from April 2020 to August 2022;
- ◆ On 2 September 2019 was elected as an independent director, member of the Board of Directors of Aitas KZ JSC;
- ◆ On 30 October 2020 was elected as an independent director, Chairman of the Board of Directors of Bank RBK JSC;
- ◆ On 15 January 2022 was appointed Chairman of the Management Board of Kazakhstan Khalkyna Public Fund;
- ◆ On 17 February 2022 was elected Chairman of the Public Board of Samruk-Kazyna JSC;
- ◆ He was awarded the orders: "Kurmet", "Parasat", "Barys" III degree, medals.



## Luca Sutera

MEMBER OF THE BOARD OF DIRECTORS, INDEPENDENT DIRECTOR

### ELECTION DATE:

July 2020

### EDUCATION:

- ◆ Bocconi University (Italy) – master's degree in business economics;
- ◆ IE Business School (Spain) – MBA Program for top executives of Global Executive MBA;
- ◆ Chartered Accountant (CPA);
- ◆ Certified director (CloD).

### EXPERIENCE:

- ◆ Luca Sutera is an experienced finance and investment executive with 26 years of experience, 19 years of which he spent as CFO of global energy companies and Sovereign Wealth Funds in Europe, Russia and the Mid-

- ◆ East. Luca Sutera is currently an Operating Partner at Asterion Industrial Partners, a leading European investment management firm specializing in European infrastructure with assets under management of €5 billion invested in two funds and 18 portfolio companies in the UK, Italy, Spain, France, Ireland, Germany;
- ◆ Prior to joining Asterion Industrial Partners, from 2015 to 2020, Luca Sutera was Chief Financial Officer of Nebras Power, a state-owned global energy company based in Qatar;
- ◆ From 2011 to 2015, Luca Sutera was Chief Financial Officer of Global Power & Water Division at TAQA, a state-owned global energy company based in Abu Dhabi.



## Mohamed Jameel Al Ramahi

MEMBER OF THE BOARD OF DIRECTORS, INDEPENDENT DIRECTOR

### ELECTION DATE:

August 2023

### EDUCATION:

- ◆ University of Evansville (USA) – Business administration (finance);
- ◆ Diploma in Compliance.

### EXPERIENCE:

- ◆ Mohamed Jameel Al Ramahi is the CEO of Masdar, the UAE's leading clean energy company and one of the fastest growing renewable energy companies in the world;
- ◆ Mr Al Ramahi first joined Masdar in 2008 and has held senior positions in the company for nearly a decade and a half, serving as Chief Financial Officer and Chief Operating Officer before his appointment as CEO in 2016;

- ◆ In addition to his role as Chief Executive Officer, Mr Al Ramahi holds several prominent executive positions. He is Chairman of the Masdar Executive Committee, Vice Chairman of the Global Council on Sustainable Development Goals and serves on the Board of Directors of Emirates Waste to Energy Company, Shuaa Energy 2 PSC and Shuaa Energy 4 PSC, which are developing Phase 3 and Phase 6 of the Mohammed Bin Rashid Al Maktoum Solar Park in Dubai respectively;
- ◆ Mr Al Ramahi was awarded the Order of National Merit by President Emmanuel Macron of the French Republic and the Order of Friendship by President Shavkat Mirziyoyev of the Republic of Uzbekistan for his commitment to strengthening UAE's bilateral relations with both countries.



## Nurlan Zhakupov

MEMBER OF THE BOARD OF DIRECTORS, CHAIRMAN OF THE MANAGEMENT BOARD OF SAMRUK KAZYNA JSC

### ELECTION DATE:

April 2023

### EDUCATION:

- ◆ Moscow State Institute of International Relations of the Ministry of Foreign Affairs of the Russian Federation, Faculty of International Economic Relations (1996-2001) – Bachelor of Economics, Master of Economics, Candidate of Economic Sciences.

### EXPERIENCE:

- ◆ Nurlan Zhakupov worked as the Financia Analyst at the Eurasian Industrial Association (ENRC) from 2001 to 2003;
- ◆ From 2003-2004 he was Business Manager at Chambishi Metals PLC (Zambia, Kitwe) and from 2004-2007 Project Manager at Research, Investment and Development Ltd.;
- ◆ From 2007-2009, he worked as Analyst for the value of the company's shares traded on the stock exchange, the Credit Suisse basic materials team;
- ◆ In 2009-2011, he was Managing Director, member of the Management Board of National Mining Company Tau-Ken Samruk JSC;

- ◆ In 2011-2012, he became Director of Investment Banking Department, Head of Representative Office in Astana, Subsidiary Bank RBS (Kazakhstan) JSC;
- ◆ In 2012-2016 he worked as Executive Director of Investment Banking Department, Head of Astana Representative Office of UBS AG Almaty Representative Office;
- ◆ In 2016-2017, he was Managing Director for Development and Investments – Member of the Management Board of NAC Kazatomprom JSC. In 2017-2019, he worked as the Chairman of the Management Board of SEC Astana JSC;
- ◆ In 2019-2020, he was the Representative in Kazakhstan of Rothschild & Co;
- ◆ From 2020 to April 2023, he worked as Chairman of the Management Board of Kazakhstan Investment Development Fund (KIDF) Management Company Ltd.;
- ◆ On 4 April 2023, he was appointed Chairman of the Management Board of Samruk-Kazyna JSC.

### CHANGES IN THE COMPOSITION OF THE FUND'S BOARD OF DIRECTORS FOR 2023-2024

Date	Member of the Board of Directors	Event
16 January 2023	Alikhan Smailov	The Prime Minister of the Republic of Kazakhstan was elected Chairman of the Board of Directors ex officio
4 April 2023	Nurlan Zhakupov	The Chairman of the Management Board was elected as an ex-officio member of the Board of Directors
30 April 2023	Jon Dudas	Early termination of powers of a member of the Board of Directors
17 August 2023	Mohamed Jameel Al Ramahi	Elected to the Board of Directors as an independent director
4 October 2023	Aset Irgaliyev	The Assistant to the President of the Republic of Kazakhstan for Economic Affairs was elected as an ex-officio member of the Board of Directors
6 February 2024	Nurlan Baibazarov	Deputy Prime Minister – Minister of National Economy of the Republic of Kazakhstan was elected as an ex-officio member of the Board of Directors
6 February 2024	Olzhas Bektenov	The Prime Minister of the Republic of Kazakhstan was elected Chairman of the Board of Directors ex officio

### WORK OF THE BOARD OF DIRECTORS IN 2023

The activities of the Fund's Board of Directors in 2023 were focused on the effective realization of strategic objectives and goals. The results of the discussions and decisions on them are reflected in the relevant minutes and decisions of the meetings of the Board of Directors. Meetings of the Board of Directors were held in accordance with the approved Work Plan of the Fund's Board of Directors. Meetings of the Board of Directors and its Committees were organized using in-presence or absentee voting.

During 2023, 20 meetings of the Fund's Board of Directors were held, including 8 meetings in presence and 12 meetings in absentia. A total of 111 issues were considered, 111 decisions were taken and 253 instructions were given.

A comparative analysis of the Fund's Board of Directors for the period 2018-2023 shows a record number of meetings held in 2023, which is a significant increase from previous years. Of these, 12 meetings were in absentia, which is also high.

	2018	2019	2020	2021	2022	2023
Number of meetings:	11 8 in-presence 3 absentee	10 6 in-presence 4 absentee	15 5 in-presence 10 absentee	10 8 in-presence 2 absentee	18 12 in-presence 6 absentee	20 8 in-presence 12 absentee
Number of questions:	111	88	101	116	121	111

### MEASURES TAKEN BY THE BOARD OF DIRECTORS TO ACHIEVE THE FUND'S STRATEGIC GOALS OF LONG-TERM VALUE GROWTH AND SUSTAINABLE DEVELOPMENT OF THE ORGANIZATION

In accordance with the Work Plan of the Fund's Board of Directors for 2023, active work was carried out to consider current issues governing the activities of the Fund and the portfolio companies, which can be attributed to the following three strategic areas portfolio companies, which can be classified into the following three strategic areas:

## 01

### The first strategic direction "Effective Portfolio Management"

#### Approved:

- ◆ the Fund's action plan for 2024-2028;
- ◆ the annual financial statements (consolidated and separate) of the Fund for 2022, the procedure for distribution of net income, the decision on payment of dividends on common shares and the approved amount of dividend per common share;
- ◆ the annual budget of the Fund for 2024;
- ◆ reviewed the annual report on the implementation of the Fund's Action Plan for 2022-2026 for 2022.

#### Decisions taken:

- ◆ transfer of a number of assets of the republican state property to the balance sheet of the Fund or their further transfer in favor of profile portfolio companies;
- ◆ acquisition of a 25% stake in the authorized capital of Butadiene LLP for the implementation of the project "Production of butadiene and its derivatives" with further transfer to the core portfolio company Samruk-Kazyna Ondeu LLP.

## 02

### The second strategic direction "Ecosystem for Business"

#### Decisions taken:

- ◆ Recognizing the socially significant project for the construction of a seawater desalination plant in Kenderly as a low-profit project and identifying a source of funding for it;
- ◆ on borrowing for renewal of rolling stock fleet of railway passenger cars for NC Kazakhstan Temir Zholy JSC due to allocation of funds from the republican budget;
- ◆ on financing of the project Reconstruction of the Astrakhan-Mangyshlak main water pipeline (stage 1);
- ◆ Recognizing the project Laying of FOCL along the bottom of the Caspian Sea as low-profit and identifying the source of its financing;
- ◆ on attracting funds from the republican budget for 2023 by replenishing the authorized capital of the Fund to finance the project Construction of Infrastructure facilities on the territory of SEZ "National Industrial Petrochemical Technopark";
- ◆ Determining the method of transferring KEGOC JCS to a competitive environment with further alienation and specifying the price, quantity and structure of the placement;
- ◆ on consideration of implementation conditions and requirements of the open two-stage tender for the sale of 100% block of shares of QAZAQ AIR JSC to the competitive environment;
- ◆ on alienation of common shares of Air Astana JSC with indication of the maximum number of common shares.

## 03

### The third strategic direction "Sustainable Development"

#### Approved:

- ◆ The Fund's 2022 Sustainability Report, which has undergone an independent external assurance process;
- ◆ The Fund's Annual Report for 2022;
- ◆ Strategy for the development of the compliance function in the Fund's group of companies for 2023-2027.

#### Reviewed:

- ◆ information on submission for consideration of the Sole Shareholder of the Fund of the issue "Report on the activities of the Board of Directors of the Fund for 2022";
- ◆ reports of the Committees of the Fund's Board of Directors for 2022, internal audit and compliance services of the Fund;
- ◆ annual report on the execution of the Charity Programme of the Fund for 2022.

Due to the Board's effective performance and close engagement with stakeholders during 2023, including the Sole Shareholder and the Fund's Management Board, several key aspects can be highlighted.

Reviewed important sectoral initiatives and task statements within the framework of the Fund's Action Plan for 2024-2028. The implementation of the Fund's Action Plan was monitored and its key performance indicators were analyzed.

Particular attention was paid to monitoring the implementation of investment projects of the companies implemented by the Fund's Group within the list determined by the Board of Directors. Considering the strategic importance of the relevant projects and to ensure proper control over their implementation, it was agreed that reports on the status of the projects should be reviewed at each meeting of the Fund's Board of Directors. Considering the strategic importance of these projects, the Board of Directors instructed the Fund to revise the key performance indicators of the Fund to strengthen the responsibility for the implementation of investment projects within the established timeframe.

#### FURTHER IMPROVEMENT OF THE EFFICIENCY OF CORPORATE GOVERNANCE FOR THE FUND GROUP

Enhancing corporate governance is one of the main aspects for increasing the long-term value of companies. Implementation of the world's best corporate governance practices will increase the level of confidence in the Fund on the part of shareholders and investors, reduce the cost of borrowed capital and, as a result, increase the long-term value of the company.

In 2023, the Fund carried out several activities in this area.

1.

#### ABOUT THE FUND

One of the key areas of the Fund's work is the transfer of assets into a competitive environment under the privatization programme of the Government of the Republic of Kazakhstan. Twice a year, at in-presence meetings, the Board of Directors considered in detail the report of the Fund's management on the status and progress of the plans to transfer the Fund group companies to a competitive environment.

At each in-presence meeting of the Board of Directors during 2023, the information reports of the Chairman of the Management Board of the Fund, containing operational data on production and financial indicators, information on cooperation with foreign partners, as well as proposals for the development of appropriate instructions to the Fund in conjunction with government agencies, were heard.

As part of the strategic objective "Responsible and market-based tariff setting", on behalf of the Board of Directors, the Fund, together with portfolio companies, has developed proposals in terms of achieving fair pricing in unprofitable areas of the Fund's group with a smoothing effect over three, four and five years.

#### UPDATING OF THE FUND'S CORPORATE GOVERNANCE CODE

To comply with the best international practice in the field of corporate governance, including the provisions of the UK Corporate Governance Code and the OECD, the Fund has developed and by the Resolution of the Government of the Republic of Kazakhstan No.590 dated 14.07.2023 approved the Code of Corporate Governance of the Fund in a new version.

The Code has been updated to reflect international best practice, including:

- ◆ Recommendations on the election of the Senior Independent Director;
- ◆ Regulations on the Compliance Service's activities;
- ◆ Integration of ESG principles into the business processes of the Fund Group;
- ◆ Criteria aimed at strengthening the independence of directors and the competence of committees.

In addition to the requirements established by the legislation of the Republic of Kazakhstan, considering the provisions of the UK Code, the new Code of the Fund is strengthened and supplemented with the following criteria of directors' independence:

3.

#### FUND PERFORMANCE

In the area of corporate governance, the Board of Directors annually approves a report on the Fund's compliance with the principles and provisions of the Code, the results of which are included in the annual report.

In 2023, the practice of submitting to the Board of Directors a report on the implementation of the Agreement on Cooperation between the Government of the Republic of Kazakhstan and the Fund continued.

Given the presence of the largest energy assets in the portfolio, since 2016 the Fund has been publishing an annual Sustainability Report in accordance with the Global Reporting Initiative (GRI) standards and for the first time in 2023 this report has undergone an independent external assurance process by KPMG Tax & Advisory in accordance with the ISAE 3000 standard. The Sustainability Report contains key information on the activities of the Fund and portfolio companies considering ESG aspects.

- ◆ Has been or was an employee of the company or group for the last three years;
- ◆ Has had or has had within the last three years material business relationships with the company, either directly or as a partner, shareholder, director, or senior manager of an entity, or maintains such relationships with the company;
- ◆ Receives or has received additional remuneration from the company besides director's fees, participates in the company's stock option program or a performance-based pay scheme, or is a participant in the company's pension plan;
- ◆ Holds board memberships or has connections with other directors through participation in other companies or bodies;
- ◆ Represents a major shareholder;
- ◆ Served on the Board of Directors for over nine years since their initial appointment.

4.

#### SUSTAINABLE DEVELOPMENT

#### ENSURING GENDER EQUALITY

As part of the implementation of the Head of State's instruction to gradually increase the share of women to 30 % in the governing bodies of companies with state participation, additions were made to the Fund's Corporate Governance Code to recommend that the number of women on the Boards of Directors of the Fund's portfolio companies, as well as on the executive bodies of the Fund and its portfolio companies, should not be less than 30 % of the total number of members.

#### UPDATING THE COMPOSITION OF THE BOARDS OF DIRECTORS/SUPERVISORY BOARDS OF PC

In accordance with the provisions of the Fund's Corporate Governance Code, the Boards of Directors and Supervisory Boards, as well as their committees, should have a balance of skills, experience and expertise to ensure independent, objective and effective decision-making in the best interests of the Company.

Company boards of directors should ensure transparency and legality of company operations, effective management of the executive body, fulfilment of strategies and development plans, take necessary measures to prevent corruption, develop a risk management and internal control system.

In this regard, considering the goals, objectives, plans and sectoral activities

#### ENSURING TRANSPARENCY AND DISCLOSURE OF INFORMATION

Considering the new global requirements to information disclosure, the Fund carries out systematic work to ensure transparency of activities. To fully integrate ESG criteria of rating agencies, the Fund's portfolio companies performed self-diagnostics for each ESG component. Based on the results of this analysis, the PCs formed action plans for the introduction of ESG principles in the business processes of the PCs.

5.

#### CORPORATE GOVERNANCE

As part of this task, the Fund regularly analyses and monitors the number of women on the Boards of Directors/Supervisory Boards of PC. The Fund and its PCs search for and select female candidates who meet the requirements established by the legislation of the Republic of Kazakhstan for election to the Boards of Directors and Supervisory Boards of the PCs. Information on the results of this work is sent on a quarterly basis to the authorized state bodies of the Republic of Kazakhstan – the Ministry of National Economy of Kazakhstan, the Ministry of Culture and Information of Kazakhstan.

of the Fund's companies, in accordance with the requirements of the legislation of Kazakhstan, the Corporate Governance Code of the Fund and internal regulatory documents of the Fund, the work on qualitative renewal of the professional composition of the Boards of Directors and Supervisory Boards in the portfolio companies of the Fund is systematically carried out.

This work includes analyzing the market and searching for potential candidates for Boards of Directors and Supervisory Boards, creating a list of documents, conducting meetings/ interviews, checking data for compliance with the established requirements, coordinating candidates with interested parties, preparing and ensuring the adoption of relevant corporate decisions by the authorized bodies of the PC.

In order to update, taking into account the requirements of the legislation of the Republic of Kazakhstan, Listing Rules and Rules of the Kazakhstan Stock Exchange, as well as taking into account the best international practices in the field of corporate governance, by the decision of the Fund's Management Board dated 30 June 2023 (Minutes No.32/23) the Rules on Disclosure and Preservation of Information of the Fund were approved in a new version.

6.

#### ANNEXES

#### CONTACT INFORMATION

The Fund also cooperates on a regular basis with the National Commission on Women's Affairs and Family and Demographic Policy under the President of the Republic of Kazakhstan on gender equality issues. Thus, together with the National Commission, a programme to increase the share of women in the governing bodies of companies with state participation, "Gender Equality", was implemented. The project was aimed at developing managerial skills and training women leaders to increase the proportion of women in the BoD and management bodies.

As a result of this work, the composition of the Boards of Directors and Supervisory Boards is being qualitatively updated, the levels of sectoral expertise are increasing, and the gender component is improving.

In 2023, the compositions of the Boards of Directors and Supervisory Boards of the Fund's portfolio companies were renewed by attracting the best experts with relevant industry expertise and experience, which is especially important in the framework of the ongoing IPO/SPO of the Fund's large companies. As a result of this work, the Boards of Directors and Supervisory Boards of the Fund's portfolio companies were significantly strengthened, and new competences were brought in.

**THE BOARD OF DIRECTORS SETS THE TONE FROM THE TOP, BASED ON AN OPTIMAL BALANCE BETWEEN LONG-TERM VALUE, PROFITABILITY AND RISK IN DECISION-MAKING.**

**INTERNATIONAL CO-OPERATION IN THE FIELD OF CORPORATE GOVERNANCE**

TO IMPLEMENT THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KAZAKHSTAN AND THE OECD, THE OECD HAS CONDUCTED A MAJOR REVIEW OF KAZAKHSTAN'S CORPORATE GOVERNANCE.

The purpose of the review is to consider Kazakhstan's intention to join the OECD's corporate governance guidelines. Representatives of Samruk-Kazyna JSC participated in this work.

As part of the implementation of the best international corporate governance practices, the Fund, together with the National Chamber of Entrepreneurs "Atameken", organized and held the Republican Corporate Governance Forum in December 2023.

The key objective of the Forum is to create a permanent platform for sharing experience and best business practices, as well as adapting advanced international standards of corporate governance to the specifics of Kazakhstan.

The Forum was attended by representatives of state authorities of the Republic of Kazakhstan, members of boards of directors, corporate secretaries, corporate governance experts, investors, managers of leading companies and international speakers.

**MAIN PLANNED WORKS IN 2024**

- Monitoring of the processes of updating the corporate governance codes in PCs, considering the provisions of the new edition of the Fund Code.
- As part of the fulfilment of the Head of State's instruction to bring the share of women in the governing bodies of companies with state participation to at least 30%, intensified efforts to create a pool of female candidates to increase the share of women on the Boards of Directors/Supervisory Boards of PC.
- Working with the Ministry of National Economy of the Republic of Kazakhstan and the OECD to finalize the processes of reviewing corporate governance in Kazakhstan and analyzing the mechanisms for implementing the OECD recommendations.
- Monitoring the level of PC corporate governance, including by reviewing reports on the implementation of corporate governance plans and ESG Plans.

To further improve the efficiency of the Boards of Directors/Supervisory Boards of PC, update the composition of the Boards of Directors/Supervisory Boards of PC in accordance with the requirements of the legislation of the Republic of Kazakhstan, Corporate Governance Code and internal regulatory documents of the Fund.

**KEY ISSUES OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM CONSIDERED BY THE BOARD OF DIRECTORS**

In accordance with the current Risk Management and Internal Control Policy, the Board of Directors plays an important role in establishing an appropriate leadership culture to support and develop the risk management framework, and in implementing mechanisms to ensure that this leadership culture is reflected throughout the Fund group.

The Board of Directors sets the tone from the top, based on an optimal balance between long-term value, profitability and risk in decision-making. On behalf of the members of the Board of Directors, the materials for its meetings include information on the financial and economic impact of the issue being presented on the financial results of the Fund's group of companies. This is especially important when considering the transfer of assets to the balance sheet of the Fund and its portfolio companies, as well as when making decisions on the implementation of low-profit socially important projects, where the financial stability of the Fund should be considered.

To effective risk management, the Board of Directors has defined the principle of "three lines of defense".

The first line of defense is – direct business process owners, who play a key role in minimizing risks.

The second line of defense is the control functions, including the Risk Management and Internal Control Department and the Compliance Service, responsible for organizing the risk management system and providing methodological support to the first line of defense.

The third line of defense is the Internal Audit Service, which ensures objective and independent assessment of the effectiveness of the risk management system.

The Board of Directors actively participates in discussions on risk management, internal control and audit systems and provides recommendations to improve the efficiency of relevant business processes.

On a quarterly basis, the Board of Directors reviews reports on the status of critical risks of the Fund and its portfolio companies, approves risk maps/registers and risk appetite for the forthcoming period. In 2023, the Board of Directors revised the approach to the formation and presentation of quarterly reports, considering the reflection of risks that are the most significant and have an impact on the financial stability of the company, as well as the dynamics of the results of measures taken by the Board of Directors to mitigate risks to assess their effectiveness.

All significant risks, including potential accidents, risks related to the implementation of major priority investment projects of the Fund and its portfolio companies, risks of social instability, financial risks, risks of litigation, as well as risks related to reputational damage and transfer of assets to competitors were regularly under close attention and control of the Board of Directors.

In 2023, the Board of Directors approved the Strategy for the Development of the Compliance Function in the Fund's group of com-

panies for 2023-2027. The key strategic directions are to develop methodology and increase the level of maturity of anti-corruption and other types of compliance; to form a compliance culture and increase engagement, to increase transparency and publicity of the Fund's and the group of companies' anti-corruption and compliance activities, to develop interaction with authorized state bodies and the National Chamber of Entrepreneurs "Atameken", to create a comprehensive automated system for managing compliance processes and reporting.

**EVALUATION OF THE BOARD OF DIRECTORS' PERFORMANCE**

The performance evaluation of the Board of Directors of the Fund is carried out in accordance with the Regulations on Performance Evaluation of the Board of Directors, Committees of the Board of Directors, Chairman and members of the Board of Directors of Samruk-Kazyna JSC, approved by the decision of the Fund's Board of Directors dated 14 December 2020 No. 181.

In 2023, this Regulation was approved in a new version due to the entry of the Prime Minister of the Republic of Kazakhstan into

the Board of Directors of the Fund and, accordingly, supplementing the Regulation with norms establishing the procedure for assessing the performance of the Board of Directors if the Chairman of the Board of Directors is the Prime Minister of the Republic of Kazakhstan ex officio.

In 2022, an assessment of corporate governance, including self-assessment of the Board of Directors' performance, was carried out by questioning members of the Board of Directors and key structural units of the Fund.

The overall rating of the Fund's corporate governance based on the results of the self-assessment was "BBB". This rating indicates that the Fund's corporate governance system complies in all material aspects with almost all the established criteria and there is sufficient evidence that the system works effectively.

In 2024, it is planned to evaluate the performance of the Fund's Board of Directors at the end of 2023 by means of a self-assessment questionnaire of the members of the Board of Directors.

**INFORMATION ON PARTICIPATION IN MEETINGS OF THE BOARD OF DIRECTORS**

Member of the Board of Directors, position	Participation /Total number of meetings Board of Directors in 2023
Smailov A.A. – Chairman of the Board of Directors, Prime Minister of the Republic of Kazakhstan	20/20
Suleimenov T.M – Member of the Board of Directors, First Deputy Head of the Administration of the President of the Republic of Kazakhstan	12/14
Irgaliev A.A. – Member of the Board of Directors, Assistant to the President of the Republic of Kazakhstan on economic issues	3/5
Kuanytyrov A.S. – Member of the Board of Directors, Minister of National Economy of the Republic of Kazakhstan	19/20
Dudas J. – Independent director	5/8
Zhamishev B.B.- Independent Director	20/20
Sutera L. – Independent director	17/20
Al Ramahi M.- Independent director	7/8
Satkaliyev A.M. – Member of the Board of Directors, Chairman of the Management Board of the Fund	4/4
Zhakupov N.K. – Member of the Board of Directors, Chairman of the Management Board of the Fund	16/16

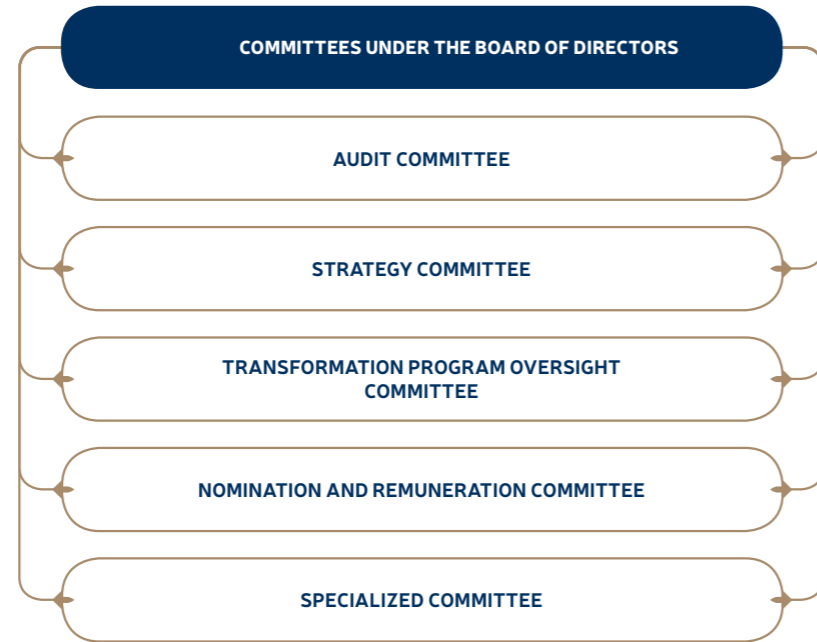
Note: members of the Board of Directors did not participate in the meetings of the Fund's Board of Directors for valid reasons.

# COMMITTEES OF THE BOARD OF DIRECTORS

Decisions of the Board of Directors are made by simple majority vote after careful consideration by the relevant committees, which take sufficient time to discuss and analyze each issue.

Committees play a key role in ensuring in-depth analysis and thorough examination of issues that fall within the competence of the Board of Directors, thereby contributing to the quality of decisions made.

Committees are established to conduct detailed analyses and develop recommendations on the most significant issues prior to their consideration at meetings of the Board of Directors. The existence of committees does not exempt members of the Board of Directors from responsibility for decisions made within the competence of the Board of Directors. The Chairmen of the Committees prepare annual reports on the activities of the Committees, which are then presented and considered at meetings of the Board of Directors.



## Audit Committee

### THE COMMITTEE ROLE

The Audit Committee is an advisory and consultative body of the Fund's Board of Directors and was established to assist the Fund's Board of Directors in fulfilling its control functions over the integrity of financial reporting, the effectiveness of internal control and risk management systems, as well as compliance with the principles of corporate governance and legislation.

In addition, the Audit Committee makes recommendations to the Fund's Board of Directors regarding the appointment or reappointment of external auditors.

In accordance with the provisions of the Corporate Governance Code, only independent directors with in-depth knowledge and practical experience in the areas of accounting and auditing, risk management, internal control may be members of the Audit Committee.

## CHANGES IN THE COMPOSITION OF THE AUDIT COMMITTEE

Since May 1, 2023, Independent Director Jon Dudas has resigned from the Board of Directors and the Audit Committee of Samruk-Kazyna JSC.

## WORK OF THE AUDIT COMMITTEE FOR 2023

Over the past year, the Audit Committee considered 51 issues in the field of external and internal audit, internal control and risk management system, financial reporting, corporate governance and compliance. To improve the quality of materials as well as recommendations provided to the Fund's Board of Directors, the Audit Committee paid special attention to the planning and preparation of meetings to allocate sufficient time for consideration and discussion of each agenda item, considering the number of participants involved.

### On external audit issues

- ◆ Considered a new version of Appendix No.13 "Procedure for selecting an audit firm" of the Procedure for procurement for Samruk-Kazyna JSC and legal entities, fifty or more percent of voting shares (participatory interest) of which are owned directly or indirectly by Samruk-Kazyna JSC on the right of ownership or trust management;
- ◆ Coordinated a joint Selection Procedure for the Fund and NC KazMunayGas JSC, including its subsidiaries, and approved the composition of the Single Commission for the selection of an audit organization for Samruk-Kazyna JSC and NC KazMunayGas JSC, including its subsidiaries, for a period not exceeding five years, starting from 2025;
- ◆ Reviewed the Audit Planning Reports of Samruk-Kazyna JSC for the years 2022 and 2023;
- ◆ Reviewed the results of the audit of the consolidated and separate financial statements of Samruk-Kazyna JSC for the year ended 31 December 2022 and ascertained the independence of the auditors;
- ◆ Considered the results of limited review procedures of the interim condensed consolidated and separate financial statements of Samruk-Kazyna JSC for the 3 and 6 months ended 30 June 2023;
- ◆ Considered the information on the volume of audit and non-audit services provided by audit organizations to Samruk-Kazyna JSC group in 2022, as well as approved for publication on the corporate website of the Fund the information on remuneration paid by Samruk-Kazyna JSC to the external auditor for providing audit

- and non-audit services for 2022 and 2023;
- ◆ Considered approval of non-audit advisory services for Samruk-Kazyna JSC and its subsidiaries provided by Samruk-Kazyna JSC's audit organization.

### On internal audit issues

- ◆ Reviewed and approved the Internal Audit Service's Annual Audit Plan, including an external evaluation of the Service's performance;
- ◆ Reviewed quarterly audit reports in accordance with the approved Annual Audit Plan, and reviewed reports on unscheduled audits;
- ◆ Evaluated the performance efficiency of the Internal Audit Service employees, as well as individual development plans of the Internal Audit Service employees;
- ◆ To enhance the independence of Internal Audit and the availability of sufficient resources, the Audit Committee approved the introduction of a separate budget for the Internal Audit Service to be reviewed and approved by the Board of Directors;
- ◆ Significant efforts were made during the year to promote value-oriented audits aimed at improving business process efficiency and value creation;
- ◆ Considered and approved issues related to appointment and determination of the salary of the employee and the Head of the Internal Audit Service Samruk-Kazyna JSC;
- ◆ Reviewed and assessed the results of an external evaluation of the Service's performance by a third independent organization.

### On Compliance Service issues

- ◆ Considered the report of the Compliance Service for the 2nd half of 2022;
- ◆ Evaluated the performance as well as individual development plans of the Head of the Compliance Service;
- ◆ Approved and recommended to the Board of Directors to approve the objectives of the Head of Compliance Service of Samruk-Kazyna JSC for the first half of 2023, the work plan of the Compliance Service for 2023, as well as the Strategy of Compliance Function Development in Samruk-Kazyna JSC Group of Companies for 2023-2027;

- ◆ Considered and provided recommendations to the Board of Directors on approval of amendments and additions to the Internal Control Rules of Samruk-Kazyna JSC to delimit access rights to insider information and prevent the possibility of misuse of such information by insiders;
- ◆ Considered and approved the appointment of the Compliance Officer of Samruk-Kazyna JSC based on the proposal submitted by the Head of the Compliance Service;
- ◆ Considered and made a recommendation to the Board of Directors to approve the appointment of the Head of Compliance Service of Samruk-Kazyna JSC and determine the amount of his salary;
- ◆ Reviewed the results of a hotline operated by a third party for anonymous reporting of compliance breaches and unethical behaviour.

### On internal control and risk management issues

- ◆ Reviewed and presented to the Board of Directors the consolidated quarterly and annual risk reports of the Fund Group for 2022 and 2023, as well as the risk map and register, and the risk appetite for 2023;
- ◆ Reviewed and issued recommendations on the preliminary plan for the development of the second line of defense within the internal control system of Samruk-Kazyna JSC;
- ◆ During the year, the Audit Committee spent considerable time discussing risk and engaging with risk owners, facilitating open and transparent communication, as well as qualitative discussions on key risks;
- ◆ Additionally, the Audit Committee provided guidance on the timing and quality of risk reporting, risk classification, the impact on the company's financial condition, and risk management measures;
- ◆ Reviewed and recommended to the Board of Directors for approval a new version of the Credit Risk Management Policy of Samruk-Kazyna JSC;
- ◆ Reviewed and evaluated the 2023 internal control framework progress report, including the developed risk and control matrices and a monitoring report with recommendations for improving controls across the Fund's three business processes.

In 2023, the Audit Committee held a total of

16

meetings

**On financial reporting issues**

- ◆ Reviewed and presented to the Board of Directors for approval the Separate and Consolidated Financial Statements of Samruk-Kazyna JSC for the year ended 31 December 2022;
- ◆ Reviewed the interim condensed consolidated and separate financial statements of Samruk-Kazyna JSC for the 3 and 6 months ended 30 March and 30 June 2023;
- ◆ Conducted a detailed review and discussed with management and the external audit representative, discussed the following issues:
- ◆ Key figures included in the financial statements, especially those related to impairment of non-current assets;
- ◆ Business continuity and liquidity;
- ◆ Compliance with credit covenants;
- ◆ The impact of Global Tax Reform – Pillar Two model rules and the Comfort Schools project on the Fund's consolidated financial statements.

The Audit Committee has reviewed in various areas within its remit

51

questions

**On corporate governance issues**

- ◆ Considered the report on compliance/non-compliance with the principles and provisions of the Corporate Governance Code of Samruk-Kazyna JSC, approved by the Resolution of the Government of the Republic of Kazakhstan dated 5 November 2012 No. 1403;
- ◆ Reviewed and submitted to the Board of Directors for approval the Annual Report and Sustainability Report of Samruk-Kazyna JSC for 2022;
- ◆ Considered and recommended that the Board of Directors of Samruk-Kazyna JSC approve the Code of Conduct of Samruk-Kazyna JSC in a new version.

In 2023, the Audit Committee held a total of 16 meetings, including 9 in-presence and 7 meetings in absentia. In total, the Audit Committee considered 51 issues in various areas within its remit, of which 86 % were considered in face-to-face meetings and 14 % were considered in absentee meetings.

**THE AUDIT COMMITTEE CONSIDERED 51 ISSUES IN VARIOUS AREAS WITHIN ITS REMIT, OF WHICH 86 % WERE CONSIDERED IN FACE-TO-FACE MEETINGS AND 14 % WERE CONSIDERED IN ABSENTEE MEETINGS.**

It should be noted that the absentee meetings were mainly devoted to the approval of non-audit services provided by the external auditor in accordance with the Fund's policy and to ensure that the independence of the external audit organization is maintained.

In addition, several meetings were organized between members of the Audit Committee and the Head of Internal Audit, Head of Compliance and the Fund's management outside of the Audit Committee meetings to discuss internal and external audit, risk management and internal control, corporate governance and compliance issues.

**PARTICIPATION OF COMMITTEE MEMBERS IN MEETINGS IN 2023**

Member of the Audit Committee	Position	Participation in Committee meetings (%)
Luca Sutera	Independent Director, member of the Board of Directors of the Fund, Chairman of the Committee	100% (16 out of 16)
Jon Dudas	Independent Director, member of the Board of Directors of the Fund, member of the Committee	31% (5 out of 16)
Bolat Zhamishev	Independent Director, member of the Board of Directors of the Fund, member of the Committee	100% (16 out of 16)

**Strategy Committee**

**ROLE OF THE COMMITTEE**

By the decision of the Fund's Board of Directors dated 13 December 2018, the Strategy Committee was established to make recommendations to the Fund's Board of Directors on the following issues:

- ◆ Preliminary approval of the Fund's Development Plan for a 10-year period and the Fund's Action Plan for a 5-year period for further consideration by the Fund's Board of Directors;

- ◆ Consideration of reports on the progress of implementation (monitoring) of the Development Plan, Action Plan of the Fund in order to monitor and control the implementation of the Development Plan and Action Plan of the Fund by the Board of Directors of the Fund;
- ◆ Investment activities of the Fund's group of companies, consideration of which is within the competence of the Fund's Board of Directors;

- ◆ Approval of indicative forecast/range of forecast of preliminary and final macroeconomic indicators to be used in the Fund's Development Plan, the Fund's Action Plan and business plans of the Fund's companies.

**CHANGES IN THE COMPOSITION OF THE STRATEGY COMMITTEE**

The Committee consists of at least 3 (three) members, one of whom must be an independent director. The term of office of the Committee members shall coincide with their term of office as members of the Fund's Board of Directors.

In accordance with the Resolution of the Government of the Republic of Kazakhstan dated 17 August 2023 No. 700 "On some issues of the Board of Directors of Sovereign Wealth Fund "Samruk-Kazyna" JSC, the powers of Jon Dudas as a member of the Board of Directors of Samruk-Kazyna JSC were early terminated based on his application for early termination of powers from 1 May 2023.

In this regard, the resolution of the Board of Directors of Samruk-Kazyna JSC No. 226 dated 27 October 2023 early terminated the powers of Jon Dudas as a member of the Committee with effect from 1 May 2023.

Due to the above changes, the updated composition of the Strategy Committee as on 31 December 2023 was as follows:

- ◆ Alibek Kuantyrov – Minister of National Economy of the Republic of Kazakhstan – Chairman of the Committee;
- ◆ Bolat Zhamishev – independent director.

**WORK OF THE STRATEGY COMMITTEE FOR 2023**

In 2023, 10 Strategy Committee meetings were held, including 8 in-presence meetings via videoconference and 2 meetings in absentia.

Meetings of the Committee were held on a regular basis in accordance with the Committee's Work Plan for 2023, which included the priority and most important issues of the Committee's activities. During this period, the Committee considered 31 issues within its competence.

The following issues were considered and discussed at the Committee meetings:

- ◆ Report on the activities of the Strategy Committee of the Board of Directors of Samruk-Kazyna JSC based on 2022 results;
- ◆ Approval of the Work Plan of the Strategy Committee of the Board of Directors of Samruk-Kazyna JSC for 2023;
- ◆ Appointment of the Secretary of the Strategy Committee of the Board of Directors of Samruk-Kazyna JSC;
- ◆ Regarding the project "Production of butadiene and its derivatives" (three times);
- ◆ Regarding monitoring of major investment projects of Samruk-Kazyna JSC Group (five times);
- ◆ On some issues of implementation of the investment project on Construction of a seawater desalination plant in Kenderly (twice);
- ◆ On amendments and additions to the Regulations on the Strategy Committee of the Board of Directors of Samruk-Kazyna JSC;

- ◆ On determining the terms of borrowing for the amount of one per cent or more of the equity capital of Samruk-Kazyna JSC;
- ◆ Certain changes in the asset structure of Samruk-Kazyna JSC;
- ◆ On certain issues of consideration of the Action Plan of Samruk-Kazyna JSC for 2022-2026 for 2022, taking into account the audited consolidated financial statements of Samruk-Kazyna JSC;
- ◆ On indicative forecast and forecast range of preliminary macroeconomic indicators to be used in the Action Plan of Samruk-Kazyna JSC and Business Plans of Samruk-Kazyna JSC's portfolio companies for 2024-2028;
- ◆ On the results of monitoring the implementation of the Action Plan of Samruk-Kazyna JSC for 2023-2027 for the 1st and 2nd quarters of 2023 at two meetings;
- ◆ Report on the results of implementation of the Transformation Programme of Samruk-Kazyna JSC;
- ◆ On approval of the Action Plan of Samruk-Kazyna JSC for 2024-2028;
- ◆ On the implementation of the project "Laying of a FOCL along the bottom of the Caspian Sea";
- ◆ On the results of monitoring the implementation of the Action Plan of Samruk-Kazyna JSC for 2023-2027 for the 2nd quarter of 2023;
- ◆ Adoption of the Agenda of the in-presence meeting consisting of 8 items.

### PARTICIPATION OF COMMITTEE MEMBERS IN MEETINGS IN 2023

Member of the Strategy Committee	Position	Participation in Committee meetings
Alibek Kuantyrrov	Minister of National Economy of the Republic of Kazakhstan, Member of the Board of Directors of the Fund, Chairman of the Committee	100% (10 out of 10)
Bolat Zhamishev	Independent Director, member of the Board of Directors of the Fund, member of the Committee	100% (10 out of 10)
Jon Dudas	Independent Director, Chairman of the Board of Directors of the Fund, member of the Committee	75% (3 out of 4)

Note: a member of the Committee did not attend the Committee meetings for valid reasons

## Transformation Program Oversight Committee

### THE COMMITTEE ROLE

The Transformation Program Oversight Committee is an advisory and consultative body of the Fund's Board of Directors. Its competence includes making recommendations to the Fund's Board of Directors on the issues of monitoring and evaluation of the implementation of the Fund's Transformation Program, as well as on the issues of privatization and restructuring of the Fund Group's assets.

### CHANGES IN THE COMMITTEE COMPOSITION

In accordance with the Resolution of the Government of the Republic of Kazakhstan dated 16 January 2023 No. 19 "On Amendments to the Resolution of the Government of the Republic of Kazakhstan dated 17 October 2008 No. 962 "On Measures to Implement the Decree of the President of the Republic of Kazakhstan dated 13 October 2008 No. 669" the Prime Minister of the Republic of Kazakhstan was elected Chairman of the Board of Directors of the Fund ex officio.

By the decision of the Board of Directors of the Fund dated 31 January 2023 No. 210 the Chairman of the Board of Directors – Prime Minister of the Republic of Kazakhstan Smailov A.A. was appointed as the Chairman of the Committee.

In accordance with the Resolution of the Government of the Republic of Kazakhstan dated 17 August 2023 No. 700 "On certain issues of the Board of Directors of Sovereign Wealth Fund "Samruk-Kazyna" JSC, the powers of Jon Dudas as a member of the Board of Directors of Samruk-Kazyna JSC have been early terminated based on his application for early termination of powers from 1 May 2023.

In this regard, the resolution of the Board of Directors of Samruk-Kazyna JSC No. 226 dated 27 October 2023 early terminated the powers of Jon Dudas as a member of the Committee with effect from 1 May 2023.

In accordance with the Resolution of the Government of the Republic of Kazakhstan No. 857 dated 4 October 2023 "On Amendments to the Resolution of the Government of the Republic of Kazakhstan No. 962 dated 17 October 2008 "On Measures to Implement the Decree of the President of the Republic of Kazakhstan No. 669 dated 13 October 2008", the powers of Suleimenov T.M. as a member of the Committee and the Board of Directors were early terminated.

Composition of the Committee as on 31 December 2023:

- ◆ Alikhan Smailov – Prime Minister of the Republic of Kazakhstan – Chairman of the Committee;
- ◆ Bolat Zhamishev – Independent Director, member of the Committee.

### WORK OF THE COMMITTEE FOR 2023

In 2023, 8 meetings of the Transformation Program Oversight Committee were held in absentia.

The Committee meetings were held on a regular basis in accordance with the Committee's Work Plan for 2023, which in turn included the priority and most important issues of the Committee's activities. In total, the Committee considered 12 issues within its competence during the period.

The following issues were considered and discussed at the Committee meetings:

- ◆ Report on the activities of the Transformation Program Oversight Committee under the Board of Directors of Samruk-Kazyna JSC for the year 2022;
- ◆ On approval of the Work Plan of Transformation Programme Oversight Committee under the Board of Directors of Samruk-Kazyna JSC for 2023;
- ◆ On the method of transfer to the competitive environment of KEGOC JSC;

- ◆ Report on the progress of divestment of assets of Samruk-Kazyna JSC and its subsidiaries as part of the implementation of the Resolution of the Government of the Republic of Kazakhstan dated 29 December 2020 No. 908 based on 2022 results;
- ◆ On Amendments and Additions to the Regulations on Transformation Program Oversight Committee under the Board of Directors of Samruk-Kazyna JSC;
- ◆ On introducing amendments and additions to the Rules for transfer of assets of Sovereign Wealth Fund "Samruk-Kazyna" JSC and organizations, more than fifty percent of voting shares (participation shares) of which are directly or indirectly owned by Samruk-Kazyna JSC on the right of ownership, to the competitive environment;
- ◆ On Certain Issues of Transferring QAZAQ AIR JSC to a Competitive Environment;
- ◆ Report on the progress of withdrawal of assets of Samruk-Kazyna JSC and its subsidiaries for sale within the framework of implementation of the Resolu-

- tion of the Government of the Republic of Kazakhstan dated 29 December 2020 No. 908 based on the results of the first half of 2023;
- ◆ On some issues of realization of shares of KEGOC JSC;
- ◆ On placement of authorized ordinary shares of KEGOC JSC;
- ◆ On introduction of additions and amendments to the Rules for transfer of assets of Sovereign Wealth Fund "Samruk-Kazyna" JSC and organizations, more than fifty percent of voting shares (participation shares) of which are directly or indirectly owned by Samruk-Kazyna JSC on the right of ownership, to the competitive environment;
- ◆ On certain issues of realization of shares of Air Astana JSC.

### PARTICIPATION OF COMMITTEE MEMBERS IN MEETINGS IN 2023

Member of the Transformation Program Oversight Committee	Position	Participation in Committee meetings
Alikhan Smailov	Prime Minister of the Republic of Kazakhstan, Chairman of the Board of Directors of the Fund, Chairman of the Committee	100% (7 out of 7)
Timur Suleimenov	First Deputy Head of the Administration of the President of the Republic of Kazakhstan, member of the Board of Directors of the Fund, member of the Committee	67% (4 out of 6)
Bolat Zhamishev	Independent Director, member of the Board of Directors of the Fund, member of the Committee	100% (8 out of 8)
Jon Dudas	Independent Director, Chairman of the Board of Directors of the Fund, Chairman of the Committee	100% (2 out of 2)

Note: a member of the Committee did not attend the Committee meetings for valid reasons.



## Nomination and Remuneration Committee

### ROLE OF THE COMMITTEE

The Nomination and Remuneration Committee is responsible for making recommendations and proposals on the following matters:

- ◆ Election of members of the Management Board (except for the Chairman of the Management Board);
- ◆ Determining the amount and conditions of remuneration and bonuses for the Chairman and members of the Management Board, the Ombudsman and the Corporate Secretary;
- ◆ Consideration of corporate KPIs of the Fund and functional KPIs of the members of the Management Board;
- ◆ Consideration of the Fund's personnel policy and induction policy for newly elected members of the Board of Directors;

The Nomination and Remuneration Committee is formed predominantly of independent directors. This structure is designed to ensure objectivity and independence in decision-making, excluding the possibility of stakeholders' influence on the opinions and judgements of the committee members.

### CHANGES IN THE COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE

In accordance with the Resolution of the Government of the Republic of Kazakhstan dated 16 January 2023 No. 19 "On Amendments to the Resolution of the Government of the Republic of Kazakhstan dated 17 October 2008 No. 962 "On Measures to Implement the Decree of the President of the Republic of Kazakhstan dated 13 October 2008 No. 669" the Prime Minister of the Republic of Kazakhstan was elected Chairman of the Board of Directors of the Fund ex officio.

In this regard, by the decision of the Fund's Board of Directors No. 210 dated 31 January 2023, the Chairman of the Board of Directors – Prime Minister of the Republic of Kazakhstan Alikhan Smailov was appointed as the Chairman of the Committee.

In accordance with the Resolution of the Government of the Republic of Kazakhstan dated 17 August 2023 No. 700 "On some issues of the Board of Directors of Sovereign Wealth Fund "Samruk-Kazyna" JSC, Mohamed Jameel Al Ramahi was elected as a member of the Board of Directors, independent director of Samruk-Kazyna JSC, as well as early termination of the powers of Jon Dudas as a member of the Board of Directors of Samruk-Kazyna JSC on the basis of his application for early termination of powers from 1 May 2023.

In this regard, by resolution No. 226 of the Board of Directors of Samruk-Kazyna JSC dated 27 October 2023, Mohamed Jameel Al Ramahi was elected as a member of the Committee, and the powers of Jon Dudas as a member of the Committee were early terminated as of 1 May 2023.

In accordance with the Resolution of the Government of the Republic of Kazakhstan No. 857 dated 4 October 2023 "On Amendments to the Resolution of the Government of the Republic of Kazakhstan No. 962 dated 17 October 2008 "On Measures to Implement the Decree of the President of the Republic of Kazakhstan No. 669 dated 13 October 2008", the powers of Suleimenov T.M. as a member of the Committee and the Board of Directors were early terminated.

The Committee as at 31 December 2023 consisted of the following individuals:

- ◆ Alikhan Smailov – Prime Minister of the Republic of Kazakhstan – Chairman of the Committee;
- ◆ Mohamed Jameel Al Ramahi – Independent Director, member of the Committee;
- ◆ Luca Sutera – Independent Director, member of the Committee.

### WORK OF THE NOMINATION AND REMUNERATION COMMITTEE FOR 2023

In 2023, 9 meetings of the Nomination and Remuneration Committee were held in absentia.

The Committee meetings were organized on a regular basis in accordance with the Committee's Work Plan for 2023, which included the priority and most important issues of the Committee's activities. In total, during this period, the Committee considered 17 issues within its competence.

The following issues were considered and discussed at the Committee meetings:

- ◆ Report on the activities of the Nomination and Remuneration Committee of the Board of Directors of Samruk-Kazyna JSC for the year 2022;
- ◆ On approval of the Work Plan of the Nomination and Remuneration Committee of the Board of Directors of Samruk-Kazyna JSC for 2023;

- ◆ On some issues of activity of the Corporate Secretary of Samruk-Kazyna JSC;
- ◆ On appointment of the Ombudsman of Samruk-Kazyna JSC and organisations belonging to Samruk-Kazyna JSC Group;
- ◆ On amendments and additions to the Regulations on the Nomination and Remuneration Committee of the Board of Directors of Samruk-Kazyna JSC;
- ◆ On approval of the new edition of the Map of motivational key performance indicators of Samruk-Kazyna JSC for 2023;
- ◆ On approval of the Map of functional key performance indicators of certain members of the Management Board of Samruk-Kazyna JSC for 2023;
- ◆ On approval of the Map of functional key performance indicators of certain members of the Management Board of Samruk-Kazyna JSC for 2023;
- ◆ On some issues of activity of the Ombudsman of Samruk-Kazyna JSC and organizations belonging to Samruk-Kazyna JSC group;
- ◆ On approval of the new edition of the Map of motivational key performance indicators of Samruk-Kazyna JSC for 2023;

- ◆ On approval of the map of Key Performance Indicators of Samruk-Kazyna JSC with actual values for the Chairman, members of the Management Board of Samruk-Kazyna JSC for 2022, the amount of remuneration based on the results of work for 2022;
- ◆ On early termination of powers of a member of the Management Board of Samruk-Kazyna JSC and election of members of the Management Board of Samruk-Kazyna JSC;
- ◆ On approval of the Map of functional key performance indicators of certain members of the Management Board of Samruk-Kazyna JSC for 2023;
- ◆ Review of the map of motivational key performance indicators of Samruk-Kazyna JSC for 2024;
- ◆ Questions marked "For Official Use" (4 questions).

### PARTICIPATION OF COMMITTEE MEMBERS IN MEETINGS IN 2023

Member of the Nomination and Remuneration Committee	Position	Participation in meetings of the Committee
Alikhan Smailov	Prime Minister of the Republic of Kazakhstan, Chairman of the Board of Directors of the Fund, Chairman of the Committee	100% (9 out of 9)
Timur Suleimenov	First Deputy Head of the Administration of the President of the Republic of Kazakhstan, member of the Board of Directors of the Fund, member of the Committee	86% (6 out of 7)
Jon Dudas	Independent Director, member of the Board of Directors of the Fund, member of the Committee	60% (3 out of 5)
Luca Sutera	Independent Director, member of the Board of Directors of the Fund, member of the Committee	83% (8 out of 9)
Mohamed Jameel Al Ramahi	Independent Director, member of the Board of Directors of the Fund, member of the Committee	100% (1 out of 1)

Note: Committee members did not attend Committee meetings for valid reasons.

### SPECIALIZED COMMITTEE

The Specialized Committee performs the task of a comprehensive and objective analysis of the impact of the activities of the organizations included in the Fund's group on economic development as a whole or a specific industry. The analysis excludes consideration of issues related to the use of funds from the National Fund of the Republic of Kazakhstan, the republican budget, as well as state guarantees and assets.