



**SAMRUK  
ENERGY**

Approved by the resolution  
of “Samruk-Energy” JSC  
Board of Directors dated 29 June 2018  
Minutes No. 06/18  
Seal of Samruk-Energy” JSC Board of Directors

## **Policy for the resolution of corporate conflicts and conflict of interest**

**SE-P-02/03**

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## **1. Purpose and scope of application**

1. In accordance with the Republic of Kazakhstan's legislation, international corporate governance standards, and “Samruk-Energy” JSC's Charter and internal regulatory documents, this Policy for the resolution of corporate conflicts and conflicts of interest has been developed.

2. This Policy outlines the general principles for regulating conflicts of interest and the mechanisms for resolving and preventing corporate conflicts within the Company. It also covers the activities of the Company's structural units when engaging in transactions that involve vested interests and other Company activities that pertain to the realm of corporate conflict resolution and conflicts of interest.

3. Recognizing that Company officials and employees may possess valid personal interests beyond their professional roles, it is acknowledged that any conflicts of interest arising between these personal interests and their professional responsibilities within the Company must be disclosed and resolved in strict adherence to this Policy.

4. This Policy applies universally to all facets of the Company's operations. It is a mandatory document for review and implementation by all Company officials and employees upon assuming their roles. In the execution of their job responsibilities and the fulfillment of assigned tasks, each official and employee of the Company must adhere to the guidelines outlined in this Policy.

5. The management of corporate conflicts and conflicts of interest is an integral part of the broader corporate governance framework within the Company. This framework is dedicated to advancing the Company's objectives by actively preventing corporate conflicts, addressing potential conflicts of interest, and effectively resolving any corporate conflicts or conflicts of interest that may arise.

6. It is important to note that this Policy represents an internal regulatory document of the Company. It may be presented to external parties and is subject to approval, including any changes or additions, by a decision of the Company's Board of Directors.

## **2. Definitions and abbreviations**

7. The following basic concepts and abbreviations are used in this Policy:

affiliates	- Individuals or legal entities (excluding government bodies carrying out control and supervisory functions as stipulated within their granted authority), who possess the capacity to directly and/or indirectly shape decisions or influence decisions made by one another (one of the parties), which may include actions undertaken through concluded transactions. The list of affiliated and non-affiliated parties of the company is determined in accordance with Article 64 of the Republic of Kazakhstan's "On Joint-Stock Companies" law;
close relatives	parents (or parent), children, adoptive parents, adopted children, full and half-siblings, grandparents, and grandchildren;
an official	is an individual who, whether on a permanent, temporary, or by special authority basis, fulfills organizational, business and administrative

roles. This includes being a member of the Board of Directors/Supervisory Board and the Management Board of the Company/Subsidiary and Affiliate (SA);

stakeholder	an individual or entity interested in the outcomes of the Company's operations, and someone who is impacted by the Company, which encompasses investors of the Company, specifically individuals who hold securities of the Company other than its shares;
legislation	the set of legislative acts of the Republic of Kazakhstan that are adopted through the established procedures;
initiator	the structural unit of the Company that initiated the process of entering into an interested party transaction;
counterparty	counterparty to the transaction;
control	control over the Company or any other legal entity is the ability to influence decisions made by the Company or the said legal entity;
conflict of interests	a situation in which a conflict arises between the personal interests of a member of the Board of Directors, the Management Board, and an employee of the Company or other individuals, and the proper execution of their official duties or the legitimate interests of the Company, which may also result in harm to the Company's lawful interests;
Corporate (dispute)	conflict Disagreements or dispute between: <ol style="list-style-type: none"><li>1) shareholders;</li><li>2) shareholders and the Company's departments/bodies;</li><li>3) bodies of the Company and employees of the Company;</li><li>4) Members of the Board of Directors, the Management Board, the Head of the Internal Audit Service, and the Corporate Secretary;</li><li>5) The Company's governing body and stakeholders of the Company on matters of corporate governance that have or may have adverse impacts on shareholders' interests and the Company's operations;</li></ol>
Subject of corporate conflicts	Corporate conflicts subject to resolution by the Company's authorities within their jurisdiction may include, but are not limited to, the following cases: <ol style="list-style-type: none"><li>1) Violations of legal norms - disputes arising from unintentional breaches of legislation, perceived by shareholders as infringement on their interests;</li><li>2) Disagreements between shareholders and the Company's governing bodies regarding the effectiveness of the Company's management and the integrity of the actions of the members of these governing bodies;</li><li>3) Actions aimed at undermining the financial condition and competitiveness of the Company, expressed through attempts to initiate</li></ol>

bankruptcy proceedings against the Company;

corporate secretary	an employee of the Company who is not a member of the Board of Directors or the Management Board. The Corporate Secretary is appointed by the Board of Directors and reports to the Board of Directors. As part of his/her responsibilities, the Corporate Secretary oversees the preparation and management of general meetings of shareholders and Board of Directors meetings. He/she is also responsible for preparing materials related to the agenda items of these meetings and monitoring access to these material;
major shareholder	a shareholder or a group of shareholders who, acting under an agreement between them, collectively own ten percent or more of the voting shares of the Company;
personal interests	personal financial gains or an interest in obtaining personal benefits from the Company that are not related to receiving a salary or rewards provided by the Company;
the Company CSO	“Samruk-Energy” joint-stock company; Corporate secretary office;
bodies of the Company	Shareholders, the Board of Directors, the Management Board, the Internal Audit Service of the Company;
supplier/potential supplier	an entity that has entered into a transaction for the supply of goods, the provision of services, or the execution of works or has expressed an intention to enter into such a transaction for the supply of goods, services, or works;
mediator (individual or collective)	an individual or a group of individuals (conciliation committee) who are not parties to the corporate conflict and do not have interests in the specific corporate conflict. They are specifically authorized (elected) by all parties involved in the corporate conflict to facilitate the corporate conflict resolution process;
Management Board Principles and norms of the corporate governance	“Samruk-Energy” JSC Management Board; the principles and norms established in the legislation of the Republic of Kazakhstan, the Corporate Governance Code, and the relevant internal documents approved by the Company's governing bodies;
result of corporate conflict settlement	Agreement signed by the parties of the corporate conflict and the mediator;
head of the Company	Chairman of the Management Board of the Company;
CS	Compliance service;
relatives by marriage	siblings, parents, and children of the spouse (husband or wife);

The Board of Directors agreement	of The Company's Board of Directors;	Document containing the following details: - date and place of signing (for Parties of the corporate conflict) - names of the Parties involved in the corporate conflict - formulation of the Corporate conflict subject and agreement - formulation of the Agreement among the Parties of the corporate conflict, including responsibilities and control procedures - evaluation of the satisfaction of the parties involved in the corporate conflict with the procedure's outcomes;
SU SUCG		Structural unit/department of the Company; Structural unit/department whose functional responsibilities include organizing corporate governance and sustainable development activities;
SULS		Structural unit responsible for legal support;
parties to a corporate conflict		company bodies and employees, stakeholders involved in a corporate conflict;
Corporate resolution	conflict	the process of implementing a set of pre-trial procedures aimed at resolving corporate conflict;
Sovereign fund	wealth	"Samruk-Kazyna" JSC

### **3. Responsibility**

8. The Head or the Supervisor/Employee of the CGSU is tasked with the following responsibilities:

ensuring oversight of the adherence to the regulations outlined in this Policy regarding corporate conflict management.

guaranteeing compliance with the guidelines for corporate conflict management as stipulated in this Policy.

9. Parties involved in a corporate conflict are obligated to:

adhere to the provisions outlined in this Policy.

uphold the principles of business ethics when addressing conflicts.

10. The mediator is responsible for:

a. treating all parties involved in a corporate conflict equitably and impartially.

b. upholding the principle of maintaining confidentiality.

11. The Corporate Secretary is entrusted with:

a. Ensuring the dissemination of this Policy to members of the Board of Directors of the Company.

b. Carrying out the necessary procedures as outlined in this Policy.

12. The CSO's responsibilities encompass:

a. Managing the records of affiliated entities.

b. Documenting information related to the election, change of position, or dismissal of members within the Management Board and the Board of Directors.

12-1. CS is accountable for implementing the regulations governing the management of conflicts of interest specified within this Policy.

13. Heads of structural units and employees of the Company bear the responsibility of complying with the requirements set forth in this Policy.

### **4. General provisions**

14. This Policy is designed to align with the provisions of the Company's Code of Conduct, which stipulates that an essential condition for the effective performance of employees in their roles is the absence of conflicts between the personal interests of employees and officials and the interests of the Company. In cases where such conflicts exist, they should be promptly disclosed and resolved. One of the key requirements for safeguarding the rights and interests of shareholders is the establishment of a mechanism within the Company for resolving conflicts that may arise within the organization and among its governing bodies. The entity responsible for handling corporate conflicts is the Company's Board of Directors, and in cases where resolution by the Board is not feasible, it falls to the Company's Executive Board



15. The objective of this Policy is to enhance the effectiveness of decision-making by ensuring a fair, objective, and independent decision-making process in the interests of the Company and its sole shareholder. It aims to establish a uniform system within the Company for managing both actual and potential corporate conflicts and conflicts of interest. Furthermore, it defines the conduct requirements for employees and officials. Adherence to these requirements will help minimize the risks of decisions being influenced by personal interests and relationships of employees and officials within the Company.

16. All employees and officials of the Company must conduct themselves in a manner that prevents the occurrence of situations where conflicts of interest may arise, whether regarding themselves (or related parties) or others.

## **5. Prevention and Mitigation of Corporate Conflicts**

17. The Company's approach to corporate conflicts is founded on the principle of preventing their occurrence and handling them attentively. In cases of corporate conflicts, the Company abides by a position grounded in compliance with legal statutes and the internal regulatory documents of the Company.

18. The prevention and mitigation of corporate conflicts are fostered by the Company's adherence to legal provisions, as well as the conscientious behavior of the Company, its officials, and employees in their dealings with the Company's shareholders.

19. To proactively forestall corporate conflicts, the Company's governing bodies, officials, and employees are obliged to:

- respect the rights of shareholders as stipulated by the laws of the Republic of Kazakhstan, the Company's Charter, and its internal documents.
- provide shareholders with information on matters that may become subjects of corporate conflict.
- comply with the stipulations of applicable legislation and the internal regulations of the Company.
- abstain from actions and decisions that could lead to the emergence of a corporate conflict.
- eradicate the potential for the Company's engagement in unlawful activities.
- maintain records of affiliated individuals and shareholders, including their affiliated parties.
- ensure adherence to the established procedures, in accordance with prevailing legislation and the internal documents of the Company, for entering into transactions with affiliated parties.
- refrain from conducting significant transactions and transactions involving conflicts of interest without prior approval from the Company's governing bodies, as per legal requirements and the Company's internal documents.
- disclose information about the Company's activities in accordance with the legislative requirements of the Republic of Kazakhstan.
- guarantee the accuracy of financial reporting and other published information provided to shareholders, interested parties, regulatory authorities, and supervisory bodies.
- take measures to prevent the personal use of information available within the Company by individuals with access to such information.
- promptly review negative information about the Company in the media and other sources and respond promptly to each instance of such information.

- participate in identifying risks and deficiencies in the Company's internal control system.
- promote adherence to principles of business ethics.
- delineate the roles of SU/ individuals that own risks and those responsible for risk management and internal control.

## **6.Settlement of corporate conflicts**

20. The Company ensures the early identification of corporate conflicts and precise coordination of actions among the Company's bodies, specifically:

- Ensuring the identification of corporate conflicts in their early stages.
- Expediently establishing its stance on the merits of the corporate conflict, making necessary decisions, and communicating them to the involved parties.

21. To adhere to the principles of corporate governance and the procedure for addressing and resolving corporate conflicts, it is imperative to clearly define the competencies of the Company's bodies.

22. Corporate conflicts falling within the competence of the Board of Directors are resolved by them. In such cases, the Corporate Secretary is responsible for informing the Board of Directors about potential and actual corporate conflicts, along with the essence of the conflict.

23. The Board of Directors addresses specific corporate conflicts under the jurisdiction of the Company's Head when the subject of the conflict pertains to actions (or lack thereof) of the Head or the Management Board, or decisions made by them.

A Board of Directors member must avoid situations in which personal interests might compromise the proper execution of their duties as a member of the Board of Directors. In cases involving conflicts of interest that influence or have the potential to influence impartial decision-making, Board members must proactively inform the Chairman of the Board of Directors and abstain from participating in discussions and decisions. This requirement also extends to other actions by a Board of Directors member that could directly or indirectly impact their proper duties (e.g., involvement in activities of other legal entities, acquisition of shares or interests, and access to information).

24. Corporate conflicts are addressed by the Chairman of the Board of Directors of the Company with the assistance of the Corporate Secretary. If the Chairman of the Board of Directors is embroiled in a corporate conflict, the Appointment and Remuneration Committee of the Board of Directors of the Company handles such cases.

25. The Head of the Company, representing the Company, resolves corporate conflicts on all matters within their jurisdiction as determined by the Board of Directors.

26. To ensure an impartial assessment and effective resolution of a corporate conflict, individuals whose interests are affected or potentially affected by the conflict should not participate in its resolution.

27. Initiating the procedure for addressing a corporate conflict requires a written application (letter, demand) from any of the parties involved in the corporate conflict, directed to the Chairman of the Board of Directors or the Head of the Company, depending on their respective responsibilities.

28. The Corporate Secretary registers received inquiries/requests (letters, demands) within a maximum of five (5) calendar days from the date of receipt and forwards them to the Company body responsible for addressing the specific corporate conflict. The Corporate Secretary holds responsibilities for recording and storing corporate conflict statements.

29. Any statement received from parties involved in a corporate conflict must be accepted and forwarded for consideration to the appropriate Company body according to their jurisdiction. Simultaneously, the Corporate Secretary must notify both the Chairman of the Board of Directors and the Head of the Company regarding the receipt of a corporate conflict statement.

30. The rejection of a statement is only possible if the dispute is already under consideration by the relevant Company body, and a suitable decision has been reached.

31. The Company entity/department responsible for corporate conflict resolution, or their officials (Chairman of the Board of Directors, Head of the Company), who possess the authority, shall, upon receipt of the statement, invite the parties involved in the corporate conflict within 10 (ten) business days from the date of receiving the statement, to designate a mediator. The mediator selection takes into account the preferences of the corporate conflict parties.

32. In cases where the corporate conflict resolution falls within the Board of Directors' jurisdiction, the role of the mediator may, at the discretion of the corporate conflict parties and if consistent with this Policy, be performed by an authorized committee of the Board of Directors.

33. If it proves impossible to designate an agreed mediator within the stipulated timeframe, a decision to address the application and the subject of the corporate conflict may be made by the Board of Directors. In such instances, the Board of Directors retains the authority to independently appoint a mediator while giving significant consideration to the wishes of the corporate conflict parties.

34. The mediator's role is to facilitate the corporate conflict parties in finding a resolution, without making a conclusive decision on the substance of the corporate conflict.

35. The Company entity responsible for corporate conflict resolution shall, within 5 (five) calendar days from the mediator's appointment (election), provide the mediator with a copy of the corporate conflict party's statement or the Board of Directors' decision to address the corporate conflict. This submission must include the names of the corporate conflict parties, a formulation of the underlying problem or contradiction leading to the corporate conflict, and written consent from the corporate conflict parties specifying their chosen mediator.

36. The Corporate Secretary is responsible for preparing and delivery of the aforementioned materials to the mediator.

37. Within 5 (five) calendar days after receiving a copy of the application or decision of the Board of Directors to address the corporate conflict, the mediator commences the consideration and provides written notification to the corporate conflict parties.

38. Within 7 (seven) calendar days from the time the statement is accepted for consideration, the mediator formalizes a written agreement with the corporate conflict parties, outlining:

- The date for addressing the subject of the corporate conflict.
- Commitment to implementing decisions agreed upon by the corporate conflict parties.

This agreement is confirmed in writing by the involved parties.

39. Each corporate conflict party has the right to propose its own definition of the corporate conflict subject and the approach for resolving the conflict. Parties must provide this information to the mediator no later than 3 (three) calendar days after receiving written confirmation. If necessary, the mediator may request additional clarifications from the corporate conflict parties regarding the reasons behind the conflict's occurrence and its progression. If the parties agree to engage a mediator for the corporate conflict resolution, they are obliged to furnish the mediator with all pertinent information related to the corporate conflict. The mediator may also seek, for the purpose of analyzing the corporate conflict, information required for devising a solution from Company bodies, their members, as well as other Company employees. These parties, in turn, are obligated to provide the requested information to the mediator within the timeline set by the mediator.

40. In the process of resolving a corporate conflict with its participants, the mediator employs methods such as questioning, conversation, and negotiation.

41. With the consent of the corporate conflict parties, the mediator is entitled to employ electronic communication methods for interviews, problem discussions, and drafting agreements. The mediator must, however, guarantee the confidentiality of information to third parties.

42. During the preliminary consideration of a corporate conflict, the mediator formulates proposals and solutions for the corporate conflict parties to resolve the conflict at hand. These suggestions are transmitted to the corporate conflict parties by the mediator, who specifies the conflict's subject, location, time of consideration, and the list of individuals invited in the notification.

43. In the process of corporate conflict consideration, the mediator may, at the request of the corporate conflict parties or at their own discretion, invite additional individuals (experts, etc.) to participate in the meetings. The mediator independently determines the final composition of invited individuals. Witnesses who are officials or employees of the Company are obligated to attend when summoned by the mediator for corporate conflict consideration meetings.

44. The mediator is obliged to provide the parties with the materials in their possession no later than 5 (five) calendar days prior to the scheduled corporate conflict meeting, unless the parties mutually agree on a later date.

45. Corporate conflicts are considered, and decisions concerning their resolution are made during meetings convened and overseen by the mediator. The meetings are attended by the parties involved in the corporate conflict and individuals designated by the mediator.

46. The mediator ensures that minutes of all meetings are maintained in an informal manner. These minutes are endorsed by the mediator. If deemed necessary by the mediator, a transcript of the meeting may be recorded.

47. Representatives of the parties involved in a corporate conflict attending meetings possess the same rights as the parties themselves, including the authority to sign agreements. In the context of corporate conflict deliberations, all parties are afforded equal rights. While presenting evidence to support their positions is a right of the corporate conflict parties, the mediator may construe an unjustified refusal by a party to provide evidence as dishonest behavior.

48. The mediator aids the corporate conflict parties in formulating the agreed-upon subject of the conflict based on the formulations submitted by the parties and facilitates the development of mutually acceptable agreement language.

49. Following the conclusion of corporate conflict deliberations, the mediator may prepare recommendations for resolving the conflict, which are then provided to the parties. However, the ultimate decision rests with the corporate conflict parties, and it is duly recorded in the relevant protocol and agreement (Appendix 1).

50. An agreement on the resolution of corporate conflict is considered accepted if it meets the following criteria:

- It is in writing.
- It is signed by both the corporate conflict parties and the mediator.

51. An agreement accepted by the corporate conflict parties is subject to oversight by either the mediator, the corporate conflict parties, or the relevant Company body, as outlined in the agreement.

52. Indicative agreement format can be found in the Appendix to this Policy.

53. Within three days of the corporate conflict parties signing the agreement, the mediator dispatches copies of the agreement to the parties involved in the corporate conflict.

54. If the agreed-upon agreement is not signed by the corporate conflict parties, the mediator may decide to either terminate or continue the mediation process. The mediator is obligated to inform the corporate conflict parties and the Board of Directors of this decision and provide the reasons behind it.

55. The mediator has the authority to bring the matter of whether a corporate conflict should be considered to the Board of Directors. If the Board of Directors decides against consideration, the mediator can opt not to pursue the corporate conflict further. In such cases, the timelines specified in this Policy are put on hold.

56. The overall timeframe for resolving a corporate conflict should not exceed 45 days, starting from the date of receiving the application until the signing of the relevant agreement.

57. In cases necessitating the resolution of issues raised in a statement, conducting additional verifications, requesting supplementary materials, or taking other measures, the timeframe for considering the shareholder's request/statement may be extended, with notification provided to the shareholder.

58. Subsequent to the resolution of a corporate conflict, all materials (letters, correspondence, including via email, minutes, transcripts, powers of attorney, petitions, appeals, statements, notifications, etc.) are transferred by the mediator to the Corporate Secretary for safekeeping.

## **7. Actions taken by the Company as part of its efforts to address corporate conflicts**

59. The primary objective of the Company's entities involved in the corporate conflict resolution process is to identify a solution that is both legally sound and well-justified, while also serving the interests of shareholders and the Company.

60. To safeguard the rights of shareholders and uphold the Company's business reputation, efforts to address a corporate conflict are conducted with active participation from shareholder representatives, either through direct negotiations or correspondence.

61. The Company's entities, in accordance with their respective competencies, facilitate the execution of agreements endorsed by the corporate conflict parties.

62. Parties involved in a corporate conflict have the option to challenge decisions made by the Management Board in relation to the conflict. This can be done by submitting an appeal to the Board of Directors within ten days from the date the corporate conflict participant receives a copy of the Management Board's decision on the matter.

## **8. The fundamental principles and provisions for preventing conflicts of interest**

63. All officials and employees of the Company must adhere to the principle of prioritizing the Company's interests and the principle of avoiding conflicts of interest in their activities.

64. Serious violations related to conflicts of interest can harm the Company's reputation and undermine the trust of shareholders and other stakeholders. Personal interests of officials or employees should not influence their impartial execution of their official and functional duties. In dealings with the Company's partners, with the expectation of establishing and maintaining fiduciary relationships where both parties are obligated to act toward each other with maximum honesty, good faith, fairness, and loyalty, measures should be taken to prevent, detect, and eliminate conflicts of interest.

65. The Board of Directors of the Company must monitor and, where possible, eliminate potential conflicts of interest among officials and shareholders, including unauthorized use of Company property and abuse in transactions where there is a vested interest.

66. All transactions involving conflicts of interest may only be conducted with:

- A positive decision from the Board of Directors or a general shareholder meeting if all members of the Board of Directors are interested parties, or if the Board of Directors cannot reach a decision due to a lack of the required number of votes.

- A positive decision from the Executive/Management Board in cases established by the Rules for concluding deals between organizations within the Sovereign Wealth Fund group, in which legislation imposes special conditions on such transactions.

67. Officials and other employees of the Company should not participate in the review and decision-making process for any transaction between the Company and themselves, or any of their close relatives, relatives by marriage. Responsibility for complying with this requirement lies with the aforementioned Company employees who participated in the review and decision-making of the transaction.

68. Officials may not act on behalf of or in the interests of third parties in their dealings with the Company.

69. Company employees may not enter into transactions on behalf of the Company, either personally or on behalf of another person for whom they simultaneously act as representatives.

70. The involvement of officials in the activities of departments, whether within their direct supervision or not, with the aim of influencing decisions related to the Company's entering into an interested party transaction, is prohibited.

71. Members of the Board of Directors have the following obligations:

- Disclose any actual or potential conflict of interest to the Board of Directors.
- Refrain from actions that could lead to a conflict of interest.
- Abstain from making decisions regarding transactions in which they have a conflict of interest.
- Do not participate in voting when decisions related to their own remuneration are being made.
- Regularly provide information about their affiliated persons.

- Adhere to the provisions outlined in the Charter and this Policy.
- Provide written confirmation of their familiarity with the Company's procedures for resolving conflicts of interest and their commitment to comply with these procedures.

72. Independent directors actively participate in the discussion of matters where a conflict of interest could arise. These matters include the preparation of financial and non-financial statements, the approval of related-party transactions, the nomination of candidates for executive positions, and the determination of remuneration for members of the executive body. Independent directors are typically elected as chairpersons of key committees of the Board of Directors, such as the audit committee, appointment committee, and remuneration committee. Their election as chairpersons in other committees is also recommended.

73. An independent director is responsible for monitoring any potential loss of their independent status and promptly informing the Chairman of the Board of Directors in case such situations arise. If circumstances that affect the independence of a Board member are identified, the Chairman of the Board of Directors immediately communicates this information to the shareholders for appropriate decision-making.

74. Members of the Management Board and employees of the Company are obligated to avoid actions that may lead to a conflict of interest and are expected to refrain from making decisions on transactions in which they have a conflict of interest.

75. Members of the Management Board of the Company are required to disclose information about any real or potential conflict of interest to the Board of Directors. Other employees of the Company are similarly required to disclose such information to their immediate supervisors.

76. Members of the Management Board and employees of the Company must abstain from participating in the decision-making process for transactions in which they have a conflict of interest.

77. To monitor potential conflicts of interest within the Company, Company officials must provide Corporate Secretary Office (CSO) with information about their affiliated persons on a quarterly basis.

78. Members of the Management Board and employees of the Company confirm their familiarity with the Company's procedures for resolving conflicts of interest and commit to adhering to these procedures through written agreement and acknowledgment.

79. Employees of the Company are required to refrain from pursuing personal interests that may conflict with their job responsibilities.

## **9. Participants in the process of managing conflicts of interest and their functions**

80. The Board of Directors:

determines the Company's policy regarding conflicts of interest and corporate conflicts; approves the procedure for preventing conflicts of interest.

81. the Management Board:

bears responsibility for organizing and monitoring the operations of the Company in accordance with the requirements of legislation in conflict of interest management;

decides on the timely establishment of working groups and commissions to resolve conflicts of interest that are within the competence of the Management Board.

82. The Chairman of the Management Board takes measures to eliminate the possibility of a conflict of interest when distributing the responsibilities of structural units and employees of

the Company.

83. Compliance Service:

takes part in developing procedures for identifying and monitoring areas of potential conflict of interest;

identifies conflicts of interest in the Company and the conditions for their occurrence;

in case of occurrence of a conflict of interest, assesses the associated risks, takes measures to identify and analyze the conflict of interest;

communicates information about identified conflicts of interest to the Management Board and the Board of Directors;

initiates and controls amendments to the Company's regulatory documents aimed at eliminating conflicts of interest;

sends, if necessary, recommendations on resolving conflicts of interest to the Board of Directors, the Board, and the heads of the audited joint ventures;

provides consultations to employees on issues of conflict of interest management.

84. Internal Audit Service:

analyzes and evaluates the effectiveness of the internal control system;

controls the effectiveness and reliability of measures taken by the structural units and management bodies of the Company based on the results of inspections to ensure a reduction in the level of conflicts of interest;

submits reports and proposals based on the results of inspections to the Board of Directors, the Management Board, and the heads of the inspected structural units of the Company.

85. Security department:

provides conditions for non-disclosure of confidential information by members of management bodies and employees of the Company;

identifies cases of use of confidential information for personal purposes and takes appropriate measures against the perpetrators.

86. Heads of structural units:

guide employees towards unconditional compliance with the requirements of this Policy and other internal regulatory documents of the Company

guide the Company's employees to comply with ethical principles and standards of behaviour and considers the results of meeting these requirements when evaluating the performance of an employee

87. Employees must:

- Identify situations that may result in a conflict of interest and promptly engage with their immediate supervisor and the Investigative Committee on all matters related to preventing and resolving conflicts of interest. They should actively contribute to resolving any arising conflicts of interest.

- Make decisions on business matters and carry out their job responsibilities with a primary focus on the Company's interests, while disregarding personal interests or those of closely related individuals

- Act within the scope of their authorized powers when performing job duties and, when representing the Company to external parties, conduct themselves in a manner that does not harm their own business reputation, the reputations of fellow employees, or the Company as a whole.



- Whenever possible, proactively avoid situations and circumstances that could lead to or have the potential to lead to a conflict of interest.
- Notify their immediate supervisor and the insurance company if personal interests emerge in the execution of their job duties that could or do result in a conflict of interest, and take measures to prevent any possibility of conflicts of interest.

### **10. Conflict of interest situations**

88. The following situations, which are not exhaustive, are considered conflict of interest situations or situations that may lead to a conflict of interest:

A situation in which a Company official, employee, or their close relative or associate is a party to a transaction with the Company.

A situation in which a Company official, employee, or their close relative or associate is an affiliated party of an organization that is a party to a transaction with the Company.

Any commercial or other interest in transactions or projects related to the Company.

A situation in which a Company official or employee competes with the Company in terms of providing services, entering into transactions, implementing projects, engaging with third parties, or other activities.

A situation where a company official, employee, or their close relative or associate holds an affiliation with an entity, serves as an independent director, or works for an organization that competes with the company in terms of providing services, entering into transactions, executing projects, engaging with third parties, or other activities.

A situation where a company official and employee simultaneously hold employment contracts with more than one organization, unless such dual employment has been granted approval or consent in accordance with the terms outlined in this policy.

A situation in which a company official, employee, or their close relative or relative receives compensation, be it monetary or in other forms, from third parties for fulfilling their professional duties or rendering other services associated with their roles within the company.

A situation in which a company official, employee, or their close relative or relative accepts gifts or services related to their professional duties from subordinates at work, with the exception of token gestures of appreciation and symbolic souvenirs, as per widely accepted norms of politeness and hospitality, or during formal and other official events.

A situation in which a company official, employee, or their close relative or relative receives personal discounts or exclusive benefits from suppliers or potential suppliers that are not generally accessible to other company officials, employees, their close relatives, or in-laws.

A situation in which a company official or employee uses company property for personal purposes, except when such usage is permitted by the company's internal policies.

A circumstance where a company official or employee discloses confidential information acquired as part of their professional responsibilities or information that, if disclosed, could have an adverse impact on the company's interests. This also encompasses any use of such confidential company-related information for personal gain by a company official, employee, or their close relative or in-law.

A situation in which a company official or employee participates in discussions or decisions related to their own job evaluation, reassignment (re-election), remuneration, or other matters concerning themselves.

A situation where the company hires a candidate who is a close relative or in-law of

another employee, and if either of them has the potential to directly influence job performance, promotions, or material compensation within the company.

A situation where company officials collaborate with close relatives, spouses, or in-laws.

A situation in which company employees have direct reporting relationships or are directly supervised by close relatives, spouses, or in-laws.

89. It should be noted that the execution of employment contracts and other agreements between the company and its employees, as well as members of the Board of Directors, to fulfill their respective job duties, does not constitute a conflict of interest.

90. The situations outlined in paragraph 88 of this policy are not exhaustive. Company officials and employees are required to consistently adhere to legal requirements, the company's charter, this policy, and other internal company documents in all instances.

91. To prevent conflicts of interest, the Company officials and employees are obligated to:

1) Adhere to legal requirements, the company's charter, and internal company regulations, including this policy and other conflict of interest prevention documents.

2) Avoid actions and decisions that may lead to conflicts of interest.

3) Conduct internal and external oversight as stipulated by the company's charter and internal regulations.

4) Report all interested party transactions to the Board of Directors.

5) Maintain records of affiliated individuals related to the company.

6) Seek prior approval from the company's authorized bodies for significant transactions and transactions involving interests.

7) Disclose information about the company operations in compliance with current legislation, the charter, and internal company regulations.

8) Ensure the accuracy of financial statements and other publicly released information provided to shareholders, government authorities, and other relevant parties.

9) Develop and enhance measures to prevent the misuse of company information for personal gain by individuals with access to such information.

10) Timely evaluate the accuracy and objectivity of negative information about the company in media and other sources, and promptly respond to any instances of negative or inaccurate information.

91-1. Officials and managers of joint ventures are required to complete a Declaration of Disclosure of Potential Conflicts of Interest in accordance with Appendix 2.

This declaration must be completed annually, updated as information changes, and filled out by newly hired officials and managers of joint ventures.

## **11. Settlement of corporate conflicts**

92. In addressing conflicts of interest within the Company, the Board of Directors, company officials, and employees follow established procedures to find a solution that is both legal and justified while serving the best interests of the Company.

93. An employee must promptly report the existence and occurrence of a conflict of interest in writing to their immediate supervisor, following the guidelines outlined in Appendix 3. This report should be submitted within 5 (five) business days from the moment the relevant circumstances arise. If resolving the conflict at the structural unit level proves impossible, the head of the unit must, within one working day, provide information about the conflict, its causes,

and the actions taken to the person in charge of the unit and the Investigative Committee. The individual in charge of the structural unit determines the conflict resolution process and, if necessary, appoints an authorized representative. In accordance with the company's internal documents, a conflict resolution committee may be formed if deemed necessary.

94. The supervisor overseeing the structural unit, along with the authorized representative or committee, takes all necessary steps to resolve the conflict of interest. The matter of resolving the conflict is presented for review by the Management Board, and/or information regarding the conflict is communicated to the Company's CEO and/or the Board of Directors.

95. Any conflict of interest, at any stage of its development, that impacts or has the potential to impact the interests of the Company's Director is reported to the Board of Directors for a decision regarding the conflict resolution procedure.

96. If, as a result of the conflict's consideration, there is a need to develop or amend the current internal documents of the Company, the Company will decide to create the necessary document or implement the required changes.

97. To effectively address any type of conflict of interest within the Company, officials are required to:

- Identify emerging conflicts of interest and determine their underlying causes.
- Clearly define the roles and responsibilities of the Company's governing bodies.
- Appoint the authorized person of the Company or, when necessary, establish a committee to handle the conflict.
- Promptly formulate the Company's stance on the substance of the conflict, make an appropriate decision, and communicate it to the other party involved in the conflict.
- Provide the opposing party in the conflict with a comprehensive and detailed response that substantiates the Company's position, clearly justifying any refusal to satisfy the request or demand of the conflicted party based on applicable legislation, the Company's Charter, and internal documents.
- Ensure that the authorized person involved in conflict resolution promptly reports any conflict that affects or may affect their interests or the interests of their family members.
- Guarantee that individuals whose interests are or may be impacted by the conflict are excluded from participating in the conflict's resolution and decision-making processes.
- Inform the Compliance Service (CS) and Internal Audit Service (IAS) about the steps taken to address the conflict of interest.

98. The measures outlined in this Policy to resolve conflicts of interest are not exhaustive. Each specific case may require other methods of conflict resolution depending on the nature of the conflict of interest.

## **12. General requirements for transactions involving conflicts of interest**

99. When there is information indicating a potential conflict of interest, the initiator is obligated to request information from the supplier/potential supplier regarding its affiliates, participants, shareholders, constituent documents, and any other necessary documentation. The initiator also has the right to contact the CSO for obtaining a list of the Company's affiliated persons, as well as seeking necessary clarifications and consultations.

100. In case an affiliation is confirmed, the initiator, following the procedures outlined in the Company's internal documents, ensures that the matter of entering into an interested party transaction is submitted for review by the Board of Directors and the Management Board. If it proves impossible for the Board of Directors or the Management Board to make a decision, the matter is presented for consideration at the general meeting of the Company's shareholders.

101. During the general meeting of shareholders, or when reviewed by the Board of Directors or the Management Board, interested party transaction must be presented with comprehensive information, including details about the involved parties, transaction terms and conditions, and the nature and extent of participation interests held by the parties involved.

102. The initiator is only authorized to finalize an interested party transaction after receiving a positive decision from the Company's governing body, in accordance with the requirements specified in the Charter and relevant legislation pertaining to transaction execution.

103. During the examination of an interested party transaction, the structural unit responsible for legal support is entitled to request the initiator to provide the supplier/potential supplier's constituent documents and any other necessary documents to verify the person's affiliation with the Company.

## **13. The procedure for maintaining a list of affiliated persons of the Company**

104. To effectively manage conflicts of interest and adhere to the Company's internal policies and legal requirements, including those related to transactions involving interests, the Corporate Secretary Office maintains a record of affiliated persons within the Company.

105. The CSO keeps the list of affiliated persons up to date by adding or removing information about affiliated individuals as such data becomes available.

106. The CSO collects information about affiliated persons from various sources, including the Company's departments, officials, employees, entities affiliated with the Company, and other relevant parties.

107. Individuals appointed to positions on the Company's Management Board or Board of Directors are responsible for providing their affiliation information to the CSO within three business days of their election or any changes to their information.

108. Information regarding appointments, changes in positions, or dismissals of Management Board and Board of Directors members is also communicated to the CSO by the Corporate Secretary through official minutes from the respective meetings.

109. The Corporate Secretary provides the CSO with information, extracted from the Board of Directors' meeting minutes, concerning the Company's decisions related to legal entities in which the Company is the sole shareholder, including decisions regarding changes in share sizes or participation in the authorized capital of these entities, as well as the election or removal of board members or supervisory board members for such entities.

110. The specific department within the Company that initiated the agreements mentioned in subparagraphs 1) and 2) of this paragraph also furnishes the OKS with a copy of these agreements, along with information:

- 1) about individuals associated with the Company through agreements that grant them decision-making authority within the Company, including details about officials from the specified legal entities;
- 2) about legal entities that, in conjunction with the Company, fall under the control of a third party, particularly as a result of concluded agreements, including information about officials of the specified legal entities;
- 3) about individuals who, either independently or jointly with their affiliates, own, use, or control ten percent or more of the shares of the legal entities mentioned in subparagraphs 1) and 2) of this paragraph in accordance with the Policy, including information about officials from such legal entities.

The department responsible for providing this information monitors it quarterly, and if there are any changes, promptly updates the CSO with revised information regarding affiliated persons.

111. Information about affiliated persons may also be obtained directly from these individuals when they are involved in transactions with the Company, either as a party or as representatives or intermediaries, or from the Company's various departments.

112. All Company departments are responsible for providing the CSO with information about individuals with identified affiliations during the review of draft transactions and in other instances within three working days from the date of identification.

113. The CSO ensures that the list of affiliated persons within the Company is provided to the relevant authorized body in compliance with applicable laws.

114. The CSO regularly informs the Company's Board of Directors and relevant bodies about the list of affiliated entities within the Company on a quarterly basis and as required.

#### **14. Employment and holding positions in other organizations**

115. Members of the Board of Directors, the Management Board, and other managerial personnel of the Company, as specified in the Company's internal documents, are prohibited from serving on the Board of Directors or the executive body of organizations that engage in activities competing with the Company.

116. Members of the Board of Directors are forbidden from possessing shares (equity interests) in organizations that engage in activities competing with the Company, serving as members of the executive body, performing employment duties, or otherwise participating in the affairs of organizations in competition with the Company.

117. A member of the Management Board, along with other Company employees whose appointment or approval is overseen by the Board of Directors, may engage in employment contracts with other organizations only upon obtaining the consent of the Board of Directors.

118. The combination of employment and positions in other organizations by a member of the Board of Directors after their election to the Board of Directors of the Company requires prior approval from the Board of Directors.

119. The Company's Chief Executive Officer (CEO) is not permitted to simultaneously hold the position of the head of the executive body or an individual exclusively performing the functions of the executive body within another legal entity.

## **15. Final provisions**

120. The procedure for resolving corporate conflicts and the procedures provided for in this Policy are of a reconciliatory nature and do not hinder individuals in exercising their rights as provided by the legislation of the Republic of Kazakhstan. Any party involved in a corporate conflict has the right to withdraw from the resolution process at any time by notifying the mediator and the relevant body of the Company.

121. In cases where an agreement on the substance of a corporate conflict cannot be reached in accordance with the procedures outlined in this Policy, and at least one of the parties to the corporate conflict declares their withdrawal from the procedure, the corporate conflict may be resolved by the Board of Directors or the Management Board in matters falling within their competence, in accordance with the Corporate Governance Code of the Company and the legislation of the Republic of Kazakhstan.

122. The resolution of corporate conflicts in accordance with this Policy is only possible on the condition that the corporate conflict is not simultaneously subject to resolution in another manner according to the existing legislation, or contains elements requiring its referral to competent state authorities as provided by law.

123. During the preparation for the consideration of a corporate conflict, the mediator/Company Body must ensure that:

- The dispute does not contain elements requiring its referral to competent state authorities.
- The dispute can be resolved in accordance with the procedures outlined in this Policy, and the decision made in such a manner will not contradict the legislation.
- The consideration of the corporate conflict and the decision do not violate the rights and legitimate interests of third parties.

124. In case obstacles to the resolution of a corporate conflict in accordance with the procedures outlined in this Policy are identified, the mediator must issue a written decision on the impossibility of considering the corporate conflict, indicating all circumstances preventing it, and provide this decision to the parties to the corporate conflict. The mediator informs the parties to the corporate conflict of the decision made but is not obligated to explain the reasons or provide evidence. From the moment the mediator makes this decision, their responsibilities as a mediator regarding this corporate conflict cease.

125. If violations of legal requirements or the norms of this Policy in the prevention or resolution of corporate conflicts lead to damage to the Company and/or its shareholders, those responsible for such violations are held accountable in accordance with the law.

126. In cases where it is impossible to resolve a corporate conflict through negotiations, they are resolved through legal proceedings.

127. Structural units and employees of the Company bear responsibility for the accuracy and timeliness of providing the CSO with information about affiliated persons of the Company in accordance with this Policy.

128. All structural units and employees of the Company are responsible for complying with the requirements of the law and the Company's internal documents when entering into transactions in which there is an interest.

129. All units of the Company conduct their activities in accordance with the principles of conducting transactions with related parties as outlined in this Policy.

## **16.Regulatory references**

130. In this policy, references are made to the following regulations and laws of the Republic of Kazakhstan and internal regulatory documents:

- 1) The Republic of Kazakhstan law "On joint-stock companies";
- 2) Charter of the Company;
- 3) Regulations on the Board of Directors of the Company;
- 4) Corporate Governance Code of the Company;
- 5) Code of Conduct of the Company;
- 6) Rules for concluding transactions between companies belonging to the Sovereign Wealth Fund Group, for which special conditions are established by legislation;
- 7) Regulations on the Board of Directors of the Company;
- 8) Regulations on the Appointments and Remuneration Committee of the Board of Directors of the Company;
- 9) Rules for the development and management of internal regulatory documentation in the Company and its SA.

## **17.Forms of documents or records**

131. The forms provided in the table are an integral part of this Policy:

Table

No.	Description of forms of documents/records	Identification number of the document/record	Note about the performer	Document/record storage place	Document/record retention period
1	Agreement form (recommended)	RF 01 SE-P-02/03	Mediator	CSO	According to document filing system
2	Declaration of Disclosure of Potential Conflicts of Interest	DF 02 P 02-02-1	Mediator	HRD	According to document filing system

## Agreement form (recommended)

### AGREEMENT

**Place** \_\_\_\_\_

**Date** (date of signature by the Parties) \_\_\_\_\_

**Subject** of the Agreement (corporate conflict) \_\_\_\_\_

**Participants** of the Agreement, incl:

**Parties of the Agreement** (the names of the Parties to the corporate conflict and their authorized representatives are listed)

**Mediator:**

**Experts** (other participants, if any):

Text of the agreement, outlining the obligations of the parties to the corporate conflict and measures to ensure compliance with these obligations.

**Satisfaction** of the Parties:

Substantively: [Satisfied/Not Satisfied]

Procedurally: [Satisfied/Not Satisfied]

Psychologically: [Satisfied/Not Satisfied]

Note: Each of the Parties should indicate "Satisfied" or "Not Satisfied" and may provide explanations. In this section, the parties freely record their level of satisfaction with various aspects of the corporate conflict resolution process.

**Signatures of Participants:**

**Parties:**

Signature \_\_\_\_\_ Date: \_\_\_\_\_

Signature \_\_\_\_\_ Date: \_\_\_\_\_

**Mediator:**

Signature Date:



**Declaration of Disclosure of Potential Conflict of Interest**

I (Last name, \_\_\_\_\_ name, \_\_\_\_\_ patronymic \_\_\_\_\_ (if available))

Individual Identification Number (IIN)

hereby commit to strictly adhere to the Policy for Resolution of Corporate Conflict and Conflict of Interest of “Samruk-Energy” JSC in the course of performance of my job responsibilities at “Samruk-Energy” JSC, and declare the presence or absence of the following potential conflicts of interest:

1. I am a member of the management bodies (supervisory board, board of directors, other management bodies) of companies (if yes, please specify the name, excluding subsidiaries and affiliates of “Samruk-Energy” JSC).

No

Yes \_\_\_\_\_

2. I own (partially or fully) in the form of shares and/or participatory interests in a company (if yes, please specify the organization's name, percentage, and/or share).

No

Yes \_\_\_\_\_

3. I engage in remunerated activities on a regular basis, including salary, fees, etc. (if yes, please specify the position and the name of the organization making the payments, excluding Samruk-Energy).

No

Yes \_\_\_\_\_

4. I engage in uncompensated activities, such as volunteering (if yes, please specify the position and the name of the organization, excluding Samruk-Energy).

No

Yes \_\_\_\_\_

5. I engage in activities as an individual entrepreneur (if yes, please specify the name of the sole proprietorship and the Individual Identification Number).

No

Yes

Name of the Sole Proprietorship: \_\_\_\_\_

Individual Identification Number (IIN): \_\_\_\_\_

\_\_\_\_\_

—

6. Individuals closely related<sup>1</sup> to me are employed within Samruk-Energy Group, are affiliated<sup>2</sup> with “Samruk-Energy” and “Samruk-Kazyna” JSC, their subsidiaries and affiliates (if yes, please specify where).

No

Yes \_\_\_\_\_

7. The individuals mentioned in points 1-6 of this declaration **are not** counterparties of “Samruk-Energy” JSC, “Samruk-Kazyna” JSC, their subsidiaries, and affiliates (if they are, please provide the names).

No

Yes \_\_\_\_\_

I hereby confirm full responsibility for the accuracy of the information provided in this Declaration. I acknowledge that I have read and understood the terms of the Policy for Resolution of Corporate Conflict and Conflict of Interest of “Samruk-Energy” JSC. I commit to promptly inform “Samruk-Energy” JSC of any conflicts of interest that may arise, as well as any changes to the information provided in this declaration.

Signature: \_\_\_\_\_

Date:

\_\_\_\_\_

<sup>1</sup>Close relatives, as defined by Article 14 of the Republic of Kazakhstan Law 'On Combating Corruption,' include parents (parent), children, adoptive parents, adopted children, full and half-siblings, grandparents, grandchildren, step-siblings - brothers, sisters, parents, and children of the spouse.

<sup>2</sup>Affiliated persons are individuals in accordance with Article 64 of the Republic of Kazakhstan Law dated May 13, 2003, No. 415-II 'On Joint Stock Companies,' and Article 12-1 of the Republic of Kazakhstan Law dated April 22, 1998, No. 220-I 'On Limited Liability and Additional Liability Partnerships.

To \_\_\_\_\_  
(full name, title)

From \_\_\_\_\_  
(full name, title, contact number)

**NOTIFICATION  
of existence or occurrence of a conflict of interest**

I hereby declare, in alignment with the guidelines outlined in the Policy for resolution of conflict of interest of “Samruk-Energy” JSC, that I am providing notice regarding the presence or potential occurrence of a conflict of interest that may arise in the course of performance of my responsibilities.

1. Circumstances that constitute the basis for the occurrence of a conflict situation (personal interest):

(Describe the situation in which a conflict of interest has arisen or may arise, with detailed justification).

\_\_\_\_\_

2. Job responsibilities the performance of which is or may be influenced by personal interest: (list specific job responsibilities).

\_\_\_\_\_

3. Measures taken (proposed) to prevent or resolve the conflict of interest:

\_\_\_\_\_

4. A list of documents confirming the facts of the existence or occurrence of a conflict of interest, as well as the measures taken (proposed to be taken) to prevent and resolve the conflict of interest:

1) \_\_\_\_\_

2) \_\_\_\_\_

3) \_\_\_\_\_

4) \_\_\_\_\_

5) \_\_\_\_\_

Person submitting the notification:

\_\_\_\_\_  
Date: \_\_\_/\_\_\_/20\_\_\_

(Signature, print full name)