



ANNUAL REPORT
OF QAZAQSTAN INVESTMENT
CORPORATION JOINT STOCK COMPANY

**20
22**

CONTENTS

Message of the Chairman of the Board of Directors	4	IV. Sustainable Development	60	V. Corporate Governance	80
Message of the Chairman of the Management Board	6	4.1. Social aspects of sustainable development	62	5.1. Corporate governance system	81
I. About the Company	8	4.1.1. Employment	63	5.2. Corporate governance structure	83
1.1. Development History	10	4.1.2. Occupational health and safety	69	5.2.1. Sole shareholder	84
1.2. Development Strategy	13	4.1.3. Training and education	69	5.2.2. Board of Directors	86
1.3. Subsidiaries	18	4.1.4. Diversity and equal opportunities	69	5.2.3. Formation of the Board of Directors, the process of selecting members of the Board of Directors	98
1.4. Organizational Structure	19	4.1.5. Labour practices	70	5.2.4. Evaluation of the activities of the Board of Directors	99
1.5. Key events of 2022	20	4.1.6. Sponsorship and charity	71	5.2.5. Management Board	101
II. Operating Activities	22	4.1.7. Anti-corruption	72	5.2.6. Organizational structure	106
2.1. Global Private Equity Market	23	4.2. Environmental aspects of sustainable development	74	5.2.7. Information on remuneration	107
2.2. Private Equity Market of the Republic of Kazakhstan	25	4.2.1. Investment activity within the framework of the environmental component	74	5.2.8. Shareholders	109
2.3. Investment Results	26	4.2.2. Rational use of resources	76	5.2.9. Subsidiaries and affiliates	110
2.4. Financial and Economic Indicators	50	4.2.3. Compliance with environmental requirements	77	5.2.10. Information on dividends	111
2.5. Goals and Plans for Future Periods	51	4.3. Climate change	77	5.2.11. Information on major transactions	111
III. Risk Management System	52			5.2.12. Information policy	111
3.1. Risk Management System	53			5.2.13. Internal control and audit	112
3.2. Internal control system	56			5.2.14. Interaction with stakeholders	114
		VI. Financial Statements	120		
		Glossary	127		
		Information for investors	127		
		Annex	128		



MESSAGE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

Adil Mukhamedzhanov

Dear Ladies and Gentlemen,

I would like to draw your attention to the annual report of Qazaqstan Investment Corporation JSC (the Company, QIC) – a fund of private equity funds that is part of the National Managing Holding "Baiterek" JSC group companies.

By the end of 2022, total equity of QIC amounted to 176 billion KZT, total assets - 231 billion KZT, indicating an increase of 8% compared to the results of 2021. The size of the investment portfolio amounted to 176 billion KZT. Net profit surged seven times compared to the indicator of 2021 and reached 10.7 billion KZT.

One of the fundamental goals of QIC is foreign investments inflow stimulation into non-primary sectors of the economy of Kazakhstan. As of the end of 2022, QIC has managed to attract 2.1 US dollars from foreign partners per each US dollar invested by QIC.

QIC's investment volume in 2022 amounted to 12 billion KZT. At the end of the year, total investments by sector are as follows: transport and logistics (36%), food production (22%), energy (16%), production of construction materials (10%), chemicals and petrochemicals (5%), paper production and paper products (5%) and medical services (5%). 2,002 new jobs were created with the support of QIC during the reporting period.

Continuing the implementation of the Order of the President of the Republic of Kazakhstan dated September 1, 2020, which focuses on reducing administrative and managerial personnel and subsidiaries in the quasi-public sector, QIC made progress in this direction. As a result, in 2022, the process of joining two subsidiaries of National Managing Holding "Baiterek" - Kazakhstan Project Preparation Fund JSC and QazTech Ventures JSC to QIC with their subsequent liquidation was completed. It is worth noting that activities of these companies and their expertise in the field of venture financing and infrastructure development have been preserved and implementation of the above areas continues on the basis of QIC.

The dynamic development of the Company, expansion of its investment mandate and active integration into the international investment community served as prerequisites for decision to rebrand the Company. In January 2023, Kazyna Capital Management changed its official name to Qazaqstan Investment Corporation.

QIC sets tasks for 2023 related to systematic development of portfolio and captive funds. It is planned to create new portfolio funds with institutional investors and IFOs under the management of experienced international GP. QIC captive funds will continue to provide financial support to SMEs, including through additional capitalization by QIC's shareholder - Baiterek Holding in the amount of 35 billion KZT to finance projects in the processing industry.

In December 2022, the rating agency Fitch Ratings confirmed the long-term issuer default ratings ("IDR") in foreign and national currency at "BB+" with a "Stable" outlook. Fitch Ratings also confirmed the QIC's rating on the national scale at "AA (kaz)".

In conclusion, I would like to wish QIC's team and partners successful implementation of the goals related to favorable investment climate development in Kazakhstan.



MESSAGE OF THE CHAIRMAN OF THE MANAGEMENT BOARD

Ainur Kumatova

Dear colleagues, investors and partners,

In 2022, Qazaqstan Investment Corporation celebrated a significant milestone since its foundation. As a development institution focused on the growth and diversification of the national economy, QIC has been the main driver of the private equity market in Kazakhstan for 15 years. Over the past years, we have strived for continuous sustainable development, strengthened partnerships and created favourable conditions for the formation of private equity infrastructure in the country.

After analyzing the stages and pace of development of our company, considering changes in the local and foreign markets, our team, with the support of the Sole Shareholder - Baiterek Holding decided to rebrand the company. Over the years, investment activities have changed significantly. Modern global challenges related to food and energy security, achievement of carbon neutrality and development of transport and logistics potential encourage us to expand the geographical mandate of investments to gain access to knowledge and technological solutions for subsequent implementation in Kazakhstan.

In 2020, we decided to adapt the concept of "responsible investment". Being a key player in the local private equity market, we see the need to popularize this concept in the region and are ready to be at the forefront of this movement. The culmination of our activity in this direction was becoming a signatory of the UN Association on the Principles of Responsible Investment. QIC became the first quasi-public financial institution in the CIS to join the leading international network of institutional investors committed to implementing ESG standards in their activities.

The integration of the responsible investment concept was reflected in the project portfolio financed in 2022.

QIC's captive teams provided financial support to projects aimed at solving socially significant problems in Kazakhstan. In 2022, through our captive fund Baiterek Venture Fund, QIC invested in a maternity hospital project of Keruen-Medicus LLP located in the Bostandyk district of Almaty. The new perinatal center with a total area of 4000 sq. m. will include a polyclinic and diagnostic unit, maternity and postnatal departments, operating rooms and departments of children and adult intensive care.

EPG Prometheus School LLP has also received financial support for building reconstruction and launching a new educational center in the Almaty district of Almaty. The training center for 856 people will reduce the shortage of student places. The total area of the building will be 12,556 sq. m., which will house 2 gyms, a library, coworking and recreational areas, STEM laboratories and augmented/virtual reality classes, Research & Development Center, IT Hub and a music school.

Besides, QIC continued to increase its portfolio of "green" projects and financed Verkhne-Talaptinskaya hydroelectric power station construction on the Koksus River in the Zhetysay region. The installed capacity of the new HPP will be 7 MW. The launch of Verkhne-Talaptinskaya HPP will have a positive effect on the energy security and the ecology of the Zhetysay region.

It is also worth noting the completion of the three-year cycle of the Kazakhstan Digital Accelerator (KDA) program. In 2022, the third and final KDA program took place, where 19 startup projects that successfully passed the competitive selection received training from the best international mentors and experts. Following the training, 10 startup teams received investments of 50,000 US dollars each.

Moving forward, QIC intends to continue working on the formation of a competitive startup community in the country. For this purpose, in December 2022, a subsidiary of QIC - BGlobal Ventures was registered on the territory of the Astana International Financial Center. The activities of BGlobal Ventures will be aimed at implementing acceleration programs for the development and introduction of commercially attractive technology companies to global markets.

At the same time, QIC and the Ministry of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan signed a Memorandum of Understanding. It involves cooperation in conducting a joint acceleration program for startup projects at an early development stage.

In 2022, an independent assessment of the Company's corporate governance was conducted for the first time. According to the results of the diagnosis by the independent consulting company PwC, QIC's compliance with international corporate governance standards was 94%. We believe that this assessment is an indicative result of implemented programs and projects aimed at improving corporate governance practices in the Company.

In conclusion, let me express my gratitude to the shareholder Baiterek Holding, partners and the QIC team for their well-coordinated work aimed at solving the socio-economic challenges of the country.

- 1.1. Development History
- 1.2. Development Strategy
- 1.3. Subsidiaries
- 1.4. Organizational Structure
- 1.5. Key events of 2022



Qazaqstan Investment Corporation JSC (QIC)

QIC is a fund of private equity funds created to promote the sustainable development of the national economy.

15 years ago, in 2007, the President of the Republic of Kazakhstan in his annual Address to the People of Kazakhstan announced the initiative to create a fund of private equity funds. Pursuant to the instruction of the Head of State, the Board of Directors of Kazyna Sustainable Development Fund JSC on March 7, 2007 decided to establish Kazyna Capital Management JSC. On December 28, 2022, by the decision of the Sole Shareholder, it was decided to rename Kazyna Capital Management JSC to Qazaqstan Investment Corporation JSC.

In partnership with international institutional investors, sovereign wealth funds and international financial institutions, QIC invests and manages private equity funds. The funds provide capital to companies in various sectors of the economy to facilitate growth and increase competitiveness.

QIC's partners include the European Bank for Reconstruction and Development (EBRD), the International Finance Corporation (IFC), the global private equity fund Wolfensohn Capital Partners, the state holding company Mubadala, Chinese investment company CITIC Group, Arab investment holding ADQ, American venture fund 500 Startups, the largest fund in Southeast Asia Quest Ventures, German development Institute DEG-Deutsche Investments-und Entwicklungsgesellschaft, Turkish company TAV Holding and others.

1.

ABOUT THE COMPANY

1.1. Development History

2007

February

The message of the President of the Republic of Kazakhstan with the order to create a fund of funds.

March

The Board of Directors of Kazyna Sustainable Development Fund JSC decided to establish Kazyna Capital Management JSC.

May

The state registration of Kazyna Capital Management JSC with Department of Justice of Almaty.

The first closing of Macquarie Renaissance Infrastructure Fund took place with the participation of Kazyna Capital Management JSC, the International Finance Corporation (IFC), the European Bank for Reconstruction and Development, Macquarie Group and Renaissance Group.

May

Signing the key documents for establishment of the CITIC Kazyna Investment Fund I L.P.

August

The establishment and participation in Kazakhstan Growth Fund L.P. (KGF) with the participation of the European Bank for Reconstruction and Development.

2008

June

Within the International Economic Forum in St. Petersburg, Vnesheconombank of Russia, the Eurasian Development Bank, Kazyna Capital Management JSC, Macquarie Group and Renaissance Group signed the Memorandum of Understanding expressing their intention to jointly invest in the Macquarie Renaissance Infrastructure Fund (currently Macquarie Russia and CIS Infrastructure Fund C.V.).

August

Kazyna Capital Management JSC's joining to the Falah Growth Fund L.P. along with International Petroleum Investment Company and Ordabasy Corporation.

October

Participation of Kazyna Capital Management JSC in the existing Wolfensohn Capital Partners fund jointly with National Industries Group Holding Company, CGI Private Equity, The Governing Council of the University of Toronto, etc was made.

December

The European Bank for Reconstruction and Development and the Sovereign Wealth Fund "Samruk-Kazyna" signed The Protocol of Intent regarding the the establishment of Kazakhstan Growth Fund L.P.

2010

April

The establishment of CITIC Kazyna Investment Fund I L.P. (CKIF) jointly with CITIC Group and Sun Success International Ltd.

June

Signing of the Agreement on the establishment of ADM Kazakhstan Capital Restructuring Fund C.V. jointly with the European Bank for Reconstruction and Development.

October

Signing of the Agreement on establishment of Kazakhstan-Hong Kong Development Fund.

2011

November

Kazyna Capital Management JSC was transferred to the trust management of the Ministry of Industry and New Technologies of the Republic of Kazakhstan.

December

The establishment of Russian-Kazakhstan Nanotechnology Fund jointly with RusNano.

2013

May

Shares of Kazyna Capital Management JSC were transferred to the trust management of National Managing Holding Baiterek JSC.

2009

February

The establishment of Macquarie Russia and CIS Infrastructure Fund C.V. (MRIF) with the participation of Vnesheconombank of Russia, the European Bank for Reconstruction and Development, Macquarie Group and Renaissance Group.

2014

May

The establishment of Baiterek Venture Fund JSC, a 100% subsidiary of KCM.

March

Kazyna Capital Management JSC joined the consortium of investors of Islamic Infrastructure Fund along with the Islamic Development Bank, the Asian Development Bank, CIMB Bank Limited, the OPEC International Development Fund and Bangkok Bank..

December

The establishment of Kazakhstan Infrastructure Fund C.V. jointly with Verno Capital.

The establishment of BV Management LLP.

2015

April

The resolution on Kazyna Capital Management JSC's participation in Almex – Baiterek Fund LLP with a 50% share of KCM.

May

The Board of Directors of Kazyna Capital Management JSC has decided to terminate the participation of Kazyna Capital Management JSC in Kazakhstan Hong Kong Development Fund C.V.

2017

November

The establishment of the DBK Equity Fund C.V. jointly with the Development Bank of Kazakhstan JSC.

December

The initiative of Kazyna Capital Management JSC on the creation of a trading platform for small and medium-sized businesses in Kazakhstan.

2019

March

The resolution of the Board of Directors of Kazyna Capital Management JSC on the key terms approval for participation in KCM Sustainable Development Fund I C.V.

April

The establishment of the Eurasian Nurly (Bright) Investment Fund L.P. with the participation of Sovereign Wealth Fund "Samruk-Kazyna" JSC and CITIC Group.

2020

January

By the Board resolution of the National Managing Holding "Baiterek" JSC Ainur Kumatova was elected as a Chairman of the Management Board and a member of the Board of Directors of Kazyna Capital Management JSC.

July

Fitch Ratings has assigned Kazyna Capital Management JSC Long-Term Foreign and Local-Currency Issuer Default Ratings (IDRs) at "BB+" with a "Stable" outlook. Fitch also assigned KCM a National Rating of "AA(kaz)".

September

The updated Development Strategy for 2014-2023 was approved by the decision of the Board of Directors of Kazyna Capital Management JSC.

December

By the Board resolution of the National Managing Holding "Baiterek" JSC, a roadmap for the transfer of shares of QazTech Ventures JSC to NMH "Baiterek" JSC in payment for shares of Kazyna Capital Management JSC was approved.

2021

May

Acquisition of 100% of ordinary shares of QazTech Ventures JSC and 97.7% of the share in the authorized capital of Kazakhstan Projects Preparation Fund LLP.

July

Fitch Ratings has affirmed Kazyna Capital Management JSC's Long-Term Foreign and Local-Currency Issuer Default Ratings (IDRs) at "BB+" with a "Stable" outlook.

Kazyna Capital Management JSC jointly with Samruk Kazyna Invest LLP and the German development institute DEG-Deutsche Investitions- und Entwicklungsgesellschaft acted as key investors of Da Vinci Emerging Technologies-Fund III L.P.

October

Kazyna Capital Management JSC issued bonds in the amount of KZT12.8 billion as part of the Employment Roadmap for 2020-2021 financing. This bond issue was a debut.

2022

June

Joining of QazTech Ventures JSC, Kazakhstan Projects Preparation Fund JSC to KCM.

October

Joining the UN Association under the UN Principles for Responsible Investment.

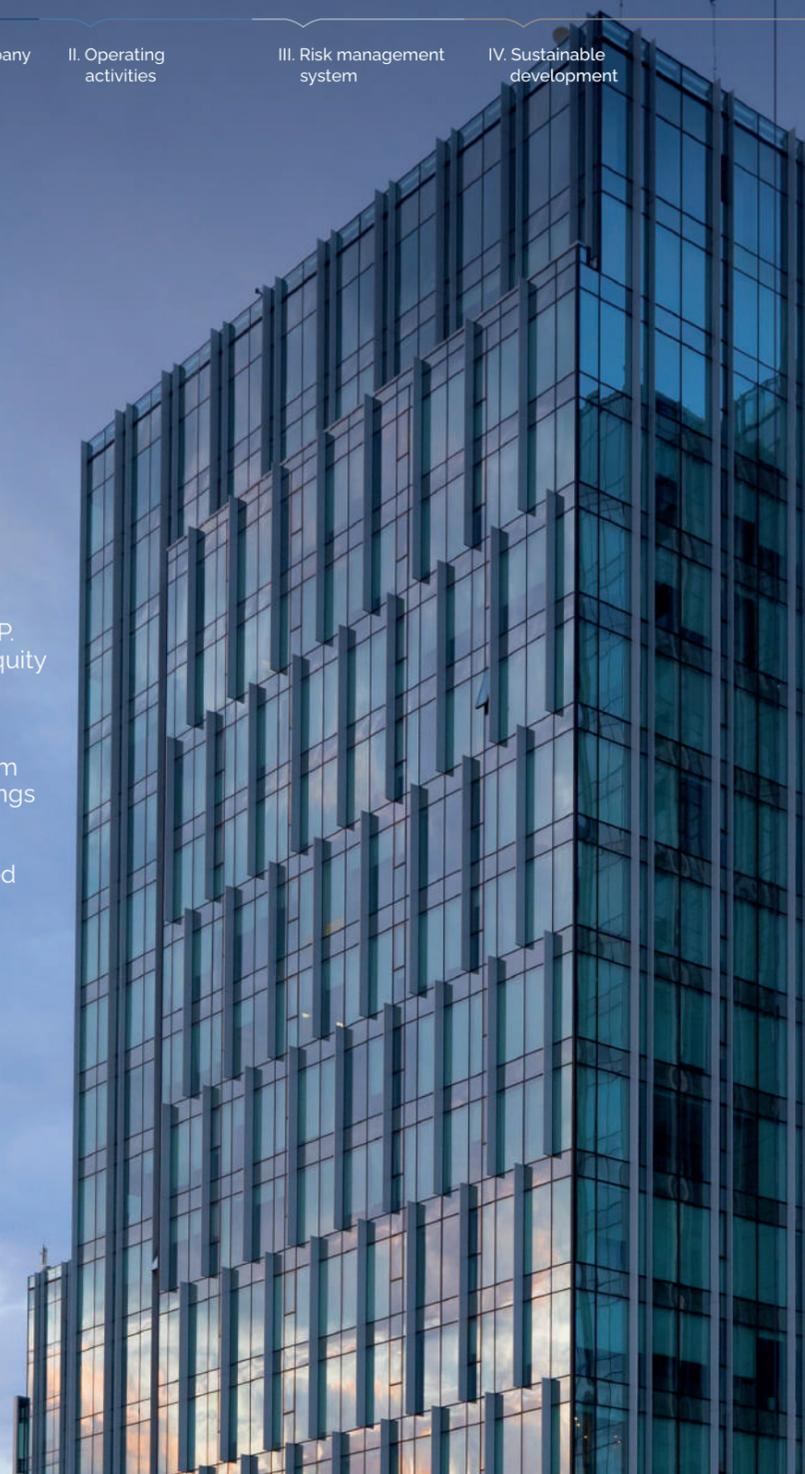
December

The establishment of a subsidiary "BGlobal Ventures".

The liquidation of Islamic Infrastructure Fund L.P. and Wolfensohn Capital Partners, L.P. private equity funds with participation of KCM due to the fund term completion.

Fitch Ratings affirmed the Company's Long-Term Foreign and Local-Currency Issuer Default Ratings (IDRs) at "BB+" with a "Stable" outlook.

Kazyna Capital Management JSC was rebranded to Qazaqstan Investment Corporation JSC by the resolution of the Sole Shareholder.



To effectively manage portfolio funds, QIC attracts international management companies with extensive industry experience. QIC strives to develop financing tools, form a sustainable private equity infrastructure and build up internal competencies of the team by transferring international experience, innovative knowledge, the latest technologies and management strategies in the private equity field.

Since its foundation, QIC has been a key player and driver of the private equity market in Kazakhstan.

Today, QIC is a member *of 17 private equity funds with a total capitalization of 904.6 billion KZT.*

QIC's subsidiaries are the captive fund Baiterek Venture Fund JSC and the investment management company BV Management LLP. In December 2022, QIC established a subsidiary company "BGlobal Ventures". The main activity of the company is the organization and conduction of educational programs and other events in the technological entrepreneurship and technology development field.

1.2. Development Strategy



The Development Strategy of Qazaqstan Investment Corporation Joint-stock company for 2014-2023 was approved by the decision of the Board of Directors of the Company dated September 4, 2020 (hereinafter referred to as the Development Strategy).

THE MISSION OF QIC

is to play a leading role in the development of the private equity ecosystem in Kazakhstan by investing in strong teams that can create sound and well-managed businesses and generate strong returns as well as contribute to the growth and modernization of the economy.

THE VISION OF QIC

is to create a dynamic private equity (hereinafter referred to as PE) ecosystem with the aim of developing market-leading businesses through flexible deployment of long-term risk capital using best international practices; as well as to play an active role in the sustainable growth of the national economy

Strategic direction 1:

Promotion and development of PE market and national economy of Kazakhstan

Purpose	Objectives	Strategic KPIs (SKPIs)
 <p>High investment attractiveness of Kazakhstan through cooperation with regional and international partners and introduction of ESG standards into investment activities</p>	Tapping the PE potential as an asset class through invested capital, business network, experience and knowledge of QIC employees;	1. The ratio of attracted investments into the Republic of Kazakhstan to the unit of QIC funds
	Assistance in the development of sustainable business based on internationally recognized environmental, social and management standards (ESG).	2. The share of the investment portfolio in the total assets (excluding treasury operations) 3. Sustainable development (ESG) rating

Strategic direction 2:

QIC Investment Portfolio Increase

 <p>Increasing the value of portfolio companies and developing the local market for PPP infrastructure projects, distressed assets, and venture financing</p>	Development of business entities with significant potential to become market leaders in the region;	4. The volume of new investments per year (including captive funds)
	Increasing the availability of financing, level of technical equipment and intensification of production in the agro-industrial industry;	5. The volume of investments in fixed assets within the agro-industrial sector (per year), including: - in agriculture; - in the food production industry
	Development of the local market for PPP infrastructure projects, distressed assets, and venture financing.	6. Number of new initiatives in PE market

Strategic direction 3:

Improving the productivity of the organization

 <p>Ensuring the uninterrupted activity of QIC while maintaining planned profitability and break-even by improving operational processes</p>	Focus on establishing a positive rate of return on each investment above the risk-free rate and achieving annual cost multiplier of the investment portfolio above 1	7. ROA, return on assets, (%)
---	--	-------------------------------



31 activities are planned for 2022 under the Action Plan for the implementation of Kazyna Capital Management Joint Stock Company's Development Strategy for 2014-2023 from 2022 to 2023, approved by the resolution of the Company's Management Board dated March 15, 2022. As of the end of 2022, all the activities have been completed.

Detailed information on the results of QIC's strategic direction activities is presented further in the annual report.

Strategic key performance indicators

As of the end of 2022, in accordance with the Development Strategy amended in 2022, out of 7 approved strategic key performance indicators (SKPIs):

5 SKPIs were achieved

"The ratio of attracted investments into the Republic of Kazakhstan to the unit of QIC funds", "The number of new initiatives in the PE market", "ROA, return on assets", "The volume of investments in fixed assets within the agro-industrial sector (per year), including: in agriculture; in the food production industry", "The share of the investment portfolio in the total assets (excluding treasury operations)";

1 SKPI was not achieved

"The volume of new investments per year (including captive funds)";

achievement of SKPI

"Sustainable development rating" is expected in 2023.

N°	SKPI	Plan	Fact	Status as of the end of 2022	N°	SKPI	Plan	Fact	Status as of the end of 2022
Strategic direction 1: Promotion and development of PE and national economy of Kazakhstan					6.	Number of new initiatives in the PE	3 units. cum.	5 units. cum.	Completed (167%) In 2022, 5 new initiatives (programs or investment platforms/funds) have been launched (cumulatively): 1. On June 30, 2021, a limited partnership agreement on QIC's participation in Da Vinci Emerging Technologies-Fund III private equity fund was signed. The fund's size is 80 million US dollars (QIC's commitments are 10 million US dollars). 2. By the decision of the Board of Directors dated September 9, 2021, the key terms on QIC's participation in ADQ-KCM Venture Capital Fund were approved, with the signing of Term Sheet on October 10, 2021. 3. The "Financing program of agro-industrial complex investment projects by private equity funds" was approved by the resolution of the Board of Directors of the Company) on October 28, 2021. 4. By the resolution of the Company's Board of Directors dated July 26, 2022 the key terms of QIC's participation in the Apex Fund were approved. The Fund will invest (lend) in credit partnerships and/or microfinance organizations for purposes of their subsequent financing of micro, small and medium-sized businesses, including, but not limited to, the agro-industrial sector on the territory of the Republic of Kazakhstan. 5. The key terms on QIC's participation related to the establishment of the private company "BGlobal Ventures Ltd" within the AIFC were approved by the resolution of the Board of Directors of the Company On December 15, 2022.
1.	The ratio of attracted investments into the Republic of Kazakhstan to the unit of QIC funds	At least 1.8%	2,07%	Completed (115%) The over-achievement of the ratio is associated with the attraction of co-investments from Turkish company "TAV Group" to invest in Almaty International Airport JSC through Kazakhstan Infrastructure Fund C.V. (April 30, 2021). The total investment in the project amounted to \$200 million, of which QIC - \$ 30 million, TAV Group - \$170 million.					
2.	The share of the investment portfolio in the total QIC assets (excluding treasury operations)	76.21%	76.41%	Completed (100%)					
3.	Sustainable development rating			In progress The achievement is planned for 2023.					
Strategic Direction 2: Increasing the QIC investment portfolio					Strategic direction 3: Improving the productivity of the organization				
4.	The volume of new investments per year (including captive funds)	12,946 million KZT	12,013 million KZT	Not achieved (93%) In 2022: - 6.7 billion KZT were invested in the field of metallurgy, medicine, agro-industrial sector and education - by Baiterek Venture Fund; - 2.2 billion KZT were invested in agro-industrial sector - by the KCM Sustainable Development Fund I C.V.; - 1.8 billion KZT were invested in the field of information technology through venture funds; - management fees were 1.3 billion KZT.	7.	ROA, return on assets	0.21%	4.79%	Completed (2,280%) The over-achievement of this indicator was due to a positive investment portfolio revaluation, income from the treasury portfolio, and exchange rate difference.
5.	The volume of investments into fixed assets within the agro-industrial sector (per year), including: - in agriculture; - in food production industry	2 billion KZT	3.3 billion KZT	Completed (165%) Captive funds approved and financed 2 projects in the field of agro-industrial sector for a total of 3,3 billion KZT during 2022: 1. Organization of chicken schnitzels and semi-finished goods' production with a total capacity of 3 346 tons per year (applicant - IL TOV LLP) for a total amount of 2 201 million KZT; 2. Construction of a pig breeding complex. Capacity expansion to 200,000 heads of commercial herd per year (applicant - EMC Agro LLP) for a total amount of 1 100 million KZT.					

1.3. Subsidiaries

At the end of 2022, the QIC group of companies included¹:



Baiterek Venture Fund JSC (BVF)

BVF is a 100% subsidiary of QIC, established in 2014.

BVF makes direct investments into promising companies of the local economy's non-resource sectors at the stages of launch, growth and maturity.

BVF is actively working in private equity market, implementing projects in partnership with international financial institutions such as the EBRD, ADB and others.

Indicators	2020	2021	2022
Total assets, <i>thousand KZT</i>	86,838,752	89,752,973	92,698,923
Total liabilities, <i>thousand KZT</i>	40,322,123	40,339,194	40,277,962
Total equity, <i>thousand KZT</i>	46,516,629	49,413,779	52,420,961
Net profit, <i>thousand KZT</i>	4,336,555	5,038,764	3,434,300
ROA, return on assets (%)	5.12	5.71	3.76
ROE, return on equity (%)	9.76	11.23	6.74



BV Management LLP (BVM)

BVM is a 100% subsidiary of QIC established in 2014.

BVM provides financial support tools to companies operating in priority sectors of Kazakhstan.

BVM is a private equity management company and acts as a General Partner in DBK Equity Fund C.V. and KCM Sustainable Development Fund I C.V.

Indicators	2020	2021	2022
Total assets, <i>thousand KZT</i>	226,519	218,685	332,899
Total liabilities, <i>thousand KZT</i>	67,595	62,062	115,509
Total equity, <i>thousand KZT</i>	158,924	156,623	217,390
Net profit, <i>thousand KZT</i>	59,547	38,467	88,261
ROA, return on assets (%)	28.53	17.28	27.16
ROE, return on equity (%)	39.53	24.38	65.30



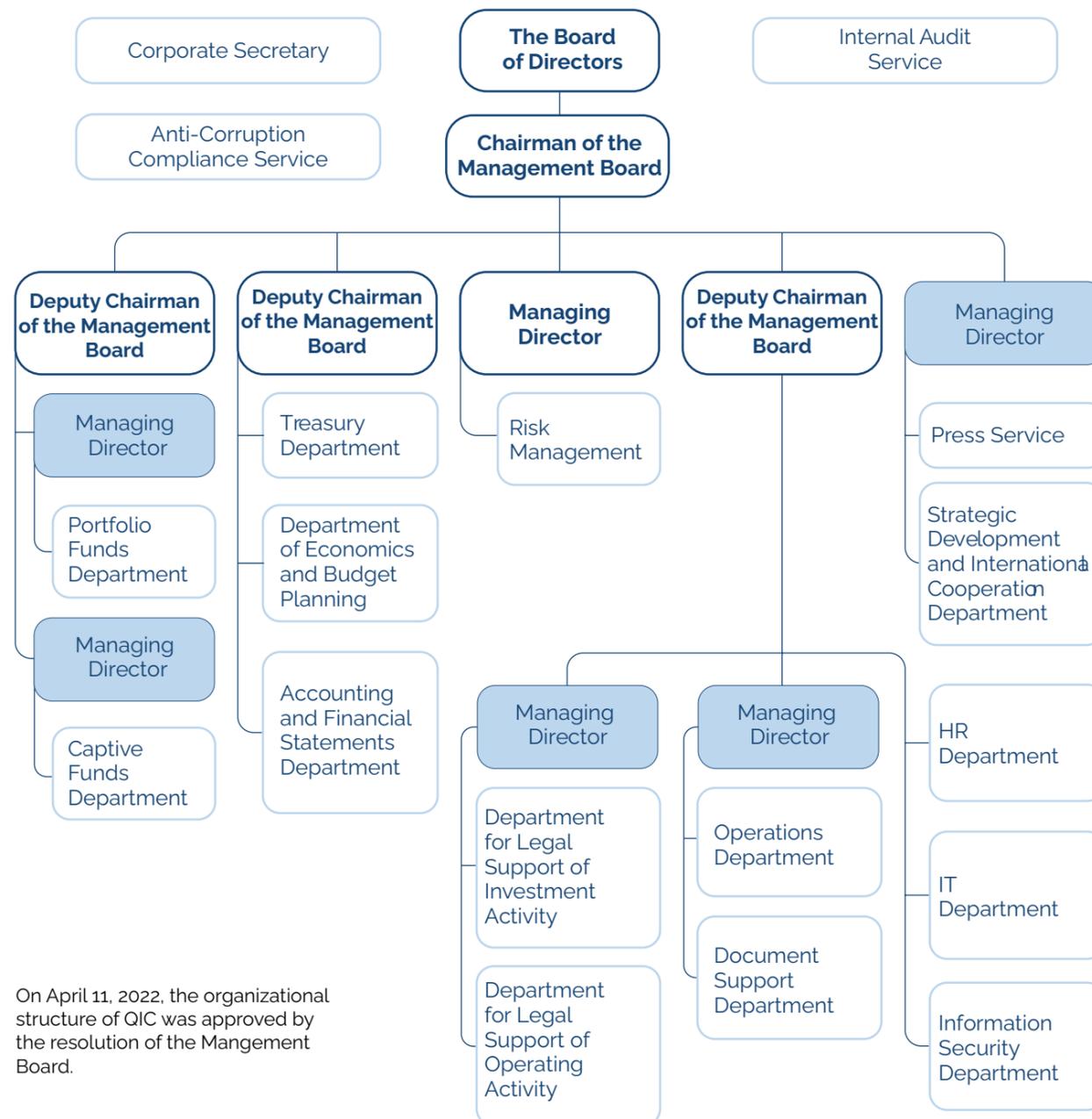
Private company BGlobal Ventures Ltd.

On December 15, 2022, in accordance with the resolution of the Company's Board of Directors, creation of subsidiary BGlobal Ventures Ltd. on the territory of the Astana International Financial Center (hereinafter – AIFC) was approved. On December 22, 2022, the company was registered on the territory of the AIFC.

The company implements various training and acceleration programs for technological startup projects, as well as other key participants of the venture ecosystem in Kazakhstan, including private venture investors (business angels).

¹ – On June 30, 2023, activities of QazTech Ventures JSC and Kazakhstan Project Preparation Fund were terminated by joining QIC

1.4. Organizational Structure



On April 11, 2022, the organizational structure of QIC was approved by the resolution of the Management Board.

1.5. Key Events of 2022

QIC

On February 25, by the resolution of the Board of Directors, changes were made to the QIC Development Strategy in terms of: optimization of strategic directions by combining them; changes in Company's strategic key performance indicators in order to cascade with strategic key

performance indicators of the Sole Shareholder; editorial edits aimed at updating data and indicators.

On June 30, the activities of QazTech Ventures JSC and Kazakhstan Project Preparation Fund were terminated by joining the Company.

On December 22, a subsidiary of "BGlobal Ventures" was registered.

Kazyna Capital Management JSC was renamed to Qazaqstan Investment Corporation JSC by the resolution of the Sole Shareholder dated December 28.

Agreements

On June 30, Memorandum of Understanding was signed between QIC and the Ministry of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan. It involves cooperation in conducting a joint acceleration program for startup projects at an early stage of development.

On July 26, the Company's Board of Directors made a resolution on the Company's participation in newly created private equity fund "APEX FUND I" Limited Partnership and approved the key terms for participation in the fund.

On December 2, QIC and Almaty

Creative Development Center LLP signed a Memorandum of Understanding. It involves cooperation to finance the creative industry projects in Almaty by involving an international management company to promote talented Kazakh youth to the global market, as well as strengthen competitiveness and diversification of the national economy.

Investment projects financing

The volume of new investments amounted to 12 billion KZT, including 8.9 billion KZT financed by the captive funds into 7 projects.

The construction of a new terminal of the Almaty International Airport was started in April and was financed by the Kazakhstan Infrastructure Fund and TAV Airports in 2021 through a co-investment mechanism. The construction of the new terminal will increase the historical figure of passenger traffic by 4 times to 14 million passengers per year by 2030. New international destinations and flights will be opened, cargo transportation will be increased as part of the

project to develop a regional transport and logistics hub based on the airport, as well as services and customer service will be improved. In addition, construction and cladding materials, which have no analogues in the EAEU countries, and which meet the technological requirements of international standards Excellence in Design for Greater Efficiencies (EDGE), will be used during construction. This will increase the energy efficiency of terminal building by 40%, reduce water consumption by 20% and minimize wear by 20%.

At the same time, it is expected that the number of new temporary and permanent jobs will be more than 2,000, of which 90% will be Kazakhstani specialists.

Due to the withdrawal from projects and expiry of fund terms, Wolfensohn Capital Partners L.P. and Islamic Infrastructure Fund L.P. were liquidated.

As a part of the third flow of Kazakhstan Digital Accelerator acceleration program, 10 Kazakhstani startup projects were supported for a total amount of 500,000 US dollars.

Interaction with organizations

On October 5, the Company jointly with the Baiterek Holding and the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market held a panel session on "Kazakhstan" during the 4th international summit "Global NPL", a key event dedicated to reviewing the distressed asset market development

and regional challenges in this area.

QIC has joined the UN global initiative Women's Empowerment Principles/WEPs., the company was successfully registered on the global WEPs platform with the support of UN Women Structure in August 2022. The signing of WEPs Principles is

a public testimony of the company's interest and active position in promoting gender equality and women's empowerment. Today, more than 5,000 companies around the world are participants of WEPs initiative, and 42 of them are from Kazakhstan.

Sustainable development

On September 7, QIC joined the National ESG Club, a platform for sharing experiences and discussing new ESG initiatives.

In October QIC joined the UN Principles for Responsible Investment to make a full-scale transition to "responsible investment".

On December 13, the Management Board of the Company approved 2023-2024 Action Plan for Sustainable Development and the Concept of the "green office" of the Company.

Rating, assessment

In December, Fitch Ratings affirmed the Company's long-term issuer default ratings ("IDRs") in foreign and national currency at "BB+" with a "Stable" outlook. Fitch also confirmed the rating on the national scale "AA (kaz)".

For the first time, an independent assessment of the Company's corporate governance was carried out to

improve the corporate governance system. According to the results of the assessment made by the independent consulting company PwC, the compliance of the Company's management with the requirements of the best world practice was 93.81%. Earlier, in 2021, based on the results of corporate governance diagnostics conducted by the Internal Audit Service (for the period 2020-2021),

level of compliance with corporate governance was 88.6%.

According to the research by PwC Kazakhstan, the Company ranked 20th (42nd in 2021) in the overall ranking of top 50 companies in terms of disclosure of ESG information in annual reports/reports on sustainable development (according to 2021 reports) in 2022.





- 2.1. Global Private Equity Market
- 2.2. Private Equity Market of the Republic of Kazakhstan
- 2.3. Investment Results
- 2.4. Financial and Economic Indicators
- 2.5. Goals and Plans for Future Periods

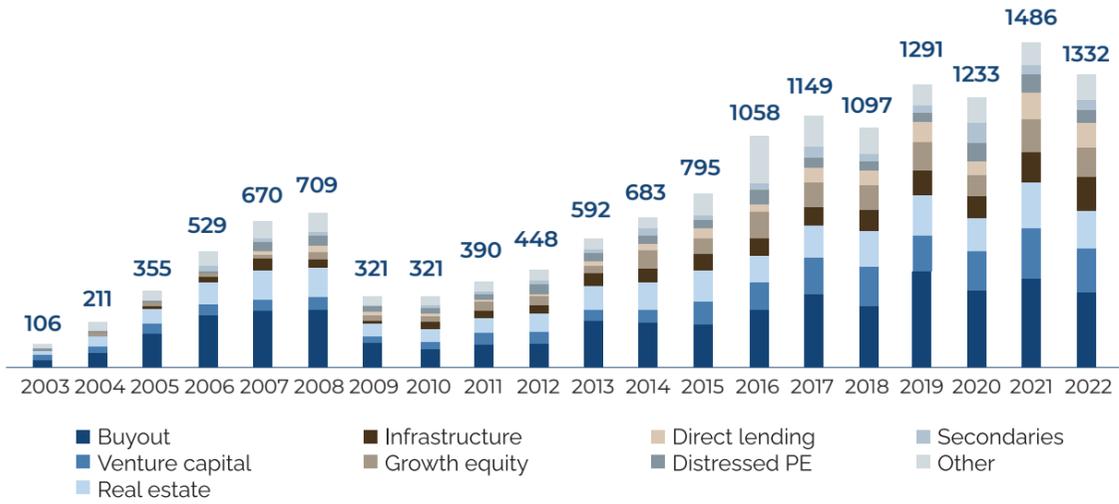
2.1. Global Private Equity Market

According to analysis of the global private equity market presented by Bain & Company, despite a 10% drop compared to 2021, *the global volume of private capital raised in 2022 was the second largest indicator in history, reaching 1.3 trillion US dollars*. This has brought the total to a staggering \$6.4 trillion over the past five years, surpassing any five-year period in the industry's history. The growth of equity and real estate funds has also decreased significantly. But infrastructure funds, which investors consider less cyclical, showed an increase of 22%.



OPERATING ACTIVITIES

Diagram 1. Global volume of private capital raised, by type of funds (global private capital raised, by fund type), billion US dollars

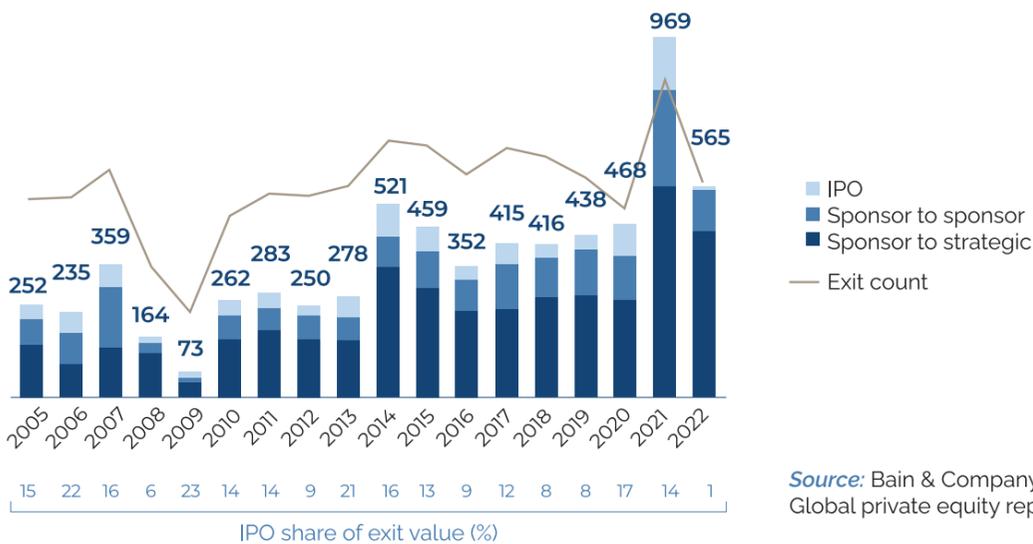


Source: Bain & Company Global private equity report 2023

Due to the reduction of all buyback-backed sales channels decreased by 42% to US\$ 565 billion and showed weakness in regions around the world. Meanwhile, the volume of exit from the growth equity capital fell by 64% to 312 billion US dollars. Against the background of a sharp decline in public stock quotations, the IPO market almost completely closed in 2022. The number of transactions between sponsors

decreased by 58%. Sales to strategic buyers were higher than the five-year average, mainly because corporate earnings turned out to be relatively steady throughout the year. However, as macroeconomic uncertainty clouded the market in the second half of the year, the strategic channel slowed down and ended trading down by 21% compared to 2021.

Diagram 2. Global volume of value of exits based on share buyout, by type of exit (global buyout-backed exit value), billion US dollars



Source: Bain & Company Global private equity report 2023

The global cost of buyout (excluding additions) for the year amounted to 654 million US dollars, i.e. 35% less than in 2021. The total number of deals, meanwhile, decreased by 10% to 2318 transactions. In terms of cost, 2022 was still the second-highest year ever. This is due to extraordinary dynamics in the first half of the year.

Diagram 3. Global total value of share buyout transactions (global buyout deal value), billion US dollars



Source: Bain & Company Global private equity report 2023

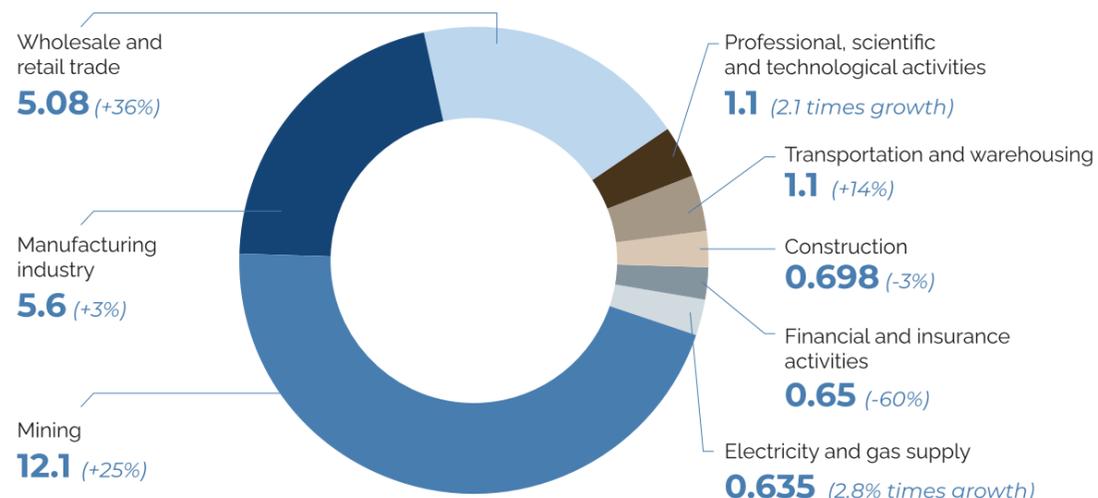
2.2. Private Equity Market of the Republic of Kazakhstan

By the end of 2022, the gross inflow of foreign direct investments (hereinafter - FDI) to Kazakhstan amounted to 28 billion US dollars, i.e 17.7% more than in 2021, the record value over the past 10 years. FDIs were mainly in the oil and gas sector and processing industry.

The growth of capital inflows in 2022 to the economy of Kazakhstan was observed from all the major countries-investors. The main direct investor countries of Kazakhstan in 2022 were the Netherlands (29.6% of the gross FDIs - 8.33 billion US dollars), the USA (18.2% - 5.1 billion US dollars), Switzerland (10.0% - 2.8 billion US dollars), Belgium (5.7% - 1.56 billion US dollars), South Korea and the Russian Federation (5.3% - 1.5 billion US dollars each), China (5.0% - 1.43 billion US dollars), France (2.8% - 770.2 million US dollars), Great Britain (2.3% - 661 million US dollars) and Germany (1.7% - 469.5 million US dollars).



In terms of industries, the largest volumes of investments in billion US dollars were as follows:

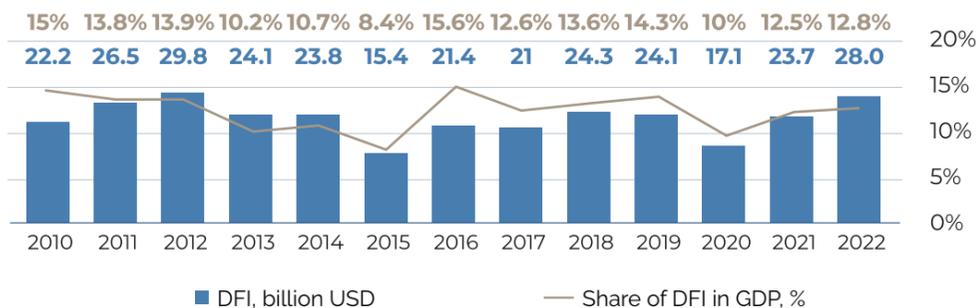


In 2022, 46 major investment projects with foreign participation in the amount of 4.1 billion US dollars were implemented and put into operation. More than 6,000 jobs have been created.

Attracting foreign capital and technology to the country's economy is a priority task of the Government of the

Republic of Kazakhstan. As part of the goal to further diversify the national economy and increase the sustainability of its growth, the Government is consistently working to bring the rate of FDI inflow to \$30 billion per year and increase the level of investment in fixed assets to 30% of GDP by 2025.

Diagram 4. Foreign private equity in the Republic of Kazakhstan



2.3. Investment Results

2.5 billion US dollars

Total capitalization of private equity fund (hereinafter referred to as PEF) with participation of QIC (December 31, 2022)

12.01 billion KZT

QIC investment volume in 2022

2.07 US dollars

Investments attracted to Kazakhstan per 1 US dollar, invested by QIC

2.4 billion US dollars

The volume of investments of PEF with the participation of QIC (December 31, 2022)

0.7 billion US dollars

The volume of QIC investments in PEF (December 31, 2022)

63 The projects were funded in 2022²

² – 7 projects were financed by QIC captive funds, and 56 projects were invested by venture funds in which QIC has a stake

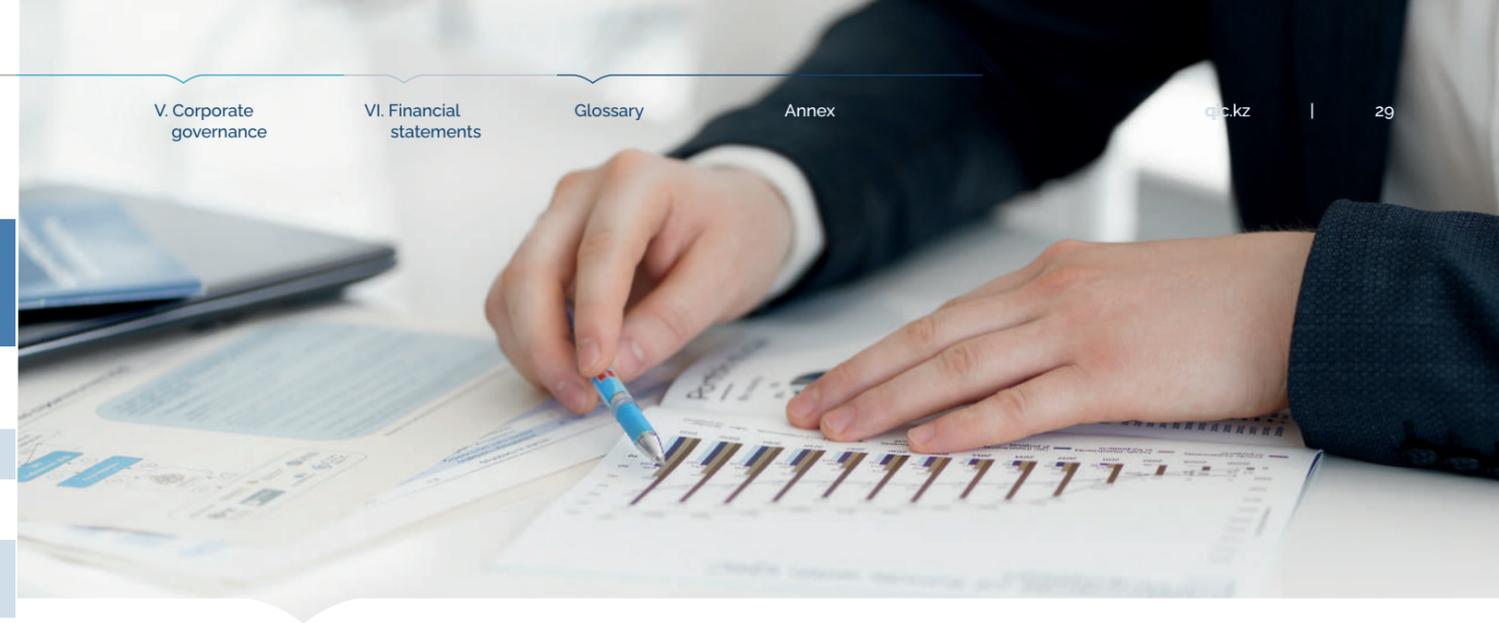
KEY RESULTS OF QIC AS OF THE END OF 2022

At the end of 2022, the QIC portfolio consisted of 17 private equity funds, with cumulative investments by funds with QIC participation totaling 2.4 billion US dollars.



N°	Fund name	Year of establishment	Size (million US dollars)	QIC's commitments in the fund (million US dollars)
Captive PEF				
1.	Baiterek Venture Fund	2014	84*	84*
2.	DBK Equity Fund C.V. (DBK EF)	2017	72.4*	2.2*
3.	KCM Sustainable Development Fund I C.V. (KCM SDF)	2019	54*	54*
Portfolio PEF				
4.	Kazakhstan Infrastructure Fund C.V. (KIF)	2014	105	100
5.	Kazakhstan Hungarian Investment Private Equity Fund C.V. (KAGF)	2015	40.4	20
6.	Kazakhstan Growth Fund L.P. (KGF)	2009	80.8	40
7.	Kazakhstan Capital Restructuring Fund C.V. (KCRF)	2010	100	49.5
8.	CITIC Kazyna Investment Fund I L.P. (CKIF)	2010	200.4	100
9.	Russian-Kazakhstan Nanotechnology Fund (RKFN)	2011	51	25
10.	Falah Growth Fund L.P. (FGF)	2008	500	50
11.	Da Vinci Emerging Technologies Fund III L.P. (Da Vinci)	2021	67.6	10
12.	Quest Ventures Asia Fund II, L.P. (Quest)	2020	32.5	10
13.	500 STARTUPS V, L.P. (500 Startups)	2019	140	10
14.	Wellington Partners III Technology Fund (Wellington)	2004	150	7.7
15.	Flagship Ventures Fund (Flagship)	2005	151.5	10
16.	Aureos Central Asia Fund L.L.C. (ACAF)	2007	37	5.3
17.	Macquarie Russia and CIS Infrastructure Fund C.V. (MRIF)	2009	630	30
Total			2 496.6	607.7

* PEF with capitalization in KZT. Conversion at the rate of KASE as of 31.12.2022 - 462.65 KZT per 1 US dollar



The QIC strategic portfolio can be divided into several categories:

- ◆ **funds engaged in active investment activities:** BVF, DBK EF, KCM SDF, Da Vinci, Quest, 500 Startups;
- ◆ **funds with a completed investment period:** PEF that have completed the investment process and focused on managing portfolio companies and finding opportunities for successful exit: KGF, KIF, KAGF;
- ◆ **end-of-life funds:** KCRF, CKIF, RKFN, FGF, Wellington, Flagship;
- ◆ **funds in the process of liquidation:** MRIF, ACAF;
- ◆ **funds at the creation stage:** APEX FUND I L.P.

Due to the withdrawal from projects and expiry of life cycle, Islamic Infrastructure Fund L.P. and Wolfensohn Capital Partners, L.P. private equity funds were liquidated.

FUNDS ENGAGED IN ACTIVE INVESTMENT ACTIVITIES

Baiterek Venture Fund Management Company – Captive Team

Life cycle (Invest. period)	Total amount, million KZT	Investments, million KZT	QIC share	Geography	Investors
2014 - the term is not limited	92,698	85,878	100%	Kazakhstan	QIC

Industry

Priority sectors of the economy

The fund invested in 6 projects totaling 6.7 billion KZT in 2022. A significant event in the Fund's investment activity in 2022 was full early repayment of the loan for construction of Astana EXPO-2017 wind power plant with a capacity of 100 MW for wind energy conversion implemented by TSATEK Green Energy LLP and successful exit from the project.

Investment portfolio:

1) Mining Chemical Company LLP - production of emulsion explosives (Republic of Kazakhstan);

2) Aitas KZ JSC - agriculture (poultry farming) (Republic of Kazakhstan);

3) AstanaGaz JSC - transport and logistics (construction of main gas pipeline) (Republic of Kazakhstan);

4) Baikonur Solar LLP - alternative energy (Republic of Kazakhstan);

5) Alex Astana LLP - production of road signs (Republic of Kazakhstan);

6) Kazmyaso LLP - agriculture (Republic of Kazakhstan);

7) Makinsky Thermal Insulation Plant LLP - production of mineral wool slabs and mats from basalt rocks (Republic of Kazakhstan);

8) Burundai Mineral Waters LLP - tourism (Republic of Kazakhstan);

9) KazGreenEnergy LLP - alternative energy (Republic of Kazakhstan);

10) EMC Agro LLP - agriculture (animal husbandry) (Republic of Kazakhstan);

11) Kazpoligraf LLP - production of packaging products (Republic of Kazakhstan);

12) BRBAPK LLP - agriculture (crop production) (Republic of Kazakhstan);

13) TTS Astana-2007 K LLP - tourism (Republic of Kazakhstan);

14) KTK Service LLP - transport and logistics (Republic of Kazakhstan);

15) Arnau-Agro LLP - food and beverage production (Republic of Kazakhstan);

of Kazakhstan);

16) KazArmaprom LLP - metallurgical industry (Republic of Kazakhstan);

17) Compass Service LLP - other construction and installation works (Republic of Kazakhstan);

18) Keruen – Medicus LLP - medical services (Republic of Kazakhstan);

19) EPG PROMETHEUS SCHOOL LLP - Prometheus school (by Tamos) education (Republic of Kazakhstan);

20) Bekzat LLP - alternative energy (Republic of Kazakhstan);

21) Central Asian Energy Corporation – Power Engineering (Republic of Kazakhstan) JSC.

The exit was carried out from the following companies:

1) Sachiko-Olzha Products LLP - production of diapers (Republic of Kazakhstan);

2) ARP Company LLP - production of construction materials (Republic of Kazakhstan);

3) Primejet LLP - transport and logistics (Republic of Kazakhstan);

4) Oxy Textile LLP - light industry (Republic of Kazakhstan);

5) Allur Group of Companies JSC - automotive industry (Republic of Kazakhstan);

of Kazakhstan);

6) Z-Invest LLP - medicine (Republic of Kazakhstan);

7) TSATEK Green Energy LLP - power engineering (Republic of Kazakhstan).

DBK Equity Fund C.V. Management Company – BV Management LLP

Life cycle (Invest. period)	Total amount, million KZT	Investments, million KZT	QIC share	Geography	Investors
2017-2027 (2023)	33,500	28,453	2.99%	Kazakhstan	DBK, QIC

Industry

DBKEF invests in projects supported by Development Bank of Kazakhstan JSC and "Industrial Development Fund" JSC

In 2022, the fund's investment period extension was initiated until November 3, 2023, and the Company exited from the project of Turgusun-1 LLP.

Investment portfolio:

1) Aitas KZ JSC - agriculture (poultry farming) (Republic of Kazakhstan);

1) TengizTransGaz LLP - transport and logistics sector (Republic of Kazakhstan);

2) Continental Logistics LLP - transport and logistics (transport and logistics center) (Republic of Kazakhstan);

2) Turgusun-1 LLP - alternative energy (Republic of Kazakhstan);

3) PC "Turkestan Tourism City LTD" - tourism (Republic of Kazakhstan).

3) TSATEK Green Energy LLP - alternative energy (Republic of Kazakhstan).

The exit was carried out from the following companies:

KCM Sustainable Development Fund I C.V. Management Company – BV Management LLP

Life cycle (Invest. period)	Total amount, million KZT	Investments, million KZT	QIC share	Geography	Investors
2019-2032 (2030)	25,000	18,657	99.9%	Kazakhstan	QIC

Industry

AIC, industry, technical services and service provision, healthcare, information and communications, energy, etc.

KCM SDF invests in projects on the territory of the Republic of Kazakhstan. In December 2022, the Fund financed a project to organize the production of chicken schnitzels and semi-finished products (applicant - IL TOV LLP) in the amount of 2 201 million KZT.

In the reporting period, the fund carried out an early exit from the projects Eco Product Company LLP, Altyn Shygys LLP.

The initiatives to extend the fund life until December 31, 2032 and of the fund's investment period until December 31, 2030 were approved in 2022.

Investment portfolio:

1) "Astana Oil" Oil House LLP - modernization of mini-refineries (Republic of Kazakhstan);

2) Temirbeton-1 LLP - production of construction materials (Republic of Kazakhstan);

3) Agrimer LLP - processing, storage and sale of grain (Republic of Kazakhstan);

4) Karagandy Kus LLP - agriculture

(poultry farming) (Republic of Kazakhstan);

5) OralMunayProm LLP – chemistry and petrochemistry (gas piston power plant) (Republic of Kazakhstan);

6) MerAs NS LLP – cinema construction (Republic of Kazakhstan);

7) Aqua Factoria LLP - food production (fish farm) (Republic of Kazakhstan);

8) PC "Kazrost Engineering Ltd" - production of agricultural machinery (Republic of Kazakhstan);

9) Unicorn Feed Limited LLP - food and beverage production (Republic of Kazakhstan);

10) IL TOV LLP - meat processing and canning (Republic of Kazakhstan).

The exit was carried out from the following companies:

1) Altyn Shygys LLP - food and beverage production (Republic of Kazakhstan);

2) Eco Product Company LLP - food and beverage production (Republic of Kazakhstan).

Da Vinci Emerging Technologies Fund III L.P. Management Company – Da Vinci Capital

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2021-2031 (2026)	67.6 million	3.3 million	14.8%	CIS countries, incl. Kazakhstan, Europe	QIC, Da Vinci Global Technology Growth PCC, DEG-Deutsche Investitions- und Entwicklungsgesellschaft, Samruk-Kazyna Invest LLP, 57 Stars

Industry

Software development, IT infrastructure and telecommunications, financial technologies, B2C/B2B technologies and other IT industries

The first closure of the fund was in June 2021. The Fund is in an active investment phase. The first cash calls and investment proposals were received in October 2021. Calls with the investment team of Da Vinci Capital are made on an ongoing basis, where projects from the fund's current pipeline of the fund are presented and preliminary conditions for investing projects are discussed.

Thanks to this program, all projects received the status of AIFC residents and venture investments were registered under English law at the AIFC site for the first time in Kazakhstan.

Quest Ventures exited from the projects of 1Fit Ltd., QLang Ltd, ESSENTIAL TECHNOLOGIES LTD in 2022.

500 STARTUPS V, L.P. Management Company – 500 Startups V, L.L.C.

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2019-2029 (2024)	140 million	126 million	7.1%	USA and other markets	QIC, Abu Dhabi Financial Group (UAE), SeAH Group (South Korea) and other private investors

Industry

IT, including the Internet and information technology and/or other areas related to technology

In 2022, the Fund invested in various IT projects totaling US\$ 22.6 million (US\$ 1.6 million accounted for by QIC). The fund's portfolio companies have attracted additional financing from international investors totaling more than \$50 million.

Quest Ventures Asia Fund II, L.P. Management Company – Quest Ventures Pte. Ltd.

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2019-2029 (2024)	32.5 million	27.7 million	30.7%	Kazakhstan and other Central Asian countries (within the framework of KDA acceleration program), Malaysia, Singapore, Vietnam and other Southeast Asian countries	QIC, Pavilion Capital (subsidiary of Temasek) and other private investors

Industry

Technology companies in all sectors of the economy

In 2022, 10 Kazakhstani projects were supported for a total amount of 500,000 US dollars within the framework of 3rd stream of the acceleration program "Kazakhstan Digital Accelerator".

At the moment, 3 streams of the program have been completed successfully. 30 startup projects have been trained for several months by the best international mentors and professionals with many years of experience and have received the necessary knowledge and skills for further business scaling. International coaching trackers, mentors and various industry experts worked with the finalists.

Moreover, within the framework of the program, each of the finalist projects received investments in the amount of 50,000 US dollars for the further development of the startup.

FUNDS WITH A COMPLETED INVESTMENT PERIOD

Kazakhstan Growth Fund L.P. Management Company – CEECAT capital

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2009-2023 (2015)	80.8 million	80.45* million	49.5%	Kazakhstan (70% of total capitalization of the Fund), Russian Federation, Central Asia	QIC, EBRD

Industry

Food industry, production of equipment for the mining industry, metallurgy, woodworking, etc.

In 2018, the management company ADM Capital was transformed into CEECAT Capital. The management company is actively working on exiting from projects.

In 2020, according to the Limited Partnership Agreement the fund term extended for 1 year. In October 2021, a full exit from the project of Labnet LLP was carried out.

A partial withdrawal from the project of KazGrain LLP took place in 2022. The full exit is

planned to be completed in 2023.

Also, some changes related to the key terms of QIC's participation in the fund regarding the fund's term (extended until December 31, 2023) and the amount of the management fee were made by the decision of the Board of Directors of QIC on December 15, 2022.

* The portfolio companies of Kazakhstan Capital Restructuring Fund C.V.: Charlie Investments – Chaplin – US\$ 11.4 million, Universal Logistics – US\$ 12.88 million; VDP Holding – US\$ 9.0 million were transferred to the Kazakhstan Growth Fund C.V in 2017.

Investment portfolio:

- | | | |
|--|--|---|
| 1) KAPO Film CJSC – a chain of multiplex cinemas (Russian Federation); | 3) Universal Logistics LLP – provider of services in the field of freight transportation (Republic of Kazakhstan); | 5) Invivo VDP LLP – network of modern medical functional diagnostic centers (Republic of Kazakhstan); |
| 2) Best Cinemas LLP – Chaplin multiplex cinema chain (Republic of Kazakhstan); | 4) Sunpaper LLP – production of paper and hygienic products (Republic of Kazakhstan); | 6) KazGrain LLP is a vertically integrated agricultural company (Republic of Kazakhstan). |

The exit was made from the following company:

Labnet LLP - network of medical laboratories (Republic of Kazakhstan).

Kazakhstan Infrastructure Fund C.V. Management Company – VPE Eurasia GP Ltd.

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2014-2027 (2021)	105 million	82.4 million	95.24%	Kazakhstan	QIC, VGL Ltd.

Industry Infrastructure

The Fund is at the stage of monitoring portfolio companies.

The National Managing Holding "Baiterek" JSC and Abu Dhabi Sovereign Wealth Fund Mubadala Investment Company signed an agreement on co-investment in infrastructure and other projects in the Republic of Kazakhstan in the amount of up to 500 million US dollars within the framework of the Kazakhstan Infrastructure Fund C.V.

In 2020, the fund investment period was extended for one additional year according to the Limited Partnership Agreement between the fund's participants. Also, the fund's co-investment with TAV Holding in the Almaty airport's expansion and modernization project was approved in 2020. This project was financed through a co-investment mechanism by the fund and the TAV Airports company totalling 200 million US dollars, of which 170 million – funds from TAV Airports, 27.9 million – QIC, 2.1 million – VGL Ltd. In addition, a loan from a creditors consortium was attracted to implementation of this project to finance a new terminal construction totalling 450 million US dollars. The key participants of the consortium were international financial institutions represented by the European Bank for Reconstruction and Development and the International Finance Corporation. The transaction was completed in April 2021.

Investment portfolio:

- | | | |
|---|---|---|
| 1) Central Asian Electric Power Corporation JSC – Electric Power Industry (Republic of Kazakhstan); | 2) KIF Warehouses LLP - transport and logistics (Republic of Kazakhstan); | 3) Almaty International Airport – transport and logistics (Republic of Kazakhstan). |
|---|---|---|

The exit was made from the following company:

Primejet LLP - transport and logistics (Republic of Kazakhstan).

Kazakhstan Hungarian Investment Private Equity Fund C.V. Management Company – CEECAT Capital

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2015-2025 (2018)	40.4 million	26 million	49.5%	Kazakhstan	QIC, EximBank

Industry

Projects in the field of AIC

The Fund was created by National Managing Holding "KazAgro" JSC together with the Hungarian Export-Import Bank, later due to the joining of National Managing Holding "KazAgro" JSC to "National Managing Holding "Baiterek" JSC, the Fund was transferred to the Company in December 2021.

The Fund is at the stage of monitoring portfolio companies.

Investment portfolio:

- | | |
|---|--|
| 1) Green Capital Kazakhstan LLP - greenhouse complex in the Aktobe region (Republic of Kazakhstan); | 2) "Gardens of the East" LLP - creation of intensive apple gardens at the first stage of 150 hectares, at the second stage of 150 hectares of orchards and fruit storage in the Zhambyl region (Republic of Kazakhstan). |
|---|--|

END-OF-LIFE FUNDS

Kazakhstan Capital Restructuring Fund C.V. Management Company – CEECAT Capital

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2010-2018 (2014)	100 million	98.16 million*	49.5%	Kazakhstan	QIC, EBRD

Industry

SMEs (non-resource sectors)

In 2018, ADM Capital management company was transformed into CEECAT Capital. The management company is actively working on exiting from the remaining project of the Caspian Development Company Services LLP.

In August 2020, complete withdrawal from the projects of Arrowhead and JSC "Zhambyl Gypsum". In October 2021 and May 2022, dividends from the portfolio company Caspian Development Company Services LLP were received.

*In 2017, the portfolio companies of Kazakhstan Capital Restructuring Fund C.V.: Charlie Investments – Chaplin – US\$ 11.4 million, Universal Logistics – US\$ 12.88 million; VDP Holding – US\$ 9.0 million were transferred to the Kazakhstan Growth Fund C.V.

Investment portfolio:

Caspian Development Company Services LLP - transport and logistics (Republic of Kazakhstan).

The exit was carried out from the following companies:

1) Arrowhead - real estate (Republic of Kazakhstan);

2) Zhambyl Gypsum JSC - manufacturer of gypsum construction products (Republic of Kazakhstan).

CITIC Kazyna Investment Fund I L.P. Captive team – CITIC Kazyna Manager Ltd.

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2010-2022 (2015)	200.4 million	135.64 million	49.9%	Kazakhstan (50% of the total capitalization of the Fund), China (50% of the total capitalization of the Fund)	QIC, CITIC Group, Sun Success International Ltd.

Industry

Infrastructure, raw materials sectors (except the oil and gas sector of the Republic of Kazakhstan), real estate

The Fund is at the stage of monitoring portfolio companies. A partial withdrawal from the Arctic Green Energy project occurred in June 2021. A partial withdrawal from the project of Olzha JSC in June 2022.

The fund term expired on April 16, 2022.

Investment portfolio:

1) *Genesis Gas Ltd (previously LongmenGroup PLC)* - Methane production and Exploration (People's Republic of China);

2) Olzha JSC – transport and logistics company (Republic of Kazakhstan);

3) Arctic Green Energy China (ORKA Energy) - geothermal energy (People's Republic of China).

The exit was carried out from the following companies:

1) Shandong Xinjufeng Technical Packaging Co., Ltd - production of packaging materials (People's Republic of China);

2) Central Asian Electric Power Corporation JSC - Electric Power Industry (Republic of Kazakhstan).

Russian-Kazakhstan Nanotechnology Fund Management Company – VTB Capital I2BF Innovation Partners

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2011-2021 (2017)	51 million	36.5 million	49%	Kazakhstan (50% of total capitalization of the Fund), Russian Federation (50% of the total capitalization of the Fund)	QIC, RusNano, VTB Capital, I2BF

Industry

Nanotechnology projects

The Fund is at the stage of monitoring and implementing portfolio companies. Due to the anti-Russian sanctions in 2022, the Fund's assets are blocked, and therefore currently it is impossible to sell the Fund's assets.

The full exit from VIST Group is projected in October 2021.

Investment portfolio:

Current projects:

1) Selecta Biosciences – Biopharmaceuticals (United States of America).

for continuous monitoring and control of state of extended infrastructure facilities (Russian Federation);

3) Primus Power – energy storage systems (Republic of Kazakhstan).

2) RoboCV – robotic systems (Russian Federation);

At the liquidation stage:

1) Optical Security Systems – systems

The exit was made from the following company:

VIST Group – automation of the mining industry (Republic of Kazakhstan).

Falah Growth Fund L.P. Management Company – Al Falah Capital Partners Limited

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2008/2012-2022 (2019)	500 million	103.99 million	10%	Kazakhstan, CIS countries	QIC, Aztech Investment Ltd., Ordabasy Shrakat Limited

Industry

Oil and gas, mining, energy, infrastructure, etc.

The Fund is at the stage of monitoring portfolio companies. Negotiations were held with GP on the sale of assets, the appointment of a liquidator and the subsequent liquidation of the fund.

Investment portfolio:

1) Alsad Kazakhstan LLP – egg poultry farm (Republic of Kazakhstan);

2) Karaganda Kus LLP - poultry farm specializing on eggs (Republic of Kazakhstan).

The exit was made from the following company:

Karaganda Energy Center LLP - power engineering (Republic of Kazakhstan).

Wellington Partners III Technology Fund, L.P. Management Company – Wellington Partners Management Limited

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2004-2020 (2009)	150 million	148.2 million	5.13%	European countries	QIC, the European Investment Fund and other investors

Industry
Internet technology, software, security, electronics

There are three companies in the fund's portfolio: Adconion Media Group GmbH, Shipserv, Inc. and Truphone. The management company is working on exit options by selling the stake to other potential investors.

Flagship Ventures Fund 2004, L.P. Management Company – Flagship Ventures General Partner LLC

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2005-2017 (2011)	151.5 million	143 million	6.6%	USA and other countries	QIC, the European Investment Fund and other investors

Industry
Areas of life science, selective technologies, breakthrough software, etc.

The Fund's portfolio includes two companies, Black Duck and Enchi, which are planned to be sold to potential investors.
After sale of these companies, the Management Company will conduct a final liquidation distribution and audit, followed by the liquidation of the fund.

FUNDS IN THE PROCESS OF LIQUIDATION

Aureos Central Asia Fund LLC Management Company – The Abraaj Group

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2007-2018 (2011)	37 million	35.69 million	14.2%	Kazakhstan (at least 50% of the total capitalization of the Fund), Central Asia	QIC, IFC, CDC Group, FMO, EBRD, DBJ

Industry
Financial activity, retail trade, telecommunications, chemical industry

The fund life expired in November 2018. Exit from all portfolio companies has been carried out. The liquidator conducts the final procedures for the fund liquidation.

The exit was carried out from the following companies:

1) Leasing Group LLP – leasing financing (Republic of Kazakhstan);

Kazakhstan);

2) Asia-Electric JSC – electric cable production plant (Republic of

3) Ala-TV LLC – Communications (Kyrgyzstan);

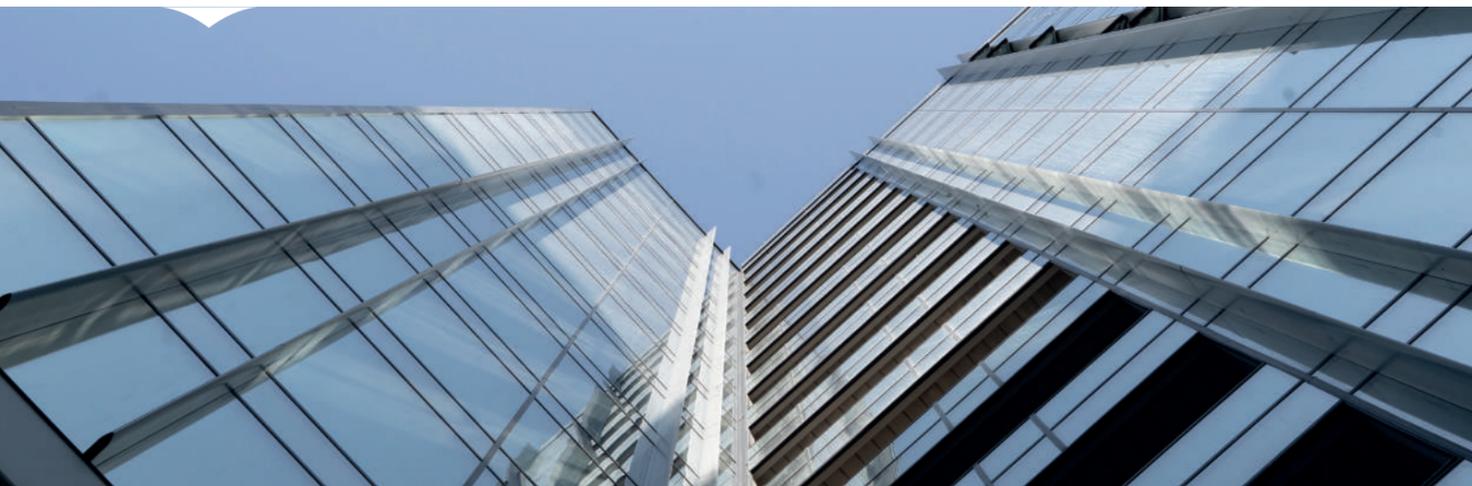
4) Derzhava LLP – chemistry and petrochemistry (Republic of Kazakhstan).

Macquarie Russia and CIS Infrastructure Fund C.V. Management Company – Macquarie Infrastructure and Real Assets (Europe) Ltd.

Life cycle (Invest. period)	Total size, US dollars	Investments, US dollars	QIC share	Geography	Investors
2009-2019 (2015)	630 million	433.28 million	4.76%	Russian Federation, Kazakhstan (at least 20% of the total capitalization of the Fund), CIS countries	QIC, IFC, EBRD, Vnesheconombank, Macquarie Group, EDB

Industry
Transport infrastructure, electric power industry

The Fund is at the stage of liquidation. In September 2020, a deal was signed to sell the fund's stake in Enel Russia. The transaction was completed in February 2021. Due to the anti-Russian sanctions in 2022, the fund's assets are partially blocked. Currently, the Management Company is working on ways to liquidate the fund.



The exit was carried out from the following companies:

1) Brunswick Rail (2 projects) – operational leasing of railway freight cars (Russian Federation);

2) Russian Towers – telecommunica-

tions infrastructure (Russian Federation);

3) GSR Energy – production and sale of thermal and electric energy (Russian Federation);

4) Enel Russia – electricity production and distribution (Russian Federation).



FUNDS AT THE CREATION STAGE

Apex Fund I Limited Partnership Management Company – Apex Management LLP

Life cycle (Invest. period)	Total size, KZT	QIC share	Geography	Investors
7 years with the right to extend for 2 years	Up to 20 billion	Up to 15%	Kazakhstan	It is planned to attract investments to the Apex Fund by: placing bonds, attracting loans, as well as searching for strategic equity partners represented by international financial institutions

Industry

The Fund invests (credits) in credit partnerships and/or microfinance organizations for the purposes of their subsequent financing of micro, small and medium-sized businesses, including, but not limited to, the agro-industrial complex, on the territory of the Republic of Kazakhstan.

On July 26, 2022, Company's Board of Directors made a decision on Company's participation in the newly created "APEX FUND I" Limited Partnership" private equity fund and approved the key terms of the Company's participation in the fund.

INVESTMENT RESULTS

By the end of 2022, the volume of new investments amounted to **12.01 billion KZT** and was made:



2 billion KZT in healthcare



3.3 billion KZT in AIC



1.01 billion KZT in education



2.63 billion KZT in energy and industry



1.7 billion KZT in IT venture funds

Captive funds have financed 7 projects in 2022.

1. Project "Development of export-oriented production of grinding balls in the West Kazakhstan Region"



BVF Captive Fund financed an investment project of KazArmaprom LLP for the development of export-oriented grinding balls production in the West Kazakhstan region for 414.7 million KZT.

KazArmaProm LLP financing was used to replenish working capital and to refinance existing credit debt in Sberbank JSC with the aim to improve the enterprise's financial condition. KazArmaProm LLP plans to increase its working capital through fund-raising and switch from a two-shift mode of operation to a three-shift one, increasing the production of grinding balls by 47% prospectively.



For reference:

Company KazArmaProm LLP produces grinding balls in the West Kazakhstan region. The company's long-term experience allows to increase and develop foundry production in the West of Kazakhstan, ensuring comprehensive mechanical engineering development in the country.

The company employs more than 250 employees. The company produced 18.9 thousand tons of finished products totaling 4.8 billion KZT, of which export revenue amounted to 4.7 billion KZT or more than 97% in 2021.



2. The project "Expansion of pig farm of EMC Agro LLP to 200,000 heads for slaughtering a commercial herd per year"



In October 2022, the project of EMC Agro LLP was financed to expand the existing pig farm to 200,000 heads for slaughtering a commercial herd per year.

The total cost of the investment project is 20.6 billion KZT, of which BVF investments amounted to 1.1 billion KZT.

BVF funds were used to purchase animal husbandry equipment from Big Dutchman International GmbH for. The project will create 150 permanent jobs. When the project reaches its planned capacity, it is expected that the volume of tax payments to the budget will amount to more than 700 million KZT per year, and sales of products will exceed 26 billion KZT.

EMC Agro LLP has an international quality certificate FSSC-22000, which facilitates the entry into international markets. Thus, the company plans to enter the export market in China in the near future..



For reference:

EMC Agro LLP is a company located in the Taiynshi district of the North Kazakhstan region, with vertically integrated production, including animal breeding, rearing and slaughter, as well as meat processing and its own

distribution. The current capacity of the farm is 100 000 heads for slaughtering per year.

Previously, BVF financed EMC Agro LLP pig farm expanding project for



slaughtering from 50,000 to 100,000 heads per year for pork meat and sausage products production in Taiynsha town, the North Kazakhstan region. The Fund's financial means were used for construction and installation works, the purchase of animal-keeping equipment, as well as for breeding stock purchase and

working capital replenishment. 300 permanent jobs were created within the project. When the project reached its planned capacity, the volume of tax payments to the budget amounted to more than 591 million KZT, and product sales exceeded 18 billion KZT.

3. Project "Reconstruction of "Prometheus school (by Tamos) educational center "



BVF financed EPG Prometheus School LLP with 1 016 million KZT for building reconstruction to launch a new educational center in the Almaty district of Almaty. BVF's share in the project was 26.59%. BVF's investments are aimed at completing the construction and equipping the educational center.

The new educational center of EPG Prometheus School LLP for 856 people will reduce the student places shortage. The center is created considering advanced foreign experience in the school construction. The total area of the building will be 12 556 m2, which will house 2 gyms, a library, coworking and recreational areas, STEM laboratories and augmented and virtual reality classes, Research & Development Center, IT Hub and music school.



The EPG Prometheus School LLP's professional approach to the educational process is aimed at the students' comprehensive development. The concept of the center is aimed at creating conditions for uniqueness disclosure of each child and personality development with knowledge, skills and values that will effectively realize the student's potential. Special attention is paid to teaching students in a playful way, comprehensive development and education of leadership qualities within the scope of the unique educational program.



It is projected to generate 140 new jobs after the educational center's commissioning.

4. The project "Medical and diagnostic center in Almaty"



The BVF Captive Fund provided financing for 2 billion KZT to Keruen-Medicus LLP for maternity hospital construction in the Bostandyk district of Almaty.

A new perinatal center with a total area of 4000 sq. m. will include a clinic and diagnostic unit, maternity and postnatal departments, operating rooms and children's and adult intensive care departments. It is planned to generate 150 new jobs after the commissioning of the medical and diagnostic center.



Fitted with high-precision diagnostic equipment, the maternity hospital will be an integral part of the Keruen-Medicus multidisciplinary medical center's main building. The clinic expansion will further develop such areas as surgery, neurosurgery, orthopedics, traumatology, and pediatric surgery.

For reference:

Founded in 2000, Keruen-Medicus LLP is one of the largest private medical organizations in the Republic of Kazakhstan. Having started its activity with a small clinic, today Keruen-

Medicus LLP is a leading medical company employing 300 medical personnel.

The professional approach in the work

of the diagnostic direction complements the full set of modern laboratory and radiation equipment from leading world manufacturers such as Siemens, Karl Storz, GE and others.

capacity has increased from 5,000 to 34,000 tons of products per year, the quality of which is nothing inferior to imported samples. Mineral wool is

exported to several countries, including Russia, Uzbekistan, Tajikistan, Kyrgyzstan, and Mongolia.

5. The project "Verkhne-Talaptinskaya hydroelectric power station construction on the Koxsu River in the Zhetysu region"

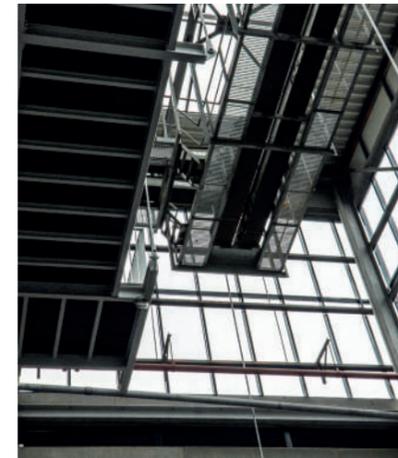


BVF provided financing to Bekzat LLP for 1,712 million KZT for the Verkhne-Talaptinskaya hydroelectric power station construction with a capacity of 7 MW on Koxsu River in the Zhetysu region.

The total cost of the project - 5.4 billion KZT. The launch of Verkhne-Talaptinskaya HPP will effect positively on the energy security and the ecology of the Zhetysu region. The region's pressing question is the use of hydropower resources of the Koxsu, Karatal, Tentek rivers and other rivers of the northern and southern Zhetysu Alatau mountains' slopes to generate electricity through the hydroelectric power plants construction and to supply regulatory capacity. Currently, Zhetysu region is deficient in electricity supply: about 30% of annual consumption is covered by its own sources, and the remaining 70% come from remote external sources, including thermal power plants of the Northern Energy Zone. The launch of Verkhne-Talaptinskaya HPP will effect positively on the energy security and ecology of the Zhetysu region.

18 new jobs will be created within the framework of the project and the planned amount of tax payments to the budget will amount to 1 billion 579 million KZT.

7. Project "Chicken schnitzels and semi-finished products production organization with a production capacity of 3,346 tons per year"



KCM Sustainable Development Fund I C.V. provided financing to "IL TOV" LLP for 2,201 million KZT.

The main goal of the project is a production organisation of ready-to-use natural semi-finished products in the assortment of chicken schnitzels in the amount of about 3,346 tons per year to meet the growing needs of the Kazakhstan and Russia population in products that meet international standards quality and food safety.

Project's production lines will be located on the existing production areas of the building with an area of 4,228 square meters, owned by the Applicant on the right of private ownership and located on a plot of 1,179 hectares in the Kosshy city of the Akmola region, 25 km from the dynamically developing metropolis and the capital of Kazakhstan – the city of Astana with a population of 1,239.7 thousand people (as of 1 January 2022).

6. The project "Financing of capital expenditures for plant equipment modernization for mineral wool slabs and mats from basalt rocks production with a capacity of 34,000 tons per year"



BVF provided financing to Makinsky Thermal Insulation Plant LLP in the amount of 500 million KZT for of plant's equipment modernization for mineral wool slabs and mats from basalt rocks production with a capacity of 34,000 tons per year. The purpose of financing the Project is to modernize the equipment through the purchase of silo equipment with an upper filter and a waste recycling system (shredder), including supervision, transportation, customs payments and value added tax.

For reference:

The plant produces a demanded heat-insulating material - mineral wool, which replaced glass wool and extremely flammable foam-based materials in construction. This type of basalt-based thermal insulation combines high performance

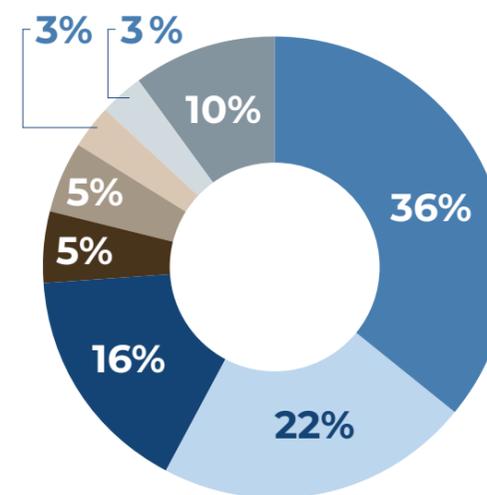
characteristics, such as moisture and fire resistance and is characterized by ease of installation.

It is worth noting that "Gamma Meccanica S.p.A." company's Italian technological line was purchased for

production. Specialists from Italy participated in all stages of the new plant construction. Moreover, they trained local staff on how to work on new high-tech equipment.

Since 2019, the company's production

QIC portfolio investments by industry

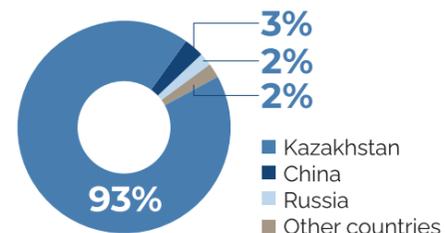


By the end of 2022, the total investments by sector are as follows: *transport and logistics – 36%, food production – 22% and energy – 16%.*



By the end of 2022, there are 59 projects in the QIC portfolio (excluding startups), 93% of which are in Kazakhstan.

QIC portfolio investments by country



In 2022, QIC funds carried out 7 exits from projects:

- ◆ **KCM SDF** carried out an early exit from the following projects: Eco Product Company LLP, Altyn Shygys LLP;
- ◆ **BVF** exited from the project of CATEC Green Energy LLP;
- ◆ **DBK Equity Fund C.V.** exited from Turgusun-1 LLP project;
- ◆ **Quest Ventures** exited from the projects of 1Fit Ltd., QLang Ltd, ESSENTIAL TECHNOLOGIES LTD.

Also, partial exits from the projects of KazGrain LLP (Kazakhstan Growth Fund L.P.) and Olzha JSC (CITIC Kazyna Investment Fund I L.P.) were carried out in 2022.

Due to the exit from projects and expiry of life cycles, Wolfensohn Capital Partners L.P. and Islamic Infrastructure Fund L.P. private equity funds were liquidated in 2022.

In addition, the Company worked out and launched initiatives to create an Apex Fund and a training platform in 2022.

The Roadmap for creation of Apex Fund for Credit Cooperatives and the allocation of budgetary funds was approved on April 11, 2022. The Company, Khan Tengri Capital LTD and Central Credit Cooperative signed a protocol of intent to create an apex fund on July 19, 2022. The Central Credit Cooperative and Khan Tengri Capital LTD will manage the fund through Apex Management GP management company established on the territory of the Astana International Financial Center, which will be the general partner of the fund with a share in the authorized capital of 20 million KZT. Company's Board of Directors made a decision on Company's participation in the newly created "APEX FUND I" Limited Partnership" private equity fund and the main conditions for the Company's direct participation "APEX FUND I" Limited Partnership" in private equity fund were approved on July 26, 2022.

Training platform in the form of BGlobal Ventures Ltd's subsidiary was created on the territory of Astana International Financial Center by the decision of the Board of Directors of the Company on December 15, 2022. The purpose of the platform is to implement various training programs for technological startup projects, as well as other key participants of the venture ecosystem in Kazakhstan, including private venture investors (business angels).

The company's primary goal of the company is to stimulate the creation of commercially attractive technology companies and projects. Moreover, the company will focus on supporting innovative projects at an early stage of development in promising technology industries. In addition, the company will also be engaged in the formation of the pipeline for venture funds and business angels, thereby facilitating the attraction of external, including foreign investments, in Kazakhstani IT projects.

Out of 130 submitted applications, 19 startup projects were selected and trained by the best international mentors and experts with many years of experience in the third flow of the Kazakhstan Digital Accelerator acceleration program (hereinafter – KDA) as part of the venture development market expansion as part of the third flow of the Kazakhstan Digital Accelerator acceleration program, in the period from March to June 2022. Ten startup finalists of KDA got awarded 50,000 US dollars checks on the Demo Day of the 3rd flow startup finalists on June 30, 2022.

QIC and the Ministry of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan signed a Memorandum of Agreement on June 30, 2022. It involves cooperation in conducting a joint acceleration program for startup projects at an early stage of development, as well as cooperation in the joint private equity funds creation, collaboration between experts and officials of both sides and other main areas of partnership.

In December, QIC decided to create BGlobal Ventures, a company that will improve the professional competence of regional entrepreneurs – startup founders, as well as individual investors interested in supporting regional startup projects as a part of further venture financing ecosystem development of in Kazakhstan and Central Asia as a whole.

BGlobal Ventures is a brand-new educational platform as proposed programs will be conducted jointly and with the support of world leaders in this field, such as USMAC (500 Global, Catapult VC). BGlobal Ventures is interested in developing specialized acceleration programs to support and create a favorable investment environment for sustainable development, climate tech, green technologies and women's entrepreneurship startup projects both in Kazakhstan and in Central Asia.

Access to financing by BGlobal Ventures serves as a reliable conduit between startup projects, portfolio funds and QIC partner funds.



QIC and Almaty Creative Development Center LLP signed a Memorandum of Agreement on December 2, 2022. It assumes a cooperation to finance projects of Almaty's creative industry by attracting an international management company to promote talented Kazakh youth in the world market, as well as strengthen competitiveness and diversify the national economy.

The negotiations were held with Catapult VC management company to participate in the Catapult Eurasia I, L.P. venture fund as a part of interaction with international companies and the experience exchange in building competencies. As a result of the negotiations in November 2022, QIC sent an Indication of Interest to the Catapult VC management company to participate in the fund.

In addition, negotiations were held with TVM Capital Healthcare Partners, global management company investing equity in technological and transformational medical companies, to discuss healthcare cooperation and QIC's participation in the TVM Healthcare SEA Fund, L.P.

It was decided to sign a Memorandum of Memorandum of Agreement for Strategic Collaboration as part of negotiations with ADQ on September 21, 2022. The draft memorandum is under development and is expected to be signed in May 2023.

As part of a stressful assets market development, the Company is considering the cooperation with management companies that specialize in carrying out takeovers of companies by acquiring distressed assets, such as non-

performing loans (NPLs), through private debt and/or capital instruments with subsequent restructuring, as well as specialising in alternative methods of revitalizing distressed assets.

A panel session "Kazakhstan", which was organized by the Company jointly with the Agency of the Republic of Kazakhstan for Regulation and Financial Market Development and the Baiterek Holding, was held on the sidelines of the 4th Global NPL International Summit in London, Great Britain, on October 5, 2022.

Global NPL is a key event dedicated to reviewing the distressed asset market development and regional challenges in this area. Traditionally, states that are actively working to improve the national banking system, such as Italy, Spain, Brazil, China, Turkey and the United Kingdom, hold sessions on the sidelines of this forum under the auspices of their country.

During the session, the international investment community was presented with the work results aimed at creating a favorable institutional environment, the banking sector's plans to improve the distressed assets market and reduce the NPL level, as well as the further actions of involving this asset class in the economic turnover with the participation of the Baiterek Holding, the country's key financial institution. The panel session speakers were Madina Abylkassymova, Chairperson of the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market, Kanat Sharlapayev, Chairman of Management Board of Baiterek Holding, Natalya Akentyeva, Chairperson of the Management Board of Bank RBK JSC, Rassul Rysmambetov, Financial Analyst, and Hardeep Bhatti, EY's Partner in Portfolio Rehabilitation and Restructuring.

Starting from 2021, the Company is searching for companies with international experience in managing investments in distressed asset segment to create a joint venture for distressed asset market development of in Kazakhstan. Thus, bilateral meetings were held within the framework of the panel session by international companies Grant Thornton, EOS, Debitos.

Moreover, the Company is negotiating actively with the International Finance Corporation on measures necessary for development of distressed assets market in Kazakhstan.

The Company is taking an active part in the development of this direction, and it is a member of the working group dedicated to creating a digital platform and infrastructure for the sales of distressed assets.



Through the Kazakhstan Infrastructure Fund C.V. portfolio private equity fund, the Company and the large Turkish company "TAV Group" executed the investment process in Almaty International Airport JSC (Airport). Project investments totaled 200 million US dollars, *where KKM – 27.9 million US dollars, TAV Group – 170 million US dollars, and Verno – 2.1 million US dollars.* In addition, a creditor consortium's loan was attracted to the project implementation to finance a new terminal construction totaling 450 million US dollars. The key participants of the consortium were international financial institutions represented by European Bank for Reconstruction and Development, and the International Finance Corporation (IFC).

The Almaty International Airport's new terminal construction was started in April. The project was financed by KIF and TAV Airports in 2021 through a co-investment mechanism by the Kazakhstan Infrastructure Fund. The new terminal's

construction will increase the passenger traffic figure by four times to 14 million passengers annually by 2030. The new terminal will allow the opening of new international destinations and flights, increase cargo transportation as a part of a project to develop a regional transport and logistics airport-based hub and improve services. In addition, construction and cladding materials, which have no analogues in the EAEU countries, and which meet the technological requirements of international standards Excellence in Design for Greater Efficiencies (EDGE), will be used during the construction. *This will increase the energy efficiency of the terminal building by 40%, reduce water consumption by 20% and minimize wear by 20%.*

At the same time, it is expected that there will be over 2,000 new temporary and permanent jobs, with Kazakhstani specialists accounting for 90% of these positions.

To achieve high investment attractiveness of Kazakhstan through cooperation with regional and international partners, the Company worked actively on expanding the network of business contacts, and establishing cooperation with potential international and regional management companies to attract partners (investors) in current and planned PEF. Moreover, the Company worked on joint investments or joint ventures' creation, improvement of interaction with development financial institutions and international financial organizations for the organization of mutually beneficial cooperation, including the exchange of experience and building internal competencies of QIC team. The Company conducted an analysis of industries' investment attractiveness and prepared an analytical report on "Agriculture and

its attractiveness for investment". In addition, two analytical reviews on venture financing have been prepared for internal use "Review of venture market for the 3rd quarter of 2022" and "Key trends of the venture market".

Kazyna Capital Management JSC was re-registered as Qazaqstan Investment Corporation Joint Stock Company on January 10, 2023. A rebranding was carried out to strengthen the Company's positioning as a country investment institution, a key player in the global private equity market, and a strategic partner for international investment community with a main activity related to the facilitation of foreign investment inflow into the Republic of Kazakhstan, as well as to broadcast a wide range of Company's financial instruments more accurately.

2.4. Financial and Economic Indicators

Analysis of QIC's financial condition and performance for the period 2020-2022 was carried out on the basis of the audited financial statements of QIC.

Income was received from a strategic portfolio based on the results of portfolio and captive funds related to payment of dividends, interest, changes in fair value of financial investments, as well as from the treasury portfolio in the form of interests on deposits, securities, REPO.

Income, million KZT	2020	2021	2022
Interest income	1,991	3,014	5,110
Dividend income	71	42	517
Income from derivative instruments	-	324	-
Income from changes in the fair value of financial instruments	1,882	3,297	12,421
Foreign exchange gains	3,291	448	729
Income from restoration of reserves	-	183	-
Other income	-	-	73
Total:	7,235	7,308	18,850

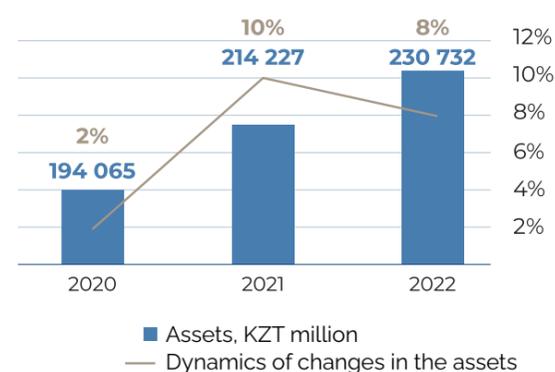
The structure of expenses in 2022 compared to 2021 shows that due to issuance of debt securities, upward trend of expenses due to the economies' internal and external factors, including: inflation, changes in socio-economic indicators and the exchange rate against KZT, the share of interest, administrative and other expenses increased. The expenditure part is presented in the following table:

Expenses, million KZT	2020	2021	2022
General and administrative expenses	1,322	2,157	2,589
Interest expense	9	363	1,118
Provision for impairment	16	-	161
Expenses on derivative instruments	1,031	-	-
Impairment charges	-	148	-
Other expenses	585	-	952
Total:	2,963	2,668	4,820

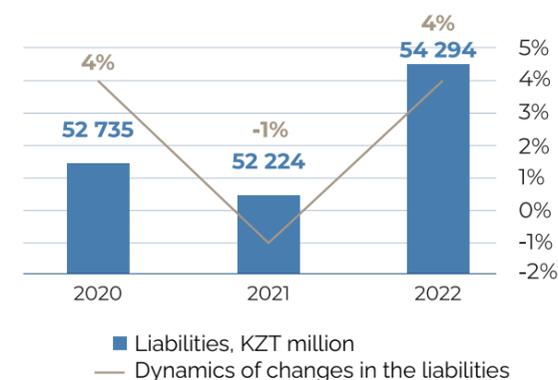
According to the audited financial statements for 2022, a positive financial result was obtained in the amount of KZT 10,664 million. Profit before interest, taxes, and depreciation (EBITDA) amounted to KZT 14,077 million, and corporate income tax expenses KZT 3,366 million.



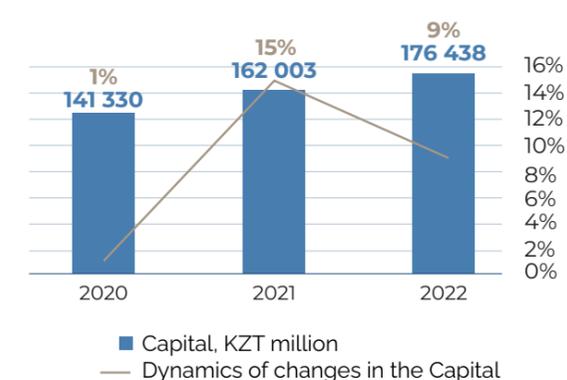
As of December 31, 2022, assets amount to 230,732 million KZT, which is 8% or 16,505 million KZT higher than in 2021. The increase is due to a positive revaluation of PEF, the receipt of funds from core activities.



Liabilities at the end of the reporting period amounted to 54,294 million KZT, the increase in liabilities compared to 2021 was due to obligations on state subsidies because of the early repayment of previously issued loans and income tax.



Capital as of December 31, 2022 amounted to KZT 176,438 million, as of the same date in 2021 – KZT 162,003 million. The increase in capital is associated with a positive financial result by the end of 2022.



2.5. Goals and Plans for Future Periods

In the future, QIC will continue to implement strategic initiatives in investment activities, including:

- participation in state programs implementation by providing equity and mezzanine financing;
- creation of Credit partnerships Apex Fund at the AIFC site, providing a market mechanism for raising funds to develop mass entrepreneurship in rural and urban areas;
- conducting acceleration programs based on BGlobal Ventures Ltd. subsidiary to develop and bring commercially attractive technology companies to the global markets;
- participation in TVM Capital Healthcare SEA Fund L.P.



to invest in Southeast Asian healthcare projects with the possibility of organizing internships for Kazakhstani medical workers in Southeast Asian leading organizations;

- global promotion of a talented Kazakh youth, enhancement of the national economy's competitiveness and diversification, and creative industries' venture fund establishment to finance creative industry projects together with the Akimat of Almaty;
- participation in venture capital financing, distressed assets and PPP markets by creating/participating in regionally oriented PEF in various fields, jointly with international management companies and partners.

In addition, the Company will continue to work with the Agency for Regulation and Development of the Financial Market of Kazakhstan and the World Bank within the framework of improving the corporate governance system, sustainable development of QIC, legislation on investment and venture funds of the

Republic of Kazakhstan.

In addition, the Company will develop and approve a new 2024-2033 Strategy for development of the Company, which will define strategic directions, goals and objectives of the Company for a ten-year period in 2023.



3.

RISK MANAGEMENT SYSTEM

- 3.1. Risk Management System
- 3.2. Internal control system



3.1. Risk Management System

QIC has a structure that is approved by the Board of Directors, that clearly defines the participants in the corporate risk management system. The structure includes a Risk Management Department that is accountable to the Managing Director, a member of QIC Management Board and is an independent unit in its activities.

The approved Risk Management Policy is a fundamental internal document of QIC and defines the organizational structure of risk management, roles and responsibilities of bodies, committees and structural divisions: the Sole Shareholder, the Board of Directors, the Audit and Risk Committee, the Management Board, the Investment Committee, the Risk Management Department, the Internal Audit Service and other structural divisions of the Company.

The main objectives of the risk management system are:

- ✓ to build an effective integrated system and to create an integrated risk management process as an element of QIC, as well as continuous improvement of activities based on a unified standardized approach to risk management methods and procedures;
- ✓ to improve the efficiency and sustainability of QIC development, reduce losses, increase profitability and most efficient use of capital;
- ✓ to ensure that QIC accepts acceptable risks that are adequate to the scale of their activities;
- ✓ to ensure QIC's normal functioning in crisis situations.



Basic principles of QIC Risk Management:

INTEGRITY

elements' consideration of QIC's total risk in the context of the corporate risk management system;

OPENNESS

ban on considering a corporate risk management system as autonomous or separate;

DEGREE OF STRUCTURE

a comprehensive risk management system has a clear structure;

AWARENESS

risk management is accompanied by the availability of objective, reliable and up-to-date information;

CONTINUITY

the risk management process is carried out on an ongoing basis;

RELEVANCE

continuous improvement of risk management procedures and mechanisms;

TRANSMISSION OF INFORMATION

timely and immediate transmission of information by all structural divisions on bottom-up principle, including the Management Board and Board of Directors of QIC, about changes, the status and size of the relevant risks, about all non-standard operations and situations;

INVOLVEMENT

involvement of the QIC's top management, i.e. the Management Board and the Board of Directors, in the process of risk management and creation of a control environment;

SEPARATION OF POWERS

clear division of powers of employees and exclusion of situations where the employee's area of responsibility allows for a conflict of interests;

INDEPENDENCE

risk management in all areas of the Company's activities should be carried out by the relevant QIC structural units independent of operational activities;

CYCLICITY

the risk management process is a constantly repeating structured cycle of its main components.

The risk management system includes the following main elements:

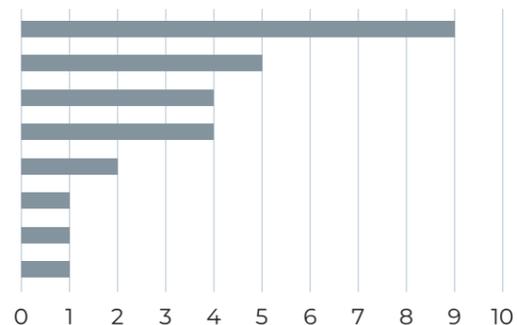
1. **definition of goals** – QIC is exposed to risks from external and internal sources, and primary condition for identification effectiveness, assessment and risk management methods' development is setting goals. QIC goals and objectives are aligned with risk appetite;
2. **risk identification** – identification of internal and external risks to which QIC is or may be exposed, the occurrence of which may negatively affect the ability to achieve the planned goals and implement the tasks set;
3. **risk measurements** – development and use of a system and tools that allow objectively determine the size and probability of QIC risks;
4. **risk minimization** – involves the implementation of a set of measures aimed at reducing the likelihood of events or circumstances leading to losses, and (or) reducing (limiting) the number of potential losses;
5. **risk control** – functioning of internal control system and establishment of the maximum permissible limits (restrictions) on risks;
6. **risk monitoring** – continuous assessment of the main QIC risks level and compliance with the maximum permissible limits.

The Risk Management Department monitors the QIC's key risks quarterly and submits them to the Management Board and the Board of Directors of QIC. Considering the unstable financial condition of second-tier banks, a monthly analysis of the second-tier banks' and security issuers' financial condition is carried out. The Risk Management Department includes information on changes in their ratings, compliance by banks with prudential standards of the National Bank of the Republic of Kazakhstan, etc., based on of which a report is submitted for consideration by the QIC Board and appropriate measures are taken to reduce the treasury portfolio's credit risks.



The QIC risk register was approved by the decision of the QIC Board of Directors dated December 15, 2022 (Minutes No. 19/22). It includes 27 types of risks. QIC's risks are grouped into the following categories:

- Operational risks
- Core business risks
- Financial risks
- Strategic risks
- Legal risks
- Corruption and fraud risk
- Audit risk
- Corporate governance risk



In 2022, comprehensive work was carried out to update the Risk Management Rules in the Company, approved by the decision of the Board of Directors dated June 29, 2021, in terms of supplementing the procedure for determining affiliated persons and criteria for calculating the limit on a group of companies, identifying, assessing and reflecting risks inherent in the Company by detailing the risk-factors, assessment of the impact of risks on strategic goals, and types of measures aimed at minimizing and mitigating identified risks as a part of the work of improving the risk management system.



3.2. Internal Control System

The internal control system (hereinafter referred to as the ICS) of the Company is an integral part of the risk management systems, corporate governance, and covers all levels of management, all internal processes and operations of the Company. It consists of defense three lines.

The ICS organization provides the Company with the possibility to build a management system capable of quickly responding to risks, exercising control over the main and auxiliary business processes and daily operations of the Company, as well as immediately informing the ICS participants with a corresponding level about any significant shortcomings and areas for improvement.

The first defense line of internal control is provided by the Company's structural subdivisions themselves. Controls are developed by structural divisions and are an integral part of business processes. Organization, control, monitoring of internal control is carried out by the Company's structural division heads.

The second defense line is provided by various structural subdivisions, including, but not limited to, such structural subdivisions as the risk management subdivision, the structural subdivision responsible for legal support of the Company's activities, the structural subdivision responsible for working with personnel, the structural subdivisions responsible for security (in including IT, information, physical) and other structural subdivisions of the Company performing control functions.

The third defense line is a function of the internal control environment effectiveness' independent confirmation within the framework of the audit plan, which covers both the first and second defense lines, providing an assessment of the Company's overall internal control system effectiveness.



The ICS in the Company is based on the following principles:

INTEGRITY

ICS is an integral component of the Company's management system at all its levels

COMPLEXITY

ICS covers all areas of the Company's activities, control procedures are performed in all business processes at all levels of the management system

RESPONSIBILITY

all participants of the ICS are responsible for the proper execution of control procedures within their powers, enshrined in the internal documents of the Company

CONTINUOUS DEVELOPMENT AND IMPROVEMENT

internal control procedures should be aimed at constantly identifying shortcomings and areas for improvement in the existing ICS, taking into account its adaptation to changes in the internal and external conditions of the Company's functioning and emerging new tasks, as well as the application of appropriate corrective measures and monitoring their implementation

CONTINUITY OF OPERATION

continuous and proper functioning of the ICS, which allows timely prevention and detection of any deviations from the planned data

DIVISION OF DUTIES

the Company is guided by the principle of indivisibility of responsibility (responsibility for the implementation of each individual control procedure is assigned to only one member of the ICS) and delimitation of control functions (functions are distributed among officials and

employees of the Company in such a way that the same person does not combine functions related to the approval of transactions with certain assets, accounting for transactions, ensuring the safety of assets and conducting their inventory)

REPORTING OF ICS PARTICIPANTS

the quality and timeliness of the tasks and duties performed by each involved person of the ICS is controlled by a higher ICS participant

PROPER ENDORSEMENT AND APPROVAL OF TRANSACTIONS

the Company seeks to establish a procedure for the approval of all financial and economic transactions

by authorized bodies and persons within their respective powers

UNITY OF THE METHODOLOGICAL BASE

a unified approach to the application of internal control standards for all subsidiaries of the Company

THE TIMELINESS OF REPORTING

on any significant shortcomings and weak points of control - the Company should set the shortest possible time for the transfer of relevant information to the bodies and/or persons author-

ized to make decisions on the elimination of any significant shortcomings and weak points of control

The last assessment of the ICS was carried out in October 2022 by the Internal Audit Service. During the final assessment, *the ICS effectiveness was 96%*. Based on the results of the evaluation, *the efficiency level is defined as "Optimized"* - the main elements of the ICS correspond to the "best practice".



4.1. Social aspects of sustainable development

- 4.1.1. Employment
- 4.1.2. Occupational health and safety
- 4.1.3. Training and education
- 4.1.4. Diversity and equal opportunities
- 4.1.5. Labour practices
- 4.1.6. Sponsorship and charity
- 4.1.7. Anti-corruption

4.2. Environmental aspects of sustainable development

- 4.2.1. Investment activity within the framework of the environmental component
 - 4.2.2. Rational use of resources
 - 4.2.3. Compliance with environmental requirements
- 4.3. Climate change

4.

SUSTAINABLE DEVELOPMENT



Being a key player in the private equity market in Kazakhstan, QIC is committed to sustainable development principles and continues to improve the practice of sustainable development management in terms of corporate social responsibility.

Designating "Assistance in sustainable business development based on internationally recognized environmental, social and management standards (ESG)" as one of its strategic objectives, QIC carries out sustainable development management within the framework of the general corporate governance system and is an integral part of it. According to the Company's Sustainable Development Policy, the QIC Board of Directors provides strategic guidance and control over the sustainable development principles' implementation, meanwhile, the Management Board ensures the formation of an appropriate sustainable development management system and its implementation. The Management Board submits a sustainable development report to the Board of Directors annually.

The strategic key performance indicator "Sustainable Development Rating" with a target value of "D/25%/25 points in 2023" was included in 2022 as part of the QIC Development Strategy updating.

In this regard, QIC plans to conduct an independent assessment and receive an ESG rating from an international rating agency in 2023 to improve the sustainable development system efficiency.

In August 2022, the Company joined the UN global initiative "Women's Empowerment Principles" (WEPs). The company was registered successfully on the global WEPs platform with the support of the UN Women. The signing of WEPs Principles is a public testimony of QIC's interest and active position in promoting gender equality and women's empowerment.

To exchange experience and discuss new ESG initiatives, QIC joined the National ESG Club on September 7, 2022. The joint work of the Company and the National ESG Club will certainly accelerate the process of business transformation towards the global ESG agenda and will contribute to improving the competitiveness of Kazakhstan's economy through low-carbon technologies.

As part of the transition to the "responsible investment" model, QIC has been a member of the UN 4 Responsible Investment Principles Association since October 2022. The members of the Association are international private equity funds and investment companies with activities aimed at developing the concept of "responsible investment" by introducing ESG standards into investment activities.

In December 2022, a representative of the Company took part in the annual international conference on Responsible Investments PRI in Person & Online for members of the UN Association of Principles of Responsible Investment in Barcelona, Spain. Thus, joining the Association allows exchanging experience and knowledge in the field of responsible investment with institutional investors, representatives of private equity funds and provides an opportunity to assess the progress of integrating ESG standards into business processes.

In order to further develop the concept of "responsible investment", QIC has been working since 2022 to introduce ESG factors assessment into all stages of the investment process - from the search for project proposals, making investment decisions, monitoring the life cycle of funded projects and before exiting the project. This will reduce the risks exerted by portfolio companies on the environment and society, as well as increase the sustainability of companies' business processes for the development of their competitiveness.

In implementation of the Sustainable Development Policy in 2021, the Board approved the QIC Sustainable Development Action Plan for 2021-2022, which included measures to implement the principles of sustainable development.

As part of the implementation of this Plan, the QIC Investment Policy has been updated to include requirements for evaluating projects for compliance with ESG standards and monitoring mitigation of risks associated with ESG during the life cycle of an investment project.

Particular attention in QIC is paid to increasing transparency of disclosure of information about activities for stakeholders. The results of QIC's activities in the field of the sustainable development are disclosed in the annual report on sustainable development of the corporation. At the same time, in order to fully and qualitatively disclose information, the report takes into account international standards for the disclosure of non-financial information - the Standards of Global Initiative for Reporting in the Field of Sustainable Development (GRI Standards).

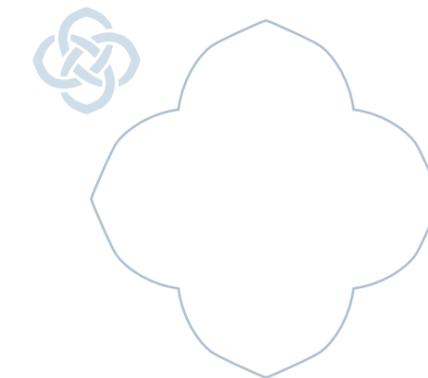
4.1. Social aspects of sustainable development

The Company is constantly working to improve the efficiency of its activities, taking into account the strategic priorities of the Company, including forming an optimal and dynamic organizational structure of the Company and creating conditions for the development of human capital.



The main office is located in Astana, the Company does not have branches and representative offices in other regions.

At the end of 2022, the Company's structure included 17 structural divisions.



4.1.1. Employment

The total average number of employees of Qazaqstan Investment Corporation JSC is 68 people, in the group – 80 people.

Compared to the same indicator of the previous year, the total average list number decreased by 8%. This decrease in the number of personnel is due to the fact that on March 17, 2022, the Company's Board of Directors decided to reorganize the subsidiaries of QazTech Ventures JSC and Kazakhstan Project Preparation Fund JSC by joining the Company.

It should be noted that after QTV and KPPF joined the Company, the latter became the legal successor of both QTV and KPPF for all rights and obligations, and in order to continue working with venture funds, as well as to meet the current need for labor resources, the QTV staff of 10 people was transferred to the Company, and the KPPF staff of 18 people was reduced.

		QIC	BVF	QTV	KPPF	total for the group of companies
Dynamics of the average number of ³ employees:	2020	33	12	60	18	123
	2021	47	11	11	18	87
	2022	68	12	0	0	80

According to the data of 2022, the average age of the Company's employees is 34 years.

The structure of QIC personnel by gender and age in 2022 at the reporting date is presented below:

Age	Women, people.	%	Men, people.	%	Total	%
up to 30 years old	3	33.3	6	66.7	9	14
from 30 to 50 years	31	60	21	40	52	83
older than 50 years old	2	100	0	0	2	3

In 2022, voluntary staff turnover in the Company amounted to 4.5%, in the QIC group – 3.8%, with a planned turnover of no more than 13%.

³ – The average number of employees represents the average number of employees of the company for a certain period.

Staff turnover in the QIC group for 2022:

QIC	4.5%	BVF	0%	QTV	0%	KPPF	0%	total for the group of companies	3.8%
------------	------	------------	----	------------	----	-------------	----	----------------------------------	------

QIC staff turnover by age and gender:

Men	Women	up to 30 years old	from 30 to 50 years	older than 50 years old
2	1	1	2	0

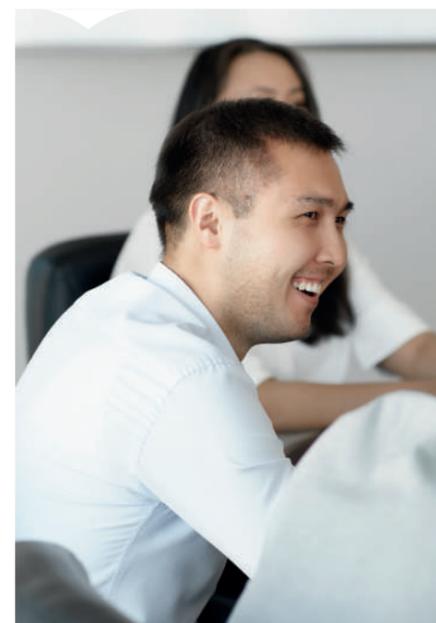
The Company's employee motivation system creates conditions for attracting and retaining qualified personnel by providing employees with competitive material remuneration and non-material incentives for work.

In order to build an integral system of the Company's performance management, the following documents were approved:

system of key performance indicators of the Company's activities aimed at effective planning and organization of the Company's activities, achieving its strategic goals and stimulating employees depending on the results achieved by its activities;	models of strategic, managerial and functional competencies and methods of their assessment aimed at improving the recruitment processes and determining the degree of compliance of candidates' competencies with the requirements for their positions, as well as identifying the potential of the Company's employees, determining the needs for training, development and career advancement.
---	---

The current remuneration systems provide for establishment of official salaries taking into account qualifications and business qualities, additional payments and allowances for combining positions, remuneration based on the results of work for the year for the company's management and a one-time bonus for the development and implementation of measures aimed at saving costs, increasing profitability, as well as the introduction of innovative solutions and rationalization proposals.

The Company considers employees to be the most important resource, the decision of the Management Board of the Company dated January 29, 2018, approved the Rules for providing social support to employees of Qazaqstan Investment Corporation JSC determining the types, conditions and procedures for providing social support to employees of the Company in accordance with the legislation of the Republic of Kazakhstan and internal regulatory documents of the Company.



The social policy of Qazaqstan Investment Corporation JSC includes programs and activities aimed at solving the most urgent tasks of *social development of the team, improving working conditions, ensuring social protection of employees, organizing their recreation and medical care.*

The Company considers creation of conditions for effective work of employees, their professional growth, providing opportunities for decent earnings and development of a culture of production as its main task in the field of social policy.

The main purpose of social programs conducted by the Company is to increase employee motivation, stimulate initiative and conscientious work.

Social security is one of the elements of the long-term motivation of employees and provides them with social guarantees upon retirement.

QIC provides the following social support measures:

Voluntary health insurance

Voluntary health insurance that allows employees to receive better and more diverse medical services. Employees and their family members are provided with medical insurance at the expense of funds provided in the Company's budget in accordance with the voluntary medical insurance program. Funds for medical insurance are spent in case of an employee's illness in accordance with contracts concluded in accordance with the procedure established by the legislation of the Republic of Kazakhstan with insurance organizations, or under contracts for medical care with medical organizations. At the same time, the cost of health insurance per employee should not exceed 100 MCI for the corresponding financial year

Financial assistance

Financial assistance for recovery when providing annual leave, paid leave for significant events (marriage, death of a family member)

Financial assistance in connection with the birth of a child/adoption of children

Financial assistance in connection with maternity leave, vacation, adopted a newborn child (newborn children)

Quarterly bonuses to employees, annual remuneration to members of the Management Board⁴ upon achievement of key performance indicators. At the same time, as in the best world practices, managers are assigned approved indicators related to economic, environmental and social objectives

Maternity leave is also paid with the preservation of the average salary minus the number of social benefits in case of loss of income due to pregnancy and childbirth. According to Article 193 of the Labor Code, maternity leave is granted to an employee upon her application and on the basis of a certificate of disability issued in accordance with the established procedure. After the birth of a child, parental leave of up to three years may be granted at will. It is also counted in the length of service, but it will be without pay. The same leave is granted to parents who have adopted children in accordance with the current legislation.

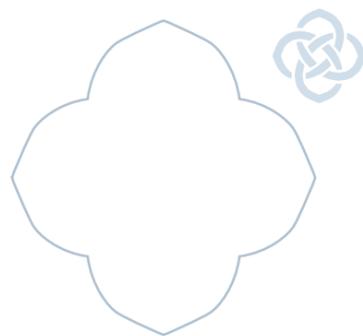
Insurance

Employee injury and occupational disease insurance of employees

Information on maternity leave and child care as of the end of 2022 is presented below:

Indicator	Total, people.	Men	Women
The number of employees who have taken maternity leave, as well as parental leave in 2022	7	0	7
The number of employees who returned from maternity leave and parental leave in 2022	3	0	3

⁴ – The remuneration system of top management body and management team is focused on efficiency, motivation and improvement of labor productivity and efficiency of activities with the use of elements of short-term remuneration based on the results of achieving key performance indicators (KPIs).



The system of remuneration of employees is aimed at increasing labor productivity, employee motivation and other indicators of production efficiency.

The Company strives to maintain a highly competitive wage level in the labor market in order to ensure fair wages for its employees.

In order to ensure uniform principles of employee performance management and transparency of criteria for rewarding employees, the effectiveness of all personnel is assessed on a periodic basis, except for probationary employees and female employees on maternity leave or child care.

The Company does not allow discrimination and strives to ensure equal opportunities for men and women, adhering to an equal approach to remuneration. Does not restrict the rights of employees to create or join public organizations representing their interests.

Employees of the Company may engage in any political, educational, charitable or public activity, if it does not affect the performance of official duties, and also does not cause damage to the company.

Due to certain reasons, the working conditions of employees in the Company may be changed, in terms of remuneration; labor rationing; performance of work duties; working hours and rest time; the procedure for combining professions (positions); expansion of service areas; performance of duties of a temporarily absent employee; safety and labor protection; technical, industrial and household conditions; as well as other working conditions agreed by the parties.

In such cases, the Company notifies the Company's employees in writing about changes in the working conditions of employees in accordance with the employment contract, the Labor Code of the Republic of Kazakhstan. When working conditions change, appropriate additions and changes are made to the employment contract.



In 2022, the number of *available vacancies in the Company* was 27, including 24 vacancies for administrative positions and 3 vacancies for managerial positions. *18% of vacancies were filled by internal candidates, 41% of vacancies were filled by external candidates, and 41% of vacancies were filled by candidates with last place of work in the Holding Group of companies.*

The main purpose of the selection of candidates is to contribute to achievement of strategic goals of QIC through the introduction of best practices in the field of personnel management in terms of attracting qualified candidates to fill vacant positions. Priority tasks are creation of an effective human resource management system. Personnel is considered as an important resource, and the role of professionalism of employees plays an important role in the effective work of the Company.

In accordance with the Regulations on Recruitment, Selection, Hiring and Adaptation of QIC personnel, approved by the decision of the Company's Management Board dated April 7, 2015, in case of available vacancy, an internal competition shall be primarily held among employees of the Company and its subsidiaries, as well as employees of the outsourcing sector. Then an external competition shall be announced. Information about search for external candidates is necessarily published on the Company's website, Facebook and LinkedIn, applications shall be accepted by e-mail.

Before making a decision on hiring, candidates go through the following stages of selection:

- STAGE 1** interview with the head of the Human Resources Management Department, the head of the structural unit, the supervising member of the Management Board, if necessary;
- STAGE 2** testing, which includes the following blocks:
 - test of knowledge of the law on joint-stock companies;
 - logic test;
 - field-specific test (depending on the department) and/or business case solution.
- STAGE 3** checking recommendations and track record;
- STAGE 4** making a decision.

Employees hired in 2022 at QIC, by age and gender:

Employees	total	up to 30 years old	from 30 to 50 years	older than 50 years old
Men, people.	13	3	10	0
Women, people.	14	2	9	3
Total hired employees, people.	27	5	19	3



4.1.2. Occupational health and safety

The absolute priority for the Company and its subsidiaries is to ensure occupational health and safety in strict accordance with the requirements of the legislation of the Republic of Kazakhstan, international and national standards, internal documents of the Company in this area. QIC strives to strictly comply with national and international requirements and constantly improve the level of occupational health and safety management.

In order to prevent the spread of coronavirus infection COVID-19, QIC is closely monitoring the development

of the situation. In 2022, all counteraction and prevention measures were taken to reduce the risk of morbidity among workers.

Due to improvement of the situation with COVID-19, in March 2022, mandatory social distancing with the transfer of employees to a remote mode of work was canceled.

Thanks to the coordinated work of all structural units, there were no injuries and accidents in 2022.



4.1.3. Training and education

The need for training and development of personnel in QIC depends on a number of internal and external factors, such as changes in the company's strategic and operational plans, changes in legislation and the market as a whole, the introduction of new programs, individual needs for staff development.

On June 7, 2022, the QIC approved the training and professional development plan for the Company's employees for 2022.

A total of 771 clock hours were spent on educational activities in 2022.

The total number of participants – 60 people. On average, 1 participant completed 13 hours of training.

The gender ratio of participants in development activities – 46% men and 54% women.

Among the participants of the events were 4 senior managers (including 2 women) and 22 middle managers (including 8 women).

On November 16, 2022, the training and professional development plan of the Company's employees for 2023 was approved.

4.1.4. Diversity and equal opportunities

QIC strives to provide a positive and inclusive work environment where people are valued for the skills and experience they bring to their work. Maintaining diversity and inclusivity among employees is the key to the success of the Company.

By encouraging differences and different points of view, the Company creates a wider professional experience in the company and improves the company's ability to develop innovative ideas and concepts, as well as make more informed investment decisions.

QIC prevents restricting the labour rights and freedoms of

employees or right to receive any benefits on the ground of gender, race, language, religious, political and other beliefs, citizenship, national or social origin, limited opportunities, property, family, social and official status, other circumstances unrelated to competences of employees. During the reporting period, there were no cases of discrimination on any grounds in QIC.

In its activities, QIC is guided by the principle of providing equal opportunities for all employees in hiring, remuneration, evaluation, development, access to training, promotion, dismissal.

Thus, the ratio of the base rate of remuneration of women to the base rate of remuneration of men for each category of QIC employees as of December 31, 2022:

Category of employees	women	men
Members of the Management Board	1.90	1.00
Managing Directors	1.00	1.32
Directors	1.00	1.88
Chief Managers	1.00	1.07

Remuneration of management compared to remuneration of employee as of December 31, 2022:

Indicator	Ratio
Annual total remuneration of the highest paid QIC employee/Annual remuneration of the median employee of all QIC employees, except for the highest paid employee	4.0 : 1.0
Salary of highest paid QIC employee/Salary of the median QIC employee	4.7 : 1.0



4.1.5. Labour practices

A highly professional team is an important competitive advantage of the Company. The Company strives to develop personnel motivation systems and continuing education, as well as a well-thought-out social policy.

Guided by the legislation of the Republic of Kazakhstan in the field of labor and labor relations, conventions of the International Labor Organization, the UN Global Compact, the Company adheres to the principles concerning the fundamental rights that are the subject of the Convention, in particular:



freedom of association and effective recognition of the right to collective bargaining;



abolition of all forms of forced or compulsory labor;



prohibition on use of child labor;



prevention of any form of discrimination.

The Company complies with international standards on wages, working hours and working conditions, remuneration of workers for work, social insurance, provision of paid leave, labor protection and others.

In the reporting period, there were no complaints filed against the Company for violations of labor relations practices, while in the case of such complaints, internal tools (Ombudsman and Compliance) were introduced for preliminary discussion and mediation of disputes.

4.1.6. Sponsorship and charity

During the reporting period, the Company took part in the following events:

- charitable assistance was provided to the victims of the tragic January events in the form of cash;
- "Donor Day", organized by NMH "Baiterek" JSC together with the RSE "Scientific and Production Center of Transfusiology", during which QIC employees donated blood;
- charitable assistance was provided to poor families for the Day of Knowledge by purchasing school clothes and supplies;
- on the occasion of the Day of Protection of Homeless Animals, assistance was provided to private fund for protection of homeless animals "Nika" in the form of purchase of feed and medicines for animals;
- assistance was provided in the form of funds to support the residents of the Kostanay region affected by fires;
- as part of Charity Fair "Baiterek – Open Hearts", assistance was provided in organizing a Christmas tree and buying gifts for children with disabilities;
- fairs and festive events have been organized for QIC employees for the national holiday Nauryz Meiramy and the Financier's Day.



4.1.7. Anti-corruption

Since January 1, 2022, an *Anti-Corruption Compliance Service* has been established in QIC, accountable to the Board of Directors of the Company, which is responsible for functioning of anti-corruption system in the Company. By the decision of the Company's Board of Directors, the Anti-Corruption Compliance Program for 2022 was approved, within the framework of which extensive work was carried out aimed at preventing of and early response to corruption risks, as well as improving anti-corruption tools.

Thus, in 2022, the Board of Directors of the Company approved the updated Anti-Corruption Policy of Qazaqstan Investment Corporation JSC (in accordance with the decision of the Board of Directors of the Company dated July 26, 2022, Minutes No. 15/22). The Anti-corruption Policy is posted on the official Internet resource of the Company – <https://www.qic.kz/> in order to inform clients, contractors, partners and the public about the anti-corruption standards and requirements adopted in the Company.

Special attention is paid to the formation of an anti-corruption culture, informing and raising awareness of employees and subsidiaries. Newly hired employees are required to familiarize themselves with the Company's Anti-Corruption Policy and Anti-Corruption Standards. Comprehensive training is conducted on a regular basis for employees of the Company and subsidiaries on anti-

corruption issues and compliance with the requirements of the relevant legislation of the Republic of Kazakhstan.

In the reporting period, there were no confirmed cases of corruption, public investigations, cases of criminal prosecution and measures taken against the Company and its employees due to corruption-related violations.

In addition, the Company continuously conducts anti-corruption monitoring using a wide range of information:

media materials,

reports of the Internal Audit Service and other inspection bodies,

appeals from individuals and legal entities, including those received by the hotline of Anti-Corruption Compliance Service.

In 2022, in accordance with the requirements of the legislation of the Republic of Kazakhstan and the Anti-Corruption Policy, the Company conducted an internal analysis of corruption risks. The results and recommendations based on the results of the internal analysis of corruption risks have been brought to the attention of authorized officials of the Company.

In order to identify, resolve and prevent conflicts of interest in the Company, a register of affiliated persons of Qazaqstan Investment Corporation JSC and its officials is maintained on an ongoing basis, which reduces the possibility of close relatives working together, as well as reduces the risks of conflicts of interest in the framework of the Company's core activities and procurements of goods, works and services.

The Company also has a "Know Your Customer" policy and an institute for checking counterparties for reliability, within which counterparties, potential partners and suppliers are constantly checked in order to exclude the possibility of interaction with dishonest and unscrupulous counterparties, minimize sanctions risks and conflicts of interest.



4.2. Environmental aspects of sustainable development



4.2.1. Investment activity within the framework of the environmental component

As part of the environmental component of sustainable development, QIC's activities are aimed at:

developing of direct investment infrastructure in Kazakhstan in order to promote the sustainable development of Kazakhstan;

participating in implementation of state programs in support of large industrial projects;

implementing ESG factors in all stages of the investment process – from search for project proposals to monitoring the environmental and social impact of funded projects;

attracting investments and popularizing financial instruments both in the domestic and foreign markets, realizing the importance of disclosure of non-financial information for investors.

QIC pays special attention to the implementation of *"green" projects* aimed at reducing the amount of carbon dioxide emissions into the environment, improving the welfare and quality of life of the country's population while minimizing the environmental burden and degradation of natural resources.

Investing in "green" projects directly affects the achievement of Kazakhstan's strategic goals to mitigate the effects of climate change in the region, and contributes to the inflow of foreign investment.

By the end of 2022, the QIC portfolio has a number of projects in the field of "green" energy for a total amount of financing of approved 11.1 billion KZT, with a total capacity of 67 MW:

Construction of Kengir solar power plant with a capacity of 10 MW in the Karaganda region, Zhezkazgan

Kaz Green Energy LLP has implemented a project for construction of the Kengir solar power plant, which was commissioned in January 2020.

Construction of the Baikonyr solar power plant with a capacity of 50 MW in the Kyzylorda region

The project for construction and operation of the Baikonyr solar power plant is being implemented by Baikonyr Solar LLP, a joint venture of Baiterek Venture Fund JSC (49%), and UG Energy Ltd. (51%, United Kingdom), the EBRD, ADB and CTF were partners in the project. 151,000 solar panels and 14 inverter stations are installed on the territory of 150 hectares. More than 20 people are engaged in their maintenance. The amount of energy generated is sufficient to cover the energy shortage in the regional center and neighboring districts.

Construction of the hydroelectric power plant on the Koksus River with a capacity of 7 MW in the Zhetysu region

Commissioning is expected in April 2025. The project will cover the existing shortage of electricity supply in the Zhetysu region. In this regard, the use of hydropower resources of the Koksus, Karatal, Tentek rivers and other rivers of the northern and southern slopes of the Zhetysu Alatau mountains to generate electricity through the construction of hydroelectric power plants and for supply of regulating power is very relevant. Small hydroelectric power plants can not only support the energy security of the country, but also become one of the resources for sustainable economic development.

The Company strives to increase consistently the share of "green" portfolio in the total volume of funded projects. Today, the share of "green" projects in the total portfolio of investment projects of the Company is **6.8%**.

In 2022, there was no placement of green, social or other bonds for the purpose of financing sustainable development projects and a funded project on the environment and/or social environment.



4.2.2. Rational use of resources

QIC pays special attention to environmental issues not only when considering investment projects, but also in operational activities, and strives *for rational consumption of all resources used by increasing the environmental awareness of QIC employees.*

At the same time, it should be noted that *QIC does not have its own building* and accommodation is carried out on the terms of renting premises in a Business center that meets modern standards.

The business center is built taking into account modern technologies of careful attitude to resources and provides effective layouts, panoramic windows, providing the premises with a large amount of natural lighting and climate control systems that help save heat and electricity. Work, emergency and repair lighting systems are provided. Fluorescent lighting sources are used. Stained glass glazing of the facade, taking into account the insolation, allows for saving electricity. Motion sensors are also installed in places of temporary stay to save electricity.

The use of environmentally friendly transport among employees is encouraged. Parking spaces for bicycles and electric scooters are available next to the Business Center building. This event, mainly in the summer, helps to reduce the number of employees using personal transport for trips.

In addition, the premises are equipped with various types of containers for selective garbage collection. At the same time, it should be noted that the collection and disposal of waste is carried out by the lessor.

Due to the specifics of QIC's activities, paper consumption is one of the most significant environmental impacts of the Company. In order to optimize paper document management, the Company switched to electronic document management. Today, the materials for consideration by QIC Board are sent to the Secretary of the Board through the electronic document management system. Moreover, the QIC document flow with the Sole Shareholder is carried out in paperless mode. As part of the transition to paperless operations, personnel records management has also been automated.

The volume of consumption of the Company's resources

Name	Unit of measurement	2020	2021	2022
Water consumption (CWS)	cub.m.	1,252.9	776.25	1,033.2
Thermal energy and HWS	Gcal	295.19	228.34	214.27
Electricity	kWh	273,386.53	248,299.04	268,620.46
Paper consumption	tons	0.115	1.03	1.03

4.2.3. Compliance with environmental requirements

Taking into account the specifics of its activities, in its activities, the Company is guided by the legislation of the Republic of Kazakhstan, the Charter and internal regulatory documents. Internal regulatory documents are reviewed regularly for compliance with the legislation of the Republic of Kazakhstan and best practices in the field of corporate governance, including sustainable development.

On December 23, 2022, the Company's Management Board approved the Concept of a "green" office, which contains the goals, objectives and principles of the "green" office, and includes an integrated approach to the impact of daily activities of the Company's employees on the environment.

The principles of the "green" office are based on:

REDUCE

according to this principle, a "green" office should strive to reduce the use of resources: electricity, water, heat, paper through the use of modern technologies and equipment, as well as through measures to raise awareness of employees

REUSE

according to this principle, it is necessary to switch to the use of materials made from recycled materials, such as paper, stationery

RECYCLE

according to this principle, it is necessary to dispose properly of the processed, used raw materials: sort waste, collect and deliver waste paper, properly dispose of office equipment, equipment and batteries

An Action Plan has also been developed to implement the Concept of the "green" office in the Company, which provides a number of measures aimed at environmental education and awareness of employees, resource conservation and waste management to popularize an environmentally responsible approach to conducting activities.

4.3. Climate change

QIC recognizes the importance of combating climate change and mitigating its effects. In this regard, QIC has developed an ESG risk register broken down by industry, including physical climate risks. It is planned to introduce this register into the general risk management system of the Company.

For the reporting period, the QIC investment portfolio included 3 projects in the field of "green" energy for a total amount of financing of approved 11.1 billion KZT, with a total capacity of 67 MW.



The Company plans to increase the share of "green" projects in the near future, which will contribute to the fight against climate change and mitigation of their consequences.

This report contains information on greenhouse CO₂ emissions within the Company's corporate center.

Calculation of gross greenhouse emissions in 2022, tons of CO₂ :

Scope	Emissions, tons	Source of emissions
1	33.6	from using cars to service workers and management
2	128 119	from electricity from thermal energy and water heating
3	17.2 0.96	from air travel from railway trips
Gross CO ₂ emissions	298.76	total emissions of coverage areas 1,2 and 3



5.1. Corporate governance system

5.2. Corporate governance structure

5.2.1. Sole shareholder

5.2.2. Board of Directors

5.2.3. Formation of the Board of Directors,
the process of selecting members
of the Board of Directors5.2.4. Evaluation of the activities
of the Board of Directors

5.2.5. Management Board

5.2.6. Organizational structure

5.2.7. Information on remuneration

5.2.8. Shareholders

5.2.9. Subsidiaries and affiliates

5.2.10. Information on dividends

5.2.11. Information on major transactions

5.2.12. Information policy

5.2.13. Internal control and audit

5.2.14. Interaction with stakeholders

5.

CORPORATE GOVERNANCE



5.1. Corporate governance system

The Company's corporate governance system is a set of processes that provide management and control over the Company's activities, as well as a system of relationships between the Sole Shareholder, the Board of Directors, the Management Board, other bodies of the Company and interested parties in the interests of the Sole Shareholder, as well as the Company's interaction with subsidiaries.

The Company considers corporate governance as a means of increasing the efficiency of the Company's activities, ensuring transparency and accountability, strengthening its reputation and reducing the costs of raising capital by them. The Company considers a proper corporate governance system as its contribution to ensuring the rule of law in the Republic of Kazakhstan and the factor determining the place of the Company in the modern economy and Company as a whole. The corporate governance system provides for a clear separation of powers and responsibilities between the Company's bodies, officials and employees.

The QIC Corporate Governance Code was approved by the decision of the Board of the Baiterek Holding dated January 12, 2018. The Code is a set of rules and recommendations that the Company follows in the course of its activities to ensure a high level of corporate governance in relations within the Company and with other market participants.

The Company's corporate governance is based on *the principles of fairness, honesty, responsibility, transparency, professionalism and competence*. An effective corporate governance structure implies respect for the rights and interests of all persons interested in the Company's activities and contributes to the successful operation of the Company.

The main principles of the Corporate Governance Code are:

principle of separation of powers;

principle of protecting the rights and interests of the Sole Shareholder;

principle of effective management of the Company by the Board of Directors and the Management Board;

principle of sustainable development;

principle of risk management, internal control and internal audit;

principle of regulating corporate conflicts and conflicts of interest;

principles of transparency and objectivity of disclosure of information about the Company's activities.

By decision of QIC Board of Directors in November 2021, an Action Plan for Improving the Corporate Governance System for 2021-2022 was approved, aimed at implementing the fundamental principles of the Code.

In addition, a Report on compliance with the principles of the Code is formed and approved on an annual basis, which contains the results of monitoring on proper compliance with the Code and detailed information on the activities carried out to implement its principles and provisions (attached).

In accordance with the Code, QIC is obliged to strictly comply with its provisions in their activities and conduct an assessment of corporate governance by the Internal Audit Service once every two years, as well as an independent

assessment of corporate governance with involvement of external auditors at least once every three years, the results of which are posted on the Company's Internet resource.

Thus, on January 28, 2022, QIC Board of Directors approved the audit report "Assessment of Corporate Governance System" based on the results of diagnostics of corporate governance in the Company.

The corporate governance assessment was carried out according to three main components: Structure, Processes and Transparency, and is aimed at fulfilling the criteria of the corporate governance system provided for by the methodology of corporate governance diagnostics in JSC "Qazaqstan Investment Corporation".

According to the results of diagnostics, compliance of the Company's management with the requirements of the best world practice was 88.6%, earlier by the end of 2019, the result was 77.7%.



In order to eliminate the identified findings, the Internal Audit Service issued appropriate recommendations for improving QIC corporate governance and approved an Action Plan for improving QIC corporate Governance based on the results of the audit assignment "Assessment of Corporate Governance System" in the form of a Plan of corrective and/or preventive actions for the Company based on the results of audit "Assessment of Corporate Governance System".

In accordance with the requirements of the Code, in 2022 PricewaterhouseCoopers LLP conducted an independent assessment of the Company's corporate governance system in accordance with the above methodology, as well as using the provisions and principles of recommendations of the Organization for Economic Cooperation and Development on corporate governance for organizations with state participation and best international practices in the field of corporate governance.

According to the results of the diagnostics, the assessment of compliance of the Company's management with the requirements of the best world practice amounted to 93.81% and there has been an increase since 2021:

in the "Structure" component from 83.6% to 95.83%,
in the "Processes" component from 89.1% to 91.67%,
in the "Transparency" component from 91.9% to 94.51%.

On February 21, 2023, based on the results of an independent assessment of corporate governance, the Board of Directors approved an Action Plan to improve the Corporate Governance System of Qazaqstan Investment Corporation for 2023-2025.

5.2. Corporate governance structure

The QIC corporate governance model is aimed at ensuring transparency and accountability and provides for a clear separation of powers and responsibilities between QIC bodies, officials and employees.

In accordance with the Charter, the main bodies are:

THE SOLE SHAREHOLDER
supreme governing body

BOARD OF DIRECTORS
management body

MANAGEMENT BOARD
executive body

The body exercising control over the financial and economic activities of QIC, assessment in the field of internal control, risk management, execution of documents in the field of corporate governance is

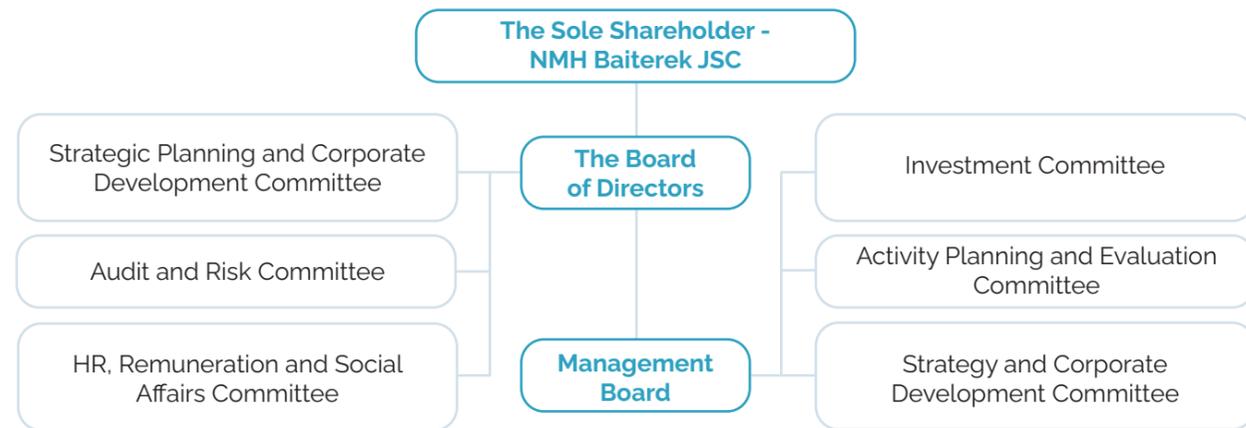
THE INTERNAL AUDIT SERVICE



In order to effectively organize the activities of the Board of Directors and interaction of the Management Board with the Sole Shareholder, the Board of Directors appoints a Corporate Secretary who is not a member of the Board of Directors or the Management Board and is accountable to the Board of Directors of QIC.

The QIC Board of Directors has committees responsible for consideration of audit and risk issues, strategic planning and corporate governance, personnel, remuneration and social issues.

To prepare advisory decisions for the Management Board in certain areas of activity, including for preparation and preliminary consideration of issues within the competence of the Management Board, committees have been established, including the Planning and Evaluation Committee, the Investment Committee, and the Strategy and Corporate Development Committee.



5.2.1. Sole shareholder

The sole shareholder of QIC is **National Managing Holding "Baiterek" JSC**, established in accordance with the Decree of the President of the Republic of Kazakhstan dated May 22, 2013 No. 571 "On certain measures to optimize the management system of development institutions, financial organizations and development of the national economy" and the Decree of the Government of the Republic of Kazakhstan dated May 25, 2013 No. 516 "On measures to implement the Decree of the President of the Republic of Kazakhstan dated May 22, 2013 No. 571".

THE MISSION

of the Baiterek Holding is sustainable development of the Republic of Kazakhstan and achievement of the goals of the Strategy 2050.

THE VISION

of Baiterek Holding is an advanced development institution that provides business support tools in accordance with the best standards and improves the standard of living of the population of the Republic of Kazakhstan.



THE KEY TASKS

that Baiterek Holding solves as part of the implementation of its mission for the sustainable development of Kazakhstan are:

- development of non-primary sectors of the economy;
- development of entrepreneurship (private sector of the economy);
- support for export of non-primary products;
- performance improvement;
- increasing the availability of financing, the level of technical equipment and intensification of production in the agro-industrial complex;
- support for urbanization of the economy.

Strategic areas of activity:

- ♦ entrepreneurship support;
- ♦ development of agro-industrial complex;
- ♦ providing the population with housing.

The sole shareholder of National Managing Holding "Baiterek" JSC is **the Government of the Republic of Kazakhstan**.



Key decisions of the Sole Shareholder in 2022:

- on reorganization of Kazyna Capital Management Joint Stock Company by joining the Kazakhstan Project Preparation Fund, QazTech Ventures;
- on election of the Chairman of the Management Board of Kazyna Capital Management Joint Stock Company;
- on determining the quantitative composition, term of office of the Board of Directors of Kazyna Capital Management Joint Stock Company, election of members of the Board of Directors of Kazyna Capital Management Joint Stock Company and determining the amount of remuneration to independent directors of Kazyna Capital Management Joint Stock Company;
- on approval of annual separate and consolidated financial statements of Kazyna Capital Management Joint Stock Company for the year ended December 31, 2021, payment of dividends on common shares based on the results of 2021, appeals of the Sole Shareholder of Kazyna Capital Management Joint Stock Company to the actions of Kazyna Capital Management Joint Stock Company and its officials, as well as the amount and composition of paid and accrued remuneration of members of the Board of Directors and Management Board of Kazyna Capital Management Joint Stock Company;
- on approval of amendments and additions to the Regulations on Board of Directors of Kazyna Capital Management Joint Stock Company;
- on approval of deeds of transfer between the Kazyna Capital Management JSC and Kazakhstan Project Preparation Fund, QazTech Ventures;
- on approval of the Annual Report of Kazyna Capital Management Joint Stock Company for 2021;
- on changing the name of Kazyna Capital Management JSC and amending the Charter of Kazyna Capital Management JSC.

5.2.2. Board of Directors

The Board of Directors is the management body of the Company, exercising general management of its activities, control over the activities of the executive body, except for issues required to be resolved by the Sole Shareholder of the Company in accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies" and/or the Charter of the Company, as well as strategic management and control over the implementation of sustainable development.

The Board of Directors carries out its activities in accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies", other regulatory legal acts of the Republic of Kazakhstan, the Charter of the Company, the Corporate Governance Code of the Company, decisions of the Sole Shareholder, the Regulations on the Board of Directors of the Company, other internal documents of the Company.

The activities of the Board of Directors are based on the principles of efficiency and responsibility, maximum observance and realization of the interests of the Sole shareholder and the Company, as well as protection of the rights of the sole shareholder.

The composition of the Company's Board of Directors consists of persons proposed (recommended) for election to the Board of Directors as representatives of the sole shareholder, individuals not proposed (not recommended) for election to the Board of Directors as a representative of the sole shareholder.

The personal composition of the Board of Directors is determined by the decision of the Sole Shareholder of the Company – Baiterek Holding.

In accordance with Regulation on the Board of Directors, the number of members of the Board of Directors must be at least three. At the same time, at least thirty per cent of the Company's Board of Directors must be independent directors.



Composition of the Company's Board of Directors



**MUKHAMEDZHANOV
ADIL
BEKTASOVICH**

Chairman of the Board of Directors of QIC, Deputy Chairman of the Management Board of the Baiterek Holding.

Adil Mukhamedzhanov (born in 1981) graduated from the T.Ryskulov Kazakh University of Economics with the qualification "economist", the University of Nottingham (Great Britain), the Business School Chicago Booth, EMBA program.

He has more than 19 years of experience in the field of corporate governance. He started his career in October 2003 as a specialist in the Project Management Department at KazTransOil CJSC. In the period from March 2004 to March 2016, he worked at Caspian Energy Inc. PLS Toronto, Canada, in CJSC Aral Petroleum Capital as a financial manager, Vice President, and was also a member of the Board of Directors of the company. From September 2010 to December 2011 - Chairman of the Management Board of "Otan" Pensions Saving Fund. From May 2008 to May 2016 - Member of the Board of Directors of AsiaCreditBank JSC. From September 2016 to May 2021 - Chairman of the Management Board of Kazakhstan Housing Company JSC. In May 2021, by the decision of the Board of Directors, he was appointed as Deputy Chairman of the Management Board of National Managing Holding Baiterek JSC.

Combined job and membership in the BD/SB:

Member of the Board of Directors of Development Bank of Kazakhstan JSC (from 16.06.2021), Member of the Board of Directors of "EDF "Damu" JSC (from 16.06.2021), Member of the Board of Directors of EIC "KazakhExport" JSC (from 16.06.2021).

Ownership of QIC shares and its subsidiaries:

does not own.

Citizenship – the Republic of Kazakhstan.



**SON
VYACHESLAV
VLADIMIROVICH**

Member of the Board of Directors of QIC, re-elected on April 22, 2022, Managing Director of Baiterek Holding, member of HR, Remuneration and Social Affairs Committee, Audit and Risk Committee and the Strategic Planning and Corporate Development Committee.

Vyacheslav Son (born in 1982) graduated from Kazakh Humanitarian Law University (Jurisprudence), the Modern Humanitarian University (Linguistics), as well as the University of International Business (MBA, Finance and Credit).

He has an extensive experience in the quasi-public sector, in the field of corporate governance:

From 2002 to 2009 – Lawyer, Chief Lawyer, Head of the Legal Department, Director of the Legal Department of Development Bank of Kazakhstan JSC;

From 2009 to 2011 – Managing Director for Administrative and Legal Work of National Mining Company "Tau-Ken Samruk" JSC;

in 2011 – 2012 – Managing Director for Project Development of National Mining Company "Tau-Ken Samruk" JSC;

From 2012 to 2013 – Chief of Staff, Deputy General Director of the Republican State Enterprise "Kazspetsexport" of the Ministry of Defense of the Republic of Kazakhstan;

From 2013 to 2016 – Director of the Audit and Control Department of National Managing Holding "Baiterek" JSC;

From January 2017 to the present day – Managing Director of National Managing Holding "Baiterek" JSC.

Combined job and membership in the BD:

Member of the Board of Directors of Kazakhstan Housing Company JSC (since February 16, 2022), Member of the Board of Directors of Agrarian Credit Corporation JSC (since February 23, 2022).

Ownership of QIC shares and its subsidiaries:

does not own.

Citizenship – the Republic of Kazakhstan.



**NICHOLAS
ROBERT
PAGE**

Member of the Board of Directors of QIC, an independent director, re-elected on April 22, 2022, Chairman of Audit and Risk Committee and Strategic Planning and Corporate Development Committee, as well as a member of HR, Remuneration and Social Affairs Committee.

Nicholas Page (born in 1968) graduated with honors from Loughborough University in 1990 with a degree in Civil Engineering and is a member of the Institute of Chartered Accountants in England and Wales (ICAEW).

Mr. Page has 30 years of professional experience in international finance and mergers and acquisitions. From the start of 2020 until mid-2022 Mr. Page was the CFO of Arabesque, the company is engaged in implementation of sustainable development practices and artificial intelligence in asset and data management. In 2016-2019, he was a partner of PricewaterhouseCoopers LLP in the UK, where he advised financial institutions and private investors on mergers and acquisitions, and also held a number of senior positions. Mr. Page was a non-executive Director of the Boards of Directors of EuroChem Group AG and SUEK Group. From 1990 to 2016 he worked at PricewaterhouseCoopers, an equity analyst at BNP Paribas, CEO at AIM Capital SE and Independent Director of EuroChem Group AG and SUEK Group.

Combined job and membership in the BD/SB:
Non-Executive Director of ESG Book GmbH (2022 - present day).

Ownership of QIC shares and its subsidiaries:
does not own.

Citizenship – Great Britain.



**USHBAYEV
ANUAR
DANIYAROVICH**

Member of the Board of Directors of QIC, independent Director from October 22, 2020 to April 21, 2022, Chairman of HR, Remuneration and Social Affairs Committee, Member of Audit and Risk Committee and Strategic Planning and Corporate Development Committee.

Anuar Ushbayev (born in 1988) has a Bachelor's degree in Economics, the University of Warwick, master's degree in applied mathematics and finance, Imperial College London, has extensive experience in investment banking, capital markets and investment management in Europe and the countries of the Eurasian continent, specialist in exchange and private investment, corporate support financial transactions, macroeconomic policy.

He has considerable experience in negotiating and structuring transactions to attract equity and debt capital, mergers and acquisitions in Société Générale CIB in the UK and France. Previously, at Société Générale CIB, Anuar Ushbayev focused on development of complex structured asset and liability management solutions for institutional clients (banks, insurance companies, pension funds), as well as corporate clients, mainly from developing countries. He worked on development of trading strategies and investment decisions based on statistical arbitrage, using derivatives and algorithmic trading in the Systematic Alpha Trading group at Goldman Sachs in London.

Combined job and membership in the BD/SB:
a member of the Board of Directors of Tengri Partners Investment Banking (Kazakhstan) JSC (from 29.03.2021), member of the Board of Directors of Baiterek Venture Fund JSC (from 28.10.2021), member of the Board of Directors of Leasing Group JSC (from 09.11.2020), Chairman of the Management Board, member of the Board Directors, Tengri Partners Investment Banking JSC (Kazakhstan)" (21.12.2018 – 26.03.2021).

Ownership of QIC shares and its subsidiaries:
does not own.

Citizenship – the Republic of Kazakhstan.



**KANDYKBAYEV
SERIK
ABILDASHEVICH**

Member of the Board of Directors of QIC, an independent director since April 22, 2022, Chairman of HR, Remuneration and Social Affairs Committee, Member of Audit and Risk Committee and Strategic Planning and Corporate Development Committee.

Serik Kandykbayev (born in 1972) Graduated from Karaganda Metallurgical Institute in 1996 with the qualification of "engineer-economist", in 2012, he took advanced training courses in "Project Management", "Company management: strategy, finance, performance" at the Ernst& Young Business Academy and in 2021 vocational training "Digital transformation" of University of Virginia, "Private Equity and Venture Capital" of Bocconi University, "Agile and Scrum in work on projects and products" of National Research Tomsk State University.

He has more than 9 years of experience in commercial banks and 12 years of experience in private equity funds, investment and financial consulting.

Over the years, he held senior positions in Alfa Bank Kazakhstan, Kazakh Institute of Oil and Gas, Integris Capital, Samruk Kazyna Invest.

Combined job and membership in the BD/SB:
Director of the branch of NC "KTZh" JSC - "Business Transformation Center". He is not a member of the Board of Directors of other organizations.

Ownership of QIC shares and its subsidiaries:
does not own.

Citizenship – the Republic of Kazakhstan.



**KUATOVA
AINUR
SAINOVNA**

Member of the Board of Directors, Chairman of the Management Board of QIC since January 6, 2020.

Ainur Kuatova (born in 1973) holds a Master's degree in Business Administration from Middlesex University and a Bachelor's degree in Economics from the Kazakh State Academy of Management.

Prior to her appointment to QIC, since 2016 she held the position of Managing Director – member of the Management Board of the Baiterek Holding, supervised issues of project financing, public-private partnership, export support and work with investors.

She has more than 20 years of experience in public service and corporate governance.

From 2012 to 2015, she held the positions of Deputy Chairman of the Management Board for Strategy and Business Transformation of "NAC "Kazatomprom" JSC and Deputy Chairman of the Management Board of "NC "Astana EXPO-2017" JSC.

Over the years, she held senior positions in the companies of JSC Lancaster Invest, JSC KMK Munai, and JSC Karpovsky Severny. She worked in the civil service as the head of the Department of the Ministry of Energy and Mineral Resources of the Republic of Kazakhstan and Adviser to the Minister of Environment and Water Resources of the Republic of Kazakhstan.

Combined job and membership in the BD/SB:
a member of the Supervisory Board of Kazakhstan Project Preparation Fund LLP (from 25.12.2020 – 27.01.2022).

Ownership of QIC shares and its subsidiaries:
does not own.

Citizenship – the Republic of Kazakhstan.

Changes in composition of the Board of Directors in 2022

On April 15, 2022, the Sole Shareholder of the Company decided to determine the quantitative composition of the Board of Directors of the Company – 5 (five) people and the term of office of the Board of Directors of the Company – 3 (three) years:

- 1) Mukhamedzhanov Adil Bektasovich, as a representative of the Sole Shareholder;
- 2) Vyacheslav Vladimirovich Son, as a representative of the Sole Shareholder;
- 3) Nicholas Robert Page, as an independent director;
- 4) Serik Abildashevich Kandykbayev, as an independent director;
- 5) Kvatova Ainur Sainovna, Chairman of the Management Board of the Company.

Along with this, the said decision recommended that the members of the Board of Directors of the Company elect Mukhamedzhanov Adil Bektasovich as the Chairman of the Board of Directors of QIC.

On May 6, 2022, by the decision of the Board of Directors of the Company, Mukhamedzhanov Adil Bektasovich was elected as Chairman of the Board of Directors of QIC with a term of office until the expiration of the term of office of the Board of Directors of QIC.

Composition of the Board of Directors	as of 01.01.2022	as of 31.12.2022
Chairman of the Board of Directors of the Company, Deputy Chairman of the Management Board of the Holding	Mukhamedzhanov Adil Bektasovich	Mukhamedzhanov Adil Bektasovich
Member of the Board of Directors of the Company, Managing Director of the Holding	Son Vyacheslav Vladimirovich	Son Vyacheslav Vladimirovich
Member of the Board of Directors of the Company, Independent Director	Nicholas Robert Page	Nicholas Robert Page
Member of the Board of Directors of the Company, Independent Director	Ushbayev Anuar Daniyarovich	Kandykbayev Serik Abildashevich
Member of the Board of Directors of the Company, Chairman of the Management Board of the Company	Kvatova Ainur Sainovna	Kvatova Ainur Sainovna

Information on independent directors

According to the best global corporate governance practice and the requirements of the Law of the Republic of Kazakhstan "On Joint Stock Companies", it is necessary to have independent directors who are a guarantee that the Board of Directors makes objective decisions. Their number should be at least thirty per cent of the Board of Directors.

On April 15, 2022, by the decision of the Board of the Baiterek Holding, independent directors Nicholas Page and Serik Kandykbayev were included in the Company's Board of Directors since April 22, 2022, they met the requirements of the Law of the Republic of Kazakhstan "On Joint Stock Companies", the Company's Charter and the QIC Corporate Governance Code.

During 2022, the following independent directors served on the Company's Board of Directors:

1. *Nicholas Page;*
2. *Anuar Ushbayev (until April 21, 2022);*
3. *Serik Kandykbayev (since April 22, 2022).*

Information on meetings of the Board of Directors

In 2022, 11 full-time and 8 absentee meetings of the Board of Directors were held, among the most important decisions taken:



1. on placement (sale), including the number of ordinary shares of Kazyna Capital Management Joint Stock Company to be placed (sold) within the number of declared ordinary shares, the method and price of their placement;
2. on approval of the audit report "Assessment of Corporate Governance System" based on the results of the corporate governance diagnostics in Kazyna Capital Management Joint Stock Company;
3. on approval of audit report on the results of the audit of information technologies and information security in Kazyna Capital Management Joint Stock Company;
4. on approval of amendments to Development Strategy of Kazyna Capital Management Joint Stock Company for 2014-2023;
5. on reorganization of Kazakhstan Project Preparation Fund JSC, QazTech Ventures JSC by Kazakhstan Project Preparation Fund JSC, QazTech Ventures JSC to Kazyna Capital Management JSC and submitting the issue of reorganization of Kazyna Capital Management JSC by joining Kazakhstan Project Preparation Fund JSC, QazTech Ventures JSC for consideration by the sole shareholder of Kazyna Capital Management JSC;
6. on election of the Chairman of the Board of Directors of Kazyna Capital Management Joint Stock Company;
7. on conclusion of transactions in which Kazyna Capital Management Joint Stock Company has an interest;
8. on early termination of the powers of the Ombudsman, the appointment of the Ombudsman of the Kazyna Capital Management Joint Stock Company and determination of the term of his powers.

According to the approved Work Plan of the Board of Directors for 2022, 69 issues were scheduled to be considered in the reporting period.

61 issues were considered out of the Work Plan of the Company's Board of Directors, 8 issues were not considered:

the issues "On preliminary consideration of election of the Chairman of the Management Board of Kazyna Capital Management Joint Stock Company" and "On the approval of the Action Plan for 2022 for Timely Closure of Private Equity Funds of Kazyna Capital Management Joint Stock Company with expired life terms (taking into account actual extensions)" were not considered due to the fact that the consideration of these issues are not within the competence of the Company's Board of Directors (the basis - in accordance with clause 12.1.9 of the Company's Charter, internal note from the Portfolio Funds Department);

issues "On election of the Chairman of the Board of QazTech Ventures JSC and "On the approval of annual report of QazTech Ventures JSC for 2021" were not considered in connection with

the accession of JSC "QazTech Ventures" and JSC "Kazakhstan Project Preparation Fund" to the Company (the basis - decision of the Board of the Holding "Baiterek" dated June 22 2022, Internal Note from the Managing Director of the Company's Portfolio Funds No. 3251 dated July 26, 2022);

the issues "On approval of the report of Compliance Service of Kazyna Capital Management Joint Stock Company for 1st quarter of 2022" and "On approval of report on the performance of key performance indicators of Compliance Controller of the Compliance Service of Kazyna Capital Management Joint Stock Company for the 1st quarter of 2022" were not considered due to lack of the head of the ACS in the 1st quarter 2022 and lack of the ACS program for 2022 (the basis - internal note memo from ACS No. 3274 dated July 26, 2022);

issues "On approval of the report on implementation of Development Plan of Kazyna Capital Management Joint Stock Company for 2019-2023 for 9 months of 2022" and "On approval of adjustment of Development Plan of Kazyna Capital Management Joint Stock Company for 2019-2023", in part 2023 were not considered in connection with updating of the Rules for development, coordination on September 8, 2022, approval, adjustment of the execution and monitoring of the Company's amended Development Plan, which excludes the provision of reports on implementation of the Development Plan for the 1st (first) and 3rd (third) quarters and submission of these reports to the Board of Directors of the Company.

In addition, on September 7, 2022, the Committee on Planning and Evaluation of the Activities of Baiterek Holding Joint Stock Company decided to refrain from adjusting the Development Plans of subsidiaries in terms of the indicators of 2023.

Statistics of attendance by members of the Board of Directors of in-person meetings of the Board of Directors of the Company in 2022

Full name Member of the Board of Directors	Number of participants in meetings/number of physical meetings	%
Mukhamedzhanov A.B.	11/11	100%
Son V.V.	10/11	91%
Page N.R.	11/11	100%
Ushbayev A.D.	4/4	100%
Kandykbayev S.A.	7/7	100%
Kuatova A.S.	11/11	100%

COMMITTEES OF THE BOARD OF DIRECTORS

The Committees are permanent advisory bodies of the Board of Directors of the Company, which are formed by decision of the Board of Directors. In their activities, the Committees are fully accountable to the Board of Directors of the Company and act within the powers granted to them by the Board of Directors of the Company and regulated by the relevant Regulations.

To consider the most important issues and prepare recommendations for the Board of Directors, the Company has established the following committees:

Audit and Risk Committee;

HR, Remuneration and Social Affairs Committee;

Strategic Planning and Corporate Development Committee.



AUDIT AND RISK COMMITTEE

In accordance with the Regulations on the Audit and Risk Committee, the main purpose of the activities of the Audit and Risk Committee is to create a system of measures for organization of internal control of functioning of all divisions of the Company and to develop appropriate recommendations for the Board of Directors of the Company, to assist the Board of Directors in implementation of its regulatory and supervisory functions in the field of control over the availability and functioning of an adequate risk management system, as well as improving and strengthening the risk management system and their analysis.

According to the Regulations on Audit and Risk Committee, the quantitative composition of the Committee is at least 3 people. The Chairman of the Audit Committee is elected from among its members. The Chairman of the Management Board shall not perform the duties of the Chairman

of the Audit Committee.

Director who is not independent may be elected to the Committee if the Board of Directors exceptionally decides that the membership of this person in the Audit Committee is necessary in the interests of the Sole Shareholder and/or the Company.

The Audit and Risk Committee shall have at least one member with in-depth knowledge in the field of accounting and reporting and/or finance and/or audit.

The activities of Audit and Risk Committee are aimed at assisting the Board of Directors in external and internal audit, financial reporting, internal control and risk management, compliance with legislation, as well as other issues at the instruction of the Board of Directors.



Composition of the Audit and Risk Committee

Audit and Risk Committee	as of 01.01.2022	as of 31.12.2022
Chairman of the Committee	Page N.R.	Page N.R.
Member of the Committee	Ushbayev A.D.	Kandykbayev S.A.
Member of the Committee	Son V.V.	Son V.V.

In 2022, 9 meetings of the Audit and Risk Committee were held, at which 45 issues were considered, including:

on preliminary consideration of the issue of approval of audit report "Assessment of the corporate governance system" based on the results of diagnostics of corporate governance in Kazyna Capital Management Joint Stock Company;

on preliminary consideration of the issue of concluding a transaction on the sale of bonds issued by Baiterek Venture Fund JSC, in which Kazyna Capital Management JSC has an interest;

on preliminary consideration of the issue "On approval of audit report on results of audit of information technologies and information security in Kazyna Capital Management Joint Stock Company;

on preliminary consideration of Risk Report of Kazyna Capital Management Joint Stock Company for 3rd quarter of 2022;

on preliminary consideration of Action Plan for Improving Corporate Governance of Kazyna Capital Management Joint Stock Company based on the results of audit assignment "Assessment of Corporate Governance System";

on preliminary review of matrix of business processes, risks and controls of Kazyna Capital Management Joint Stock Company for 2023;

preliminary review of QIC risk reports;

on consideration of report on activities of the Ombudsman of Kazyna Capital Management Joint Stock Company for 2021;

review of regular reports on activities of QIC Internal Audit Service.

on preliminary consideration of reports on activities of Anti-Corruption Compliance Service of Kazyna Capital Management Joint Stock Company;

Participation in meetings of members of the Audit and Risk Committee in 2022⁵

Members of the Committee	Nº1/22 28.01	Nº2/22 24.02	Nº3/22 16.03	Nº4/22 20.04	Nº5/22 30.05	Nº6/22 21.07	Nº7/22 07.09	Nº8/22 09.11	Nº9/22 13.12
Page N.R.	+	+	+	+	+	+	+	+	+
Ushbayev A.D.	+	+	+	+					
Kandykbayev S.A.					+	+	+	+	+
Son V.V.	+	+	+	+	+	+	+	-	+

⁵ - (+) participated in person, (-) was absent, empty cell – is not a member of the Committee



HR, REMUNERATION AND SOCIAL ISSUES COMMITTEE

The main purpose of HR, Remuneration and Social Affairs Committee is to develop objective recommendations for Company's Board of Directors on criteria for selection and compliance of persons on the Company's Management Board, evaluation of the work and remuneration of persons on the Board of Directors, the Management Board, persons accountable to the Board of Directors, as well as on the basic principles of the Company's policy in the field of personnel, motivation, remuneration and social issues.

Composition of the HR, Remuneration and Social Affairs Committee

HR, Remuneration and Social Issues Committee	as of 01.01.2022	as of 31.12.2022
Chairman of the Committee	Ushbayev A.D.	Kandykbayev S.A.
Member of the Committee	Page N.R.	Page N.R.
Member of the Committee	Son V.V.	Son V.V.

In 2022, 10 physical meetings of the Committee were held, at which 28 issues were considered, including:

on preliminary consideration of the issue of evaluating the activities of the Board of Directors of Kazyna Capital Management Joint Stock Company and its committees for 2021;

on preliminary consideration of the issue of early termination of powers of members of the Board of Directors of QazTech Ventures JSC, on determining the quantitative composition of the Board of Directors of QazTech Ventures JSC;

on preliminary consideration of appointment of the Ombudsman of Kazyna Capital Management Joint Stock Company and determination of the term of his/her powers;

on preliminary consideration of the issue of determining the quantitative composition, term of office, election of members of the Management Board of the Kazyna Capital Management Joint-stock Company, except for Chairman of the Management Board of the Kazyna Capital Management Joint-stock Company;

on consideration of regular reports on achievement of KPI of the corporate Secretary of QIC;

on preliminary consideration of the issue of approval of an addendum to the List of documents regulating the internal activities of Kazyna Capital Management Joint Stock Company, subject to approval/consideration by the Board of Directors;

on preliminary consideration of the issue of early termination of powers of member of the Board of Directors of Baiterek Venture Fund JSC and election of member of Board of Directors of Baiterek Venture Fund JSC.

Participation in meetings of members The HR, Remuneration and Social Affairs Committee in 2022⁶

Members of the Committee	Nº1/22 28.01	Nº2/22 24.02	Nº3/22 16.03	Nº4/22 20.04	Nº5/22 30.05	Nº6/22 21.07	Nº7/22 07.09	Nº8/22 09.11	Nº9/22 13.12
Ushbayev A.D.	+	+	+						
Kandykbayev S.A.				+	+	+	+	+	+
Page N.R.	+	+	+	+	+	+	+	+	+
Son V.V.	+	+	+	+	+	+	+	-	+

⁶ - (+) participated in person, (-) was absent, empty cell – is not a member of the Committee



STRATEGIC PLANNING AND CORPORATE DEVELOPMENT COMMITTEE

The main purpose of the Strategic Planning Committee is to prepare recommendations for the Board of Directors on development of strategic goals (development strategy) of the Company, including issues related to the development of measures that contribute to improving the efficiency of the Company's activities in the medium and long term.

Composition of Strategic Planning and Corporate Development Committee	as of 01.01.2022	as of 31.12.2022
Chairman of the Committee	Ushbayev A.D.	Page N.R.
Member of the Committee	Page N.R.	Kandykbayev S.A.
Member of the Committee	Son V.V.	Son V.V.

In 2022, 9 meetings of Strategic Planning and Corporate Development Committee were held and 35 issues were considered, including:

on preliminary consideration of the issue of approval of an addendum to the List of documents regulating the internal activities of Kazyna Capital Management Joint Stock Company, subject to approval/consideration by the Board of Directors;

on preliminary consideration of Report on the Implementation of 2021-2022 Action Plan for Improving the Corporate Governance System of Kazyna Capital Management Joint Stock Company for 2021;

on preliminary consideration of amended Regulations on the Board of Directors of Baiterek Venture Fund JSC;

on preliminary consideration of issue of approving amendments to the Development Strategy of Kazyna Capital Management Joint Stock Company for 2014-2023;

on approval of work plan of Strategic Planning and Corporate Development Committee of the Board of Directors of Kazyna Capital Management Joint Stock Company for 2022;

on preliminary consideration of the issue of approval of amendments to the List of documents regulating the internal activities of QazTech Ventures JSC, subject to approval by the sole shareholder of QazTech Ventures Joint Stock Company and amendments to the decision of the Board of Directors of Kazyna Capital Management Joint Stock Company dated December 9, 2020 (Minutes No. 15/20) on the issue "On approval of Procedure for determining the amount of dividends paid by Subsidiaries of Kazyna Capital Management Joint Stock Company";

on preliminary consideration of amendments and additions to the Investment Policy of Kazyna Capital Management Joint Stock Company;

on preliminary consideration of the issue of reorganization of Kazakhstan Project Preparation Fund, QazTech Ventures by joining Kazakhstan Project Preparation Fund, QazTech Ventures to Kazyna Capital Management JSC and submitting the issue of reorganization of Kazyna Capital Management JSC by joining Kazakhstan Project Preparation Fund JSC, QazTech Ventures JSC for consideration by the sole shareholder of Kazyna Capital Management JSC

on preliminary consideration of amendments to the Charter of QazTech Ventures JSC;

on preliminary consideration of transfer of private equity funds Kazakhstan Infrastructure Fund C.V., DBK Equity Fund C.V., KCM Sustainable Development Fund I C.V. from a foreign jurisdiction to Astana International Financial Center and making a decision on the participation of BV Management Limited Liability Partnership in a legal entity;

on preliminary changes to the Program of soft financing of Kazyna Capital Management JSC and/or its subsidiaries, including private equity funds.



Participation in meetings of members of the Strategic Planning and Corporate Development Committee in 2022⁷

Page N.R.

№1/22	№2/22	№3/22	№4/22	№5/22	№6/22	№7/22	№8/22	№9/22
28.01	24.02	16.03	20.04	30.05	21.07	07.09	09.11	13.12
+	+	+	+	+	+	+	+	+

Ushbayev A.D.

№1/22	№2/22	№3/22	№4/22	№5/22	№6/22	№7/22	№8/22	№9/22
28.01	24.02	16.03	20.04	30.05	21.07	07.09	09.11	13.12
+	+	+						

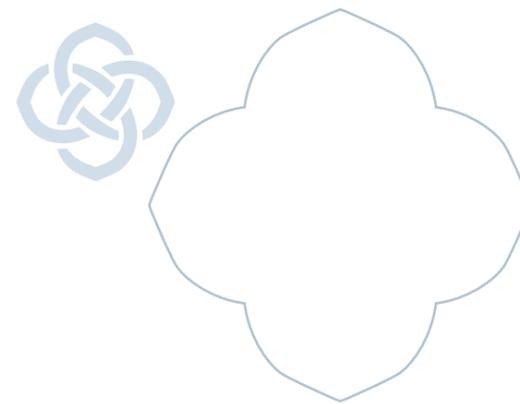
Kandykbayev S.A.

№1/22	№2/22	№3/22	№4/22	№5/22	№6/22	№7/22	№8/22	№9/22
28.01	24.02	16.03	20.04	30.05	21.07	07.09	09.11	13.12
			+	+	+	+	+	+

Son V.V.

№1/22	№2/22	№3/22	№4/22	№5/22	№6/22	№7/22	№8/22	№9/22
28.01	24.02	16.03	20.04	30.05	21.07	07.09	09.11	13.12
+	+	+	+	+	+	+	-	+

⁷ - (+) participated in person, (-) was absent, empty cell - is not a member of the Committee



5.2.3. Formation of the Board of Directors, the process of selecting members of the Board of Directors

The personal and quantitative composition of the Board of Directors is determined by the decision of the Sole Shareholder. Formation of the Board of Directors and selection of members of the Board of Directors, including independent directors, is carried out in accordance with the Law, the Charter, QIC Corporate Governance Code, Regulations on QIC Board of Directors.

BOARD OF DIRECTORS

As of December 31, 2022, the Board of Directors consisted of 5 members - the Chairman of the Board of Directors, representative of the Sole Shareholder, representative of QIC and 2 independent directors.



5.2.4. Evaluation of the activities of the Board of Directors

On December 15, 2022, the Board of Directors of the Company made a decision (Minutes No. 19/22) to assess the activities of the Board of Directors of the Company and its committees, as well as the activities of the members of the Board of Directors of the Company for 2022 on their own, by means of a questionnaire.

Based on the results of questionnaire on a four-point rating system, the strengths of the Board of Directors and its committees were identified, as well as areas for improving the activities of the Board of Directors and its committees, noted by the members of the Board of Directors.

Strengths of the Board of Directors (based on questionnaire questions with an average score of more than 3.7 points):

- The Board of Directors pays enough attention and, when making decisions, focuses on achieving the set goals and protecting the interests of the Company and its Sole Shareholder;
- members of the Board of Directors disclose information about their interest in transactions and abstain from voting in such cases;
- The Board of Directors performs its duties well, such as assessing the work of the first head and members of the executive body (whether the Board of Directors determined the main indicators of the Company's profitability in order to assess the effectiveness of the executive body on this basis);
- The Board of Directors has all the necessary tools for proper control over the financial and economic activities of the Company;
- members of the Board of Directors receive properly prepared materials on the agenda of the meeting of the Board of Directors;
- The Board of Directors regularly monitors and evaluates the progress of strategic objectives, execution and approval of plans, budget and efficiency of the Company's activities;
- the numerical composition of the Board of Directors meets the needs of the Company;
- The Board of Directors and the executive body pay full attention to the main risks that may have a significant impact on the Company's activities;
- effective management by Chairman of the Board of Directors;
- The Board of Directors has sufficient time and information to make informed important decisions regarding future goals, strategy, policy, major investment projects, appointments to senior management positions, etc.;
- composition of the Board of Directors (in terms of knowledge and experience of its members) allows the latter to perform the duties of exercising control and developing the Company's strategy;
- The Board of Directors has all the necessary skills and knowledge, as well as a variety of opinions and approaches;
- effective joint work of the members of the Board of Directors. The Board of Directors is effective as a collegial body and the expression of dissenting opinions by directors is encouraged;
- meetings of the Board of Directors are held in such a way as to ensure an open exchange of views, active participation of members of the Board of Directors and timely resolution of issues;
- meetings of the Board of Directors are held in accordance with the Work Plan of the Board of Directors;
- Reports during meetings of the Board of Directors provide sufficiently clear information for making informed decisions.
- Members of the Board of Directors devote sufficient time to studying the Company's activities and its specifics in order to effectively perform their control functions;

Aspects in the activities of the Board of Directors to enhance (based on questionnaire questions with an average score of less than 3.5 points):

at the meetings of the Board of Directors, sufficient time is given to discuss each issue;

presentation of any form of protection to the members of the Board of Directors of the Company in case of liability of the members of the Board of Directors;

participation of the Chairman of the Board of Directors in the process of taking office and adaptation of newly elected members of the Board of Directors.

In general, almost all the results of assessment of the activities of the Board of Directors have improved compared to 2021.

Special improvements were observed in the following:

- ◆ The Board of Directors pays enough attention and, when making decisions, focuses on achieving the set goals and protecting the interests of the Company and its Sole Shareholder;
- ◆ regular monitoring and evaluation by the Board of Directors of the progress of strategic objectives, execution and approval of plans, budget and efficiency of the Company's activities;
- ◆ The Board of Directors has sufficient time and information to make informed important decisions regarding future goals, strategy, policy, major investment projects, appointments to senior management positions, etc.;
- ◆ The Board of Directors and executive body pay special attention to the main risks that may have a significant impact on the Company's activities;
- ◆ the numerical composition of the Board of Directors meets the needs of the Company;
- ◆ meetings of the Board of Directors are held in such a way as to ensure an open exchange of views, active participation of members of the Board of Directors and timely resolution of issues;
- ◆ The Board of Directors has all the necessary skills and knowledge, as well as a variety of opinions and approaches.



During the period under review, the Company has achieved success in development of corporate governance system, work plans of the Board of Directors and Committees for the year are drawn up, approved and executed in a timely manner.

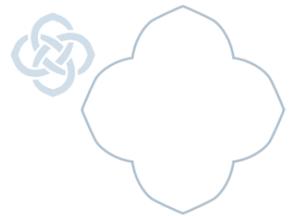
The Company has strengthened the role of the Board of Directors in making key decisions: determining the Company's Strategy, investment and budget planning, establishing a system of motivation and evaluation of management activities, as well as supervision of the Company's assets and reliability and effectiveness of risk management systems, internal control, internal audit and corporate governance systems. The provisions of internal regulatory documents on deadlines for submission of materials to members of the Board of Directors are observed, the instructions of the Board of Directors are executed, the minutes of the Board of Directors and committees are signed in a timely manner.



5.2.5. Management Board

The management of current activities is carried out by a collegial executive body - the Management Board, headed by the Chairman of the Management Board.

The Management Board of QIC Joint Stock Company consists of 5 members. The members of the Management Board, except for Chairman of the Management Board of QIC, are elected by the Board of Directors of QIC. The Chairman of QIC Management Board is elected by the Sole Shareholder. When selecting representatives to the executive body, work experience is taken into account, including in senior positions at financial and other organizations similar in profile to QIC, education, high professional and personal qualities and other parameters that allow strengthening the role of the QIC Board.



Composition of the Company's Management Board

Kuatova Ainur Sainovna
Makanalina Gulnara Sabitovna
Zholat Yerbolat Bauyrzhanuly
Meirkhanov Ruslan Talgatovich

Zhaksymbai Aitugan Akhmetuly
Kabdrakhmanov Yerlan Dulanovich

- Chairperson of the Management Board;
- Deputy Chairperson of the Management Board;
- Deputy Chairman of the Management Board;
- Deputy Chairperson of the Management Board, powers terminated from May 4, 2022;
- Deputy Chairman of the Management Board from May 11, 2022;
- Managing Director, member of the Management Board, powers terminated on February 1, 2022.



**KUATOVA
AINUR
SAINOVNA**

Chairperson of the Management Board, Member of the Board of Directors of QIC from January 6, 2020.

Ainur Kuatova (born in 1973) holds a Master's degree in Business Administration from Middlesex University and a Bachelor's degree in Economics from the Kazakh State Academy of Management.

Prior to her appointment to QIC, since 2016 she held the position of Managing Director – member of the Management Board of the Baiterek Holding, supervised issues of project financing, public-private partnership, export support and work with investors. She has more than 20 years of experience in public service and corporate governance. From 2012 to 2015, she held the positions of Deputy Chairman of the Management Board for Strategy and Business Transformation of "NAC "Kazatomprom" JSC and Deputy Chairman of the Management Board of "NC "Astana EXPO-2017" JSC.

Over the years, she held senior positions in the companies of JSC Lancaster Invest, JSC KMK Munai, JSC Karpovsky Severny. She worked in the civil service as the head of the Department of the Ministry of Energy and Mineral Resources of the Republic of Kazakhstan and Adviser to the Minister of Environment and Water Resources of the Republic of Kazakhstan.

Combined job:
there is no combined job.

Ownership of shares of the Company and its subsidiaries:
does not own.

Participation in the work of the Committee under the Board of Directors:
does not participate.

Functional duties, powers:
The rights and duties of the members of the Management Board are determined by the legislative acts of the Republic of Kazakhstan, the Charter of the Company, the Regulations on Management Board of Joint Stock Company, as well as the employment contract concluded with the Company.

Citizenship – the Republic of Kazakhstan.



**MAKANALINA
GULNARA
SABITOVNA**

Deputy Chairperson of the Management Board of QIC from August 13, 2020.

Gulnara Makanalina (born in 1978) graduated from A. Baitursynov KSU in 1999 with a degree in Physics, and in 2001 with a degree in Economics and Management.

In 2006, she graduated from Al-Farabi Kazakh National University (Almaty), majoring in Mathematical Modeling, Numerical Methods and Software Packages, with degree of Candidate of Physical and Mathematical Sciences. From 2007 to 2014, she was engaged in risk management in the field of investment management of pension assets. Prior to her current position, since 2015 she held the position of Director of the Treasury Department at the Baiterek Holding. In 2020, she received a Master of Business Administration degree – Executive Master of Business Administration at M.V. Lomonosov Moscow State University (Moscow).

She has more than 13 years of experience in treasury, corporate finance and risk management. Awards: Public medal of Association of Financiers of Kazakhstan "The best financier", 2013. Departmental award of the Ministry of Finance of the Republic of Kazakhstan "Outstanding worker of Financial Service", 2019.

Combined job:
there is no combined job.

Ownership of shares of the Company and its subsidiaries:
does not own.

Participation in the work of the Committee under the Board of Directors:
does not participate.

Functional duties, powers:
The rights and duties of members of the Management Board are determined by the legislative acts of the Republic of Kazakhstan, the Charter of the Company, the Regulations on Management Board of Joint Stock Company, as well as the employment contract concluded with the Company.



**ZHOLAT
YERBOLAT
BAUYRZHANULY**

Deputy Chairman of the Board of QIC from January 5, 2022.

Yerbolat Zholat (born in 1981) graduated from S.Toraighyrov Pavlodar State University in 2002 with a degree in Law, in 2016 from Karaganda Economic University of Kazpotreboysyuz with a degree in Economics and Business.

In 2020, he received the degree of Master of Business Administration from Almaty Management University (Almaty city) and qualification of Master of Business Administration – Master of Business Administration at St. Petersburg State University. Candidate of Legal Sciences. He has 20 years of experience in the field of law and corporate governance. Since 2010, he has been working in various positions in the corporate sector in groups of companies such as Halyk Bank of Kazakhstan JSC, NC "Kazakhstan Temir Zholy" JSC. In 2015, he started working in the group of companies of Baiterek Holding, where he worked before joining the Qazaqstan Investment Corporation JSC in 2020, namely: from 2019 to 2020 – Director of Legal Department of QazTech Ventures Joint Stock Company, from 2020 to 2021 – Managing Director of QIC.

Combined job:
there is no combined job.

Ownership of shares of the Company and its subsidiaries:
does not own.

Participation in the work of the Committee under the Board of Directors:
does not participate.

Functional duties, powers:
The rights and duties of members of the Management Board are determined by the legislative acts of the Republic of Kazakhstan, the Charter of the Company, the Regulations on Management Board of Joint Stock Company, as well as the employment contract concluded with the Company.



**ZHAKSYMBAI
AITUGAN
AKHMETULY**

Deputy Chairman of the Board of QIC from May 11, 2022.

Aitugan Zhaksymbai (born in 1989) is a graduate of Nottingham University, where he received a bachelor's degree in Economics and Finance. He is also a CFA candidate of the III level. He has more than 9 years of experience in corporate finance, private equity, M&A transactions in both private and public sectors.

Prior to joining QIC, Aitugan supervised investment activities in Baiterek Venture Fund JSC with assets under management of more than 200 million US dollars. Aitugan has structured the financing of investment projects in a number of industries, including energy, utilities, automotive, agriculture, food industry and infrastructure development. From 2019 to 2022 – Deputy Chairman of the Board of Baiterek Venture Fund Joint Stock Company.

Combined job:
by the decision of the Board of Directors of Qazaqstan Investment Corporation JSC dated May 6, 2022 (Minutes No. 10/22), A.A. Zhaksymbai was elected to the Board of Directors of Baiterek Venture Fund JSC.

Ownership of shares of the Company and its subsidiaries:
does not own.

Participation in the work of the Committee under the Board of Directors:
does not participate.

Functional duties, powers:
The rights and duties of the members of the Management Board are determined by the legislative acts of the Republic of Kazakhstan, the Charter of the Company, the Regulations on Management Board of Joint Stock Company, as well as the employment contract concluded with the Company.



**KABDRAKHMANOV
YERLAN
DULANOVICH**



**MEIRKHANOV
RUSLAN
TALGATOVICH**

Deputy Chairman of the Management Board from October 5, 2020 to January 31, 2022.

Yerlan Kabdrakhmanov (born in 1987) graduated from Syracuse University, USA, Faculty of Martin J. Whitman School of Management majoring in "Financier, marketing specialist" in 2009. He has more than 10 years of experience in the areas of risk management and control, audit, investment, and sales. In 2009, he began his professional career in sales at Ultimate Wireless LLC, Boston, USA.

In subsequent years, he worked in the audit, investment unit. From October 2010 to May 2011, he held the position of auditor at Ak Erke LLP, Almaty. From May to August 2011, he worked as an assistant in the investment unit at Almaty CITIC Kazyna Adviser LLP, Almaty. From September 2011 to May 2016, he held the positions of Risk Management Manager, Chief Manager – Head of Risk Management in JSC "Real Estate Fund "Samruk-Kazyna", Astana. From June to September 2016, he was the Commercial Director of Prime Products LLP, Almaty. From September 2016 to September 2018 - Head of Risk Management Service of Kazakhtelecom JSC, Almaty. From September 2018 to April 2019 - Head of the Risk Management Service of Kazakhtelecom JSC, Almaty. From May 2019 to October 2020, he was the Head of the Risk and Control Department at Kcell JSC, Almaty.

Combined job:
there is no combined job.

Ownership of shares of the Company and its subsidiaries:
does not own.

Participation in the work of the Committee under the Board of Directors:
does not participate.

Functional duties, powers:

The rights and duties of the members of the Management Board are determined by the legislative acts of the Republic of Kazakhstan, the Charter of the Company, the Regulations on Management Board of Joint Stock Company, as well as the employment contract concluded with the Company.

Deputy Chairman of the Management Board of QIC from December 8, 2021 to May 3, 2022.

Ruslan Meirkhanov (born in 1981) graduated from Al-Farabi Kazakh National University, Bachelor's degree in World Economy in 2002. In 2007, he received a Master's degree in Business Administration from Kazakhstan Institute of Management, Economics and Forecasting (KIMEP).

He has more than 10 years of experience in the field of investments, attracting government loans. Engaged in reorganization of business processes, strategy development and financial consulting. Work experience in leadership positions - 17 years. From 2007 to April 2008, he held the position of President of Almaty Venture Capital Venture Fund JSC. Until 2010, he was Chairman of the Management Board of Investment Company "Mangistau" JSC, Aktau. From 2011 to 2012 - General Director of Kuat Agro LLP (company with foreign participation), Astana. From 2013 to 2014 - Deputy Chairman of the Board of Kazakhstan Housing and Construction Corporation JSC. From March to July 2015 - Advisor to the Minister of Finance of the Republic of Kazakhstan. From July 2015 to 2019 - Director of State Borrowing Department of the Ministry of Finance of the Republic of Kazakhstan.

Combined job:
there is no combined job.

Ownership of shares of the Company and its subsidiaries:
does not own.

Participation in the work of the Committee under the Board of Directors:
does not participate.

Functional duties, powers:

The rights and duties of the members of the Management Board are determined by the legislative acts of the Republic of Kazakhstan, the Charter of the Company, the Regulations on Management Board of Joint Stock Company, as well as the employment contract concluded with the Company.

Information on activities of the Management Board and the Management Board Committees

The activities of the Management Board are regulated by the Regulation on the Management Board approved by the decision of the Board of Directors of the Company dated November 6, 2020 (Minutes No. 14/20).

In accordance with paragraph 3 of the Regulations for preparation, coordination, holding of meetings and execution of decisions of the Board of Qazaqstan Investment Corporation JSC, approved by the decision of the Board of the Company dated October 19, 2020 (Minutes No. 35/20), meetings of the Board of the Company

may be regular and extraordinary. The next meeting of the Management Board shall be held on the second working day of each week. If necessary, at the discretion of the Chairman of the Management Board, the date of the next meeting of the Management Board may be postponed to another day.

The following permanent committees have been established under the Management Board of the Company, which consider issues on various aspects of operational activities and make recommendations to the Management Board on their effective solution:



Investment Committee;



Activity Planning and Evaluation Committee;



Strategy and Corporate Development Committee.

In 2022, 56 meetings of the Company's Management Board were held and 217 issues on the Company's activities were considered. In the reporting period, the Committees held 91 meetings.

INVESTMENT COMMITTEE

The main purpose of the Investment Committee is to plan and organize investment activities, consider issues of risk management of the Company and management of the Company's liquid (treasury) portfolio exclusively within the framework of the Company's investment activities, in accordance with the Company's internal regulatory documents.

The main task of the Committee is to develop recommendations on formation of an effective investment (strategic) and liquid (treasury) portfolio for the Company, ensuring its compliance with parameters defined by the Investment Policy and other internal regulatory documents of the Company, reviewing the results of monitoring of Company's activities in terms of managing the strategic and liquid (treasury) portfolios of the Company.

During the reporting period, the Investment Committee held 42 meetings and considered 74 issues.

ACTIVITY PLANNING AND EVALUATION COMMITTEE

The objectives of Activity Planning and Evaluation Committee are to ensure quality planning and control over utilization of the budget and implementation of development plan of the Company.

ators for the planned period, coordination of actions of the Company's structural divisions and employees when planning budget indicators and the Company's development plan, monitoring and control of implementation of the approved parameters of the budget and the Company's development plan for the planned period and development of proposals on them.

The main tasks of the Committee are development and implementation of the Company's current budget policy, consideration of planned income and expenditure indi-

During the reporting period, the Activity Planning and Evaluation Committee held 25 meetings and considered 59 issues.

STRATEGY AND CORPORATE DEVELOPMENT COMMITTEE

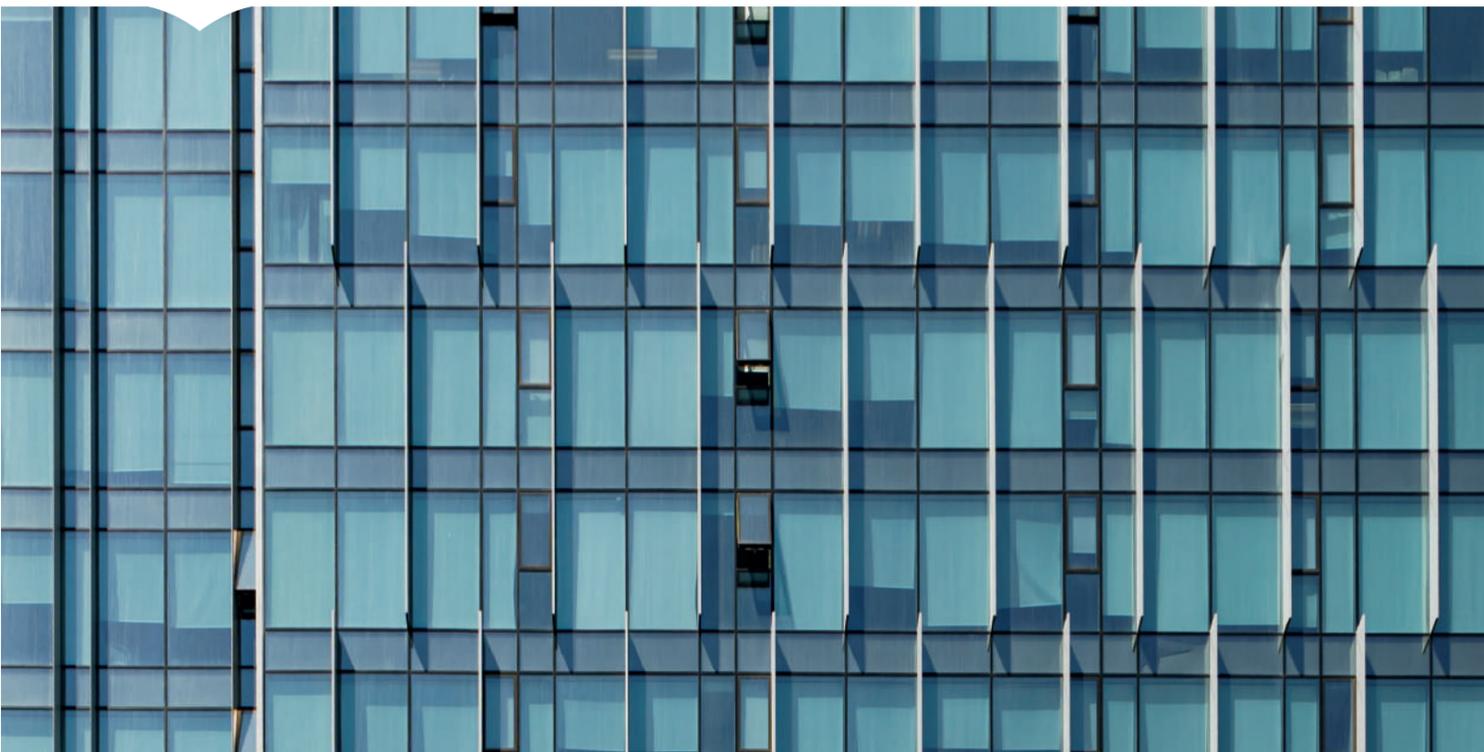
The Strategy and Corporate Development Committee was established by the decision of the QIC Board on March 1, 2022.

The main objective of the Strategy and Corporate Development Committee is to plan and organize activities to improve the effectiveness of the Company's development strategy, to ensure the improvement of corporate governance system, to introduce sustainable development in the activities of the Company and its

subsidiaries, in accordance with their internal regulatory documents.

The main task of the Committee is to develop recommendations and monitor the results of the activities of the Company and its subsidiaries in terms of the implementation of development strategy, implementation of sustainable development in the activities, improvement of the corporate governance system.

During the reporting period, the Strategy and Corporate Development Committee held 27 meetings and considered 42 issues.



5.2.6. Organizational structure

QIC is constantly working on improvement of efficiency of its activities, taking into account the strategic priorities of the Company, including forming an optimal and dynamic organizational structure of the Company and creating conditions for development of human capital. At the end of 2022, the Company's structure included 17 structural divisions.

As of December 31, 2022, the total average number of QIC staff is 68 people, for the group – 80 people.

By the decision of the QIC Board dated April 11, 2022, the organizational structure of QIC was approved.

Name of the structural unit	Information on Structure heads (as of December 31, 2022)
Department of Legal Support of Investment Activity	Abzhanov Yerdaulet Akhmetuly
Risk Management Department	Sadykov Askat Sakypzhanovich
Portfolio Funds Department	Abykayev Nursultan Maratovich
Department of Captive Funds	Smagulov Yermek Serikovich
Department of Strategic Development and International Cooperation	Uteпов Miras Bolatovich
Accounting and Financial Reporting Department	Kuttybayeva Raukhan Aldiyarovna
Treasury Department	Burumbayev Medet Uralovich
Department of Human Resources Management	
Department of Economics and Budget Planning	Karsembayeva Kuanysh Yerikovna
Department of Operations	Makashev Serik Dyusenbayevich
Department of Information Technology and Information Security	Berdykhanov Iskander Timurovich
Anti-Corruption Compliance Service	Dadanbayev Yerbolat Serikovich
Legal Support Service for Operational Activities	Beiseyeva Assel Maratovna
Documentation Support Department	Karipova Aigerim Yerezhepovna
Internal Audit Service	Ismailov Daubek Nurlanovich
Corporate Secretary	Belyalova Almagul Amantayevna
Press service	Dosmakhanbet Sholpan Mukhtarkyzy

As of December 31, 2022, the Company has no branches and representative offices.

5.2.7. Information on remuneration

Independent directors are paid remuneration according to the decisions of the Sole Shareholder of the Company.

The total amount of remuneration accrued to independent directors of the Company, including taxes and other mandatory payments for 2022, amounted to 29,832,449 KZT.



The Board of Directors of the Company determines the amount of the official salary, the terms of remuneration of the Chairman and members of the Management Board of the Company (senior employees).

The remuneration system of the Company's executives in 2022 was determined in accordance with the Rules of Remuneration, Performance Evaluation and Remuneration of Executives of Kazyna Capital Management Joint Stock Company, approved by the decision of the Board of Directors of QIC dated September 26, 2019, and included official salary, financial assistance for recovery, remuneration based on the results of work for the corresponding period, as well as a one-time bonus on the occasion of Public holidays.

Performance-based remuneration for the corresponding period is paid depending on performance results of executives in order to financially reward them for their achievements and improve the efficiency of work, depending on achievement of strategic goals by

executives. Achievement of strategic goals by managers is assessed by two types of key performance indicators (KPIs): corporate and functional KPIs.

Annual remuneration is paid to the members of the Management Board based on the results of the approval of audit of the Company's financial statements, subject to achievement of the approved KPI of the Company's executives.

On June 24, 2022, by the decision of the Board of Directors of the Company (Minutes No. 14/22), the Report on achievement of key performance indicators by members of the Management Board of the Company for 2021 was approved and decision was made to 2021 performance-based remuneration to the members of the Management Board of the Company in proportion to the time worked.

Remuneration of members of the Management Board for the year ended December 31, 2022, totaled 154.6 million KZT (including taxes and other mandatory payments provided for by the tax legislation of the Republic of Kazakhstan).



5.2.8. Shareholders

The sole shareholder of QIC is National Managing Holding "Baiterek" JSC.

As of December 31, 2022:

55 000 000

common shares
(number of declared shares)

53 550 003

ordinary shares (number
of outstanding shares)

number of shares
in free circulation

During the reporting period, 1 (one) ordinary share was placed at a price of

5 000 000 000

KZT, specified method of payment – in cash.

In the reporting period, there were no transactions on initial placement of shares, the redemption of own shares and their subsequent resale.

5.2.9. Subsidiaries and affiliates⁸

BAITEREK VENTURE FUND JSC

Full name:	Baiterek Venture Fund Joint Stock Company
Registered/ actual address:	Republic of Kazakhstan, Astana city, Yessil district, ZO5T3E2, 55A Mangilik Yel Ave.
Number (size) of shares:	(participation shares in the authorized capital) 100% stake in Qazaqstan Investment Corporation JSC.
Type of activity:	makes direct investments in promising companies in the non-resource sector of the economy of Kazakhstan at the stages of launch, growth and maturity.
Top executive officer:	Chairman of the Management Board Kutbai Zhandar Berikovich.

In 2022, the Company did not invest in Baiterek Venture Fund JSC.

BV MANAGEMENT LLP

Full name:	BV Management Limited Liability Partnership.
Registered/ actual address:	Republic of Kazakhstan, Astana city, Yessil district, ZO5T3E2, 55A Mangilik Yel Ave.
Number (size) of shares:	(participation shares in the authorized capital): 100% of participation interest of Qazaqstan Investment Corporation JSC.
Type of activity:	The company is a private equity management company and acts as a General Partner for DBK Equity Fund CV. and KCM Sustainable Development Fund I C.V.
Top executive officer:	CEO Aubakirov Duman Bauyrzhanuly.

In 2022, QIC made investments in the amount of 264,384 thousand KZT in DBKEF and KCM SDF I C.V.

PRIVATE COMPANY BGLOBAL VENTURES LTD.

Full name:	Private company BGlobal Ventures Ltd.
Registered/ actual address:	Republic of Kazakhstan, Astana city, Yessil district, 55A Mangilik Yel Ave, office 1019, ZO5T3E2.
Number (size) of shares:	(participation shares in the authorized capital): 100% stake in Qazaqstan Investment Corporation JSC.
Type of activity:	organization and holding of training and other events in the fields of technological entrepreneurship and technology development.
Top executive officer:	CEO Yessenov Tairzhan Maksutbekovich.

The amount of investments directed by the Company in the reporting year: not directed.

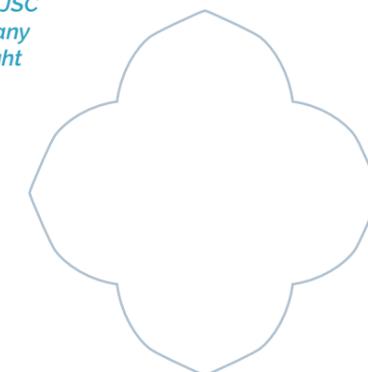
⁸ – On June 30, 2023, the activities of QazTech Ventures and Kazakhstan Project Preparation Fund were terminated by joining QIC

5.2.10. Information on dividends

The Company is guided by the Procedure for Determining the Amount of Dividends Paid by Subsidiaries of the National Managing Holding Baiterek Joint Stock Company, approved by the decision of the Board of the National Managing Holding Baiterek JSC (Minutes No. 14/14 dated May 11, 2014), which establishes uniform approaches and principles for determining the amount of dividends paid by

subsidiaries of National Managing Holding "Baiterek" JSC. The conditions and procedure for payment of dividends to the Sole Shareholder of the Company are regulated by the legislation of the Republic of Kazakhstan, the Charter of the Company, as well as the relevant decision of the Sole Shareholder of the Company.

According to the decision of the Board of National Managing Holding "Baiterek" JSC dated May 26, 2022 (Minutes No. 23/22), following the results of 2021, the Company paid dividends in the amount of 1 089 813 900 (one billion eighty-nine million eight hundred thirteen thousand nine hundred) KZT.



5.2.11. Information on major transactions

No major transactions were concluded in the QIC reporting year.

5.2.12. Information policy

The disclosure of information by Qazaqstan Investment Corporation JSC is carried out in accordance with the legislation of the Republic of Kazakhstan, the QIC Charter, the information policy approved by the QIC Board in 2018 and other QIC internal documents.

The information policy of QIC is based on the principles of regularity, efficiency, accessibility, reliability, objectivity, equality and security of information resources.

According to the information policy of QIC, in order to protect the rights and interests of the Sole Shareholder and investors of the Company, QIC provides access to information about the Company, in accordance with the procedure provided for by the legislation of the Republic of Kazakhstan, Information Policy and other documents of the Company.

QIC provides information about corporate events of the Company to the Sole Shareholder and investors of the Company in accordance with the requirements of the Law of the Republic of Kazakhstan "On Joint Stock Companies"

and (or) the Law of the Republic of Kazakhstan "On the Securities Market", other regulatory legal acts and the Charter of the Company.

As part of implementation of the information policy, an external communications plan is approved on an annual basis, which includes measures aimed at highlighting the activities of QIC, as well as increasing the level of trust of potential customers and partners of the Company.

In order to inform the public and stakeholders on the company's activities and maintain the business reputation of QIC, during 2022 the Company provided communication support for key QIC projects and published more than 32 materials in the media and on the Company's corporate website and 80 publications on the official pages of QIC in social media.

In 2022, the QIC Press Service conducted a reputation audit in order to study the level of fame, perception and reputation parameters of QIC in target audiences, as well as reputation assessment, identification of reputational risks.

According to the results of the audit, the following indicators were obtained:



Business reputation index - **81.9%**



Affordability of services - **72.6%**



Respondents' confidence in QIC - **94.1%**



The public image and business reputation of QIC are general nominal result of evaluation of the results of the conducted research, expressed in the form of single integral index of business reputation of QIC, and reflecting the current degree of perception and attitude of target groups to its activities, as well as existing level of awareness

of target groups about the activities of QIC. Research on level of business reputation of QIC provides an understanding of the current state of reputation capital, brand value, maintaining an effective system for assessing the necessary factors, and helps to determine the most productive forms and methods of management.

5.2.13. Internal control and audit

The QIC Internal Audit Service (IAS) is organizationally subordinate and accountable to the Board of Directors and is supervised by the Audit Committee of the QIC Board of Directors.

The mission of Internal Audit Service is to preserve and increase the value of the organization by conducting objective internal audits based on risk-based approach, providing recommendations and sharing knowledge.

In carrying out its activities, the IAS is guided by the legislation of the Republic of Kazakhstan, the Company's Charter, decisions of the Company's bodies, the IAS Regulations and other internal documents of the Company, as well as International Professional Standards of Internal Audit.

The Internal Audit Service carries out its activities based on the principles of honesty, objectivity, confidentiality and professional competence.

The main tasks of Internal Audit Service are to conduct analysis and evaluation within the framework of audits and consultations:

- reliability and efficiency of the internal control system;
- reliability and effectiveness of the risk management system;
- effectiveness of corporate governance system and process of its improvement, compliance with ethical standards and values.
- compliance with requirements of the legislation of the Republic of Kazakhstan, internal policies and other documents, as well as the effectiveness of systems and procedures created and applied to ensure compliance with these requirements (compliance control);
- implementation of decisions of the Company's bodies and instructions (proposals) of authorized (supervisory) state bodies;
- sufficiency and/or efficiency of business processes carried out by the Company's structural divisions, measures to achieve the tasks assigned to them within the framework of the Company's strategic goals;

- rationality and efficiency of use of resources and the methods (methods) used to ensure the safety of property (assets);
- economic feasibility and efficiency of transactions;
- reliability, completeness, objectivity of the accounting system and reliability of financial statements and other information of the Company



The Board of Directors of the Company annually approves the Annual Audit Plan of the Internal Audit Service based on a risk-based approach. Quarterly, the results of audit assignments, key findings, relevant recommendations and corrective action plans are submitted for consideration by the Board of Directors.

In carrying out its activities, the Internal Audit Service is guided by:

- 1 The legislation of the Republic of Kazakhstan, the Charter of the Company, decisions of the Company's bodies, this Regulation and other internal documents of the Company;
- 2 IFPPIA (international fundamentals of professional practice of Internal audit of the Institute of Internal Auditors), the constituent elements of which are definition, mission, basic principles of professional practice of internal audit, the code of ethics of internal auditors, international professional standards of internal audit, as well as practical guidelines and guidelines for them.

In 2022, the Company's Internal Audit Service achieved its goals and fulfilled the tasks assigned to it. Based on the results of its activities for 2022, the Internal Audit Service performed audit tasks, both as stipulated in the Work Plan for 2022 and unscheduled tasks on behalf of the Board of Directors. We note that the objectives and scope of the audit have been achieved in accordance with the audit

assignment, the audit program and internal regulatory documents of the Internal Audit Service. The recommendations of the Internal Audit Service based on the results of audit assignments for 2022 allow the Company and its subsidiaries to improve their activities and minimize inherent risks.

5.2.14. Interaction with stakeholders

In order to implement a successful and effective sustainable development policy, QIC pays due attention to interaction with stakeholders.

In order to organize the management of relationships with stakeholders, QIC focuses its activities on the following basic principles:

respects and takes into account the interests of all stakeholders;

ensures open and productive cooperation with all stakeholders;

strives to actively inform target audiences about its activities;

fulfils its obligations to stakeholders;

ensures objectivity, reliability, independence and a high level of information transparency regarding the implementation of government programs, certain internal procedures (procurement, competitive selection among external candidates for employment, provision of financial services), as well as the use of financial resources;

receives feedback from stakeholders on a regular basis.

In order to determine the list of key stakeholders, the extent and impact on QIC, a Stakeholder Map has been developed. The stakeholder map allows for systematizing and visualizing information about the QIC environment to develop an effective strategy for working with each of the stakeholders. Identifying stakeholders and working with them is one of the tools that allows for improving the business reputation of the corporation, establishing effective and balanced relationships with all stakeholders.

The main forms of interaction with stakeholders are joint programs and projects, contracts, agreements, memorandums of cooperation, joint working groups, reporting on activities, meetings, forums, publications, corporate Internet resources, interviews.

The main areas of interaction with stakeholders are strategic planning, financial activities, project management, supply of goods, works and services, operational activities, interaction with the media.

Principles of identification and selection of stakeholders

The process of organizing QIC interaction with stakeholders is based on the principle of involvement, which implies taking into account the interests of stakeholders at all stages of the QIC management process and involving stakeholders in discussing significant topics and important issues, potential risks and boundaries of responsibility.

In turn, engagement is achieved by observing three principles:

1. Materiality

QIC clearly identifies its stakeholders and is aware of which stakeholders' interests are essential;

2. Completeness

In the course of its activities, QIC pays attention to the concerns of stakeholders, namely, understands their views, needs and expected results of activities, as well as opinions on significant issues;

3. Response

QIC consistently responds to all significant questions from stakeholders.



The main groups of stakeholders and communication tools

Groups	Mechanisms of interaction	Interests	Work conducted
Sole shareholder	<ul style="list-style-type: none"> holding meetings of the Board of Directors and committees under the Board of Directors; execution of orders of the Sole Shareholder; participation in development and updating of regulatory documents affecting the interests of the Company; preparing responses to incoming requests; publication of financial statements and annual report on corporate Internet resource, as well as disclosure of other information in accordance with legislation and best practices. 	<ul style="list-style-type: none"> compliance with the interests of the Sole Shareholder of the Company; implementation of development strategy; transparency and disclosure of information. 	<ul style="list-style-type: none"> ensuring the exercise of the rights of the Sole Shareholder within the framework of corporate governance principles; provision of reliable information on results of the Company's financial and economic activities; implementation of the Company's Development Strategy; implementation of state programs and monitoring of results.
Employees	<ul style="list-style-type: none"> functioning of internal communication channels; creating optimal working conditions, medical insurance; remuneration of employees; training and development. 	<ul style="list-style-type: none"> competitive wages; safe working conditions; professional growth; high-quality social package (medical insurance, annual paid leave); professional development; guarantee of respect for human rights and ethical standards. 	<ul style="list-style-type: none"> maintaining an open, transparent, personnel policy aimed at forming qualified and motivated personnel; ensuring equal opportunities for all employees to realize their potential in the course of their work, an impartial and fair assessment of their results, selection and career growth of employees solely on the basis of professional abilities, knowledge and skills; introduction of Ombudsman Institution; support in conducting training and/or improving the skills and competence of employees; conducting cultural corporate events for employees; informing employees via e-mail about vacant positions.
Subsidiaries	<ul style="list-style-type: none"> conducting round tables/competence centers with subsidiaries; correspondence and sending requests to subsidiaries. 	<ul style="list-style-type: none"> compliance with the interests of shareholders/participants. 	<ul style="list-style-type: none"> the Company's exercise of its rights as a shareholder/participant of a subsidiary.
Government agencies	<ul style="list-style-type: none"> consideration of program documents, draft regulatory documents affecting the interests of the Company; payment of taxes to the state budget; participation in implementation of state programs and initiatives. 	<ul style="list-style-type: none"> state regulation. 	<ul style="list-style-type: none"> participation in working groups, forums, conferences; business correspondence and preparation of responses to requests.

Groups	Mechanisms of interaction	Interests	Work conducted
Clients	<ul style="list-style-type: none"> publications in the media, on the Company's Internet resource. 	<ul style="list-style-type: none"> commercial interests; social interests. 	<ul style="list-style-type: none"> posting of up-to-date public information about the Company and its activities on the Company's Internet resource; business correspondence, meetings with (potential) clients; ensuring compliance with the expectations of consumers of financial products and services of the Company and subsidiaries; conclusion of contracts, control over execution.
Suppliers	<ul style="list-style-type: none"> procurement and conclusion of contracts for procurement of goods, works and services. 	<ul style="list-style-type: none"> transparent procurement system; compliance with commercial agreements. 	<ul style="list-style-type: none"> conclusion of contracts, control over the execution of contractual relations; ensuring a transparent and efficient procurement system; preventive measures to combat corruption.
Partners and investors	<ul style="list-style-type: none"> holding meetings with representatives of foreign organizations; participation in forums, conferences, exhibitions, including during visits of the President of the Republic of Kazakhstan, the Prime Minister and Deputy Prime Ministers of the Republic of Kazakhstan; publication of financial statements and annual report on the Company's Internet resource; conducting negotiations and meetings with partners; conclusion of agreements and memoranda of cooperation; publication of financial statements of annual report on the Company's website. 	<ul style="list-style-type: none"> strong financial position; sustainable development; commercial interests. 	<ul style="list-style-type: none"> implementation of ESG principles in the activities of Company and its subsidiaries; effective financial management; business correspondence, meetings with (potential) investors; attracting investments for implementation of projects; getting credit ratings; mutually beneficial cooperation, improvement of business and technological processes and their automation; conclusion of contracts, control over the execution of contractual relations.
Financial institutions	<ul style="list-style-type: none"> conducting negotiations and meetings with representatives of financial institutions, rating agencies; publication of financial statements, annual report on the Company's Internet resource. 	<ul style="list-style-type: none"> placement of free funds on deposit accounts, maintenance of special accounts. 	<ul style="list-style-type: none"> conclusion of contracts, control over the execution of contractual relations; improvement of financial indicators.
Portfolio companies	<ul style="list-style-type: none"> conducting negotiations and meetings; monitoring, field visits, collection of financial and management documentation; press releases, mass media, Internet resource of the Company. 	<ul style="list-style-type: none"> mutually beneficial cooperation; contracts; agreements. 	<ul style="list-style-type: none"> conclusion of contracts, control over the execution of contractual relations; participation in decision-making in the composition of collegial bodies;

Groups			
	Mechanisms of interaction	Interests	Work conducted
Portfolio companies			<ul style="list-style-type: none"> development of investment policy, regulations and procedures that ensure investment activities, financing conditions.
Mass media	<ul style="list-style-type: none"> development of annual media plans; holding press conferences and meetings with information recipients; posting of information on Company's activities in the media, on Company's Internet resource https://qic.kz/about-the-company/. 	<ul style="list-style-type: none"> publications and information about the Company's activities. 	<p>Organization of information activities by:</p> <ul style="list-style-type: none"> communicating the strengths and capabilities of Company to the target audience; creating a positive public opinion; ensuring transparency of the Company's activities through reliable, regular, continuous and timely disclosure of information; maintaining the brand awareness of the Company; presenting the results in the main areas of the Company's activities to the public; providing press releases and arranging interviews; posting of reports and other publications.





QIC prepares and publishes consolidated financial statements in accordance with International Financial Reporting Standards.

The audit of the annual financial statements of QIC and its subsidiaries for 2022 was carried out by the independent audit organization KPMG Audit LLP.

In the opinion of KPMG Audit LLP, the separate and consolidated financial statements in all material aspects reliably reflect the financial position of the Company as of December 31, 2022, as well as its financial results and cash flows comply with International Financial Reporting Standards.

6.

FINANCIAL STATEMENTS

The full text of the consolidated financial statements for 2022 with notes and the report of the independent auditor is available on the QIC website at the link:



**Consolidated Statement of Profit or Loss and
Other Comprehensive Income for the year ended
December 31, 2022**
thousand KZT

	2022	2021
Interest income calculated using the effective rate method	5,110,131	3,014,066
Interest expense	(1,117,843)	(362,656)
Net interest income	3,992,288	2,651,410
Net profit from transactions with financial instruments measured at fair value, changes in which are reflected in profit or loss for the period	12,421,574	3,297,276
Net income from operations with financial derivatives	-	324,325
Dividend income	516,709	41,910
Net profit from foreign exchange transactions	728,839	447,703
Net income/(loss) from operations with investment financial assets	73,419	(7,550)
Other operating expenses, net	(952,368)	(140,945)
Operating income	16,780,461	6,614,129
(Losses)/recovery of impairment losses in respect of financial assets	(160,781)	183,371
Staff costs	(1,425,524)	(1,052,180)
General and administrative expenses	(1,163,398)	(1,105,061)
Profit before tax	14,030,758	4,640,259
Income tax expense	(3,366,223)	(3,083,382)
Profit for the year	10,664,535	1,556,877
Other comprehensive loss		
<i>Items that have been reclassified or may be subsequently reclassified to profit or loss:</i>		
Revaluation reserve for investment financial assets:		
- net change in fair value, net of income tax	(140,226)	(18,834)
- net change in fair value transferred to profit or loss for the period	-	(765)
Other comprehensive loss for the year, net of income tax	(140,226)	(19,599)
Total comprehensive income for the year	10,524,309	1,537,278

**Consolidated Statement of Financial Position
as at December 31, 2022**
thousand KZT
2022 **2021**
Assets

Cash and cash equivalents*	50,809,859	26,909,335
Assets measured at fair value through profit or loss for the period	170,927,679	165,529,982
- Investments in joint ventures	55,362,132	52,486,753
- Investments in associated enterprises	31,046,848	31,494,552
- Other financial assets	84,518,699	81,548,677
Loans issued to customers	5,368,663	5,867,054
Investment financial assets	3,216,557	13,528,179
Current tax asset	-	1,881,907
Investment property	-	133,539
Fixed assets and intangible assets	229,283	126,861
Other assets	180,119	250,369
Total assets	230,732,160	214,227,226

Liabilities

Debt securities issued	49,932,305	49,732,173
Government subsidies	2,344,860	1,423,476
Current tax liability	871,869	-
Deferred tax liabilities	309,699	148,286
Other liabilities	835,738	920,097
Total liabilities	54,294,471	52,224,032

Equity capital

Share capital	112,761,730	107,761,730
Revaluation reserve for investment financial assets	(141,149)	(923)
Retained earnings	63,817,108	54,242,387
Total equity	176,437,689	162,003,194
Total liabilities and equity	230,732,160	214,227,226

Consolidated Statement of Cash Flows for the year
ended December 31, 2022thousand KZT
2022 2021

Cash flow from operating activities

Interest income	5,003,025	2,602,535
Interest paid	(912,287)	(177,604)
Dividends received	439,427	41,910
Staff costs paid	(1,094,691)	(1,247,630)
Other general and administrative expenses (payments)	(1,471,462)	(1,180,161)
Other receipts	127,078	279,308
(Increase)/decrease in operating assets		
Financial instruments measured at fair value through profit or loss for the period	7,023,877	(20,262,991)
Loans issued	13,362	(6,290,414)
Amounts to be received from credit institutions	496,582	1,387,008
Other liabilities	167,577	-
Increase in operating liabilities		
Financial instruments measured at fair value through profit or loss for the period	-	70,291
Net cash from/(used in) operating activities before income tax	9,792,488	(24,777,748)
Income tax paid	(258,466)	(1,124,073)
Net cash from/(used in) operating activities	9,534,022	(25,901,821)

Cash flow from investing activities

Acquisition of investment financial assets	(4,000,000)	(41,290,077)
Repayment of investment financial assets	14,018,001	31,143,292
Receipt of funds as a result of the acquisition of subsidiaries	-	2,843,002
Acquisition of fixed assets and intangible assets	(139,663)	(54,825)
Proceeds from the sale of investment property	223,700	-
Net cash flow from/(used in) investing activities	10,102,038	(7,358,608)

Consolidated Statement of Cash Flows for the year
ended December 31, 2022thousand KZT
2022 2021

Cash flow from financing activities

Dividends paid	(1,089,814)	-
Issue of ordinary shares	5,000,000	-
Proceeds from debt securities issued	-	12,800,000
Net cash flow from financing activities	3,910,186	12,800,000
Net increase/(decrease) in cash and cash equivalents	23,546,246	(20,460,429)
Cash and cash equivalents at the beginning of the year*	26,909,335	47,196,019
Effect of changes in exchange rates on cash and cash equivalents	354,278	173,745
Cash and cash equivalents at the end of the year (Note 11)	50,809,859	26,909,335

Consolidated Statement
of Changes in Equity for
the year ended
December 31, 2022Share
capitalRevaluation
reserve for
investment
financial assetsthousand KZT
Retained
earnings

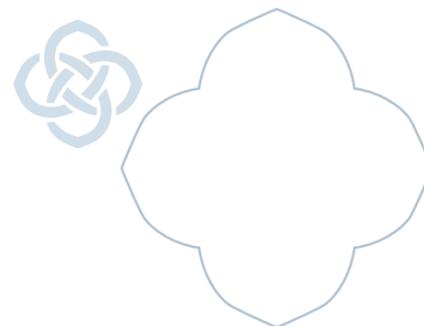
Total

Balance as of January 1, 2022	107,761,730	(923)	54,242,387	162,003,194
Total comprehensive income Profit for the year	-	-	10,664,535	10,664,535
Other comprehensive loss <i>Items that have been or may be subsequently reclassified to profit or loss:</i>				
Net change in fair value, net of income tax	-	(140,226)	-	(140,226)
Total other comprehensive loss	-	(140,226)	-	(140,226)
Total comprehensive income for the year	-	(140,226)	10,664,535	10,524,309
Transactions with owners reflected directly in equity				
Dividends declared and paid (Note 17 (b))	-	-	(1,089,814)	(1,089,814)
Issue of shares (Note 17 (a))	5,000,000	-	-	5,000,000
Total transactions with owners	5,000,000	-	(1,089,814)	3,910,186
Balance as of December 31, 2022	112,761,730	(141,149)	63,817,108	176,437,689

Consolidated Statement of Changes in Equity for the year ended December 31, 2022	Share capital	Revaluation reserve for investment financial assets	thousand KZT	
			Retained earnings	Total
Balance as of January 1, 2021	87,440,000	18,676	53,871,387	141,330,063
Total comprehensive income Profit for the year	-	-	1,556,877	1,556,877
Other comprehensive loss <i>Items that have been or may be subsequently reclassified to profit or loss:</i>				
Net change in fair value, net of income tax	-	(18,834)	-	(18,834)
Net change in fair value transferred to profit or loss	-	(765)	-	(765)
Total other comprehensive loss	-	(19,599)	-	(19,599)
Total comprehensive income for the year	-	(19,599)	1,556,877	1,537,278
Transactions with owners reflected directly in equity				
Issue of shares related to the acquisition of a business	19,269,423	-	(448,200)	18,821,223
Acquisition of non-controlling interests in subsidiaries	-	-	(50,000)	(50,000)
Transfer of assets by the Parent Company	1,052,307	-	(687,677)	364,630
Total transactions with owners	20,321,730	-	(1,185,877)	19,135,853
Balance as of December 31, 2021	107,761,730	(923)	54,242,387	162,003,194

Glossary

ADB	Asian Development Bank
JSC	Joint Stock Company
AIC	Agro-industrial complex
DBK	Development Bank of Kazakhstan Joint Stock Company
PPP	Public-private partnership
SDs	Subsidiaries
EBRD	European Bank for Reconstruction and Development
EU	European Union
CJSC	Closed Joint Stock Company
QIC, Company	Qazaqstan Investment Corporation Joint Stock Company
SMEs	Small and medium-sized businesses
UN	United Nations
RK	Republic of Kazakhstan
CIS	Commonwealth of Independent States
SKPI	Strategic key performance indicator
LLP	Limited Liability Partnership
DIF	Direct Investment Fund
BVF	Baiterek Venture Fund Joint Stock Company
BVM	BV Management Limited Liability Partnership
ESG	Environmental, Social and Governance (Environmental, Social and Management Standards)
IRR	Internal rate of return
IT	Information technology
QTV	QazTech Ventures Joint Stock Company
KPPF	Kazakhstan Project Preparation Fund Limited Liability Partnership
ROA	Return on Assets
ROE	Return on Equity
Private equity	Direct investments



Information for investors

Republic of Kazakhstan, Z05T3E2,
Astana city, Yessil district, Mangilik El
Ave., bldg. 55A

+ 7 7172 554 222
info@qic.kz
qic.kz

Annex

Report on compliance/non-compliance with the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company for 2022

N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed / partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed / partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
1. General provisions							
1.1.	<p>The Corporate Governance Code (the Code) of Qazaqstan Investment Corporation Joint Stock Company (the Company) is a set of rules and recommendations that the Company follows in the course of its activities to ensure efficiency, transparency, accountability, and a high level of business ethics in relations within the Company and with other stakeholders.</p> <p>The Code was developed in order to ensure compliance of the Company's corporate governance with the relevant standards of the Organization for Economic Cooperation and Development. The Company recommends the implementation of this Code in organizations in which, directly or indirectly, the Company owns more than fifty per cent of voting shares or participation interests (subsidiaries).</p> <p>It is recommended that subsidiaries of the Company incorporated as Limited Liability Partnership follow the provisions of this Code to the extent that does not contradict the Law of the Republic of Kazakhstan "On Limited and Additional Liability Partnerships".</p>	Observed	<p>The Company follows the Code, which provides for a set of rules and recommendations, in the course of its activities to ensure efficiency, transparency, accountability, and a high level of business ethics in relations within the Company and with other stakeholders.</p> <p>The Company implements the fundamental principles and provisions of the Code in subsidiaries (JSC, LLP) by adopting the relevant IRD in them, including corporate governance codes.</p>	1.3.	The Company conducts an independent assessment of corporate governance at least once every three years, the results of which are posted on the Company's Internet resource	Observed	<p>In 2022, PricewaterhouseCoopers LLP conducted an independent assessment of the Company's corporate governance system in accordance with the above-mentioned QIC Corporate Governance Diagnostic Methodology, as well as using the provisions and principles of the recommendations of the Organization for Economic Cooperation and Development on corporate governance for organizations with state participation and best international practices in the field of corporate governance.</p> <p>According to the results of the diagnostics, the assessment of compliance of the Company's management with the requirements of the best world practice amounted to 93.81% and there has been an increase since 2021 in the "Structure" component from 83.6% to 95.83%, in the "Processes" component – from 89.1% to 91.67%, in the "Transparency" component – from 91.9% to 94.51%.</p> <p>On February 21, 2023, based on the results of an independent assessment of corporate governance, the Board of Directors approved an Action Plan to improve the Corporate Governance System of Qazaqstan Investment Corporation for 2023-2025.</p> <p>The information is posted on the Company's corporate website.</p>
1.2.	<p>The objectives of this Code are to improve corporate governance in the Company and its subsidiaries, to ensure transparency and efficiency of management, to confirm the commitment of the Company and its subsidiaries to follow the standards of good corporate governance.</p> <p>In particular:</p> <p>1) the management of the Company and its subsidiaries is carried out in compliance with the principle of legality and the appropriate level of responsibility, clear separation of powers, accountability and efficiency in order to maximize the value of the Company and other benefits for the Sole Shareholder;</p> <p>2) information disclosure and transparency are ensured, including thorough assessment, disclosure and periodic review of goals that justify state participation in</p>	Observed	<p>In order to comply with the Code and improve corporate governance, the Company and its subsidiaries ensure transparency and efficiency of corporate governance, in particular:</p> <p>1) the management of the Company and its subsidiaries is carried out in compliance with the principle of legality and the appropriate level of responsibility, clear separation of powers, accountability and efficiency in order to maximize the value of the Company and other benefits for the Sole Shareholder;</p> <p>2) information disclosure and transparency are ensured, including thorough assessment, disclosure and periodic review of goals that justify state participation in the Company;</p> <p>3) risk management and internal control systems are functioning properly;</p>	1.4.	The Company and its subsidiaries are obliged to strictly comply with the provisions of the Code in their activities. In case of failure to comply, the Company shall specify explanations in the annual report on reasons for failure to comply with each of the provisions, periodically (at least once every two years) conduct an assessment (if necessary, an independent assessment) of corporate governance and post the corresponding results on the Internet resource of the Company and its subsidiary.	Observed	<p>The Company and its subsidiaries strictly comply with the provisions of the Code in their activities.</p> <p>In 2022, PricewaterhouseCoopers LLP conducted an independent assessment of the Company's corporate governance system.</p>
					the Company;		4) minimizing the risk of a conflict of interest that may lead to decisions other than those based in the best interests of Company and the general public.
					3) risk management and internal control systems are functioning properly;		
					4) minimizing the risk of a conflict of interest that may lead to decisions other than those based in the best interests of Company and the general public.		

N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
1.5.	The Company's officials and employees assume the obligations stipulated by this Code, including on the basis of relevant agreements with the Company, and undertake to comply with its provisions in the Company and in relations with its subsidiaries.	Observed	<p>The Company's officials and employees assume the obligations stipulated by this Code, including on the basis of relevant agreements with the Company, and comply with its provisions in the Company and in relations with its subsidiaries.</p> <p>Thus, in accordance with the labor legislation, contracts have been concluded with employees and officials of the Company and there are job descriptions that provide requirements for compliance with internal regulatory documents of the Company as a whole, including the provisions of the Code.</p>	1.7.	Cases of failure to comply with the provisions of this Code are considered at meetings of the relevant committee of the Board of Directors and the Board of Directors with the adoption of appropriate decisions aimed at further improving corporate governance in the Company and its subsidiaries.	Observed	The report on compliance/non-compliance with the principles and provisions of the Company's Corporate Governance Code is preliminarily reviewed by the Strategic Planning and Corporate Development Committee of the Company's Board of Directors and approved by a decision of the Company's Board of Directors.
2. Principle of separation of powers							
1.6.	The Board of Directors of the Company exercises control over implementation of this Code by the Company. The Corporate Secretary monitors and advises the Board of Directors and the executive body of the Company on issues of proper compliance with this Code, and also prepares a report on compliance/non-compliance with its principles and provisions on an annual basis. Subsequently, this report is submitted for consideration by the relevant committee of the Board of Directors, approved by the Board of Directors and included in the Company's annual report.	Observed	<p>Control over the Company's implementation of this Code is carried out by the Board of Directors of the Company through an annual review of the report on compliance/non-compliance with the principles and provisions of the Code, which is formed by the Corporate Secretary of the Company, ensuring the effective implementation of the functions assigned.</p> <p>The Corporate Secretary of the Company, who, in turn, ensures the effective implementation of the functions assigned, including in terms of monitoring proper compliance with the Code, carries out constant work aimed at identifying and eliminating facts of non-compliance with the provisions and principles of the Code in the Company. The results of these activities are presented in this report.</p> <p>The Corporate Secretary of the Company provides advice to the Board of Directors and on a regular basis provides recommendations and proposals to the Management Board of the Company on issues of proper compliance with the Code.</p> <p>In 2022, the Corporate Secretary of the Company prepared a report on compliance/non-compliance with the principles and provisions of the Corporate Governance Code of the Company for 2021, previously reviewed by the Strategic Planning and Corporate Development Committee of the Board of Directors of the Company dated June 23, 2022 (Minutes No. 05/22) and approved by the decision of the Board of Directors of the Company dated June 24, 2022 (Minutes No. 14/22).</p> <p>This report was reflected in the Company's annual report for 2021, approved by the decision of the Board of JSC "NUH "Baiterek" dated July 20, 2022 (Minutes No. 30/22).</p>	2.1.	The Sole Shareholder of the Company delimits its powers in order to prevent a conflict of interests that does not contribute to both the interests of the Company and the interests of the Sole Shareholder. The functions of the Sole Shareholder of the Company are carried out in order to ensure the profitability of the Company and its subsidiaries and implementation of state and government programs in which the Company and its subsidiaries participate.	Observed	<p>The Company carries out its activities as an independent legal entity in accordance with the distribution of competencies between the bodies of the Company. Decisions on issues required to be resolved by General Meeting of Shareholders in accordance with legislation of the Republic of Kazakhstan and the Charter of the Company shall be made by the Sole Shareholder in accordance with the legislation of the Republic of Kazakhstan, the Charter of the Company and the Charter of the Sole Shareholder.</p> <p>The Sole Shareholder participates in the management of the Company solely through the exercise of the powers of the Sole Shareholder provided for in the legislative acts of the Republic of Kazakhstan, the charter of the Company and representation in the Board of Directors of the Company.</p>
				2.2.	The sole shareholder of the Company provides the Company with full operational independence and does not interfere in the operational (current) and investment activities of the Company, except in cases provided for by the legislation of the Republic of Kazakhstan, acts and instructions of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.	Observed	<p>The Company is a commercial organization, is completely independent, self-governing, has an independent balance sheet, has property separate from the property of the Sole Shareholder, has the right to open its own, including correspondent, bank accounts, can acquire and exercise property and personal non-property rights on its own behalf, bear obligations, sue and be sued.</p> <p>The main activity of the Company is the implementation of investment activities in accordance with the Charter, internal documents of the Company and the current legislation of the Republic of Kazakhstan.</p> <p>Paragraph 5.2 of Article 5 of the Company's Charter the objectives of the Company's activities are:</p> <p>- assistance in increasing the overall investment and innovation activity, development of the direct investment market of Kazakhstan by investing in</p>

N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
			<p>Private Equity Funds;</p> <ul style="list-style-type: none"> - improving the efficiency of interaction between private and public capital in various sectors of the economy of Kazakhstan in order to create competitive industries and diversify the economy, as well as in the implementation of infrastructure projects; - implementation of the best international experience of direct investment and management of private equity funds; - receipt of income through the implementation of any activity not prohibited by the legislation of the Republic of Kazakhstan; - diversification of assets through rational structuring of the Company's investment portfolio. <p>In carrying out its activities, the Company is guided by the decisions of the Sole Shareholder and the Board of Directors of the Company.</p> <p>Transactions and relations between the Company and the Sole Shareholder are carried out within the framework of the legislation of the Republic of Kazakhstan.</p>	2.4.	<p>The Company's corporate governance system provides for the relationship between:</p> <ol style="list-style-type: none"> 1) Sole shareholder; 2) Board of Directors; 3) Management Board; 4) Stakeholders; 5) other bodies determined in accordance with the Charter. <p>The corporate governance system provides, including:</p> <ol style="list-style-type: none"> 1) compliance with the hierarchy of the order of consideration of issues and decision-making; 2) clear delineation of powers and responsibilities between bodies, officials and employees; 3) timely and high-quality decision-making by the bodies of the Company and its subsidiaries; 4) efficiency of processes in the activities of the Company and its subsidiaries; 5) compliance with the legislation, this Code and internal documents of the Company and its subsidiaries. <p>The Company and its subsidiaries approve regulations on bodies (if such provisions are not provided for by the Company's charter) and structural divisions, as well as job descriptions for the relevant positions. Compliance with the provisions of these documents ensures the consistency of corporate governance processes.</p>	Observed	<p>The corporate governance structure of the Company complies with the legislation of the Republic of Kazakhstan and clearly defines the separation of powers between the subsidiaries of the Company.</p> <p>The Charter, the Regulations on the Board of Directors of the Company and the Regulations on the Management Board of the Company, the List of documents regulating the internal activities of the Company, subject to approval by the Board of Directors of the Company, determined by the decision of the Board of Directors of the Company dated July 26, 2022 (Minutes No. 15/22), provides for separation of powers of the Board of Directors and the Management Board of the Company, similarly in subsidiaries of the Company.</p> <p>By the decision of the Board of Directors of the Company dated March 18, 2021 (Minutes No. 5/21), the Stakeholder Map of Qazaqstan Investment Corporation JSC was approved.</p> <p>The Company's stakeholders map makes it possible to increase the efficiency of the corporate governance system and interaction with stakeholders, in order to establish balanced relations.</p> <p>The Stakeholder Map is compiled taking into account risks and ranking taking into account dependence (direct or indirect), obligations, situation (paying special attention to high-risk areas), influence and various perspectives and determines the degree of stakeholders and the degree of their influence.</p> <p>As part of the action plan to improve the corporate governance of the Company, 34 events are scheduled for 2021-2022. According to the results of 2022, 31 events were implemented.</p> <p>At the same time, 2 events were completed in the 1st quarter of 2023:</p> <ol style="list-style-type: none"> 1) approval of the Action Plan to improve the Company's Corporate Governance System for 2023-2024; 2) approval of the risk appetite of the Company. <p>1 event was not executed: Regular assessment of staff involvement.</p> <p>On April 20 and September 8, 2022, the Corporate Secretary held strategic sessions with the participation of members</p>
2.3.	The relationship (interaction) between the Sole Shareholder and the Company is carried out through the Board of Directors and/or the Management Board of the Company in accordance with the principles of good corporate governance. The role and functions of the Chairman of the Board of Directors and the Chairman of the Management Board of the Company are clearly delineated and specified in the Company's documents.	Observed	<p>The Company ensures compliance with the hierarchy of the order of consideration of issues and decision-making, a clear separation of powers and responsibilities between bodies, officials and employees, timely and high-quality decision-making by the Company's bodies, the effectiveness of processes in the Company's activities, compliance with legislation, the Corporate Governance Code and internal documents of the Company.</p> <p>The Company has approved the following internal documents: Regulations on the Board of Directors of Qazaqstan Investment Corporation Joint Stock Company, approved by the decision of the Board of the Holding dated November 28, 2018 (Minutes No. 53/18), Regulations on the Management Board of Qazaqstan Investment Corporation Joint Stock Company, approved by the decision of the Board of Directors of the Company dated November 6, 2020 (Minutes No. 14/20). Compliance with the provisions of these documents ensures the consistency of corporate governance processes.</p>				

№	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	№	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
			of the Board of Directors, the Management Board, heads of subsidiaries and structural divisions of the Company, as well as representatives of the Sole Shareholder.				The sole shareholder of the Company is National Managing Holding "Baiterek" JSC.
2.5.	The Company and its subsidiaries carry out their activities within the framework of their main (profile) activities.	Observed	<p>On February 25, 2022, by the decision of the Company's Board of Directors, amendments were made to the Development Strategy (Minutes No. 4/22), in connection with:</p> <ul style="list-style-type: none"> - joining of National Managing Holding "KazAgro" JSC to the Holding; - transfer of share in the authorized capital of Kazakhstan Project Preparation Fund Limited Liability Partnership, stock of shares of QazTech Ventures JSC to the Company; - On November 30, 2021 by the Decree of the Government of the Republic of Kazakhstan No. 849 "On amendments to the Decree of the Government of the Republic of Kazakhstan dated June 18, 2014 No. 674 "On approval of the Development Strategy of National Managing Holding "Baiterek" JSC for 2014-2023", the Development Strategy of National Managing Holding "Baiterek" JSC for 2014 - 2023 was updated. <p>Development strategy was updated in terms of:</p> <ol style="list-style-type: none"> 1) optimization of strategic directions by combining them; 2) changes in strategic key performance indicators of the Company in order to cascade with the strategic key performance indicators of the Holding; 3) editorial edits aimed at updating data and indicators. 				<p>The Holding was established in accordance with the Decree of the President of the Republic of Kazakhstan dated May 22, 2013 No. 571 "On certain measures to optimize the management system of development institutions, financial organizations and development of the national economy" and the Decree of the Government of the Republic of Kazakhstan dated May 25, 2013 No. 516 "On measures to implement the Decree of the President of the Republic of Kazakhstan dated May 22, 2013 No. 571".</p> <p>Two out of five members of the Company's Board of Directors are representatives of the Sole Shareholder.</p> <p>The Company ensures the exercise of the rights of the Sole Shareholder and the protection of its interests within the framework of the principles of corporate governance, expressed in participation in the management of the Company, in accordance with the procedure provided for by the Law of the Republic of Kazakhstan "On Joint Stock Companies" (the Law on Joint Stock Companies) and the Charter of the Company, approved by the decision of the Board of the Holding dated August 16, 2017 (Minutes No. 32/17), making key decisions on approval of the Charter, the Corporate Governance Code, determining the composition and term of office of the Board of Directors, election of the Chairman of the Management Board, approval of an external auditor, annual financial statements, etc.</p> <p>Information about the Company's activities is provided to the Sole Shareholder in full and allows making balanced and fair decisions.</p>
3. The principle of protecting the rights and interests of the Sole Shareholder							
3.1.	Compliance with the rights of the Sole Shareholder is a key condition for attracting investments in the Company and its subsidiaries. In this regard, corporate governance in the Company and its subsidiaries is based on ensuring the protection, respect for rights and legitimate interests of the Sole Shareholder and is aimed at contributing to the effective operation of the Company and achieving profitability.	Observed	The Company is a fund of private capital funds (private equity), established in 2007 to promote the sustainable development of the national economy, formation of private equity infrastructure in Kazakhstan, attracting foreign investment in priority sectors of the economy, use of leading international experience, the transfer of innovative knowledge and technologies to private equity. The Company, together with international institutional investors, effectively manages private equity funds. Private equity funds with the participation of the Company (PEF) provide capital to companies in various sectors of the economy in order to further growth and increase competitiveness.				<p>The exclusive competence of the Sole Shareholder provided for by the Law on the Joint-Stock Company, the Charter of the Company is observed.</p> <p>The Company submits an annual financial report, the order of distribution of net income, and an annual report to the Sole Shareholder for approval.</p> <p>Materials on issues submitted for consideration by the Sole Shareholder of the Company are prepared and sent within the periods established by the Company's Charter and contain information to the extent necessary for making informed decisions on issues.</p>

№	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	№	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
			<p>There are no facts of appeals of the Sole Shareholder to state and judicial bodies to protect their rights and legitimate interests, challenging decisions taken by the Company's bodies during 2022.</p>		<p>well as in some cases, the amount of dividends may be determined by the Sole Shareholder in a special order when considering the approval of the procedure for the distribution of profits for the relevant periods. In order to make a decision on payment of dividends, the Board of Directors of the Company (the Board of Directors/ Supervisory Board of its subsidiary) submits proposals on distribution of net income for the past financial year and amount of the dividend for the year per one common share of the Company (its subsidiary) for consideration by the Sole Shareholder (the Board of Directors / Sole Participant of its subsidiary).</p> <p>When considering the payment of dividends in accordance with the established procedure, the current state of the Company, its short-, medium- and long-term plans are taken into account.</p> <p>If a subsidiary has a shareholder (participant) who owns fifty per cent or more of the voting shares (participation interests) or who has the right to determine decisions by virtue of agreements concluded with the subsidiary and/or other shareholders (participants), the redistribution of financial resources in favor of such shareholder (participant) is carried out through dividend payments.</p> <p>If there are other mechanisms for redistributing the subsidiary's funds in favor of a shareholder (participant) who owns fifty per cent or more of the voting shares (participation interests), they are fixed in the relevant documents of the subsidiary and disclosed to all shareholders.</p> <p>The Company should disclose information about any forms and conditions of cooperation, agreements and partnerships to the Sole Shareholder and investors.</p>		<p>According to the decision of the Sole Shareholder of the Company dated April 27, 2023, the following procedure for distribution of consolidated net income was approved in the order of distribution of consolidated net income of Qazaqstan Investment Corporation JSC for 2022 in the amount of 10,664,535,000 (ten billion six hundred sixty-four million five hundred thirty-five thousand) KZT:</p> <ul style="list-style-type: none"> - the amount of 1,774,850,000 (one billion seven hundred seventy-four million eight hundred and fifty thousand) KZT to be allocated for the payment of dividends to the Sole Shareholder; - to leave the remaining part of 8,889,685,000 (eight billion eight hundred eighty-nine million six hundred eighty-five thousand) KZT at the disposal of Qazaqstan Investment Corporation JSC; - to approve the amount of the dividend per one ordinary share 33 (thirty-three) KZT 14 (fourteen) tiyn.
3.2.	<p>The Company provides the Sole Shareholder with reliable information about its financial and economic activities and its results in accordance with the requirements of the legislation of the Republic of Kazakhstan. In the case of combining the tasks of implementing state policy in implementation of the Company's activities with the main commercial activity, these goals are disclosed and brought to the attention of stakeholders.</p> <p>In case of acquisition of shares (participation interests) in subsidiaries by institutional investors, in order to ensure the stability and sustainability of subsidiaries, institutional investors acting as a proxy should disclose their corporate governance policy and regulations for their investment activities, including the current decision-making procedures in the investor's company.</p> <p>Institutional investors acting as a proxy report on how they resolve significant conflicts of interest that may affect ownership rights in relation to the investments they have made.</p> <p>The Company strives to limit the number of transactions in which there is an interest. In case of such transactions, the Company discloses the information provided by the legislation, the charter and internal documents of the Company.</p>	Observed	<p>The Company ensures timely disclosure of information to the Sole Shareholder:</p> <ul style="list-style-type: none"> - on corporate events in accordance with the Law on JSC, the Charter and internal documents of the Company; - on decisions taken by the Board of Directors on the list of issues stipulated by the Information Policy of Qazaqstan Investment Corporation JSC, approved by the decision of the Board of Directors of the Company dated July 31, 2018 (Minutes No. 06/18). <p>At the request of the Sole Shareholder, the Company provides documents and information in accordance with the Law on JSC and internal regulatory documents of the Company.</p> <p>During 2022, management and financial statements were provided to the Sole Shareholder on a periodic basis.</p> <p>The exchange of information between the Company and the Sole Shareholder is carried out through the electronic document management system in accordance with the procedure provided for by the Company's internal documents.</p> <p>In case of transactions in which there is an interest, the Company discloses the information provided for by the legislation, the charter and internal documents of the Company on the Company's Internet resource, on the Depository of Financial Statements, etc.</p>				
3.3.	<p>The amount of dividends is calculated based on the amount of the Company's net income reflected in the Company's annual audited financial statements prepared in accordance with the requirements of the legislation of the Republic of Kazakhstan on accounting and financial reporting and international financial reporting standards. At the same time, the amount of dividend payment is determined taking into account the legislation of the Republic of Kazakhstan.</p> <p>In case of payment of dividends on ordinary shares based on the results of quarter or half-year or distribution of retained earnings of previous years, as</p>	Observed	<p>The Company is guided by the Procedure for Determining the Amount of Dividends Paid by Subsidiaries of the National Managing Holding Baiterek Joint Stock Company, approved by the decision of the Holding's Management Board dated May 11, 2014 (Minutes No. 14/14), which establishes uniform approaches and principles for determining the amount of dividends paid by subsidiaries of the Holding.</p> <p>The conditions and procedure for payment of dividends to the Sole Shareholder of the Company are regulated by the legislation of the Republic of Kazakhstan, the Charter of the Company, as well as the relevant decision of the Sole Shareholder of the Company.</p>				
4. The principle of effective management of the Company by the Board of Directors and the Management Board							
4.1.		Observed			<p>The Board of Directors is a management body that provides strategic management of the Company and control over the activities of the Management Board.</p> <p>The Board of Directors ensures full transparency of its activities to the Sole Shareholder, as well as implementation of all provisions of this Code.</p>		<p>The activities of the Company's Board of Directors are regulated by the Regulations on the Company's Board of Directors approved by the decision of the Holding's Management Board dated November 28, 2018 (Minutes No. 53/18).</p> <p>On June 15, 2022, the Management Board of the Holding approved amendments to</p>

№	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	№	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
	<p>The Board of Directors performs its functions in accordance with the legislation of the Republic of Kazakhstan, the Charter of the Company, this Code, the Regulations on the Board of Directors and other internal documents of the Company.</p>		<p>the Regulations on the Board of Directors (Minutes No. 26/22).</p> <p>The activities of the Board of Directors are based on the principles of efficiency and responsibility, maximum observance and realization of the interests of the Sole shareholder and the Company, as well as protection of the rights of the sole shareholder. This principle is observed in practice by the Board of Directors of the Company.</p> <p>The Board of Directors exercises general management of the Company's activities, except for resolving issues that fall within the exclusive competence of the Sole Shareholder and the Management Board. The Board of Directors ensures full transparency of its activities to the Sole Shareholder.</p>				<p>Independent Director;</p> <p>Kandykbayev S.A., Member of the Board of Directors of the Company, Independent Director;</p> <p>Kuatova A.S., Member of the Board of Directors of the Company, Chairperson of the Management Board of the Company.</p> <p>Independent Directors are the Chairmen of the Committees of the Company's Board of Directors.</p> <p>The independence criteria are defined by the legislation of the Republic of Kazakhstan, the Regulations on the Board of Directors of the Company, as well as the best international practices in the field of corporate governance.</p>
			<p>All members of the Board of Directors comply with their duties stipulated by the Regulations on the Board of Directors of the Company, including the obligation to act in accordance with the requirements of legislation of the Republic of Kazakhstan, the Charter and internal documents of the Company on the basis of awareness, transparency, in the interests of the Company and the Sole Shareholder in good faith and reasonably, on the basis of full awareness, honestly, actively, prudently and professionally.</p> <p>Members of the Board of Directors of the Company are officials of the Company and bear responsibility provided for by the legislation of the Republic of Kazakhstan.</p>	4.3.	<p>The Chairman of the Board of Directors is responsible for overall management of the Board of Directors, ensures the full and effective implementation by the Board of Directors of its main functions and building a constructive dialogue between the members of the Board of Directors, the Sole Shareholder and the Management Board of the Company.</p>	Observed	<p>The Chairman of the Board of Directors of the Company in accordance with the Law on JSC, the Charter, the Regulations on the Board of Directors of the Company is elected from among its members by a majority vote of the total number of members of the Board of Directors by open voting.</p> <p>The Chairman of the Board of Directors adheres to the principle of freedom of expression by the members of the Board of Directors on the issues discussed, promotes the search for an agreed solution, consensus-building by the members of the Board of Directors, decision-making in the interests of the sole shareholder and the Company. In addition, the Chairman of the Board of Directors promotes effective leadership in order to create conditions for the work of members of the Board of Directors as a single team.</p>
4.2.	<p>The composition of the Board of Directors of the Company is formed from among the representatives of the Sole Shareholder, the Chairman of the Management Board of the Company, independent directors and other persons.</p> <p>The Sole shareholder elects the members of the Board of Directors on the basis of clear and transparent procedures, taking into account the competencies, skills, achievements, business reputation and professional experience of the candidates. When re-electing individual members of the Board of Directors or its full composition for a new term, their contribution to the effectiveness of the Company's Board of Directors is taken into account.</p>	Observed	<p>During 2022, the Board of Directors of the Company consisted of 5 members of the Board of Directors, of which 2 members of the Board of Directors are representatives of the Sole Shareholder, 2 members are independent directors and 1 member of the Board of Directors is the Chairman of the Management Board of the Company. Composition of the Board of Directors of the Company as of 31.12.2022:</p> <p>Mukhamedzhanov A.B., Chairman of the Board of Directors of the Company, Deputy Chairman of the Management Board of the Holding;</p> <p>Son V.V., Member of the Board of Directors of the Company, Managing Director of the Holding;</p> <p>Page N.R., Member of the Board of Directors of the Company,</p>	4.4.	<p>The members of the Board of Directors are paid a fixed annual remuneration, as well as additional remuneration for participation and chairmanship in the committees of the Board of Directors. Remuneration of a member of the Board of Directors should not include options or other elements related to the Company's performance.</p> <p>At the same time, members of the Board of Directors of the Company who are civil servants and/or representatives of the shareholder, as well as the Chairman of the Management Board (in case of his membership in the Board of Directors), remuneration for membership in the Board of Directors is not paid.</p>	Observed	<p>The amount and conditions of remuneration and compensation of expenses to the members of the Board of Directors of the Company are determined by the Sole Shareholder of the Company. The terms of remuneration of directors are fixed in the contracts. At the same time, members of the Company's Board of Directors who are representatives of the shareholder, as well as the Chairman, are not paid remuneration for membership in the Board of Directors.</p>

N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
	The sole shareholder of the Company determines the amount and conditions of remuneration and compensation of expenses to the members of the Board of Directors of the Company. At the same time, the terms of remuneration of directors are reflected in the contracts concluded with them and/or, if necessary, in the internal document of the Company.				development strategy, including issues on development of measures that contribute to improving the efficiency of the Company's activities, its cost-effective activities and sustainable development. The detailed goals and objectives of the committee are provided for in the regulations on the committee.		development of measures that contribute to improving the efficiency of the Company's activities in the medium and long term. The detailed goals and objectives of the committee are provided for in the regulations on the committee.
4.5.	The Company's Board of Directors has established committees responsible for consideration of issues related to audit and risk management, strategic planning, personnel, remuneration and social issues. In order to improve the efficiency of investment decision-making, the Strategic Planning Committee preliminarily reviews strategic investment projects. The concept of a strategic investment project is defined by the Company's internal documents.	Observed	<p>In order to facilitate the effective performance of the functions of the Company's Board of Directors, 3 (three) committees have been established and operate under the Board of Directors to consider the most important issues and prepare recommendations:</p> <p>1) Audit and Risk Committee; 2) HR, Remuneration and Social Affairs Committee; 3) Strategic Planning and Corporate Development Committee.</p> <p>Composition of the Audit and Risk Committee as of 31.12.2022: <i>Page N.R.</i>, Chairman of the Committee; <i>Kandykbayev S.A.</i>, Member of the Committee; <i>Son V.V.</i>, Member of the Committee.</p> <p>Composition of the HR, Remuneration and Social Affairs Committee as of 31.12.2022: <i>Kandykbayev S.A.</i>, Chairman of the Committee; <i>Page N.R.</i>, Member of the Committee; <i>Son V.V.</i>, Member of the Committee.</p> <p>Composition of Strategic Planning and Corporate Development Committee as of 31.12.2022: <i>Page N.R.</i>, Chairman of the Committee; <i>Kandykbayev S.A.</i>, Member of the Committee; <i>Son V.V.</i>, Member of the Committee.</p>	4.7.	<p>The Audit and Risk Committee (the Committee) consists of independent directors with the necessary knowledge and practical experience in the field of accounting and auditing, risk management, and internal control. The Chairman of the Committee is an independent director.</p> <p>The main functions of the Committee include internal and external audit, financial reporting, internal control and risk management, compliance with the legislation of the Republic of Kazakhstan, internal documents and other issues on behalf of the Board of Directors.</p>	Observed	<p>On May 6, 2022, by decision of the Company's Board of Directors (Minutes No. 10/22), Independent Director Nicholas Page was elected as Chairman of the Audit and Risk Committee with a term of office equal to the term of office of the Company's Board of Directors.</p> <p>In accordance with the Regulations on the Audit and Risk Committee, the main purpose of the activities of the Audit and Risk Committee is to create a system of measures for organization of internal control of functioning of all divisions of the Company and to develop appropriate recommendations for the Board of Directors of the Company, to assist the Board of Directors in implementation of its regulatory and supervisory functions in the field of control over the availability and functioning of an adequate risk management system, as well as improving and strengthening the risk management system and their analysis.</p>
				4.8.	The HR, Remuneration and Social Affairs Committee (the Committee) consists of a majority of independent directors in order to develop objective and independent decisions and to prevent the influence of stakeholders (representatives of the Sole Shareholder, the Head of the Management Board, employees and other persons) on the judgments of the committee members.	Observed	<p>The HR, Remuneration and Social Affairs Committee consists of two independent directors and one representative of the Sole Shareholder.</p> <p>Composition of the HR, Remuneration and Social Affairs Committee as of 31.12.2022: <i>Kandykbayev S.A.</i>, Chairman of the Committee; <i>Page N.R.</i>, Member of the Committee; <i>Son V.V.</i>, Member of the Committee (representative of the Sole Shareholder).</p>
4.6.	<p>The Chairman of the Strategic Planning Committee is elected from among the independent members of the Board of Directors for the term of office of the Board of Directors at one of the first meetings of the Board of Directors. The decision on election is made by a simple majority of votes of the total number of members of the Board of Directors.</p> <p>The main functions of Strategic Planning Committee are to develop and submit recommendations to the Company's Board of Directors on development of priority areas of the Company's activities and its</p>	Observed	<p>On May 6, 2022, by decision of the Company's Board of Directors (Minutes No. 10/22), Independent Director Nicholas Page was elected as Chairman of the Strategic Planning and Corporate Development Committee with a term of office equal to the term of office of the Company's Board of Directors.</p> <p>The main purpose of Strategic Planning and Corporate Development Committee is to prepare recommendations to the Board of Directors on development of strategic goals (development strategy) of the Company, including issues related to</p>	4.9.	Meetings of the Board of Directors are held in accordance with the work plan approved by the Board of Directors before the beginning of the calendar year, which includes a list of issues under consideration and a schedule of meetings with dates. Meetings of the Board of Directors and its committees are held by means of in-person or absentee voting, while the number of meetings with absentee voting should be minimized. Consideration and	Observed	The Board of Directors holds regular meetings to effectively perform its functions. Meetings of the Board of Directors are held in accordance with the work plan approved by the decision of the Board of Directors of the Company dated December 7, 2021 (Minutes No. 21/21), which includes a list of issues under consideration and a schedule of meetings with dates. Meetings of the Board of Directors and its committees are held by means of in-

N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
	decision-making on important and strategic issues is carried out only at meetings of the Board of Directors with face-to-face voting.		<p>person or absentee voting.</p> <p>In 2022, 11 in-person meetings of the Board of Directors and 8 absentee meetings of the Board of Directors were held, 127 issues were considered and decisions were made.</p> <p>9 meetings of the Audit and Risk Committee were held, 45 issues were considered; 10 meetings of the HR, Remuneration and Social Affairs Committee, 28 issues were considered; 9 meetings of the Strategic Planning and Corporate Development Committee, 35 issues were considered.</p>				<p>a comprehensive analysis of the main areas of activity of the Board of Directors and allows the Board of Directors of the Company:</p> <ul style="list-style-type: none"> analyzing and identifying the strengths and weaknesses (advantages and disadvantages) of the Company's Board of Directors; making adjustments to the work and adjusting the target areas of activity of the Board of Directors of the Company; determining to what extent the structure and composition of the Company's Board of Directors contribute to the solution of the Company's strategic objectives; determining the effectiveness of the work of the Chairman of the Board of Directors and each member of the Board of Directors; determining the effectiveness of the remuneration system for members of the Board of Directors. <p>The ways to assess the BD are self-assessment or involvement of an independent consultant to improve the quality of the assessment. At the same time, at least once every three years, the evaluation is carried out with the involvement of an independent professional organization.</p> <p>By the decision of the Board of Directors of the Company on December 15, 2022 (Minutes No. 19/22), assessment of the activities of the Board of Directors of Kazyna Capital Management Joint Stock Company for 2022, conducted by the Corporate Secretary of the Company, was approved. The assessment is carried out by means of a questionnaire and its results will be included in the Annual Report of the Company.</p>
4.10.	<p>The Board of Directors, committees and members of the Company's Board of Directors are assessed on an annual basis in accordance with the Company's internal regulatory documents. At the same time, at least once every three years, the evaluation is carried out with the involvement of an independent professional organization.</p> <p>The assessment makes it possible to determine the contribution of the Board of Directors and each of its members in achieving the strategic objectives of the Company's development, as well as to identify areas and recommend measures for improvement. The results of assessment are taken into account when re-electing or early termination of the powers of the members of the Board of Directors.</p>	Observed	<p>In accordance with the best international corporate governance practice, the Company annually evaluates the activities of the Board of Directors, which determines the further effective development of the Board of Directors.</p> <p>In accordance with Regulations on the Board of Directors of the Company, in order to obtain a comprehensive analysis of the main areas of activity of the Board of Directors of the Company, an annual assessment of the activities of the Board of Directors has been conducted since 2015. The annual Work Plan of the Company's Board of Directors also provides for an annual assessment of the activities of the Board of Directors.</p> <p>In accordance with the Corporate Governance Code, the Regulations on the Board of Directors of the Company – the Board of Directors, committees and members of the Board of Directors are assessed on an annual basis until June 1 of the year following the reporting year.</p> <p>The decision to assess the activities of the Board of Directors (Assessment of activities of the Board of Directors) shall be made by the Board of Directors.</p> <p>Assessment of activities of the Board of Directors makes it possible to determine the contribution of the Board of Directors and each of its members in achieving the strategic objectives of the Company's development, as well as to identify areas and recommend measures for improvement. The results of assessment of activities of the Board of Directors are taken into account when re-electing or early termination of the powers of members of the Board of Directors.</p> <p>Assessment of activities of the Board of Directors is carried out in order to obtain</p>				
				4.11.	In order to effectively organize the activities of the Board of Directors and interaction of the Management Board with the Sole Shareholder, the Board of Directors appoints a Corporate Secretary.	Observed	<p>By the decision of the Board of Directors of the Company dated March 28, 2018 (Minutes No. 2/18), the Regulations on Corporate Secretary of the Company (Regulations) were approved. The Regulation defines the status of the corporate secretary in the organizational structure and corporate governance system of the Company, the procedure for appointment and early dismissal of the corporate secretary, his/her tasks, functions, rights and obligations, powers and responsibilities, organizational and technical support of activities.</p> <p>In accordance with the decision of the Board of Directors dated December 7, 2021 (Minutes No. 21/21), the powers of the Corporate Secretary of the Company</p>

N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
			<p>Ye. Smagulov were terminated and from January 5, 2022, A. Belyalov was appointed as Corporate Secretary of the Company.</p> <p>The Corporate Secretary of the Company continuously works to ensure proper preparation and presentation of materials for meetings to members of the Board of Directors of the Company, members of Committees, recording and signing minutes of meetings, providing extracts from decisions of the Board of Directors of the Company, providing operational information to structural units of the Sole Shareholder and the Company.</p>				<p>honesty, objectivity, confidentiality and professional competence.</p> <p>The main tasks of Internal Audit Service are to conduct analysis and evaluation within the framework of audits and consultations:</p> <ul style="list-style-type: none"> • reliability and efficiency of the internal control system; • reliability and effectiveness of the risk management system; • effectiveness of corporate governance system and process of its improvement, compliance with ethical standards and values. • compliance with requirements of the legislation of the Republic of Kazakhstan, internal policies and other documents, as well as the effectiveness of systems and procedures created and applied to ensure compliance with these requirements (compliance control); • implementation of decisions of the Company's bodies and instructions (proposals) of authorized (supervisory) state bodies; • sufficiency and/or efficiency of business processes carried out by the Company's structural divisions, measures to achieve the tasks assigned to them within the framework of the Company's strategic goals; • rationality and efficiency of use of resources and the methods (methods) used to ensure the safety of property (assets); • economic feasibility and efficiency of transactions; • reliability, completeness, objectivity of the accounting system and reliability of financial statements and other information of the Company. <p>The Board of Directors of the Company annually approves the Annual Audit Plan of the Internal Audit Service based on a risk-based approach. The results of each audit are reviewed and discussed at a meeting of the Company's Management Board.</p>
4.12.	In order to comply with the principles of business ethics, optimal regulation of social and labor disputes arising in the Company, an Ombudsman may be appointed in the Company from among the employees of the Company, the Sole Shareholder or its subsidiaries.	Observed	<p>By the decision of the Board of Directors of the Qazaqstan Investment Corporation JSC dated June 24, 2022 (Minutes No. 14/22), Dina Viktorovna Akrachkova was appointed as Ombudsperson of Qazaqstan Investment Corporation JSC with a term of office of 2 (two) years.</p> <p>The role of the Ombudsperson is to advise employees who have applied to him/her, participants in labor disputes, conflict and assist them in developing a mutually acceptable, constructive and implementable solution, taking into account compliance with the norms of the legislation of the Republic of Kazakhstan (including confidentiality, if necessary), assisting in solving problematic social and labor issues of both employees and Company.</p> <p>The Company's Ombudsperson initiates consideration of disputes on violation of provisions of the Company's Code of Business Ethics, including in terms of corporate conflicts and conflicts of interest, and participates in their settlement.</p> <p>There were no complaints about violations to the Ombudsperson during 2022.</p>				<p>In order to develop the competence and potential of employees in the field of internal audit, the Board of Directors of the Company annually approves a professional training plan for employees of the Internal Audit Service of the Company.</p> <p>The Internal Audit Service provides a quarterly report to the Audit and Risk Committee and the Board of Directors of the Company. The Head of the Internal Audit Service meets quarterly with the Audit and Risk Committee of the Board</p>
4.13.	An Internal Audit Service has been established and is functioning to carry out internal audit, which ensures independent and objective guarantees and consultations aimed at improving the Company's work. Internal audit helps to achieve the set goals by using a systematic and consistent approach to assessing and improving the effectiveness of risk management, control and corporate governance processes.	Observed	<p>The Internal Audit Service ensures the organization and implementation of internal audit in the Company, is directly subordinate and accountable to the Board of Directors of the Company.</p> <p>The mission of Internal Audit Service is to preserve and increase the value of the organization by conducting objective internal audits based on risk-based approach, providing recommendations and sharing knowledge.</p> <p>The Internal Audit Service carries out its activities based on the principles of</p>				

N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
			<p>of Directors without the participation of members of the Company's Management Board.</p> <p>On May 31, 2022, by the decision of the Board of Directors of the Company (Minutes No. 12/22), the powers of the Head of the Internal Audit Service of the Company Tuyakbaeva Saltanat Mursalnabikyzy were prematurely terminated and Ismailov Daubek Nurlanovich was appointed as the Head of Internal Audit Service of the Company.</p> <p>In order to improve the activities of the Internal Audit Service in 2022, the documents regulating the activities of the Internal Audit Service have been updated.</p>				<p>Board of Directors on the organization of risk management and internal control system, transactions with financial instruments, evaluates policies, plans and other internal documents of the Company for their compliance with the strategy, current market and the economic situation, the risk profile of the Company and the requirements of the legislation of the Republic of Kazakhstan.</p> <p>The main principles of the Board's activities are: legality; honesty; integrity; reasonableness; regularity, professionalism, objectivity.</p> <p>The activities of the Management Board are fully accountable to the Board of Directors of the Company.</p>
4.14.	The management of the Company's current activities is carried out by the Management Board. The Chairman and members of the Management Board have high professional and personal characteristics, a good business reputation and adhere to ethical standards. The Chairman of the Management Board has high organizational skills, works in active interaction with the Sole Shareholder and constructively builds a dialogue with the Board of Directors, employees and other stakeholders.	Observed	<p>The management of the Company's current activities is carried out by a collegial body in the form of a Management Board headed by the Chairman of the Management Board.</p> <p>The work of the Management Board is aimed at fulfilling the Company's objectives and implementing the Company's development strategy.</p> <p>The activities of the Management Board are regulated by the Regulation on Management Board of the Company, which provides for the procedure and timing of meetings of the Management Board, the responsibility of members of the Management Board, and also regulates the main functions of the Secretary of the Management Board.</p> <p>The quantitative composition of the Company's Management Board as of December 31, 2022 is 4 (four) members, including 1 Chairman of the Management Board, 3 (three) Deputy Chairman of the Management Board.</p> <p>Members of the Management Board of the Company are officials of the Company and bear responsibility provided for by the legislation of the Republic of Kazakhstan.</p>				<p>In accordance with the Regulations on Management Board of the Company, the Management Board is obliged to comply with the decisions of the Sole Shareholder and the Board of Directors of the Company and to perform its functions in good faith in the interests of the Company.</p>
4.15.	The Management Board is accountable to the Board of Directors and manages the daily activities of the Company, is responsible for the implementation of the development strategy and/or development plan and decisions taken by the Board of Directors and the Sole Shareholder.	Observed	<p>In accordance with the Company's Charter, the Management Board manages the current activities of the Company.</p> <p>The Management Board ensures the implementation of strategy, risk management and internal control policies approved by the Board of Directors, including decisions of the Company's</p>	5.1.	The Company and its subsidiaries are aware of the importance of their influence on the economy, the environment and society to ensure sustainable development in the long term, while maintaining a balance of interests of stakeholders. The approach of responsible, thoughtful and rational interaction with stakeholders will contribute to the sustainable development of the Company and its subsidiaries.	Observed	<p>Realizing the importance of its influence on the economy and society, the Company is working to implement the principles of sustainable development in its activities.</p> <p>In its activities, the Company is guided by the provisions of Sustainable Development Policy of the Sole Shareholder (Policy), which was developed taking into account international standards in the field of sustainable development and approved by the decision of the Board of Directors of JSC "Qazaqstan Investment Corporation" dated September 9, 2021 (Minutes No. 16/21).</p> <p>The Policy notes that sustainable development is a set of principles and obligations that the Company is guided by when carrying out activities in terms of: managing relationships with stakeholders, assessing and managing the impact on the national economy, the social sphere and the environment.</p> <p>The Policy provides for the Company's commitment to the principles of human rights protection, labor relations, environmental protection and the fight against corruption, which the Company also takes into account in interaction with stakeholders.</p>

5. The principle of sustainable development

№	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	№	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
			Information on sustainable development is disclosed annually as part of the Company's Annual Report, which is subject to approval by the Company's Sole Shareholder.				25, 2022, the Employee Training Plan was approved by the Chairman of the Management Board of the Company.
5.2.	The Company and its subsidiaries develop action plans in the field of sustainable development.	Observed	<p>According to paragraph 72 of the Policy, the Board of Directors provides strategic guidance and control over the implementation of sustainable development. In accordance with paragraph 73, the Management Board ensures the formation of an appropriate sustainable development management system and its implementation.</p> <p>The decision of the Board of Kazyna Capital Management JSC dated December 13, 2022 (Minutes No. 53/22) approved the Action Plan in the field of Sustainable Development of Kazyna Capital Management JSC for 2023-2024. It provides for activities with the participation of subsidiaries aimed at implementing the principles of sustainable development.</p>				<p>The Company ensures consistency of its economic, environmental and social goals for sustainable development in the long term. Thus, the Company is considering the possibility of including the principles of sustainable development in relevant contracts (agreements) with partners to increase consistency with the Sustainable Development Goals.</p>
5.3.	The Company and its subsidiaries ensure consistency of their economic, environmental and social goals for sustainable development in the long term. Sustainable development in the Company and its subsidiaries consists of three components: economic, environmental and social.	Observed	<p>According to the Policy, sustainable development in the Company consists of three components: economic, environmental and social.</p> <p>The economic component in activities of the Company and its subsidiaries and affiliates focuses on ensuring the interests of shareholders and investors, and increasing the efficiency of processes.</p> <p>The environmental component contributes to minimizing the impact on the environment, the optimal use of limited resources, the use of environmentally friendly, energy- and resource-saving technologies. In its activities, the Company follows the principles of the most careful and rational attitude to the environment in accordance with the requirements of the legislation of the Republic of Kazakhstan and generally recognized standards for environmental protection.</p> <p>The social component is focused on the principles of social responsibility, which also include ensuring occupational safety and preserving the health of employees, fair remuneration and respect for rights of employees, individual staff development, sponsorship and charity, environmental and educational campaigns.</p> <p>For the purpose of professional development, the Company annually approves a Training Plan for employees. On January</p>	5.4.	<p>The Company and its subsidiaries strive for profitability, ensure sustainable development, and maintain a balance of interests of stakeholders.</p> <p>In the course of their activities, the Company and its subsidiaries influence or are influenced by stakeholders. Activities in the field of sustainable development comply with the best international standards.</p> <p>Stakeholders can have both positive and negative impact on the activities of the Company and its subsidiaries, namely on achieving profitability, sustainable development, reputation and image, create or reduce risks. The Company and its subsidiaries attach great importance to proper interaction with stakeholders.</p>	Observed	<p>In order to implement the Company's Sustainable Development Policy, the Stakeholders' Map of Qazaqstan Investment Corporation JSC was approved by the decision of the Company's Board of Directors dated March 18, 2021 (Minutes No. 5/21).</p> <p>The Company's stakeholders map makes it possible to increase the efficiency of the corporate governance system and interaction with stakeholders, in order to establish balanced relations.</p> <p>The Stakeholder Map is compiled taking into account risks and ranking taking into account dependence (direct or indirect), obligations, situation (paying special attention to high-risk areas), influence and various perspectives and determines the degree of stakeholders and the degree of their influence.</p> <p>The Company recognizes the rights of all stakeholders and strives to cooperate with them in order to develop its activities and ensure sustainable development.</p> <p>In case of violation of the rights of the Company's employees, partners and third parties, the Company acts within the framework of the current legislation of the Republic of Kazakhstan.</p> <p>In 2022, violations of the rights of the Company's employees, partners and third parties were not recorded.</p> <p>The work on informing stakeholders about the Company's activities is carried out in accordance with the Company's "External Communications Plan" approved by the decision of the Company's Management Board dated February 22, 2022 (Minutes 06/22). Information for stakeholders (news about the Company's activities, instruments of state support for exporters, success stories, and others) is updated on</p>

№	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	№	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
			<p>an ongoing basis on the official website of the Company www.qic.kz.</p> <p>Qazaqstan Investment Corporation JSC, being a socially responsible company, strives to build a transparent company intolerant to corruption.</p> <p>On April 21, 2022, the Company's Board of Directors approved the Anti-Corruption Compliance Program of Qazaqstan Investment Corporation for 2022, in order to assist in the implementation of anti-corruption compliance and formation of unified approach to the implementation of anti-corruption policy.</p> <p>In its activities, Qazaqstan Investment Corporation JSC adheres to high ethical standards and principles of open and honest business conduct, and also strives to improve corporate culture, follow the best practices of corporate governance and maintain business reputation at the proper level. The Company adheres to the principle of rejection of corruption in all forms and manifestations.</p> <p>Qazaqstan Investment Corporation JSC proclaims the inevitability of punishment for employees, regardless of their position, in case they commit corruption offenses in connection with the performance of work duties.</p>				<p>pany, as well as continuous improvement of activities based on a unified standardized approach to risk management methods and procedures;</p> <ul style="list-style-type: none"> improving the efficiency and sustainability of the Company's development, reducing losses, increasing profitability and the most efficient use of capital; ensuring that the Company accepts acceptable risks that are adequate to the scale of its activities; ensuring the normal functioning of the Company in crisis situations. <p>The Risk Analysis and Management Service monitors the Company's key risks on a quarterly basis and submits them to the Management Board of the Company and the Board of Directors of the Company. Taking into account the unstable financial condition of commercial banks, analysis of the financial system of Kazakhstan is carried out quarterly and for each bank separately, on the basis of which a report is submitted for consideration by the Investment Committee and appropriate measures are taken to reduce the credit risks of the treasury portfolio.</p> <p>During the reporting period, work was carried out to improve the Company's risk management guidelines and the Matrix of Business Processes, Risks and Controls of Qazaqstan Investment Corporation JSC for 2023 was approved by the decision of the Board of Directors of the Company dated December 15, 2022 (Minutes No. 19/22).</p>
6. The principle of risk management, internal control and internal audit							
6.1.	The Company has an effectively functioning risk management and internal control system aimed at ensuring reasonable confidence in the Company's achievement of its strategic and operational goals, and representing a set of organizational policies, procedures, standards of conduct and actions, methods and management mechanisms created by the Board of Directors and the Management Board of the Company.	Observed	<p>The Company has a structure approved by the Board of Directors that clearly defines the participants in the corporate risk management system. The structure provides for a Risk Analysis and Management Service reporting directly to the Chairman of the Management Board.</p> <p>The approved Risk Management Policy defines the organizational structure of risk management, the roles and responsibilities of bodies, committees and structural divisions: the Sole Shareholder, the Board of Directors, the Audit and Risk Committee, the Management Board, the Investment Committee, the Risk Analysis and Management Service, the Internal Audit Service and structural divisions.</p> <p>The main objectives of the risk management system are:</p> <ul style="list-style-type: none"> building an effective integrated system and creating an integrated risk management process as an element of the Com- 				<p>Principles of internal audit.</p> <p>The Company has established an Internal Audit Service, which carries out activities to provide the Board of Directors with independent reasonable guarantees and consultations aimed at improving the Company's activities. Internal audit helps the Company achieve its goals by using a systematic and consistent approach to assessing and improving the effectiveness of risk management, internal control and corporate governance processes.</p> <p>The Board of Directors of the Company annually approves the Annual Audit Plan of the Internal Audit Service based on a risk-based approach. The results of each audit are reviewed and discussed at a meeting of the Company's Management Board. The results of audit assignments, key findings, relevant recommendations and corrective action plans adopted by the Company's Management Board are submitted quarterly to the Board of Directors for consideration.</p>

N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
			<p><i>In carrying out its activities, the Internal Audit Service is guided by:</i></p> <p>1) the legislation of the Republic of Kazakhstan, the Charter of the Company, decisions of the Company's bodies, this Regulation and other internal documents of the Company;</p> <p>2) IFPPIA, the constituent elements of which are definition, mission, basic principles of professional practice of internal audit, the Code of Ethics of Internal Auditors (Code of Ethics), international professional standards of internal audit (Standards), as well as practical guidelines and guidelines for them.</p> <p><i>The main tasks of Internal Audit Service are to analyze and evaluate:</i></p> <ul style="list-style-type: none"> • reliability and efficiency of the internal control system; • reliability and effectiveness of the risk management system; • reliability of the functioning of internal control system for use of automated information systems, including monitoring the integrity of databases and their protection from unauthorized access and (or) use, taking into account measures taken in case of non-standard and emergency situations in accordance with the action plan aimed at ensuring the continuity of activities and (or) restoring the Company's activities in the event of abnormal and emergency situations; • reliability, completeness, objectivity of the accounting system and reliability of financial statements and other information of the Company, as well as evaluation of the rules (principles, methods) used to identify, measure, classify and present such information (plans and reports) to internal and external users; • rationality and efficiency of the use of resources, assets and the methods (methods) used to ensure their accounting, preservation (restoration) and/or security (protection); • economic feasibility and efficiency of transactions; • compliance with the requirements of the legislation of the Republic of Kazakhstan, internal policies and other documents of the Company, as well as effectiveness of systems and procedures created and applied to ensure compliance with these requirements (compliance control); • implementation of decisions of the Company's bodies and instructions (proposals) of authorized (supervisory) state bodies; • sufficiency and/or efficiency of business processes carried out by the Company's structural divisions, measures to achieve 				<p>the tasks assigned to them within the framework of the Company's strategic goals;</p> <ul style="list-style-type: none"> • effectiveness of corporate governance system and process of its improvement, compliance with the accepted principles of corporate governance, relevant ethical standards and values. <p>In order to develop the competence and potential of employees in the field of internal audit, the Board of Directors of the Company annually approves a professional training plan for employees of the Internal Audit Service of the Company. In order to improve the activities of the Internal Audit Service in 2022, the documents regulating the activities of the Internal Audit Service have been updated.</p>
7. The principle of regulating corporate conflicts and conflicts of interest							
				7.1.	<p>Members of the Board of Directors and the Management Board of the Company, employees of the Company, perform their professional functions in good faith and reasonably in the interests of shareholders and the Company, avoiding conflicts.</p> <p>In the event of corporate conflicts, the participants seek ways to resolve them through negotiations in order to ensure effective protection of the interests of the Company and stakeholders. At the same time, the Company's officials promptly inform the Corporate Secretary and/or the Ombudsman about the presence (occurrence) of a conflict.</p> <p>The effectiveness of work on prevention and settlement of corporate conflicts suggests the full and early identification of such conflicts and coordination of actions of all bodies of the Company.</p>	Observed	<p>The Company operates in strict accordance with the legislation of the Republic of Kazakhstan, generally accepted principles of business ethics and internal documents of the Company.</p> <p>Relations between the Sole Shareholder, members of the Board of Directors and the Management Board of the Company are based on mutual trust, respect, accountability and control.</p> <p>The Company carries out its activities recognizing the supremacy of the Constitution, laws and other regulatory legal acts of the Republic of Kazakhstan in relation to the internal documents of the Company and preventing decision-making at the personal discretion of officials and other employees of the Company. The Company has a Code of Business Ethics, approved by the decision of the Board of Directors of the Company dated October 23, 2018 (Minutes No. 09/18). The objectives of the Code of Business Ethics are to improve, systematize and regulate the Company's relations aimed at improving the efficiency of corporate governance and promoting successful interaction with employees, customers, suppliers, business partners, stakeholders and authorized state bodies through the application of generally accepted standards and norms of business conduct. In accordance with the Code of Business Ethics, the Company's employees undertake to comply with the norms of the Code.</p> <p>The Company's Ombudsman shall be responsible for compliance with the</p>

N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation	N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
			<p>principles of business ethics and optimal regulation of disputes on violation of the provisions of the Company's Code of Business Ethics.</p> <p>In order to implement the requirements of the legislation of the Republic of Kazakhstan and the Company's internal regulatory documents on combating corruption, resolving corporate conflicts and conflicts of interest, the Ombudsman institute has been introduced in the Company. The tasks of the Ombudsman include collecting information, complaints and other appeals from individuals and legal entities on actions (inaction) of officials and employees of the Company, ensuring their consideration, as well as organizing the consideration of disputes arising in connection with application of business ethics, conflict of interest settlement.</p> <p>All employees of the Company, clients, partners and other stakeholders have the right to apply to the Ombudsman. In case of failure to resolve corporate conflicts in the Company through negotiations or other alternative ways of resolving corporate conflicts, such conflicts shall be resolved in accordance with the legislation of the Republic of Kazakhstan.</p> <p>In 2022, there were no complaints and appeals to the Ombudsman regarding violations of business ethics and labor legislation in the Company.</p>				<p>In addition, in 2022, there were no cases of violations of the Policy for Settlement of Corporate Conflicts and Conflicts of Interest.</p> <p>In order to ensure the settlement of the conflict of interests, the Company maintains a list of affiliated persons. To track potential conflicts of interest in the Company, members of the Board of Directors and the Management Board regularly provide information about their affiliates. An Ombudsman has been appointed in the Company. The functions of the Ombudsman include collecting information on non-compliance with the provisions of the Company's Code of Business Ethics, consulting employees and officials of the Company on provisions of the Code, initiating resolution of dispute arising in connection with violation of the provisions of the Code and participating in it. Members of the Board of Directors and the Management Board, employees of the Company, perform their professional functions in good faith and reasonably in the interests of the Company and the Sole Shareholder, avoiding conflicts of interest and corporate conflicts.</p> <p>Civil contract is concluded with a member of the Board of Directors - an independent director in the Company, reflecting the conditions for compliance with the requirements provided for by the Company's internal regulatory documents, including on corporate conflicts and conflicts of interest.</p>
7.2.	<p>The Board of Directors approves and periodically reviews the policy and rules for resolving corporate conflicts, in which their resolution will best meet the interests of the Company and the Sole Shareholder.</p> <p>The Board of Directors settles corporate conflicts on issues within its competence. In this case, the Corporate Secretary and/or the Ombudsman are responsible for ensuring that the Board of Directors is informed as much as possible about the essence of the corporate conflict and the role of an intermediary in resolving the corporate conflict.</p> <p>The Board of Directors considers individual corporate conflicts within the competence of the Management Board (for example, if the subject of the conflict is the actions (omission) of this body).</p>	Observed	<p>In order to prevent and resolve corporate conflicts and conflicts of interest in the Company, as well as coordinate the actions of all bodies and officials, by decision of the Board of Directors of the Company dated December 12, 2015 (Minutes No. 89), the Policy for Settlement of Corporate Conflicts and Conflicts of Interest has been approved, regulating the procedure and procedures for pre-trial settlement of conflicts, as well as actions of bodies, officials and employees of the Company within the framework of these issues.</p> <p>Members of the Board of Directors and the Management Board, as well as employees of the Company, perform their official duties in good faith and reasonably, with due care and prudence in the interests of the Company and the Sole Shareholder, avoiding conflicts of interest. They ensure full compliance of their activities not only with the requirements of the legislation of the Republic of Kazakhstan, but also with ethical standards and generally accepted norms of business ethics.</p>				<p>During 2022, no cases of corporate conflicts and conflicts of interest were recorded by the Corporate Secretary. The Company's Ombudsman initiates consideration of disputes on violation of provisions of the Company's Code of Business Ethics, including in terms of corporate conflicts and conflicts of interest, and participates in their settlement.</p> <p>There were no complaints about violations to the Ombudsman during 2022.</p>
8. Principles of transparency and objectivity of disclosure of information about the Company's activities							
				8.1.	<p>In order to comply with the interests of stakeholders, the Company promptly and reliably discloses information provided for by the legislation of the Republic of Kazakhstan and internal documents of the Company, as well as information on all important aspects of its activities, including financial condition, results of operations,</p>	Observed	<p>In order to improve the corporate governance system, the Company ensures timely disclosure of reliable information about all material facts related to its activities, including its financial position, results of operations, ownership and management structure of the Company, corporate events and other information, in accord-</p>

N°	Principles and provisions The Corporate Governance Code of Qazaqstan Investment Corporation Joint Stock Company	Observed/ partially observed / not observed	Activities carried out to implement the principles and provisions of the Corporate Governance Code of Qazaqstan Investment Corporation
	ownership and management structure.		<p>ance with the best practices of corporate governance, in accordance with the current legislation of the Republic of Kazakhstan. This information is published on the official Internet resource of the Company: www.qic.kz.</p> <p>All events and significant corporate events of the Company are accompanied by the release of press releases and information messages.</p> <p>The principles, forms and methods, as well as the procedure for disclosure of information about the Company are regulated by the Information Policy of Qazaqstan Investment Corporation JSC, approved by the decision of the Board of Directors of the Company dated July 31, 2018 (Minutes No. 6/18).</p> <p>In the course of information disclosure, the Company takes into account that information constituting commercial, official and other information protected by the legislation of the Republic of Kazakhstan must be protected. The conditions of access to such information are determined by the Company, taking into account the need to maintain a balance between openness and transparency of the company's activities and a focus on eliminating damage to its interests. All employees of the Company undertake written obligations not to disclose information containing trade secrets and other confidential information.</p> <p>In accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies", the Company informs the Sole Shareholder about the Company's corporate events.</p>



