

Approved
by the Board of Directors of the
“National Investment Corporation
of National bank of Kazakhstan” JSC
(decision No. 124 dated August 28, 2020)

Provision
**on the Investment Committee of the “National Investment Corporation of National
Bank of Kazakhstan” JSC**

Chapter 1. General Provisions

1. The present Provision on Investment Committee of the “National Investment Corporation of National Bank of Kazakhstan” JSC (hereinafter referred to as the Provision) defines the purpose of development, functions, powers and processes of formation of the Investment Committee of the “National Investment Corporation of National Bank of Kazakhstan” JSC (hereinafter referred to as the Committee), as well as regulates its activity, powers, rights and obligations of the members and the Secretary of the Committee.
2. The Committee is governed by the Legislation of the of Republic of Kazakhstan, the Charter of the “National Investment Corporation of National Bank of Kazakhstan” JSC (hereinafter referred to as the Corporation) and other internal documents of the Corporation in its activity, as well as the documents regulating the activity of the Corporation’s clients.
3. The following definitions and expressions are used for the purposes of the Provision:
 - 3.1 Front-office subdivisions of the Corporation – the Corporation subdivision of the responsible for portfolio management on the mandates of private capital, the real estate and infrastructure, the Corporation subdivision responsible for portfolio management on hedge funds mandate, Corporation treasury subdivision, responsible for transactions making by traditional financial instruments, permitted within trust management with part of gold value assets of the National Bank of the Republic of Kazakhstan and the assets of the National Fund of the Republic of Kazakhstan;

- 3.2 risk management subdivision – the Corporation subdivision responsible for the control of level of risks assumed by the Corporation;
- 3.3 strategy subdivision – the Corporation subdivision responsible for investment strategy in the clients’ assets management, assumed in confidential management of the Corporation;
- 3.4 Corporation analysis and reporting subdivision – the Corporation subdivision performing and ensuring implementation of portfolio analysis and provision of reporting of operations within confidential management of the Corporation;
- 3.5 “suspensive veto” right – the right providing the holder to postpone the consideration of an issue, introduced at the Committee meeting for the period stipulated by the Provision hereby.

1. The Committee purpose

4. The purpose of development and activity of the Committee is to take investment decisions, aimed at earnings maximization within the strategy purposes and limits.
5. The Committee is a collegial body performing investment decisions making regarding the owned assets of the Corporation, excluding decisions, taking of which is related to exclusive competence of other bodies of the Corporation.

2. The Committee powers and functions

6. The Committee powers include:
 - 6.1 taking investment decisions regarding investment of owned assets of the Corporation within Investment Policy of the Corporation;
 - 6.2 taking investment decisions regarding investment of clients’ assets, assumed in confidential management of the Corporation within investment policy statement of the clients;
 - 6.3 establishment of the requirements/ preference of external managers / funds of the Corporation, submitting for approval of the Board of Directors of the Corporation or the clients’ Executive Board.
7. In the purpose of implementaion of powers and on the basis of recommendations of Corporation’s subdivisions (depending on their competence, established by the provision on them) The Committee shall perform the following functions:
 - 7.1 define the investment assignments of the clients’ assets, assumed in confidential management and (or) owned assets of the Corporation;
 - 7.2 set and review not less than once a year the limits of investments at the expence of the clients’ assests, assumed for management and (or) owned

assets of the Corporation, determined in accordance with Provision of Corporation's risk management subdivision;

- 7.3 when arranging the process of managements' preference, perform functions regulated by the Act of clients and internal documents of the Corporation.
8. To perform the functions entrusted the Committee, the Committee shall obtain the information from Corporation subdivisions, the submission of which is stipulated by the provisions on them.
9. The Committee powers do not include decision taking on the issues of investment activity related to exclusive competence of other bodies of the Corporation.

Chapter 2. The Committee membership

1. Formation of the Committee membership

10. The Committee membership consists of:
 - 10.1 members of the Executive Board;
 - 10.2 manager (in case of employee's absence performing his/her duties) of risk management subdivision of the Corporation;
 - 10.3 manager (in case of employee's absence performing his/her duties) of strategy subdivision of the Corporation;
 - 10.4 manager (in case of employee's absence performing his/her duties) of risk management subdivision of the Corporation;
 - 10.5 managers (in case of employee's absence performing his/her duties) of front-office subdivision of the Corporation;
 - 10.6 manager (in case of employee's absence performing his/her duties) of analysis and reporting subdivision of the Corporation;
 - 10.7 other employees of the Corporation.
11. The quantity and structure of the Committee is approved by the separate decision of the Execution Board of the Corporation.
12. The Committee is headed by the Chairman of the Committee. The Chairman of the Committee is the Chairman of the Executive Board of the Corporation or the Deputy Chairman of the Board of the Committee (in case of absence of the Chairman of the Board of the Corporation), that shall be elected among the members of the Committee by a simple majority vote by persons attending the meeting.
13. The Secretary of the Committee is not a Committee member and has not the voting right in decision making of the Committee.
14. The Committee member has no right to delegate the execution of assigned on him/her duties to other persons in respect of investment decision making.

2. The powers of the Committee members

15. The Chairman of the Committee:

- 15.1 performs general work management of the Committee;
- 15.2 performs convening of Committee meetings;
- 15.3 establishes a range of issues concerning consideration at the meetings of the Committee;
- 15.4 approves the agenda of the Committee meeting;
- 15.5 establishes the date and the time of the Committee meeting;
- 15.6 holds a meeting of the Committee;
- 15.7 approves/signs the Minutes of meeting of the Committee;
- 15.8 if necessary:
 - 15.8.1 cancels or postpone the Committee meeting for a specified period;
 - 15.8.2 removes an issue from consideration at the Committee meeting;
 - 15.8.3 invites for attendance at the Committee meeting the other persons, who are not the members of the Committee;
 - 15.8.4 Extends the period of Committee decision execution.
- 15.9 attends the Committee meetings or delegates the powers to his/her deputy.
- 15.10 controls the Committee compliance with the requirements established by the Legislation and other regulations of the Republic of Kazakhstan, as well as regulatory documents of the clients.
- 15.11 The employee of risk management subdivision of the Corporation, who is the member of the Committee has the right at any stage to exercise the “suspensive veto” right with appropriate written justification, containing the issue, the reason of above-noted rights exercising, the period of postponement of the issue consideration, bringing up at the Committee meeting, and /or other information.
- 15.12 In case of exercise by the person the “suspensive veto” right, stipulated in the item 15.11 of the present Provision, the consideration of the corresponding issue, bringing up at the Committee meeting, shall be postponed for the period not more than ten (10) working days.

16. The members of the Committee are obliged to inform the Executive Board or the Board of Directors of the Corporation about circumstances in which the interests of the member of Committee and interests of the Corporation and (or) the clients, whose assets handed over for confidential management does not match among themselves.

17. The members of the Committee have the right to:

- 17.1 instruct the authorized subdivision of the Corporation in accordance with taken by the Committee investment decisions;

- 17.2 when necessary require an additional information in advance from any competent subdivision of the Corporation involved in resolving the agenda issue, for investment decision on the specific issue of the agenda;
 - 17.3 submit an offer on amendments and additions for the agenda;
 - 17.4 require a meeting of the Committee;
 - 17.5 exercise other rights in accordance with effective Legislation of the Republic of Kazakhstan.
18. The members of the Committee are obliged to:
- 18.1 attend the meetings of the Committee except the cases of absence related to business trips, leave or because of illness;
 - 18.2 familiarise with materials for consideration of the Committee in advance, if provided;
 - 18.3 exercise the powers of the Committee members, respect the rights and obligations of the Committee members;
 - 18.4 in good faith, reasonably exercise the powers of Committee member;
 - 18.5 during the performance of duties rely upon the Legislation of the Republic of Kazakhstan, the Charter and internal regulatory documents of the Corporation, decisions of the Corporation bodies;
 - 18.6 act for the benefit of the corporation, participate in the Committee work to promote the development of the Corporation;
 - 18.7 refrain from actions that may lead to conflict between private interests and the Corporation interests;
 - 18.8 not to transfer a vote to other persons, as well as the other member of the Committee;
 - 18.9 report the Committee immediately in case of the member of the Committee discovers that there is any personal commercial or other interest (direct or indirect) in transactions, contracts, or projects related to the Corporation;
 - 18.10 not to receive gifts, services or any benefits from individuals or legal entities that represent or can be considered as remuneration for decisions or actions taken or performed by the Committee member as a member of the Committee;
 - 18.11 not to disclose information constituting a commercial or other secret protected by law, as well as official information that is not subject to disclosure, which became known to the member of the Committee in connection with the performance of his/her duties as a member of the Committee, and within five (5) years after removal from the Committee, as well as during the period established in the documents (information) that became known, unless a longer period is provided for by the documents of the Corporation (an exception to this obligation is the right of a member of the Committee to disclose the above information in cases established by the Legislation of the

Republic of Kazakhstan, as well as in cases where such a request for disclosure of the above information is put forward by judicial and / or law enforcement agencies, as well as international arbitration bodies (if the requirement under consideration by virtue of the legislation of the Republic of Kazakhstan, arbitration agreement or other grounds that do not contradict the legislation of the Republic of Kazakhstan is mandatory in a specific case for a member of the Committee).

3. The powers of the Committee Secretary

19. The Committee Secretary shall:

- 19.1 perform organizational work on Committee meetings arrangements;
- 19.2 control of providing the package of documents by the interested subdivisions of the Corporation, corresponding a range of issues for consideration on the next following Committee meeting;
- 19.3 provide a package of the documents, corresponding a range of issues for consideration on the next following meeting of the Committee to the Chairman of the Committee and the other members no later than two (2) days before Committee meeting, in urgent case the package of documents may be provided till 10.00 am for the meeting;
- 19.4 ensure convening of Committee meeting;
- 19.5 record and execute the minutes of the Committee meeting;
- 19.6 perform a document management, related to the process of investment decisions taking;
- 19.7 ensure signing of the minutes of Committee meeting by all members of the Committee, attended the meeting, not later than three (3) working days from the date of Committee meeting according to Appendix 2 to the Provision;
- 19.8 ensure preservation of the minutes of the Corporate meeting;
- 19.9 quarterly provide an executive summary about investments decisions implementations for the Committee members, received from the Corporation front-office subdivisions;
- 19.10 according to accumulation under handover deed submit originals of the minutes and the materials of the Committee meetings to the archives of the Corporation, retention period of which is established by the Legislation and internal documents of the Corporation.

20. The Committee Secretary has right to:

- 20.1 not to accept submitted documents in case of their noncompliance with approved form or low-quality preparation, as well as require their refining and repeated provision;

- 20.2 perform a current control over the documents and materials preparation for the committee meetings, as well as the decisions making;
21. The Committee Secretary is obliged to:
- 21.1 inform the Committee members about the date and time of the Committee meeting;
 - 21.2 record, execute and sign the minutes of the Committee meeting and the attached documents;
 - 21.3 keep records and registration in the relevant register of the minutes of the meeting of the Committee, which contain information on materials on the issues submitted to the meeting of the Committee (if any) and investment decisions (Appendix 1 to the Provision);
 - 21.4 handover the copies of minutes and other documents attached to it, on the basis of which investment decisions are made to ensure additional control in subdivision that controls and supports the operations;
 - 21.5 when necessary or upon requirement of the interested subdivisions of the Corporation to from and submit extracts of minutes of the Committee meetings;
 - 21.6 provide for the Board of Directors of the Corporation upon requirement or on a regular basis for the analysis the Committee minutes of meeting, taken investment decisions and recommendations to them.
22. The Committee Secretary is responsible for:
- 22.1 timely and fully provision of the agenda and materials of the Committee (the exclusion is not providing the materials by other authorized persons on the reason of their absence and force-majeure circumstances);
 - 22.2 disclosure of information obtained due to participation in Committee work and constituting a commercial, business or other secret protected by law.

Chapter 3. Committee procedures and guidance

1. Committee meeting

23. The Committee meeting is a legally qualified and in condition of attendance not less than half of total number of the Committee members, but not less than three members of the Committee.
24. The meeting of the committee is headed by the Chairman of the Committee, in case of the absence of the Chairman of the Committee –Deputy Chairman of the Committee.
25. When necessary with approval of the Committee Chairman, the managers (specialists) of the subdivisions of the Corporation can be invited to the Committee

meetings, that do not consist in the Committee structure, as well as the representatives of the Corporation Shareholder.

26. The meetings of the Committee are conducted when required, but at least once during the quarter.
27. The Committee meeting can be convoked on the initiative of any member of the Committee upon consultation with the Committee Chairman or the Deputy Chairman of the Committee followed by notification of the Committee Secretary.

2. Process of convocation, preparation and holding of Committee meeting

28. Convocation of the Committee meeting is performed by the decision of Chairman of the Committee, who informs the Committee Secretary about, using individual initiative or on the basis of requirement of one of the members of the Committee.
29. The Committee Secretary perform convocation of the Committee meeting by messaging to Committee members about forthcoming Committee meeting, its agenda, expected date and time.
30. The agenda containing the list of issues subjected to consideration at the Committee meeting shall be prepared by the Secretary of the Committee on the basis of information, providing by the Chairman of the Committee and/or interested subdivision, and submitted for approval by the Chairman of the committee both as hard copy, and in electronic format (by e-mail).

The agenda shall be attached by correspondent information such as analytical data, drafts, reports, recommendations, conclusions and other forms of reporting (if available), that shall be submitted not later than 1 working day before the Committee meeting, and in urgent case till 10 am of the Committee meeting day.

Information provided in this item, as well as other materials, submitting for Committee consideration can be provided in English.

31. The materials on the issues (if available), submitted to Committee meeting with appropriate edition of the committee meeting on them, shall be provided to Committee Secretary not later than two (2) working days before the meeting.
32. When necessary, the subdivisions of risk management, strategy and compliance – controller prepare corresponded conclusions by the issue, submitted for the Committee meeting, within ten (10) working days, by urgent issues (by the right of veto) and in exceptional cases within five (5) working days from the moment of materials getting from Corporation subdivisions, acting as an initiator of the issue for consideration by the Committee, and forward the conclusion to the Committee Secretary as an additional materials to the issues brought up.
33. The Committee Secretary within a working day after arrangement of package of materials to the considering issues, forward them to Committee members for preliminary consideration.

34. The issues postponed for the next meeting by the Committee decision, shall be involved in the agenda of the next meeting by the Secretary of the Committee in working order.
35. The Committee meeting starts at established in notification time if a quorum is present and opened by the Chairman of the Committee.
36. The quorum is defined by the Chairman of the Committee prior to the meeting. In case of quorum absence, the Chairman of the Committee announces about the postponement of the meeting for the period of not more than five (5) working days.
37. The Chairman of the Committee informs the attendants about a quorum availability for Committee meeting and announces the agenda of the Committee meeting.
38. The Committee meeting includes the following stages:
 - 38.1 approval of the meeting agenda;
 - 38.2 speaking of the Committee member or invited person with report on the agenda issue;
 - 38.3 consideration of the agenda issue;
 - 38.4 proposals on decision making on the agenda issue;
 - 38.5 announcement of voting results and the decision, taken as per the agenda issue.
39. The Committee may take decision for a closed meeting where the Committee members only attend.
40. When the Committee takes decision, the members of the Committee, attendants of the meeting, has right to express their opinion in the issues of the agenda by voting.
41. When one or more members of the Committee have no possibility to attend the meeting of the Committee they may participate in consideration of the issues using technical means of communication (video conferencing, telephone conferencing, etc.)
42. The Committee member is obliged to notify the Committee Secretary in advance about impossibility of his/her attendance in the meeting. If the member of the Committee may not personally attend the Committee meeting, he/she has right express their opinion on the agenda issue in written form
43. The opinion in written form shall consist of:
 - 43.1 date of preparation;
 - 43.2 the agenda on which the opinion of the Committee member is expressed by written message.
 - 43.3 well-defined position on each issue of the agenda;
 - 43.4 signature;
 - 43.5 other information corresponding the agenda as determined by the Committee member.

Written message on the agenda shall be provided by the member of the Committee to the Chairman or the Secretary of the Committee prior to Committee meeting.

If the member of the Committee previously provided written message on the agenda came for attendance and voting at the Committee meeting, his/her written message shall be disregarded.

44. Chairman at the Committee meeting shall announce submitted written opinions of the Committee members, not attending the Committee meeting, prior to voting on the agenda issues, on which that opinions are presented for.

3. The process of taking and formalization of investment decisions of the Committee.

45. All Committee members in voting have equal rights.

46. Decisions on the issues submitted for the meeting of the Committee are taken by open voting and by a simple majority vote from the general number of Committee members. Every member of the Committee has one vote.

47. If the vote is a tie, the vote of Committee member on the issue submitted by the subdivision of the Corporation, whose manager he is, shall be disregarded, in result of the voting.

48. If the member of the Committee doesn't agree with the wording and composition of one or another decision, reflected in the minutes of the committee meeting, or statement of the voting results, he/she has the right to state his/her opinion that will be recorded in the final option of the minutes. A separate opinion shall be stated by the member of the Committee in own hand, signed and attached to the minutes of the Committee meeting.

49. The Committee decision on purchase or sale of securities, repo transactions, hedging transactions shall be performed in accordance with the form of Appendix 1 to the Provision.

50. The minutes are developed based on the results of the Committee meeting, that shall be signed by the Chairman and all members of the Committee, attendants at the Committee meeting. The minutes of the meeting are developed according to Appendix 2 to the Provision and signed by the Committee Secretary.

51. Original minutes of the Committee meeting signed by the Chairman of the Committee and the members of the Committee as well as the materials to them (in available) shall be preserved in the register of "Investment Committee minutes and materials" during five (5) years.

4. Control of Committee decisions execution.

52. Period for performance of Committee decision can be prolonged as per decision of the Committee Chairman in case of reasonable and timely notification by the responsible executor about necessity of postponement of performance period with preservation of basic data of decision.
53. The manager of Treasury subdivision of the Corporation and the member of the Executive Board, coordinating subdivision of Corporation accounting are responsible for fulfillment/non-fulfillment of investment decisions on traditional assets.
54. Control for fulfillment/non-fulfillment of investment decisions on alternative assets shall be the responsibility of subdivision manager, executing investment decision.

**Appendix 1 to the Provision
on Investment Committee of the
“National Investment Corporation
of National Bank of Kazakhstan”**

Investment decision No. 1

1	Client/Company, for whose assets the transaction is expected to be executed	
2	Account number and/or sub-account in CD	
3	Date of acceptance	“ ” 20
4	Date of issue and number of recommendation	No. dated “” 20
5	Type of transaction (purchase, sale, repo, hedging transaction)	
6	Emitent name	
7	Type of securities/ hedging tool	
8	National identification number	
9	Trade code	
10	Nominal currency	
11	Quantity, volume (range of number/volume), ea.	
12	Date of transaction	
13	Market type	
14	Name of broker/dealer	
15	Limit of exposed position for a trader (if available)	Full name of trader, amount
16	Profitability (range of profitability), to the payment in % p.a.	
17	Price (range),	
18	Amount (range of amount),in KZT	
19	Repo term (range of repo terms), in days	
20	Opening price (range of price)	
21	Opening amount (range of amount), in KZT	
22	Type of risk	
23	Risk assesment method	
24	Expected results of hedging	
25	Settlemnt of hedging application by hedged item	
26	Note	

Signatures of the members taken investment decisions:

No. Full name/ position/ signature

Secretary of Investment Committee:

Full name/signature

**Appendix 1 to the Provision
on Investment Committee of the
“National Investment Corporation
of National Bank of Kazakhstan”**

MINUTES No.
**of Investment Committee of the “National Investment Corporation
of National Bank of Kazakhstan”**

dated “__” ____20.

Investment Committee membership:

No. Full name/position

Invited:

No. Full name/position

List of issues for consideration at the meeting:

No. Subject of the issue

List of documents, submitted at the meeting:

No. Documents

Investment decisions specification:

In accordance with Appendix No. 1 to the Provision on Investment Committee of the “National Investment Corporation of National Bank of Kazakhstan”

Discussion of the issues, considering at the meeting: as per No. issue the speaker:

As per No. issue resolved:

Opinions of the Investment Committee members (if available):

No. Full name / position/ signature. Separate opinion

The Chairman announced about termination of issue discussion of the agenda and proposed the attendants submit their notes on the meeting process.

Voting results on considering issues:

No. Subject of the issue. Voted: “for”- , “against”- , “abstain”- .

Secretary of Investment Committee:

Full name, signature

Secretary of Investment Committee:

Full name/signature