

**APPROVED**

**by the decision of the Board of Directors  
of the NPJSC “Abylkas Saginov  
Karaganda Technical University”  
(Minutes No. 3 dated November 30,  
2020)**

*(with amendments and additions dated  
December 27, 2024, minutes  
No. 13/44)*

**PROVISION**

**on the Audit Committee of the Board of Directors  
of the NPJSC “Abylkas Saginov Karaganda Technical University”**

**Karaganda**

## **1. General Provisions**

1. This Provision on the Audit Committee of the Board of Directors (hereinafter referred to as the Provision) of the NPJSC “Abylkas Saginov Karaganda Technical University” (hereinafter referred to as the Company) has been developed in accordance with the legislation of the Republic of Kazakhstan, the Company’s Charter, the Corporate Governance Code of the non-profit joint-stock company "Abylkas Saginov Karaganda Technical University", and international corporate governance practices (*this paragraph was amended by the decision of the Board of Directors of the Company dated April 27, 2022, and December 27, 2024*).

2. The Committee is an advisory and consultative body of the Company’s Board of Directors (hereinafter referred to as the Board of Directors). All proposals developed by the Committee are recommendations, which are submitted for the consideration of the Board of Directors.

3. The Provision is an internal document of the Company and has been developed in accordance with the legislation of the Republic of Kazakhstan, the Company’s Charter, and other internal documents of the Company.

4. The Committee is accountable to the Board of Directors, and operates within the powers granted to it by the Board of Directors and this Provision.

5. In its activities, the Committee is guided by the legislation of the Republic of Kazakhstan, the Company’s Charter, the decisions of the sole shareholder of the Company, this Provision, and other decisions of the Board of Directors.

6. The recommendations of the Committee, made on matters that fall within the competence of the sole shareholder as per the Company’s Charter, are sent, if approved by the Board of Directors, to the sole shareholder for consideration and decision-making in accordance with the established legal procedure.

## **2. Composition, Election, and Term of Office of Committee Members**

The composition of the Committee is formed from among the independent directors who possess knowledge and practical experience in the fields of accounting and auditing, risk management, and internal control. A non-independent member of the Board of Directors may be elected to the Committee if the Board of Directors, as an exception, determines that the membership of this individual in the Committee serves the interests of the sole shareholder and the Company, providing the corresponding justification.

If necessary, the Committee may engage independent experts and consultants to provide expert advice on agenda items (*this paragraph was amended and supplemented by the decision of the Board of Directors of the Company dated December 27, 2024*).

7. The quantitative composition of the Committee is at least 3 (three) members.

8. Committee members are elected by a majority vote of the members of the Board of Directors.

9. The term of office of Committee members coincides with their term of office as members of the Board of Directors, with the possibility of annual review by the Board of Directors.

The Corporate Secretary performs the functions of the Committee’s Secretary.

The Secretary of the Committee ensures the preparation and holding of Committee meetings, the collection and systematization of materials for meetings, the timely delivery of notices about meetings, the agenda of meetings, and materials related to the agenda items to Committee members and invited persons, the recording of minutes, the preparation of draft decisions of the Committee, and, if necessary, provides extracts from the minutes of Committee meetings, as well as subsequent storage of all relevant materials.

The Secretary of the Committee ensures that Committee members receive the necessary information.

## **3. Chairman of the Committee**

12. The Chairman of the Committee may only be an independent director.

13. The Chairman of the Committee organizes the work of the Committee, in particular:

- 1) organizes the work of the Committee;
  - 2) approves the agenda of the Committee meeting, including the content of issues to be discussed at the meeting;
  - 3) organizes the discussion of issues at Committee meetings;
  - 4) develops a plan for upcoming meetings for the current calendar year, taking into account the Board of Directors' meeting schedule.
  - 5) submits written reports on the Committee's activities to the Board of Directors of the Company and provides necessary clarifications regarding their content.
14. In the absence of the Chairman, his functions are performed by one of the Committee members, as decided by the Committee.

#### **4. Committee's Working Procedure**

15. Committee meetings are held in person. In exceptional cases, meetings may be conducted with absentee voting.

To create favorable conditions and reduce costs for in-person meetings, Committee members may participate via communication technology. Meetings held in this manner are considered in-person.

If a Committee member is unable to attend a meeting in person, they may submit their opinion in writing.

*(This paragraph was amended and supplemented by the decision of the Board of Directors of the Company dated December 27, 2024).*

15. The Committee prepares an annual work plan in accordance with the Board of Directors' work plan, which is approved by the Committee.

16. Absentee meetings may not address issues related to the preliminary approval of the Internal Audit Service's reports.

17. Materials and draft decisions on agenda items for Committee meetings are sent by the Committee's Secretary to all Committee members and interested parties no later than 3 (three) calendar days before the scheduled meeting date. In exceptional cases, as decided by the Chairman of the Committee, materials may be sent one working day before the meeting date. A meeting of the Committee is considered valid if a quorum is present—at least half of the Committee members.

18. A Committee meeting may be convened at the initiative of its Chairman or upon the request of:

- 1) any Committee member;
- 2) the Board of Directors;
- 3) the sole shareholder of the Company;
- 4) the Internal Audit Service.

If the Chairman of the Committee refuses to convene a meeting, the initiator may submit the request to the Board of Directors, which is obliged to convene the Committee meeting. The meeting must be held with the mandatory invitation of the person who made the request.

20. Decisions are made by a simple majority of the Committee members participating in the meeting. Each Committee member has one vote on each issue. The transfer of a Committee member's vote to another person, including other Committee members, is not permitted. In case of a tie vote, the vote of the Chairman of the meeting is decisive.

Each Committee member may express a dissenting opinion, which will be attached to the minutes of the Committee meeting and be an integral part of them.

If a decision on certain issues cannot be made due to the interest of some Committee members, such a fact will be recorded in the meeting minutes.

21. In the case of open voting, the Chairman of the Committee and its members may decide to hold a vote on agenda items only with Committee members who have voting rights present. In such cases, experts and other invited persons, attending as observers, will be present only during the discussion of the issues, and will leave the meeting room during the voting.

A decision through absentee voting is considered adopted if a quorum is present in the ballots received within the established deadline.

The ballot must contain:

- 1) the full official name of the Company and its location;
- 2) the wording of the questions put to the vote, and the proposed resolutions for each issue;
- 3) voting options for each question: “For”, “Against”, “Abstain”;
- 4) a “Dissenting Opinion” section;
- 5) the mailing address to which completed ballots should be sent;
- 6) the deadline for receiving ballots.

24. If necessary, individuals may attend Committee meetings by decision of the Chairman of the Committee:

- 1) the head of the Internal Audit Service;
- 2) representatives of the external auditor;
- 3) the Chairman of the Management Board - Rector, members of the Management Board, and other representatives of the Company, including the chief accountant and representatives of the economic and legal structural units of the Company;
- 4) independent consultants (experts) invited in accordance with the procedure to provide information on agenda issues.

25. Following an in-person Committee meeting, minutes are prepared within no later than three working days after the meeting. The minutes are signed by the Chairman of the Committee or the person who chaired the meeting, and the Secretary of the Committee, who are responsible for the accuracy of the minutes' preparation and content (*This paragraph was amended by the decision of the Board of Directors of the Company dated December 27, 2024*).

26. Following an absentee Committee meeting, a decision is prepared within no later than three working days after the meeting. The decision is signed by the Chairman of the Committee or the person who chaired the meeting, and the Secretary of the Committee, who are responsible for the accuracy of the decision's preparation and content (*This paragraph was amended by the decision of the Board of Directors of the Company dated December 27, 2024*).

## **5. Committee's Competence**

27. The Committee's competence includes the following issues:

- 1) financial Reporting:
  - Preliminary approval of the Company’s Accounting Policy and any amendments to it;
  - Discussion with the members of the Management Board and the external auditor of the financial statements, the reasonableness and acceptability of the principles used, significant estimates, and adjustments;
  - Preliminary approval of the Company’s annual financial statements;
  - Consideration of any significant disagreements between the external auditor and the Company’s management regarding the financial statements.
- 2) Internal Control and Risk Management.
  - Analysis and assessment of the effectiveness of the Company’s risk management and internal control system (*this subparagraph was amended by the decision of the Board of Directors of the Company dated December 27, 2024*).
- 3) External Audit
  - Preliminary consideration of the issue of determining the fee for the services of the audit organization, as well as the appraiser for evaluating the market value of assets transferred as payment for shares of the Company or subject to a major transaction;
  - Review of the results of annual and interim audits, including the management’s report on the findings;
  - Holding meetings with the external auditor as part of the audit process, without the participation of the Company’s management representatives;
  - Preliminary analysis of the audit organization’s conclusions.  
(*This subparagraph was supplemented by the decision of the Board of Directors of the*

*Company dated December 27, 2024).*

4) Internal Audit.

- Supervises the activities of the Internal Audit Service;
- Makes proposals regarding the working procedures of the Internal Audit Service;
- Preliminarily approves documents regulating the activities of the Internal Audit Service, as well as changes and additions to them;
- Preliminarily approves the annual audit plan, quarterly, and annual reports of the Internal Audit Service;
- Approves proposals for the development and improvement of the efficiency of the Internal Audit Service's activities;
- Considers existing limitations preventing the Internal Audit Service from effectively fulfilling its tasks and promotes their elimination;
- Holds meetings with the head of the Internal Audit Service without the participation of management representatives;
- Conducts preliminary evaluations of the activities of the Internal Audit Service;
- Initiates independent audits (assessments) by the Internal Audit Service in specific areas;
- Assesses candidates for positions in the Internal Audit Service;
- Preliminarily considers issues related to the appointment, dismissal, and remuneration of the head and employees of the Internal Audit Service;
- Preliminarily considers the Internal Audit Service's budget.

*(This subparagraph was supplemented by the decision of the Board of Directors of the Company dated December 27, 2024).*

If the Management Board of the Company requires an independent audit (assessment) on a particular issue, the Chairman of the Management Board (Rector) shall request preliminary approval from the Committee for conducting such an independent audit (assessment).

5) Compliance with Legislation:

- Assesses the effectiveness of the Company's internal procedures designed to ensure compliance with the law and provides recommendations for improvement.

6) Activity Reporting:

- Regularly, but at least once a year, reports to the Board of Directors on its activities;
- Prepares information on the Committee's work for inclusion in the Board of Directors' report and for disclosure in the annual report to the sole shareholder.

7) Other Issues:

- Considers other issues as requested by the sole shareholder, the Board of Directors, or the Chairman of the Board of Directors of the Company;
- Assesses candidates for the head of the anti-corruption compliance service.

*(This subparagraph was supplemented by the decision of the Board of Directors of the Company dated December 27, 2024).*

## **6. Rights and Duties of Committee Members**

28. A Committee member has the right to:

- 1) Request and receive any information (documents, materials) from the officers and employees of the Company, if such information is necessary for the member to perform their functions;
- 2) Review the minutes of meetings and decisions of the Committee;
- 3) Require the inclusion of their dissenting opinion in the minutes of the Committee meeting on agenda items and decisions made;
- 4) Request the convening of a Committee meeting;
- 5) Propose items for the Committee meeting agenda;
- 6) Exercise other rights provided by the current legislation of the Republic of Kazakhstan, the Company's Charter, and other internal documents of the Company.

29. Committee members are obliged to:
- 1) Perform their activities honestly and in good faith in the interest of the sole shareholder and the Company as a whole;
  - 2) Devote sufficient time to effectively carry out their duties;
  - 3) Participate in the Committee's work and attend its meetings;
  - 4) Propose amendments and additions to this Provision;
  - 5) Maintain confidentiality of all information acquired during the performance of their duties as Committee members;
  - 6) Within their competence and in the manner provided by this Provision, perform any other duties that may be determined by the Board of Directors.

#### **7. Responsibility of Committee Members**

30. A Committee member is liable to the Company and the sole shareholder for any harm caused by their actions (or inactions), in accordance with the legislation of the Republic of Kazakhstan, including for losses incurred as a result of providing misleading or knowingly false information.

#### **8. Confidentiality and Insider Information**

31. During their term of office and for one year after the expiration of their term as a Committee member, individuals who are (or were) Committee members, the Committee secretary, and third parties involved in the Committee's work are required to maintain the confidentiality of information that constitutes official, commercial, and other legally protected secrets.

The procedure for ensuring the protection of information that constitutes official, commercial, and other legally protected secrets is determined by the Board of Directors.

32. All documents related to the activities of the Committee must be stored at the Company's location. The responsibility for storing these documents lies with the Committee secretary.

#### **9. Final Provisions**

33. The approval of the Provision on the Committee, as well as any amendments or additions to it, is within the competence of the Board of Directors.

34. If, as a result of changes in legislation or the Charter, certain provisions of the Regulation conflict with the law, these provisions will lose their validity until the necessary amendments are made.

## AMENDMENT SHEET

### **1. Amendment No. 1:**

- Approved by the decision of the Board of Directors of NPJSC “Abylkas Saginov Karaganda Technical University” (Minutes No. 3 dated April 27, 2022).

### **2. Addition No. 2:**

- Approved by the decision of the Board of Directors of NPJSC “Abylkas Saginov Karaganda Technical University” (Minutes No. 13 dated December 27, 2024).