

# KAZAKHSTAN STOCK EXCHANGE JSC

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**A p p r o v e d**

by a decision of the Exchange Council of  
Kazakhstan Stock Exchange JSC

(minutes No. 22 of the meeting

dated June 10, 2014)

**Effective from**

June 10, 2014

## The Corporate Secretary **REGULATIONS**

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city of Almaty

2014

## AMENDMENT SHEET

**1. Changes No. 1:**

- approved by decision of the Board of Directors of Kazakhstan Stock Exchange JSC (minutes of the meeting dated September 10, 2015 No. 22);
- effective from September 11, 2015.

**2. Changes and additions No. 2:**

- approved by decision of the Board of Directors of Kazakhstan Stock Exchange JSC (minutes of the meeting dated May 16, 2018 No. 12);
- effective from May 17, 2018.

**3. Changes and additions No. 3:**

- approved by decision of the Board of Directors of Kazakhstan Stock Exchange JSC (minutes of the meeting dated September 26, 2018 No. 28);
- effective from September 27, 2018.

**4. Changes and additions No. 4:**

- approved by decision of the Board of Directors of Kazakhstan Stock Exchange JSC (minutes of the meeting dated December 20, 2023 No. 34);
- effective from December 20, 2023.

These Regulations have been developed subject to the law of the Republic of Kazakhstan "On Joint-stock Companies" and the Charter of Kazakhstan Stock Exchange Joint-Stock Company (hereinafter referred to as the Exchange) and establishes requirements for candidates to the position of a corporate secretary of the Exchange (hereinafter – the corporate secretary) and for the corporate secretary, and also defines the main tasks and functions of the corporate secretary, his rights and responsibilities.

### Article 1. General Provisions

1. According to sub-clause 12) article 1 of the Law of the Republic of Kazakhstan "On Joint-stock Companies", corporate secretary is an employee of the joint-stock company who is not a member of the board of directors or the executive body of this company, who is appointed by the board of directors and is accountable to the board of directors of this company, as well as within the framework of his activities, controls preparation and holding of meetings of shareholders and the board of directors of this company, ensures formation of materials on the agenda of the general meeting of shareholders and materials for the meeting of the board of directors of this company, and monitors access to them.
2. According to sub-clause 10-1) clause 2 article 53 of the Law of the Republic of Kazakhstan "On Joint-stock Companies", the issue of appointing, determining the term of office of the corporate secretary, early termination of his powers, as well as determining the amount of salary and terms and conditions of remuneration of the corporate secretary falls within the exclusive competence the board of directors of the joint-stock company, unless otherwise established by the said law and the Charter of this company (*this clause was changed by a decision of the Board of Directors of the Exchange dated May 16, 2018*).
3. Combining the position of the corporate secretary with any other position at the Exchange is not allowed, just as the work of the corporate secretary in organizations other than the Exchange is not allowed without obtaining a prior consent of the Board of Directors of the Exchange (hereinafter referred to as the Board of Directors) (*this paragraph was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).

An employment contract with a person appointed as the corporate secretary is entered into by the Chairman of the Board of Directors of the Exchange subject to the labor laws of the Republic of Kazakhstan on the basis of a decision of the Board of Directors determining the term of office, salary and terms of remuneration of the corporate secretary (*this paragraph was changed by decisions of the Board of Directors of the Exchange dated September 10, 2015 year and dated May 16, 2018*).

Job description of the corporate secretary is agreed upon with the Chairman of the Board of Directors and approved by the Board of Directors (*this paragraph was changed by decisions of the Board of Directors of the Exchange dated September 10, 2015 and December 20, 2023*).

4. In his activities, the corporate secretary is guided by the laws of the Republic of Kazakhstan, the Charter of the Exchange, the corporate governance code (if any) and other internal documents of the Exchange related to the work of the general meeting of its shareholders and the Board of Directors, these Regulations, as well as the internal documents of the Exchange, regulating the organization of labor, record keeping and corporate behavior at the Exchange, and the employment contract entered into with the corporate secretary (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).

5. The Management Board, structural subdivisions and officials of the Exchange are obliged to assist the corporate secretary in performance of his functions in terms of logistical support for activities of the corporate secretary and providing him with information and materials requested by the corporate secretary subject to clause 1 article 5 of these Regulations.

**Article 2. Requirements for Candidates for the Position of the Corporate Secretary.  
Requirements for the Corporate Secretary**

1. Candidate for the position of the corporate secretary must meet the following requirements (taking into account the specifics established by clause 4 of this article):
  - 1) an impeccable business reputation (as this notion is defined in sub-clause 63) article 1 of the Law of the Republic of Kazakhstan "On the Securities Market");
  - 2) university diploma in jurisprudence and/or economics;
  - 3) experience of professional work on the financial market, in the field of regulation of the financial market or in provision of legal services on the financial market for at least 5 (five) years, including at least 2 (two) years of permanent work in one organization;
  - 4) excellent knowledge of the laws of the Republic of Kazakhstan on joint-stock companies;
  - 5) acceptable knowledge of the laws of the Republic of Kazakhstan on the securities market.
2. In addition to the requirements established by clause 1 of this article, the Board of Directors has the right to apply to a candidate for the position of the corporate secretary any other requirements or conditions, compliance with which is necessary, according to the decision of the Board of Directors, to ensure constructive interaction of the corporate secretary with the Board of Directors and the Management Board of the Exchange and effective performance by the corporate secretary of his functions (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).
3. The corporate secretary must meet the following requirements (taking into account the specifics established by clause 4 of this article):
  - 1) constant presence of an impeccable business reputation (as this concept is defined in sub-clause 63) article 1 of the Law of the Republic of Kazakhstan "On the Securities Market");
  - 2) constant presence of trust in the corporate secretary on the part of both the Board of Directors as a whole and individual members of the Board of Directors (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
  - 3) excellent knowledge of the laws of the Republic of Kazakhstan on joint-stock companies, including amendments to these laws that appeared after the corporate secretary is appointed;
  - 4) acceptable knowledge of the laws of the Republic of Kazakhstan on the securities market, including amendments to this laws that appeared after the corporate secretary is appointed;
  - 5) excellent knowledge of the Charter of the Exchange, the corporate governance code (if any) and other internal documents of the Exchange related to the work of the general meeting of its shareholders and the Board of Directors, as well as these Regulations (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);

- 6) acceptable knowledge of the internal documents of the Exchange other than those specified in sub-clause 5) of this clause.
4. Belonging of the place(s) of work of a candidate for the position of the corporate secretary to the field of financial services and/or legal services and/or corporate governance is determined by the Board of Directors (*this paragraph was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).

Compliance of a candidate for the position of the corporate secretary with the requirements established by sub-clauses 4) – 5) clause 1 of this article, or of a corporate secretary with the requirements established by sub-clauses 3) – 6) clause 3 of this article, is determined by the Board of Directors (*this paragraph was changed by a decision of the Board of Directors of the Exchange dated 10 September 2015*).

### **Article 3. Appointment of the Corporate Secretary**

1. The corporate secretary is appointed by the Board of Directors upon recommendation of any member of the Board of Directors or the Chairman of the Management Board of the Exchange, provided that the candidate for the position of the corporate secretary meets the requirements established by clauses 1–2 article 2 of these Regulations (*this paragraph was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).

When appointing the corporate secretary, the Board of Directors determines the term of office and salary of the corporate secretary (*this paragraph was amended by decisions of the Board of Directors of the Exchange dated September 10, 2015 and May 16, 2018*).

2. The decision of the Board of Directors on appointment of the corporate secretary and determination of his term of office cannot be made through absentee voting by members of the Board of Directors and without preliminary in-person presentation of the candidate for the position of the corporate secretary to members of the Board of Directors (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).
3. The Board of Directors must decide to appoint a new corporate secretary and determine the term of his powers within one month from the date of termination of the powers of the previous corporate secretary (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).
4. The procedure for replacement of the corporate secretary in case of his absence is established by article 7 of these Regulations.

### **Article 4. Main Tasks of the Corporate Secretary. Functions of the Corporate Secretary**

1. The main tasks of the corporate secretary are to:
  - 1) ensure compliance by bodies, structural subdivisions, officials, employees of the Exchange, participants in the general meeting of shareholders of the Exchange with the laws of the Republic of Kazakhstan, the Charter of the Exchange, the corporate governance code (if any) and other internal documents of the Exchange related to the field of corporate governance and/or intended for implementation and protection of the rights and interests of its shareholders protected by the laws and the Charter of the Exchange;
  - 2) ensure, together with the Management Board of the Exchange, effective activities of the Board of Directors and its committees (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);

- 3) ensure (participate in ensuring) proper performance of decisions of the general meeting of shareholders of the Exchange and the Board of Directors (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
  - 4) ensure (participate in ensuring) effective interaction between the Exchange and its shareholders, as well as between bodies of the Exchange;
  - 5) participate in ensuring an access of the shareholders of the Exchange to information about its activities affecting the interests of the shareholders of the Exchange (as such information is defined in clause 1 article 79 of the Law of the Republic of Kazakhstan "On Joint-stock Companies"), and to copies of the documents of the Exchange relating to its activities and subject to storage by the Exchange during the entire period of its activities (as such documents are defined in clause 1 article 80 of the Law of the Republic of Kazakhstan "On Joint-stock Companies").
2. The corporate secretary performs the following functions necessary to solve his main tasks:
- 1) prepare a notice of holding a general meeting of shareholders of the Exchange;
  - 2) monitor compliance with standards established by the laws of the Republic of Kazakhstan, the Charter of the Exchange, the corporate governance code (if any) and other internal documents of the Exchange regarding the conditions and procedure for giving a notice of holding a general meeting of shareholders of the Exchange to all persons who have the right or obligation to take part in this meeting, as well as all persons who have the right or obligation to attend this meeting;
  - 3) form (with simultaneous control over completeness and quality) materials on the agenda of the general meeting of shareholders of the Exchange;
  - 4) prepare voting ballots for participants in the general meeting of shareholders of the Exchange and ballots for absentee voting when making decisions at the general meeting of shareholders of the Exchange through absentee voting;
  - 5) exercise control over preparation and holding of the general meeting of shareholders of the Exchange, regardless of who made the decision to convene this meeting, provided that such decision complies with standards of the applicable laws and the Charter of the Exchange;
  - 6) bring the voting results of the participants of the General Meeting of Shareholders of the Exchange to the attention of its shareholders;
  - 7) store originals of minutes of the general meetings of shareholders of the Exchange, completed ballots for secret voting in person by participants of the general meetings of shareholders of the Exchange and for absentee voting when making decisions at general meetings of shareholders of the Exchange through absentee voting (including ballots declared invalid), minutes on voting results of participants of the general meetings of shareholders of the Exchange;
  - 8) store control copies of materials on agenda items of general meetings of shareholders of the Exchange and working materials of general meetings of shareholders of the Exchange;
  - 9) prepare, at the request of authorized persons, extracts from the minutes of the general meeting of shareholders of the Exchange and minutes on the voting results of participants in general meetings of shareholders of the Exchange;

- 10) consult members of the Board of Directors (first of all newly elected members of the Board of Directors) on issues related to implementation of their functions; provide members of the Board of Directors with copies of the necessary regulatory legal acts, the Charter of the Exchange, the corporate governance code (if any) and other internal documents of the Exchange related to the activities of the Board of Directors, provide members of committees of the Board of Directors with copies of the necessary regulatory legal acts and internal documents of the Exchange related to activities of committees of the Board of Directors (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 11) organize (in cooperation with the Management Board and structural subdivisions of the Exchange) exercise by members of the Board of Directors and members of committees of the Board of Directors of their functions (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 12) maintain records of specimen signatures of members of the Board of Directors (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 13) keep records of the possibility of participation of members of the Board of Directors in its meetings and absentee voting of members of the Board of Directors (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 14) prepare a notice about holding a meeting of the Board of Directors or about absentee voting of members of the Board of Directors (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 15) monitor compliance with standards established by the laws of the Republic of Kazakhstan, the Charter of the Board of Directors, the corporate governance code (if any) and other internal documents of the Exchange regarding the conditions and procedure for a notice of a meeting of the Board of Directors or of absentee voting of members of the Board of Directors, as well as all persons who have the right or obligation to attend a meeting of the Board of Directors (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 16) form (with simultaneous control over completeness and quality) materials on the agenda of the meeting of the Board of Directors and issues decisions on which are made through absentee voting by members of the Board of Directors (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 17) prepare voting ballots for members of the Board of Directors and absentee voting ballots for members of the Board of Directors (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 18) organize (in cooperation with the Management Board and structural subdivisions of the Exchange) preparation and holding meetings of the Board of Directors (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 19) send ballots to members of the Board of Directors for their absentee voting, receiving ballots signed by members of the Board of Directors for their absentee voting (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);



- 20) keep records of the quorum of the meeting of the Board of Directors and absentee voting of members of the Board of Directors *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
- 21) count votes of members of the Board of Directors on issues studied at a meeting of the Board of Directors and issues decisions on which are made through absentee voting by members of the Board of Directors; sum up the results of such voting *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
- 22) execute minutes of meetings of the Board of Directors and minutes of absentee voting of members of the Board of Directors *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
- 23) send members of the Board of Directors copies of the minutes of absentee voting of members of the Board of Directors with attached copies of completed ballots for absentee voting of members of the Board of Directors, on the basis of which the decision formalized by these minutes were made (within 20 days from the date these minutes were executed) *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
- 24) store original minutes of meetings of the Board of Directors and minutes of absentee voting of members of the Board of Directors, completed voting ballots for members of the Board of Directors and for absentee voting of members of the Board of Directors *(including ballots declared invalid) (this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10 2015);*
- 25) store control copies of materials on agenda items for meetings of the Board of Directors and issue decisions on which were made through absentee voting of members of the Board of Directors, working materials of meetings of the Board of Directors and absentee voting of members of the Board of Directors *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015 of the year);*
- 26) prepare, at the request of authorized persons, extracts from minutes of the meetings of the Board of Directors and minutes of absentee voting of the members of the Board of Directors *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
- 27) monitor reliability of information contained in materials on agenda items for meetings of the Board of Directors and issues decisions on which are made through absentee voting by members of the Board of Directors, as well as ensuring the timeliness and proper frequency of provision of information subject to consideration by the Board of Directors *(this sub-clause was changed by decision of the Board of Directors of the Exchange dated September 10, 2015);*
- 28) organize (in interaction with chairmen of committees of the Board of Directors or, in their absence, with persons entitled to replace the chairmen of committees of the Board of Directors in case of their absence, the Management Board and structural subdivisions of the Exchange) preparation and holding the meetings of committees of the Board of Directors; execute minutes of these meetings and store the originals of such minutes; prepare, at the request of the authorized persons, extracts from minutes of meetings of committees of the Board of Directors *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*



- 29) keep records of performance of decisions of the general meeting of shareholders of the Exchange and the Board of Directors, participate in this regard in interaction of the Board of Directors and the Management Board of the Exchange (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 30) monitor compliance by bodies, structural subdivisions, officials, employees of the Exchange, participants in the general meeting of shareholders of the Exchange with the laws of the Republic of Kazakhstan, the Charter of the Exchange, the corporate governance code (if any) and other internal documents of the Exchange related to corporate governance and/or intended for implementation and protection of the rights and interests of its shareholders protected by the laws and the Charter of the Exchange; prepare and submit offers to the Board of Directors and the Management Board of the Exchange based on results of such monitoring (*this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*);
- 31) organize (in cooperation with the Management Board and structural subdivisions of the Exchange) study of appeals from shareholders of the Exchange in connection with an actual or alleged violation of the rights and interests of its shareholders protected by the laws and the Charter of the Exchange; participate in resolving conflicts related to violation of the rights and interests of its shareholders protected by the laws and the Charter of the Exchange;
- 32) organize (in interaction with the Management Board and structural subdivisions of the Exchange), subject to standards of the laws of the Republic of Kazakhstan and the Charter of the Exchange, an access of its shareholders to information about activities of the Exchange affecting the interests of its shareholders (as such information is defined in clause 1 article 79 of the Law of the Republic of Kazakhstan "On Joint-stock Companies"), and to copies of the documents of the Exchange relating to its activities and subject to storage by the Exchange throughout the entire period of its activities (as such documents are defined by clause 1 article 80 of the Law of the Republic of Kazakhstan "On Joint-stock Companies");
- 33) develop drafts (participate in development of drafts) of internal documents of the Exchange in corporate governance, changes and/or additions to internal documents of the Exchange in corporate governance;
- 34) provide the secretary of the Management Board with data on changes in the composition of the Board of Directors, including their full names, within two business days from the date of receipt of such changes to the corporate secretary (*this sub-clause was included by a decision of the Board of Directors of the Exchange dated December 20, 2023*).

**Article 5. Rights of the Corporate Secretary. Responsibility of the Corporate Secretary**

1. When performing his functions, the corporate secretary has the right to:
  - 1) request from the structural subdivisions of the Exchange (including those directly subordinate to the Board of Directors) and receive from them information and materials on issues subject to study by the general meeting of shareholders of the Exchange, the Board of Directors or a committee of the Board of Directors, as well as information and materials that may be required when studying any issues by the general meeting of shareholders of the Exchange, the Board of Directors or a committee of the Board of Directors; check completeness and quality of such information and materials, give comments and suggestions to them, and also demand their revision/reworking subject to these comments and suggestions (*this sub-*

- clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
- 2) attend the general meetings of shareholders of the Exchange and meetings of the Board of Directors, unless otherwise decided by the general meeting of shareholders of the Exchange or the Board of Directors; be present, with consent of the Chairman of the Board of Directors of the Exchange or a person replacing him, at meetings of the Board of Directors of the Exchange *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
  - 3) speak at the general meetings of shareholders of the Exchange, meetings of the Board of Directors and its committees on issues related to the main tasks and functions of the corporate secretary, affecting such tasks and functions or arising from them *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
  - 4) control the structural subdivisions and employees of the Exchange within the competence arising from the main tasks and functions of the corporate secretary;
  - 5) bring the data on performance of decisions of the general meeting of shareholders of the Exchange and the Board of Directors to the attention of the Chairman of the Board of Directors or the Chairman of the Management Board of the Exchange (depending on the nature of such data) *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
  - 6) request from the structural subdivisions of the Exchange and receive from them information and materials necessary to solve the main tasks of the corporate secretary;
  - 7) offer the Board of Directors or the Board of the Exchange to create commissions (working groups) on issues of improving corporate governance or issues arising from the main tasks of the corporate secretary *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
  - 8) submit offers for study by the Board of Directors on issues of competence and activities of the corporate secretary *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
  - 9) on the basis of powers of attorney, represent the Exchange in government bodies and other organizations;
  - 10) bring to the attention of the Chairman of the Board of Directors information about cases of obstruction of the corporate secretary in performance of his functions or use of his rights *(this sub-clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015);*
  - 11) receive, in addition to the salary, remuneration subject to decisions of the Board of Directors *(this sub-clause was amended by decisions of the Board of Directors of the Exchange dated September 10, 2015 and May 16, 2018).*
2. The corporate secretary is responsible for a failure to perform and/or improper performance of his job duties (provided for by the laws, employment contract, these Regulations and other internal documents regulating the activities of the corporate secretary, internal labor regulations, job description), which entails application of measures of disciplinary punishment, as well as other measures provided for by the laws of the Republic of Kazakhstan *(this clause was changed by a decision of the Board of Directors of the Exchange dated September 26, 2018).*

3. The procedure for applying the measures of disciplinary punishment is determined by the annex to these Regulations (*this clause was amended by decisions of the Board of Directors of the Exchange dated September 10, 2015 and September 26, 2018*).

**Article 6. Amount of Remuneration and Terms of Remuneration of the Corporate Secretary.**

1. Size of the salary of the corporate secretary is determined by the Board of Directors taking into account professional qualifications, work experience, level of compliance with qualification requirements, timeliness, completeness and quality of performance of his official duties, compliance with labor discipline and other requirements established by internal documents of the Exchange (*this clause was changed by decisions of the Board of Directors of the Exchange dated September 10, 2015 and May 16, 2018*).
- 1-1. Salary includes fixed and variable parts. The fixed part is an official salary and it is 75 % of the salary, the variable part is 25 % of the salary and it is a monthly extra pay to the official salary (*this clause was included by a decision of the Board of Directors of the Exchange dated May 16, 2018*).
2. The amount of salary of the corporate secretary is established by a decision of the Board of Directors in the national currency (KZT) with taxes and other mandatory deductions withheld from this amount subject to the laws of the Republic of Kazakhstan (*this clause was changed by decisions of the Board of Directors of the Exchange dated September 10, 2015 and May 16 2018*).
3. The procedure for payment of salary to the corporate secretary is established by the employment contract (*this clause was changed by a decision of the Board of Directors of the Exchange dated May 16, 2018*).
4. Based on results of an assessment of his work for the calendar year, bonus remuneration can be paid to the corporate secretary by decision of the Board of Directors (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).
5. The amount of the annual bonus remuneration of the corporate secretary is determined by a decision of the Board of Directors based on results of assessing the work of the corporate secretary during the reporting year (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).
6. Payment of bonus remuneration to the corporate secretary based on results of the reporting calendar year is made within 10 calendar days after the Board of Directors makes a decision on such payment (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).
7. The decision on payments provided for by the laws of the Republic of Kazakhstan (environmental, night work, holidays and weekends, overtime, payment of vacation days, days of temporary disability and other payments) is made by the chief executive of the executive body of the Exchange subject to the laws of the Republic of Kazakhstan.
8. The Corporate Secretary is granted an annual leave as provided for in the employment contract and internal documents of the Exchange.
9. In order to apply for a leave, the corporate secretary sends to the chief executive of the executive body of the Exchange a leave request as agreed with the chairman of the Board of Directors (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).

10. The corporate secretary of the Exchange is subject to the Policy for provision of material, sponsorship and charitable assistance, and the Board of Directors can decide on a non-recurrent payment to the corporate secretary (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).
11. In case of entry into an agreement on compulsory and/or voluntary insurance of employees of the Exchange, insurance coverage applies to the corporate secretary for the period of performance of his job duties.
12. In case of voluntary insurance of the corporate secretary, insurance coverage is provided with his consent.

#### **Article 7. Replacement of the Corporate Secretary**

1. Rules and procedures relating to replacement of the corporate secretary vary depending on the nature of his absence - short-term (for a period of up to two calendar months; due to temporary disability, release from work while performing state or public duties, vacation or business trip) or long-term (for a period of more than two calendar months).
2. If absence of the corporate secretary is short-term, performance of his duties (including functions of the secretary of the Board of Directors, the secretary of meetings of the Board of Directors, the secretary of committees of the Board of Directors) is carried out by an employee of the Exchange determined by the Board of Directors upon recommendation of the Management Board of the Exchange as a person entitled to replace the corporate secretary in case of his absence, taking into account the specifics established by clause 3 of this article (*this paragraph was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).

The Board of Directors has the right to determine, upon recommendation of the Board of Directors of the Exchange, several employees of the Exchange as persons entitled to replace the corporate secretary in case of his absence (based on the principle of "replacing a substitute") (*this paragraph was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).

A person replacing the corporate secretary during his absence must be guided in his activities by these Regulations, as well as all other internal documents of the Exchange and decisions of the Exchange bodies related to the corporate secretary and his activities.

Additional payment for combining positions for an employee of the Exchange replacing the corporate secretary during his absence is established by the Management Board of the Exchange as agreed with this employee.

3. The person entitled to replace the corporate secretary in case of his absence is determined to be the employee of the Exchange who meets the requirements established by sub-clauses 1) – 2), 4) – 5) clause 1 article 2 of these Regulations, as well as the requirement for at least three years of work experience in financial services and/or legal services and/or corporate governance. In this case, compliance of the specified employee with the requirements established by sub-clauses 4) – 5) of clause 1 article 2 of these Regulations, as well as whether the previous place(s) of work of the specified employee refers (refer) to financial services, and/or legal services, and/or corporate governance are determined by the Board of Directors (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).
4. If the absence of the corporate secretary is long-term, the Board of Directors appoints a new corporate secretary for the period of such absence (with determination of the term of office of the new corporate secretary in relation to

the time of such absence) and determines the amount and terms of remuneration and bonuses for the new corporate secretary (*this paragraph was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).

The powers of the new corporate secretary are terminated on the day the Exchange employee, who retained the job (position) of the corporate secretary, goes to work subject to the labor laws of the Republic of Kazakhstan, or subject to clause 2 article 8 of these Regulations.

5. Situations related to replacement of the corporate secretary, settlement procedure for which is not defined by this article, are resolved subject to decisions of the Board of Directors (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).

#### **Article 8. Termination of Powers of the Corporate Secretary**

1. Powers of the corporate secretary are terminated due to expiry of their term or subject to clause 2 of this article.
2. A person holding the position of the corporate secretary may be released from this position ahead of schedule in the manner established by the laws of the Republic of Kazakhstan, on any of the following grounds:
  - 1) detection of a fact that the corporate secretary fails to comply with any of the requirements established by clause 1 article 2 of these Regulations, or several such requirements;
  - 2) the corporate secretary violates any of the requirements established by clause 3 article 2 of these Regulations or several such requirements.
3. A person who held the position of the corporate secretary and whose powers as the corporate secretary were terminated (including due to the expiration of the term of such powers) must, within five business days after termination of such powers, transfer such powers to an employee of the Exchange, determined for these purposes by the Council of Directors, all documents, property and information constituting the affairs of the corporate secretary, including (but not exclusively) (*this paragraph was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*):
  - 1) originals, notarized or otherwise certified copies and electronic files of documents and materials specified in sub-clauses 7), 8), 12), 24), 25) of clause 2 article 4 of these Regulations;
  - 2) identifiers, keys (including electronic ones) and passwords to be used (used) to store material assets and information, as well as to access them;
  - 3) seals, stamps;
  - 4) originals of incoming letters and other official correspondence, copies and electronic files of outgoing letters and other official correspondence;
  - 5) originals, printouts and electronic files of regulatory legal acts, internal documents of the Exchange and other legal documents;
  - 6) printouts and electronic files of the drafts specified in sub-clause 33) of clause 2 article 4 of these Regulations.
4. Transfer of cases specified in clause 3 of this article is carried out against an acceptance certificate, which indicates:
  - 1) the basis and date of such transfer;
  - 2) a list of transferred documents, property and information;
  - 3) a list of works that are in the execution stage, as well as unexecuted works with expired deadlines.

**Article 9. Final Provisions**

1. These Regulations are valid insofar as it does not conflict with the laws of the Republic of Kazakhstan.
2. The Corporate Secretary must be guided in his activities by provisions of the laws of the Republic of Kazakhstan that appeared after these Regulations take effect, regardless of how these provisions are reflected in the Charter of the Exchange, the corporate governance code (if any) and other internal documents of the Exchange, relating to the work of the general meeting of its shareholders and the Board of Directors, as well as in these Regulations (*this clause was changed by a decision of the Board of Directors of the Exchange dated September 10, 2015*).

Chairman of the Board of Directors

Zh. Kurmanov

**Annex**

to the Corporate Secretary  
Regulations

*(This annex is included by decision of the Board of Directors of the Exchange  
dated September 26, 2018)*

**PROCEDURE**

**for application of disciplinary measures to the corporate secretary**

1. This procedure was developed subject to the laws of the Republic of Kazakhstan and defines the main measures of disciplinary punishment at the Exchange in order to improve quality of executive and labor discipline of the corporate secretary.
2. For committing a disciplinary offense, the following types of disciplinary punishments are applied to the employee:
  - 1) remark;
  - 2) reprimand;
  - 3) severe reprimand;
  - 4) dismissal.
3. Disciplinary punishment in the form of a reprimand is applied for improper compliance by the employee with the labor and/or performance discipline.
4. Disciplinary punishment in the form of a reprimand is applied for:
  - 1) a failure of the employee to comply with the labor and/or performance discipline;
  - 2) a failure of the employee to ensure safety of inventory items, including money received by the employee on the basis of a written agreement to assume full financial responsibility or to report on a non-recurrent document..
5. Disciplinary punishment in the form of a severe reprimand is applied for:
  - 1) a failure of the employee to comply with the labor and/or performance discipline;
  - 2) a damage caused by the employee to the Exchange while under the influence of alcohol, drugs or substance abuse (their analogues);
  - 3) the employee causes harm to the health of another employee intentionally or through negligence;
  - 4) shortage of inventory items of an intentional nature;
  - 5) the employee caused damage to the Exchange through his illegal actions, confirmed in the manner established by the laws of the Republic of Kazakhstan.
6. Disciplinary punishment in the form of dismissal is applied on the following grounds:
  - 1) recurrent failure by the employee to fulfill work duties without good reason, if he has more than three disciplinary punishments in the form of comments, more than two reprimands, or one severe reprimand;
  - 2) absenteeism (absence from the workplace without good reason for more than three hours in a row during the business day);
  - 3) the employee stays at work in a state of alcoholic, narcotic, psychotropic, toxicomaniac intoxication (their analogues), including in cases of consumption during the business day of substances that cause a state of alcoholic, narcotic, toxicomaniac intoxication (their analogues);



- 4) refusal to undergo a medical examination to establish the fact of use of substances that cause a state of alcoholic, narcotic, psychotropic, toxicomaniac intoxication (their analogues);
  - 5) violation by the employee of health regulations or fire safety rules or traffic safety rules, which resulted or could entail serious consequences, including industrial injuries and accidents;
  - 6) stealing (including petty stealing) of someone else's property, intentional destruction or damage by the employee at the place of work, established by a sentence or court order that has entered into legal force;
  - 7) commission by the employee of guilty actions or inaction of the employee servicing monetary or commodity assets, if these actions or inaction give grounds for loss of confidence in him by the Employer;
  - 8) disclosure by the employee of information constituting state secrets and other secrets protected by the laws that became known to him in connection with the performance of his job duties,
  - 9) submission by the employee to the Exchange of knowingly false documents or information when entering into an employment contract or transferring to another job, if genuine documents or information could be grounds for refusal to enter into the employment contract or transfer to another job;
  - 10) violation of labor duties by the chief executive of the executive body of the Exchange, his deputy or the chief executive of a structural subdivision of the Exchange, resulting in causing material damage to the Exchange.
7. Disciplinary offenses are divided into the following types:
- 1) minor – an offense committed by the employee for the first time or after removal of a previously imposed punishment, which entails the application of a punishment to the employee in the form of a remark or reprimand, with the exception of a severe reprimand and/or misconduct for which dismissal is provided;
  - 2) significant – an offense committed by the employee for the first time, which entails application of a punishment to the employee in the form of a severe reprimand and/or an offense committed by the employee repeatedly within six months in the presence of an unresolved previously imposed punishment in the form of a remark, a reprimand or a severe reprimand, which entails the application of punishments against the employee in the form of dismissal.
8. Before imposing a punishment, the Chairman of the Board of Directors warns the employee in writing about the need to comply with labor discipline and perform official duties. Such warning is transferred to the HR division and stored in the employee's personal file. A written warning is not a punishment.
9. Amount of the bonus should be reduced according to the type of disciplinary punishment applied to the employee in the billing month as follows:
- 1) remark – by 0 % of the total amount of the increment to the official salary for one month;
  - 2) reprimand – 25 % of the total amount of the increase to the official salary for one month;
  - 3) severe reprimand – 50 % of the total amount of the increase to the official salary for one month.
10. The decision to apply a disciplinary punishment to the corporate secretary is made by the Board of Directors of the Exchange.
- Relevant act of the Employer is issued by the Chairman of the Exchange Board on the basis of the decision of the Board of Directors specified in part one of this clause.

## Chapter 2. APPLICATION OF DISCIPLINARY PUNISHMENTS

11. A disciplinary punishment is imposed on the employee immediately upon discovery of a disciplinary offense, but no later than one month after it is discovered.

If it is revealed that the employee has committed a disciplinary offense, no later than the day following the day such act was discovered, an official note is executed, which reflects this fact, indicating the time and place of the disciplinary offense, the persons present and the nature of the violations identified.

An internal memorandum executed subject to clause one of this clause is sent to the Chairman of the Board of Directors.

Before taking measures to initiate a disciplinary punishment, an HR employee must request an explanation from the employee in writing. Purpose of this explanation is to determine whether the employee committed misconduct and pleads guilty.

If the employee refuses to give such explanation, a corresponding act is executed. Refusal of the employee to provide an explanation is not an obstacle to applying the disciplinary action.

12. When deciding on application of a particular disciplinary measure, severity of the offense, harm caused by it, circumstances under which it was committed, and general characteristics of the person who committed the disciplinary offense must be taken into account.
13. An order signed by the Chairman of the Management Board of the Exchange on application of a disciplinary punishment is presented to the employee for review within three business days after it is published. If the employee refuses to sign the specified order, a corresponding act is executed.
14. The order to impose a disciplinary punishment against the corporate secretary is brought to the attention of the Board of Directors of the Exchange no later than one month from the date of its publication.

Application of a repeated disciplinary punishment is the basis for the Board of Directors of the Exchange Committee on Personnel, Remuneration and Social Issues to submit the issue of dismissal of such employee to the Board of Directors of the Exchange for consideration.

## Chapter 3. TERMS FOR APPLICATION OF DISCIPLINARY PUNISHMENTS

15. Disciplinary punishments are applied no later than one month after the disciplinary offense is discovered. The day when a disciplinary offense was discovered should be considered the day when the Board of Directors and/or the Management Board became aware of the disciplinary act. The monthly period for imposing a punishment does not count the time the employee is ill or on vacation (regular, educational, paid or without pay) or on a business trip. Absence from work due to other reasons does not interrupt the specified period. One-month period from the date of discovery of the violation in case when the employee commits a long absence should be calculated not from the first day of absence, but from the last.

Disciplinary punishment cannot be applied later than six months from the date of the disciplinary offense.

16. For a committed disciplinary offense only one disciplinary punishment can be applied.
17. An order to apply a disciplinary punishment cannot be issued during the period of:
- 1) temporary disability of the employee;
  - 2) releasing the employee from work while performing state or public duties;
  - 3) the employee is on vacation;
  - 4) the employee is on a business trip.

#### **Chapter 4. REMOVAL OF A DISCIPLINARY OFFENCE**

18. If within six months from the date of application of the disciplinary punishment no new disciplinary punishment is applied to the employee, such employee is deemed to have no disciplinary punishment.

In the absence of new disciplinary punishments, after six months from the date of application of the disciplinary punishment, the disciplinary punishment is lifted without issuing a special order from the Chairman of the Management Board of the Exchange.

If there are new disciplinary punishments within six months from the date of application of the first disciplinary punishment, the original punishment remains in force.

The Chairman of the Management Board of the Exchange, before lapse of six months from the date of application of the disciplinary punishment, removes it from the employee on the basis of a separate decision of the Board of Directors, if the employee has not committed a new violation of labor discipline and at the same time has proven himself to be a conscientious employee.

19. Early lifting of a disciplinary punishment is formalized by an appropriate order of the Chairman of the Exchange Board.

#### **Chapter 5. LEGAL CONSEQUENCES OF USING DISCIPLINARY PUNISHMENT TO AN EMPLOYEE**

20. If the employee has an unresolved disciplinary punishment, his encouragement, including payment of bonuses, is carried out by decision of the Board of Directors.