Appendix No. 16

to the decision of the Board of Directors of

Otbasy Bank JSC

dated \_\_\_\_\_\_\_\_2021 No.\_\_\_\_\_

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|  | **Superior internal document** | Charter of Otbasy Bank JSC |
| **Owner of internal document** | Corporate Secretary |
| **Developed by** | Corporate Secretary Pogrebnaya Ye.D. |
| **Approved by** | the Decision of the Board of Directors of Otbasy Bank JSC dated August 25, 2021 (No.8) |
| **Effective date** | August 25, 2021 |
| **Restriction marking** | Without limitation |

**Regulation**

**on the Strategic Planning and Corporate Development Committee of**

 **the Board of Directors of Otbasy Bank JSC**

 **Almaty, 2021**

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| Version number  | Details of decision of the Bank's body on approval of amendments/additions  | Procedure for putting the approved amendments/additions into effect  |
|  | Decision of the Board of Directors of Otbasy Bank JSC No. 9 dated 27.06.2023 | shall be effective from 27.06.2023. |
|  | Decision of the Board of Directors of Otbasy Bank JSC No. 3 dated 27.02.2024 | shall be effective from 27.02.2024 |

**Regulation**

**on the Strategic Planning and Corporate Development Committee of**

 **the Board of Directors of Otbasy Bank JSC**

**Chapter 1. General provisions**

 1. This Regulation on Strategic Planning and Corporate Development of the Board of Directors of Otbasy Bank JSC (hereinafter referred to as the Regulation) is an internal regulatory document of Otbasy Bank JSC (hereinafter referred to as the Bank) and has been developed in accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies", the Charter, the Corporate Governance Code and the Regulations on the Board directors.

2. Concepts and definitions used in this Regulation:

**The sole shareholder** – National Managing Holding "Baiterek" Joint Stock Company;

**Legislation** – a set of regulatory legal acts of the Republic of Kazakhstan adopted in accordance with the established procedure;

**Committees –** committees of the Bank's Board of Directors (Strategic Planning and Corporate Development Committee, Audit Committee, HR Committee, Remuneration and Social Affairs Committee, Risk Management Committee);

**The Committee** – the Strategic Planning and Corporate Development Committee of the Bank's Board of Directors; *Subparagraph 4 of paragraph 2 was amended in accordance with the decision of the Board of Directors (Minutes No. 9) dated June 27, 2023.*

**Corporate Secretary** - Corporate Secretary of the Bank;

**Independent Director** - a member of the Board of Directors who is not an affiliated person of the Bank and has not been an affiliate for three years prior to his/her election to the Board of Directors (except in the case of his/her tenure as an independent director of the Bank), is not an affiliated person in relation to the Bank's affiliates; is not subordinated to Bank officials or affiliated organizations of the Bank and was not subordinated to such persons during the three years preceding his/her election to the Board of Directors; is not a civil servant; is not a representative of the shareholder at meetings of the Bank's bodies and was not a shareholder during the three years preceding his/her election to the Board of Directors; does not participate in the audit of the Bank as an auditor working as part of an audit organization, and did not participate in such an audit during the three years preceding his/her election to the board of Directors;

**The Internal Audit Service** **(IAS)** – a body that monitors financial and economic activities, evaluates internal control, risk management, execution of documents in the field of corporate governance and advises in order to improve the activities of this department;

**The Board of Directors** – the governing body;

**The Management Board** – the executive body;

**Charter** - the charter of the Bank.

3. This Regulation defines the status, competence, quantitative composition, procedure for the formation and work of the Committee, election of the Chairman and members of the Committee, powers and early termination of their powers, as well as rights and obligations.

4. The Committee is a permanent advisory body that provides assistance to the Board of Directors through preliminary consideration, analysis, succession planning and making recommendations on issues within its competence.

 The Committee was established to enhance the preparation of recommendations to the Board of Directors on the development of priority areas of activity (development), strategic goals (development strategy), corporate development issues, including issues related to the development of measures to enhance the performance of the Bank's activities in the medium and long term, its profitable activities and sustainable development.

1. All proposals developed by the Committee are drawn up in the form of protocols (decisions) and are of a recommendatory nature.
2. The Committee is accountable to the Board of Directors of the Bank, and acts within the powers granted to them by the Board of Directors of the Bank and this Regulation. *Paragraph 6 was amended in accordance with the decision of the Board of Directors (Minutes No. 9) dated June 27, 2023.*

 7. In its activities, the Committee is guided by the legislation of the Republic of Kazakhstan, the Charter of the Bank, the Corporate Governance Code of the Bank, decisions of the Sole Shareholder, the Board of Directors of the Bank, the Regulation on the Board of Directors of the Bank, this Regulation and other internal regulations of the Bank.

**Chapter 2. Competence and powers of the Committee**

8. The competence of the Committee includes preliminary consideration and development of recommendations for the Bank's Board of Directors on the following issues: *Paragraph 8 was amended in accordance with the decision of the Board of Directors (Minutes No. 9) dated June 27, 2023.*

1) preliminary review of strategic goals (development strategies) and priority areas, including mission and vision, goals and objectives, as well as their periodic review;

2) assessment and monitoring of the implementation of measures to implement the development strategy (at least once a year), and providing annual information to the Board of Directors with an assessment of the effectiveness of measures to implement the development strategy;

3) providing recommendations on the implementation of the developed strategy into specific plans of the Bank's activities, allocation of resources, in order to achieve strategic plans and long-term objectives;

4) preliminary review of documents submitted for consideration by the Board of Directors containing information on the progress of the implementation of the development strategy, achievement of target values of strategic key performance indicators (KPIs);

5) preliminary consideration of aspects of financial activities, including issues related to capitalization, cash flow, borrowing of financial resources, investment of available funds, placement of debt and other securities, acquisition or alienation of shares on its balance sheet, splitting of shares or changes in categories of shares, transactions on capital markets, and also other financial transactions;

6) preliminary review and monitoring of the Development Plan; adjustments to the Bank's Development Plan, as well as reports on its implementation;

7) preliminary consideration and development of proposals in the field of information technology, including consideration of the implementation of measures to implement the information technology development strategy;

8) development of proposals for the implementation of strategic goals in the field of information technology;

9) preliminary consideration of issues in the field of sustainable development, including ESG risk management, monitoring compliance with principles in the field of sustainable development, assessment of achievement of goals and key performance indicators in the field of sustainable development, internal documents of the Bank in the field of sustainable development; *Subparagraph 9) of paragraph 8 was amended in accordance with the decision of the Board of Directors (Minutes No. 3) dated February 27, 2024.*

10) development and periodic review of the Bank's documents related to corporate governance, including the articles of association, regulations, the corporate governance Code, the form and necessary content of the report on compliance/non-compliance with the principles and provisions of the Corporate Governance Code in order to ensure their compliance with legislation, best practices;

11) develop a specific and clear plan for improving the corporate governance system based on the implementation of best practices, as well as monitoring the implementation of such a plan;

12) consideration on an annual basis of a report on compliance/non-compliance with the principles and provisions of the Corporate Governance Code, with the formation, in cases of non-compliance, of relevant recommendations aimed at further improving corporate governance and submitting them to the Board of Directors;

13) development of a program for the Company's compliance with corporate governance requirements, including the inclusion of issues related to corporate governance in the program for the appointment and professional development of members of the Board of Directors;

14) control over the implementation of regulations and decisions of the sole shareholder in the field of corporate governance;

15) cooperation with the Audit and Risk Committee of the Board of Directors in developing policies and procedures for disclosing information about the Bank's practices in such areas as corporate governance, financial reporting, remuneration policy, as well as disclosure of other material information in the Bank's annual and quarterly reports, on the website and in other relevant media;

16) review of the report on transparency and effectiveness of information disclosure processes;

17) preliminary consideration and preparation of recommendations to the Board of Directors on strategic investment projects, basic terms of participation, changes in terms of participation, termination of the Bank's participation in the Direct Investment Fund, as well as changes to the Bank's internal regulatory documents governing the Bank's participation and termination of participation in the Direct Investment Fund;

18) preliminary review of reports on the Bank's Strategic Portfolio;

19) preliminary review of changes to the Bank's asset management investment strategy;

20) consideration of other issues related to strategic planning, corporate development and financial activities of the Bank;

21) making decisions on the establishment and closure of branches and representative offices of the Bank and approving the regulations on them, as well as amendments and additions to them. *Subparagraph 21) of paragraph 8 was amended in accordance with the decision of the Board of Directors (Minutes No. 9) dated June 27, 2023.*

**Chapter 3. Rights and obligations of the Committee and its members**

9. In order to exercise the assigned powers, the Committee and its members are endowed with the following rights:

 1) to request, within its competence, documents, reports, explanations and other information from members of the Board of Directors, Committees, the Management Board, the Internal Audit Service, the Compliance Service, the Corporate Secretary and other employees of the Bank;

 2) invite members of the Management Board, Committees, Internal Audit Service, Compliance Service and other persons to their meetings as observers;

 3) in accordance with the established procedure, use the services of external experts and consultants within the funds provided for in the Bank's budget for the current year;

 4) participate in the control and verification of the execution of decisions and instructions of the Board of Directors of the Bank on its activities;

 5) develop and make proposals for amendments and additions to this Regulation;

 6) to develop and submit for approval by the Board of Directors of the Bank draft documents related to the activities of the Committee;

 7) to demand the convening of a meeting of the Committee and to put issues on the agenda of the meeting of the Committee;

 8) to enjoy other rights necessary for the exercise of the powers assigned to him/her.

10. The Committee has the right to consider other issues within the competence of the Committee, including by decision of the Board of Directors or its Chairman.

11. The Committee monitors and analyzes the execution of decisions of the Bank's Board of Directors within the competence of the Committee.

12. The Committee and its members are obliged to:

1) to carry out its activities honestly and in good faith in accordance with this Regulation, in the interests of the Sole Shareholder and the Bank as a whole;

2) to devote sufficient time to the effective performance of his/her duties;

3) participate in the work of the Committee and attend its in-person meetings;

4) at the request of the Board of Directors, the Bank shall report to the Board of Directors of the Bank on the results of its activities;

5) to respect the confidentiality of information received in the framework of the activities of the Committee;

6) inform the Bank's Board of Directors of any changes in its status as an independent director or of a conflict of interest arising in connection with decisions to be taken by the Committee;

7) confirm the availability of in-depth knowledge in the field of personnel management and/or undergo appropriate training (at least once every 3 (three) years).

**Chapter 4. Composition, election procedure and term of**

**powers of the Committee**

 13. The Committee consists of members of the Bank's Board of Directors who have the necessary professional knowledge, competencies and skills to work in the Committee.

 14. The Committee consists of at least one member of the Bank's Committee who has experience in one of the following areas: information technology development; development and provision of banking services; risk management; budget planning.

If necessary, experts with relevant experience and competence may be involved in the Committee, whose functions include consideration of issues provided for in paragraph 8 of Chapter 2 of this Regulation. Members of the said committee who are not members of the Board of Directors are appointed by the Board of Directors upon recommendation of the Chairman of this Committee.

 15. The Chairman and members of the Committee are elected by the Board of Directors of the Bank by a simple majority vote. The Committee may not include the Chairman, members of the Management Board and employees of the Bank. Members of the Management Board/employees of the Bank may participate in Committee meetings as invited persons.

 16. The term of office of the Committee members coincides with their term of office as members of the Bank's Board of Directors.

 17. The Committee may be prematurely disbanded by decision of the Board of Directors of the Bank.

**Chapter 5. Chairman of the Committee**

18. The Chairman of the Committee is elected from among the independent directors and organizes the work of the Committee headed by him/her, in particular:

1) convenes meetings of the Committee, determines the form of meetings and chairs them;

2) approves the agenda of the Committee meetings; *Subparagraph 2) of paragraph 18 was amended in accordance with the decision of the Board of Directors (Minutes No. 9) dated June 27, 2023.*

3) organizes the keeping of minutes at in-person meetings of the Committee;

4) organizes the discussion of issues at the meetings of the Committee, as well as hears the opinions of persons invited to participate in the meetings;

5) maintains constant contacts with members of the Bank's Board of Directors, members of the Bank's Management Board, and structural divisions of the Bank in order to obtain the most complete and reliable information necessary for the Committee to make decisions and to ensure their effective interaction with the Bank's Board of Directors;

6) distributes responsibilities among its members, gives them and the Secretary of the Committee instructions related to the study and preparation of issues for consideration at Committee meetings;

7) ensures and coordinates the work on the implementation of the Committee's decisions;

8) ensures the development and approval of the Committee's work plan for the current year, taking into account the plan of meetings of the Board of Directors, ensures monitoring and supervision of the proper execution of decisions and instructions of the Committee headed by him/her;

9) prepares a report on the activities of the committee and at a separate meeting reports to the Board of Directors on the results of activities for the year during the meeting of the Board of Directors.

19. The Chairman of the Committee, along with professional competencies, must have organizational and leadership qualities, good communication skills for the effective organization of the activities of the Committee headed by him/her.

20. In the absence of the Chairman of the Committee at a meeting, the members of the Committee shall elect the Chairman of the meetings from among the members present by a simple majority vote.

**Chapter 6. Secretary of the Committee**

21. The Secretary of the Committee is the Corporate Secretary or an employee of the Corporate Secretary's Office (if any). During the absence of the Secretary of the Committee, the performance of his/her duties in accordance with the decision of the Chairman of the Committee is temporarily assigned to another employee of the Bank. *Paragraph 21 was amended in accordance with the decision of the Board of Directors (Minutes No. 9) dated June 27, 2023.*

22. The Secretary of the Committee shall ensure:

1) preparation and holding of Committee meetings;

2) collection and systematization of materials for meetings;

3) timely sending to the members of the Committee and invited persons notifications on the holding of meetings of the Committee, the agenda of meetings, materials on the agenda issues;

4) development of the agenda, keeping minutes of meetings, registration of the results of absentee voting of the committee, as well as subsequent storage of minutes, electronic versions of minutes signed using EDS (decisions, ballots), transcripts, audio-video recordings, materials of Committee meetings; *Subparagraph 4) of paragraph 22 was amended in accordance with the decision of the Board of Directors (minutes No. 9) dated June 27, 2023.*

5) issuing extracts from the minutes (decisions) of the Committee as necessary;

6) analysis of the instructions of the Board of Directors of the Bank related to the competence of the Committee;

7) performing other functions on behalf of the Chairman or other members of the Committee.

**Chapter 7. The Committee's working procedure**

 23. Meetings of the Committee are held in accordance with the work plan approved before the beginning of the calendar year, which is coordinated with the work plan of the Board of Directors, indicating the list of issues under consideration and the dates of meetings, but at least once a quarter. If necessary, the Committee holds extraordinary meetings.

 24. Regular and extraordinary meetings of the Committee may be convened at the initiative of its Chairman or upon request of:

 1) the Sole Shareholder;

 2) the Board of Directors;

 3) any member of the Committee.

If the Chairman of the Committee refuses to convene meetings, the initiator has the right to apply with the specified request to the Board of Directors of the Bank.

 25. Meetings of the Committee are held in person or in absentia, while the number of meetings with absentee voting should be minimized.

26. Notification of the convening of Committee meetings is sent by the Secretary of the Committee to the members of the Committee within the time limit established by the Rules of Interaction with Organizations of fifty percent or more of the shares (participation interests) owned directly or indirectly by National Managing Holding Baiterek Joint Stock Company. *Paragraph 26 was amended in accordance with the decision of the Board of Directors (Minutes No. 9) dated June 27, 2023.*

The notification must contain:

1) place, time and date of the meeting;

 2) the form of the meeting (in person or in absentia).

The notification must be accompanied by:

- vote on the day of the Committee meeting;

* explanatory notes addressed to the members of the Committee on each item on the agenda under consideration, signed by the Chairman or a member of the Management Board of the Bank, or by the person initiating the inclusion of the issue in the agenda of meetings on paper or in electronic form, using an electronic digital signature;
* the draft decision of the Committee on each item on the agenda, signed by the Chairman or a member of the Management Board of the Bank or the person initiating the inclusion of the issue on the agenda of the meeting on paper or in electronic form, using an electronic digital signature;
* draft documents to be considered at the meeting of the Committee, signed by the Chairman or a member of the Management Board, or by the person initiating the submission of the document to the Committee on paper or in electronic form, using an electronic digital signature;
* extracts from the minutes of the meetings of the Bank's Management Board (if necessary);
* the Committee's absentee voting bulletin (in case of an absentee meeting);

- other additional documents, if available (presentations, copies of decisions of state bodies and (or) other legal entities, reference materials justifying the inclusion of these issues on the agenda).

 27. The Chairman of the Committee, the members of the Committee and the Secretary of the Committee are participants in the meetings of the Committee. The following persons may attend the meetings of the Committee by invitation (including, but not limited to):

1. Bank employees;
2. consultants (experts) involved in accordance with the established procedure.

 28. If necessary, the Committee may hold separate meetings with the Bank's management, its external and internal auditors.

29. *Paragraph 29 was deleted in accordance with the decision of the Board of Directors (Minutes No. 9) dated June 27, 2023.*

 30. A meeting of the Committee is valid if at least half of the members of the Committee participate in it. In order to create favorable conditions and reduce the cost of holding Committee meetings, Committee members may participate in a Committee meeting via videoconference (interactive audio-visual communication), conference calls (simultaneous conversation of Committee members in the "telephone meeting" mode), as well as through the use of other means of communication. This participation is equivalent to full-time participation.

 31. Decisions of the Committee are taken by a simple majority of votes of the total number of all members of the Committee. When resolving issues, each member of the Committee has one vote. The transfer of voting rights by a member of the Committee to other persons, including other members of the Committee, is not allowed. In case of equality of votes of the Committee members, the vote of the chairman at the meeting is decisive.

 32. A minutes is drawn up based on the results of each in-person meeting of the Committee, and a decision is drawn up based on the results of each absentee meeting of the Committee. The Minutes (decision) shall be drawn up on paper or in electronic form, using an electronic digital signature, and signed no later than 5 (five) working days after the meeting. The Minutes is signed on paper or in electronic form, using an electronic digital signature, by the Chairman of the Committee or the person performing his/her functions, who is responsible for the correctness of the contents of the minutes, by the members of the Committee and the Secretary of the Committee. The decision of the Committee's absentee meetings is signed on paper or in electronic form, using an electronic digital signature by the Chairman of the Committee and the Secretary of the Committee. When holding absentee meetings, absentee voting ballots are used, which are drawn up in accordance with the requirements of paragraph 40 of this Regulation.

33. The minutes (decision) of the meeting shall indicate:

1. date, place and time, form of the Committee meeting;
2. the list of Committee members who took part in the meeting (with absentee voting), as well as a list of other persons who attended the Committee meeting (in person);
3. the agenda of the Committee meeting;
4. key proposals of the Committee members on agenda issues;
5. the issues put to the vote and the results of voting, as well as all decisions taken.

Chapter 8. Reporting on the activities of the Committee

 34. The Committee regularly, but at least once a year, reports to the Board of Directors on its activities.

 35. The Chairman of the Committee organizes the preparation of information on the results of the Committee's work for inclusion in the report of the Board of Directors and the Annual Report of the Bank.

Chapter 9. Responsibility of the Committee members

 36. Members of the Committee are liable to the Company and the Sole Shareholder of the Bank for damage caused by its actions (inaction), in accordance with the legislation of the Republic of Kazakhstan, including for losses incurred as a result of providing misleading information or knowingly false information.

 37. The limitation period for non-disclosure of internal (official) information of the Bank by former members of the Committee after termination of their activities as members of the Board of Directors is 5 (five) years.

**Chapter 10. Final provisions**

 38. In case of amendments and/or additions to the legislation of the Republic of Kazakhstan, the charter of the Bank, this Regulation is valid in the part that does not contradict such amendments and additions.

 39. Amendments and/or additions to this Regulation are made in the manner similar to the approval of the Regulation.

 40. The requirements for the content of the explanatory note, draft decision, minutes, bulletins and other additional documents for the meeting of the Committees are similar to the requirements for the content of materials submitted to the meeting of the Board of Directors.