D. Serikbayev
EAST
KAZAKHSTAN
TECHNICAL
UNIVERSITY

Sustainable

Investing Policy of NJSC «D. Serikbayev East Kazakhstan technical university»

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1. GENERAL PROVISIONS

The Sustainable Investment Policy of the D. Serikbayev East Kazakhstan Technical University (hereinafter - the University) has been developed in accordance with the Entrepreneurial Code of the Republic of Kazakhstan dated October 29, 2015, the Law of the Republic of Kazakhstan dated July 7, 2004 "On Investment and Venture Funds," the Sustainable Development Goals adopted by the United Nations in 2015 (UN General Assembly Resolution No. A/RES/70/1 dated 25.09.2015), and other regulatory legal acts of the Republic of Kazakhstan.

This Sustainable Investment Policy (hereinafter - the Policy) defines the goals, principles, requirements, and procedures for implementing investment activities of NPJSC "D. Serikbayev East Kazakhstan Technical University" in accordance with the principles of sustainable development, environmental responsibility, social equity, and good corporate governance (ESG principles).

This Policy applies to all structural units as well as to projects and initiatives implemented with the participation of the University and financed at the expense of own funds, borrowed funds, or other sources.

2. TERMS AND DEFINITIONS

The following terms and definitions are used in this Policy:

Investment Project Administrator - a structural unit responsible for the planning, justification, and implementation of investment projects.

Business Plan - a document that defines the purpose and justification for implementing an investment project in accordance with the University's regulatory acts.

Investment Project Life Cycle - a sequence of phases that an investment project goes through from initiation to post-project analysis. It consists of six stages: assessment, selection, definition, implementation, operation, and learning, each of which is described in more detail in this Policy.

Investments - expenditures for the acquisition, creation, and maintenance of fixed assets for production and non-production purposes, as well as intangible assets.

Investment Activities - the process of planning, controlling, and analyzing the use of own, borrowed, or state funds for the acquisition, construction (creation), or maintenance of fixed assets for production and non-production purposes, as well as intangible assets.

Investment Memorandum (IM) - a document prepared at a certain stage of a strategic investment project (the definition stage), substantiating the economic feasibility, scale, and timelines of the investment project. Its main purpose is to consolidate project results and obtain approval for the required funding and resources.

Investment Project - a set of activities aimed at the implementation of a specific investment initiative, involving investments in the creation of new, or the expansion or modernization of existing production capacities of structural units, on a repayable basis.

ESG - a set of factors reflecting the project's impact on the environment (Environmental), society (Social), and governance systems (Governance).

3. MAIN GOALS AND PRINCIPLES OF INVESTMENT ACTIVITIES

The University complies with the current legislation of the Republic of Kazakhstan, this Policy, and other internal documents regulating its investment activities.

The Sustainable Investment Policy is approved by the Rector of the University. Any amendments to this Policy require a decision of the Rectorate.

Economic efficiency

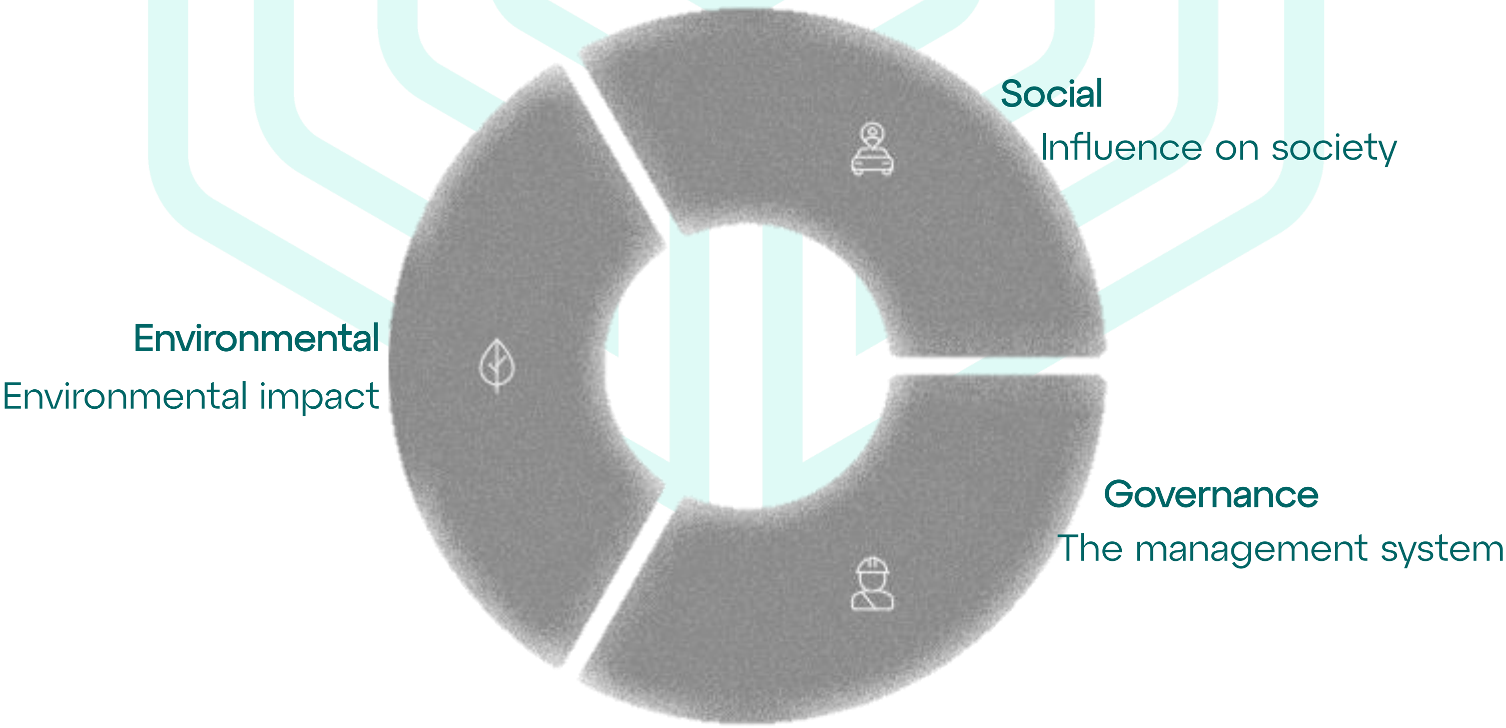
Improving the efficiency of structural units through strategic investment

ESG principles

Environmental responsibility, social justice and good governance

Sustainable development

Meeting UN goals and generating stable income in the long term



3.1 Main Principles of Investment Activities

The University's investment activities are aimed at increasing the economic efficiency of its structural units, branches, and subsidiaries by allocating funds for the acquisition, creation, and maintenance of fixed assets for production and non-production purposes, as well as intangible assets, on a reimbursable basis.

The University bears full responsibility for the results of its investment activities and for the implementation of decisions made by its governing bodies.

Investments within the University must have economic and strategic justification and be formalized as investment projects. Their feasibility is determined based on calculations of economic efficiency and alignment with the strategic objectives defined in the Development Strategy.

To ensure effective investment management, investment planning is carried out. Interrelated and similar investment projects may be grouped into target investment programs and subprograms.

The University is committed to the principles of environmental sustainability and social responsibility, ensuring that its investment portfolio is aligned with responsible and ethical standards. In the long term, responsible investments are expected to generate a stable revenue stream supporting the University's operations. University investments must not contradict the United Nations Sustainable Development Goals but instead contribute to their advancement.

3.2 Investment of Free Cash During Project Implementation

If the University has temporarily available funds, it may invest them in the projects of its structural units, branches, and subsidiaries based on business decisions. Investments may be provided in the form of loan financing under the conditions of timeliness, repayment, and compensation.

The Board of Directors may recommend alternative uses of available funds and make decisions on their allocation as a source of financing for projects within structural units, branches, and subsidiaries.

4. INVESTMENT PROJECTS

4.1 Classification of Investment Projects

Investment projects must comply with the integrity criteria of structural units and subsidiaries:

All activities and resources required to achieve the objectives set in the business plan must be included in the unified structure of the project.

All activities within the project must be interconnected.

An investment project includes all capital expenditures for the creation, acquisition, or maintenance of fixed assets or intangible assets, as well as capitalized costs for the infrastructure required to ensure the continuous functioning of project outcomes.

The University classifies investment projects based on strategic priorities, depending on the nature of the changes introduced and the scope of the project results:

Organic Development Projects - aimed at increasing the value of a subsidiary by expanding activities beyond its current scope (e.g., new products, new regions). These projects may include modernization or expansion of production to increase capacity, improve economic efficiency, or reduce costs.

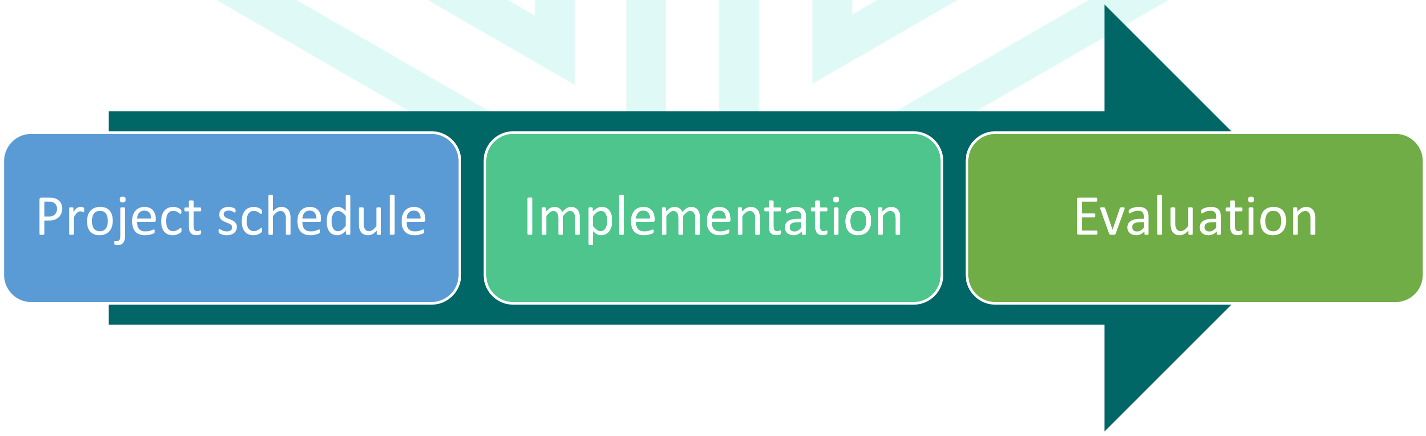
Maintenance Projects - aimed at minimizing risks associated with equipment failure, maintaining assets and production facilities, and ensuring that infrastructure remains in working technical condition. These projects do not aim to expand capacity but support ongoing operations.

4.2 Responsible Parties

Each investment project is assigned to a responsible structural unit by an internal act of the University. This unit reports directly to the Board of Directors and ensures the timely, targeted, and efficient implementation of investment projects. Heads of structural units are responsible for preparing accurate project documentation and adhering to this Policy.

4.3 Requirements for Stage Transitions

The University makes investment decisions in stages, allowing progression to subsequent stages only upon completion of the previous ones. The project schedule, including financing volumes and required resources, is established at the outset. Upon completion of each stage, an evaluation is conducted to determine whether to continue, adjust, or terminate the project.



5. TRAINING AND PROFESSIONAL DEVELOPMENT

The University provides regular training sessions for employees involved in the investment process on project evaluation, ESG analysis, and project management.

Project teams are encouraged to undergo specialized training on business plan preparation, risk management, and monitoring of environmental and social indicators.

6. IMPLEMENTATION AND REVISION OF THE POLICY

This Policy enters into force upon approval and remains valid until replaced or revoked.

The Policy is reviewed at least once every three years, as well as in the event of significant changes in legislation, the University's strategy, or international sustainable investment practices.

Amendments and additions to the Policy are approved by the University's Rectorate in accordance with established procedures.

7. FINAL PROVISIONS

All matters not regulated by this Policy are resolved in accordance with the current legislation of the Republic of Kazakhstan, the University Charter, and internal regulations.

This Policy is subject to publication in the University's internal information system and may be made publicly available in parts that do not contain confidential information.