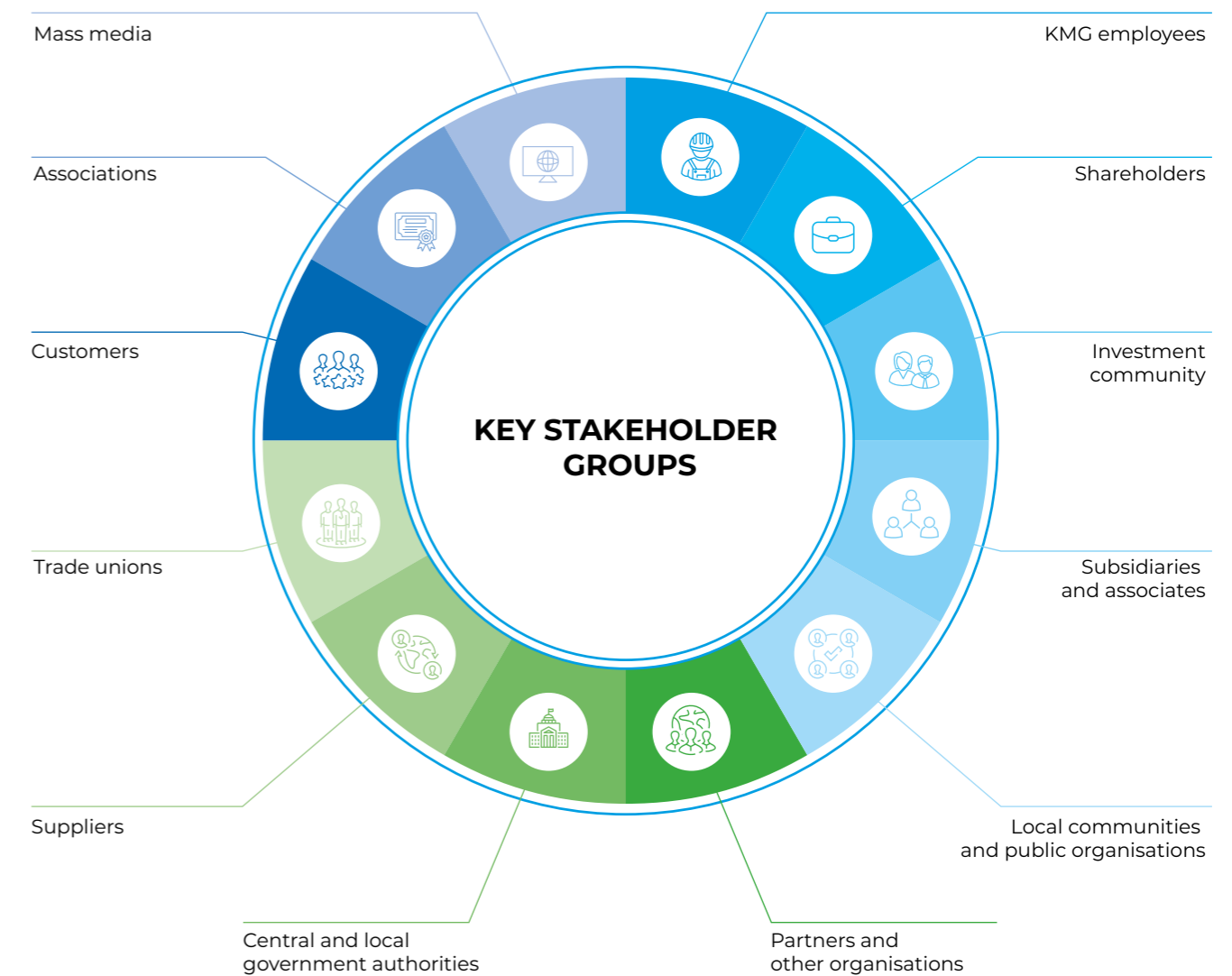


Trend (over the year)	Risk description and likely impacts	Mitigation and management
<p>←</p>	<p>Risk of changes in applicable laws, and litigation and arbitration risks</p> <p>The Company's performance can be impacted by changes in applicable laws, including subsoil use, tax, currency, customs regulations, etc., as well as the risk of negative court decisions on court or arbitration disputes involving the Company.</p> <p>Impact</p> <p>In 2023, 12 lawsuits worth over USD1 mln were initiated. Until the proceedings are completed, it is impossible to fully assess the impact of these events on the Company's operations</p>	<p>The Company continuously monitors changes in laws, while also evaluating and forecasting the extent to which they can potentially impact the operations of KMG entities.</p> <p>The Company regularly takes part in working groups to develop and discuss draft laws in various areas of legislation.</p> <p>The Company continuously monitors judicial and law enforcement practices, and actively applies best practices in resolving legal issues and disputes arising in the course of the Company's operations.</p> <p>In 2023, there were developments in the Stati case.</p> <p>On 22 September 2023, the Supreme Court dismissed the Stati Parties' appeal, confirming that the shares were immune from execution under customary international law.</p> <p>The Supreme Court ruled "that the Stati Parties' appeal was based on an incorrect interpretation of the decision of the Court of Appeal. Their appeal proceeded from the assumption that the Court of Appeal considered Samruk's statutory purpose decisive and ignored Samruk's actual activities.</p> <p>However, the Supreme Court noted that the Court of Appeal reached the correct conclusion the Stati Parties failed to prove that the shares have no public purpose"</p>

STAKEHOLDER ENGAGEMENT

Key stakeholder groups



Stakeholder group	Principles of engagement	Methods of engagement	Company's activities
Shareholders	Openness and candid dialogue with shareholders	<ul style="list-style-type: none"> Feedback channels (e-mail and phone number for shareholder engagement matters) Annual General Meeting of Shareholders 	<ul style="list-style-type: none"> Investor Day on the KASE Annual General Meeting of Shareholders
Investment community	Transparency and regulatory compliance	<ul style="list-style-type: none"> Feedback channels (e-mail and phone number for investor engagement matters) Company's annual report Information disclosure on the Company's website and social media Semi-annual investor calls (issuer and investor days) Quarterly presentations on financial and operating results 	<ul style="list-style-type: none"> Publications on the corporate website kmg.kz, specifically in the Investors section Publications on the website of Kazakhstan Stock Exchange Roadshows for investors and other public events Meetings, conference calls Handling requests by e-mail (ir@kmg.kz), and consulting by phone Publication of press releases Publication of financial statements on the depository's internet page
Associations, local communities, public organisations	Strong involvement in social activities of (local) communities	<ul style="list-style-type: none"> Feedback channels (e-mail and phone number for various matters) Participation in the Public Council's meetings Participation in working groups Information disclosure: on the Company's website, in sustainability reports, and in mass media 	<ul style="list-style-type: none"> Access to information Publications on the corporate website Publications in mass media
Mass media	Providing mass media with open, transparent, and reliable information	<ul style="list-style-type: none"> Press releases Participation in conferences, interactions with the Central Communications Service under the President of Kazakhstan Timely coverage of events and activities in the Company's social media 	<ul style="list-style-type: none"> Press releases, informational publications, articles on the Company's website and in mass media Distribution of press releases Response to mass media's requests Conference calls, briefings, press tours, forums, information sessions and other media events Handling requests
Central and local government authorities	Robust interaction in order to address national goals	<ul style="list-style-type: none"> Working groups and meetings Direct correspondence Industry conferences 	<ul style="list-style-type: none"> Access to information Performance against instructions
Subsidiaries and associates	Direct and specific communication	<ul style="list-style-type: none"> Meetings involving managers Business trips to assets Direct correspondence 	<ul style="list-style-type: none"> Access to information Giving instructions Information letters
Customers, suppliers, partners, other organisations	Agreements entered into in good faith and on arm's length conditions	<ul style="list-style-type: none"> Entering into agreements 	<ul style="list-style-type: none"> Access to information Distribution of press releases
Trade unions, KMG employees	Equal opportunities, meritocracy principle	<ul style="list-style-type: none"> Group and one-on-one meetings with managers Employee performance evaluation Insights into employee satisfaction and engagement 	<ul style="list-style-type: none"> Meetings, conference calls Distribution of press releases Surveys, general meetings Productivity management systems Publications on the corporate website Event publications through the Company's information resource Advisory and expert boards, working groups

For more details, see the [Investor Communications](#) section

SHAREHOLDER AND INVESTOR RELATIONS

KMG's shareholders

Shareholder	Ordinary shares	Ordinary shares, %	Preferred shares	Total shares	Total shares, %
Sovereign Wealth Fund Samruk-Kazyna	411,371,263	67.42	–	411,371,263	67.42
Kazakhstan's Ministry of Finance	122,023,898	20.00	–	122,023,898	20.00
The National Bank of Kazakhstan	58,420,748	9.58	–	58,420,748	9.58
Minority shareholders	18,303,584	3.00	–	18,303,584	3.00

Securities issues¹

Type of shares	Authorised shares	Outstanding shares	Traded shares	Unissued shares
Ordinary	849,559,596	610,119,493	18,303,584	239,440,103

In the reporting period, KMG saw changes to its shareholder structure.

In late 2023, Samruk-Kazyna disposed of 122,023,898 KMG shares for a total of KZT 1.3 trln, selling them to the Ministry of Finance for a payment from the Kazakhstan National Fund under the trust management of the National Bank of Kazakhstan.

The Kazakhstan National Fund is on the balance sheet of the Government of Kazakhstan represented by the Ministry of Finance, which now owns the acquired shares.

The shares were disposed of in three tranches: in October, November and December 2023, making up a total of 20% of KMG's ordinary shares.

The transaction is, in effect, a redistribution of shares between government agencies, with no implications for KMG's operations or credit ratings.

According to the Ministry of Finance, the sale of KMG's shares to the Kazakhstan National Fund is one of the steps taken to achieve the national budget's revenue targets.

¹ As of 1 January 2024.