**Approved by Resolution of the**

**Board of Directors of**

 «**Samruk-Energy**» **JSC**

**Minutes No. 07/16**

**October** «14» **2016**

**Updated May 2018**

**CORPORATE MANAGEMENT SYSTEM**

**REGULATIONS ON STRATEGIC PLANNING COMMITTEE OF THE BOARD OF DIRECTORS** OF «**SAMRUK-ENERGY**» **JSC**

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**PSM 01-02-11**

**Astana 2016**

**The list of amendments and additions registration**

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| **No.** | **Amendment No.**  | **Page No.**  | **The date of introducing change/addition** | **Verification date** | **Signature of a responsible person** |
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* 1. **Purpose**
1. This Regulation on the Strategic Planning Committee of the Board of Directors (hereinafter – the Committee) of «Samruk-Energy» JSC (hereinafter – the Company) was developed in accordance with the Law of the Republic of Kazakhstan, the Charter of the Company, Code of Corporate Governance of the Company, and international corporate governance practices.
2. This Regulations determines the objectives of establishing the Committee, functions of the Committee, requirements for the composition and order of the formation of the Committee, powers of the Committee, rights and duties of its members, the procedure for preparation and holding of meetings of the Committee.
3. The purpose of this Regulation on the Committee is to ensure the preparation of recommendations for BoD on development of priority areas of activities (development), strategic goals (the development strategy) of the Company, implementation of sustainable development management system (including issues on health, safety and environment), implementation of investment projects, the Company's Master Plan, including on the matters related to development of activities that help to improve the efficiency of the Company's operations in the long term.
	1. **Scope of use**
4. This Regulations on the Committee is in-house regulatory document and applies to all business units and employees of the Company.
5. The Committee is a standing advisory body of the Company's BoD.
6. In its activities the Committee shall be fully accountable to the Board of Directors of the Company and operates under the authorities granted to it by the Board of Directors of the Company. All proposals developed by the Committee are recommendations, which are submitted to the Board of Directors.
7. The Committee operates within the powers granted to him in accordance with these Regulations.
8. The Board of Directors of the Company shall approve regulations on the Committee.
	1. **Definitions and Abbreviations**
9. The following terms and definitions are used in the document:
10. **General Meeting of Shareholders –** the supreme body of the Company;
11. **Legislation** – a set of normative legal acts of the Republic of Kazakhstan adopted in the prescribed manner;
12. **Committee/s** – Committee/s of the Board of Directors
13. **Corporate Secretary** – Corporate Secretary of the Company;
14. **Independent Directors** - Directors defined as Independent in accordance with the Law of the Republic of Kazakhstan «On joint-stock companies», the Charter of the Company and Corporate Governance Code;
15. **Regulations** – Provisions on the Strategic Planning Committee;
16. **Management Board** – Executive Body of the Company;
17. **IAS** – Internal Audit Service of the Company;
18. **BoD** –Board of Directors of the Company;
19. **Charter** – Charter of the Company.
20. **BU** – Business unit of the Company
	1. **Responsibility**

 10.The Chairman of the Committee, members of the Committee shall be responsible for their decisions in accordance with legislation of the Republic of Kazakhstan and internal documents of the Company.

 11. The Corporate Secretary shall be in charge of organizing the work of the Committee in accordance with the Regulation.

 12. In accordance with the Instructions for ensuring security of proprietary and commercial information of the Company, Chairman, members, Corporate Secretary, Company's employees and other persons invited to Committee meetings shall be responsible for the disclosure and use for personal purposes of insider and other confidential information received at the Committee meeting.

 13. The Corporate Secretary shall be responsible for:

 1) Compiling the draft agenda;

 2) Collection and distribution of materials on approved agenda items to members of the Committee;

 3) Preparation of draft Committee meeting agenda, its approval and signing, provision of extracts;

 4) Providing awareness of members of the Committee and invited persons with the Instructions for ensuring security of proprietary and commercial information in «Samruk-Energy» JSC.

 14 and 15 paragraphs are excluded.

 16. Responsibility for untimely and inadequately submitted documents to Corporate Secretary (Office of the Corporate Secretary) bear the heads of the relevant Business unit of the Company.

 17. Responsibility for management of this Regulation on the Committee shall be borne by the Corporate Secretary of the Company.

**5 Normative References and Related Documents**

1. This Regulation on the Committee was developed to meet requirements of the Republic of Kazakhstan legislation, in-house regulatory documents of the Company:

1) Charter of the Company;

2) the Company's Corporate Governance Code;

3) Regulations on the Company’s Board of Directors;

4) Rules for management of internal regulatory documents of the Company;

5) Instructions for ensuring security of proprietary and commercial information in the Company.

1. Rights and Obligations of the Committee

 19. The Committee and its members have the right to:

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

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

 3) use in the prescribed manner the services of external experts and consultants within the funds provided in the budget of the Company for the current year;

 4) Participate in the monitoring and verification of execution of decisions and orders of the Board of Directors of the Company on matters of its activities;

 5) develop and submit proposals for changes and additions to the this Regulations;

 6) develop draft documents relating to the activities of the Committee and submit for approval by the Board of Directors of the Company

 7) require the convening of meetings of the Committee and submit items to the meeting agenda of the Committee;

 8) enjoy other rights necessary to perform its powers.

 20. The Committee and its members are required to:

 1) act honestly and in good faith in accordance with the Regulation, in the interests of shareholders and the Company, as well as comply with the principles of the Corporate Governance Code;

 2) devote sufficient time for effective performance of their duties;

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

 4) regularly report on its activities to the Board of Directors;

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

 6) inform the Board of Directors of the Company on any changes in their status of Independent Directors or on the occurrence of a conflict of interest due to decisions to be taken by the Committee.

1. **Main Tasks and Functions of the Committee**

21. The main task of the Committee is:

1) development of recommendations in the field of strategic development including all the aspects of sustainable development, implementation of investment projects, as well as the Company's Master Plan.

2) ensuring monitoring and control of the implementation of the Transformation Program of the Company.

22. The Committee performs the following functions in accordance with tasks assigned to it:

 1) a preliminary review of the development strategy, including the mission and vision, goals and objectives, as well as their periodic review;

 2) monitoring of changes in the economic and competitive environment to determine their impact on the existing development strategy of the Company and ensuring the review / re-assessment of the development strategy taking into account these changes;

 3) regular, at least once every six months, reviewing the progress of execution of activities on development strategy of the Company, and submitting a report with the evaluation of the effectiveness of measures for the implementation of development strategy and recommendations for achieving the set goals to the Board of Directors.

 4) analysis and providing the Board of Directors with recommendations on development of strategic decisions relating to the determining of priority activities (development) of the Company and evaluation of the pursuit of the approved priority directions of development of the Company;

 5) analysis and providing recommendations on the development of certain strategic decisions relating to the application of new or elimination of the use of existing technologies, as well as the use of other opportunities to expand the scope and area of activities of the Company, to increase economic efficiency and quality of the rendered services;

 6) analysis and providing recommendations on the development of strategic decisions relating to the reorganization of the Company by merger, joining, division, separation, transformation;

 7) preliminary consideration of documents, action plans submitted for consideration by the Board of Directors of the Company, containing information on the implementation of the Company's development strategy;

 8) preliminary review of action plans for implementation of the Company's shareholder expectations;

 9) preliminary examination of documents containing information on the performance of the Company's shareholder expectations;

 10) analysis and providing recommendations on the development of strategic decisions concerning the methodological aspects of sustainable development, and the application of best practices in the field of sustainable development;

 11) preliminary review of the company’s stakeholders map;

 12) preliminary review of the company’s matrix of materiality;

 13) preliminary review and approval of the Sustainable Development Program;

 14) preliminary review of documents containing information on the Sustainable Development Program implementation;

 15) preliminary review and approval of the report on Sustainable Development;

 16) preliminary consideration of investment projects;

 17) analysis and providing recommendations on the formation of investment projects portfolio and their monitoring;

18) hearing the Project Sponsors reports on the results of the implementation of the projects of the Transformation Program of the Company regularly, at least once a quarter;

19) carrying out analysis of the effectiveness of the implementation of the Transformation Program of the Company and Road Maps to it;

 20) analysis and submission of annual reports on the effectiveness of the implementation of the Transformation Program of the Company for Board of Directors approval;

 21) preliminary consideration of the Company's Development Plan (business plan), Reports on the implementation of the Company's Development Plan (business plan) for the reporting period, as well as preliminary consideration of the Company's budget for the first calendar year period within the Company's Development Plan (business plan).

 22) providing the BoD with annual report on the work of the Committee;

 23) preliminary review of corporate governance issues of the Company;

 24) providing the BoD with recommendations on other matters within its competence in accordance with the instructions of the BoD and / or provisions of the Company's internal documents.

8. Requirements for Composition and Formation of the Committee

23.The Committee shall consist of at least three members; the Committee is composed of Independent Directors.

24. The Chairman and members of the Management Board cannot be elected to the Committee.

25. Members of the Committee must have industry-specific experience, experience in general management, corporate governance, strategic planning, sustainable development and health, safety and environment.

26. The Board of Directors shall determine the number of members of the Committee, its term of office, shall elect a Chairman and members of the Committee. The Chairman and members of the Committee shall be elected by a majority vote of the Board of Directors members.

27. The Chairman of the Committee shall be elected from among Independent Directors. The Board of Directors of the Company shall have the right at any time to re-elect the Chairman of the Committee.

28. In the absence of the Chairman of the Committee, his/her duties shall be performed by a member of the Committee who is an Independent Director elected at a meeting of the Committee by open vote by a simple majority vote of all members present at the meeting.

29. If necessary, the Committee can include experts without voting rights, with the necessary expertise to serve on the Committee. Experts with professional experience and expertise in the industry, in accordance with the goals, objectives and competence of the Committee, become part of the Committee for the effective operation of the Committee. The role of experts on the Committee is to provide the Committee members with the necessary information in decision-making, using special knowledge and professional experience that will enable the Committee to fully explore issues and develop recommendations of the Board of Directors.

30. In the absence of the Corporate Secretary, the secretary of the Committee shall be appointed by the decision of the Committee; he/she will provide organizational and informational support to the work of the Committee.

31. The secretary of the Committee can be an employee of the Company’s business unit, whose functions include strategic planning and sustainable development matters. In this case, the working body of the Committee shall determine the mentioned business unit.

32. The terms of office of the Committee members coincide with their terms of office as members of the Board of Directors, which can be reconsidered annually by the Board of Directors.

33. The Board of Directors shall be entitled to terminate the powers of all or individual members of the Committee. Early termination of office of the Committee member on his/her own initiative shall be carried out by the decision of the Board of Directors based on a written statement of the Committee’s member submitted to the Chairman of the Board of Directors.

**9. Chairman of the Committee**

34. The Chairman of the Committee shall manage the work of the headed Committee, in particular:

1. Chair meetings of the Committee;
2. adopts the agenda for the Committee meetings, including the content of matters submitted for discussion at the meeting of the Committee;
3. organizes the discussion of items at the meetings of the Committee, as well as hears the opinions of persons invited to participate in the meeting;

4) maintains regular contacts with members of the Company’s Board of Directors, Management Board members, the Company’s business units in order to obtain the most complete and accurate information necessary for the Committee’s decision-making, and to ensure their effective interaction with the Board of Directors of the Company;

5) allocates responsibilities among its members, gives them instructions associated with in-depth study of the issue and the preparation of materials for consideration at the meeting of the Committee;

6) provides and coordinates the work on implementation of the Committee’s decisions;

**10. The Term of Office and Procedure of Work of the Committee**

35. Materials for consideration at the meeting of the Committee (hereinafter – materials) are prepared by BU initiating the arranging of the Committee meeting.

36. Materials should be agreed with concerned BU in accordance with established procedure, if necessary, with the Committee members. The approval of documents submitted to the Committee by means of an electronic document management system is allowed.

37. The materials must contain the following:

1) an explanatory note containing the relevant information on the proposed item;

2) a draft decision;

 3) necessary estimations and justification of the proposed draft decision (if necessary);

4) the wording of an item submitted for consideration by the Committee, as well job title, full name of the reporter.

5) a list of persons who should be among invitees in order to consider the item, indicating the name, company and job title (if necessary);

6) other necessary materials.

38.Office memo with accompanying materials shall be submitted to the Corporate Secretary not later than 7 (seven) business days prior to the meeting.

39) Materials provided by the Company’s BU to the Corporate Secretary after the set time will not be included in the agenda and will be postponed to a next meeting.

40) The Secretary of the Committee shall check the completeness of the material prepared in accordance with paragraph 37 hereof. If the submitted material does not comply with form required, the Corporate Secretary shall require finalizing the materials or provision of additional materials.

41) The Corporate Secretary shall ensure the preparation and conduct of meetings of the Committee, gathering and filing of materials for meetings, timely sending to the members of the Committee and invited persons notifications on holding the meetings of the Committee, the agenda of meetings, materials on the agenda, keeping minutes of the meetings, preparation of draft decisions of the Committee, if required, provides abstracts from minutes of the Committee meetings, as well as provides subsequent storage of all relevant materials. The Corporate Secretary shall ensure the receipt of the information required by members of the Committee

42) The Corporate Secretary shall develop a plan of ordinary meetings for the current year, taking into account the plan of BoD meetings, supervise the execution of its decisions and plans and prepares an annual report on the work of the Committee which is sent to the Board of Directors and is included in the Company's annual report.

43) The Committee's work is carried out in the form of meetings. The Committee holds committee meetings according to the annual plan of work that corresponds to the BoD work plan and approved by the Committee. The Committee meetings shall be held not less than four times a year, extraordinary meetings - as required.

44) An extraordinary meeting of the Committee shall be held on the decision of the Chairman of the Committee on his/her own initiative, request of any member of the Committee, BoD, as well as on the written request of the Chairman of the Board. In this case the request to convene an extraordinary meeting shall be drawn up and sent to the Corporate Secretary not later than 10 (ten) business days prior to the date of the extraordinary meeting of the Committee.

45) The Committee meeting shall be held with the obligatory invitation of the person who provided the mentioned request.

46) In case of refusal of the Committee Chairman to convene a meeting, the initiator may apply with the said request to the Company’s Board of Directors, which must convene the Committee meeting.

47) The notice of holding the Committee meeting together with agenda shall be sent to persons participating in the meeting not later than seven (7) calendar days prior to the date of the Committee meeting.

48) The Committee meeting shall be duly constituted if attended by at least half of the members of the Committee.

49) Decisions of the Committee can be taken in the form of in person, absentee or mixed voting as well as in the form of audio and video conferencing.

50) At in person voting the Chairman of the Committee and its members can decide to vote on items of the Committee meeting agenda only in the presence of members entitled to vote. In such cases, experts and other persons who are invited to participate in the meeting of the Committee as observers shall be present at the meeting of the Committee only in the discussion of matters but have to leave the meeting hall at the time of voting.

51) At Committee meetings an employee of the Internal Audit Service of the Company must be present. The IAS employee of the Company can be elected as an expert without the right to vote.

The Internal Auditor elected as an expert without the right to vote should make known the materials of the Committee meeting in advance, and have the right to express an expert opinion on them.

Third parties can also be present at the Committee meeting at the invitation of the Chairman of the Committee without the right to vote on the Committee meeting agenda.

52) The Committee’s decisions are taken by simple majority vote of the total number of the Committee members. In case of equality of votes, the vote of the Committee Chairman shall be decisive.

53) Vote transfer by the Committee member to other persons, including other Committee members shall not be permitted.

54) The Corporate Secretary does not have voting rights.

55) Each member may express his dissenting opinion, which is presented together with the Committee's decision minutes. In cases where a decision on certain items cannot be taken due to the interest of individual members of the Committee, such fact shall be recorded in the minutes of the Committee meeting.

56) In case of in absentia Committee meeting (by poll):

1) decision on absentee voting shall be made by the Chairman of the Committee, which sets the term of absentee voting.

2) questionnaires (FZ 02 PSM 01-02-11) and materials (other information) must be sent by electronic system or delivered to members of the Committee no later than 2 (two) working days after taking a decision on the voting method.

3) when sending the questionnaires, the Corporate Secretary shall verify their correct and uniform preparation by his or her signature.

4) the Corporate Secretary shall draft minutes of in absentia meeting on the basis of returned questionnaires with voting results of the Committee members; such minutes shall contain results of voting on each item and the fact of adoption (non-acceptance) of a resolution.

**11. The Committee Meeting Minutes**

57) The minutes of the Committee meeting (FZ 01 PSM 01-02-11) shall include:

1) the date, place and time of the meeting (or the date of absentee voting);

2) a list of members of the Committee participated in the consideration of the Committee agenda items (with an indication of the form of the meeting), as well as the list of other persons present at the meeting of the Committee;

3) agenda;

4) proposals of the Committee members on the agenda (if any);

5) items put to vote and results of voting on them;

6) decisions taken.

58) The Minutes of in-person meeting («for», «against», «abstained») shall be signed by all members of the Committee that were present and signed by the Chairman and Corporate Secretary.

59) The Minutes of in absentia meeting shall be signed by the Corporate Secretary and submitted to the Committee Chairman for signing. The date of the minutes of absentee meeting of the Committee shall be the date of expiry of questionnaires submission. Questionnaires shall be attached to the minutes of the Committee in absentia meeting.

60) The decisions made at the Committee meeting shall be communicated to all members of the Committee and interested BU of the Company by the Corporate Secretary no later than 3 (three) business days from the date of signing the minutes.

61) The originals of signed minutes (with questionnaires - in case of holding in absentia meeting) and submitted materials for the Committee meeting on items considered at the Committee meeting shall be kept by the Corporate Secretary, a copy is filed in folders. Copies of minutes may be provided to the Chairman and all members of the Committee, concerned BU of the Company at their request.

62) Upon expiry of the storage period specified in the File register, all files shall be transferred by the Corporate Secretary to archive depository of the Company on the authority of transfer and acceptance act according to the matters of records management.

**12. Final Provisions**

63. This Regulations as well as amendments and additions thereto shall be approved by the BoD of the Company.

64. All matters not regulated herein shall be governed by the law of the Republic of Kazakhstan, the Company Charter and other internal documents of the Company.

1. **Forms of Record**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **№** | **Description of Record** | **Form of Record** | **Performed by** | **Storage Place** | **Storage Period** |
| 1 | Minutes of the Company’s Committee | FZ 01 PSM 01-02-11 | the BU, subordinate to the Corporate Secretary | the BU, subordinate to the Corporate Secretary | 3 years |
| 2 | Questionnaire for absentee voting of the Company’s Committee members  | FZ 02 PSM 01-02-11 | the BU, subordinate to the Corporate Secretary | the BU, subordinate to the Corporate Secretary | 3 years |

FZ 01 PSM 01-02-11

**Minutes of in person/in absentia meeting of the Committee**

(Number of Minutes)

**Astana city** № \_\_ « \_\_ » \_\_\_\_\_\_ 20 \_

Venue of the Committee meeting: (address)

The meeting of the Committee started at \_\_ h \_\_ minutes.

The following members of the Committee attend the meeting (members of the Committee, which were sent questionnaires in case of absentee voting):

The Committee Chairman: (title, full name)

The Committee members: (title, full name)

The Corporate secretary: (title, full name)

Invitee: (title, full name)

The Committee Chairman (full name) provided the Committee members with meeting agenda.

The Committee **RESOLVED:**

**To approve the following meeting agenda of the Company’s Committee:**

(the wording of submitted items)

The person, submitting the item for consideration (full name) reports:

(description of submitted item)

Taking into account mentioned the above, the item is suggested to be submitted for consideration by the Committee I

(item description)

**Voted:**

The Committee Chairaman («FOR», «AGAINST», «ABSTAIN»)

The Committee members («FOR», «AGAINST», «ABSTAIN»)

In compliance with paragraph \_\_, article \_\_ of Regulations on the Committee, the Committee **RESOLVED**: (description of a decision)

The Committee Chairman announced that all agenda items were discussed and thanked the Committee members and invitees.

The meeting of the Company’s Committee finished at \_\_ h \_\_minutes.

|  |  |
| --- | --- |
| **The Committee Chairman** | (full name) |
| **The Committee members** | (full name) |
| **The Corporate secretary** | (full name) |

FZ 02 PSM 01-02-11

**Questionnaire**

**for absentee voting by members**

**of the Company’s Committee**

 **Astana city No.** \_\_ \_\_ \_\_\_\_\_\_ 20 \_

The Company’s location:\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Agenda:**

1.

2.

3.

On the \_\_\_\_\_\_\_\_agenda item: the Committee **RESOLVED:**

|  |  |
| --- | --- |
| **FOR** | **AGAINST (dissenting opinion) ABSTAIN** |

On the item put to a vote in this questionnaire, a member of the Committee puts his signature (or tick) under one of provided boxes: «For», «Against», «Abstained». In case of the vote «Against» or «Abstained», a member of the Committee has the right to express a dissenting opinion.

**Final date for submission of the signed questionnaire to the Committee Secretary is \_\_\_\_\_\_\_\_\_20\_\_year**

**The questionnaire for absentee voting is available at the following address:**

**The Committee member \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**(Signature required) (Full name)**

**"\_\_\_" \_\_\_\_\_\_\_\_\_ 20\_\_**

**Committee Secretary \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**