

**COPY**

Department for registration of rights to real estate and legal entities of the branch of the non-profit joint stock company "State Corporation "Government for Citizens" in Nur-Sultan city, the legal entity was registered on May 10, 2007,

BIN 070540008194,

No. 443-1901-02-AO

Department for registration of rights to real estate and legal entities of the branch of the non-profit joint stock company "State Corporation "Government for Citizens" in Nur-Sultan city, incorporation of changes and additions,

09.11.2020

BIN 070540008194,

No. 6627-1901-400-AO

date of initial registration 05.10.2007

**Seal: The Republic of Kazakhstan**

Nur-Sultan city

"Samruk-Energy" Joint-stock

company

Samruk-Energy

BIN 070540008194

**Approved by "Samruk-  
Energy" JSC Sole Shareholder  
(minutes No. 30/20 dated  
August 17, 2020 of "Samruk-  
Kazyna" JSC Management  
Board)**

**CHARTER**  
**of "Samruk-Energy" joint-stock company**

**Nur-Sultan, 2020**

**PLEASE TURN OVER**

This Charter was developed in accordance with the legislation of the Republic of Kazakhstan (hereinafter – the "RK") and determines the legal status of "Samruk-Energy" joint-stock company as a legal entity, hereinafter referred to as the "Company".

## **Article 1. General provisions**

1. Full name of the Company:
  - a) in state language: «Самұрық-Энерго» акционерлік қоғамы;
  - б) in Russian language: акционерное общество «Самрук-Энерго»;
  - в) in English language: «Samruk-Energy» joint stock company.
2. Abbreviated Company name:
  - a) in state language: «Самұрық-Энерго» АҚ;
  - б) in Russian language: АО «Самрук-Энерго»;
  - в) in English language: "Samruk-Energy" JSC.
3. Place of business of the executive body of the Company: 010000, the RK, Nur-Sultan city, Yessil district, 15A, Kabanbay batyr ave.
4. Duration of the Company - unlimited.
5. The business of the Company is conducted on the basis of the economic autonomy
6. The Company form of ownership – private.

## **Article 2. Legal status of the Company**

1. The company is a legal entity in accordance with the legislation of the Republic of Kazakhstan, has an independent balance sheet, bank accounts, can, on its own behalf, acquire and exercise property and personal non-property rights, incur obligations, be a plaintiff and defendant in court.
2. The Company has a seal, stamps and letterheads indicating the name of the Company, may have its own trademark and symbols, the samples of which are approved by the Management Board of the Company and are registered in the prescribed manner.
3. The company is entitled to participate in the equity capital of other legal entities in the territory of the Republic of Kazakhstan and abroad in accordance with the legislation of the Republic of Kazakhstan.
4. The Company conducts its business in accordance with the legislation of the Republic of Kazakhstan, this Charter and the internal documents of the Company.
5. The Company, in compliance with the procedures established by the RK law, shall have the right to establish branches and representative offices located outside of its place of business, which are not legal entities and acting on behalf the Company on the basis of the regulations, provide them with fixed and floating assets at the expense of its proprietary assets, and also shall have the right to establish non-profit organizations, including institutions.
6. The company shall bear responsibility for its obligations within the limits of



its property.

7. The Company is not responsible for obligations of its Sole Shareholder. The Sole Shareholder shall not be liable for obligations of the Company and bear risks of losses associated with the business of the Company, within the value of shares that it holds, except for cases provided for by the legislation of the Republic of Kazakhstan.
8. The Company is not entitled to provide charity (sponsorship) assistance, except for cases when the provision of charity (sponsorship) assistance by the Company is included in the Charitable Program of "Samruk-Kazyna" JSC group, approved in line with procedure established by the RK Law "On Sovereign Wealth Fund".

### **Article 3. Purposes and types of the Company business**

1. The main goals of establishing and business of the Company (roles) are:
  - 1) receipt of net income;
  - 2) assistance in upgrading of existing and construction of new generating facilities, the introduction of new technologies in the energy sector of the Republic of Kazakhstan;
  - 3) ensuring an enhancement of operating efficiency of power systems;
  - 4) increasing the efficiency of business of legal entities, fifty or more percent of voting shares (participation interests) of which belongs to the Company on the basis of ownership or trust management;
  - 5) ensuring the implementation of investment projects in the Republic of Kazakhstan;
  - 6) ensuring the implementation of programs for reforming the power sector approved by the Government of the Republic of Kazakhstan;
  - 7) pursuing an energy-saving policy and ensuring environmental safety of the Company's energy facilities.
2. The Company is engaged in business not related to the business of natural monopoly entities, namely:
  - 1) management of electricity, coal assets owned by the Company on the basis of ownership and / or trust management;
  - 2) other types of business not prohibited by the legislation of the Republic of Kazakhstan.
3. Any permitted business will be conducted in accordance with the legislation of the Republic of Kazakhstan and only upon receipt of the appropriate licenses, permits and / or approvals, if any must be obtained in accordance with the legislation of the Republic of Kazakhstan.

### **Article 4. Equity capital of the Company**

1. The equity capital of the Company is formed by payment for shares by shareholders at their par value at placement prices determined in accordance with the requirements established by the Law of the Republic of Kazakhstan "on joint-stock companies" (hereinafter - the Law), and is expressed in the national currency



of the Republic of Kazakhstan.

2. The equity capital of the Company is increased through the placement of announced shares of the Company in accordance with the legislation of the Republic of Kazakhstan and this Charter.

#### **Article 5. Shares and other securities of the Company.**

1. The company shall have the right to issue common shares or common and preferred shares. Shares are issued in non-documentary form.
2. An ordinary share provides the Sole Shareholder with the right to make decisions on all matters submitted for its consideration. A common share also provides the Sole Shareholder with the right to receive dividends if the Company has net income and to receive a part of the Company's property upon liquidation in the manner prescribed by the legislation of the Republic of Kazakhstan.
3. The share issue prospectus establishes the conditions and procedure for the issue of shares.
4. Shareholders - owners of preferred shares have a preemptive right over the Sole Shareholder - the owner of ordinary shares of the Company to receive dividends in the amount specified by this Charter, and to a part of the property upon liquidation of the Company in the manner prescribed by the legislation of the Republic of Kazakhstan.
5. During the placement period, the number of preferred shares of the Company must not exceed twenty-five percent of the total number of its placed shares.
6. A preference share does not provide a shareholder with the right to participate in the management of the Company, except as otherwise provided by the Law.
7. The Company that intends to place declared shares or other securities convertible into ordinary shares of the Company, as well as to sell the previously bought out securities, must, within ten calendar days after the date of the decision to do so, propose to the Sole Shareholder to purchase securities at the placement (sale) price established by the body of the Company that made the decision on the placement (sale) of securities, by written notice or publication in Kazakh and Russian languages, on the Internet resource of the financial reporting depository.
8. The Company, in addition to shares, shall be entitled to issue other securities in documentary and non-documentary form. The form of the securities issue is determined when making a decision on their issue.
9. The Company shall have the right to issue convertible securities.
10. The Company shall be entitled to exchange placed shares of the Company of one type for shares of the Company of another type in accordance with the legislation of the Republic of Kazakhstan.
11. In accordance with the legislation of the Republic of Kazakhstan, the Company shall have the right to issue bonds in order to raise funds for its further activities by decision of the Board of Directors of the Company.



12. The conditions and procedure for the issue, placement, circulation of bonds, payment of interest on them, redemption of bonds and the use of funds from their sale are determined by the legislation of the Republic of Kazakhstan and the prospectus for the issue of bonds.

#### **Article 6. Dividends**

1. The Company's net income (after taxes and other obligatory payments to the budget) is distributed in line with the procedure set out in the decision of the Sole Shareholder.

2. Dividends on ordinary shares of the Company shall be paid according to the results of the year.

3. The Sole Shareholder of the Company shall make the decision on payment of dividends.

4. The Sole Shareholder of the Company shall have the right to decide on non-payment of dividends on the Company shares.

5. Dividends on ordinary shares of the Company shall be paid in cash or in securities of the Company, on preferred shares - in cash.

6. Payment of dividends on the Company shares by its securities is allowed only if such payment is made by the declared shares of the Company and bonds issued by it with the written consent of the Sole Shareholder.

7. It is not allowed to accrue dividends on ordinary and preferred shares of the Company:

- 1) if the amount of equity capital is negative or if the amount of the Company's equity capital becomes negative as a result of the accrual of dividends on its shares;

- 2) if it meets the signs of insolvency or insolvency in accordance with the legislation of the Republic of Kazakhstan on rehabilitation and bankruptcy, or these signs appear in the Company as a result of the accrual of dividends on its shares.

8. Dividends on preferred shares shall be paid annually and do not require a decision of the Company's body.

The amount of dividends accrued on preferred shares may not be less than the amount of dividends accrued on ordinary shares for the same period.

Dividends on ordinary shares of the Company shall not be paid until full payment of dividends on preferred shares of the Company.

9. Within five business days before the due date for payment of dividends on preferred shares, the Company must publish information on the payment of dividends in Kazakh and Russian languages on the Internet resource of the financial reporting depository with indicating the information listed in subparagraphs 1), 2), 4), 5) of paragraph 3 of article 23 of the Law, as well as the amount of dividend per one preferred share of the Company.

#### **Article 7. The Company bodies**

1. The Company Bodies are:

- 1) Supreme body – the Sole Shareholder;



- 2) Management body – The Board of Directors;
  - 3) Joint executive body – Management Board chaired by the Company's Chairman of the Management Board;
  - 4) the body exercising control over the financial and business operations of the Company, assessment in the field of internal control, risk management, execution of documents in the field of corporate governance and consulting in order to improve the Company's performance - the Internal Audit Service.
2. General meetings of shareholders are not held since the Sole Shareholder owns all voting shares of the Company. Decisions on matters, which are referred to the competence of the general meeting of shareholders by the Law and this Charter, are made by the Sole Shareholder individually and must be executed in writing.

### **Article 8. Sole Shareholder**

1. The Company Sole Shareholder shall have the right to:
  - 1) participate in the management of the Company in accordance with the procedure established by the legislation of the Republic of Kazakhstan and this Charter;
  - 2) receive dividends;
  - 3) receive information about the activities of the Company, and learn financial statements of the Company, in the manner determined by the Sole Shareholder and / or this Charter;
  - 4) receive extracts from the central depository of the Company or a nominee holder, confirming his ownership of securities;
  - 5) elect members of the Board of Directors of the Company;
  - 6) challenge the decisions taken by the Company's bodies in court;
  - 7) receive information about the activities of the Company in the context of affiliated organizations, including confidential information within deadlines set in the request or no later than thirty calendar days from the date of receipt of the request;
  - 8) for a part of the property upon liquidation of the Company;
  - 9) preemptive purchase of shares or other securities of the Company, convertible into its shares, in accordance with the procedure established by the legislation of the Republic of Kazakhstan;
  - 10) propose to the Board of Directors to include additional items for submission to the Sole Shareholder in accordance with the legislation of the Republic of Kazakhstan;
  - 11) demand convening of the Board of Directors meeting;
  - 12) require the audit organization to conduct an audit of the Company at its own expense;
  - 13) apply to the Company with written inquiries regarding its activities and receive substantive responses within deadlines set by the request or no later than thirty calendar days from the date of receipt of the request;
  - 14) receive compensation for violation of its rights in accordance with the procedure established by the legislation of the Republic of Kazakhstan.
  - 15) discuss the issues of observance of basic rights of the Sole Shareholder and corporate governance policy with the representatives of the Company;
  - 16) apply to the judicial authorities on his own behalf in cases set out in the legislation of the Republic of Kazakhstan, with a demand regarding reimbursement for



losses caused to the Company by the Company officials, and return the profit (income) by the Company officials and (or) their affiliates, which they received as a result of making decisions on concluding (proposals for concluding) major deals and (or) interested party transactions.

2. A preference share grants the shareholder the right to participate in the management of the Company if:

1) The Sole Shareholder is considering a matter, a decision on which may limit the rights of a shareholder who owns preferred shares. A decision on such a matter is considered adopted only if at least two-thirds of the total number of placed (less repurchased) preferred shares voted for the restriction.

Matters the adoption of a decision on which may limit the rights of a shareholder that holds preferred shares include:

reduction of the amount or changing the procedure for calculating the amount of dividends paid on preferred shares;

changing the procedure for payment of dividends on preferred shares;

exchange of preferred shares for common shares of the Company;

2) The Sole Shareholder considers the item about the approval of changes to the methodology (approval of the methodology, if it has not been approved) for determining the value of preferred shares when the Company repurchases them in the unorganized market in accordance with the Law;

3) The Sole Shareholder shall consider the item regarding reorganization or liquidation of the Company;

4) the dividend on preferred share has not been paid in full within three months from the date of expiry of the period set for its payment.

3. The Sole Shareholder must:

1) pay for shares in the manner prescribed by the legislation of the Republic of Kazakhstan;

2) within ten business days, notify the central depository and (or) the nominee holder of shares owned by the Sole Shareholder of the change in the information required to maintain the system of registers of shareholders of the Company;

3) not to disclose information about the Company or its business, which constitutes an official, commercial or other secret protected by law;

4) perform other duties in accordance with the legislation of the Republic of Kazakhstan.

4. The Company, the Central Securities Depository and (or) the nominee holder are not responsible for the consequences of the failure of the Sole Shareholder to comply with the requirement established by subparagraph 2) of paragraph 3 of this article of the Charter.

5. Materials on the election of the Company's bodies and on the procedure for distributing the Company's net income for the past financial year and the amount of dividend for the year per one ordinary share of the Company must contain the information provided for by the legislation of the Republic of Kazakhstan and this Charter.

#### **Article 9. Exclusive competence of the Sole Shareholder**



1. The exclusive competence of the Sole Shareholder includes the following matters:  
1) making changes and additions to the Charter of the Company or approval of its new edition;

2) approval of the Corporate Governance Code of the Company, as well as amendments and additions to it;

3) voluntary reorganization or dissolution of the Company;

4) making a decision on increasing the number of authorized shares of the Company or changing the type of unplaced authorized shares of the Company;

5) establishing terms and procedure for conversion of the Company's securities, as well as their change;

6) making a decision on the issue of the Company's securities convertible into ordinary shares of the Company;

7) making a decision on exchanging of placed shares of one type for shares of another type, establishing conditions, deadlines and procedure for such exchange;

8) determination of the size, term of office of the Ballot Committee, election of its members and early termination of their powers;

9) determination of the size, term of office of the Board of Directors of the Company, election of its members and early termination of their powers, determination of the amount and conditions for payment of remuneration and reimbursing expenses to the Board of Directors members for the performance of their duties, election of the Chairman of the Board of Directors;

10) approval of the regulations on the Board of Directors of the Company;

11) appointment of an audit organization that audits financial statements of the Company and determination of the amount of payment for its services;

12) determination of the standard for availability of corporate vehicles and standards of areas for the accommodation of administrative staff;

13) determination of the procedure and conditions for reimbursement of expenses to employees of the Company sent on business trips;

14) setting the limits of reimbursable expenses covered by the Company when granting employees the right to use mobile communications, limits of entertainment expenses;

15) approval of the annual financial statements;

16) approval of the dividend policy of the Company;

17) approval of the procedure for distribution of the Company's net income for the reporting financial year, decision-making on the payment of dividends on ordinary shares and approval of the amount of dividends per one ordinary share of the Company;

18) making a decision on non-payment of dividends on ordinary shares of the Company;

19) making a decision on voluntary delisting of the Company's shares;

20) making a decision on the participation of the Company in the establishment or in operations of other legal entities or withdrawal from the membership (shareholders) of other legal entities by transferring (receiving) part or several parts of assets in the amount of twenty-five or more percent of all assets owned by the Company;

21) approval of changes in the methodology (approval of the methodology, if it was not approved by the constituent meeting) for determining the value of shares when



- they are repurchased by the Company in an unorganized market in accordance with the Law;
- 22) approval of the internal documents of the Company, the adoption of which is attributed to the competence of the Sole Shareholder by the legislation of the Republic of Kazakhstan and (or) by this Charter.
  - 23) determination of the procedure for providing the Sole Shareholder of the Company with information on the activities of the Company, including the appointment of mass media, if such a procedure is not determined by the Charter of the Company;
  - 24) appointment (election) and early termination of powers of the Company's Chairman of the Management Board;
  - 25) approval of the procedure providing for the granting of options for the Company shares, as well as approval of the conditions for granting options for the Company shares;
  - 26) introduction and cancellation of the "golden share";
  - 27) approval of qualification criteria for members of the Company's Board of Directors;
  - 28) making a decision on the conclusion of a major deal by the Company, which results in the Company's acquisition or disposal (may be acquired or alienated) of property, the value of which is fifty or more percent of the total book value of assets of a joint-stock company as of the date of the decision on the deal, as a result of which is acquired or alienated (may be acquired or alienated) fifty or more percent of the total book value of its assets;
  - 29) appointment of a liquidation commission and approval of liquidation balance sheets;
  - 30) other matters, making a decision on which is attributed to the exclusive competence of the Sole Shareholder by laws and regulations of the Republic of Kazakhstan and (or) this Charter.
2. It is not allowed to refer matters, making decisions on which is attributed to the exclusive competence of the Sole Shareholder, to the competence of other bodies, officials and employees of the Company, unless otherwise provided by the legislative acts of the Republic of Kazakhstan.
  3. The Sole Shareholder shall be entitled to cancel any decision of other bodies of the Company on matters related to internal activities of the Company.

#### **Article 10. The Company Board of Directors**

1. The Board of Directors of the Company is a body of the Company that provides general management of the Company, with the exception of matters referred to the competence of the Sole Shareholder by the legislation of the Republic of Kazakhstan and this Charter.
2. By the decision of the Company's Sole Shareholder, the Board of Directors members are paid remuneration during performance of their job responsibilities and reimbursed expenses associated with the performance of their roles as members of the Board of Directors of the Company. The amount of such remuneration and compensations is set by the decision of the Sole Shareholder.



3. The Board of Directors performs its roles in accordance with the legislation of the Republic of Kazakhstan, the Charter, the Corporate Governance Code, the Regulations on the Board of Directors and other internal documents of the Company.
4. The following issues fall within the exclusive competence of the Board of Directors of the Company:
  - 1) determination of priority directions of the Company's business;
  - 2) approval of the development strategy of the Company, the development plan (business plan) of the Company, as well as monitoring the implementation of the development strategy of the Company, execution of the development plan (business plan) of the Company;
  - 3) approval of the budget of the Company for the first calendar year, planned by the development plan (business plan) of the Company for the period, as well as supervision of processes of its preparation, approval, adjustment and monitoring of execution;
  - 4) approval of motivational key performance indicators for the Chairman and members of the Management Board of the Company, the Corporate Secretary of the Company (according to the recommendations of the Appointment and Remuneration Committee of the Company's Board of Directors), employees and the head of the Internal Audit Service, the Company and their target values (according to the recommendations of the Audit Committee of the Board of Directors Society), as well as monitoring their achievement;
  - 5) making a decision on the placement (sale), including on the number of placed (sold) shares within the number of authorized shares, the method and price of their placement (sale), except in the cases specified by the Law;
  - 6) making a decision on the repurchase of placed shares or other securities by the Company and the price of their buyback;
  - 7) preliminary approval of annual financial statements of the Company and its submission for approval by the Sole Shareholder of the Company, including the quality control and independence of the external audit of the Company;
  - 8) providing the Sole Shareholder of the Company with propositions on the procedure for distributing the net income of the Company for the past financial year and the amount of dividend per one ordinary share of the Company;
  - 9) approval of the annual report on the Company's performance results, including the annual performance report of Company's Board of Directors;
  - 10) establishing conditions of the Company's bonds and derivative securities issue, as well as making decisions on their issue;
  - 11) determination of size, term of office of the Company's Management Board, election and early termination of powers of the Company's Management Board (except for the Chairman of the Management Board);
  - 12) determination of the amount of basic salaries and conditions of payment of labor remuneration and bonuses to the Chairman and members of the Management Board of the Company, assessment of their performance;
  - 13) approval of job descriptions of the Chairman and members of the Management Board of the Company;
  - 14) approval of regulations on the Management Board of the Company;



- 15) determination of the size, term of office of the Internal Audit Service of the Company, appointment of its head and members, as well as early termination of their powers, determination of the procedure for work of the Internal Audit Service of the Company, the amount and conditions of remuneration and bonuses for employees of the Internal Audit Service of the Company (as recommended by the Committee on the audit of the Board of Directors of the Company), assessing the effectiveness of the Internal Audit Service and its employees;
- 16) approval of the regulations on the Internal Audit Service of the Company;
- 17) approval of the annual audit plan of the Internal Audit Service of the Company;
- 18) consideration of quarterly and annual reports of the Internal Audit Service of the Company and making decisions on them (based on recommendations of the Audit Committee of the Company's Board of Directors);
- 19) Appointment of the head and employees of the Compliance Service of the Company, as well as early termination of their powers, determination of the procedure for the work of the Compliance Service of the Company, the amount and conditions of remuneration and bonuses to employees of the Compliance Service of the Company (as recommended by the Audit Committee of the Board of Directors of the Company), assessing the effectiveness of the Compliance Service and its employees;
- 20) approval of regulations on Compliance Service;
- 21) consideration of regular (quarterly, annual) reports of Compliance Service of the Company on the status of compliance risks and making decisions on them (according to the recommendations of the Audit Committee of the Company's Board of Directors);
- 22) appointment, setting the term of office of the Corporate Secretary of the Company, early termination of his powers, as well as determination of the amount of basic salary and conditions of remuneration of the Corporate Secretary of the Company, appraisal of the Corporate Secretary performance;
- 23) approval of the regulations on the Corporate Secretary;
- 24) approval of the staff list of the Secretariat of the Board of Directors and Internal Audit Service, "Compliance" Service;
- 25) assessment of the efficiency of corporate governance of the Company, approval of changes to the corporate governance system of the Company on matters falling within the competence of the Company's Board of Directors, or preparation of proposals on issues of corporate governance of the Company to the Sole Shareholder of the Company that are within the competence of the Sole Shareholder of the Company;
- 26) preparation of recommendations to the Sole Shareholder regarding the qualification criteria for members of the Board of Directors;
- 27) preparation of recommendations to the Sole Shareholder on the amount, procedure for setting and conditions for payment of remuneration to the Board of Directors members;
- 28) appointment and early termination of the powers of the Ombudsman of the Company, as well as approval of the regulations on him;



- 29) approval of the Company's code of conduct, as well as ensuring compliance with its provisions;
- 30) approval of the risk management policy of the Company;
- 31) approval of the accounting policy of the Company;
- 32) approval of the external audit policy of the Company;
- 33) approval of documents in the field of sustainable development, report and action plan in the field of sustainable development;
- 34) approval of the policy in the field of health, safety and environmental protection of the Company;
- 35) approval of the policy for the settlement of corporate conflicts and the policy for the settlement of conflicts of interest at the Company;
- 36) approval of the information policy of the Company and assessment of its effectiveness;
- 37) monitoring and participation in the settlement of corporate conflicts and conflicts of interest arising among officers and other employees of the Company in accordance with the policy approved by the Board of Directors of the Company;
- 38) approval of an internal document establishing the conditions and procedure for holding auctions and subscription for the Company's securities;
- 39) approval of documents regulating the activities of the Board of Directors of the Company, with the exception of the provision on the Board of Directors of the Company;
- 40) approval of the internal procedures of the Company for risk management (except for issues referred to the competence of other bodies of the Company in accordance with the legislation of the Republic of Kazakhstan, the Charter and (or) internal documents of the Company);
- 41) approval of the general risk appetite of the Company, tolerance levels in relation to each key risk of the Company and setting limits to limit the level of risks assumed, approval of key risk indicators;
- 42) approval of risk register and risk map of the Company;
- 43) increase in the Company's liabilities by an amount equal to ten percent or more of the size of its equity capital;
- 44) approval of the procedure and forms for submitting management reports on the implementation of the development strategy, the development plan of the Company, achievement of key performance indicators of the Company and their target values, on the key risks of the Company and the efficiency of their management to the Company's Board of Directors;
- 45) approval of a document governing the management of assets of the Company and legal entities shares (equity stake) of which are directly or indirectly held by the Company (including, but not limited to, issues of restructuring, reorganization, liquidation, acquisition and / or alienation, transfer to trust management, imposing / creating encumbrances, etc.), monitoring its implementation, as well as regular revision of a mentioned document;
- 46) approval of internal regulations and other documents governing the issues of the Company's compliance;
- 47) approval of other documents regulating the internal activities of the



- Company, except for documents, the adoption of which, in accordance with the legislation of the Republic of Kazakhstan and (or) this Charter, is referred to the competence of the Sole Shareholder and the Management Board of the Company in order to organize the activities of the Company;
- 48) ensuring compliance with the Company's internal control system and evaluating its efficiency, as well as approval of internal documents governing the internal control system;
  - 49) establishment and determination of the composition of the Company's Board of Directors committees, approval of regulations on them, election of members of the Company's Board of Directors committees;
  - 50) performance appraisal of the Company's Board of Directors, members of the Company's Board of Directors and performance of the committees of Company's Board of Directors;
  - 51) approval of the headcount and the organizational structure of the Company;
  - 52) approval of the list of key positions, holding of which involves setting of qualification requirements, approval of the appointment, appraisal of their performance by the Board of Directors;
  - 53) approval of programs for planning the succession of members of the Company's Management Board and other employees of the Company in accordance with the list approved by the Board of Directors of the Company;
  - 54) making decisions on the establishment and closing of branches and representative offices of the Company and approval of regulations on them;
  - 55) decision-making on the acquisition (disposal) of ten or more percent of shares (stakes in the authorized capital) of other legal entities by the Company;
  - 56) making a decision on the participation of the Company in the establishment of other companies;
  - 57) making a decision on the transfer of ten and more percent of shares (stakes in the authorized capital) of other legal entities by the Company to trust management;
  - 58) making decisions on the following issues of activities related to the competence of the general meeting of shareholders (participants) of a legal entity where the Company holds ten or more percent of shares (stakes in the authorized capital):
    - 58-1) introduction of amendments and additions to the Charter of the joint-stock company or its approval in a new edition according to the list determined by the Company's Board of Directors;
    - 58-2) voluntary reorganization or dissolution of the company;
    - 58-3) an increase in the number of announced shares of the company or change in the type of unplaced announced shares of the company;
    - 58-4) determination of conditions and procedure for converting the company's securities, as well as their change;
    - 58-5) issue of securities convertible into common shares of the company;
    - 58-6) exchange of placed shares of one type for shares of another type, setting conditions, terms and procedure for such exchange;
    - 58-7) determination of the size, term of office of the board of directors, election of its members and early termination of their powers, as well as determination of



the amount and conditions for payment of remuneration and compensation of expenses to members of the board of directors for the performance of their duties, election of the chairman of the board of directors

58-8) approval of the regulations on the board of directors;

58-9) appointment and early termination in agreement with "Samruk-Kazyna" JSC Management Board according to the list approved by the Management Board of Samruk-Kazyna JSC, the powers of heads of legal entities' executive bodies, all voting shares (equity stake) of which directly or indirectly belong to the Company (within the "Samruk-Kazyna" JSC group) followed by early termination of employment relations with them in line with the established procedure;

58-10) participation of the company in the establishment or businesses of other corporate entities or withdrawal from the shareholders (participants) of other legal entities by transferring (receiving) part or several parts of assets in the amount of twenty-five or more percent of all assets owned by the company;

58-11) introduction and cancellation of the "golden share";

58-12) making a decision on the conclusion of a major deal by the company, as a result of which the company purchases or alienates (may purchase or alienate) property, the value of which is fifty or more percent of the total book value of the assets of a joint-stock company as of the date of the decision on a deal which results in purchasing or alienation (as a result of which may be acquired or alienated) of a property, the value of which is fifty or more percent of the total book value of its assets;

58-13) making changes to the Charter of a limited liability partnership (hereinafter the partnership), including changes in the size of its charter capital, location and corporate name, or approval of Charter in a new edition according to the list determined by the Board of Directors of the Company;

58-14) election and early termination of powers of the supervisory board;

58-15) approval of regulations on the supervisory board;

58-16) election and early termination of powers of the audit committee (auditor) of a partnership, as well as approval of reports and conclusions of the audit commission (auditor) of a partnership;

58-17) establishment of the executive body of a partnership and early termination of its powers or the powers of a separate member of the executive body;

58-18) determination of amount of basic salaries, terms of payment of remuneration and bonuses to the head and members of the executive body of a partnership (the person solely performing the roles of the executive body), appraisal of their performance;

58-19) making a decision on the transfer of the partnership or its property to trust management and determining the conditions for such transfer;

58-20) participation of a partnership in other business partnerships, as well as non-profit organizations;

58-21) reorganization or liquidation of a partnership;

58-22) pledge of all property of a partnership;

58-23) making additional contributions to the property of a partnership in



accordance with Article 39 of the Republic of Kazakhstan Law "On limited and additional liability partnerships";

58-24) making a decision on approval of the conclusion of a deal or a set of interrelated deals by a partnership, which result in partnership's alienation (may alienate) of a property, the value of which is fifty-one or more percent of the total book value of a partnership's assets;

59) selection of the registrar of the Company in case of termination of the contract with the previous registrar;

60) making a decision on the conclusion of major deals and deals that are in line with the Company's interests, except for deals, taking a decision on which is referred to the competence of the Sole Shareholder of the Company or the Management Board of the Company by the Republic of Kazakhstan legislation or this Charter. A major deal is a deal or a set of interrelated deals, as a result of which the Company purchases or alienates (may purchase or alienate) property, the value of which is ten or more percent of the total book value of the Company's assets;

61) making a decision on granting consent regarding the possibility of the Company's Chairman and members of the Management Board to work at other companies;

62) approval of the agreement on pledge of the Company's securities;

63) approval of the interim financial statements of the Company;

64) approval of an internal document establishing a list of issues related to decisions made by the Board of Directors, information on which must be communicated to the Sole Shareholder;

65) submission of items to the Sole Shareholder of the Company;

66) quarterly consideration of reports of the risk management department of the Company with a description and analysis of the key risks of the Company, as well as information on the implementation of plans and programs aimed at reducing the Company risks;

67) approval of performance indicators of the risk management and internal control systems of the Company;

68) consideration of health, safety and work-related injuries reports and making decisions on them;

69) consideration of reports on concluded deals, which are in line with interests, decisions on which were made by the Management Board of the Company;

70) annual consideration of reports on the implementation of the Company's HR policy, including the implementation of key performance indicators of the HR policy, social stability rating and the level of personnel involvement and making decisions on them;

71) establishing deadlines and procedure for receipt of information about the Company's performance including financial information by the Board of Directors;

72) approval of HR policy of the Company;

73) development of policies regarding the appointment of officials at legal entities where the Company directly or indirectly holds shares (equity stake);

74) determination of information about the Company or its business constituting



an official, commercial or other secret protected by the Law, and approval of procedures governing the protection of this information;

75) other issues stipulated by laws and regulations of the Republic of Kazakhstan and (or) this Charter, not related to the exclusive competence of the Sole Shareholder of the Company.

5. The matters, the list of which is determined in paragraph 4 of this article, cannot be referred to the Management Board of the Company for taking a decision.

6. The Company's Board of Directors shall not have the right to make decisions on matters that, in line with this Charter, are referred to the competence of the Management Board of the Company, as well as to make decisions that contradict the decisions of the Sole Shareholder of the Company.

7. Decisions on matters specified in subparagraphs 1) –8), 10) –12), 15) –24), 27), 28), 40-43), 48), 51), 52), 54-56 ), 60) –62), 66), 67) of paragraph 4 of Article 10 of this Charter, as well as on other matters determined by the Company's Board of Directors, are made at the in-person meetings of the Board of Directors.

8. The Board of Directors must:

- 1) monitor and, if possible, eliminate potential conflicts of interest at the level of officials and shareholders, including unlawful use of the Company's property and abuse in the course of interested party transactions;
- 2) control over the efficiency of corporate governance practices at the Company.

### **Article 11. Election of the Company's Board of Directors**

1. A member of the Board of Directors of the Company may be an individual who is not a shareholder of the Company and has not been proposed (not recommended) to be elected to the Board of Directors of the Company as a representative of the interests of a shareholder. The number of such persons may not exceed fifty percent of the composition of the Company's Board of Directors.

Participation of members of the RK Government, officials of state agencies in the composition of the Company's Board of Directors is not allowed.

2. A member of the Company's Board of Directors must not:

- 1) have an outstanding or unexpunged convictions not removed in accordance with the procedure established by the Republic of Kazakhstan legislation;
- 2) previously be a senior employee of a legal entity that was declared bankrupt or subjected to conservation, reorganization, compulsory liquidation while holding the position of an executive employee of the specified legal entity or within 5 (five) years after the date of the decision on bankruptcy, conservation, reorganization, compulsory liquidation of the specified legal entity.

3. Members of the Company's Management Board, except for the Company's Chairman of the Management, cannot be elected to the Board of Directors of the Company. The Chairman of the Company's Management Board cannot be elected as the Chairman of the Board of Directors of the Company. The number of members and the term of office of the Board of Directors of the Company is



set by the Sole Shareholder of the Company. The size of the Board of Directors of the Company may not be less than six members, the term of office of members of the Board of Directors of the Company should not exceed three years, after which the composition of the Board of Directors of the Company shall be subject to re-election. At least one third of the members of the Board of Directors of the Company must be independent directors.

4. An independent director is the Company's Board of Directors member who meets the requirements specified in the Law, and if he:

1) is not and was not an employee of the Company or an affiliate of the Company during five years preceding his election to the Board of Directors of the Company;

2) is not a member and was not in close relationship (parent, brother, sister, son, daughter), related by marriage (brother, sister, parent, son or daughter of a spouse (spouses)) to employees of the Company during five years preceding his election to the Board of Directors;

3) is not an affiliate of a non-profit organization receiving funding from the Company or an affiliate of the Company;

4) does not provide the Company and the Company's affiliates with any kind of services on a payment basis;

5) is not an official of a legal entity at which an employee of the Company is a member of the Board of Directors;

6) is not and was not an affiliate or employee of the organization that conducts or conducted the audit of the Company or an employee of affiliated persons of the said organization during five years preceding his election to the Board of Directors of the Company;

7) is not a person who has the ability to influence the decisions made by the Company, or a close relative, heir, legal successor, representative of a person who has the ability to influence the decisions made by the Company;

8) is not an affiliate of a shareholder of the Company;

9) is not a person appointed or elected, holding any position in the legislative, executive, administrative or judicial body of a foreign state, as well as a person performing any public function for a foreign state;

10) meets other criteria approved by the Sole Shareholder of the Company.

## **Article 12. Committees of the Board of Directors**

1. The Company establishes committees of the Board of Directors on the below matters in order to consider the most important issues and prepare recommendations for the Board of Directors:

1) appointments and remuneration;

2) audit;

3) other issues stipulated by the Republic of Kazakhstan law and the internal documents of the Company.



2. Committees of the Board of Directors comprises members of the Board of Directors and experts with the necessary professional knowledge to work at a specific committee.

A member of the Board of Directors chairs the Committee of the Board of Directors. Independent directors are the heads (chairpersons) of the committees of the Board of Directors specified in paragraph 1 of this article.

The Chairman of the Management Board of the Company cannot be the chair of the Board of Directors committee.

3. The procedure for the establishment and operation of the Board of Directors committees as well as their size are determined by an internal document of the Company approved by the Board of Directors.

### **Article 13. Term of office of the Board of Directors**

1. The term of office of the members of the Board of Directors coincides with the term of office of the entire Board of Directors and expires at the time of the Sole Shareholder's decision to elect a new composition of the Board of Directors. The Board of Directors members are elected for a term of up to three years, subsequently, if performance results are satisfactory, they can be re-elected for another three years.

Any term for election to the Board of Directors for a term exceeding six consecutive years is subject to special consideration, taking into account the need for a quality renewal of the composition of the Board of Directors.

An independent director cannot be elected to the Board of Directors for more than nine consecutive years. In exceptional cases, election for a term exceeding nine years is allowed. In this case, the election of an independent director to the Board of Directors should take place annually with a detailed explanation of the need to elect this member of the Board of Directors and the influence of this factor on the independence of decision-making.

Members of the Company's Board of Directors are prohibited from holding positions on the boards of directors of legal entities that compete with the Company.

2. Early termination of powers of a member of the Board of Directors of the Company on his initiative is carried out on the basis of a written notice to the Board of Directors.

The powers of such a member of the Board of Directors of the Company are terminated from the moment the mentioned notification is received by the Board of Directors of the Company, unless the date of early termination of the powers of a member of the Board of Directors is specified in the notification.

3. If powers of the Company's Board of Directors member are terminated before his term ends, a new member of the Company's Board of Directors shall be elected by the Sole Shareholder of the Company, while the powers of a newly elected member of the Board of Directors of the Company expire simultaneously with the expiration of the term of office of the Board of Directors of the Company as a whole.

### **Article 14. The Chairman of the Board of Directors**

1. The Sole Shareholder of the Company elects the Chairman of the Board of Directors of the Company. In the absence of the Chairman of the Board of



Directors of the Company, his roles are performed by one of the members of the Board of Directors of the Company by decision of the Board of Directors of the Company.

2. In accordance with the procedure established by the legislation of the Republic of Kazakhstan and this Charter, the Chairman of the Company's Board of Directors:
  - 1) organizes the work of the Board of Directors of the Company;
  - 2) convenes meetings of the Board of Directors of the Company and chairs them;
  - 3) conducts meetings and signs the minutes;
  - 4) signs an employment contract with the Chairman of the Management Board of the Company on behalf of the Company, unless otherwise provided by this Charter;
  - 5) signs an agreement with the Independent Director on behalf of the Company;
  - 6) performs other job responsibilities by decision of the Company's Sole Shareholder or the Company's Board of Directors, as well as in accordance with the regulations on the Company's Board of Directors and other internal documents of the Company.

#### **Article 15. The meeting of the Board of Directors**

1. The Meeting of the Company's Board of Directors may be convened by the Chairman of the Company's Board of Directors, the Chairman of the Management Board or by the request of:

- 1) any member of the Company's Board of Directors;
- 2) Internal Audit Service;
- 3) the audit organization to audit the Company;
- 4) the Company's Sole Shareholder.

2. The request to convene a meeting of the Company's Board of Directors shall be presented to the Chairman of the Company's Board of Directors by sending a written notice with proposed agenda of the meeting of the Company's Board of Directors.

In case of rejection by the Chairman of the Company's Board of Directors to convene a meeting, the initiator shall be entitled to appeal to the Management Board that is obliged to convene the meeting of the Company's Board of Directors.

The Meeting of the Company's Board of Directors should be convened by the Chairman of the Company's Board of Directors or Management Board no later thirty days of receipt of a request about convening a meeting.

Meeting of the Company's Board of Directors shall be held with mandatory invitation of a person who submitted a mentioned request.

3. Materials on the agenda issues shall be presented to the members of Board of Directors no later than 7 (seven) days prior to a meeting.

On more important issues that are mentioned the below, materials are provided



within a period of not less than fifteen (15) business days:

- 1) determination of priority directions of the Company's activities;
- 2) approval of the Company's development strategy;
- 3) approval of the development plan (business plan) of the Company for a five-year period;
- 4) decision on placement (selling), including on the number of placed (sold) shares within the number of authorized shares, method and price of their placement (sale);
- 5) decision on redemption of placed shares or other securities and their redemption price;
- 6) approval of the motivational key performance indicators for the Chairman and members of the Board;
- 7) preliminary approval of annual financial statements of the Company;
- 8) providing the Sole Shareholder of the Company with proposals for the order of distribution of net income of the Company during the past financial year and the amount of dividend per ordinary share of the Company;
- 9) decision-making on the Company's participation in the establishment of other organizations;
- 10) approval of the annual report on the results of the Company.

4. The Company's Corporate Secretary shall draft the agenda of a meeting of the Company's Board of Directors. The Company's Board of Directors shall determine the procedure for providing the Company's Board of Directors members with the notification about holding the meeting of the Company's Board of Directors.

Written notification about holding a meeting of the Company's Board of Directors by absent vote shall go with uniform absentee ballots for all the members of the Company's Board of Directors.

Absentee ballot should contain:

- 1) the name and address of the Company's Management Board;
- 2) the date of submission of the signed ballot to the Corporate Secretary;
- 3) the meeting agenda;
- 4) matters that were submitted for voting, and voting options;
- 5) other information.

5. A member of the Company's Board of Directors must notify the Management Board of his/her inability to participate at a meeting of the Company's Board of Directors in advance.

6. The quorum for a meeting of the Company's Board of Directors should consist at least half of the members of the Company's Board of Directors and may be determined by taking into account the absent members of the Company's Board of Directors, who participate in the discussion and voting of considered matters, using technical means of communication (video conference session, the phone conference and etc.) or taking into account votes in written form.

If the total number of the members of the Company's Board of Directors shall not be sufficient for achievement quorum, defined by this Charter, the Company's



Board of Directors must initiate considering the issue of election the new members of the Company's Board of Directors by the Sole Shareholder.

7. Each member of the Board of Directors shall have one vote. Decisions of the Company's Board of Directors shall be taken by a simple majority of votes of the members of the Board of Directors of the Company who participated at the meeting, unless otherwise specified in the Law and this Charter.

In case of equality of votes, the vote of the Chairman of the Company's Board of Directors or the person chairing the meeting of the Company's Board of Directors shall be decisive.

The Board of Directors member who has an interest in an item submitted to the Board of Directors, does not participate in the discussion and voting on this item, and a corresponding record shall be made in the minutes of the Board of Directors meeting.

8. The Board of Directors of the Company shall have the right to make a decision to hold its own closed meeting, which can be attended only by members of the Company's Board of Directors.

9. At the discretion of the Chairman of the Company's Board of Directors, making decisions on items submitted to the Board of Directors shall be possible through absentee voting. In this case, ballots are used for absentee voting on the agenda items of the meeting.

A decision by means of absentee voting shall be deemed adopted if there is a quorum in the ballots received within the established time limit. The decision of the absentee meeting of the Board of Directors must be documented in writing and signed by the Chairman of the Company's Board of Directors and the Corporate Secretary, and also contain:

- 1) the name and location of the Company's Management Board;
- 2) the date and place of written registration of the absentee meeting decision;
- 3) information on the composition of the Company's Board of Directors;
- 4) name of the person (body) who convened the meeting;
- 5) the meeting agenda;
- 6) a record of presence/absence of a quorum for making a decision;
- 7) the items put to vote and the results of voting on them including results of voting by each member of the Board of Directors on each item on the agenda of the Board of Directors meeting;
- 8) the decision made;
- 9) other information.

Within twenty days from the date of decision taken, it must be sent to the Company's Board of Directors members with attached bulletins, based on which the decision was made.

10. The decisions of the Company's Board of Directors, which were adopted at its meeting held in person, shall be drawn up in a minutes, which must be drawn up and signed by the person who presided over the meeting and the Corporate Secretary within seven days from the date of the meeting and contain:

- 1) full name and location of the Management Board of the Company;
- 2) the date, time and place of the meeting;



- 3) information about persons who attended the meeting;
  - 4) the agenda;
  - 5) the items put to vote and the results of voting on them, including the results of voting by each member of the Board of Directors on each item on the agenda of the Board of Directors meeting;
  - 6) decisions made;
  - 7) other information as defined by the Company's Board of Directors.
11. Minutes of meetings of the Company's Board of Directors and decisions of the Company's Board of Directors made by absentee voting, as well as signed ballots are stored in the archive of the Company.
  12. At the request of a member of the Board of Directors of the Company, the Corporate Secretary must provide him with the Company's Board of Directors meeting minutes and decisions taken by absentee voting for review and (or) issue him extracts from the minutes and decisions certified by his signature and seal.
  13. A member of the Company's Board of Directors who did not attend the meeting of the Company's Board of Directors or who voted against a decision made by the Company's Board of Directors in violation of the procedure established by the Law and this Charter, shall be entitled to challenge it in court.
  14. The Sole Shareholder of the Company shall be entitled to challenge in court the decision of the Company's Board of Directors made in violation of the requirements of the Republic of Kazakhstan law and this Charter, if the mentioned decision violated the rights and legitimate interests of the Company and (or) the Sole Shareholder of the Company.

#### **Article 16. The Company's Management Board**

1. The Company's Management Board shall manage the current activities of the Company.
2. The Management Board of the Company implements the decisions of the Sole Shareholder of the Company and the Board of Directors of the Company.
3. Organization of the work of the Company's Management Board, the procedure for convening and holding its meetings, procedure for making decisions is determined by the Regulation on the Management Board of the Company approved by the Board of Directors of the Company.
4. The competence of the Management Board includes making decisions on the following matters:
  - 1) approval of the development strategy of the Company, development plan (business plan) of the Company and their submission to the Board of Directors of the Company for its approval;
  - 2) implementation of the development strategy of the Company, development plan (business plan) of the Company, the budget of the Company, achievement of key performance indicators of the Company and their target values approved by the Board of Directors of the Company;



- 3) implementation of resolutions adopted by the Sole Shareholder of the Company and the Board of Directors of the Company;
- 4) approval of the staff list of the Company, with the exception of the staff list approved by the Board of Directors of the Company in accordance with this Charter;
- 5) approval of the rules for payment of remuneration and bonuses to employees, the Company employees' wages schemes (except for members of the Management Board of the Company, Internal Audit Service, Compliance Service, Corporate Secretary of the Company);
- 6) approval of documents that were adopted for organizing activities of the Company but not related to documents approved by the Sole Shareholder of the Company and the Board of Directors of the Company;
- 7) consideration, approval and submission of proposals for preparation of recommendations regarding the dividend policy of the Company, the procedure for the distribution of the Company's net income for the reporting financial year, payment of dividends on ordinary shares and setting the amount of dividend per one ordinary share of the Company to the Board of Directors of the Company;
- 8) preparation of annual financial statements of the Company and submission to the Board of Directors of the Company for preliminary approval;
- 9) preparation of the Company's annual report on operating results and submission to the Board of Directors of the Company for approval;
- 10) making a decision on the conclusion of interested-party transactions between the companies that are part of "Samruk-Kazyna" JSC group.
- 11) an increase in the Company's liabilities by an amount ranging from two (inclusive) to ten percent of its equity capital;
- 12) making a decision on the conclusion of a deal or a set of interrelated deals by the Company, as a result of which the Company acquires or alienates (may acquire or alienate) property, the value of which is more than two and less than ten percent of the total book value of the Company's assets, except for deals, the decision on which is made by the Company's Chairman of the Management Board in accordance with this Charter.
- 13) determination of the position of representatives of the Company who are members of the Board of Directors of subsidiaries and affiliates of the Company, with regard to items on the agenda of meetings of the boards of directors of the Company's subsidiaries and affiliates, according to the list of matters approved by the Management Board of the Company;
- 14) allocation of financial, technical and other resources required for the performance of responsibilities by the Sole Shareholder of the Company and the Board of Directors;
- 15) determination of the amount of payment for the services of an appraiser on evaluation of market value of a property transferred as payment for the shares of the Company or which is the subject of a major deal;
- 16) making a decision on the Company's transfer of less than ten percent of the shares (equity stake in the authorized capital) of other legal entities for trust management;
- 17) preliminary approval of the possibility of the Chairman and members of the



Management Board to work at other companies;

18) the adoption of the following decisions on activities related to the competence of the general meeting of shareholders (participants) of a legal entity, ten or more percent of shares (participatory interests in the authorized capital) of which belongs to the Company:

18-1) making amendments and additions to the Charter of a joint-stock company or approval of it in the new edition, except for joint-stock companies where, as required by this Charter, the Board of Directors of the Company makes amendments and additions to their Charters.

18-2) approval of the corporate governance code, as well as amendments and additions to it if the charter of the company provides for adoption of this code;

18-3) determination of the size and term of office of the ballot committee, election of its members and early termination of their powers;

18-4) determination of the size, the term of office of the executive body of the company, the election of its head and members (the person solely performing the functions of the executive body), as well as the early termination of their powers;

18-5) determination of amounts of basic salaries and conditions of payment of remuneration and bonuses to the head and members of the executive body of the company (person solely performing the functions of the executive body), their performance appraisal;

18-6) approval of the regulations on the executive body of the company;

18-7) approval of motivational key performance indicators of the head and members of the executive body of the company and their target values, as well as monitoring their achievement;

18-8) appointment of audit organization that audits the financial statements of the company, and determination of the amount of payment for its services;

18-9) approval of the company's annual financial statements;

18-10) approval of the procedure for distributing the company's net income for the reporting financial year, making a decision on the payment of dividends on ordinary shares and approving the amount of dividends per one ordinary share of the company;

18-11) making a decision on non-payment of dividends on ordinary shares of the company;

18-12) making a decision on voluntary delisting of the company's shares;

18-13) determination of the form of the Company's notification of shareholders about convening of the general meeting of shareholders and making a decision on placement of such information in the media;

18-14) approval of changes to the methodology (approval of the methodology, if it was not approved by the meeting of founders) for determining the value of shares when they are repurchased by the company in an unorganized market in accordance with the Law;

18-15) approval of the agenda of the general meeting of shareholders;

18-16) determination of the procedure for providing shareholders with information on the company's activities, including the appointment of mass media, if the charter of the company does not determine such a procedure;



18-17) appointment of a liquidation committee and approval of liquidation balance sheets;

18-18) other matters on which decision making is referred to the exclusive competence of the general meeting of shareholders by the Law and (or) charter of the company;

18-19) making changes in the Charter of a partnership, including changes in the size of its charter capital, location and corporate name, or approval of the Charter in the new edition, except for partnerships, amendments and additions to the Articles of Association of which are made by the Board of Directors of the Company in accordance with this Charter;

18-20) approval of motivational key performance indicators of the head and members of the executive body of the partnership (a person solely performing the roles of the executive body) and their target values, as well as monitoring their achievement;

18-21) appointment of an audit organization conducting the audit of financial statements of a partnership, and determination of the amount of payment for its services;

18-22) approval of the annual financial statements and distribution of a partnership's net income;

18-23) approval of internal rules, procedures for their adoption and other documents governing the internal activities of a partnership, except for documents the approval of which falls within the competence of other bodies of a partnership in accordance with the charter of a partnership;

18-24) appointment of a liquidation commission and approval of liquidation balance sheets;

18-25) a decision on the compulsory buy-back of a share from a partnership participant in accordance with article 34 of the RK Law "On limited and additional liability partnerships";

18-26) approval of the procedure and deadlines for providing the participants of a partnership and buyers of equity stakes with information about a partnership's operations;

18-27) other matters related to the activities of a partnership;

19) preliminary approval of the succession planning program for executives and management employees and their submission for approval by the Board of Directors;

20) monitoring and participation in the settlement of conflicts of interest and corporate conflicts in accordance with a regulatory document approved by the Board of Directors;

21) preliminary approval of internal documents, the approval of which falls within the competence of the Company's Board of Directors and the Sole Shareholder if they are developed by the Company, save for internal regulatory documents developed by the Internal Audit Service, Compliance Service and the Corporate Secretary of the Company;

22) approval of the (detailed) budget of the Company, as part of the development plan (business plan) of the Company (if a detailed budget is available);

23) preliminary review of reports in the field of occupational health and safety and workplace injuries;



- 24) review of reports on the implementation of decisions of the Management Board;
- 25) making decisions on the provision of charity (sponsorship) assistance by the Company in accordance with the Charity program of "Samruk-Kazyna" JSC group, approved in accordance with the procedure established by the Republic of Kazakhstan Law "On Sovereign Wealth Fund";
- 26) establishment and determination of the composition of the committees under the Management Board of the Company, approval of their regulations, the election of members of the committees of the Management Board of the Company;
- 27) approval of the Regulations and composition of the Investment and Innovation Council of the Company;
- 28) consideration and making a decision on procurements in accordance with the requirements of regulatory documents approved by the Sole Shareholder.

5. The Management Board of the Company has the right to make a decision on any other matters not referred to the competence of other bodies of the Company by the the RK law and this Charter;

6. Decisions adopted by the Management Board of the Company are binding on the employees of the Company.

The decisions of the Management Board are documented in minutes that must be signed by all members of the Management Board present at the meeting and contain the items put to the vote, the voting results thereon, include the voting results of each member of the Management Board on each item;

7. Members of the Management Board may be shareholders and employees of the Company who are not its shareholders.

The job responsibilities, rights and obligations of a member of the Company's Management Board are determined by the RK law, this Charter, the Regulations on the Management Board of the Company approved by the Company's Board, as well as an employment agreement concluded by the specified person with the Company. The Chairman of the Board of Directors of the Company or a person who is authorized by the Sole Shareholder of the Company or the Board of Directors of the Company signs an employment agreement on behalf of the Company with the Chairman of the Management Board. The Chairman of the Management Board of the Company signs an employment contract with other members of the Company's Management Board.

Members of the Company's Management Board as well as other employees of the Company, in accordance with the list approved by the Board of Directors of Company, are prohibited from holding positions in the boards of directors, executive bodies of legal entities that are competitors of the Company.

8. The Chairman and members of the Management Board are elected for a term of up to three years. The term of office of the Chairman and members of the Management Board is the same as the term of office of the Company's Management Board as a whole.

9. Members of the Company's Management Board must take appropriate measures to prevent damage, streamline the activities of the Company by initiating the convening of a meeting of the Company's Management Board, by informing the Chairman of the Management Board of the Company or by any other available way.



10. Each member of the Company's Management Board has one vote. In the case of equality of votes, a decision for which the Company's Chairman of the Management Board has voted shall be adopted.
11. It is not allowed to transfer of the voting right by a member of the Management Board of the Company to another person, including another member of the Company's Management Board.
12. As a rule, the Company's Management Board holds its meetings no less than 1 time per month. The Management Board of the Company is entitled to make decisions if not less than half of the number of elected members of the Management Board of the Company attends its meeting.
13. The Company's Management Board is eligible to make decisions by absentee voting.
14. The Company's Management Board ensures providing the Company's Board of Directors members with the information about the Company's operations, including confidential information during performance of their job responsibilities no later than ten days from the date of receipt of the request.

#### **Article 17. The Chairman of the Management Board**

1. The Chairman of the Company's Management Board is a chief executive officer of the Company and manages the business of the Company, and heads the Management Board of the Company.
2. The Chairman of the Company's Management Board performs the following job responsibilities:
  - 1) conducts day-to-day operations of the Company;
  - 2) arranges the execution of decisions of the Company's Sole Shareholder, the Company's Board of Directors and the Company's Management Board;
  - 3) ensures the compliance of the Company's operations with the RK law;
  - 4) acts on behalf of the Company in relations with third parties without a power of attorney;
  - 5) issues powers of attorney for the right to represent the Company in its relations with third parties;
  - 6) ensures the development of the Company's development strategy, development plan (business plan) of the Company, key performance indicators and their target values, proposals regarding the Company's dividend policy, priority areas of the Company's activities;
  - 7) ensures the efficient use of the resources of the Company;
  - 8) notifies the Board of Directors about shortcomings in the risk management system of the Company;
  - 9) ensures the preparation of reports on the implementation of the Company's development strategy, the Company's development plan (business plan), the achievement of key performance indicators of the Company and their target values, reports on key risks of the Company and the efficiency of their management, as well



as other reports in line with the procedure and forms of management reporting that were approved by the Company's Board of Directors and submission of these reports to the Company's Board of Directors;

10) provides the Board of Directors of the Company with required resources for the Board of Directors of the Company to exercise its competence within the decision of the Management Board adopted in accordance with subparagraph 14) of paragraph 4 of Article 16 of this Charter;

11) informs the Chairman of the Board of Directors of the Company about important events in the Company's business;

12) ensure the timely submission of information on the Company's business, necessary clarifications to the members of the Company's Board of Directors for performance of roles assigned to them, no later than five business days from the date of receipt of the request;

13) ensures the preparation of annual financial statements, interim financial statements of the Company and an annual report on the Company's performance results;

14) ensures timely and complete disclosure of information on the Company's operations;

15) ensures the development of the organizational structure and staff list of the Company and make propositions regarding them;

16) implements the personnel policy of the Company, including the recruitment, transfer and dismissal of employees of the Company, applies encouragement measures to them and imposes disciplinary penalties, sets the amount of basic salaries of the Company's employees and personal salary uplifts in accordance with the staff list of the Company, determines the amount of bonuses paid to employees of the Company, with the exception of members of the Management Board of the Company, employees of the Internal Audit Service, the Corporate Secretary of the Company and other employees in accordance with laws and regulations of the Republic of Kazakhstan;

17) On behalf of the Company concludes and terminates employment contracts with employees of the Company, including in accordance with the established procedure with members of the Company's Management Board, employees of the Internal Audit Service and the Corporate Secretary of the Company;

18) issues orders and instructions, gives instructions on all issues of the Company's activities that are not within the competence of the Sole Shareholder of the Company and the Board of Directors of the Company;

19) monitors and participates in the settlement of conflicts of interest arising among the Company employees in line with the policy approved by the Company's Board of Directors;

20) makes decisions on the conclusion of a deal or a set of interrelated deals by the Company, as a result of which the Company acquires or alienates (may acquire or alienate) property, the value of which is less than two percent of the total value of the Company's assets;

21) ensures the preparation and submission of reports on financial and business operations of the Company to the Company's Sole Shareholder, the implementation of the development plan (business plan) of the Company in line with forms and within deadlines set by the Sole Shareholder of the Company;



- 22) in case of his absence, assigns the performance of his responsibilities to one of the members of the Company's Management Board;
- 23) distributes duties, as well as scope of authority and responsibility between members of the Management Board of the Company, as well as other senior executives of the Company;
- 24) establishes hours of business of the Company;
- 25) opens bank accounts of the Company;
- 26) organizes the work of the Company's Management Board, convenes meetings of the Company's Management Board and submits the required materials to the members of the Company's Management Board;
- 27) monitors the implementation of the recommendations of the audit organization that audits annual financial statements, as well as the recommendations of the Internal Audit Service of the Company;
- 28) approves regulations on structural units of the Company;
- 29) ensures the protection and safety of information about the Company or its operations, which constitutes an official, trade or other secret protected by the Republic of Kazakhstan law;
- 30) submits the forecast indicators of the amount of dividends on the Company's shares to the Board of Directors and ensures the development of proposals on the procedure for distributing the Company's net income for the reporting financial year, payment of dividends on ordinary shares and establishing the amount of dividends per one ordinary share of the Company;
- 31) ensures that members of the Management Board of the Company are informed about decisions of the Company's Board of Directors;
- 32) ensures the compliance of the Company's activities in the area of corporate social responsibility, environment, OHS with the documents approved by the Company's Board of Directors;
- 33) ensures the organization of the activities of the internal control, risk management and control divisions over the compliance of the Company's activities with the RK legislation and the requirements of the RK state agencies
- 34) regularly holds meetings with members of the personnel reserve of the Company in order to learn more about them, evaluate them, exchange knowledge and convey to them the vision of the Company's strategy;
- 35) exercises other powers, including those delegated to him by the Sole Shareholder of the Company and the Company's Board of Directors except for matters referred to the exclusive competence of these bodies and the Management Board of the Company in accordance with the legislation of the Republic of Kazakhstan and this Charter

#### **Article 18. The Internal Audit Service**

1. For control of the financial and economic activities of the Company, assessment of internal control, risks management, implementation of the documents of corporate management and consultation with the purpose of improving the Company's activity, the Company shall establish Internal Audit Service. The employees of the Internal Audit Service may not be elected to the Board of Directors and the Management Board of the Company.



2. The Internal Audit Service of the Company shall report directly to the Board of Directors and be accountable to it for its work. The Audit Committee of the Company's Board of Directors shall supervise the Internal Audit Service. The rights and responsibilities, the procedure for organizing the work shall be established in the Regulations on the Company's Internal Audit Service, approved by the Board of Directors.

3. In accordance with the established procedure, the Internal Audit Service shall:

- 1) provide an independent unbiased information on the Company's operations;
- 2) evaluate, consult and contribute to the improvement of risk management, internal control and corporate governance processes through systematic and consistent approach;
- 3) perform other roles within its competence, in accordance with applied Laws of the RK, internal documents of the Company and the Regulations on the Internal Audit Service.

4. The RK Laws and this Charter shall govern employment relations between the Company and employees of the Internal Audit Service.

#### **Article 19. "Compliance" Service of the Company**

1. The Compliance Service was established at the Company to evaluate compliance risks and take actions on reducing them at the Company, and conduct investigation and compliance control,

2. The Compliance Service of the Company directly reports to the Company's Board of Directors and submits performance reports to it. The Audit Committee under the Company's Board of Directors supervises the Compliance Service of the Company. The tasks and functions of the Compliance Service, its rights and responsibilities and the organization of activities are governed by the Regulations on the Compliance Service, approved by the Board of Directors of the Company.

3. The Compliance Service of the Company shall duly:

- 1) ensure assessment of compliance risks, prepare reports on assessment of compliance risks and take actions on their mitigation;
- 2) perform compliance control, conduct investigations on compliance-related violations;
- 3) ensure the implementation of internal regulatory documents and other documents in the Company on compliance issues, as well as monitor compliance with them;
- 4) perform other roles that are within its competence in line with the RK legislation, internal documents of the Company and the Standard model for compliance functions at portfolio companies of "Samruk-Kazyna" JSC, approved by the resolution of the Company's Sole Shareholder.

4. RK legislation and the current Company's Charter shall govern labor relations between the Company and the Company's Compliance Service.

#### **Article 20. The Corporate Secretary**

1. The Corporate Secretary – employee of the Company, not a member of the Board of Directors or the Management Board of the Company and is accountable to the



Board of Directors of the Company.

2. The Corporate secretary shall ensure compliance to the procedures by the bodies and officials of the Company, aimed at observance of the rights and interests of the Sole Shareholder, as well as following by the Company Regulations and norms of laws of the Republic of Kazakhstan in the field of corporate governance, provisions of the Charter and other internal documents of the Company. The Corporate secretary also supports effective information exchange between the Company's bodies and acts as consultant for the members of the Board of Directors and the Management Board of the Company concerning all the issues on the corporate governance. The Corporate secretary regulates preparation for and convention of meetings of the Board of Directors of the Company, provision with materials of meetings of the Board of Directors of the Company, regulates access to them.

The Corporate Secretary provides the members of the Board of Directors with timely correct information.

3. Competence and activity of the Corporate Secretary shall be determined by the Regulations on the Corporate Secretary, approved as prescribed by the Board of Directors and internal documents of the Company.

4. The Corporate secretary may work and hold positions at other companies or units of companies only with consent of the Company's Board of Directors.

5. Employment relations between the Company and the Corporate secretary shall be established by the Laws of the Republic of Kazakhstan, this Charter and employment contract signed between the Chairman of the Management Board and the Corporate Secretary.

#### **Article 21. The Company's Audit**

1. The Company must conduct the audit of its annual financial statements.

2. The Company's Board of Directors, the Management board may initiate the conduct of the Company's audit at the expense of the Company or as required by the Company's Sole Shareholder at his expense, at this the Sole Shareholder shall have the right to appoint the audit firm on his own.

3. If the audit is conducted as per the requirement of the Company's Sole shareholder, the Company must provide all necessary documents (materials) requested by an audit firm.

#### **Article 22. The Company's deals the conclusion of which involves establishing special terms**

1. The Company's Board of Directors shall approve Regulations on conclusion of major deals by the Company and interested-party transactions.

2. Regulations on conclusion of major deals and interested-party transactions by the Company with organizations included in "Samruk-Kazyna" JSC group, shall be adopted in the procedure, determined by the Board of Directors of "Samruk-Kazyna" JSC in accordance with the RK Law "On Sovereign Wealth Fund".



### **Article 23. Disclosure of Information by the Company**

1. The Company shall bring to the attention of the Sole Shareholder information on the following corporate events of the Company:

- 1) resolutions adopted by the Sole Shareholder of the Company;
- 2) The resolutions adopted by the Board of Directors of the Company on the list of issues, information about which is in accordance with the Company's internal documents must be brought to the notice of the Sole Shareholder;
- 3) issue of shares and other securities by the Company and approval by the authorized bodies reports on the results of the Company's offering securities, reports on the results of refunding securities, invalidation of securities of the Company by authorized body;
- 4) conclusion of major deals by the Company, which are in line with the Company's interests;  
Information about the deal, as a result of which the property in the amount of ten and more percent of the company's assets is acquired or alienated should include information on the parties to the transaction, acquired or disposed assets, the terms and conditions of the transaction, the nature and scope of interests of persons involved, as well as other information about the transaction;
- 5) creation of a mortgage (surcharge) of property of the Company at amount of five percent or more of the assets of this Company;
- 6) receipt by the Company of a loan in the amount of twenty-five percent or more of the equity capital of the Company;
- 7) receiving permission by the Company to carry out any activity, temporary suspension or cancellation of the earliest permissions of the Company to carry out any activities;
- 8) participation of the Company in establishment of legal entities;
- 9) arrest of property of the Company;
- 10) emergency cases, when property of the Company was destroyed, which price was less than ten percent of the total shares amount of the Company;
- 11) bringing of the Company and its officials to administrative responsibility;
- 12) instituting court proceedings on corporate controversy;
- 13) resolution on compulsory reorganization of the Company;
- 14) other information, concerning interest of the Sole Shareholder (shareholders) of the Company in accordance with this Charter, as well as prospectus of the issue of the Company's shares.

2. The company must disclose information on the Internet resource of financial statements depository and the internet resource of stock exchange according to the procedure stipulated in the RK law "on securities market" and regulations of an authorized body.

3. If the RK laws and regulations do not provide for a deadline for the publication of information (communicating to the Sole Shareholder), the information listed in paragraph 1 of this article of the Charter is published (communicated to the Sole Shareholder) within three business days from the date of its emergence.



4. The Sole Shareholder must be provided with information on institution of court proceedings with regard to corporate dispute within seven business days from the date of receipt of a corresponding court notice (call) regarding a civil case on a corporate dispute by the Company.

5. The Company must keep a list of employees of the Company who have information constituting a trade secret.

#### **Article 24. Documents of the Company**

1. The Company's documents relating to its business shall be kept by the Company throughout its conduct of business in the place of the location of the Company's Management Board. The RK legislation specifies a list of documents (the List) that are subject to storage.

2. Other documents, not included in the List, including financial reporting of the Company, are kept within a term set forth by the Laws of the RK.

3. On the written request of the Sole Shareholder, the Company shall be obliged to provide him copies of documents, included in the List no later than ten calendar days since a day of receiving of such request to the Company. The request of the Company's Sole Shareholder regarding providing him with the copy of this Charter shall be satisfied within three business days from the date the Company receives such a request.

4. The Company shall be entitled to limit providing information that content official, trade or other sensitive data protected by law.

5. Amount of payment for providing copies of documents shall be established by the Company and cannot exceed amount of expenses for making copies and refunding, related with delivery of documents to the Sole Shareholder of the Company.

6. Documents that regulate certain matters relating to the issue, distribution, circulation and converting of the Company's securities, contenting official, commerce information and other secret protected by law, must be provided to the Sole Shareholder of the Company on his demand.

#### **Article 25. The Procedure for Providing Information on Company's affiliates to the Sole Shareholder and Officials of the Company**

1. The company shall keep records of its affiliates based on information provided by these persons or the central depository (in accordance with the procedure established by an authorized body).

2. Individuals and legal entities of the Company's affiliated persons shall be obliged to provide the Company with affiliated information on affiliated persons within seven days since a day of appearing.

The Sole Shareholder and officials of the Company shall be obliged to provide in written form within seven days since a day of appearing of affiliated information on affiliated persons to the Company, determined in accordance with the Law.

The Sole Shareholder and officials of the Company shall be obliged in accordance with the procedure and terms, set in this Charter, to provide information of changing of



its affiliated persons.

In case, if a person, set before as the Sole Shareholder or an official of the Company as affiliated, ceases its rights, the Sole Shareholder or an official of the Company shall inform the Company about it within five days.

### **Article 26. Reorganization of the Company**

1. The Company (merger, separation, transformation) shall be reorganized in compliance with the RK legislation.
2. Reorganization may be performed voluntarily or compulsorily.
3. If in case of reorganization the Company terminates its activity, the issue of its shares shall be subject to cancellation in accordance with the procedure established by the RK legislation.

### **Article 27. Liquidation of Company**

1. Resolution on voluntarily liquidation shall be approved by the Sole Shareholder of the Company in line with procedure set by the RK legislation.

2. Compulsory liquidation shall be carried out by the Court, as prescribed by the legislative acts of the RK.

Interested persons may produce request on the Company's liquidation in court, if other is not prescribed by the legislative acts of the RK.

3. Liquidation commission shall be appointed by the judicial decision or the Sole Shareholder of the Company.

Liquidation commission shall possess powers on governance of the Company during its liquidation and producing of actions, as prescribed by the Laws of the RK.

In case of voluntarily liquidation, the liquidation commission shall include representatives of the Company's creditors, representatives of the Sole Shareholder of the Company, as well as other persons in accordance with resolution of the Sole Shareholder of the Company.

4. The RK law shall govern the Company's liquidation procedure and procedure of meeting requirements of its lenders shall be governed by the

5. In case of the Company's liquidation, both announced and offered shares shall be cancelled in line with the procedure established by the RK law.

6. Distribution of liquidated property of the Company shall be carried out in accordance with the RK law.

**Chairman of the Management Board  
of "Samruk-Energy" JSC**

signature

**B.Zhulamanov**

*/Seal: The Republic of Kazakhstan Nur-Sultan city "Samruk-Energy" Joint-stock company Samruk-Energy BIN 070540008194/*