

Approved by  
the Decision of the Board of  
Directors of NAC Kazatomprom JSC  
dated \_\_\_\_\_, 2018  
Protocol No. \_\_/ \_\_

**REGULATION  
ON STRATEGIC PLANNING AND INVESTMENTS COMMITTEE  
OF THE BOARD OF DIRECTORS  
OF NAC KAZATOMPROM JSC**

**Astana  
2018**

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## SECTION 1. GENERAL PROVISIONS

### Chapter 1. Regulation on the Committee

1. This Regulation on the Strategic Planning and Investments Committee was developed in accordance with the current legislation of the Republic of Kazakhstan, the Articles, the Corporate Governance Code and other internal documents of NAC Kazatomprom JSC.

2. The Strategic Planning and Investments Committee was established to develop and prepare recommendations to the Board of Directors of the Company for making decisions on issues within the competence of the Board of Directors of NAC Kazatomprom JSC in the area of forming priority directions of the Company's activities, developing its development strategy, making investments and determining Innovation strategy of the Company.

3. In its activities, the Committee is fully accountable to the Board of Directors of the Company and is an advisory body.

4. The following terms and definitions are used in this Regulation (table 1):

<b>Term</b>	<b>Definition</b>
<b>Sole Shareholder</b>	Shareholder of the Company owning 100% of the Company's shares (Sovereign Welfare Fund Samruk-Kazyna Joint-Stock Company)
<b>Director(s)</b>	member(s) of the Board of Directors of the Company
<b>Legislation</b>	set of regulatory legal acts of the Republic of Kazakhstan adopted in the prescribed manner
<b>Investment project (project)</b>	A set of measures to implement a separate investment initiative, which includes investments in the implementation of subsoil use operations, the creation of new production facilities, the expansion and renewal of existing ones, as well as the purchase and sale of shares of legal entities and the creation of legal entities. Investment projects shall meet the integrity criteria: all actions and resources necessary to achieve the goals set in the investment proposal are included in the framework of one project; All project activities must be interrelated.
<b>Corporate Secretary</b>	Corporate Secretary of the Company
<b>Code</b>	Corporate Governance Code of the Company
<b>Committee</b>	Strategic Planning and Investments Committee of the Board of Directors of the Company
<b>Independent Directors</b>	Directors identified as independent in accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies", the Articles and the Code
<b>Regulation</b>	Regulation on Strategic Planning and Investments Committee of the Board of Directors of the Company
<b>The Executive Board</b>	Executive Body of the Company
<b>The Company</b>	NAC Kazatomprom JSC
<b>The Board of Directors</b>	Management body of the Company
<b>Articles</b>	Articles of Association of the Company

5. The terms used, but not defined in this Regulation, are used in the sense in which they are used in the Legislation and the Articles.

## **Chapter 2. Aims and objectives of the Committee**

6. The main aim of the Committee is to develop and submit recommendations to the Company's Board of Directors on the following issues:

- 1) Defining the Company's Development Strategy and monitoring its implementation;
- 2) Consideration and approval of the strategic aims and objectives of the Company's development for the long term;
- 3) Determination of the Company's innovation and investment strategy;
- 4) Making investments;
- 5) Preliminary approval of decisions on investment projects.

7. Objectives are:

1) Preliminary consideration and development of recommendations to the Board of Directors of the Company on issues of strategic planning, investment and innovation activities of the Company submitted for approval by the Board of Directors of the Company;

2) Evaluation of the Company's performance in the long term and making recommendations to the Board of Directors to adjust the current Development Strategy of the Company and certain areas of the Company's activities, based on the need to increase the efficiency of the Company's activities, taking into account trends in commodity markets and capital markets, the performance of the Company and its competitors, and other factors.

3) Monitoring the implementation of decisions made by the Board of Directors in determining the priority areas of the Company's development and strategic planning.

4) In order to carry out its activities, the Committee works together with the executive body of the Company, competent structural subdivisions, and also, if necessary, together with other subdivisions of the Company

## **Chapter 3. Competence of the Committee**

8. In order to assist the members of the Board of Directors to perform their duties, the Committee performs the following:

- 1) On the strategic directions of the Company's activities:
  - a) preliminary consideration of the Company's Development Strategy, introduction of changes and additions;
  - b) preliminary consideration and approval of the Action Program and Action Plans for the implementation of the Company's Development Strategy and preparation of recommendations for achieving the aims set;
  - c) regular monitoring of the implementation of the Company's Development Strategy, and submission of a report to the Board of Directors with an assessment of the effectiveness of measures to implement the Company's Development Strategy and preparation of recommendations for achieving the aims set;
  - d) preliminary consideration and preparation of recommendations to the Board of Directors on internal documents governing the Company's strategic planning processes;
  - e) monitoring changes in the economic and competitive environment in order to determine their impact on the existing Company's Development Strategy and ensure revision/reassessment of the development strategy taking into account these changes;

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- f) analysis and provision of recommendations on the development of some strategic decisions related to improving the efficiency of the Company's operations in the medium and long term;
  - g) analysis and provision of recommendations on the development of some strategic decisions related to the reorganization of the Company in the form of merger, accession, division, separation of the transformation;
  - h) preliminary consideration of documents submitted for consideration by the Board of Directors of the Company containing information on the progress of the Development Strategy implementation, the achievement of target values of strategic key performance indicators (KPI);
- 2) For investment and innovation activities of the Company:
- a) preliminary approval of internal documents of the Company governing the innovation policy that falls within the competence of the Board of Directors of the Company;
  - b) analysis of the Master Plan for the Company's development and individual investment projects for their compliance with the Company's Development Strategy;
  - c) assessment of changes, including market conditions, current legislation and other, which may affect the development of the Company and the effective ownership of the financial and economic activities of the Company, and preparation of recommendations for taking such changes into account in the Master Plan for the Company's Development, Development Strategy for certain directions of the Company's activities and the Company as a whole;
  - d) development of recommendations for the Company's Board of Directors with a view to the following adoption of decision on the following issues by the Board of Directors:
  - e) approval of the Master Plan for the development of the Company and its amendment;
  - f) analysis of the Monitoring Report on the implementation of the Master Plan for the Company's development on a quarterly basis;
  - g) approval of implementation at all stages of the Company's investment projects and approval of the transition to the next stage of implementation;
  - h) monitoring and adjustment of the main parameters of investment and innovation projects, previously reviewed and approved by the Committee, at all stages. The main parameters of the project include the cost of the project, the period and schedule of implementation, financing structure, indicators of economic efficiency of the project, the date of reaching the design capacity.

## **SECTION 2. RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE COMMITTEE MEMBERS**

### **Chapter 4. Rights of the Committee members**

9. The Committee has the right:

- 1) to request documents, reports, explanations and other information from members of the Board of Directors, other committees, the Executive Board, the Internal Audit Service, the Corporate Secretary and other employees of the Company. The information and documents described above are provided through the Corporate Secretary. The Company is obliged in the prescribed manner to provide the Committee with all necessary materials and resources at its own expense;
- 2) to invite members of the Board of Directors, the Executive Board, Committees and other persons to their meetings as observers;
- 3) in a prescribed order, to use services of external experts and consultants within the funds specified in the budget of the Company for the current year;
- 4) to exercise other rights necessary for performance of its obligations.

### **Chapter 5. Duties of the Committee members**

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10. The Committee members shall:
- 1) perform their functions in good faith for the benefit of the Sole Shareholder, the Board of Directors and the Company as a whole and comply with the key principles of the Code;
  - 2) pay enough attention to effective performance of their obligations;
  - 3) keep confidentiality of all information that becomes known to them in the course of their obligations performance;
  - 4) within its competence and in the order specified by this Regulation, perform other obligations, which may be defined by the Board of Directors.

## **Chapter 6. Obligations of the Committee members**

11. The Committee members are liable to the Company, the Board of Directors and the Sole Shareholder for damage caused by their actions (failures to act) subject to the laws of the Republic of Kazakhstan.

## **SECTION 3. PROCEDURE OF ESTABLISHMENT**

### **Chapter 7. The Composition of the Committee and its formation**

12. Decision on establishment of the Committee, its composition and election of its Chair shall be made by the Board of Directors. The Chair who is appointed by the decision of the Board of Directors shall head the Committee. The Committee shall be composed of the members of the Board of Directors of NAC Kazatomprom JSC. The Chair of the Executive Board may not be the member of the Committee. The Committee consists of at least three members of the Board of Directors, at least two thirds of whom should be independent directors.

13. If necessary, the Committee may include experts without voting rights, having a required professional knowledge for work in the Committee.

14. Terms of powers of the members of the Committee correspond to the terms of their powers as Directors; however, the Board may annually review them.

### **Chapter 8. The Chair of the Committee**

15. The Chair of the Committee shall be elected by the Board of Directors from independent directors.

16. The Chair of the Committee shall organize the work of the Committee, particularly:
- a) convene the Committee's meetings and chair thereat;
  - b) approve the agenda, including the content of issues submitted for consideration;
  - c) organize discussions of issues at the meetings, as well as listen to the opinions of persons invited to participate in the meeting;
  - d) develop Action Plans for the current year (Annex 1) taking the Board of Directors' action plan into account.
  - e) prepare a report on the activities of the Committee and reports to the Board of Directors on the results of such activities at regular meetings of the Board of Directors.

## **SECTION 4. ORGANIZATION OF THE COMMITTEE'S WORK**

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## **Chapter 9. Convening the Committee**

17. Decision on convening a regular meeting of the Committee, its date, time, place and agenda, as well as decision about the list of persons invited to the meeting, shall be made by the Chair of the Committee in accordance with the Action Plan of the Committee's meeting.

18. The Secretary of the Committee is appointed by decision of the Committee, who performs the functions of organizational and informational support for the work of the Committee. The Secretary of the Committee is the Corporate Secretary.

19. The Corporate Secretary shall ensure the preparation for, and holding of, the meetings of the Committee, collection and systematization of materials, timely notification of the Committee's members and persons invited and delivery of agenda and all materials, minutes- keeping, preparation of draft decisions, as well as further storage of all materials.

The Corporate Secretary shall ensure that Committee's members receive all required information.

20. The meetings of the Committee are held according to the plan approved by the decision of the Committee, but at least once a quarter.

21. The Committee's work shall be carried out in the form of meetings in presentia. Each member of the Committee shall attend at least 75% (seventy-five) of the Committee's meetings per year. The absence of members of the Committee at meetings is taken into account and appropriate measures are taken.

22. Extraordinary meeting of the Committee shall be held under the decision of the Chair of the Committee on his own initiative, application of any member of the Committee or Board of Directors, as well as under written request of the Sole Shareholder and the Chair of the Executive Board.

## **Chapter 10. Notification of the Committee members about the Committee meeting**

23. Notification on the meeting together with the agenda and materials attached shall be sent to the persons participating in the meetings at least five business days beforehand.

24. The Committee's meeting shall be deemed eligible if at least half of members take part therein.

25. Third parties without voting rights may present at the Committee's meetings at the invitation of the Chair of the Committee.

26. Decisions shall be made by majority of votes of total number of members of the Committee. In case of equal votes, the Chair of the Committee has the casting vote. At the same time, it is allowed that a member of the Committee takes part in the meeting in-presentia, depending on the urgency and importance of the issues addressed, if there is a quorum, by means of a video conference (interactive audio-visual communication) or a conference using other means of communication. In such a case, a member of the Committee shall be deemed participating in the meeting in presentia. The type of communication used shall be indicated in the minutes of the meeting of the Committee.

27. Each member of the Committee may express his/her special opinion, which is submitted together with the minutes' decision. In case a decision on some issues cannot be made for the reason of a personal interest of some Committee's members, such a fact shall be recorded in the minutes.

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## SECTION 5. FINAL PROVISIONS

28. Approval of this Regulation as well as any amendments and supplements thereto fall within the competence of the Board of Directors.

29. In case of any changes in the Legislation, Articles of Association or Code, if certain provisions of the Regulation contradicts thereto, this Regulation shall become invalid until the moment of making appropriate changes.

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