

Approved by the resolution of the Board of  
Directors of NAC Kazatomprom JSC  
dated April 30, 2019  
Minutes # 5/19

**REGULATION  
ON THE COMMITTEE FOR NOMINATION AND REMUNERATION OF THE BOARD  
OF DIRECTORS OF NATIONAL ATOMIC COMPANY KAZATOMPROM  
JOINT STOCK COMPANY**

**OBJECTIVE**

This Regulation on the Committee for nomination and remuneration of the Board of Directors of NAC Kazatomprom JSC (hereinafter – the Regulation, the Committee) defines the procedure for the formation of the composition of the Committee, the status, competence, work procedure and duties of the Committee of the Company’s Board of Directors, procedure for convening and conducting the meetings, formalizing the decisions, as well as the rights and obligations of members of the Committee.

The Regulation has been developed in accordance with the legislation of the Republic of Kazakhstan, the Company's Charter, the Corporate Governance Code of the Company (hereinafter - the Corporate Governance Code) and other internal documents of the Company

## Content

<b>1. General Provisions</b> .....	3
<b>1.1. Status</b> .....	3
<b>1.2. Competence</b> .....	3
<b>2. Forming the Committee for nomination and remuneration</b> .....	4
<b>2.1. Composition</b> .....	4
<b>2.2. The Chair</b> .....	4
<b>3. Rights and responsibilities of the members of Committee for nomination and remuneration</b> .....	4
<b>3.1. Rights of the Committee for nomination and remuneration members</b> .....	4
<b>3.2. Responsibilities of the Committee for nomination and remuneration members</b> .....	5
<b>4. Organization of the work of the Committee for nomination and remuneration</b> .....	5
<b>4.1. Meetings of the Committee</b> .....	5
<b>Appendix No. 1</b> .....	7

## **1. General Provisions**

### **1.1. Status**

1.1.1. Committee for nomination and remuneration is an advisory body of the Board of Directors of the Company and is established for in-depth study of issues that are within the competence of the Board of Directors or reviewed by the Board of Directors in order to monitor the activities of the executive body of the Company and develop the necessary recommendations to the Board of Directors and executive body of the Company.

1.1.2. Committee for nomination and remuneration reports to the Board of Directors of the Company, operates within the authorities provided by the Company's Board of Directors and this Regulation.

1.1.3. In its activities, the Committee for nomination and remuneration is guided by the laws of the Republic of Kazakhstan, Charter of the Company, Regulation on the Board of Directors of the Company, Instruction for preparation of materials for the meetings of the Board of Directors of Kazatomprom JSC and its committees as well as this Regulation and other decisions of the Board of Directors, General meeting of shareholders.

### **1.2. Competence**

1.2.1. The competence of the Committee for nomination and remuneration of the Board of Directors includes following issues stipulated by the legislation of the Republic of Kazakhstan and the Charter of the Company:

1) Provision of recommendations on qualification requirements for candidates to the members of the Board of Directors and to the experts of the Board of Directors' Committees, members of the Management Board, to the position of Corporate secretary;

2) Provision of recommendations on the candidates to the Board of Directors, composition of the Management Board, on the positions of Corporate secretary and the heads of structural subdivision of the Company, other employees, whose appointment or approval of the appointment is made by the Board of Directors (excluding the employees of Internal Audit Service and Compliance Service, as well as appointments made by the Board of Directors as part of the decisions in the competence of the general meeting of shareholders (partners) of a legal entity, ten or more percent of shares (stake in the authorized capital) of which belongs to the Company);

3) Provision of recommendations on key performance indicators of the members of the Management Board of the Company, preliminary assessment of the results of the activities of the Management Board of the Company;

4) Provision of recommendations for evaluating the activities of the Board of Directors, committees of the Board of Directors and each member of the Board of Directors;

5) monitoring the results of evaluating the performance of the Board of Directors and the need for training members of the Board of Directors, providing recommendations on the policy of advanced training and attracting external experts by members of the Board of Directors;

6) Provision of recommendations on the policy of introducing the newly elected members of the Board of Directors;

7) Provision of recommendations on the Company's HR policy;

8) Provision of recommendations on the policy of succession in the work of the Board of Directors members and the Company's Management Board members;

8-1) Provision of recommendations for the evaluation of programs for planning succession and the formation of personnel reserve.

9) Provision of recommendations on the policy and structure of remuneration of the Board of Directors members, the Executive Board members, Corporate secretary.

10) Provision of recommendations on the evaluation of the activities of the members of the Management Board and the Corporate Secretary and other employees, whose appointment or approval of the appointment is made by the Board of Directors;

- 11) Provision of recommendations on the standard regulation on the payment of remuneration to independent directors;
  - 11-1) Provision of recommendations on the appointment of an external remuneration consultant;
  - 11-2) Provision of recommendations on the involvement of specialized agencies in the selection of candidates for the positions of members of the Board of Directors, the Management Board and the Corporate Secretary and other employees whose appointment or approval of appointment is made by the Board of Directors;
- 12) Providing the Board of Directors with a regular report on the work of the Committee;
- 13) Consideration of corporate conflicts involving the Chairman of the Board of Directors or other members of the Board of Directors.

## **2. Forming the Committee for nomination and remuneration**

### **2.1. Composition**

2.1.1. It is a competence of the Company's Board of Directors to determine the number of Committee's members, term of powers of the Committee for nomination and remuneration, election of the Committee's Chair and the members as well as early termination of their powers.

2.1.2. The Committee for nomination and remuneration is formed from the members of the Company's Board of Directors and experts without the right to vote, who have necessary expertise to work in the Committee.

2.1.3. Committee for nomination and remuneration consists of at least three members. Experts are not considered as members of the Committee.

2.1.4. Only an independent director of the Board of Directors of the Company can be a member of the Committee for nomination and remuneration.

2.1.5. Experts of the Committee without the right to vote are engaged by the decision of the Committee.

2.1.6. The Secretary of the Committee for nomination and remuneration is appointed by the decision of the Committee for nomination and remuneration, and performs the functions of organizing the work and informing the Committee for nomination and remuneration.

### **2.2. The Chair**

2.2.1. The Chair of the Committee is elected by the Board of Directors from the interdependent directors.

2.2.2. The Chair of the Committee for nomination and remuneration performs the following functions:

- 1) Organizes the work of the Committee for nomination and remuneration;
- 2) Convenes meetings of the Committee for nomination and remuneration and chairs them;
- 3) Keeps records of the meetings;
- 4) Prepares a report on the activities of the Committee for nomination and remuneration and reports to the Board of Directors on the results of such activities at regular Board of Directors meetings.

2.2.3. In the absence of the Chair, his functions are performed by one of the members of the Committee for nomination and remuneration on the decision of the Committee for nomination and remuneration.

## **3. Rights and responsibilities of the members of Committee for nomination and remuneration**

### **3.1. Rights of the Committee for nomination and remuneration members**

3.1.1. A member of the Committee for nomination and remuneration shall have the right to perform the following in the established manner:

- 1) Request and receive from the officials and employees of the Company any information (documents, materials) regarding the Company, if the specified information is required to perform the functions of a member of the Committee for nomination and remuneration;
- 2) Familiarize with the Minutes of the meetings and decisions of the Committee for nomination and remuneration;
- 3) Require the inclusion of their own special opinions to the agenda items and decisions taken into the Minutes of the Committee for nomination and remuneration meetings;
- 4) Require the convening of a meeting of the Committee for nomination and remuneration;
- 5) Put items to the agenda of the Committee for nomination and remuneration meeting;
- 6) Exercise other rights stipulated by the current legislation of the Republic of Kazakhstan, Charter of the Company and other internal documents of the Company.

### **3.2. Responsibilities of the Committee for nomination and remuneration members**

3.2.1. Each Committee member is obliged to attend at least 75 (seventy-five) % of the Committee meetings per year.

## **4. Organization of the work of the Committee for nomination and remuneration**

### **4.1. Meetings of the Committee**

4.1.1. Committee annually draws up and approves the work plan of the Committee.

4.1.2. The frequency of the meetings of the Committee is at least 4 (four) meetings a year.

4.1.3. In accordance with the Charter of the Company, the meetings of the Committee can be either in-presentia or in-absentia. Committee chooses the format of the meeting based on the importance of the issues addressed. At the same time, at least 75 (seventy five) % of the Committee's meetings should be held in-presentia.

4.1.4. During in-absentia voting on the issues of the agenda, ballots are used that are compiled in accordance with Appendix No. 1 hereto.

4.1.5. The ballot for in-absentia voting must be submitted by the Committee Secretary to the members of the Committee no later than 10 (ten) working days before the date of the counting of votes for in-absentia voting with notification of its holding (agenda of the meeting).

4.1.6. Ballot for in-absentia voting and other information (materials) must be sent to members of the Committee via postal / electronic or other communication, or delivered personally.

4.1.7. A decision by in-absentia voting shall be deemed adopted if there is a quorum according to ballots received within the prescribed period.

4.1.8. It is allowed that a member of the Committee takes part in the in-presentia Committee meeting, if there is a quorum, through a video conference (interactive audio-visual communication), conference call (simultaneous conversation through the telephone), or other means of communication. In such a case, the member of the Committee is considered to have participated in the in-presentia meeting. At the same time, the type of communication used shall be indicated in the Minutes of the Committee meeting.

4.1.9. Responsible departments shall regularly monitor the Work plan of the Committee and prepare materials accordingly.

4.1.10. Materials for the meetings of the Committee shall be prepared in accordance with the Instruction for preparation of materials for the meetings of the Board of Directors of Kazatomprom JSC and its committees.

4.1.11. Meeting of the Committee may be convened at the initiative of its Chair or Board of Directors of the Company or at the request of the following:

- 1) any member of the Audit Committee;
- 2) audit organization auditing the Company;

- 3) Shareholder;
- 4) Internal Audit Services of the Company;
- 5) Compliance Service.

4.1.12. If the Chair of the Committee refuses to convene a meeting, the initiator has the right to address this request to the Board of Directors of the Company, which is obliged to convene a meeting of the Committee. The meeting of the Committee is held with the obligatory invitation of the person who has addressed the above requirement.

4.1.13. Notification for convening the meeting of the Committee is provided in the form of the agenda of the meeting, which contains information on the date, time and place of the meeting, items of the agenda, and information on whether the meeting is held in-presentia or in-absentia. The Chair of the Committee approves the agenda beforehand.

4.1.14. The agenda of the meeting of the Committee with the relevant materials is prepared and circulated by the Secretary of the Committee to all Committee members and interested parties at least 10 (ten) working days before the planned date of the meeting.

4.1.15. A meeting of the Committee is considered valid if there is a quorum - at least half of members of the Committee.

4.1.16. The decisions are made by a simple majority of votes of participating Committee members. In case of equality of votes, the Chair of the Committee shall have the deciding vote.

4.1.17. Non-committee personnel may attend meetings only on the invitation of the Committee Chair.

4.1.18. Based on the results of each (in-presentia or in-absentia) Committee meeting, Minutes shall be drawn up in accordance with the legislation of the Republic of Kazakhstan and the Charter of the Company. The Minutes shall be signed by the Chair or by the person who chaired the meeting and by members of the Committee who attended the meeting, as well as by Secretary of the Committee, who are all responsible for the correctness and the content of the Minutes of the meeting.

4.1.19. The Secretary of the Committee shall keep the minutes of the Committee meetings in the Company. The term of storage of the Minutes of the Committee meetings shall be regulated by the legislation of the Republic of Kazakhstan and the Charter of the Company.

**Ballot of in-absentia  
to the meeting of the Committee for nomination and remuneration of the Board of  
Directors  
of National Atomic Company Kazatomprom JSC**

Venue of NAC Kazatomprom JSC (Executive Board of NAC Kazatomprom JSC):

Meeting of the Committee for nomination and remuneration of the Board of Directors of NAC Kazatomprom JSC convened by: \_\_\_\_\_.

Date of submission of this Ballot to the member of the Committee for nomination and remuneration of the Board of Directors of NAC Kazatomprom JSC \_\_\_\_\_ 20\_\_ .

Full name

The deadline for accepting the ballots \_\_\_\_ 20\_\_ until 16.30.

Explanation of the procedure for filling in the bulletin:

We request you to vote on each decision by putting a signature in the appropriate column for each agenda item.

If you vote for the decision, please put your signature in FOR column.

If you vote against the decision, please put your signature in AGAINST column.

If you abstain from making a decision, please put your signature in ABSTAINED column.

In case of voting AGAINST or if ABSTAINED, a member of the Committee for nomination and remuneration of the Board of Directors has the right to express his/her special opinion to be attached separately in written form.

**AGENDA:**

1. \_\_\_\_\_  
\_\_\_\_\_

**DECISION OF THE MEMBER OF THE COMMITTEE FOR NOMINATION AND  
REMUNERATION OF THE BOARD OF DIRECTORS ON THE AGENDA ISSUES:**

- 5.3. \_\_\_\_\_
- 5.4. \_\_\_\_\_

**Voting Result:**

Full name	For	Against	Abstained