

## Excerpt of the Dividend Policy of NAC Kazatomprom HSC

Calculation base: The dividend amount is calculated on the basis of the free cash flow (FCF) for the expired fiscal year.

- Cash from operating activities
- Acquisition of fixed assets (including advances for fixed assets)
- Acquisition of intangible assets
- Acquisition of development assets
- Acquisition of appraisal and exploration assets
- + Dividends from associates and joint ventures to the distribution as result of operations for the previous year.
- **FCF (consolidated free cash flow)**

If the Net debt Net Debt / Adj.EBITDA as of the end of the day December 31 of the expired calendar year will be:

- 1) less than or equal to 1x, the percentage of payment of dividends will be at least 75% of FCF;
- 2) more than 1x, but less than 1.5x, the percentage of payment of dividends will be at least 50% of FCF;
- 3) more than or equal to 1.5x, the percentage of payment of dividends will be determined by the decision of the General meeting of Shareholders of the Company.

*Net Debt – the difference between amount of debt and temporary cash surplus, which are:*

*Debt is calculated as an amount of balance liabilities (including loans and borrowings, obligation and financial leasing and other liabilities under transactions having a commercial effect of borrowing) and off-balance liabilities on the financial guarantees.*

*Temporary cash surplus includes cash on the accounts and short-term deposits with maturity up to 12 months.*

*Adj.EBITDA (profit before taxes - financial income + financial costs +/- exchange rate difference + depreciation and amortization + impairment - recovery of impairment +/- one-time or single events)*