



**KAZAKHSTAN ELECTRICITY GRID OPERATING COMPANY  
(KEGOC)  
JOINT STOCK COMPANY**

**AGREED**  
by the decision of KEGOC Board of  
Directors  
dated 28 August 2015  
(Minutes No. 6)

**APPROVED**  
by the decision of the General  
Meeting of KEGOC Shareholders  
dated 16 October 2015  
(Minutes No. 2)

**As amended**  
(approved by the decision of  
KEGOC Board of Directors  
dated 26 August 2016  
(Minutes No.10)

**As amended**  
(approved by the decision of  
General Meeting of Shareholders of  
KEGOC dated 28 October 2016  
(Minutes No. 5)

## **REGULATIONS**

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**ON THE BOARD OF DIRECTORS OF KAZAKHSTAN ELECTRICITY  
GRID OPERATING COMPANY (KEGOC) JOINT-STOCK COMPANY**

**П КЕГОС ИД-202-ОСА**

## **1 GENERAL PROVISIONS**

1. These Regulations on the Board of Directors of Kazakhstan Electricity Grid Operating Company (hereinafter – the Regulations) have been elaborated under the Law of the Republic of Kazakhstan ‘On Joint-Stock Companies’ (hereinafter - the Law), KEGOC Charter (hereinafter - the Charter) and the Corporate Governance Code of KEGOC (hereinafter - the Code).

2. These Regulations specify the activities of the Board of Directors as a governing body of KEGOC JSC (hereinafter – the Company), defines the status, objectives, principles and functions, election procedure and competence of the Board of Directors of the Company (hereinafter – the Board of Directors), powers and responsibilities of the Board of Directors, procedure for convening and holding meetings of the Board of Directors, and approval and execution of its decisions.

3. In its activity the Board of Directors applies the laws of the Republic of Kazakhstan, the Charter, the Code, these Regulations and internal documents of the Company.

## **2 OBJECTIVES, ACTIVITY PRINCIPLES AND FUNCTIONS OF THE BOARD OF DIRECTORS**

4. The Board of Directors is a governing body which reports to the General Meeting of Shareholders and ensures the strategic management of the Company and control over the activity of the Management Board.

5. Objectives of the Board of Directors’ activity are to manage the overall operations of the Company, ensure implementation of the Company’s interests and protect rights of shareholders, set up principles and codes of the Company’s activities, and ensure realization and observation of the Company’s liabilities to the General Meeting of Shareholders and other parties.

6. Members of the Board of Directors shall fulfil their functional duties and observe the following principles in their activity:

1) make decisions based on the collegial and weighted discussion of issues using true and comprehensive information on the Company’s activities;

2) comply with the best interests of the Company, the principles of sustainable development and equitable treatment of all shareholders;

3) act within its authorities;

4) allot enough time to prepare and participate in the meetings of the Board of Directors, and its committees;

5) promote the growth of the long-term value and sustainable development of the Company;

6) support the high standards of business ethics;

7) not allow conflict of interests;

8) act with due rationalism, skills, efficiency, energy, good faith, fairness, responsibility, accuracy, professionalism, prudence, and objectivity.

7. The main functions of the Board of Directors are as follows:

1) determine the strategy for the Company development and monitor its implementation;

- 2) set and monitor the key performance indicators for the Development Plan;
- 3) arrange and supervise the efficient functioning of the risk management and internal control systems;
- 4) approve and monitor the efficient implementation of major investment projects and other key strategic projects within the competence of the Board of Directors;
- 5) elect, remunerate, plan the succession and supervise the performance of the Chairman and members of the Management Board;
- 6) corporate governance and ethics;
- 7) ensure observance of the Code and corporate standards for business ethics (Business Ethic Code) in the Company;
- 8) approve the induction programme for the newly elected members of the Board of Directors, and professional development programme for each member of the Board of Directors.

### **3 COMPETENCE OF THE BOARD OF DIRECTORS**

8. The Board of Directors is entitled to make decisions on the issues falling under the exclusive competence of the Board of Directors in accordance with the laws of the Republic of Kazakhstan and the Charter.

9. The Board of Directors shall not be entitled to make decisions on the issues, which according to the Charter fall under the competence of the Management Board, and also make decisions that contradict to the decisions of the General Meeting of Shareholders.

10. The Board of Directors shall:

- 1) monitor and eliminate as possible the potential conflicts of interest at the level of officials and shareholders, including illegal use of the Company's property and abuse in the non-arms length transaction;

- 2) control the efficiency of the corporate governance practices used in the Company;

11. The Board of Directors shall annually make official and overall assessment of its activity, work of its committees, each of directors; and the results shall be discussed at the meeting of the Board of Directors.

12. The Board of Directors has the right to timely receive full information, explanations and clarifications from the Management Board, Corporate Secretary Service, Internal Audit Service and other structural units of the Company.

### **4 ELECTIONS TO THE BOARD OF DIRECTORS**

13. Members of the Board of Directors shall be elected by the General Meeting of Shareholders based on clear and transparent procedures with due consideration of the competencies, skills, achievements, business reputation and professional background of the candidates. When individual members or the entire membership of the Board of Directors are re-elected for another term, their contribution to the efficient operation of the Board of Directors shall be taken into account.

14. A member of the Board of Directors can only be an individual person.

15. A member of the Board of Directors shall not be entitled to delegate the duties assigned to him by Law and the Charter to other parties.

16. Members of the Board of Directors shall be elected out of:

1) shareholders – individual persons;

2) persons proposed (recommended) to be elected to the Board of Directors as representatives of shareholders;

3) individual persons who are not the Company's shareholders and not proposed (recommended) to be elected to the Board of Directors as a representative of shareholder;

17. Members of the Management Board, except its Chairman, cannot be elected to the Board of Directors. The Chairman of the Management Board cannot be elected as the Chairman of the Board of Directors.

18. A member of the Board of Directors cannot be a legal entity.

19. The Board of Directors shall include independent directors. An independent director is a person who has sufficient professional skills and self-reliant to make independent and impersonal decisions not influenced by individual shareholders, Management Board or other parties concerned.

20. The Board of Directors and its committees shall maintain the balance of skills, background and knowledge that will ensure independent, impersonal and efficient decision making for the benefit of the Company and with due account of fair treatment of all shareholders and sustainability principles. Members of the Board of Directors and candidates to the Board of Directors shall have relevant experience, skills, knowledge, qualification, positive achievements and impeccable reputation in business and industry to perform his/her functions.

21. A member of the Board of Directors cannot be represented by a person who:

1) has outstanding or unexpunged convictions as stipulated by laws of the Republic of Kazakhstan;

2) held the position of a chairman of the Board of Directors, a member of the Board of Directors, CEO (Chairman of Management Board), deputy CEO (deputy Chairman of Management Board), member of a collective executive body or chief accountant of other legal entity for one calendar year before the decision on involuntary liquidation or mandatory repurchase of shares or temporary closing of such legal entity ordinarily declared bankrupt. Such person shall not be entitled to be a member of the Board of Directors within five (5) years after the date of making decision on involuntary liquidation or mandatory repurchase of shares, temporary closing of another legal entity ordinarily declared bankrupt.

22. The number of members in the Board of Directors shall be 7-11, where the recommended number of independent directors shall comprise up to fifty per cent of the total number of members of the Board of Directors. A director is considered independent in cases he/she is not:

and was not an affiliate of the Company within three years prior to his/her election to the Board of Directors (except holding the position of an independent director of the Company);

an affiliated person in relation to the affiliated persons of the Company;

and was not subordinated to officials of the Company or its affiliated companies within three years prior to his/her election to the Board of Directors;

a participant to the audit of the Company as an auditor working for an auditing organisation and has not taken part in such audit during the three years previous to his/her election to the Board of Directors;

a representative of the shareholder at the meetings of the Company's bodies and has not been as such within three years preceding his/her election to the Board of Directors;

a civil servant.

23. All members of the Board of Directors shall officially assume their appointments and regularly improve their professional knowledge and skills.

24. The re-elected members of the Board of Directors have the right to request for the induction programme.

25. Government servants and officials from governmental bodies are not allowed to be the members of the Board of Directors of the Company.

## **5 TERM OF OFFICE OF MEMBERS OF THE BOARD OF DIRECTORS**

26. Term of office of members of the Board of Directors shall coincide with the term of office of the entire Board of Directors and shall terminate when the General Meeting of Shareholders makes a decision to elect new membership of the Board of Directors.

27. Members of the Board of Directors shall be elected for a period not exceeding three (3) years. In future, provided that the performance results are good, a member can be elected for another three (3) year period.

28. Any term on the Board of Directors of more than six (6) years successively (for example, two (2) three-year terms) requires special consideration based on the requirement for qualitative update of the Board of Directors' membership.

29. An independent director cannot be elected to the Board of Directors for more than nine (9) years successively. In exceptional cases election can be made for more than nine (9) years, but such Independent Director must be elected to the Board of Directors annually with detailed clarification why it is necessary to elect this member of the Board of Directors and how it will impact the independence of decision making.

30. Nobody shall participate in the decision making on his/her own appointment, election and re-election.

31. The General Meeting of Shareholders has the right to early terminate the powers of all or some members of the Board of Directors.

32. The Board of Directors shall make recommendations to the General Meeting of Shareholders on early termination of the powers of members of the Board of Directors who attended less than 50% of meetings for the reported year and submitted voting ballots for less than 50% of issues voted in absentia.

33. Early termination of powers of a member of the Board of Directors at his/her own initiative shall be done upon his/her written notification addressed to the Chairman of the Board of Directors or the Board of Directors in general.

Powers of such member of the Board of Directors shall be terminated as from receipt by the Board of Directors of the mentioned notification.

## **6 CHAIRMAN OF THE BOARD OF DIRECTORS**

34. The Chairman of the Board of Directors is elected by the General Meeting of Shareholders.

35. The Chairman of the Board of Directors shall be responsible for overall management of the Board of Directors, ensure that the members of the Board of Directors fulfil their duties in a complete and efficient manner, and ensure meaningful dialogue among the members of the Board of Directors, shareholders and the Management Board.

36. Chairman of the Board of Directors shall strive to create a team of professionals who are oriented at the growth of the long-term value and sustainable development of the Company, able to timely and duly respond to internal and external challenges.

37. The Chairman of the Board of Directors organizes the Board of Directors operation, convenes meetings of the Board of Directors, chairs them, arranges record-keeping at meetings in accordance with the procedure set forth herein.

38. If the Chairman of the Board of Directors is absent, his functions shall be performed by one of members of the Board of Directors based on the decision of the Board of Directors.

39. Chairman of the Board of Directors shall:

1) bear responsibility for governance of the Board of Directors, ensure its efficient operation in all aspects of its responsibility, ensure effective connection with shareholders;

2) on behalf of the Company conclude the labour contract with the Chairman of the Management Board stipulating for direct dependence of material incentive and responsibility of the Chairman of the Management Board on the performance and implementation of the Company Development Plan and the Budget;

3) present the candidates to be employed by the Company to the Chairman of the Management Board in accordance with the established procedure for the appointment to the positions upon the decision of the Board of Directors;

4) inform shareholders of the amount and composition of remuneration to members of the Board of Directors and the Management Board;

5) annually present shareholders with a report on the activities of the Board of Directors for the reported period, information on observance of the Code, and the report on implementation of shareholders' expectations;

6) be responsible for providing the respective interaction with shareholders;

7) in cooperation with the Corporate Secretary ensure timely obtaining of reliable and clear information by the members of the Board of Directors;

8) ensure efficient contribution of the members of the Board of Directors to the activities of the Board of Directors, as well as constructive relations between members of the Board of Directors and the Management Board;

9) ensure that the re-elected members of the Board of Directors are provided with the induction programme;

11) ensure efficient interaction with shareholders, and deliver the views of shareholders to the Board of Directors in general;

12) bear responsibility for the process of assessing the Board of Directors, its committees, and taking relevant measures.

13) make decisions on other issues within his competence.

40. Key functions of the Chairman of the Board of Directors include:

1) plan meetings of the Board of Directors and develop the agenda;

2) ensure the members of the Board of Directors to timely obtain complete and relevant information to make decisions;

3) ensure that the Board of Directors focuses on the strategic issues and minimise the routine (operational) issues subject to consideration by the Board of Directors;

4) ensure maximum efficiency of the meetings held by the Board of Directors through provision of enough time for discussion, detailed and in-depth study of the agenda issues, stimulation of open discussions, and achievement of consensus;

5) establish proper communication and interaction with shareholders, including consulting with major shareholder on the key strategic decisions;

6) ensure monitoring and supervision over the proper implementation of the decisions made by the Board of Directors and the General Meeting of Shareholders;

7) ensure all options and suggestions of the members of the Board of Directors are considered when their views differ for making a decision that meets the Company's interests;

8) in case of a corporate conflict, take measures to resolve such conflict and minimise its negative impact on the Company's activity, and timely inform shareholders on the cases when such conflicts cannot be resolved with own resources.

## **7 RIGHTS AND OBLIGATIONS OF MEMBERS OF THE BOARD OF DIRECTORS**

41. Members of the Board of Directors have the right to:

1) request for the induction programme and improve their knowledge and skills;

2) request for holding a meeting of the Board of Directors;

3) request for inclusion of his/her individual opinion with regard to agenda issues and made decisions into the minutes of meeting of the Board of Directors;

4) participate in meetings of the Board of Directors and its committees, in discussion of the issues considered under the approved agenda of the Board of Directors and its committees;

5) include the issues into the agenda of the Board of Directors' meetings in a prescribed manner;

6) obtain information on the Company's activities, including the official, commercial or another secret of the Company protected under the laws, review all

documents of the Company in accordance with the laws of the Republic of Kazakhstan and internal documents of the Company;

7) make written proposals relating to the work plan of the Board of Directors;

8) early terminate his/her office by submitting a written notification to the Board of Directors;

9) pursuant to the decision of the General Meeting of Shareholders, receive remuneration, as well as reimbursement of costs (expenses) related to performance of his/her obligations as a member of the Board of Directors of the Company;

10) represent the interests of the Company in relationships with third parties and governmental authorities of the Republic of Kazakhstan, international organizations by establishing business relations and participating in different events (forums, workshops, meetings, etc.) held in the territory of the Republic of Kazakhstan and outside; perform other duties as prescribed in the laws of the Republic of Kazakhstan, the Charter, the Code, and other internal documents of the Company.

42. Members of the Board of Directors shall be obliged to:

1) act with good faith, in a rational and fair manner observing the requirements set in the laws of the Republic of Kazakhstan, the Charter, the Code and these Regulations, ethical principles and business ethic rules in the interests of shareholders and the Company on the whole;

2) keep confidentiality of the Company information they learned about when executing their duties as members of the Board of Directors of the Company, including a five (5) year period after termination of office in the Company unless otherwise specified in the internal documents of the Company;

3) monitor the Company standing and be in continual contacts with other bodies and officials of the Company;

4) participate in meetings and work of the Board of Directors committees they are the members to;

5) inform beforehand of impossibility to attend a meeting of the Board of Directors indicating the reason for his/her absence;

6) agree with the Board of Directors upon the possibility to be elected to the bodies of another joint-stock company or to be employed by other organization;

7) participate in elaboration of the knowledge and skills development plan;

8) within two business days report the changes entailing termination of his/her office as an independent director to the Chairman of the Board of Directors, who shall immediately communicate this information to the shareholders for them to decide accordingly.

43. A member of the Board of Directors shall observe the following rules and requirements relating to the conflict of interests:

1) not vote on the issues, he/she is interested in;

2) not disclose confidential, insider and other information he/she learned about when executing the duties of the member of the Board of Directors, and not to use it in his/her own interests or in the interests of the third parties during



his/her term of office as a member of the Board of Directors and within five (5) years following the termination of his/her office in the Company;

3) timely inform of his/her affiliation or changes to affiliation;

4) not establish and participate in the bodies of the organisations - competitors to the Company.

5) not use the Company property or admit its use in conflict with the Company's Charter and the decisions of the General Meeting of Shareholders and the Board of Directors, as well as for personal advantage, and not take advantage during settlement of transactions with affiliated entities;

6) initiate holding of meetings of the Board of Directors to solve urgent issues;

7) monitor disclosure and submission of the information on the Company's activities in accordance with the legislative requirements of the Republic of Kazakhstan;

8) independent directors shall take an active part in discussion of the issues with potential for conflict of interests (preparation of financial statements and other reporting, non-arms length transactions, proposing of candidates to the Management Board, determination of the remuneration rates for the Management Board members);

9) observe all rules and procedures set in the internal documents of the Company relating to the security system and safety of confidential information of the Company.

## **8 MANAGEMENT OF THE BOARD OF DIRECTORS ACTIVITY**

44. Preparation and holding of the meetings of the Board of Directors shall ensure maximum efficiency of its activity. To perform their duties, the members of the Board of Directors shall have access to complete, relevant and timely information.

45. The Board of Directors shall hold its meetings regularly to ensure the efficient fulfilment of its duties. The meetings shall be held in accordance with the Work Plan of the Board of Directors to be approved before the beginning of the calendar year and including the list of agenda issues and the schedule of meetings with their dates. The Plan shall be developed in accordance with the proposals of the members of the Board of Directors, Internal Audit Service and Management Board. The Plan of the Board of Directors shall be revised every six months.

46. Preparation of the annual Work Plan of the Board of Directors shall be controlled by the Chairman of the Board of Directors.

47. Recommended periodicity of the meetings of the Board of Directors shall be eight-twelve (8-12) meetings a year. It is recommended that the issues planned for consideration during the year are evenly distributed to ensure their thorough and comprehensive discussion and making timely and sound decisions.

48. The agenda of the meeting of the Board of Directors shall not include the issues the supporting materials on which have been submitted behind the schedule. In case such issues are included onto the agenda, this shall be justified by the Chairman of the Board of Directors.

49. The Board of Directors shall make its decisions based on complete, reliable and sound information. The following conditions shall be ensured for the efficient and timely decision making by the Board of Directors:

- high quality of the materials, information, and documents submitted to the Board of Directors;
- consulting with experts (internal and external) as required;
- sufficient time contributed to discussion of issues at the meetings of the Board of Directors, especially important and complex issues;
- timely consideration of issues;
- the decisions shall specify the forward actions, deadlines and responsible persons.

50. The following conditions may have negative impact on the quality of the decisions of the Board of Directors:

- domination of one or several directors at the meeting, which may limit the full participation of other directors in the discussions;
- formal attitude to risks;
- pursue of personal interest and low ethic standards;
- formal attitude to decision making at the meetings of the Board of Directors, without real and involved discussions;
- non-tolerant standing (lack of flexibility) or lack of drive to development (being content with the current position);
- poor organisational culture;
- lack of information and/or analysis.

51. Members of the Board of Directors shall have the right to request for additional information on the agenda issues required for decision making.

## **9 CONVENING OF MEETING OF THE BOARD OF DIRECTORS**

52. The meeting of the Board of Directors can be convened on the initiative of its Chairman, Management Board or as requested by:

- 1) any member of the Board of Directors;
- 2) Internal Audit Service;
- 3) audit company auditing the Company;
- 4) Major Shareholder.

53. The request for convening a meeting of the Board of Directors shall be made to the Chairman of the Board of Directors by the corresponding written request proposing the issues to be considered by the Board of Directors. The Chairman of the Board of Directors shall ensure the preparation of the meeting agenda. The agenda of the Board of Directors meeting shall be prepared with allocation of total time set for the meeting so as the Board of Directors could have enough time to discuss all agenda issues and focus on detailed and deep consideration of issues given in Clause 66 herein.

54. In case the Chairman of the Board of Directors refuses to convene the meeting, the initiator has the right to address the mentioned request to the Management Board that must convene the meeting of the Board of Directors.

55. The meeting of the Board of Directors shall be convened by the Chairman of the Board of Directors or the Management Board no later than fifteen (15) business days after receipt of the request for convening a meeting.

56. The Board of Directors shall specify the order for notification to the members of the Board of Directors.

57. The member of the Board of Directors shall be obliged to beforehand inform the Management Board of impossibility to participate in the meeting of the Board of Directors.

58. Materials for the meetings of the Board of Directors shall be sent to the members of the Board of Directors at least seven (7) calendar days in advance, or at least fifteen (15) working days prior to the meeting in case of the issues listed in clause 66 hereof.

## **10 PROCEDURE FOR HOLDING A MEETING OF THE BOARD OF DIRECTORS**

59. The Chairman of the Board of Directors shall open the meeting of the Board of Directors.

60. Secretary of the Board of Directors, a Corporate Secretary, shall determine the quorum for convening the meeting of the Board of Directors. The quorum to hold the meetings of the Board of Directors shall be at least a half of elected members of the Board of Directors.

61. The Chairman shall inform the attendees of the quorum to hold the meeting of the Board of Directors and announce the agenda of the meeting of the Board of Directors.

62. The review of the agenda issues at the meeting of the Board of Directors shall include the following stages:

1) statement of the agenda issue by a member of the Board of Directors or an invitee for 5-10 minutes depending on the complexity of the issue;

2) discussion of the agenda issue depending on the complexity of the issue;

3) proposals on the decisions to the agenda issue;

4) voting on the agenda issue;

5) vote counting;

6) announcing of the voting results and the decision made on the agenda issue.

63. Decisions at the meetings of the Board of Directors shall be made by the majority of votes of the members attending the meeting of the Board of Directors, except as otherwise indicated in the laws of the Republic of Kazakhstan, the Charter and these Regulations.

64. Each member of the Board of Directors shall have only one vote for each of the discussed issues. In the event of a tie, the vote of the Chairman of the Board of Directors is a decisive one. Transfer of a vote by one member of the Board of Directors to another member of the Board of Directors or any other person shall not be allowed.

65. The representatives of the major shareholder, auditors of the Company, employees of the Company and other parties can also be invited to the meeting of the Board of Directors.

## **11 MEETING OF THE BOARD OF DIRECTORS IN PRESENTIA**

66. Meetings of the Board of Directors can be held in presentia and absentia, at that the number of meetings in absentia shall be minimal. Review and decision-making on the following particularly important and strategic issues shall only be done at the meetings of the Board of Directors in presentia:

1) outline priority areas of the Company's development, as well as approve the Company's development strategy and monitor the strategy implementation;

2) approve the Development Plan and amendments and supplements thereto;

3) preliminarily approve annual financial statements of the Company;

4) approve the Company's annual report and sustainability report;

5) propose to the General Meeting of Shareholders with regard to distribution of the Company's net income for the past financial year and the amount of dividend per one ordinary share of the Company;

6) specify the quantitative composition, terms of office of the Management Board, elect the Chairman of the Management Board and its members, and early terminate their terms of office;

7) assign and specify the term of office of the Corporate Secretary, early terminate his/her terms of office, as well as approve the Regulations on the Corporate Secretary;

8) make a decision on the Company's participation in the establishment and activities of other entities or withdrawal from the members (shareholders) of other legal entities by transferring (receiving) a part or several parts of assets, except as provided in Article 21.1.15 of this Charter;

9) approve the total number of employees and the central office structure of the Company;

10) ensure observance and analyse efficiency of the Company's risk management system, and approve internal risk management documents of the Company, including, but not limited to, the Risk Management Policy, Rules for Risk Limiting;

11) approve the annual audit plan of the Internal Audit Service;

12) review quarterly and annual reports of the Internal Audit Service and make decisions in their regard (as recommended by the Audit Committee under the Board of Directors);

13) approve the key performance indicators and their target values for the members of the Management Board (as recommended by the Nomination and Remuneration Committee within the Board of Directors), for the Head of Internal Audit Service (as recommended by the Audit Committee under the Board of Directors);

14) decide on the Company transaction or set of inter-related transactions as a result of which the Company buys or sells (can buy or sell) a property with a value of ten and more percent of the total assets of the Company;

15) monitor the achievement of the target values set for the key performance indicators of the Company;

16) approve the external audit policy;

17) approve a document regulating the issues relating to management of the Company's and legal entities' assets, whose shares directly or indirectly belong to the Company (including but not limited to the issues on restructuring, reorganisation, dissolution, acquisition and (or) selling, transfer in trust, encumbrance, etc.); monitor its implementation, and revise this document on a periodic basis.

And review of investment/loan projects and personnel issues.

67. Exceptionally, combination of both meeting forms of the Board of Directors is possible. This is possible when one or several members of the Board of Directors have no possibility to present personally at the meeting of the Board of Directors. The quorum to hold a meeting of the Board of Directors shall amount to not less than a half of its members and be determined with account of the absent members of the Board of Directors who participate in discussion and voting of the agenda issues using technical communications (video-conference, conference-call and others) or their votes given in a written form.

68. The Chairman of the Board of Directors in accordance with the established procedure prepares the agenda to be approved by the Board of Directors.

69. When opening the meeting of the Board of Directors in presentia, the Chairman of the Board of Directors must report the received proposals on changes to the agenda. The agenda can be changed and (or) supplemented, if the majority of members of the Board of Directors has voted to.

70. The agenda of the Board of Directors meeting shall be approved by the majority of votes of the Board of Directors members.

71. The recommended number of issues included on the agenda of one meeting in presentia of the Board of Directors shall not exceed ten. In exceptional cases the Chairman of the Board of Directors may approve inclusion of additional issues.

72. The responsibility for the agenda formation, notification of members of the Board of Directors and the meeting participants and their provision with the required materials is imposed on the Corporate Secretary, and in case of his/her absence, on the Management Board.

73. If a meeting of the Board of Directors is convened on the initiative of the Management Board, materials for the meeting of the Board of Directors shall contain:

- 1) the meeting agenda signed by the Chairman of the Management Board;
- 2) draft document subject to consideration, and other documents relevant to the considered issue agreed with the Chairman of the Management Board or the member of the Management Board who supervises this issue;
- 3) copies of the decision of the Management Board, Credit and/or Investment Committees and/or other collective bodies of the Company (if available and required);
- 4) explanatory notes and draft decision of the Board of Directors for each of the considered agenda issues and justification for the draft decision, signed by the Chairman of the Management Board or the acting Chairman of the Management Board;

5) voting ballot for the meeting of the Board of Directors in absentia in case of holding such;

6) other documents required to review and analyse the agenda issues, if available (presentations, calculations, copies of decisions of the committees and other collective bodies of the Company on the respective issues), reference materials substantiating inclusion of the specified issues on the agenda.

74. The member of the Board of Directors absent at the meeting may provide a written notification (opinion) on the agenda issues.

75. The written notification (opinion) shall contain:

- 1) date of preparation;
- 2) agenda, the absent member of the Board of Directors is expressing his opinion on;
- 3) a clearly-defined position with respect to each issue on agenda;
- 4) signature of the member of the Board of Directors;
- 5) other information relating to the agenda at the discretion of the member of the Board of Directors.

76. The written notification (opinion) of the member of the Board of Directors can be forwarded to the Chairman of the Board of Directors by registered mail, by dispatch or handed over to the Corporate Secretary personally or through a representative.

77. The written notification (opinion) submitted by member of the Board of Directors shall be taken into account when counting the quorum and vote results and filed with the minutes of meeting.

78. The written notification (opinion) shall be submitted by the member of the Board of Directors to the Chairman of the Board of Directors or Corporate Secretary before holding the meeting of the Board of Directors.

79. If the member of the Board of Directors, who has earlier submitted the written notification (opinion), arrives to participate and vote at the meeting of the Board of Directors, his/her written notification (opinion) is not considered.

80. A decision on the Company's non-arms length transactions shall be made by simple majority of votes of the members of the Board of Directors, who are not interested in this transaction.

81. In case all members of the Board of Directors, except independent directors, are interested in such transaction, the decision shall be made by simple majority of votes of independent directors. When it is impossible to make a decision on an issue by simple majority of votes of independent directors due to lack of the required number of votes, the decision shall be made at the General Meeting of Shareholders by the majority of votes by the shareholders not interested in such transaction.

82. In case all shareholders holding ordinary shares of the Company are interested in the transaction, the decision on the Company's non-arms length transactions shall be made by the General Meeting of Shareholders by a simple majority of votes in the overall number of voting shares of the Company.

83. If a member of the Board of Directors does not agree fully or in part with the decision made by the Board of Directors, the member has the right to state his/her disagreement as a special opinion on the issue proposed for voting

and it will be recorded by the Corporate Secretary in the minutes of meeting of the Board of Directors in presentia . In case the Board of Directors makes a decision by absent voting, a special opinion of the Board of Directors member shall be expressed in writing and enclosed to the filled-in voting ballot.

84. When considering important issues the list of which is approved by the Board of Directors, a shorthand report shall be carried out.

85. The Board of Directors has the right to make a decision as to holding the closed-door meeting with participation of members of the Board of Directors only.

86. Decisions of the Board of Directors made at the meeting in presentia shall be recorded in a form of minutes.

87. The member of the Board of Directors who does not participate in the meeting of the Board of Directors or who votes against the decision made by the Board of Directors with violation of the procedure set in the Law, the Charter, and these Regulations, shall have the right to challenge the decision in court.

## **12 MEETING OF THE BOARD OF DIRECTORS IN ABSENTIA**

88. Meetings in absentia cannot be held more often than once a quarter.

89. When a decision is made by absent voting the agenda of the Board of Directors meeting cannot be changed and (or) supplemented.

90. Voting in absentia shall be done at the initiative of any member of the Board of Directors. The request to carry out absent voting shall be submitted to the Chairman of the Board of Directors (and in case he refuses to carry out absent voting – to the Management Board) in writing and contain a clearly and unambiguously defined issue (issues) put for voting.

91. In case of objections of at least one member of the Board of Directors against consideration of an issue at the meeting in absentia, the issue shall be included in the agenda of a regular meeting in presentia of the Board of Directors.

92. A decision by absent voting shall be acknowledged as adopted in presence of quorum in voting ballots received within the established deadline.

93. The voting ballot shall contain the following:

- 1) full commercial name of the Company and its location;
- 2) data on convening the meeting of the Board of Directors;
- 3) date of voting ballots submission to the member of the Board of Directors and the deadline for submission of voting ballots;
- 4) postal address to which the completed voting ballots shall be sent;
- 5) agenda of the meeting;
- 6) wording of issues to be introduced for voting and formulations of decisions on each issue;
- 7) voting options on each issue: 'pro', 'con', 'abstain' and reasons why the member of the Board of Directors votes 'con', 'abstain' or has some remarks.

Written opinions of the members of the Board of Directors shall be included in the minutes.

94. The Director who has interests in the issue introduced for consideration of the Board of Directors shall not participate in discussion and voting on this

issue and the respective record shall be made in the minutes of the meeting of the Board of Directors.

95. Minutes of meetings of the Board of Directors in presentia and absentia, voting ballots for voting in absentia shall be made using the forms given in appendices 1-3 hereto.

96. The decision of the meeting of the Board of Directors in absentia shall be forwarded to the members of the Board of Directors with the enclosed copies of voting ballots based on which this decision was made, within not later than twenty (20) days from the date of the decision formalisation.

97. The minutes of a combined meeting of the Board of Directors shall be formalised in accordance with appendix 1 hereto with attachment of voting ballots submitted by the members of the Board of Directors who voted in absentia.

### **13 MINUTES OF THE BOARD OF DIRECTORS MEETING**

98. Meetings of the Board of Directors shall be duly recorded by the Corporate Secretary with an indication to the full extent of the discussions and decisions results *in the form of the Minutes of Meeting in praesentia of the Board of Directors or the Board of Directors' decision in case of absentee voting.*

99. *Minutes (decision)* of the Board of Directors meeting shall be drawn up by the Corporate Secretary and signed by the person chairing the meeting and the Corporate Secretary within three (3) business days from the date of the meeting (*absentee voting*) and shall contain:

- 1) full name and location of the Management Board of the Company;
- 2) *form of the meeting (meeting in praesentia or absentee voting);*
- 3) date of the meeting (*voting*);
- 4) venue of the meeting (*in case of voting in praesentia*);
- 5) time of meeting start and end (*in case of voting in praesentia*);
- 6) information on people who participated in the meeting (*voting*) and the *form of their participation in case of their physical absence in meeting in praesentia (for example, via videoconference, telephone conference call, etc.) or available votes expressed in writing;*
- 7) *proposed and approved agenda* of the meeting.
- 8) issues introduced for voting, discussion and vote results on them reflecting vote results of each Board of Directors member to each agenda issue of the Board of Directors meeting;
- 9) *discussion of issues of the meeting agenda stating for each issue (not more than one (1) page of the text) as follows:*
  - (a) *main report points,*
  - (b) *issues put by members of the Board of Directors to a reporter;*
  - (c) *main comments of the members of the Board of Directors and arguments for and against the proposed decision,*
  - (d) *special opinion of the members of the Board of Directors on an issue (if such opinion is available);*
- 10) *decisions made on each meeting agenda issue;*
- 11) *materials given for each issue set for voting;*
- 12) other information as decided by the Board of Directors.



100. The Corporate Secretary shall be responsible for accuracy of drawing up the minutes (decisions) *and send the approved minutes (decisions) in the electronic form to all members of the Board of Directors within three (3) working days upon the meeting (absentee voting) of the Board of Directors.*

101. Minutes of meetings of the Board of Directors including materials of meetings of the Board of Directors, decisions of meetings in absentia, voting ballots for absent voting, shorthand reports shall be kept at the Corporate Secretary and upon completion of two (2) years from the date of their acceptance shall be duly passed to the Company's archive. The Corporate Secretary shall be responsible for safety of such documents until they are passed to the Company's archive.

102. Upon request of the member of the Board of Directors the Corporate Secretary of the Company shall be obliged to submit the original of minutes (decision) of the meeting of the Board of Directors to him/her for examination and if necessary to transfer a copy of minutes (decision) and approved or reviewed materials authenticated by his/her signature and seal of the Company on each page.

#### **14 CONTROL OVER EXECUTION OF DECISIONS OF THE BOARD OF DIRECTORS**

103. The Board of Directors shall control execution of its earlier decisions, at that these decisions and decision making process shall be analysed through reviewing the reports of the Management Board, the Committees of the Board of Directors, the Internal Audit Service and the Corporate Secretary relating to execution and (or) course of execution of decisions of the Board of Directors presented at the meeting of the Board of Directors. Also, the Board of Directors shall revise earlier decisions while assessing its own performance.

104. The Corporate Secretary shall inform the Management Board and the Internal Audit Service of the made decisions and respective instructions and inform the Board of Directors of the deadlines for execution of decisions of the Board of Directors.

#### **15 COMMITTEES OF THE BOARD OF DIRECTORS**

105. Committees of the Board of Directors can be established for more in-depth and quality work out of issues and preparation of recommendations to the Board of Directors on the following issues:

- 1) audit;
- 2) appointments and remuneration;
- 3) other special committees.

Other committees can be established at discretion of the Board of Directors.

106. The Board of Directors shall make a decision to establish committees, define personal and numerical composition, chairmen, term of office, and also functions and work procedure of the committees.

107. The committees shall be composed of members of the Board of Directors and experts possessing necessary professional knowledge for work in the

certain committee. Potential conflict of interest shall be considered during composition of the committees.

Chairmen of committees in addition to professional competencies shall possess leadership and executive abilities, and good communication skills to effectively organize the work of the committee.

108. Functions, powers, composition and process of organizing the work of the committees shall be governed by the relevant regulations approved by the Board of Directors and containing provisions on membership, competence, procedure for election of the committee members, work procedures of the committees, as well as rights and obligations of their members.

109. None but the chairman of the committee and its members are entitled to attend meetings of the committees. Other persons are allowed to attend the meetings of committees only if invited by the respective committee.

110. The committees shall prepare the plan of their work annually; this plan shall be agreed with the work plan of the Board of Directors indicating the list of the considered issues and dates of the meetings. The frequency of committee meetings shall be at least four (4) meetings per year; the committee shall meet in person with drawing up the minutes. In order to create favourable conditions and reduce the costs of committee meetings, members may attend the committee using technical means of communication.

111. The chairmen of the committees shall prepare a report on the activities of the committee and report to the Board of Directors on the results of operations for the year at a separate meeting. The Chairman of the Board of Directors shall be entitled to demand from the committees to submit information on ongoing activities throughout the year. Terms of preparation and submission of such report shall be determined by the Board of Directors.

## **16 RELATIONS OF THE BOARD OF DIRECTORS WITH THE GENERAL MEETING OF SHAREHOLDERS AND THE MANAGEMENT BOARD**

112. Decisions of the General Meeting of Shareholders made within its competence shall be obligatory for the Board of Directors. The Board of Directors shall annually report on its activity to the General Meeting of Shareholders by submitting the report on executed work based on the results of the past year.

113. The annual report of the Board of Directors on executed work, to be submitted to the General Meeting of Shareholders for approval as a part of the annual report, shall contain but not limited to the following information:

1) membership of the Board of Directors including the Chairman of the Board of Directors, independent directors, election criteria for independent directors, the Chairman of the Management Board and committees members;

2) data on each director, whom the Board of Directors considers being independent, as well as on the fact whether the director was independent when making its decisions;

3) quantity of meetings of the Board of Directors and its committees, as well as attendance by each member of the Board of Directors of the meetings of the Board of Directors and the committee, he/she is a member to;

4) report on the committees work relating to implementation of their functions including reasons for rejection of some proposals and/or recommendations of the committees by the Board of Directors;

5) report on the work of the Board of Directors, including full information on the issues the decisions on which shall be made by the Board of Directors, as well as issues the decisions on which were delegated to the Chairman of the Management Board;

6) evaluation of the Company's standing and development prospects;

7) evaluation of activity of the Board of Directors, the committees, some directors, the Management Board, the Corporate Secretary, the Internal Audit Service and its head;

8) measures taken by the Board of Directors to take account of the opinions of the General Meeting of Shareholders regarding the Company (through direct communication and briefings);

114. The Board of Directors and the Management Board shall engage with each other in a cooperative manner, act in the interests of the Company and make decisions based on sustainability principles and fair attitude to all shareholders.

115. The Board of Directors and the Management Board shall ensure the growth of the long-term value and sustainable development of the Company;

## **17 LIABILITIES OF MEMBERS OF THE BOARD OF DIRECTORS**

116. Members of the Board of Directors shall be liable personally to the Company and the General Meeting of Shareholders for damage caused by their actions (omissions) in accordance with the laws of the Republic of Kazakhstan including losses incurred due to:

1) provision of deceitful or deliberately misleading information;

2) violation of the information submission order established by the laws;

117. At that the members of the Board of Directors, who voted against the decision that caused the Company's losses or did not participate in the voting, shall not be liable;

118. When defining grounds and amount of liability of members of the Board of Directors, account shall be taken of ordinary course of business and other circumstances material to the case.

## **18 ASSESSMENT OF THE BOARD OF DIRECTORS' PERFORMANCE**

119. The Board of Directors shall annually make official and overall assessment of its activity, work of its committees, each of directors, but at least once in three years the assessment shall be performed with the engagement of an independent professional organization.

120. The assessment shall allow determining the contribution of the Board of Directors and each of its members in the growth of long-term value and sustainable development of the Company, and identifying trends and recommending measures for improvement. The results of the assessment shall be taken into account during re-election or termination of office of members of the Board of Directors.

121. Assessment of the Board of Directors, its committees and members of the Board of Directors, provision of feedback to the Board of Directors members and development of further measures for improvement shall be carried out under the guidance of the Chairman of the Board of Directors. The results of the assessment shall be discussed at a separate meeting of the Board of Directors.

122. The Chairman of the Board of Directors shall be responsible for the whole assessment process and take actions upon its results.

123. The Chairman of the Board of Directors, chairmen of the Board of Directors' committees shall review and act with due account of the results of the Board of Directors assessment.

124. The Board of Directors, in the annual report presents how the assessment of the Board of Directors was performed and what actions were taken based on those results. In case of involvement of an independent consultant, it is specified whether it rendered other consulting services to the Company during the last three years.

## **19 REMUNERATION TO MEMBERS OF THE BOARD OF DIRECTORS**

125. The Company shall disclose information on remuneration amount of the members of the Board of Directors to all stakeholders in accordance with the laws of Kazakhstan. The information on remuneration amount of the members of the Board of Directors for the reporting period must be disclosed in the annual report prepared for the General Meeting of Shareholders.

126. Rules for remuneration of members of the Board of Directors shall be approved by the General Meeting of Shareholders.

127. By the decision of the General Meeting of Shareholders of the Company, members of the Board of Directors shall be paid fixed annual remuneration during the period of fulfilment of their duties and also additional remuneration for participation in each meeting in praesentia of the committee of the Board of Directors of the Company.

128. When determining the amount of remuneration, the expected contribution of members of the Board of Directors to enhance the efficiency of the entire Board of Directors and the Company's activities, duties of the members of the Board of Directors, the scale of the Company's operations, long-term goals and objectives defined by the development strategy, the complexity of the issues considered by the Board of Directors, the level of remuneration in similar companies (benchmarking, review of remuneration) shall be taken into account.

129. The Board of Directors members shall be compensated for the expenses related to the performance of their functions as members of the Board of Directors. Amount of such remuneration and compensation shall be determined by the decision of the General Meeting of Shareholders. The Board of Directors members shall be paid, but not limited to, the cost of travel to place of the meeting of the Board of Directors and business trip expenses.

130. Conditions of independent directors remuneration shall be reflected in the contracts concluded with them and, if necessary, in the internal document of the Company.

131. The Chairman of Management Board, if elected as a member of the Board of Directors, shall not be remunerated for his work in the Board of Directors.

132. Nobody shall be involved in the decisions relating to his/her own remuneration.

## **20. FINAL PROVISIONS**

133. Approval of the present Regulations, as well as amendments and additions thereto shall be within the competence of the General Meeting of Shareholders of the Company.

134. If there are changes to the laws of the Republic of Kazakhstan, the Charter or the Code contradictory to some provisions of the Regulations, these provisions of the Regulations shall become invalid, and until amendments are made to the Regulations, the officials and employees of the Company shall be governed by the existing legislative acts of the Republic of Kazakhstan, the Charter and the Code.

**Prepared by:**

**Corporate Secretary** \_\_\_\_\_ **Yertai Ramazanov**

**Manager for the**  
**Corporate Secretary Service** \_\_\_\_\_ **Aliya Iskakova**



the Board of Directors shall be authorized to make decisions, if its meeting is attended by, at least, half of members of the Board of Directors of the Company.

Quorum to hold the meeting of the Board of Directors of the Company (*specify information on presence/absence of the quorum, if necessary, specify information on written notifications of absent members of the Board of Directors (mixed voting)*).

Persons invited to the meeting of the Board of Directors can be specified.

The members of the Board of Directors of the Company are proposed the following agenda for the meeting of the Board of Directors for review:

1. (*specify the agenda issue*).
2. (*specify the agenda issue*).
3. (*specify the agenda issue*).

.....

The Chairman of the Board of Directors put the proposed agenda for voting.

Voted:

**'Pro'** – (*specify number of votes and full names of members of the Board of Directors*).

**'Con'** - (*specify number of votes and full names of members of the Board of Directors and reasons why the member of the Board of Directors votes “cons” or has some remarks*).

**'Abstain'** – (*specify number of votes and full names of members of the Board of Directors and reasons why the member of the Board of Directors votes “abstain” or has some remarks*).

**Did not vote** – (*specify number of votes and full names of members of the Board of Directors and reasons why the member of the Board of Directors did not participate in voting or has any remarks*). *The member of the Board of Directors shall not participate in voting if he/she has an interest in a major transaction to be made by the Company in accordance with Articles 64, 71 and 73 of the Law of the Republic of Kazakhstan 'On Joint-Stock Companies' whereof he/she shall make the respective record.*

Decision of the Board of Directors:

Approve the following agenda:

1. (*specify the agenda issue*).
2. (*specify the agenda issue*).
3. (*specify the agenda issue*).

(*Specify position and full name of speaker*) spoke on the **agenda issue (issue No.)** he (she) noted that (*give a brief summary of the issue essence stated by the speaker*).

*The Corporate Secretary shall submit materials regarding the agenda issue put for voting to all members of the Board of Directors.*

(*Specify full names of those participating in discussion of issue and their remarks in brief*) participated in the discussion of issue.

Having reviewed the issue of the agenda and submitted materials in accordance with (*specify the Law of the Republic of Kazakhstan 'On Joint-Stock Companies', provisions of the Company's Charter, Regulations on the Board of Directors based on which this issue refers to the competence of the Board of Directors of the Company*), **the Board of Directors MADE A DECISION:**

**'Pro'** – (*specify number of votes and full names of members of the Board of Directors*).

**'Con'** - (*specify number of votes and full names of members of the Board of Directors and reasons why the member of the Board of Directors votes 'Con' or has some remarks*).

**'Abstain'** – (*specify number of votes and full names of members of the Board of Directors and reasons why the member of the Board of Directors votes 'abstain' or has some remarks*).

**Did not vote** – (*specify number of votes and full names of members of the Board of Directors and reasons why the member of the Board of Directors did not participate in voting or has any remarks*). *The member of the Board of Directors shall not participate in voting if he/she is interested in making a major transaction by the Company in accordance with Articles 64, 71 and 73 of the Law of the Republic of Kazakhstan 'On Joint-Stock Companies' whereof he shall make the respective record.*

1. (*specify the decision item of the Board of Directors of the Company*).

2. (*specify the decision item of the Board of Directors of the Company*).

3. (*specify the decision item of the Board of Directors of the Company*).

(*full name*)

**The Chairman of the Board of Directors**

(*full name*)

**The Corporate Secretary**







**With reference to agenda issue \_\_\_\_\_** *having reviewed the agenda issue and submitted materials in accordance with (specify provisions of the Company's Charter, Regulations on the Board of Directors, the Law of the Republic of Kazakhstan 'On Joint-Stock Companies' according to which this issue refers to the competence of the Board of Directors of the Company),* **the Board of Directors MADE A DECISION:**

**'Pro'** – *(specify number of votes and full names of members of the Board of Directors).*

**'Con'** – *(specify number of votes and full names of members of the Board of Directors and reasons why the member of the Board of Directors votes 'cons' or has some remarks).*

**'Abstain'** – *(specify number of votes and full names of members of the Board of Directors and reasons why the member of the Board of Directors votes 'abstain' or has some remarks).*

**Did not vote** – *(specify number of votes and full names of members of the Board of Directors and reasons why the member of the Board of Directors did not participate in voting or has any remarks). The member of the Board of Directors shall not participate in voting if he/she has an interest in a major transaction to be made by the Company in accordance with Articles 64, 71 and 73 of the Law of the Republic of Kazakhstan 'On Joint-Stock Companies' whereof he/she shall make the respective record.*

1. *(specify the decision item of the Board of Directors of the Company).*
2. *(specify the decision item of the Board of Directors of the Company).*
3. *(specify the decision item of the Board of Directors of the Company).*

*(full name)*

**The Chairman of the Board of Directors**

*(full name)*

**The Corporate Secretary**

**Appendix 3**  
**to the Regulations on the Board of**  
**Directors of KEGOC**

Form of voting ballot for meeting in absentia of the Board of Directors

Ф.П КЕГОС ИД-202-03

**Voting ballot for absent voting of the member of the Board of Directors**  
**of the Kazakhstan Electricity Grid Operating Company**  
**(KEGOC) Joint Stock Company**

**Voting ballot for absent voting of the member of the Board of Directors**  
**of the Kazakhstan Electricity Grid Operating Company**  
**(KEGOC) Joint Stock Company**

Location of the Kazakhstan Electricity Grid Operating Company (KEGOC) Joint-Stock Company (hereinafter KEGOC or the Company) is: 59 Tauyelsizdik Ave., Astana, Republic of Kazakhstan.

The meeting of the Board of Directors of the Company was convened by *(specify full name, position, status)*.

Date of submission of this voting ballot to the member of the Board of Directors of the Company *(full name of the member of the Board of Directors)* is \_\_\_\_\_.

The signed voting ballot shall be passed to the KEGOC Corporate Secretary on or before \_\_\_\_\_ till 6.00 p.m. at the location of KEGOC.

Please vote with regard to the decision and put signature in the respective column referring to the agenda issue.

If you vote for the decision, please put signature in column 'Pro'.

If you vote against the decision, please put signature in column 'Con'.

If you abstain, please put signature in column 'Abstain'.

**Agenda:**

1. *(specify the agenda issue)*.
2. *(specify the agenda issue)*.
3. *(specify the agenda issue)*.

**Member of the Board of Directors made a decision:**

To approve the agenda of the meeting in absentia of KEGOC Board of Directors.

<b>Full name</b>	<b>Pro</b>	<b>Con</b>	<b>Abstain</b>
<i>Specify full name of member of the Board of Directors</i>			

**With reference to the agenda issue \_\_\_\_\_, having reviewed the submitted materials in accordance with (specify provisions of the Company's Charter, Regulations on the Board of Directors, the Law of the Republic of Kazakhstan 'On Joint-Stock Companies' according to which this issue refers to the competence of the Board of Directors of the Company), the member of the Board of Directors MADE A DECISION:**

1. *(specify the decision item of the Board of Directors of the Company).*
2. *(specify the decision item of the Board of Directors of the Company).*
3. *(specify the decision item of the Board of Directors of the Company).*

***Variants of voting \****

<b>Full name</b>	<b>Pro</b>	<b>Con</b>	<b>Abstain</b>
<i>Specify full name of member of the Board of Directors</i>			

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\*Variant of voting shall be marked with signature of the voting member of the Board of Directors.

Vote under this voting ballot shall be taken into account if the voting member of the Board of Directors marks only one of possible variants of voting.

The member of the Board of Directors shall not participate in voting if he/she has an interest in a transaction to be made by the Company in accordance with Articles 64, 71 and 73 of the Law of the Republic of Kazakhstan 'On Joint-Stock Companies' whereof he/she shall make the respective record.

**Appendix 4  
to the Regulations on the Board of  
Directors of KEGOC**

Requirements for the materials submitted for the meetings of the Board of  
Directors

Ф.П КЕГОС ИД-202-04

Materials on agenda issues include:

- 1) explanatory notes with the grounds for putting the issues for consideration by the Board of Directors;
- 2) presentations (slides) including brief summary of the issue concerned and the documents submitted for consideration;
- 3) draft documents submitted for approval, harmonization or acceptance by the Board of Directors;
- 4) reports submitted for consideration or approval by the Board of Directors;
- 5) materials confirming the information given in explanatory notes;
- 6) other informational materials required for making decisions.

**1. Explanatory note**

**For the members of the Board of  
Directors of  
KEGOC**

**EXPLANATORY NOTE  
relating to agenda issue of the meeting of the Board of Directors**

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*description of the issue*

*Content of the agenda issue of the meeting of the Board of Directors*

*The explanatory note shall contain a reference to standards of the existing laws or internal documents of the Company according to which the proposed issue is put for consideration and refers to the exclusive competence of the Board of Directors and shall also include the following list of issues:*

- 1. The substance of the issue, grounds for putting the issue for consideration by the Board of Directors and proposed decision on it;*
- 2. Expected risks of taking or not taking the proposed decision by the Board of Directors, and consequences of the said risk occurrence; the risk mitigation measures;*

3. *Expected social and economical and/or legal impact in case of taking the decision on the issue by the Board of Directors;*
4. *Specific goals, timeframes of expected results and anticipated efficiency;*
5. *Expected financial expenses associated with implementation of the decision of the Board of Directors (additional costs, revenue growth, reduction of costs) on the issue based on the Company's budget;*
6. *Information on legislative acts, the Company's higher bodies documents, documents of the Board of Directors and Company's committees, instructions taken earlier on the addressed issue and results of their implementation;*
7. *The necessity to further bring internal documents of the Company and branches and affiliates in compliance with the decision of the Board of Directors on the subject issue;*
8. *Other data.*

---

(Full name)

## **2. Presentations (slides)**

Presentations (slides) serve to ensure easier perception of the issue essence by the members of the Board of Directors while preparing for the meetings and structural discussion at the meetings.

No references to regulatory documents (if not necessarily required), use of common abbreviations, short sentences and simple wordings are allowed (and appreciated).

Slides can be used by speakers when considering the issue concerned at the meeting of the Board of Directors.

Presentations shall contain at least the following information:

- Issue summary and situation summing-up (1 - 2 slides);
- Informal part: data, analysis, arguments (not more than 5 slides).
  - including summary report (in case of submitting for consideration) with key conclusions, admissions, reasons for deviation (not more than 5 slides);
  - including (in case of submitting for consideration) the list of changes as compared to the similar available document (if any) or brief summaries of the document (if it is a new one).
- Summary of risk analysis and effects of the decisions made or reference to lack thereof (1-2 slides).

Presentations are priority sources of information for the Board members, so special attention shall be made to their preparation.

## **3-5. Draft documents, reports, information for decision making.**

These documents shall be drawn up in accordance with the internal rules and procedures of KEGOC as attachments to the Explanatory Note.

**Appendix 5  
to the Regulations on the Board of  
Directors of KEGOC**

Form of draft decision of the Board of Directors relating to agenda issue

Ф.П КЕГОС ИД-202-05

**Draft**

**Decision of KEGOC Board of Directors relating to the agenda issue of  
the meeting** \_\_\_\_\_  
*description of the issue*

Having reviewed the issue of the agenda and submitted materials in accordance with (*specify the Law of the Republic of Kazakhstan 'On Joint-Stock Companies', provisions of the Company's Charter, Regulations on the Board of Directors, according to which this issue refers to the competence of the Board of Directors of the Company*), **the Board of Directors MADE A DECISION:**

*content of the proposed decision*



**Appendix 6  
to the Regulations on the Board of  
Directors of KEGOC**

**Approval Sheet**

Ф.П КЕГОС ИД-202-06

<b>Position</b>	<b>Full name</b>	<b>Date</b>	<b>Signature</b>
Chairman of Management Board	Bakytzhan Kazhiyev		
Deputy Chairman of Management Board – Corporate Governance	Zhanabai Beksary		
Managing Director – Legal Support and Security	Kairat Zhakipbayev		
Managing Director – Economics	Aibek Botabekov		
Head of Internal Audit Service	Omirzhan Yessetov		
Corporate Secretary	Yertai Ramazanov		
Legal Department	Tolegen Safuani		
Head of Corporate Development Department	Zhuldyz Zhumabayeva		
Investor Relations Department	Dinara Sagintayeva		

**Appendix 7  
to the Regulations on the Board of  
Directors of KEGOC**

Ф.П КЕГОС ИД-202-07

**Revision Record Sheet**

No. of notification being the basis for introducing an amendment	Sheet No.				Name of person introducing the amendments	Signature of the person who made amendments	Date of amendments
	amended	replaced	new	cancelled			
1	2	3	4	5	6	7	8
1	8, 11, 17, 18, 31-34				A. Iskakova		26.08.2016