

**Annex 4**  
**to the Decision of the Board of Directors**  
**of Astana EXPO 2017 NC JSC**  
**dated 31 January 2018**  
**(minutes of meeting No. 1)**

**Regulation for the Committee on Social Affairs, Human Resources and Remuneration of the Board of Directors of Astana EXPO 2017 NC JSC**

**1. General provisions**

1. This Regulation for the Committee on Social Affairs, Human Resources and Remuneration of the Board of Directors of Astana EXPO 2017 NC JSC (hereinafter – Regulation) is developed in accordance with the legislation of the Republic of Kazakhstan, Charter, Corporate Governance Code and other internal documents of Astana EXPO 2017 NC JSC (hereinafter – Company).

2. This Regulation defines the status, competence, composition, procedure of work and functions of the Committee on Social Affairs, Human Resources and Remuneration of the Board of Directors of the Company (hereinafter – Committee), as well as the rights and responsibilities of the members of the Committee.

3. The Committee is established to consider the most important issues and prepare recommendations to the Board of Directors within its competence as defined in this Regulation.

4. The Committee shall report to the Board of Directors of the Company and act within the authority granted by the Board of Directors of the Company and this Regulation.

5. In its activities, the Committee shall be guided by the legislation of the Republic of Kazakhstan, Charter of the Company, Regulation for the Board of Directors, this Regulation, decisions of the Sole Shareholder and Board of Directors of the Company.

**2. The main functions of the Committee**

6. The main functions of the Committee shall be to assist the Board of Directors of the Company on the issues of appointment (election), setting the motivational Key performance indicators, performance assessment, remuneration and continuity planning of the head and members of the Management Board, appointment and remuneration of the Corporate Secretary, as well as participation in the consideration of the specified issues regarding the composition of the Board of Directors itself, in the cases of granting such authority by the general meeting of shareholders (sole shareholder). In this case, the members of the Committee are recommended to prevent occurrence of a situation of conflict of interest and not to participate in the consideration their own appointment and/or remuneration.

### **3. The competence of The Committee**

7. The Committee's competence shall include the following:

(1) providing recommendations on qualifying requirements to candidates for members of the Board of Directors (excluding Chairman of the Board of Directors) and to experts of the committees of the Board of Directors, members of the Management Board, for the position of Corporate Secretary;

(2) providing recommendations on candidates for the Board of Directors (excluding Chairman of the Board of Directors), Management Board (excluding Chairman), for the position of Corporate Secretary and head of a structural unit of the Company, other employees, appointing or approving the appointment by the Board of Directors;

(3) providing recommendations for the evaluation of activities of the Board of Directors, committees of the Board of Directors and each member of the Board of Directors;

(4) providing recommendations for induction policy of newly elected members of the Board of Directors;

(5) providing recommendations on professional development policy and engaging external experts by the members of the Board of Directors of the Company;

(6) developing recommendations for the Company's policy in the field of remuneration for members of the Board of Directors and the Management Board;

(7) providing recommendations on human resources policy (HR management policy) of the Company;

(8) providing recommendations for continuity policy in the work of the members of the Board of Directors and members of the Management Board;

(9) providing recommendations on the issues of corporate social responsibility;

(10) providing the Board of Directors an annual report on the work of the Committee;

(11) other issues related to the competence of the Committee.

### **4. Rights and obligations of the members of the Committee**

8. Members of the Committee shall be entitled to:

(1) request documents, reports, explanations and other information from the members of the Board of Directors, committees, Management Board, Internal Audit Service, Corporate Secretary and other employees of the Company;

(2) invite officials and other employees of the Company to its meetings;

(4) make recommendations to the Board of Directors of the Company on changes and additions to the Regulation.

9. Members of the Committee shall be obliged to:

(1) carry out their activities honestly and in good faith in accordance with the Regulation, in the interests of the Sole Shareholder and the Company in general, and respect the basic principles of the Corporate Governance Code of the Company;



- (2) spend sufficient time for the effective implementation of their obligations;
- (3) participate in the work of the Committee and attend its meetings;
- (4) provide to the Board of Directors an annual report on the activities of the Committee;
- (5) maintain the confidentiality of information received in the implementation of activities of the Committee;
- (6) report to the Board of Directors of the Company about any changes in the status of an independent director or about the conflict of interest related to the decisions to be taken by the Committee.

### **5. The election and composition of the Committee**

10. The Committee shall consist of three members.

11. Members of the Committee shall be elected by a majority of votes of the members of the Board of Directors.

12. The Committee shall be composed of a majority from among the independent directors to make objective and independent decisions and avoid the influence of stakeholders (representatives of the shareholders, head of the Management Board, employees or other persons) on judgment of the members of the Committee.

13. Members of the Committee shall have the necessary knowledge and practical experiences in the area of HR management and assessment of their activities, as well as in the area of corporate governance.

14. The Chairman of the Committee shall be elected from among the independent directors. The decision on the election shall be made by a simple majority of votes of the total number of members of the Company's Board of Directors. The Board of Directors of the Company has the right to re-elect the Chairman of the Committee at any time.

15. In the absence of the Chairman of the Committee, his/her obligations shall be performed by one of the members of the Committee elected at the meeting of the Committee through open voting by a simple majority of votes of the total number of members of the Committee present at the meeting.

16. If necessary, the Committee may include experts, without the right to vote, who has the necessary professional knowledge for the work in the Committee. Experts with professional experience and expertise in the industry, in accordance with the goals, tasks and competence of the Committee, shall be engaged in the work of the Committee to ensure its effective performance. The role of experts in the membership of the Committee shall be to provide necessary information to the members of the Committee in decision-making, using the expertise and professional experience that would enable the Committee to fully explore the issues and develop recommendations for the Board of Directors.

17. The Corporate Secretary of the Company shall perform the functions of secretary of the Committee.

18. The terms of office of the members of the Committee shall coincide with

their terms of office as members of the Board of Directors, but they may be revised annually by the Board of Directors.

19. The Board of Directors may at any time terminate the term of office of a member of the Committee.

#### **6. The Chairman of the Committee**

20. The Chairman of the Committee shall organize the work of the chaired Committee, in particular:

- (1) convene meetings of the Committee and chair them;
- (2) adopt the agenda for the meetings of the Committee, including the subject-matter of the items for discussion at the meeting of the Committee;
- (3) organize discussions during the meetings of the Committee, as well as to hear the views of the persons invited to participate in the meeting;
- (4) maintain regular contacts with the members of the Board of Directors of the Company, members of the Management Board of the Company, structural units of the Company to receive the most complete and accurate information, necessary for the Committee's decision-making, and to ensure their effective interaction with the Board of Directors of the Company;
- (5) distribute duties among its members, give them instructions related to the in-depth study of an issue and preparing inputs for consideration by the meeting of the Committee;
- (6) ensure and coordinate the execution of the decisions of the Committee;
- (7) develop a plan of regular meetings for the current year, taking into account the plan of meetings of the Board of Directors, oversee the implementation of his/her decisions and plans;
- (8) prepare a report on the activities of the Committee and report, at a separate meeting, to the Board of Directors on the results of the activities in the respective year. The Board of Directors shall have the right at any time during the year to require the Committee to report on current activities. The time-frame for the preparation and presentation of such report shall be determined by the Board of Directors of the Company.

#### **7. The procedure of work of the Committee**

21. The Committee's work shall take the form of meetings.
22. The Committee shall hold meetings as required, but not less than four meetings per year.
23. The Corporate Secretary shall ensure preparation and organization of the meetings of the Committee, collection and systematization of materials for meetings, timely communication of notifications on the meetings of the Committee, agenda of meetings, materials on the agenda of meetings to the Committee members and invited persons, writing the minutes of meetings, preparation of draft decisions of the Committee, provision, as necessary, extracts from the minutes of meetings of the Committee, as well as storage of all relevant materials. The Corporate Secretary shall ensure that Committee members receive



necessary information.

24. Meeting of the Committee shall be convened on the initiative of the Chairman of the Committee or any member of the Committee or by decision of the Board of Directors of the Company.

25. In case of refusal of the Chairman of the Committee to convene a meeting, the initiator may apply with such request to the Board of Directors of the Company that shall convene a meeting of the Committee.

26. Notification of meetings of the Committee, together with the agenda, shall be communicated to the persons participating in the meeting, not later than seven (7) calendar days prior to the date of the meeting of the Committee.

27. Meeting of the Committee shall have a quorum if it involves at least half of the members of the Committee.

28. During the voting, the Chairman of the Committee and its members may decide to vote on items of the agenda of the meetings of the Committee in the presence of only the members of the Committee entitled to vote. In such cases, experts and other persons, who are invited to participate in the meeting of the Committee as observers, shall be present at the meeting of the Committee only for discussion, and leave the meeting room at the time of voting.

29. Third parties without the right to vote on items of the agenda of the meetings of the Committee may attend the meetings of the Committee at the invitation of the Chairman of the Committee.

The Committee's decisions shall be formalized by minutes.

30. The Committee shall meet in person, with the execution of minutes. In order to create favourable conditions and reduce the cost of Committee meetings, members of the Committee may participate through technical means of communication.

31. Minutes of the meeting of the Committee shall be signed by all members of the Committee participating in the meeting and the Corporate Secretary.

Signed minutes of the meeting of the Committee shall be submitted to the Corporate Secretary to execute materials for the meeting of the Board of Directors. Each member of the Committee shall have the right to initiate recording in the minutes of the meeting of the Committee of separate view on items of the agenda.

32. The Committee shall take decisions by a simple majority of votes of the members of the Committee present at the meeting. In the event of tie vote, the vote of the Chairman of the Committee shall be decisive.

## **8. Final provisions**

33. The Regulation, as well as changes and additions hereto, shall be approved by the Board of Directors of the Company.

34. If, as a result of changes in the legislation of the Republic of Kazakhstan, certain provisions of the Regulation are in contradiction with it, these provisions shall cease to be in force, and the Company shall be guided by the requirements of the legislation of the Republic of Kazakhstan until the Regulation is changed.