Approved by the decision of

  General meeting of the participants of APPAK LLP

  «26» October, 2018

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| **CHARTER of** **APPAK**  **Limited Liability Partnership** |

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# GENERAL PROVISIONS

* 1. This charter (hereinafter the **"Charter")** of APPAK Limited Liability Partnership (hereinafter the **"Partnership”)** establishes its name, location, the procedure for the formation and the authorities of its bodies, the terms and conditions of reorganization and termination of its activities and other provisions not contrary to the legislation of the Republic of Kazakhstan.
	2. The Partnership is organized in accordance with the legislation of the Republic of Kazakhstan.
	3. The founders of the Partnership (hereinafter the **"Participants"**) are:

**National Atomic Company "Kazatomprom" Joint Stock Company,** hereinafter referred to as **"NAC Kazatomprom JSC",** a legal entity duly organized and existing in accordance with the legislation of the Republic of Kazakhstan located at: Republic of Kazakhstan, 010000, 10, D. Kunayev Street, Yessil District, Astana, registered in the Department of Justice in Astana on 23rd of August, 2011 (Certificate on State Re­registration #41031-1901-AO dated 23rd of August 2011, TIN 181600039479, bank requisites: BIN 970240000816, IBAN KZ3983201T0250057008 in JSC "CitiBank Kazakhstan", BIC CITIKZKA),,

**Sumitomo Corporation,** hereinafter referred to as **"Sumitomo"**, a corporation established and existing under the laws of Japan, located at 3-2 Otemachi 2-Chome, Chiyoda-ku, Tokyo, 100-8601, Japan (bank details: Sumitomo Mitsui Banking Corporation Tokyo Main Office, 1-1-2, Marunouchi, Chiyoda-ku, Tokyo, Japan, Account No. 232661, SWIFT: SMBCJPJT);

and

**The Kansai Electric Power Co., Inc.,** hereinafter referred to as **"Kansai",** a corporation duly organized and existing in accordance with legislation of Japan, located at: 6-16, Nakanoshima 3-chome, Kita-ku, Osaka 530-8270, Japan (bank details: Sumitomo Mitsui Banking corporation Osaka Head Office, Account No. 460042, SWIFT:SMBCJPJT).

* 1. Location and address of the Partnership:

Republic of Kazakhstan, Turkestan region, Suzak district, Karagursky rural district, Karakur village, quarter 051, construction No. 1.

In its relations with the third parties, the Partnership shall not allege a discrepancy between its actual address and the address specified in the Unified State Register of Legal Entities. In this regard the third parties shall be entitled to send all postal and other correspondence to the Partnership using either address set forth in the State Register or the actual address of the Partnership.

* 1. Company name of the Partnership:

in the State language:

full name - "АППАҚ" Жауапкершілігі шектеулі серіктестік;

abbreviated name - "АППАҚ" ЖШС.

in Russian:

full name - Товарищество с ограниченной ответственностью "АППАК"; abbreviated name - TOO "АППАК".

in English:

full name - APPAK Limited Liability Partnership;

abbreviated name - APPAK LLP.

* 1. The Partnership is organized for an indefinite term.
	2. The Partnership is a subject of large business with an average annual number of employees of more than two hundred and fifty people and with an average annual income over a three-million-fold monthly calculated index.
	3. This Charter is made in 3 (three) original counterparts in the State, English and Russian languages, all counterparts having equal legal force.

# LEGAL STATUS OF THE PARTNERSHIP

* 1. The Partnership is a legal entity in the form of a limited liability partnership, established and existing in accordance with the legislation of the Republic of Kazakhstan and this Charter, which shall operate in accordance with the principles of freedom of entrepreneurial business activity. The term of validity of the Partnership shall continue until the Partnership is terminated in the procedure provided for by the laws of the Republic of Kazakhstan and this Charter.
	2. The Partnership shall acquire rights of a legal entity upon its state registration.
	3. The Partnership shall have its company name; seal with its company name in the State, English and Russian languages; stamps in the State, English and Russian languages, and where necessary in other languages; letterheads and other visual identification items; trademark and emblem registered in accordance with the procedure established by the legislation of the Republic of Kazakhstan.
	4. The Partnership shall have an independent balance sheet, Charter Capital and other funds, and shall have settlement, hard currency and other accounts in banks in or outside of Kazakhstan and other requisites and attributes necessary to carry out entrepreneurial business activity.
	5. The Partnership shall have the right to:
		1. sign agreements (contracts) on its own behalf, acquire and exercise property and personal non-property rights, and to sue and to be sued;
		2. join associations of legal entities (associations, concerns, consortiums, etc.), and be a participant of legal entities, and establish subsidiaries and separate subdivisions (branches, representative offices) both within and outside the Republic of Kazakhstan;
		3. purchase, either within or outside the Republic of Kazakhstan, any buildings, constructions, land plots, securities, industrial samples, inventions, useful models, information, including scientific and technical information, copyrights and allied rights, and any other property;
		4. sell, exchange, lease, provide temporary use (whether free of charge or for consideration), lend or otherwise dispose of any property owned by it and its property rights in accordance with the legislation of the Republic of Kazakhstan and this Charter;
		5. acquire and exercise other property and personal non-property rights and obligations.
	6. The Partnership shall exercise, in accordance with the legislation of the Republic of Kazakhstan and this Charter, the powers of possession, use and disposal of its property.
	7. The Partnership shall be liable for its obligations to the extent of its property.
	8. The Partnership shall not be liable for the obligations of its Participants. The Participants shall not be liable for the obligations of the Partnership and shall bear the risk of loss in connection with the Partnership's activities only to the extent of the value of each Participant's contributions to the Charter Capital.
	9. The Participants shall have the right to:
1. participate in the management of the business of the Partnership as provided for by the legislation of the Republic of Kazakhstan and this Charter;
2. receive information about the activities and examine accounting and other types of documents of the Partnership as provided for by this Charter;
3. gain income from the Partnership activities in accordance with the legislation of the Republic of Kazakhstan, foundation documents of the Partnership and decisions of the General Meeting of Participants in the Partnership;
4. in case of liquidation of the Partnership, obtain a part of the Partnership's property remaining after the settlements with its creditors, or a part of such property in kind as shall be agreed by all the Participants in the Partnership;
5. withdraw from the Partnership by selling its participating interest as provided for by the legislation of the Republic of Kazakhstan;
6. contest in court any decisions made by Partnership's bodies which violate any Participants' rights stipulated by the laws of the Republic of Kazakhstan and/or this Charter.
	1. The Participants in the Partnership shall be obliged to:
7. observe the provisions of the Foundation Agreement;
8. make their contributions to the charter capital of the Partnership in the procedure, amount and timelines envisaged by the foundation documents of the Partnership;
9. keep confidential all information that was declared commercial secret by the Partnership;
10. notify in writing the executive body and, if a register of the Participants in the Partnership is being maintained, the registrar of any changes to their names, locations, legal addresses and banking details.
	1. The Participants in the Partnership may have other rights and obligations as may be stipulated by the foundation documents of the Partnership and the laws of the Republic of Kazakhstan.

# THE PURPOSE AND SUBJECT MATTER OF THE ACTIVITIES OF THE PARTNERSHIP

* 1. The main purposes of the establishment of the Partnership shall be:
		1. development of mutually beneficial trade and economic, scientific and technical cooperation in the sphere of exploration, development, production, processing and sale of uranium-containing ore and uranium concentrates;
		2. earning of profit from the activity of the Partnership in the interests of the Participants;
		3. cooperation in the field of nuclear fuel cycle for further sale of uranium- containing ore and uranium concentrates in the market of Japan and in other markets;
		4. any other purposes, not contradictory to the legislation of the Republic of Kazakhstan and this Charter.
	2. The main activities of the Partnership shall be:
		1. production, processing, storage and transportation of uranium-containing ore and uranium concentrates;
		2. sale of uranium concentrates produced by the Partnership within and outside the Republic of Kazakhstan;
		3. performance of exploration works and full-scale field tests for preparation of material to prove uranium-containing ore reserves in the state commission on reserves of minerals and study of economic and technological parameters in production of uranium-containing ore and uranium concentrates by method of in-situ well leaching.
		4. leasing of vehicles, other machinery and equipment within the group of companies of NAC Kazatomprom JSC through the consolidation of services without profit.
	3. Partnership shall conduct activities for which licensing is required under the laws of the Republic of Kazakhstan only after obtaining the necessary licenses;
	4. The Partnership shall have the right to carry out other activities, which do not contradict the purposes and main activities of the Partnership, and which are not prohibited by the legislation of the Republic of Kazakhstan.

# CHARTER CAPITAL

* 1. The charter capital of the Partnership shall be formed by means of consolidation of contributions of the Participants.
	2. The sources of the Partnership’s property shall be contributions made by the Participants, income gained through the sale of products, works, and services as well as other sources, which are not prohibited by the legislation of the Republic of Kazakhstan.
	3. The charter capital of the Partnership shall be 8 644 580 300 (eight billion, six hundred forty four million, five hundred eighty thousand, three hundred) KZT (hereinafter the “Charter Capital”).

The Charter Capital is divided into interests in the Charter Capital belonging to the Participants **(«Participating Interests»)** in the following percentages:

**“NAC “KAZATOMPROM” JSC -** 3,797,808,300 (three billion, seven hundred ninety seven million, eight hundred eight thousand, three hundred) KZT, which constitutes a 65% (sixty five percent) Participating Interest in the Charter Capital;

**SUMITOMO CORPORATION -** 3,461,980,000 (three billion, four hundred sixty one million, nine hundred eighty thousand) KZT, which constitutes a 25% (twenty-five percent) Participating Interest in the Charter Capital;

**THE KANSAI ELECTRIC POWER CO., INC. -** 1,384,792,000 (one billion, three hundred eighty four million, seven hundred ninety two thousand) KZT, which constitutes a 10% (ten percent) Participating Interest in the Charter Capital;”

* 1. The Participants shall have the right from time to time make decisions on increasing or decreasing the Charter Capital. Such decisions shall be adopted by the General Meeting of the Participants of the Partnership in the procedure provided by this Charter and the laws of the Republic of Kazakhstan.

# BODIES AND OFFICIALS OF THE PARTNERSHIP

* 1. The management of the Partnership's activity and control of the observation of the rights and interests of the Participants shall be carried out by the following bodies of the Partnership:
* the Superior Body - the General Meeting of the Participants of the Partnership (hereinafter, the "General Meeting");
* the General Control Body - the Supervisory Council;
* the Executive Body - the General Director;
* the Controlling Body - the Audit Commission.
	1. The General Meeting shall be the superior body of the Partnership. The procedure for convocation and holding of the General Meeting as well as the competence of the General Meeting shall be determined by the legislation of the Republic of Kazakhstan and this Charter.
	2. The Supervisory Council shall be a body of the Partnership, which in order to protect the interests of the Participants shall carry out supervision and control over the activity of the executive body. The procedure for the formation of the Supervisory Council and its competence shall be defined by the legislation of the Republic of Kazakhstan and this Charter and the Regulations on the Supervisory Council.
	3. The General Director shall be an officer of the Partnership, who carries out day-to- day management of its activities. The procedure for the election and competence of the General Director shall be defined by the legislation of the Republic of Kazakhstan and this Charter.
	4. The Audit Commission of the Partnership shall be a controlling body, which carries out audit and control of financial and business activity of the General Director. The procedure for the election and competence of the Audit Commission shall be defined by the legislation of the Republic of Kazakhstan, this Charter, Regulations of the Audit Commission and other documents regulated to the Partnership’s internal activities.

# GENERAL MEETING OF THE PARTICIPANTS OF THE PARTNERSHIP

* 1. The annual General Meeting shall be held in Shymkent, Republic of Kazakhstan, unless otherwise designated by the Participants. At such meetings, the members of the Supervisory Council shall be elected, reports of the affairs of the Partnership shall be considered and any other business may be transacted which is within the power of the Participants. The General Meeting scheduled for the approval of the annual financial statements of the Partnership shall be conducted no later than three months after the end of the corresponding financial reporting year. Such meetings shall be convened by the General Director.
	2. An extraordinary General Meeting for any purpose may be called at any time by the General Director: on its own initiative; or at the demand of the Supervisory Council; or Audit Commission; or on the initiative of one or more of the Participants Participants holding in aggregate 10% (ten percent) or more of the total votes.

If, despite the requirements of the Supervisory Council, the Audit Commission (Auditor) or Participants of the partnership, the executive body does not convene an extraordinary General Meeting, it may be convened by the Supervisory Council, the Audit Commission (Auditor) or Participants holding in aggregate 10% (ten percent) or more of the total votes on their own.

Any Participant of the Partnership has the right to make proposals for the agenda of the General Meeting not later than 10 (ten) days prior to its opening. During the same period the Participants of the Partnership, holding in the aggregate five percent or more of the total number of votes entitled to include some of their issues on the agenda of the General Meeting. Implementation of this requirement is necessary for the body or persons convening the General Meeting.

If the original agenda of the General Meeting changes by the request or the requirement of Participants, the body or persons convening the meeting shall be obliged, not later than 7 (seven days) before the date of the General Meeting to notify each Participant of the Partnership on these changes in the manner specified in clause 6.3. of the Charter.

* 1. The body or the person (s) convening the General Meeting of the Partnership shall be obliged, not later than 30 (thirty) days before the date of the General Meeting, to notify in writing on holding meeting of each member of the Partnership at the address indicated in the register of participants, which should be kept by the executive body of the Partnership.

The notification must include:

1) the time, place and date of the meeting;

2) the proposed agenda;

3) the type of General Meeting: ordinary or extraordinary;

4) the procedure of the meeting;

5) the order of absentee voting and the procedure for absentee voting;

6) The provisions of legislation of the Republic of Kazakhstan, according to which the meeting is held.

The Partnership may additionally inform the Participants through the media.

* 1. The presence of the Participants (in person or by proxy) holding in the aggregate 85% (eighty-five percent) of votes shall constitute a quorum for adoption of resolutions of the General Meeting. If the quorum conditions for the General Meeting are not met, such General Meeting shall be adjourned and reconvened at the place, date and hour determined by the General Director, but not less than 15 (fifteen) calendar days of such General Meeting. The Meeting convened repeatedly shall be deemed legally effective irrespective of a number of votes held by the Participants of the Partnership attending the Meeting in person or by proxy. In the event that the Participants attending the Meeting in person or by proxy hold less than half of the total number of votes, such Meeting shall have the right to make decisions only on issues which do not require a qualified majority of votes or unanimous voting.
	2. The following resolutions of the General Meeting of the Partnership referred to its exclusive competence shall be made by a unanimous vote of the Participants (present in person or by proxy) at a duly constituted General Meeting where a quorum is present:
		1. amend the Charter and/or approve a new version of the Charter;
		2. change the location of the Partnership or its business name;
		3. increase or decrease the Charter Capital;
		4. compel the redemption of a Participant’s Participating Interest;
		5. decide to pledge all of the property of the Partnership;
		6. reorganize or liquidate the Partnership;
	3. The following resolutions of the General Meeting referring to the exclusive competence of the Partnership shall be made by a qualified majority of 85% (eighty- five percent) of the votes of all the Participants (present in person or by proxy) at a duly constituted General Meeting where a quorum is present:
		1. approve additional contributions to the property of the Partnership;
		2. establish the executive body of the Partnership and terminate its authorities ahead of time;
		3. elect and early terminate the authority of the Supervisory Council and/or Audit Commission (auditor) of the Partnership;
		4. approve the reports and opinions of the Audit Commission (auditor) of the Partnership;
		5. decide on the annual basis on the amounts of remuneration and compensations to the members of the Supervisory Council and the Audit Commission;
		6. approval of the annual financial statements, the procedure for the distribution of the Company's net income for the reporting financial year and the decision to pay dividends
		7. decide on participation of the Partnership in founding other legal entities including non-commercial organizations and their activities, including any merges of Partnership with any other legal entity; acquisition by the Partnership of any other legal entity or foundation of a new legal entity, including making decision on an increase of the Partnership’s participating interest in the charter capital of such legal entities;
		8. decide on disposal by the Partnership of stocks (participating interests in the charter capital) of the Partnership-owned other legal entities;
		9. appoint a liquidation commission and approve liquidation balance sheets.
		10. approve internal rules, related approval procedures and other documents governing the internal activities of the Partnership, other than the documents which shall be approved as required by the Charter by other bodies of the Partnership, including:
1. Regulation on the Supervisory Council;
2. Regulation on the Audit Commission;
3. Regulation on the General Meeting of the Participants.
	* 1. establish a reserve capital and other funds of the Partnership and approval of the corresponding Provisions thereon;
		2. transfer the Partnership or Partnership's property into trust management and determine the terms and conditions of such transfer
		3. determination of an audit organization that audits the financial statements of the Partnership;
		4. decision on approval of the conclusion of a transaction by the Partnership or a set of interrelated transactions, as a result of which the Partnership alienates (may be alienated) the property, the value of which is fifty one and more percent of the total book value of the assets of the Partnership;
		5. decide on establishment or winding-up of the Partnership’s branches or representative offices, adoption of the Regulation thereon.
	1. Regardless of the scope of authority of the General Meeting established herein, the General Meeting shall be entitled to accept for consideration any issue related to the activities of the Partnership. Thereat, decisions shall be made by a simple majority of votes of all Participants (present in person or by proxy) at the duly convoked General Meeting with a quorum available, unless the Charter stipulates any other percent of Participants’ presence sufficient for making decision on the mentioned issues;

The General Meeting shall be entitled to cancel any decision made by other bodies of the Partnership on issues related to internal activities of the Partnership.

The issues being within the exclusive competence of the General Meeting of the Participants in the Partnership may not be referred to the executive body of the Partnership for approval.

* 1. Any decision required or permitted to be taken by the General Meeting (except for decisions on the issues indicated in Clauses 6.5.1-6.5.6 and 6.6.9 of this Charter) may be taken by absentee polling by exchange of letters, whiter resolution, facsimile or electronic messages, by telephone (conference call), or by using other means of communication which are available to all Participants and which provide for authenticity of the transferred and received communications. Foi holding a General Meeting in absentia a written consent of all of the Participants shall be required (may be accepted by the way of electronic message or in facsimile type). After the Chairman or the Secretary notifies all Participants the result of voting, the decision of such General Meeting must be signed by the Chairman and the Secretary of this General Meeting in the presence of signed ballots of each Participant separately.
	2. An absentee General Meeting shall be held in accordance with a procedure that ensures that all Participants have been informed of the agenda and the draft decisions on the items on the agenda and that each of them has had the opportunity of familiarizing itself with all the necessary documents, of putting forward proposals on the agenda and demanding the inclusion of certain items and that all Participants have been informed prior to the commencement of voting of the amended agenda and the opinions (statements) of other Participants on the matters under discussion.
	3. Decisions made by the General Meeting of the Partnership and other bodies of the Partnership may be disputed as and when provided for by the laws of the Republic of Kazakhstan.
	4. Holding a meeting through the use of audio / video calls (conference calls) is recognized as a meeting in presentia.

# SUPERVISORY COUNCIL

* 1. The Supervisory Council shall consist of 7 (seven) members. The Supervisory Council shall be elected for a 3 (three) year term. Each Participant shall be entitled to nominate the following number of the members of the Supervisory Council:

|  |  |
| --- | --- |
| **Participant** | **Number of the members of the****Supervisory Council** |
| **NAC Kazatomprom JSC** | **4 (four)** |
| **Sumitomo** | **2 (two)** |
| **Kansai** | **1 (one)** |
| **Total** | **7 (seven)** |

* 1. Any Participant may re-nominate any member of the Supervisory Council for additional terms. Any Participant may, at any time, revoke or replace any member of the Supervisory Council which it has nominated.

The election of members of the Supervisory council must be held before the expiry of the term of authorities of the current members of the Supervisory council, candidates for the Supervisory council shall be nominated not less than thirty (30) calendar days prior to election day.

* 1. If the total number of members of the Supervisory Council is changed or if the Participating Interest of the Participants is changed, the number of the members of the Supervisory Council which each of the Participants is entitled to nominate shall be adjusted so that the number of the members of the Supervisory Council so adjusted shall equitably and fairly represent the then prevailing Participating Interest of each Participant.
	2. Regular meetings of the Supervisory Council shall be held in Shymkent, Republic of Kazakhstan, or such other place agreed by the members of the Supervisory Council, and at least twice a year. Special meetings of the Supervisory Council for any purpose may be called at any time by the General Director or one or more members of the Supervisory Council. Notice of a meeting of the Supervisory Council specifying the place, date and hour thereof and agenda of the meeting with the materials on the agenda including draft decisions on the issues on the agenda shall be given to each member of the Supervisory Council no less than 30 (thirty) calendar days before the meeting, personally or by registered air mail or by facsimile with receipt confirmation.
		1. The presence in person of 5 (five) members of the Supervisory Council with at least 1 (one) member of the Supervisory Council from Sumitomo shall constitute a quorum of the meeting of the Supervisory Council. Each member of the Supervisory Council shall be entitled to one vote.

Members of the Supervisory Council of the Partnership may not transfer their right to vote to other persons (by proxy), including other member of the Supervisory Council of the Partnership.

* 1. The following matters shall be decided by a unanimous vote of the members of the Supervisory Council at a meeting of the Supervisory Council where a quorum is present:
		1. the provision by the Partnership of a loan or guarantee in favor of third parties for any amount.
	2. The following matters shall be decided by a qualified majority vote of 85% (eighty-five percent) of all the members of the Supervisory Council at a meeting of the Supervisory Council where a quorum is present:
		1. defining of priority lines of business of the Partnership;
		2. making decisions on concluding transactions, with the exception of loans and guarantees related to the acquisition and disposal of assets of the Partnership, the amount of which in the national currency or in any foreign currency is or exceeds the equivalent of 500,000 (five hundred thousand) US dollars at the official rate of the National Bank of the Republic of Kazakhstan on the date of the transaction, with the exception of transactions, the adoption of a decision on concluding which is attributed to the competence of the general meeting of the Partnership's participants;
		3. approval of the development program of the Partnership;
		4. approval of the plan for the business of the Partnership covering the life of the Partnership, which includes a full description and explanation of all stages of the business of the Partnership including exploration, testing, development, production operations, sale of uranium-containing ore and uranium concentrates and rehabilitation and including schedules of physical parameters, capital costs, operating costs and revenues, and a timetable for each of the business activities of the Partnership ("Business Plan") and any amendments thereto;
		5. approval of the annual budget, medium term business-plan;
		6. making decisions on concluding any contracts (agreements) for the sale of uranium-bearing ores and uranium concentrates and approving a marketing plan for uranium-bearing ores, uranium concentrates and schedules for the shipment of uranium products for export;
		7. adoption of decisions on purchase and disposal of subsurface use rights (execution of contracts for subsurface use operations, agreements on amendments to subsurface use contracts and other legal acts related to subsurface use rights provided/ terminated and/or change of subsurface use rights) including approval of appeals of Partnership to Competent Authority, Design of deposit development and Amendments to contracts for subsurface use to be concluded with or agreed and approved by competent state authority;
		8. approval of the accounting policy, tax policy and financial policy of the Partnership;
		9. defining the terms for issue of bonds and derivatives of the Partnership, approval of the hedging policy and making a decision on the acquisition of securities by the Partnership;
		10. decision on getting any loan (credits), grant warranties and guarantees, and also on the terms and conditions of such transactions for an amount more that 5% of the value of the Partnership’ assets;
		11. mortgage or pledge on the uranium-containing ore and uranium concentrates, subsurface use rights, real estate, or any other assets or property of the Partnership subject to restrictions under Sub-clause 6.5.5 of Clause 6.5 of this Charter;
		12. adoption of decisions on execution of any contract or agreement with any Participants or their affiliates or any amendment thereto or renewal thereof in an amount in KZT (US dollars, EURO or other foreign currency) equivalent to a value in excess of US $100,000 (one hundred thousand US dollars) and which is not subject to procurement under the procurement rules established by legislation of the Republic of Kazakhstan currently in force;
		13. approval of the nominee proposed by Sumitomo for the position of the Deputy General Director;
		14. approval of secondment agreements for assignment of employees of the Participants to work in the Partnership.
		15. approval of the Regulation on disposal of the property of the Partnership.
		16. approval of any pension plans of members of the Supervisory Council, directors, or employees of the Partnership and any amendments thereto in excess of amounts required by the legislation of the Republic of Kazakhstan;
		17. appointment of the top managers of branches and representative offices of the Partnership;
		18. determination of information about the Partnership or its activities containing any official, commercial or other legally protected secret and approval of a respective regulation;
		19. defining procedure for and timelines of submission by the executive body of the Partnership of information about activities of the Partnership, including financial statements, to the Supervisory Council for consideration;
		20. approval of establishing and amending of the following internal documents of the Partnership:

• Risk management policy;

• Rules for risk management;

• Rules "Sales Planning System";

• List of documents regulating the internal activities of the Partnership;

• Regulations on the Corporate Secretary;

• Approval of a documented procedure governing the relationship of the Partnership with second-tier banks on deposits;

• Approval of the Plan of activities to ensure the social and labor conditions of the production staff of the Partnership;

• Dividend policy of the Partnership;

• Regulations on the Ombudsman;

• Code of Corporate Ethics;

• Code of Corporate Governance;

• Documented procedure "Regulations on the settlement of corporate conflicts and conflicts of interest of the Partnership".

* + 1. approval of the conditions for granting loans or guarantees in favor of the Executive Body or employees of the Partnership, as well as the decision to grant loans or guarantees as such;
		2. approval of key performance indicators (KPI) for the General Director, Deputy General Director of the Partnership and their target values their revisions, KPI performance evaluation, decision-making on the payment of bonuses based on the results of work for the reporting year to the General Director, Deputy General Directors;
		3. approval of the Action Plan for improving the corporate governance system;
		4. approval of procurement category strategies, as well as the decision to purchase goods, works and services included in the categories of procurement, for which developed and approved category-based purchasing strategies;
		5. approval of the List of goods, works and services for which there is a need to purchase daily and / or weekly requirements (for the period from the moment of announcement and before the conclusion of the contract based on the results of the tender);
		6. election of the Chairman of the Supervisory council of the Partnership;
		7. establishment of committees of the Supervisory council of the Partnership, approval of provisions on them, as well as election and early termination of authorities of members of the Committees of the Supervisory council of the Partnership;
		8. decision on the imposition and early removal of disciplinary actions on the head of the executive body;
		9. making any donation, charity, gratuity or gift to the third party in an amount in KZT (US dollars, EURO or other foreign currency) equivalent to a value in excess of US $10,000 (ten thousand US dollars) in aggregate in any financial year;
		10. establish a reserve capital and other funds of the Partnership and approval of the corresponding Provisions thereon.
		11. approval of the Risk Register and Risk Card, Risk appetite and Risk limits;
		12. determination of the amount of official salary and terms of payment of labor and bonuses to the executive body.
	1. All other issues of the Supervisory Council shall be decided by simple majority vote in which a quorum is present, including but not limited to:
		1. determination of the procedure and conditions for reimbursement of expenses to the employees of the Partnership sent on official business trips;
		2. appointment of deputy heads of the executive body, heads of structural units responsible for investment, financial, legal matters, personnel matters, security issues, or a person solely carrying out these functions, as well as the chief accountant;
		3. approval of the organization structure of the central administration of the Partnership, schedule of position salaries (and/or wage rates), number of staff employees and the staff list of the Partnership, including representation offices and branches of the Partnership, as well as documents regulating the procedure and terms of remuneration, bonuses and the provision of social support to employees of the Partnership;
		4. approval of the report on the implementation of the Development Program;
		5. approval of internal regulatory documents and quarterly reports on the Risk Management System, Internal Control System, the Partnership Continuity Management System;
		6. approval of limits on banks;
		7. approval of the list of second-tier banks, on whose deposits free money can be placed;
		8. approval of quarterly reports on transactions with related parties;
		9. approval of the candidacy of the Ombudsman;
		10. meetings of the Supervisory council of APPAK LLP with the external auditor;
		11. approval of the Documented procedure on rationalization activities in the Partnership.
		12. determination of proper number of vehicles for officers, area rates for accommodation of administrative personnel of the Partnership;
		13. defining limits for mobile communication expenses and hospitality expenses reimbursable to employees from Partnership’s funds;
		14. appointment of the head of the structural unit responsible for the implementation of procedures for organizing and conducting procurement.
	2. Each Participant exercises his right to vote both at the General Meeting and at the meeting of the Supervisory council (through voting of the Supervisory council members nominated by him), in such a way as to ensure proper and timely compliance with and implementation of the provisions of the Partnership's foundation documents.
	3. The Supervisory council of the Partnership annually approves the work plan of the Supervisory council with a schedule of meetings, based on the principles of rationality, efficiency and regularity.
	4. Holding a meeting using audio-video calls (conference calls) is recognized as a meeting in presentia. Members of the Supervisory council can express their opinion in writing in the event that their personal presence at the presentee meeting is impossible. The expression of such a written opinion is recognized by voting on a particular issue.
	5. Any decision that is necessary or permitted to be taken by the Supervisory council may be taken by absentee voting by means of an exchange of letters, a written decision, fax or electronic messages, by telephone (conference calls) or using other means of communication accessible to all members of the Supervisory council and providing authenticity of sent and received messages. To conduct an absentee meeting of the Supervisory council, the written consent of all members of the Supervisory council (may be received in the form of an electronic message or in a facsimile form). After the Corporate Secretary notifies all the members of the Supervisory council of the results of the voting, the decision of such a meeting of the Supervisory council shall be signed by the Chairman and the Corporate Secretary, in the presence of signed ballots from each individual member of the Supervisory council.

The number of meetings of the Supervisory council held in absentia should be minimal.

* 1. An absentee meeting of the Supervisory council shall be held in accordance with the procedure that ensures that all members of the Supervisory council are informed of the agenda and draft decisions on the agenda items, and that each of them has the opportunity to become acquainted with all necessary documents, to propose proposals on the agenda and requirements for including certain issues in it, as well as informing all members of the Supervisory council prior to voting about changing the agenda and opinions (statements) of other members of the Supervisory council on the issues discussed.
	2. When preparing the absentee voting ballots, it shall be required to provide for the place in the ballot where a member of the Supervisory Council may give its individual opinion on the issues of the agenda. The Corporate Secretary shall be compulsory obliged to express the individual opinion of a member of the Supervisory Council in the Minutes.

# EXECUTIVE BODY

* 1. The sole executive body of the Partnership shall be the General Director. The General Director shall be elected by the General Meeting for a term of 3 (three) years. NAC Kazatomprom JSC shall nominate a candidate to the position of the General Director.

The election of the General Director must be held before the expiration of his term of office, the candidate for the post of General Director should be nominated not less than thirty (30) calendar days prior to election day.

* 1. The General Director shall act on behalf of the Partnership without a power of attorney. The Deputy General Directors shall act on behalf of the Partnership on the basis of a power of attorney issued by the General Director.
	2. The day-to-day operations and management of the Partnership shall be conducted and supervised by the General Director in accordance with the policies and Business Plan, budget and financial plan for the respective financial year approved by the Supervisory Council.
	3. The General Director shall have the following authorities:
		1. to implement the decisions of the General Meeting and the Supervisory Council;
		2. to act, without a power of attorney, on behalf of the Partnership in relations with third parties;
		3. to make decisions on assertion of claims and actions on behalf of the Partnership against legal entities and citizens, both within and outside of the Republic of Kazakhstan;
		4. to develop and submit the staff list to the Supervisory Council for its approval, as well as to recommend the Supervisory Council on amendments to the staff list;
		5. with regard to employees of the Partnership: to issue orders appointing, transferring and dismissing employees, to decide on payment of bonuses in accordance with the documents governing the terms of and procedures for compensations and incentives to employees of the Partnership, to provide incentives and impose disciplinary measures with respect to the employees;
		6. to execute transactions on behalf of the Partnership within an approved annual budget and financial plan subject to the restrictions provided for by this Charter;
		7. on its absolute discretion conclude with any of its Participant(s) and its (their) affiliates any contracts or agreements other than subject to procurement under the procurement rules established by legislation of the Republic of Kazakhstan currently in force, as well as amend such contracts or agreements or prepare the new revision thereof for the amount in KZT (in US dollars, EURO or other foreign currency) not exceeding or equal to USD one hundred thousand (100,000);
		8. issue power of attorney for the right to represent the Partnership in relations with third parties, including with the right of substitution;
		9. approve the internal documents of the Partnership, except for documents that are subject to approval by the General Meeting or the Supervisory council;
		10. independently conclude transactions for the acquisition and disposal of the assets of the Partnership, with the exception of those that are subject to approval by the General meeting of participants or the Supervisory council of the Partnership;
		11. determine the amount of payment for the services of the audit organization, as determined by the General Meeting of Participants, in accordance with sub-clause 6.6.13 of clause 6.6 of this Charter, for the audit of the annual financial statements of the Partnership;

submits proposals to General Meeting of Participants on the issue of determining the audit organization conducting the audit of the Partnership with the provision of full information on the procedure for its selection and the amount of payment for its services;

* + 1. provides preparation and subsequent submission for consideration and approval by the Supervisory Council of Development Program of the Partnership, which determines the Partnership’s contribution to the implementation of the Development Strategy of NAC Kazatomprom JSC;
		2. provides preparation and subsequent submission for consideration and approval by the Supervisory Council of the Partnership of the annual performance report in the reporting year of the Development Program of the Partnership, which determines the contribution of the Partnership to the implementation of the Development Strategy of NAC Kazatomprom JSC.
	1. The General Director, at the request of the General Meeting or the Supervisory Council, shall report on the financial and business performance during a financial year and propose a plan of operations of the Partnership for the subsequent financial year.
	2. The General Director, at the request of the General Meeting or the Supervisory Council, shall arrange for preparation of necessary reporting materials regarding the Partnership's activities and proposals regarding the activities of the Partnership.
	3. In case the General Director fails to comply with the provisions of the Foundation Agreement, the Charter, the Business Plan or any agreements between the Participants, or fails to fairly represent the interests of all the Participants, any Participant shall be entitled to raise the issue on removal of such General Director by written notice to the Partnership.
	4. The General Director shall prepare and submit to the Supervisory council a budget and financial plan not later than 45 (forty-five) calendar days before the end of the financial year in order to allow the Supervisory Council appropriate time to approve the annual budget and financial plan before the end of the applicable financial year.
	5. The General Director shall provide the Participants in the Partnership (and purchasers of participating interests by consent of all Participants) with the documents and information on business activities of the Partnership requested by them, within ten (10) business days of such request.
	6. General Director of the Partnership shall inform all Participants in the Partnership on any court proceedings as may be initiated with respect to a corporate dispute.

Information on initiation of any corporate dispute shall be provided to Participants in the Partnership as provided for by a resolution of the General Meeting of participants in the Partnership, not later than seven (7) working days of the date when the Partnership receives respective court service or a civil case summons for such corporate dispute.

# AUDIT COMMISSION AND OUTSIDE AUDITOR

* 1. The General Meeting shall appoint the Audit Commission which shall exercise audit and control over the financial and economic activities of the General Director. The Audit Commission shall consist of 3 (three) members. The Audit Commission shall be appointed for a term of 3 (three) years. 2 (two) members of the Audit Commission shall be nominated by NAC Kazatomprom JSC, and 1 (one) member of the Audit Commission shall be nominated by Sumitomo. The General Director may not be a member of the Audit Commission.

Election of the members of the Audit Commission must be held before the expiration of the term of authorities of the current members of the Audit Commission, candidates for the Audit Commission must be nominated not less than thirty (30) calendar days prior to election day.

* 1. The Audit Commission shall have the following authorities to:
		1. audit the financial and economic activities of the General Director at any time;
		2. request and have access to any documents of the Partnership;
		3. receive explanations from the General Director and employees of the Partnership.
	2. The Audit Commission must audit the annual financial statements of the Partnership prior to their approval by the General Meeting.
	3. The General Meeting of the Participants may not approve the annual financial statements without obtaining an opinion of the Audit Commission (auditor), or an auditor’s report
	4. The outside auditor of the Partnership shall be an accounting firm from the list of accounting firms approved by the legislation of the Republic of Kazakhstan, determined in accordance with the Rules of selection of audit organization and Services Procurement Rules as stated in the effective laws and approved by the Supervisory Council.
	5. The accounts and records of the Partnership shall be audited by the Audit Commission and the outside auditor. Unaudited annual financial statements with explanations (including balance sheet, statement of income and expenses, cash flow statements and other information in accordance with the legislation of the Republic of Kazakhstan) shall be submitted to the Participants not less than 30 (thirty) calendar days prior to the General Meeting convened to approve such financial statements. The audited annual financial statements shall be submitted to the Participants not less than 15 (fifteen) calendar days prior to the General Meeting convened to approve such financial statements.
	6. The financial year of the Partnership shall commence on January 1 and end on December 31 each year.
	7. The Partnership shall keep true and accurate books of account and records in accordance with the laws of the Republic of Kazakhstan and sound accounting practices and accounting principles generally accepted in the Republic of Kazakhstan in Russian. All monthly, quarterly and annual reports shall also be produced in English.
	8. Each Participant shall be entitled to access to the accounting books and records of the Partnership at all reasonable times and to take and keep copies thereof.

# CORPORATE SECRETARY OF THE PARTNERSHIP

* 1. The Corporate Secretary shall be an employee of the Partnership, who is not a member of the Supervisory Council or any Executive body of the Partnership, and shall be accountable to the Chairman of the Supervisory Council.
	2. The Corporate Secretary shall act on the basis of and in accordance with the applicable laws of the Republic of Kazakhstan, the Charter, Regulation on Corporate Secretary and internal documents of the Company.
	3. The Corporate Secretary as well as the person substituting for him shall be appointed and terminated in accordance with the decision of the Supervisory council.
	4. The tasks of the Corporate Secretary under its activity are to:
	+ ensure efficient activities of the Supervisory Council;
	+ arrange for certain actions as may be necessary to prepare the decisions of the General Meeting of the Participants in the Partnership in accordance with the requirements of the laws of the Republic of Kazakhstan and internal documents of the Partnership;
	+ arrange for storage, disclosure and submission of information on the Partnership;
	+ ensure the efficient interaction between the General Meeting of the Participants, Supervisory Council and Executive Body of the Partnership;
	+ perform any actions (within his/her competence) as may be necessary to raise the level of corporate management in the Partnership.
	1. The Supervisory Council shall be entitled to make a decision on early termination of powers of the Corporate Secretary as provided for by the laws of the Republic of Kazakhstan and the Employment Agreement.

# REORGANIZATION AND LIQUIDATION OF THE PARTNERSHIP

* 1. Termination of operation of the Partnership shall be carried out through reorganization (merger, affiliation, split, spin off, transformation) or liquidation in accordance with the laws of the Republic of Kazakhstan. Reorganization of the Partnership shall be carried out by a unanimous decision of the General Meeting. In case of reorganization of the Partnership, the entirety of rights and liabilities of the Partnership shall pass to its assignees.
	2. The Partnership shall be subject to liquidation:
		1. by a unanimous decision of the General Meeting (voluntary liquidation);
		2. by a decision of court (involuntary liquidation).
	3. The arrangements on voluntary liquidation of the Partnership in accordance with the decision of the General Meeting of Participants shall be carried out by the liquidation commission to be appointed by the General Meeting or other body in cases provided by the legislation of the Republic of Kazakhstan.
	4. From the date of appointment of the liquidation commission, it shall have all authorities on the management of property and affairs of the Partnership. The liquidation commission shall prepare a liquidation balance sheet and present it to the General Meeting for approval.
	5. Accuracy and completeness of the liquidation balance sheet shall be confirmed by an outside auditor.
	6. The liquidation of the Partnership shall be carried out in accordance with the procedure provided for by the legislation of the Republic of Kazakhstan.
	7. The Partnership shall, on request of any of its Participants provide the requesting party with any information on the Partnership's activities which may affect any interests of the Participants. The information affecting the interests of the Participants in the Partnership shall include:
	+ decisions made by the General Meeting of the Participants, Supervisory Council, General Director, Audit Commission and any information related to implementation of such decisions;
	+ information about any loans obtained by the Partnership worth of at least twenty five per cent of the equity capital of the Partnership;
	+ information about major transaction, or an aggregate of interrelated transactions, entered into by the Partnership, should such transactions provide for purchase or sale of property for an amount of at least twenty five per cent, or higher, of the equity capital of the partnership;
	+ information about any licenses for any activities and/or certain actions obtained by the Partnership, and about any such previously obtained licenses being suspended, terminated, or revocated;
	+ information on detention of the property of the Partnership;
	+ information on occurrence of any circumstances of extraordinary nature that resulted in destruction of the property of the Partnership for a book value of ten per cent, or higher, of the total amount of the Partnership's assets;
	+ information about any administrative actions taken against the Partnership and/or any of the officials of the Partnership;
	+ decisions on compulsory reorganization of the Partnership;
	+ auditor's report (if any);
	+ information about any proceeding as may be initiated on a corporate dispute;
	+ any loan to be raised by the Partnership for an amount equal to25 or more per cent of the equity of the Partnership;
	+ information about any major transaction, or an aggregate of interrelated transactions, entered into by the Partnership, should such transaction provide for purchase or sale of property for an amount of at least twenty five per cent, or higher, of the equity capital of the Partnership
	+ other information that may affect any interests of the Participants in the Partnership as provided for by this Charter.
	1. The documents on the activities of the Partnership shall include:
	+ minutes of the General Meetings of the Participants in the Partnership, Meetings of the Supervisory Council, reports of the Audit Commission, orders and instructions of the executive body of the Partnership;
	+ the Charter of the Partnership, any amendments to the Charter of the Partnership;
	+ Foundation Agreement, any amendments to the Foundation Agreement of the Partnership;
	+ Certificate of State (re-)Registration of the Partnership as a legal entity;
	+ loan agreements, credit facility agreements for an amount of five per cent, and higher, of the assets value of the Partnership;
	+ contracts and agreements for sale/purchase of any property for an amount of twenty five per cent, and higher, of the equity capital of the Partnership;
	+ licenses obtained by the Partnership for certain activities and/or actions;
	+ documents that confirm the Partnership’s rights to the property that is or was on its books;
	+ Regulation on branches and representation offices of the Partnership;
	+ lists of Participants in the Partnership submitted for holding a general meeting of the Participants in the Partnership;
	+ materials on the agenda of meeting of the Supervisory Council, minutes of meetings (resolutions made at absentee meetings) of the Supervisory Council;
	+ minutes of meetings (resolutions) of the Executive body;
	+ resolutions on detention of the property of the Partnership;
	+ certificates which confirm the fact of circumstances of extraordinary nature that have caused total loss of the property of the Partnership for a book value of ten per cent, and higher, of the total value of the assets of the Partnership;
	+ minutes and resolutions on bringing any administrative actions against the Partnership and/or any officials of the Partnership;
	+ decisions on compulsory reorganization of the Partnership; and
	+ auditor's report.

Documents on business activities of the Partnership shall be kept with the Partnership for its entire business life at the location of its Executive body

# AFFILIATES OF THE PARTNERSHIP

* 1. An Affiliate of the Partnership is a legal entity or an individual (save for public bodies in charge of supervision and monitoring within their vested powers) who can directly and/or indirectly determine decisions and/or have influence on each other’s decisions (by one of such entities/persons), including by virtue of a transaction concluded.
	2. Information of any Affiliates of the Partnership does not present any official, commercial or laws protected secrecy.
	3. The Partnership shall keep records of its Affiliates based on the data provided by same.
	4. Any legal entities of individuals who are Affiliates of the Partnership shall, within ten calendar days of the start of their affiliation, submit data on their own affiliates to the Partnership.

# FINAL PROVISIONS

* 1. If any of the provisions of this Charter becomes invalid, the validity of the other provisions of this Charter shall not be affected thereby. The invalid provision of this Charter shall be replaced by a legally allowable provision having a close meaning in accordance with the legislation of the Republic of Kazakhstan.
	2. In all other respects not covered by this Charter or the Foundation Agreement, the Partnership shall in its activity be guided by the legislation of the Republic c Kazakhstan.
	3. Publications on the activities of the Partnership shall be printed in the newspaper "Kazakhstan truth".
	4. This Charter shall become effective upon its state registration with justice authorize in accordance with the procedure established by the legislation of the Republic c Kazakhstan.

**SIGNATURES OF PARTICIPANTS:**

**APPAK LLP**

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| **NAC “Kazatomprom” JSC** |
|  Full name: sign herePosition:  |
| **Sumitomo Corporation** |
|  Full name: sign here   |
| **The Kansai Electric Power Co., Inc.** |
|  Full name: sign here  |