

**APPROVED**

by decision of the Board of Trustees  
of the autonomous organization of  
education Nazarbayev University  
№ 13, as of December 02, 2013

amended by decisions of the Board of  
Trustees of the autonomous organization  
of education Nazarbayev University  
№ 15, as of June 01, 2014 and  
№ 28, as of December 9, 2017

**Bylaws of the Board of Trustees of  
the autonomous organization of education “Nazarbayev University”**

## 1. General provisions

1.1. Bylaws of the Board of Trustees of Nazarbayev University (hereinafter – the Bylaws) shall define the operating procedures, composition of the Board of Trustees (hereinafter – the Board) of the University, rights and obligations of the members of the Board, their appointment and prior termination of powers.

1.2. Activities of the Board shall be governed by the Law of the Republic of Kazakhstan “About Status of “Nazarbayev University”, “Nazarbayev Intellectual Schools”, “Nazarbayev Fund” (hereinafter – “Law”), by University’s Charter, these Bylaws, other laws and regulations.

## 2. Authorities of the Board

2.1. The scope of authority of the Board shall be determined by the University’s Charter, these Bylaws and regulations on the Board’s committees shall be exercised directly, as well as through the respective committees of the Board and (or) the bodies under such committees.

2.2. The Board shall:

1) approve plans for the implementation of the University’s overall strategy (strategic and development plans);

2) elect the President of the University, terminate his/her office early, approve the salary amounts, terms of compensation and bonuses for the President of the University;

3) determine the number of members of the Managing Council, elect the members of the Managing Council and terminate their offices early upon preliminary proposal (consent) of the President of the University;

4) approve upper and lower limits of salaries and bonuses for the Provost, Executive Vice President, General Counsel, Vice Presidents, Vice Provosts, Deans of Schools;

5) nominate members to the Board, except for the President of the University;

6) approve annual and medium-term budgets for the University;

7) approve the budgeting rules;

8) approve the accounting policy of the University;

9) approve annual financial statements of the University, including consolidated;

10) approve the limits and norms of administrative expenses of the University in accordance with the list approved by the Managing Council;

11) approve the bylaws of the Managing Council;

12) adopt the rules of procurement of goods, works and services;

13) approve the order of conducting internal audit;

14) approve tuition fees for degree programs;

15) approve a uniform document certifying the degree and the rules for its completion;

16) approve major transaction criteria;

17) approve the conclusion, by the University, of major transactions and transactions in which conflicts of interests are expected;

18) approve University policy on conflicts of interests as it pertains to members of the Managing Council and the Board;

19) approve of the list of especially valuable movable estate of the University;

20) make decisions about participation of the University in creation of other entities;

21) make decisions about liquidation or reorganization of nonprofit entities established by the University, or the entities, shares (participatory interests) of which are owned by the University, within the authorities of the supreme governing body of a nonprofit entity or general meeting of shareholders (participants) of a legal entity;

22) make decisions about acquisition by the University of shares (participatory interests) of other legal entities except for acquisition of shares (participatory interests) of the legal entities, one hundred percent of shares (participatory interests) of which are owned by the University;

23) make decisions about disposition of the shares (participatory interests) of the legal entities shares (participatory interests) of which are owned by the University;

24) make decisions about establishment, disestablishment or reorganization of Schools and colleges of the University;

25) approve the criteria for selecting strategic partnerships of the University;

26) approve the University's staff size (academic and non-academic);

27) approve the bylaws of the Board, its committees and bodies under the Board committees;

28) review, on a regular basis, its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness;

29) review annually the number and nature of the established committees;

30) approve document, regulating training and development of the members of the Managing Council of the University;

31) exercise any other powers in accordance with the legislation of the Republic of Kazakhstan, the Charter, and other powers, assigned to the Board of the University by documents approved by the Board, by decisions of the Supreme Board of Trustees and upon decisions of the first Chairman of the Supreme Board of Trustees.

2.3. The Board may delegate its authorities to the Managing Council, President of the University, committees of the Board, except those powers specified in the clause 2.2 sub-clauses 1) - 6) of these Bylaws. Authorities assigned in accordance with clause 2.3 of these Bylaws may not be delegated to any other person or body.

### **3. Structure, constitution and term of office of the Board members**

3.1. **Constitution.** The Supreme Board of Trustees conducts the appointment and termination of authorities of the Board members. However decisions on early termination of authorities of the Board members are taken by a solid vote of all

existing members of the Supreme Board of Trustees or upon decision of the first Chairman of the Supreme Board of Trustees.

The Board, in accordance with the Law, can include the representatives of the Founder of the University, government officials, research and teaching staff, representative of public associations and other persons.

Candidates for the appointment to the Board are presented by decision of the Board for consideration by the Supreme Board of Trustees.

**3.2. Number.** The number of the Board members shall be not less than 7 (seven) people and no more than 21 (twenty one).

**3.3. Term of office.** The term of office of the Board members is 3 (three) years, with the exception of the President of the University. The President of the University is a member of the Board by virtue of and for the term of his/her office. The members of the Board may be reappointed.

In case of death, resignation, or decision to terminate the office of a member of the Board, a replacement selected to fill the vacancy shall be appointed for a term equal to the remaining term of office of the said member of the Board. Any subsequent appointment for a full term is considered to be the first full term of office of a member of the Board in order to determine eligibility for future re-appointment.

**3.4. Trustees Emeriti.** Former members of the Board may be elected by majority of votes of the members of the Board as Trustee Emeritus. Trustee Emeriti shall be elected for one five year term. Trustees Emeriti shall have the privilege of the floor but not have voting powers. A Trustee Emeritus shall not be counted as member of the Board for any purpose.

**3.5. Chair of the Board.** The Chair of the Board is elected from among its members by a simple majority vote of members of the Board present at the meeting, by means of open voting, except as provided in the second part of this clause.

The Chair of the Board may be appointed or relieved from his/her office by the decision of the First Chairman of the Supreme Board of Trustees without complying with the provisions of the first part of this clause.

The Chair of the Board shall preside at all meetings of the Board and perform other functions as required by the Charter and these Bylaws. In case of an equal number of votes, the vote of the Chair shall be decisive.

The Chair of the Board has right to delegate his/her authority as Chair of the Board to another member of the Board.

**3.6. Vice-Chair of the Board.** The Vice-Chair is elected from among its members by the Chair of the Board. The Vice-Chair of the Board presides at any meetings in which the Chair is absent and performs other duties identified by these Bylaws.

**3.7. Secretary of the Board.** The Secretary of the Board or Acting Secretary (hereinafter - Secretary) is appointed by the Board. The duties of the Secretary are to provide support for the work of the Board (logistical support for its meetings, minutes' record-keeping and dissemination of decisions of the Board, as appropriate,

and others as assigned by the Board, by decisions of the Chair of the Board or Vice-Chair of the Board).

The status, rights and responsibilities and any other issues related to the Secretary's activity shall be governed by the Charter, these Bylaws and Regulations on the Secretary of the Board of the University.

The Secretary arranges the work of the Secretariat of the Board, the subdivision of the University, which provides support to the work of the Board's Secretary.

The Secretary may delegate issuance of notices, actual recording of proceedings, custody of Board's corporate seal and fulfilment of other duties to appropriate staff of the University or, with agreement of the Chair or Vice-Chair, to other persons.

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

4.1. The member of the Board has the right to:

- 1) request from the University's President to provide information (materials) and clarifications regarding the University's activities, when such information is required for taking a well-balanced decision within the competence of the Board;
- 2) give an independent opinion on the agenda items and considered and (or) adopted resolutions;
- 3) request the convening of a Board meeting by sending a written notice to the Chair of the Board, containing the suggested agenda of the Board meeting.

4.2. The member of the Board has the obligation to:

- 1) stand in a fiduciary relation to the University and performance of his/her duties as a member of the Board, including their duties as a member of any committee upon which they may serve, in good faith, in a manner they reasonably believe to be in the best interests of the University, and with such care, including necessary and reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances;
- 2) not to disclose in any way or use for personal advantage or for the advantage of any third parties insider or confidential information of the University or about the University that came to their notice, including information containing commercial, state or any other secret that is protected under the law;
- 3) to hold back from acts and exclude situations, which shall lead or potentially may lead to conflict of interests between a Board member (or persons affiliated with them) and the University, and in case such conflict of interest arises, immediately inform the Board of the existence of the conflict of interest.

4.3. A Trustee shall not to use for personal advantage or for the advantage of any third parties his/her position as a member of the Board.

4.4. Service on the Board, including that by Trustees Emeriti is without compensation. The Board members and Trustees Emeriti shall receive reimbursement of the following expenses incurred in the performance of their duties: return economy or business class flight tickets to the place of meeting, accommodation at the place of meeting, daily allowance in the amount, determined

and approved by Managing Council of the University. Expenses, related to visa and transport, including taxi from home to airport and back will be reimbursed upon supporting documents provided (slips, receipts etc.).

## **5. Decision making procedure of the Board**

**5.1. Schedule of Meetings.** The Board shall meet at least quarterly, normally on the first decade of the March, June, September and December, as called by the Chair or Vice-Chair, with an agenda to be approved by the Chair or Vice-Chair.

The Chair or Vice-Chair may, in consultation with the President, call ad-hoc meeting of the Board if matters of an urgent nature so warrant.

At the meeting, the agenda may be modified by majority vote of the Board members who are in attendance.

**5.2. Notice of Meetings.** Notice of all meetings (in-person and absentee) shall be given at least 10 (ten) calendar days prior to the date thereof. With the approval of Chair or Vice-Chair the term of notification may be shortened.

Notice in each case shall specify the place, day and hour of the meeting (if the meeting is to be held in absentia, the notice shall include the deadline for receiving ballot papers, and the address to which the ballot papers must be sent and other contact information); agenda of the meeting; form of the meeting; list of information (materials) provided to the members of the Board.

The notice shall be accompanied by all necessary materials (information) relevant to the agenda of the meeting. All notices of meetings (including ballots papers in case of absentee meetings) shall be sent to each member of the Board addressed to the last known address or, if abroad, to his electronic mail address.

**5.3. Quorum at Meetings.** A quorum of the Board shall be required for a formal meeting and shall consist of not less than half of its total number of the members of the Board.

A member of the Board may participate in a meeting of the Board or committee of the Board by means of communication (e.g. video conference or (and) teleconferencing and etc.), which will constitute presence in person at the meeting.

**5.4. Decisions of the Board.** Decisions by the Board are taken by simple majority of votes cast by members present, unless otherwise provided in the Charter and/or these Bylaws.

5.4.1. Each member of the Board has one vote. Vote transfer from one member of the Board to another member or to third parties is prohibited.

5.4.2. Decisions by the Board are registered in the minutes of the meeting or in resolutions of the Board meeting in absentia, signed by the Chair and the Secretary of Board.

5.4.3. In cases when the Vice-Chair presides at the meeting, the minutes of the meeting are signed by the Chair, Vice-Chair and the Secretary.

5.4.4. A member of the Board who does not agree with an adopted resolution on issues discussed has the right to express his or her independent opinion in writing and this shall be appended to the minutes of the Board.

**5.5. Written opinion.** In case a member of the Board cannot take part in a meeting of the Board, he/she shall have the right to vote by way of sending a written opinion on the agenda of the meeting.

5.5.1. Written opinions will be taken into account when the quorum of the meeting is determined and when votes on the agenda items are counted, provided that such opinion was received before the commencement of the Board's meeting.

5.5.2. Written opinions shall be accepted in Kazakh, Russian or English languages.

5.5.3. Written opinion on the items of the agenda of a member of the Board absent at the meeting, is taken into account when votes on the agenda items are counted, if the written opinion received in compliance with this clause unambiguously expresses the position of the member of the Board on the agenda item worded as "for", "against" and "abstained".

5.5.4. Questions of the written opinions, containing amendments and reservations regarding the proposed draft resolution shall not be counted in determining of the results of the voting.

5.5.5. If a member of the Board is in attendance at the meeting at the moment of adoption of a resolution, his/her written opinion received before the meeting shall not be announced at the meeting and is not taken into account in determining the quorum of the meeting and the results of voting.

5.5.6. The written opinion may be provided and shall be accepted in original, electronic and/or facsimile version. In case of sending a scanned copy of the filled in and signed written opinion to the Secretary or Secretariat of the Board by facsimile or electronic mail, the member of the Board shall within 7 (seven) calendar days (by the date of posting) from the moment of the meeting, provide the Secretary or Secretariat of the Board with the original of such written opinion.

**5.6. Absentee Meetings.** The decisions of the Board may be taken by means of absentee vote in accordance with this Charter and these Bylaws.

5.6.1. An absentee vote is carried out on the initiative of the Chair of the Board, member of the Board or President of the University. A proposal on carrying out an absentee vote is submitted to the Chair of the Board in written form and must contain clearly and explicitly stated the matters to be put on vote.

5.6.2. In carrying out an absentee vote, the ballot paper in Russian, Kazakh or English with materials on items brought for the voting are sent out to all members of the Board not later than 10 (ten) calendar days from the date of the decision to carry out the absentee vote and at least 10 (ten) calendar days prior to the deadline for receiving ballot papers. With the approval of the Chair or in his absence, the Vice Chair the abovementioned terms of notification may be shortened.

5.6.3. The ballot paper for an absentee meeting shall contain the following information: full name of the University; the deadline for receiving ballots papers; the wording of each item put to a vote, the wording of resolutions on items put to a vote and the voting options worded as "for", "against" and "abstained"; clarifications on the procedure of voting; indication that the ballot must be signed personally by the member of the Board and any other information in accordance

with the Bylaws of the Board.

5.6.4. Resolutions made by absentee vote shall be deemed taken if there is a quorum of votes received by due date. Questions of the ballot, containing amendments and reservations regarding the proposed draft resolution shall not be counted in determining results of voting. The ballot can be provided and shall be accepted in original, electronic and/or facsimile version in Russian, Kazakh or English languages.

5.6.5. When sending the ballot for absentee voting by e-mail, it must be printed, filled in, signed, and returned in a scanned copy. When sending a scanned copy of the completed ballot paper to the Secretary or Secretariat of the Board by facsimile or electronic mail, the member of the Board shall within 7 (seven) calendar days from the moment of the meeting (by date of posting), provide the Secretary or the Secretariat of the Board with the original of such ballot paper.

At the deadline for receiving ballots, the Secretary or Secretariat of the Board of the University should keep the record of the ballots received. Only members, whose ballots were received not later than the established deadline, shall be considered to have participated in absentee voting.

## **6. Committees of the Board**

6.1. The Board at its own discretion may establish committees or short-term working groups for consideration of important and/or specific issues, making decisions and preparation of recommendations to the Board. Established committees may work on permanent or temporary basis.

6.2. Members of the committees of the Board are appointed by the decision of the Board. A committee shall comprise of not less than 2 (two) members of the Board. The Chair of the committee shall be elected from among its members and appointed by the decision of the Board. The President of the University cannot chair any committee of the Board.

6.3. Committees of the Board, in cases of need, may invite experts with special professional knowledge and experience necessary for the work of the committee on a voluntary or remunerated basis. Such experts may be appointed by the Board's decision as members of the committee or may be invited to assist the committee without voting powers or membership. If the expert is invited on a remunerated basis the fee amount and method of payment shall be identified by the Board itself.

6.4. The creation and operation of Board committees and the number of members shall be governed by committee regulations, adopted by the Board. The committee shall review, on a regular basis, its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness. Committee regulations and the regulations of bodies under committees are integral part of these Bylaws.

## **7. Final provisions**

7.1. Bylaws of the Board, any additions and/or amendments to the Bylaws of the Board shall be adopted by the votes of not less than three fourths of all members of the Board.

7.2. In case of discrepancy between the provisions of these Bylaws and the Charter of the University, the Charter will prevail.

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