

Appendix to the Resolution
of the General Meeting of Shareholders
of KazTransOil JSC dated May 26, 2021
(meeting minutes no. 1/2021)

Introduced by the decision
of the General Meeting of Shareholders
of KazTransOil JSC dated May 26, 2021
(meeting minutes no. 1/2021)

Amendments and additions to the Charter of "KazTransOil" JSC

1. Throughout the text in Russian, the words "affiliated", "affiliation", "affiliated", "affiliated" shall be replaced, respectively, by the words "affiliated", "affiliated", "affiliated", "affiliated", in the state language does not change.

2. In clause 1:

1) paragraph 1 shall be stated in the following edition:

«1. "KazTransOil" JSC (hereinafter - the Company) is a legal entity under the legislation of the Republic of Kazakhstan (hereinafter - the Legislation) and operates in accordance with the Civil Code of the Republic of Kazakhstan, the Law of the Republic of Kazakhstan "On Joint Stock Companies" (hereinafter - the Law), the Legislation on natural monopolies, on the main pipeline and other Legislation, as well as this Charter (hereinafter - the Charter) and the corporate governance code.»;

2) to add in paragraph 1-1 the following content:

«1-1. By the Decree of the Government of the Republic of Kazakhstan dated October 8, 2012 No. 1273 "On the national operator for the main oil pipeline", the Company was determined as the national operator for the main oil pipeline. The main tasks and functions of the Company as a national operator for the main oil pipeline are determined by the Regulations on the national operator for the main oil pipeline, approved by the said resolution.»;

3) paragraph 3 shall be stated in the following edition:

«3. Location of the Company and its executive body:

Republic of Kazakhstan, 010000, Nur-Sultan city, Esil district, Turan avenue, building 20, non-residential premises 12.».

3. Subparagraphs 6), 9), 10) and 16) of paragraph 2 of clause 3 shall be deleted.

4. Paragraph 3-1 of clause 5 shall be stated in the following edition:

«3-1. The fulfillment of the requirement provided for in subparagraph 1-1) of paragraph 1 of this clause is mandatory for the body or persons convening the General Meeting of Shareholders.».

5. Subparagraph 4) of paragraph 28 of clause 9 shall be stated in the following edition:

«4) information on shareholders' appeals to the actions of the Company and its officials and the results of their consideration;».

6. In clause 10:

1) In paragraph 1:

subparagraph 3) shall be stated in the following edition:

«3) voluntary reorganization or liquidation of the Company;»;

subparagraph 17) shall be stated in the following edition:

«17) making a decision on the participation of the Company in the creation or activities of other legal entities or withdrawal from the membership (shareholders) of other legal entities by transferring (receiving) a part or several parts of assets in the amount of twenty-five or more percent of all assets owned by the Company;»;

subparagraph 19) shall be stated in the following edition:

«19) approval of changes in the methodology (approval of the methodology, if it was not approved by the constituent assembly) for determining the value of shares when they are redeemed by the Company on the unorganized market in accordance with the Law;»;

subparagraph 21-2) shall be stated in the following edition:

«21-2) making a decision on the conclusion of a major transaction by the Company, as a result of which the Company acquires or disposes (may be acquired or disposed of) property, the value of which is fifty or more percent of the total book value of the Company's assets as of the date of the decision on the transaction as a result of which the acquisition or alienated (can be acquired or alienated) fifty or more percent of the total book value of its assets.

At the same time, the conclusion by the Company of a transaction or a set of interrelated transactions, as a result of which the Company acquires or alienates (can be acquired or alienated) property, the value of which exceeds the threshold equivalent to 110,000,000 (one hundred ten million) US dollars in tenge at the rate determined by the forecast of macroeconomic indicators (baseline scenario) in the corresponding period, is carried out in agreement with the Board of Directors of NC KazMunayGas JSC, with the exception of transactions related to the provision of services for the transportation of oil through main pipelines, the organization of transportation of Kazakhstani oil through pipeline systems of other states (operator activities for unified routing), operation / maintenance of oil trunk pipelines owned by third-party organizations;»;

supplement with subparagraph 21-3) as follows:

«21-3) making a decision on the conclusion of major transactions in which the Company has an interest, except for transactions concluded with organizations that are part of the group of the joint stock company "National Welfare Fund "Samruk-Kazyna" (hereinafter referred to as the Fund), the decision on the conclusion of which is made by the Board of Directors of the Company in accordance with subparagraph 22-2) of paragraph 3 of clause 11 of the Charter.



At the same time, the conclusion by the Company of a transaction or a set of interrelated transactions, as a result of which the Company acquires or alienates (can be acquired or alienated) property, the value of which exceeds the threshold equivalent to 110,000,000 (one hundred ten million) US dollars in tenge at the exchange rate, determined by the forecast of macroeconomic indicators (baseline scenario) in the corresponding period, is carried out in agreement with the Board of Directors of NC KazMunayGas JSC, with the exception of transactions related to the provision of services for the transportation of oil through main pipelines, the organization of transportation of Kazakhstani oil through pipeline systems of other states (operator unified routing activities), operation/maintenance of oil trunk pipelines owned by third-party organizations;»;

subparagraph 23) shall be stated in the following edition:

«23) other issues, the adoption of decisions on which is attributed by the Law and (or) the Charter to the exclusive competence of the General Meeting of Shareholders of the Company.»;

2) paragraph 2-1 shall be deleted.

7. In clause 11:

1) in paragraph 3:

subparagraph 1) shall be stated in the following edition:

«1) determination of the priority directions of the Company's activity, approval of the Company's development strategy, as well as monitoring the implementation of the Company's development strategy;»;

subparagraph 3-1) shall be added with the following content:

«3-1) approval of a voluntary reorganization or liquidation of the Company;»;

subparagraphs 8), 9) and 10) shall be stated in the following edition:

«8) determination of the number of members, the term of office of the Management Board of the Company, approval of the regulations on it, election of the General Director (Chairman of the Management Board) and members of the Management Board, as well as early termination of their powers;

9) determination of the size of official salaries and conditions of remuneration, bonuses and social support of the General Director (Chairman of the Management Board) and members of the Management Board of the Company, making decisions on bringing them to financial responsibility, imposing disciplinary sanctions on them;

10) determination of the quantitative composition, term of office of the Internal Audit Service, appointment of its head and members, as well as early termination of their powers, determination of the competence, work procedure of the Internal Audit Service, salaries and conditions of remuneration, bonuses and social support to employees of the Internal Audit Service, activities assessment of the head and members of the Internal Audit Service, making decisions on bringing them to financial responsibility, imposing disciplinary sanctions on them;»;

subparagraph 13) shall be stated in the following edition:

«13) appointment, determination of the term of office of the corporate secretary, early termination of his powers, approval of regulations on him, as well

as determination of the size of the official salary, conditions of remuneration and social support, assessment of the performance of the corporate secretary, decision-making on bringing him to financial responsibility, imposing disciplinary sanctions on him»;

subparagraph 16) shall be stated in the following edition:

«16) approval (introduction of amendments and / or additions, invalidation) of documents regulating the internal activities of the Company (except for documents adopted by the Management Board of the Company in order to organize the activities of the Company), the list of which is approved by the Board of Directors, including an internal document establishing the conditions and procedure holding auctions and subscription for the Company's securities;»;

subparagraphs 19) and 20) shall be stated in the following edition:

«19) decision-making on issues related to the competence of the general meeting of shareholders (participants) of a legal entity, ten or more percent of shares (stakes in the authorized capital) of which belongs to the Company;

20) an increase in the financial obligations of the Company (loans, financial assistance, financial guarantees and any other obligations that increase the financial debt of the Company) by an amount equal to ten or more percent of the size of the equity capital of the Company;»;

subparagraph 22) shall be stated in the following edition:

«22) making a decision on the conclusion of major transactions, with the exception of major transactions, the decision on the conclusion of which is made by the General Meeting of Shareholders of the Company in accordance with subparagraph 21-2) of paragraph 1 of clause 10 of the Charter.

At the same time, the conclusion by the Company of a transaction or a set of interrelated transactions, as a result of which the Company acquires or alienates (can be acquired or alienated) property, the value of which exceeds the threshold equivalent to 110,000,000 (one hundred ten million) US dollars in tenge at the exchange rate, determined by the forecast of macroeconomic indicators (baseline scenario) in the corresponding period, is carried out in agreement with the Board of Directors of NC KazMunayGas JSC, with the exception of transactions related to the provision of services for the transportation of oil through main pipelines, the organization of transportation of Kazakhstani oil through pipeline systems of other states (operator unified routing activities), operation/maintenance of oil trunk pipelines owned by third parties;»;

Subparagraphs 22-1) and 22-2) shall be added with the following:

«22-1) making a decision on the conclusion of transactions in which the Company has an interest, except for transactions concluded with organizations belonging to the Fund's group, the decision on the conclusion of which is made by the Board of the Company in accordance with subparagraph 10) of paragraph 2 of clause 12 of the Charter.

At the same time, the conclusion by the Company of a transaction or a set of interrelated transactions, as a result of which the Company acquires or alienates (can be acquired or alienated) property, the value of which exceeds the threshold

equivalent to 110,000,000 (one hundred ten million) US dollars in tenge at the rate determined by the forecast of macroeconomic indicators (baseline scenario) in the corresponding period, is carried out in agreement with the Board of Directors of NC KazMunayGas JSC, with the exception of transactions related to the provision of services for the transportation of oil through main pipelines, the organization of transportation of Kazakhstani oil through pipeline systems of other states (operator activities for unified routing), operation/maintenance of oil trunk pipelines owned by third-party organizations;

22-2) making a decision on concluding major transactions, in which the Company has an interest, with organizations that are part of the Fund's group.

At the same time, the conclusion by the Company of a transaction or a set of interrelated transactions, as a result of which the Company acquires or alienates (can be acquired or alienated) property, the value of which exceeds the threshold equivalent to 110,000,000 (one hundred ten million) US dollars in tenge at the exchange rate, determined by the forecast of macroeconomic indicators (baseline scenario) in the corresponding period, is carried out in agreement with the Board of Directors of NC KazMunayGas JSC, with the exception of transactions related to the provision of services for the transportation of oil through main pipelines, the organization of transportation of Kazakhstani oil through pipeline systems of other states (operator unified routing activities), operation/maintenance of oil trunk pipelines owned by third-party organizations;»;

subparagraph 23) shall be stated in the following edition:

«23) creation and abolition of committees of the Board of Directors, approval of regulations on them, election and early termination of powers of members of committees of the Board of Directors;»;

subparagraph 25-1) shall be added with the following:

«25-1) approval of the salary scheme for employees of the Company's central office, wage rules;»;

subparagraph 27) shall be stated in the following edition:

«27) approval of policies in the field of risk management systems, internal control, business continuity management, procedures for organizing the risk management and internal control process, methods for assessing efficiency in the field of risk management and internal control systems, as well as assessing the effectiveness of the functioning of risk management and internal control systems;»;

subparagraphs 39-1) and 39-2) shall be added with the following:

«39-1) approval of corporate key performance indicators of the Company and motivational key performance indicators of the General Director (Chairman of the Management Board), members of the Management Board of the Company and their target values in accordance with the procedure established by the internal document of the Company;

39-2) approval of motivational key performance indicators of the General Director (Chairman of the Management Board), members of the Management Board of the Company with actual values and final performance in accordance with the procedure established by the internal document of the Company;»;

subparagraph 40) shall be stated in the following edition:

«40) other issues stipulated by the Law and (or) the Charter, not related to the exclusive competence of the General Meeting of Shareholders of the Company, including issues referred to the competence of the Board of Directors by documents (decisions) approved (adopted) by the General Meeting of Shareholders, the Board of Directors of the Company or the Fund.»;

2) the third indent of paragraph 25 shall be stated in the following edition:

«Quorum for holding meetings of the Board of Directors on issues specified in subparagraphs 1), 3-1) -5), 8) -9), 12) -13), 17) -18-1), 22) -25), 35) of paragraph 3 of this clause is two-thirds of the members of the Board of Directors, while a simple majority of independent directors must participate in the meetings of the Board of Directors.»;

3) the first indent of paragraph 27 shall be stated in the following edition:

«27. The decision to conclude transactions in which the Company has an interest is made by a simple majority of votes of the members of the Board of Directors who are not interested in its execution, except for cases when the standard terms of such a transaction are approved by the Board of Directors of the Company. If all members of the Board of Directors, except for independent directors, are interested in such a transaction, the decision is made by a simple majority of votes of independent directors.»;

4) the second indent of paragraph 29 shall be stated in the following edition:

«Decisions cannot be made by absentee voting on issues defined by subparagraphs 1), 3-1) -5), 8) -9), 12) -13), 17) -18-1), 22) -25), 35) of paragraph 3 of this clause.»;

5) the first indent of paragraph 32 shall be stated in the following edition:

«32. The decisions of the Board of Directors, which were adopted at its meeting held in person, are formalized by the minutes, which must be drawn up and signed by the members of the Board of Directors and the corporate secretary within seven days from the date of the meeting and contain:»;

6) after the second indent of paragraph 35, add the third indent of the following content:

«The Internal Audit Committee should be composed exclusively of members of the Board of Directors.».

8. in clause 12:

1) in paragraph 2:

subparagraph 2) shall be stated in the following edition:

«2) makes decisions and gives instructions that are binding on all employees of the Company;»;

subparagraph 6) shall be stated in the following edition:

«6) approves (introduces changes and / or additions, declares invalid) documents regulating the internal activities of the Company (including documents on risk management), with the exception of documents approved by the General Meeting of Shareholders and (or) the Board of Directors;»;

Subparagraphs 9)-13-1) shall be stated in the following edition:

«9) preliminary considers the issues, the adoption of decisions on which is within the competence of the General Meeting of Shareholders or the Board of Directors, with the exception of the issues specified in paragraph 36 of clause 9, subparagraphs 10), 14), 20), 21) of paragraph 1 of clause 10, subparagraphs 2), 8) - 14), 23), 28) -30), 32), 36) -39), 39-2) of paragraph 3 of clause 11, indents three and six of paragraph 3 of clause 12, paragraph 3 of clause 13 of the Charter;

10) makes, in the manner determined by the Fund, decisions on concluding transactions in which the Company has an interest, with organizations belonging to the Fund's group (except for transactions concluded based on the results of purchases made in the manner determined by the Fund).

At the same time, the conclusion by the Company of a transaction or a set of interrelated transactions, as a result of which the Company acquires or alienates (can be acquired or alienated) property, the value of which exceeds the threshold equivalent to 110,000,000 (one hundred ten million) US dollars in tenge at the exchange rate, determined by the forecast of macroeconomic indicators (baseline scenario) in the corresponding period, is carried out in agreement with the Board of Directors of NC KazMunayGas JSC, with the exception of transactions related to the provision of services for the transportation of oil through main pipelines, the organization of transportation of Kazakhstani oil through pipeline systems of other states (operator unified routing activities), operation/maintenance of oil trunk pipelines owned by third-party organizations;

11) implements the development strategy, business plan of the Company, is responsible for their implementation, and also annually submits to the Board of Directors reports on the implementation of the development strategy, business plan of the Company in terms of the budget for the reporting period;

12) makes decisions on increasing the Company's financial obligations (loans, financial assistance, financial guarantees and any other obligations increasing the Company's financial debt) by an amount up to ten percent of the Company's equity capital;

13) makes decisions on the conclusion of transactions, as a result of which the Company acquires or disposes (may be acquired or disposed of) property, the value of which is from two to twenty-five percent of the total book value of the Company's assets (except for transactions concluded based on the results of purchases, carried out in the manner determined by the Foundation).

At the same time, the conclusion by the Company of a transaction or a set of interrelated transactions, as a result of which the Company acquires or alienates (can be acquired or alienated) property, the value of which exceeds the threshold equivalent to 110,000,000 (one hundred ten million) US dollars in tenge at the exchange rate, determined by the forecast of macroeconomic indicators (baseline scenario) in the corresponding period, is carried out in agreement with the Board of Directors of NC KazMunayGas JSC, with the exception of transactions related to the provision of services for the transportation of oil through main pipelines, the organization of transportation of Kazakhstani oil through pipeline systems of other



states (operator unified routing activities), operation/maintenance of oil trunk pipelines owned by third parties;

13-1) ensures the implementation of investment projects of the Company;»;
subparagraph 16) shall be stated in the following edition:

«16) bears responsibility for compliance with the level of risk appetite and effective functioning of the risk management, internal control and business continuity management systems in the Company;»;

subparagraph 16-1) shall be added with the following:

«16-1) submits to the Board of Directors reports on the risks of the Company, including on the systems of internal control and management of business continuity in the Company, in accordance with the procedure established by the internal documents of the Company;»;

subparagraph 18) shall be stated in the following edition:

«18) makes decisions on other issues of the Company's activities that are not attributed by the Law, other legislative acts of the Republic of Kazakhstan and the Charter to the competence of other bodies and officials of the Company, including issues attributed to the competence of the Management Board by documents (decisions) approved (adopted) by the General Meeting of Shareholders, the Board of Directors of the Company or by the Fund.»;

2) fourth indent of paragraph 3 shall be stated in the following edition:

«The General Director (Chairman of the Management Board) of the Company is not entitled to hold the position of the head of the executive body or a person solely performing the functions of the executive body, another legal entity, or hold the position of the head of a branch of a foreign legal entity, the subject of which is the provision of financial services.»;

3) in paragraph 10:

subparagraphs 7) and 8) shall be stated in the following edition:

«7) ensures the development and implementation of plans and programs of the Company;

8) taking into account the requirements of the Legislation and the Charter, makes transactions of a non-property nature, transactions based on the results of purchases carried out in the manner determined by the Fund, and other transactions, including as a result of which the Company acquires or disposes (may be acquired or alienated) property, the value of which is less than two percent of the total book value of the Company's assets.

In this case, the conclusion by the Company of a transaction or a set of interrelated transactions, as a result of which the Company acquires or disposes (may be acquired or disposed of) property, the value of which exceeds the threshold equivalent to 110,000,000 (one hundred ten million) US dollars in tenge at the exchange rate, determined by the forecast of macroeconomic indicators (baseline scenario) in the corresponding period, is carried out in agreement with the Board of Directors of NC KazMunayGas JSC, with the exception of transactions related to the provision of services for the transportation of oil through main pipelines, the organization of transportation of Kazakhstani oil through pipeline systems of other

states (operator unified routing activities), operation/maintenance of oil trunk pipelines owned by third-party organizations;»;
subparagraph 9) shall be excluded.

**General Director
(Chairman of the Management Board)**

D. Dossanov

Төрүбаг берен
Тимурбеков В.
менеджер

