

KAZMORTRANSFLOT

NATIONAL MARITIME SHIPPING COMPANY

Agreed by
Resolution of the Board of
“Kazmortransflot” NMSC LLP
Dated 17/02/2022, Minutes No.05

Approved by:
Resolution of the Sole Shareholder of
“Kazmortransflot” NMSC LLP
Dated 17/03/2022, Minutes No. 15

Dividend Policy

“Kazmortransflot” NMSC LLP

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1. Purpose and general provisions

1.1. The purpose of the Policy is to ensure the clarity and transparency of determining the amount, conditions and procedure for paying dividends to subsidiaries in favor of KMTF.

1.2. This Policy establishes the principles and defines the mechanisms for the relationship between KMTF and its subsidiaries on the payment of dividends on blocks of shares and participation interests owned by KMTF.

1.3. The Policy was developed in accordance with the legislation of the Republic of Kazakhstan; the Code of Corporate Governance of "KazMunayGas" NC JSC approved by resolution of the Board of Samruk-Kazyna JSC dated May 27, 2015 No. 22/15; the Dividend Policy of "KazMunayGas" NC JSC in relation to subsidiaries approved by resolution of the Management Board of "KazMunayGas" NC JSC No. 20 dated June 14, 2021; the KMTF Charter and its internal documents.

1.4. The main principles of the Policy are to maximize dividends from subsidiaries in view of the account maintaining their financial stability and ensuring financial needs for the implementation of the strategy and business plans of subsidiaries.

2. Definitions and abbreviations

2.1. This Policy uses the following terms and definitions:

KMTF	“Kazmortraisflot” National Maritime Shipping Company Limited Liability Partnership;
Sole Participant	National Company "KazMunayGaz" Joint-Stock Company
Subsidiary (SO)	a legal entity with the predominant part of the authorized capital formed by KMTF, or if, in accordance with the concluded agreement (or otherwise), KMTF has the ability to determine the resolutions made by this company. The subsidiary participates in the KMTF consolidation procedures by the full method.
Policy	Dividend policy of NMSC Kazmortransflot LLP;

Dividends (<i>for the purposes of this Policy</i>)	income of a participant/shareholder on its shares paid to subsidiaries based on the results of activities for the reporting period (Q, H, Y)
Dividends from retained earnings	dividends paid to the SO from the accumulated net income of previous years left in the SO
Responsible department	business unit of KMTF responsible for planning and development (execution) of income, expenses, capital investments, investments in subsidiaries, receipts and payments of money within the KMTF budget for the planning period (for the reporting period) according to programs formed in accordance with production needs

3. Basic conditions for the KMTF dividends payment

3.1. Dividends from subsidiaries should cover KMTF's cash requirement for financing:

- payment of dividends to the Sole Participant;
- investment projects implemented by KMTF;
- projects implemented by subsidiaries at the expense of KMTF;
- projects and/or other expenses implemented by KMTF on behalf of sole member;
- financial and economic activities of KMTF, including capital investments of an administrative nature;
- payments on repayment of the principal debt and interest on borrowings attracted by KMTF;
- financing of the KMTF Digital Transformation Program (if applicable);
- other unforeseen expenses.

3.2. The activities of subsidiaries should be aimed at increasing dividend payments in favor of KMTF while maintaining financial stability and meeting the target indicators of the strategy and development plans agreed by KMTF. Dividend maximization should be achieved, among other things, by ensuring the return on investment, increasing operational efficiency and labor productivity, optimizing the level of working capital and conscientious management of free cash.

3.3. The subsidiaries, based on the amount of net income received (total profit) for the reporting period and the needs for the development of production and investment activities of KMTF, strive, along with the growth of capitalization, to

increase the amount of dividends paid by KMTF.

3.4. To pay dividends to KMTF, all of the following conditions must be met:

- 1) availability of consolidated/separate net income (total profit) for the year and/or separate retained earnings and/or positive equity in accordance with the audited financial statements;
- 2) the availability of free cash in the subsidiaries, after deducting the funds necessary for servicing the debt, financing current activities and capital investments, agreed with the responsible department of KMTF;
- 3) absence of restrictions on the payment of dividends, including the absence of temporary restrictions on the disposal of shares/participatory interests of SOs, arrests of shares/participatory interests of SOs in accordance with court decisions of the relevant state and provided for by applicable law;
- 4) no restrictions on the terms of agreements on financial loans and other contractual obligations, covenants of KMTF and subsidiaries;
- 5) recommendation of the board of directors/supervisory board of subsidiaries on the amount of dividends (if applicable);
- 6) resolution of the relevant body SO/KMTF.

4. Procedure for determining the dividends amount

4.1. KMTF takes a differentiated approach in determining the amount of dividends in relation to individual subsidiaries, depending on the nature (profitability) of the business carried out by this subsidiaries, its capital intensity, the degree of need to carry out investment activities in the medium term with the involvement of own funds.

4.2. The planned amount of dividends in relation to the subsidiaries for the purposes of forming the business plan of the subsidiaries is determined differentially depending on the financial and economic condition and the need for funds for the planned period.

4.3. The amount of dividends is determined based on the analysis of free cash flow in view of the maintenance of the current liquidity level and debt servicing in view of the financial results of subsidiaries for the reporting period and their need for cash in the planning period for:

- 1) financing of capital investments aimed at increasing the productivity of existing production assets that generate constant annual income;
- 2) financing of investment projects to the extent that own funds are required in accordance with the structure of project financing agreed in accordance with the established procedure;
- 3) repayment of debt obligations;
- 4) financing of contributions to the authorized capital of other legal entities agreed in the prescribed manner;

- 5) replenishment of working capital;
- 6) financing of events according to the instructions of the Sole Participant and KMTF.

4.4. The materials submitted to the KMTF for decision-making must contain all the necessary information indicating the presence or absence of the conditions necessary for dividends payment.

4.5. Based on the Policy and in view of the annual financial results of subsidiaries for the reporting period, as well as their need for funds to finance the expenses specified in clause 4.3. of the Policy, Responsible Department provides recommendations on the amount of possible dividends to the KMTF Budget Commission.

4.6. The amount of dividends to be paid may exceed the amount of the net profit of the SO for the reporting period, unless this contradicts clause 3.4. of the Policy. If necessary, dividends can be accrued from the accumulated retained earnings of previous years or positive equity.

4.7. Based on the recommendation of the Responsible Department, but not limited to the above clauses of the Policy, the KMTF Budget Commission prepares proposals on the amount of dividend payments to subsidiaries for the reporting period for submission to the authorized body of subsidiaries / KMTF.

4.8. The final decision on dividends payment including their amount at the end of the reporting year, is made by the relevant body of the subsidiaries / KMTF in view of the proposals of the KMTF Budget Commission.

5. Dividend payment procedure

5.1. Subsidiaries pay dividends to KMTF in the manner and terms established by the current legislation of the Republic of Kazakhstan, as well as the legislation of the country wherein the subsidiary operates.

5.2. Subsidiaries provide timely and full payment of KMTF dividends.

5.3. The dividend payment is considered to be the transfer of the corresponding amounts of money to the bank account of KMTF, in accordance with the decision made on the timing and procedure for paying dividends.

5.4. Dividend income is taxable income for the recipient. Withholding tax on dividends in the source country must be withheld, reflected in the relevant tax reporting and paid to the budget in accordance with the law in view of the provisions of the relevant convention to avoid/eliminate double taxation between the Republic of Kazakhstan and a foreign state (if applicable).

6. Responsibility for the dividends payment

6.1. Responsibility for the full and timely payment of dividends is determined by the current legislation of the Republic of Kazakhstan and internal documents of the Subsidiaries and KMTF, as well as the legislation of the countries wherein the

Subsidiary operates / is registered.

7. Final provisions

7.1. This Policy comes into effect from the moment of its approval by the Sole Participant of KMTF.