

Approved

by the decision of the Extraordinary General Meeting of Shareholders of Kcell JSC

(Minutes #09 dated November 04, 2016)

AMENDMENTS TO CHARTER OF

KCELL JOINT STOCK COMPANY

Almaty 2016

1. In paragraph 16: clause b) shall be deleted.

New paragraph 16-1 shall be added to read as follows:

« 16-1 In case of sole or shared ownership of 5 (five) or more percent of voting shares in the Company, to propose the Board of Directors to include additional items in the agenda of the General Meeting of shareholders in accordance with the Law.»

2. Paragraph 26 shall be supplemented with new clause tt) to read as follows:

«tt) adopting a decision to enter into a major transaction which results (or may result) in alienation of property worth 50 (fifty) or more percent of the Company's total book value of assets on and as of the date of such decision;»

3. Paragraph 33 shall be amended to read as follows:

«The exclusive competence of the Board shall include the following matters:

- a) to determine priorities in the Company's activities and the Company's development strategies or to approve the Company's development plan in the events specified in the legislative acts of Kazakhstan, including but not limited to approval of Company's policies, business concept, strategic development and financial plan of the Company and adoption of annual forecast and financial targets;
- b) to make decision on convocation of annual or extraordinary General Meeting;
- c) to decide on placement (sale) of shares, including the number of shares to be placed (sold) within the number of declared shares, method and price of such placement (sale);
- d) to decide on redemption by the Company of placed shares or other securities and redemption price thereof;
- e) to pre-approve the annual financial statements of the Company;
- f) to approve regulations on the committees within the Board (if applicable);
- g) to determine terms and conditions of the issue of bonds and derivatives of the Company and to adopt decision on the issue thereof;
- h) to determine term of appointment of the CEO, to appoint and dismiss ahead of term such CEO;
- i) to determine remuneration and incentive plan for the CEO and senior managers reporting directly to the CEO, as well as approval of managers contracts for the officers reporting directly to the CEO;
- j) to determine the number and term of appointment of the members of the internal audit department in the Company, to appoint and dismiss ahead of term the head and other members of such department, to determine the amounts and terms of payment of their remuneration and incentive plan;
- k) to appoint and determine the term of appointment of a corporate secretary, determine his/her term of office and early termination of his/her authorities, to determine the amount and terms of remuneration for the corporate secretary;
- l) to determine the service fees of the auditing organization for the audit of the financial statement and of the appraiser for evaluation of the property transferred to pay for the shares in the Company or property being the subject matter of a major transaction;
- m) to approve the documents regulating internal activities of the Company (except for the documents adopted by the CEO to organize the Company's activities), including an internal document specifying the terms and procedure of auctions and subscription for the securities of the Company;

- n) to decide on establishment or liquidation of the Company's branches and representative offices and to approve their regulations;
- o) to decide on acquisition (alienation) by the Company of 10 (ten) and more per cent of the shares (participatory interests in the charter capital) in other legal entities; as well as formation, acquisition, divestment and capitalization of legal entities (including equity contribution) or business operations (in whole or in part);
- p) to make decisions on the matters of activity that are referred to the reserved matters of general meeting of shareholders (participants) of a legal entity in which 10 (ten) and more per cent of shares (participatory interest) are held by the Company;
- q) to increase the Company's liabilities by the amount of 1 700 000 000 (one billion seven hundred million) tenge or more;
- r) to increase the Company's liabilities by the amount of 10 (ten) and more per cent of its equity capital;
- s) to determine information related to the Company or its activities that constitutes official secret, commercial secret, or another legally protected secret;
- t) to decide on the Company's entering into any major transaction, resulting in the Company alienating the property with the value from 25 (twenty five) to 50 (fifty) percent of the total book value of the Company's assets;
- u) to decide on the Company's entering into any related-party transaction subject to the mandatory provisions of the Law;
- v) to approve annual budgets of the Company;
- w) to approve operating expenditures included in the yearly Financial Plan as approved by the Board in excess of 1 700 000 000 (one billion seven hundred million) tenge comprising all costs in the underlying EBITDA plus normal depreciations, but consequently not including depreciations, write-offs, capital gains/losses, restructuring costs and other items that are outside of ordinary course of business;
- x) to approve network related capital expenditures in the amount equal or more than 1 700 000 000 (one billion seven hundred million) tenge (excluding expenditures on frequency related licenses), including all investment costs for intangible and tangible fixed assets and related OPEX, included in the yearly financial plan as approved by the Board of Directors;
- y) to approve other capital expenditures in the amount equal or more than 1 700 000 000 (one billion seven hundred million) tenge, including all investment costs for intangible and tangible fixed assets and related OPEX, included in the yearly financial plan as approved by the Board of Directors;
- z) to approve capital expenditures (excluding expenses on frequency related licenses), including all investment costs for intangible and tangible fixed assets and related OPEX, not included in the yearly financial plan as approved by the Board of Directors;
- aa) to approve material changes to the organization, as well as matters of unusual nature or major importance;
- bb) to approve changes to the accounting principles;
- cc) to approve depreciations, write-offs, sale of balance sheet assets, capital gains/losses, restructuring costs and other items that are outside of ordinary course of business;
- dd) to approve write-offs and sale of balance sheet assets within ordinary course of business when the value of assets is above 20 000 000 (twenty million) tenge;
- ee) to approve strategic pricing decisions;
- ff) to approve initiation of litigations or settlement of disputes above 400 000 000 (four hundred million) tenge;

- gg) to approve sale or acquisition of real estate (excluding technical sites);
- hh) to approve entering into the property rental agreement in case its total value for the entire committed period is above 40 000 000 (forty million) tenge;
- ii) to approve the contract/s covering 5 (five) years or more in case their termination by notice without penalty is not possible (including e.g. property rental agreements, power, contracts with resellers);
- jj) to decide on Company's application for the new frequencies;
- kk) to approve guarantees from the Company for the liabilities of any other entity than itself;
- ll) to approve external financing;
- mm) to approve brand strategy and customer macro segmentation;
- nn) to approve Technology Strategy, Architecture and Roadmaps for Networks, IT and products;
- oo) to approve Governance model, Strategy, Architecture and Roadmaps for Security;
- pp) to approve variable Pay Schemes for CEO and Directors reporting directly to the CEO;
- qq) to decide on any other matters as set forth by Kazakhstan legislation and (or) the Charter other than those referred to the reserved matters of the General Meeting.

4. Paragraph 44 shall be amended to read as follows:

« CEO shall:

- a) arrange for performance of the decisions of the General Meeting and Board;
- b) act on behalf of the Company in relations with third parties without power of attorney;
- c) issue powers of attorney to represent the Company in its relations with third parties;
- d) hire, rotate and dismiss employees of the Company (except for the cases established by the Law and the Charter), apply incentives and impose disciplinary sanctions, establish amounts of salaries of the Company's employees and personal premiums to the salaries in accordance with the staff schedule of the Company, identify amounts of bonuses to the employees of the Company, except for employees being members of the executive body and internal audit department of the Company;
- e) in case of his/her absence, assign performance of his/her duties to another senior manager who reports directly to the CEO;
- f) distribute duties as well as authorities and responsibilities among senior managers;
- g) subject to paragraph 43, make decisions on and sign on behalf of the Company any agreement (contract) or another document under which the Company is subject to liabilities whose total amount is no more than 1 700 000 000 (one billion seven hundred million) tenge;
- h) to approve write-offs and sale of balance sheet assets within ordinary course of business when the value of assets is below or equal to 20 000 000 (twenty million) tenge;
- i) have authorities on initiation of litigations or settlement of disputes below or equal to 400 000 000 (four hundred million) tenge;
- j) notify the Board of Director on the change of the pricing strategy;

- k) notify the Board of Directors of any circumstances that could give rise to a claim or litigation concerning Company in a matter of value exceeding 200 000 000 (two hundred million) tenge, or if the claim or litigation is a matter of an unusual nature;
- l) have authorities on entering into the property rental agreements in case their total value for the entire committed period is not exceeding 40 000 000 (forty million) tenge;
- m) perform other duties identified by the Charter and decisions of the General Meeting and the Board.

Chief Executive Officer

Arti Ots