

POLICY
ON THE PROVISION OF SPONSORSHIP AND/OR CHARITABLE ASSISTANCE BY JSC
"KAZAKHTELECOM"

1. General Provisions

1. This Policy for the provision of sponsorship and/or charitable assistance by JSC "Kazakhtelecom" (hereinafter referred to as the Policy) delineates the main directions for providing sponsorship and/or charitable assistance by JSC "Kazakhtelecom" (hereinafter referred to as the Company), establishes the procedure for forming the expenditure part of the budget for sponsorship/charitable assistance, and ensures monitoring and control over its expenditure.

2. The objective of this Policy is to ensure transparency in the planning mechanism and effective management of costs for the provision of sponsorship and/or charitable assistance within the framework of the approved annual budget/Development Plan of the Company.

3. Key Definitions Used in this Policy:

Charitable assistance is property provided free of charge:

to individuals for the purpose of providing them with social support;

to non-profit organizations to support their statutory activities;

to organizations operating in the social sphere to enable them to carry out activities in the social sphere as defined by the tax legislation of the Republic of Kazakhstan;

to organizations operating in the social sphere that meet the conditions imposed by the tax legislation of the Republic of Kazakhstan for organizations operating in the social sphere;

Annual expenditure plan is the planned amount within the approved annual budget/Development Plan of the Company sanctioned by the Board of Directors for the provision of sponsorship and/or charitable assistance;

Appeal is a written request from a legal (non-profit) or individual entity for sponsorship or charitable assistance;

Recipient is a legal (non-profit) or individual entity receiving sponsorship or charitable assistance in accordance with the established procedure;

Sponsorship assistance is property provided free of charge with the aim of disseminating information about the entity providing such assistance:

to individuals in the form of financial (excluding social) support for participation in competitions, contests, exhibitions, reviews, and for the development of creative, scientific, scientific-technical, inventive activities, increasing the level of education and sportsmanship;

to non-profit organizations for the realization of their statutory objectives;

Fund is Joint Stock Company "National Welfare Fund "Samruk-Kazyna".

4. Sponsorship and/or charitable assistance is not provided to religious organizations, political parties, commercial organizations, institutions (including military institutions and organizations, military units), and consumer cooperatives.

2. Principles and Key Directions of Providing Sponsorship and/or Charitable Assistance

5. Principles of Providing Sponsorship and/or Charitable Assistance:

- 1) Existence of an objective necessity (appropriateness) for providing sponsorship and/or charitable assistance;
- 2) Transparency and accountability in decision-making;
- 3) Practical effectiveness of activities in providing sponsorship and/or charitable assistance;
- 4) Availability of funds in the annual budget/Development Plan for providing sponsorship and/or charitable assistance;
- 5) Control over the targeted use of funds allocated within the framework of sponsorship and/or charitable assistance;
- 6) Positive impact on enhancing the Company's image.

6. The main directions of providing sponsorship assistance include support for:

- 1) Events commissioned by the President of the Republic of Kazakhstan, the Prime Minister of the Republic of Kazakhstan, the Head of the Presidential Administration of the Republic of Kazakhstan;
- 2) Activities related to emergencies of a natural and man-made nature;
- 3) Social projects, specific sports;
- 4) International conferences, forums with the participation of the Head of State, members of the Government of the Republic of Kazakhstan, members of the Board of Directors, and the Management Board of the Company.

7. The main directions of providing charitable assistance include support for:

- 1) Statutory activities of veteran organizations, disabled persons, children's homes and centers, and other non-profit organizations in the social sphere;
- 2) Pensioners registered with the Company and other individuals, in accordance with the collective agreement concluded.

8. Sponsorship and/or charitable activities should contribute to strengthening the Company's reputation, creating a positive image, increasing recognition, and improving the perception of the Company by civil society.

Sponsorship activities should be accompanied by corresponding measures in the media.

3. Planning of Funds for Providing Sponsorship and/or Charitable Assistance

9. Annually, the Board of Directors of the Company approves the Annual Expenditure Plan (one percent of the Company's consolidated net profit) within the framework of the annual budget/Development Plan.

10. Expenses for providing sponsorship and/or charitable assistance may be provided for in the annual budget/Development Plan only if the Company plans to generate net income.

11. The Annual Expenditure Plan is not developed, and sponsorship and/or charitable assistance is not provided by the Company in the event of a negative financial result for the

reporting period (half-year, year), or if providing sponsorship and/or charitable assistance in accordance with the established procedure will result in a negative financial result.

12. Adjustment of the Annual Expenditure Plan is carried out in accordance with the procedure within the framework of adjusting the annual budget/Development Plan of the Company, approved by the decision of the Board of Directors of the Company.

4. Provision of Sponsorship and/or Charitable Assistance

13. Sponsorship and/or charitable assistance within the limits of the Annual Expenditure Plan are provided by the Company based on decisions of the Company's Board of Directors.

14. Provision of sponsorship assistance may be formalized by a contract concluded with the assistance recipient.

The contract should include:

- Terms and purposes of providing sponsorship assistance;
- Conditions for monitoring the targeted use of allocated funds and property;
- Conditions for using the Company's logo;
- Procedure for disseminating other information about the Company in the activities of the sponsorship assistance recipient, as well as during events organized by the sponsorship assistance recipient;
- The recipient's obligation to reimburse the provided funds and property in case of their non-targeted use.

15. To reduce the Company's taxable income, the transfer of funds for sponsorship and/or charitable assistance is made directly by the Company to the recipient based on their written request.

16. Sponsorship and/or charitable assistance provided in the form of monetary allocations is carried out by transferring funds to the bank accounts, the banking details of which are contained in contracts, applications, or decisions of the Company's Board of Directors.

In certain cases, monetary funds allocated as sponsorship and/or charitable assistance are disbursed in cash from the Company's cashier or transferred to the recipient's bank card, if provided for in the Company's internal documents.

17. Sponsorship and/or charitable assistance in kind (in the form of providing property/goods free of charge, performing works, or providing services) is provided by transferring such property based on an acceptance-transfer act (waybill), a report on completed works (services), signed by authorized representatives of the Company and the assistance recipient.

18. Taxes and other mandatory payments are included in the amount of sponsorship and/or charitable assistance provided, which are calculated and withheld in cases and in the manner provided by the legislation of the Republic of Kazakhstan.

5. Ensuring Monitoring of Targeted Expenditure of Funds for the Provision of Sponsorship and/or Charitable Assistance

19. Monitoring of the targeted expenditure of funds allocated for the provision of sponsorship and/or charitable assistance, as well as the recording of reviewed and satisfied requests for sponsorship and/or charitable assistance, and requests for which a negative decision has been made, is carried out by the responsible department of the Company.

20. In case of identifying instances of non-targeted use of funds by the assistance recipient, newly submitted requests from them to the Company are not considered for review. The funds allocated or the property provided to them, in the extent of non-targeted use, are subject to return in accordance with the legislation of the Republic of Kazakhstan and/or the contract.

21. Information about instances of non-targeted use of funds by the assistance recipient is forwarded by the Company to the Fund for the purpose of making effective decisions when considering issues related to the provision of sponsorship and/or charitable assistance.

6. Reporting

22. A report on the provision of sponsorship and/or charitable assistance, including a breakdown by recipients, indicating the decisions made by the Board of Directors of the Company and the reasons for making these decisions, shall be submitted to the Fund with the following periodicity:

- Semi-annual, no later than the 15th day of the second month following the reporting period;
- Annual, no later than the 20th day of the third month following the reporting year.