

**Appendix 2
to the Decision of the Board of Directors
of JSC «Kazakhtelecom»
dated April 21, 2023 №5**

The sustainability policy of JSC «Kazakhtelecom»

1. General Provisions

1. The current Sustainable Development Policy of JSC «Kazakhtelecom» (hereinafter referred to as the Policy) is developed in accordance with the legislation of the Republic of Kazakhstan, the Charter of JSC «Kazakhtelecom» (hereinafter the Company, including Joint Stock Company «Kazakhtelecom» and its subsidiaries), and the Corporate Governance Code of the Company, with the aim of systematizing the Company's approaches to sustainable development activities.

2. Terms and Definitions

2. In this Policy, the following terms are used with the corresponding definitions:

1) Sustainable Development - development that meets the needs of the present without compromising the ability of future generations to meet their own needs;

2) ESG - abbreviation for Environmental, Social, and Governance, implying a system that helps stakeholders understand how the Company manages risks and opportunities related to environmental, social, and governance criteria;

3) Stakeholders - an individual or group of individuals whose interests are affected or may be affected by the Company's activities;

4) Stakeholder Engagement - procedures and processes implemented in the Company to involve stakeholders in its activities;

5) Environment - the combination of natural environment components, natural and natural-anthropogenic objects, as well as anthropogenic objects;

6) Sustainability Reporting (non-financial reporting) - is the informational reflection of JSC «Kazakhtelecom's» activities in the field of sustainable development through the issuance of systematic reporting on the spectrum of issues reflected in this policy and other issues of concern to stakeholders;

7) Global Reporting Initiative (GRI) - a non-financial reporting standard developed by the Global Reporting Initiative, which allows organizations worldwide to assess their achievement of sustainable development standards using a set of indicators and publish results similar to financial reports.

3. Goals

3. The objectives of this Policy are:

1. Establishing general principles of activity in the field of sustainable development to be followed by the Company:

1) In establishing a management system in the field of sustainable development, in relations with partners and stakeholders to ensure long-term sustainable development.

2) In setting goals and objectives in the field of sustainable development, as well as evaluating the effectiveness of relevant activities;

3) In preparing sustainability reporting.

4. This Policy applies to all subsidiaries and branches of the Company, is public, and is subject to review as necessary. The Policy must be complied with by all officials and employees, contractors, and included in the Company's business relations system with partners.

5. The provisions of the Policy and the Company's activities within its implementation take into account the provisions of the following key international documents and local legal acts in the field of sustainable development:

- Universal Declaration of Human Rights adopted by the UN General Assembly on December 10, 1948;
- International Bill of Human Rights;
- Declaration of the International Labor Organization "Fundamental Principles and Rights at Work" of June 18, 1998;
- Guiding Principles on Business and Human Rights adopted by the UN Human Rights Council resolution on June 16, 2011, №17/4;
- United Nations Global Compact Principles;
- Resolution "Transforming our world: the 2030 Agenda for Sustainable Development" adopted by the United Nations General Assembly on September 25, 2015;
- Paris Agreement adopted on December 12, 2015, by the 21st session of the Conference of the Parties to the United Nations Framework Convention on Climate Change;
- Global Reporting Initiative Sustainability Reporting Guidelines;
- International Standard for Stakeholder Engagement AA1000 (Accountability Principles, Stakeholder Engagement Standard);

- Green Bond Principles (GBP) of the International Capital Market Association (ICMA);
- Order of the Minister of Ecology, Geology and Natural Resources of the Republic of Kazakhstan "On approval of the rules for the organization and implementation of the climate change adaptation process" dated June 2, 2021, №170;
- Order of the Acting Minister of Ecology, Geology and Natural Resources of the Republic of Kazakhstan "On approval of the Rules for trading carbon units" dated June 29, 2021, №221;
- Environmental Code of the Republic of Kazakhstan dated January 2, 2021, №400-VI ZRK;
- Resolution of the Government of the Republic of Kazakhstan "On approval of the classification (taxonomy) of "green" projects eligible for financing through "green" bonds and "green" loans" dated December 31, 2021, №996;
- Decree of the President of the Republic of Kazakhstan "On approval of the Strategy for achieving carbon neutrality of the Republic of Kazakhstan by 2060" dated February 2, 2023, №121;
- Resolution of the Government of the Republic of Kazakhstan "On approval of the Plan of priority measures in the field of human rights" dated June 11, 2021, №405;
- "Concept of implementation and development of green financing tools and principles" of the International Financial Center "Astana".

4. Sustainable Development Principles

6. JSC «Kazakhtelecom» fully supports international principles in the field of sustainable development, including the principles of initiatives, documents, and organizations such as the UN Sustainable Development Goals, the UN Global Compact, the International Labour Organization, and the Universal Declaration of Human Rights.

7. The sustainable development principles outlined in the Corporate Governance Code of JSC «Kazakhtelecom» include openness, accountability, transparency, ethical behavior, respect for stakeholders' interests, human rights compliance, intolerance of corruption, avoidance of conflicts of interest, and personal example.

Explanation of the principles:

1) Openness: We are open to meetings, discussions, and dialogue. We aim to build long-term cooperation with stakeholders based on mutual interests, respecting rights and balancing the interests of the Company and stakeholders;

2) Accountability: We recognize our accountability for the impact on the economy, environment, and the Company. We acknowledge our responsibility to

shareholders and investors for long-term value growth and sustainable development. We aim to minimize the negative impact of our activities on the environment and the Company through careful resource management, energy-efficient technologies, and promoting sustainable development goals. We pay taxes and fees to the state budget, create and maintain jobs, and contribute to the development of local communities;

3) Transparency: Our decisions and actions must be clear and transparent to stakeholders. We disclose information in compliance with legal requirements and confidentiality norms;

4) Ethical behavior: Our decisions and actions are guided by values such as respect, honesty, openness, teamwork, trust, integrity, and fairness.

5) Respect: We respect the rights and interests of stakeholders, as provided by law, contracts, or business relationships.

6) Human rights compliance: We comply with and promote compliance with human rights provided by the Constitution and international documents. We prohibit the use of child labor and strive to ensure the safety and well-being of our employees.

7) Intolerance of corruption: We declare zero tolerance for corruption in all its forms. Employees involved in corruption are subject to dismissal and legal action.

8) Avoidance of conflicts of interest: Personal interests of employees should not influence their impartiality in performing their duties. We take measures to prevent, detect, and eliminate conflicts of interest.

9) Personal example: Each of us contributes to the implementation of sustainable development principles in our daily actions, behavior, and decision-making. Managers should motivate others by setting a personal example of sustainable development principles implementation.

5. Company and Stakeholders

8. The company strives to create an effective system of interaction with stakeholders based on the following key principles:

- Respect for interests and mutually beneficial cooperation.
- Timely informing stakeholders about all aspects of the company's activities.
- Regularity and consistency in interactions.
- Identification of stakeholders' expectations.
- Compliance with commitments made to stakeholders.
- Striving to maintain a balance of interests of all stakeholders in the decision-making process.
- Interaction in all key areas of the company's activities.

9. Based on the practice of interacting with stakeholders and assessing the significance of their influence on the company's current activities and strategic development, the company has identified the following stakeholder groups and their interests:

Shareholders and creditors: Interested in the long-term growth of the company's shareholder value.

Employees and trade unions: Expect full compliance with labor laws, safe and optimal working conditions, competitive salaries, and social benefits.

Subsidiary organizations: Interested in protecting the interests of shareholder participants.

Customers: Interested in quality and continuity of services, service standard improvements, and innovation implementation.

Partners and suppliers: Interested in cooperation based on mutually beneficial principles, transparency, compliance with ethical norms, supported by legislative acts and a Code of Business Ethics.

Government agencies: Interested in compliance with the legislation of the Republic of Kazakhstan, the company's participation in implementing priority strategies for socio-economic and cultural development of the country and regions.

Competitors: Interested in increasing market share.

International organizations: Expect engagement in international cooperation.

Financial institutions (banks): Expect interest in depositing free funds and servicing special accounts.

Kazakhstan Stock Exchange and the Unified Registrar: Interested in the development of the securities market.

Population: Interested in the quality of services provided, attractive service tariffs, employment opportunities, receipt of charitable assistance, and health safety.

Non-governmental organizations and media: Interested in adequate and timely informing the public about the expectations and concerns of local communities, increasing transparency, ensuring the autonomy and independence of non-governmental organizations, and enhancing their expertise.

10. The company has developed and regularly updates the Stakeholder Map of JSC «Kazakhtelecom» which includes a description of the strategy for interacting with stakeholders.

6. The Company's activities in the field of sustainable development

11. The company's activities in the field of sustainable development consist of harmoniously improving practices in three aspects: ESG - environmental, social, and corporate governance.

12. The company's priority activities in the environmental aspect include:

- Regular assessment of climate change-related risks and risk management;
- Climate change impact management;
- Biodiversity protection;
- Minimization of negative environmental impact.

13. The company's priority activities in the social aspect include:

- Respect for human rights, including workers' rights;
- Providing safe working conditions and caring for the health of employees;
- Ensuring principles of equal opportunities and diversity of personnel and preventing discrimination;
- Creating favorable conditions for employee training and development.

14. The company's priority activities in the corporate governance aspect include:

- Ensuring high-quality services and consumer rights protection;
- Continuous improvement of the corporate governance system;
- Combating corruption;
- Integrating sustainable development indicators into the company's performance metrics;
- Striving to ensure gender equality in the composition of the Board of Directors and Management.

7. Responsibility

15. The company must establish a management system in the field of sustainable development where roles, competencies, and responsibilities of each body and all employees are clearly defined and established.

16. The Board of Directors of the company actively participates in managing sustainable development and sets the tone from the top in this area. The Board of Directors defines the strategy and key directions of activities, reviews and approves sustainability reporting, monitors the implementation of sustainable development principles in the company's activities, and also manages sustainability risk issues, including climate risks.

17. The Audit and Sustainability Committee operates in the interests of the company's shareholders. Its work is aimed at assisting the Board of Directors by developing recommendations on topics related to sustainable development and monitoring the company's sustainability reporting.

18. The Management Board of the company manages and monitors activities in the field of sustainable development, assesses the achievement of goals and Key Performance Indicators in the field of sustainable development.

19. The Corporate Governance Department implements a system in the field of sustainable development, ensures proper implementation and integration of principles, policies, standards, and a sustainable development action plan in the company, develops a Stakeholder Map, interaction mechanisms, and prepares an annual sustainability report in accordance with GRI recommendations.

20. The Risk Management Division identifies risks in the field of sustainable development, including their inclusion in the company's Risk Register.

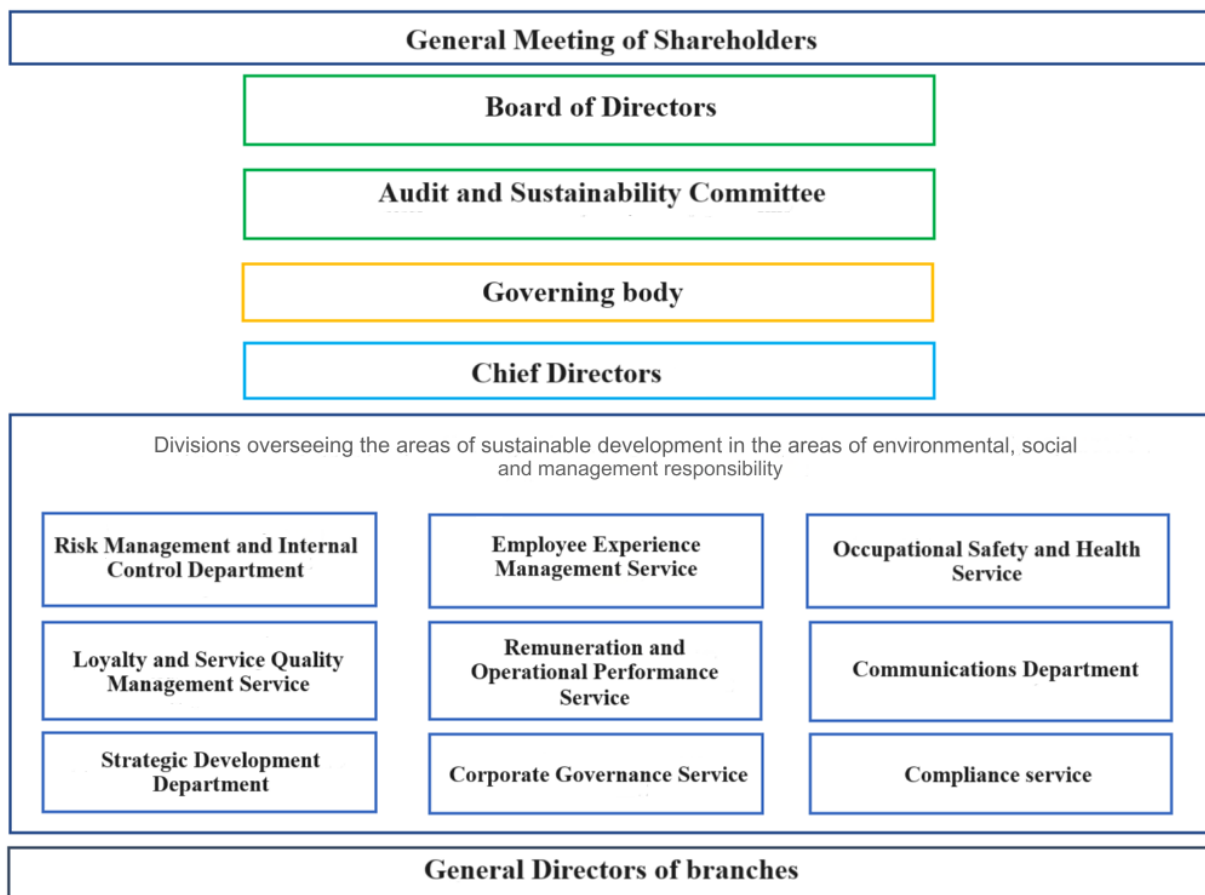
21. Management of sustainable development issues is carried out at all levels of the company's management.

22. Management of specific issues is carried out by supervising departments at the central office level of the company and at the branch level - departments and services overseeing specific areas of sustainable development in the directions of environmental, social, and managerial responsibility.

23. Relevant structural units regularly report on sustainability in their areas of activity.

24. The company's sustainable development management structure is presented in the diagram.

Sustainable development management structure of Kazakhtelecom JSC



8. Principles of Sustainability Reporting

25. The company commits to preparing sustainability reports on an annual basis while ensuring the protection of information that constitutes proprietary, commercial, and other legally protected secrets.

26. In preparing sustainability reports, the company adheres to international standards of non-financial reporting (such as the Global Reporting Initiative's Sustainability Reporting Guidelines). The company fully embraces the principles of sustainability reporting outlined in the GRI Guidelines.

27. The sustainability report is approved by the company's Board of Directors and made available to stakeholders through publication on the corporate website. Sustainability matters are also included on the agenda of the company's Board of Directors meetings.

9. Final Provisions

28. The Company deems it necessary to ensure continuous improvement of this Policy and considers the possibility of its updating in accordance with the dynamics of the Company's development.

29. This Policy is approved by the Board of Directors of the Company. Control over the implementation of the Policy is entrusted to the Chairman of the Board of the Company.